WB-11 RESIDENTIAL OFFER TO PURCHASE

LICENSEE DRAFTING THIS OFFER ON ____________________ [DATE] IS (AGENT OF BUYER) (AGENT OF SELLER/LISTING FIRM) (AGENT OF BUYER AND SELLER) STRIKE THOSE NOT APPLICABLE

The Buyer, ______________________________, offers to purchase the Property known as [Street Address] ______________________________ ______________________________ in the ______________ of ______________________________, County of ____________________, Wisconsin (insert additional description, if any, at lines 570-590 or in an addendum per lines 591-598), on the following terms:

PURCHASE PRICE The purchase price is ______________________________ ______________________________ Dollars ($ ____________________).

INCLUDED IN PURCHASE PRICE Included in purchase price is the Property, all Fixtures on the Property as of the date stated on line 1 of this Offer (unless excluded at lines 20-23), and the following additional items: ______________________________ ______________________________ ______________________________ ______________________________ ______________________________.

NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are included or not included.

NOT INCLUDED IN PURCHASE PRICE Not included in purchase price is Seller's personal property (unless included at lines 12-16) and the following: ______________________________ ______________________________ ______________________________ ______________________________.

CAUTION: Identify Fixtures that are on the Property (see lines 26-36) to be excluded by Seller or that are rented (e.g., water softeners or other water treatment systems, LP tanks, etc.) and will continue to be owned by the lessor.

"Fixture" is defined as an item of property which is physically attached to or so closely associated with land, buildings or improvements so as to be treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the premises, items specifically adapted to the premises and items customarily treated as fixtures, including, but not limited to, all: garden bulbs; plants; shrubs and trees; screen and storm doors and windows; electric lighting fixtures; window shades; curtain and traverse rods; blinds and shutters and available remote(s); central heating and cooling units and attached equipment; water heaters, water softeners and treatment systems; sump pumps; attached or fitted floor coverings; awnings; attached antennas and satellite dishes (but not the component parts); audio/visual wall mounting brackets (but not the audio/visual equipment); garage door opener and available remote(s); installed security systems; central vacuum systems and accessories; in-ground sprinkler systems and component parts; built-in appliances; ceiling fans and any remote(s) if required for operating; fences; in-ground pet containment systems including receiver components; storage buildings on permanent foundations and docks/piers on permanent foundations.

CAUTION: Exclude any Fixtures to be retained by Seller or that are rented (e.g., water softeners or other water treatment systems, LP tanks, etc.) on lines 20-23 or at lines 570-590 or in an addendum per lines 591-598.

BINDING ACCEPTANCE This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before ______________________________. Seller may keep the Property on the market and accept secondary offers after binding acceptance of this Offer.

CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.

ACCEPTANCE Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical copies of the Offer.

CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term Deadlines running from acceptance provide adequate time for <u>both</u> binding acceptance and performance.

CLOSING This transaction is to be closed on ______________________________ ______________________________ at the place selected by Seller, unless otherwise agreed by the Parties in writing. If the date for closing falls on Saturday, Sunday, or a federal or a state holiday, the closing date shall be the next Business Day.

CAUTION: To reduce the risk of wire transfer fraud, any wiring instructions received should be independently verified by phone or in person with the title company, financial institution, or entity directing the transfer. The real estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or money transfer instructions.

EARNEST MONEY

■ EARNEST MONEY of $ ______________________ accompanies this Offer.
If the Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.
■ EARNEST MONEY of $ ______________________ will be mailed, or commercially, electronically or personally delivered within ________ days ("5" if left blank) after acceptance.
All earnest money shall be delivered to and held by (listing Firm) (drafting Firm) (other identified as ______________ ____) **STRIKE THOSE NOT APPLICABLE**
(listing Firm if none chosen; if no listing Firm, then drafting Firm; if no Firm then Seller).
CAUTION: If a Firm does not hold earnest money, an escrow agreement should be drafted by the Parties or an attorney as lines 67-87 do not apply. If someone other than Buyer pays earnest money, consider a special disbursement agreement.
■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise agreed in writing.
■ DISBURSEMENT IF EARNEST MONEY HELD BY A FIRM: If negotiations do not result in an accepted offer and the earnest money is held by a Firm, the earnest money shall be promptly disbursed (after clearance from payer's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been delivered to the Firm holding the earnest money within 60 days after the date set for closing, that Firm may disburse the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; (4) upon authorization granted within this Offer; or (5) any other disbursement required or allowed by law. The Firm may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and the Firm may deduct from the earnest money any costs and reasonable attorneys' fees, not to exceed $250, prior to disbursement.
■ LEGAL RIGHTS/ACTION: The Firm's disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by the Firm holding the earnest money. At least 30 days prior to disbursement per (1), (4) or (5) above, where the Firm has knowledge that either Party disagrees with the disbursement, the Firm shall send Buyer and Seller written notice of the intent to disburse by certified mail. If Buyer or Seller disagrees with the Firm's proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with one-to-four dwelling units. Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties agree to hold the Firm harmless from any liability for good faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and Professional Services regulations concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

TIME IS OF THE ESSENCE "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of closing; (5) contingency Deadlines STRIKE AS APPLICABLE and all other dates and Deadlines in this Offer except: ____ ____. If "Time is of the Essence" applies to a date or Deadline, failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a date or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

REAL ESTATE CONDITION REPORT Wisconsin law requires owners of property that includes one-to-four dwelling units to provide Buyers with a Real Estate Condition Report. Excluded from this requirement are sales of property that has never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed fiduciaries, (for example, personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stat. § 709.03. The law provides: "§ 709.02 Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance of the contract of sale . . ., to the prospective Buyer of the property a completed copy of the report . . . A prospective Buyer who does not receive a report within the 10 days may, within two business days after the end of that 10-day period, rescind the contract of sale . . . by delivering a written notice of rescission to the owner or the owner's agent." Buyer may also have certain rescission rights if a Real Estate Condition Report disclosing defects is furnished before expiration of the 10 days, but after the Offer is submitted to Seller. Buyer should review the report form or consult with an attorney for additional information regarding rescission rights.

PROPERTY CONDITION REPRESENTATIONS Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge of Conditions Affecting the Property or Transaction (lines 112-177) other than those identified in Seller's Real Estate Condition Report dated ____________________, which was received by Buyer prior to Buyer signing this Offer and which is made a part of this Offer by reference COMPLETE DATE OR STRIKE AS APPLICABLE and ___
____
____
______________________________ INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT

"Conditions Affecting the Property or Transaction" are defined to include:
a. Defects in the roof, basement or foundation (including cracks, seepage and bulges), electrical system, or part of the plumbing system (including the water heater, water softener and swimming pool); or basement, window, or plumbing leaks; overflow from sinks, bathtubs, or sewers; or other water or moisture intrusions or conditions.

b. Defects in heating and air conditioning system (including the air filters and humidifiers); in a wood burning stove or fireplace; or caused by a fire in a stove or fireplace or elsewhere on the Property.

c. Defects related to smoke detectors or carbon monoxide detectors, or a violation of applicable state or local smoke detector or carbon monoxide detector laws.

d. Defects in any structure, or mechanical equipment included as Fixtures or personal property.

e. Rented items located on the Property such as a water softener or other water conditioner system.

f. Defects caused by unsafe concentrations of, or unsafe conditions on the Property relating to radon, radium in water supplies, lead in paint, soil or water supplies, unsafe levels of mold, asbestos or asbestos-containing materials or other potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other hazardous or toxic substances on the Property; or high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property.

NOTE: Specific federal lead paint disclosure requirements must be complied with in the sale of most residential properties built before 1978.

g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic substances on neighboring properties.

h. The Property is served by a joint well; Defects related to a joint well serving the Property; or Defects in a well on the Property or in a well that serves the Property, including unsafe well water.

i. A septic system or other private sanitary disposal system serves the Property; Defects in the septic system or other sanitary disposal system on the Property; or any out−of−service septic system serving the Property not closed or abandoned according to applicable regulations.

j. Underground or aboveground fuel storage tanks on or previously located on the Property; or Defects in the underground or aboveground fuel storage tanks on or previously located on the Property. (The owner, by law, may have to register the tanks with the Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in use or not. Department regulations may require closure or removal of unused tanks.)

k. "LP" tank on the Property (specify in the additional information whether the tank is owned or leased); or Defects in an "LP" tank on the Property.

l. Notice of property tax increases, other than normal annual increases, or pending Property reassessment; remodeling that may increase the Property's assessed value; pending special assessments; or Property is within a special purpose district, such as a drainage district, that has authority to impose assessments.

m. Proposed construction of a public project that may affect use of the Property; Property additions or remodeling affecting Property structure or mechanical systems during Seller's ownership without required permits; or any land division involving the Property without required state or local permits.

n. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit and there are common areas associated with the Property that are co−owned with others.

o. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain, wetland or shoreland zoning area; or the Property is subject to a shoreland mitigation plan required by Wisconsin Department of Natural Resources (DNR) rules that obligates the Property owner to establish or maintain certain measures related to shoreland conditions, enforceable by the county.

p. Nonconforming uses of the Property; conservation easements, restrictive covenants or deed restrictions on the Property; or, other than public rights of way, nonowners having rights to use part of the Property, including, but not limited to, private rights−of−way and easements other than recorded utility easements.

q. All or part of the Property has been assessed as agricultural land; has been assessed a use−value assessment conversion charge; or payment of a use−value assessment conversion charge has been deferred.

r. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.

s. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will be transferred with the Property because the dam is owned by a homeowners' association, lake district, or similar group of which the Property owner is a member.

t. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint driveway) affecting the Property.

u. Federal, state, or local regulations requiring repairs, alterations or corrections of an existing condition; or any insurance claims relating to damage to the Property within the last five years.

v. A pier attached to the Property not in compliance with state or local pier regulations; a written agreement affecting riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric operator.

w. Current or previous termite, powder-post beetle or carpenter ant infestations or Defects caused by animal, reptile, or other insect infestations.

x. Structure on the Property designated as an historic building; all or any part of the Property in an historic district; or one or more burial sites on the Property.

y. Agreements binding subsequent owners such as a lease agreement or extension of credit from an electric cooperative.

z. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26 IRC § 1445(f).

aa. Other Defects affecting the Property, including, without limitation, drainage easement or grading problems; or excessive sliding, settling, earth movement or upheavals.

INSPECTIONS AND TESTING Buyer may only conduct inspections or tests if specific contingencies are included as a part of this Offer. An "inspection" is defined as an observation of the Property, which does not include an appraisal or testing of the Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property for laboratory or other analysis of these materials. Seller agrees to allow Buyer's inspectors, testers and appraisers reasonable access to the Property upon advance notice, if necessary, to satisfy the contingencies in this Offer. Buyer or licensees or both may be present at all inspections and testing. Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.

NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the test (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of the contingency.

Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to Seller. Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

☐ **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 178-192).

(1) This Offer is contingent upon a Wisconsin registered or Wisconsin licensed home inspector performing a home inspection of the Property after the date on line 1 of this Offer that discloses no Defects.

(2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing an inspection of ____ ____ (list any Property component(s) to be separately inspected, e.g., swimming pool, roof, foundation, chimney, etc.) which discloses no Defects.

(3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection, provided they occur prior to the Deadline specified at line 206. Inspection(s) shall be performed by a qualified independent inspector or independent qualified third party.

Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).

CAUTION: Buyer should provide sufficient time for the home inspection and/or any specialized inspection(s), as well as any follow-up inspection(s).

This contingency shall be deemed satisfied unless Buyer, within ________ days ("15" if left blank) after acceptance, delivers to Seller a copy of the written inspection report(s) dated after the date on line 1 of this Offer and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.

For the purposes of this contingency, Defects do not include structural, mechanical or other conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

NOTE: "Defect" as defined on lines 451-453 means a condition that would have a significant adverse effect on the value of the Property; that would significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life of the premises.

■ **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure the Defects.

If Seller has the right to cure, Seller may satisfy this contingency by:

(1) delivering written notice to Buyer within ________ days ("10" if left blank) after Buyer's delivery of the Notice of Defects stating Seller's election to cure Defects;

(2) curing the Defects in a good and workmanlike manner; and

(3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and:

(1) Seller does not have the right to cure; or

(2) Seller has the right to cure but:

(a) Seller delivers written notice that Seller will not cure; or

(b) Seller does not timely deliver the written notice of election to cure.

☐ **RADON TESTING CONTINGENCY:** This Offer is contingent upon Buyer obtaining a current written report of the results of a radon test at the Property performed by a qualified third party in a manner consistent with applicable Environmental Protection Agency (EPA) and Wisconsin Department of Health Services (DHS) protocols and standards indicating an EPA average radon level of less than 4.0 picoCuries per liter (pCi/L), at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither is stricken) expense.

This contingency shall be deemed satisfied unless Buyer, within _______ days ("20" if left blank) after acceptance delivers to Seller a written copy of the radon test results indicating a radon level of 4.0 pCi/L or higher and written notice objecting to the radon level in the report.

■ **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure. If Seller has the right to cure, Seller may satisfy this contingency by:

(1) delivering a written notice of Seller's election to cure within 10 days after delivery of Buyer's notice; and

(2) installing a radon mitigation system in conformance with EPA standards in a good and workmanlike manner and by giving Buyer a report of the work done and a post remediation test report indicating a radon level of less than 4.0 pCi/L no later than three days prior to closing.

This Offer shall be null and void if Buyer timely delivers the above written notice and report to Seller and:

(1) Seller does not have the right to cure; or

(2) Seller has the right to cure but:

(a) Seller delivers written notice that Seller will not cure; or

(b) Seller does not timely deliver the notice of election to cure.

NOTE: For radon information refer to the EPA at epa.gov/radon or the DHS at dhs.wisconsin.gov/radon.

IF LINE 248 IS NOT MARKED OR IS MARKED N/A LINES 296-307 APPLY.

[ ] **FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written __ ________________________________ [loan type or specific lender, if any] first mortgage loan commitment as described below, within __________ days after acceptance of this Offer. The financing selected shall be in an amount of not less than $ ______________________ for a term of not less than _______ years, amortized over not less than ___________ years. Initial monthly payments of principal and interest shall not exceed $ _______________. Buyer acknowledges that lender's required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium. Buyer agrees to pay discount points in an amount not to exceed __________% ("0" if left blank) of the loan. If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines 570-590 or in an addendum attached per lines 591-598. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination fees, to promptly apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller agrees to allow lender's appraiser access to the Property.

■ LOAN AMOUNT ADJUSTMENT: If the purchase price under this Offer is modified, any financed amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 264 or 265.

[ ] **FIXED RATE FINANCING:** The annual rate of interest shall not exceed __________%.

[ ] **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed _________%. The initial interest rate shall be fixed for _______ months, at which time the interest rate may be increased not more than ________% ("2" if left blank) at the first adjustment and by not more than _________% ("1" if left blank) at each subsequent adjustment. The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus _________% ("6" if left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

■ SATISFACTION OF FINANCING COMMITMENT CONTINGENCY: If Buyer qualifies for the loan described in this Offer or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of a written loan commitment. This contingency shall be satisfied if, after Buyer's review, Buyer delivers to Seller a copy of a written loan commitment (even if subject to conditions) that is:

(1) signed by Buyer; or

(2) accompanied by Buyer's written direction for delivery.

Delivery of a loan commitment by Buyer's lender or delivery accompanied by a notice of unacceptability shall not satisfy this contingency.

CAUTION: The delivered loan commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide the loan. Buyer understands delivery of a loan commitment removes the Financing Commitment Contingency from the Offer and shifts the risk to Buyer if the loan is not funded.

■ SELLER TERMINATION RIGHTS: If Buyer does not deliver a loan commitment on or before the Deadline on line 250, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of written loan commitment from Buyer.

■ FINANCING COMMITMENT UNAVAILABILITY: If a financing commitment is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of unavailability.

[ ] **SELLER FINANCING:** Seller shall have 10 days after the earlier of:

(1) Buyer delivery of written notice of evidence of unavailability as noted in lines 284-287; or

(2) the Deadline for delivery of the loan commitment set on line 250

to deliver to Buyer written notice of Seller's decision to finance this transaction with a note and mortgage under the same terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, the option for Seller to provide financing shall be considered waived. Buyer agrees to cooperate with and authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

IF THIS OFFER IS NOT CONTINGENT ON FINANCING COMMITMENT Within __________ days ("7" if left blank) after acceptance, Buyer shall deliver to Seller either:

(1) reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to close; or

(2)____
____[Specify documentation Buyer agrees to deliver to Seller].

If such written verification or documentation is not delivered, Seller has the right to terminate this Offer by delivering written notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not obtain mortgage financing but does not need the protection of a financing commitment contingency. Seller agrees to allow Buyer's appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of access for an appraisal constitute a financing commitment contingency.

☐ **APPRAISAL CONTINGENCY:** This Offer is contingent upon Buyer or Buyer's lender having the Property appraised at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated subsequent to the date stated on line 1 of this Offer, indicating an appraised value for the Property equal to or greater than the agreed upon purchase price.

This contingency shall be deemed satisfied unless Buyer, within ________ days after acceptance, delivers to Seller a copy of the appraisal report indicating an appraised value less than the agreed upon purchase price, and a written notice objecting to the appraised value.

■ **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

If Seller has the right to cure, Seller may satisfy this contingency by delivering written notice to Buyer adjusting the purchase price to the value shown on the appraisal report within _______ days ("5" if left blank) after Buyer's delivery of the appraisal report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an amendment initiated by either Party after delivery of Seller's notice, solely to reflect the adjusted purchase price.

This Offer shall be null and void if Buyer makes timely delivery of the notice objecting to appraised value and the written appraisal report and:

(1) Seller does not have the right to cure; or

(2) Seller has the right to cure but:

(a) Seller delivers written notice that Seller will not adjust the purchase price; or

(b) Seller does not timely deliver the written notice adjusting the purchase price to the value shown on the appraisal report.

NOTE: An executed FHA, VA or USDA Amendatory clause may supersede this contingency.

☐ **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of Buyer's property located at ____ no later than ___________________________________ (the Deadline). If closing does not occur by the Deadline, this Offer shall become null and void unless Buyer delivers to Seller, on or before the Deadline, reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to close or proof of bridge loan financing, along with a written notice waiving this contingency. Delivery of verification or proof of bridge loan shall not extend the closing date for this Offer.

☐ **BUMP CLAUSE:** If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer that another offer has been accepted. If Buyer does not deliver to Seller the documentation listed below within ________ hours ("72" if left blank) after Buyer's Actual Receipt of said notice, this Offer shall be null and void. Buyer must deliver the following:

(1) Written waiver of the Closing of Buyer's Property Contingency if line 328 is marked;

(2) Written waiver of ____
____ (name other contingencies, if any); and

(3) Any of the following checked below:

☐ Proof of bridge loan financing.

☐ Proof of ability to close from a financial institution or third party in control of Buyer's funds which shall provide Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close.

Other:____
____
[insert other requirements, if any (e.g., payment of additional earnest money, etc.)]

☐ **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of other secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days ("7" if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the time this Offer becomes primary.

HOMEOWNERS ASSOCIATION If this Property is subject to a homeowners association, Buyer is aware the Property may be subject to periodic association fees after closing and one-time fees resulting from transfer of the Property. Any one-time fees resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) **STRIKE ONE** ("Buyer" if neither is stricken).

CLOSING PRORATIONS The following items, if applicable, shall be prorated at closing, based upon date of closing values: real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners or homeowners association assessments, fuel and ____
____.

CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.

Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

Real estate taxes shall be prorated at closing based on CHECK BOX FOR APPLICABLE PRORATION FORMULA:

☐ The net general real estate taxes for the preceding year, or the current year if available (Net general real estate taxes are defined as general property taxes after state tax credits and lottery credits are deducted). NOTE: THIS CHOICE APPLIES IF NO BOX IS CHECKED.

☐ Current assessment times current mill rate (current means as of the date of closing).

☐ Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior year, or current year if known, multiplied by current mill rate (current means as of the date of closing).

☐ ____.

CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be substantially different than the amount used for proration especially in transactions involving new construction, extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local assessor regarding possible tax changes.

☐ **POST-CLOSING RE-PRORATION:** Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation and is the responsibility of the Parties to complete, not the responsibility of the real estate Firms in this transaction.

TITLE EVIDENCE

■ CONVEYANCE OF TITLE: **Upon payment of the purchase price, Seller shall convey the Property by warranty deed (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as provided herein),** free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's Real Estate Condition Report and in this Offer, general taxes levied in the year of closing and ____________________________
____
____ (insert other allowable exceptions from title, if any) that constitutes merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete and execute the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

WARNING: Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should be reviewed, particularly if Buyer contemplates making improvements to Property or a use other than the current use.

■ TITLE EVIDENCE: Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall pay all costs of providing title evidence to Buyer. Buyer shall pay the costs of providing the title evidence required by Buyer's lender and recording the deed or other conveyance.

■ GAP ENDORSEMENT: Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) (Buyer's) **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 411-416).

■ DELIVERY OF MERCHANTABLE TITLE: The required title insurance commitment shall be delivered to Buyer's attorney or Buyer not less than 5 business days before closing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per lines 384-392, subject only to liens that will be paid out of the proceeds of closing and standard title insurance requirements and exceptions.

■ TITLE NOT ACCEPTABLE FOR CLOSING: If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by the time set for closing. Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and the time for closing shall be extended as necessary for this purpose. If Seller is unable to remove said objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

■ SPECIAL ASSESSMENTS/OTHER EXPENSES: Special assessments, if any, levied or for work actually commenced prior to the date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution describing the planned improvements and the assessment of benefits.

CAUTION: Consider a special agreement if area assessments, property owners association assessments, special charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all sewer mains and hook-up/connection and interceptor charges), parks, street lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).

LEASED PROPERTY If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) **STRIKE ONE** lease(s), if any, are ____
____
____
______________________. Insert additional terms, if any, at lines 570-590 or attach as an addendum per lines 591-598.

DEFINITIONS

■ ACTUAL RECEIPT: "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written notice is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

■ BUSINESS DAY: "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive registered mail or make regular deliveries on that day.

■ BUYER CLIENT: A "Buyer Client" is a buyer who has an agency agreement with a firm for brokerage services and who receives client level services.

■ BUYER CUSTOMER: A "Buyer Customer" is a buyer who is provided brokerage services by a firm and any licensees associated with the firm, but who is not a client and who does not receive client level services.

■ DEADLINES: "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on the last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Time.

■ DEFECT: "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life of the premises.

■ FIRM: "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

■ OFFER OF COMPENSATION: An "Offer of Compensation" means an amount of compensation, offered as an incentive by Seller, to firms working with a Buyer Client or Buyer Customer, subject to any terms set by Seller as performance standards for entitlement to receive the Offer of Compensation, if any.

■ PARTY: "Party" means the Buyer or the Seller; "Parties" refers to both Buyer and Seller.

■ PROPERTY: Unless otherwise stated, "Property" means the real estate described at lines 4-8.

INCLUSION OF OPTIONAL PROVISIONS Terms of this Offer that are preceded by an OPEN BOX (☐) are part of this Offer ONLY if the box is marked such as with an "X". They are not part of this Offer if marked "N/A" or are left blank.

PROPERTY DIMENSIONS AND SURVEYS Buyer acknowledges that any land, building or room dimensions, or total acreage or building square footage figures, provided to Buyer by Seller or by a Firm or its agents, may be approximate because of rounding, formulas used or other reasons, unless verified by survey or other means.

CAUTION: Buyer should verify total square footage formula, total square footage/acreage figures, and land, building or room dimensions, if material.

DISTRIBUTION OF INFORMATION Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession data to multiple listing service sold databases; (iii) provide active listing, pending sale, closed sale and financing concession information and data, and related information regarding seller contributions, incentives or assistance, and third party gifts, to appraisers researching comparable sales, market conditions and listings, upon inquiry; and (iv) distribute copies of this Offer to the seller, or seller's agent, of another property that Seller intends on purchasing.

MAINTENANCE Seller shall maintain the Property and all personal property included in the purchase price until the earlier of closing or Buyer's occupancy, in materially the same condition it was in as of the date on line 1 of this Offer, except for ordinary wear and tear and changes agreed upon by Parties.

PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING If, prior to closing, the Property is damaged in an amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify Buyer in writing, and will be obligated to restore the Property to materially the same condition it was in as of the date on line 1 of this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later than closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in writing of the damage and this Offer may be terminated at option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

BUYER'S PRE-CLOSING WALK-THROUGH Within three days prior to closing, at a reasonable time pre-approved by Seller or Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no significant change in the condition of the Property, except for ordinary wear and tear and changes agreed upon by Parties, and that any defects Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

OCCUPANCY Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer at lines 570-590 or in an addendum attached per lines 591-598, or lines 427-432 if the Property is leased. At time of Buyer's occupancy, Property shall be in broom swept condition and free of all debris, refuse, and personal property except for personal property belonging to current tenants, or sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

DEFAULT Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A material failure to perform any obligation under this Offer is a default that may subject the defaulting party to liability for damages or other legal remedies.

If <u>Buyer defaults</u>, Seller may:

(1) sue for specific performance and request the earnest money as partial payment of the purchase price; or

(2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for actual damages.

If <u>Seller defaults</u>, Buyer may:

(1) sue for specific performance; or

(2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

In addition, the Parties may seek any other remedies available in law or equity. The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the arbitration agreement.

NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS DOCUMENT CAREFULLY. THE FIRM AND ITS AGENTS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.

ENTIRE CONTRACT This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of the Parties to this Offer and their successors in interest.

NOTICE ABOUT SEX OFFENDER REGISTRY You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections on the internet at http://www.doc.wi.gov or by telephone at (608) 240-5830.

FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA) Section 1445 of the Internal Revenue Code (IRC) provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA withholding applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property transferred, and the amount of any liability assumed by Buyer.

CAUTION: Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed upon the Property.

Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a condition report incorporated in this Offer per lines 105-108, or (2) no later than 10 days after acceptance, Seller delivers notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines 539-541 apply.

IF SELLER IS A NON-FOREIGN PERSON. Seller shall, no later than closing, execute and deliver to Buyer, or a qualified substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller's non-foreign status, Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or (2) declare Seller in default of this Offer and proceed under lines 503-510.

IF SELLER IS A FOREIGN PERSON. If Seller has represented that Seller is a Foreign Person, Buyer shall withhold the amount required to be withheld pursuant to IRC § 1445 at closing unless the Parties have amended this Offer regarding amounts to be withheld, any withholding exemption to be applied, or other resolution of this provision.

COMPLIANCE WITH FIRPTA. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement needed to comply with FIRPTA, including withholding forms. If withholding is required under IRC § 1445, and the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction, Seller shall deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement. Seller also shall pay to Buyer an amount not to exceed $1,000 for actual costs associated with the filing and administration of forms, affidavits, and certificates necessary for FIRPTA withholding and any withholding agent fees.

Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.

Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA exemption applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors regarding FIRPTA.

SELLER PAYMENT OF COMPENSATION TO DRAFTING FIRM

NOTE: Per Wis. Stat. § 452.19, for any transaction involving a property containing 1 to 4 residential dwelling units, any applicable Offer of Compensation to be paid by Seller is to be documented in the executed offer to purchase or option to purchase.

IF APPLICABLE, CHECK ONLY ONE OF THE TWO BELOW:

☐ **BUYER AGENT COMPENSATION (BUYER CLIENT):** Seller agrees to pay to Buyer's Firm the amount of ______________________________ (e.g., % of purchase price, dollar amount, etc.), toward Buyer's brokerage fees at closing. Payment made under this provision represents an economic adjustment only and does not create any agency relationship between Buyer's Firm and Seller, and the Parties agree Buyer's Firm is a direct and intended third party beneficiary of this contract. Payment by Seller to Buyer's Firm under this provision is in satisfaction of any Seller Offer of Compensation made to Buyer's Firm.

☐ **SELLER OFFER OF COMPENSATION (BUYER CUSTOMER):** Seller confirms making an Offer of Compensation to the firm working with the Buyer Customer and Seller agrees to pay to the firm working with the Buyer Customer the amount of ______________________________ (e.g., % of purchase price, dollar amount, etc.) as earned Offer of Compensation from Seller at closing. This provision may be used by a subagent or agent working with a Buyer Customer only in response to an Offer of Compensation and consistent with the duties owed by a subagent under Wis. Stat. Ch. 452. Payment by Seller to the firm working with the Buyer Customer under this provision is in satisfaction of any Seller Offer of Compensation made to the firm working with the Buyer Customer.

ADDITIONAL PROVISIONS/CONTINGENCIES ______________________________

☐ **ADDENDA:** The attached ______________________________

______________________________ is/are made part of this Offer.

DELIVERY OF DOCUMENTS AND WRITTEN NOTICES Unless otherwise stated in this Offer, delivery of documents and written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines 602-617.

(1) Personal: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at line 604 or 605.

Name of Seller's recipient for delivery, if any: ______________________________

Name of Buyer's recipient for delivery, if any: ______________________________

☐ (2) Fax: fax transmission of the document or written notice to the following number:

Seller: (_________) ______________________________ Buyer: (_________) ______________________________

☐ (3) Commercial: depositing the document or written notice, fees prepaid or charged to an account, with a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's address at line 613 or 614.

☐ (4) U.S. Mail: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's address.

Address for Seller: ______________________________

Address for Buyer: ______________________________

☐ (5) Email: electronically transmitting the document or written notice to the email address.

Email Address for Seller: ______________________________

Email Address for Buyer: ______________________________

PERSONAL DELIVERY/ACTUAL RECEIPT Personal delivery to, or Actual Receipt by, any named Buyer or Seller constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

This Offer was drafted by [Licensee and Firm] ______________________________

WIRE FRAUD WARNING! Wire Fraud is a real and serious risk. Never trust wiring instructions sent via email. Funds wired to a fraudulent account are often impossible to recover.

Criminals are hacking emails and sending fake wiring instructions by impersonating a real estate agent, Firm, lender, title company, attorney or other source connected to your transaction. These communications are convincing and professional in appearance but are created to steal your money. The fake wiring instructions may even be mistakenly forwarded to you by a legitimate source.

DO NOT initiate ANY wire transfer until you confirm wiring instructions IN PERSON or by YOU calling a verified number of the entity involved in the transfer of funds. Never use contact information provided by any suspicious communication.

Real estate agents and Firms ARE NOT responsible for the transmission, forwarding, or verification of any wiring or money transfer instructions.

(x)______________________________ ______________

Buyer's Signature ▲ Date ▲

Print Name Here ►

(x)______________________________ ______________

Buyer's Signature ▲ Date ▲

Print Name Here ►

SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

(x)______________________________ ______________

Seller's Signature ▲ Date ▲

Print Name Here ►

(x)______________________________ ______________

Seller's Signature ▲ Date ▲

Print Name Here ►

This Offer was presented to Seller by [Licensee and Firm] ______________________________

on ______________________ at __________ a.m./p.m.

This Offer is rejected ____________ ______ This Offer is countered [See attached counter] ____________ ______

Seller Initials▲ Date▲ Seller Initials▲ Date▲