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**OFFICE OF EDUCATION AND EXAMS**

**2009-2010 Continuing Education Requirements for  
Real Estate Brokers and Salespersons**

Licensees must complete 18 hours of continuing education during each biennium through six approved 3-hour courses. Courses 1, 2, 3 and 4 are mandatory, as well as two of the elective A – F courses.

Course 1	Listing Contracts	Mandatory
Course 2	Offer to Purchase	Mandatory
Course 3	New developments	Mandatory
Course 4	Buyer Agency Agreements	Mandatory
Elective A	Risk Reduction	2 Electives Required
Elective B	1031 Exchanges and Exchange Opportunities	2 Electives Required
Elective C	Condominiums	2 Electives Required
Elective D	Landlord/Tenant and Property Management	2 Electives Required
Elective E	Financing the Sale	2 Electives Required
Elective F	Broker Supervision	2 Electives Required

In lieu of continuing education, licensees may take a test-out exam administered by Pearson Vue, between July 1 of each odd numbered year and June 30 of each even numbered year:

Pearson Vue / Wisconsin Real Estate  
(888) 204-6284  
<http://www.asisvcs.com>.

Note: continuing education requirements do not apply in the biennium in which the license was first issued.

**The current biennium is December 15, 2008 – December 14, 2010**

## ***2009-2010 Wisconsin Real Estate Continuing Education Curriculum***

\* All the topics apply to the most current versions of the state-approved forms

Beginning with the 2009-2010 biennium, the following four courses are required.

### **Course 1 – Listing Contracts**

- Wis. Stat. §240.10 requirements for a valid agency agreement
- Exclusions
- Commission/Incentives
- Compensation to others
- Extension of listing
- Termination of listing
- Agency Relationships
  - Three models
  - Proper agency disclosure
  - Client vs. customer
  - Duties to clients
- Real estate condition report and/or RL 24
- Inspection of the property by the licensee
- Open house and showing responsibilities
- Definitions
- Various forms of business models (*e.g. limited service listing*)
- Procuring Cause
- WB-42 Amendment to the Listing Contract

### **Course 2 – Offer to Purchase**

- Inclusions/exclusions – the offer controls
- Acceptance vs. binding acceptance
- Withdrawal of offer
- Delivery
- Dates and deadlines
- Contingencies
  - Financing contingency
  - Loan commitment
  - Drafting enforceable contingencies
  - Waiver of contingencies
  - Continued marketing (“bump”) clause
  - Secondary offers
- Testing vs. inspection
  - Home inspection
  - Overview of home inspector responsibilities
- Earnest Money Disbursement
  - Disbursement
  - Alternatives to cash earnest money
  - Basics of trust accounts
- Signatures
- WB-40 Amendment to Offer to Purchase
- WB-41 Notice Relating to Offer to Purchase
- WB-44 Counter-Offer
- WB-45 Cancellation Agreement and Mutual Release
- WB-46 Multiple Counter-Proposal
- Other State-approved forms

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### **Course 3 – New Developments**

- E-commerce/e-mail delivery
- Short sales/Foreclosures
- Mortgage fraud and subprime mortgages
- Appraisal ethics and role of Uniform Standards of Professional Appraisal Practice (USPAP)
- Use value assessment
- Land use
  - Private Regulations to land use
    - Conditions
    - Covenants
    - Restrictions
    - Easements
  - Zoning
  - Pier regulations
  - Wetlands
  - Shoreland
  - Floodplain
  - FEMA remapping
- Representations by licensees of property dimensions
- Recent/relevant Case law
- Recent/relevant Legislative
- Fair Housing and Non-discrimination
- RL 16 Use of Addenda

### **Course 4 – Buyer Agency Agreements**

- Pre-agency
- Client vs. Customer
  - Duties to clients
  - Duties to customers
- Selling agent vs. buyer's agent
- Wis. Stat. §240.10 requirements for a valid agency agreement
- Disclosing buyer agency status
- Modifying the agency authorization
  - Exclusive right to locate and negotiate
  - Exclusive right to locate
  - Exclusive right to negotiate
- Note on lines 6-9
- Excluded properties lines 11-20
- Compensation/Incentives
- Brokers Duties
- Agency Relationships
  - Three models
  - Proper agency disclosure
- Definitions
- Term of the agreement lines 195-196
- Termination of agreement
- Extension of agreement term
- WB-47 Amendment to Buyer Agency Agreement

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**Elective Courses - all courses must pertain specifically to Wisconsin.**

Licensees must take **two** of the following elective courses.

**A - Risk Reduction**

- Advertising
  - RL 24
  - Fair Housing
- Disclosures
  - Required: Material adverse facts
  - Inspection of property by licensees
  - Asking seller about condition of property and getting response in writing
  - Wis. Stat. §452.23
  - Environmental issues
- Risk Reduction/Liability
  - Referral fees
  - Fee splitting
  - Affiliated business relationships (agreements with third parties: home warranty company, etc).
- Self-dealing
  - Representing immediate family relationships or business interest
  - Commissions
  - Disclosure of interest (builders)
  - Licensee as a buyer/ as a seller
- Closing issues
  - Title evidence prior to closing
  - Construction liens
  - Escrows
  - Tax proration
  - Lottery credit
  - Good funds at closing
  - Rental Property
    - Security deposits/leases
    - Rental weatherization
  - Transfer Return Form
- DRL: what is it?
  - The Real Estate Board
  - Forms
  - Statutes and rules
  - Division of Enforcement - complaint process
  - Disciplinary process
- Forms of ownership and who has to sign?
  - Married/homestead Partnership
  - Corporations
  - Limited Liability Company (LLC)
  - Co-ownership
    - Tenants in common
    - Joint tenants with the right of survivorship
    - Marital property

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- Survivorship marital property
- “As is” sales

### **B - 1031 Exchanges and Exchange Opportunities**

- Qualifying properties
- Overview of the process
- WB-35 Simultaneous Exchange Agreement
- Basic Tax principles (e.g.)
  - Gross income
  - Realization of income
  - Adjusted basis
  - Recognition of gain
  - Time value of money
  - Capital gain
  - Types of exchanges and overview
    - Simultaneous like-kind exchange
    - Deferred exchange (Starker)

### **C - Condominiums**

- WB-4 Condominium Listing
- WB-14 Condominium Offer to Purchase
- Addendum to Real Estate Condition Report
- Obtaining disclosure documents (Wis. Stat §703)
- Timelines for delivery and rescission and missing documents
- Licensee as recipient for delivery of condominium documents
- Planned Unit Development (PUD) vs. Condominium
- Reserve accounts
- Concerns with:
  - Pre-construction
  - New construction
  - Existing
- Various types of condominiums
  - Hotel/condos
  - Free standing condominium units
  - Parking spaces/boat slips

### **D - Landlord/Tenant and Property Management**

- Evictions
  - Notice timelines
  - Providing notice
- Disclosure documents
- Lead based paint disclosures
- Showing of property
- Security deposits
- Rental agreements
- Property Management Agreements
- Requirements for real estate license
- Department of Agriculture, Trade & Consumer Protection Ch. ATCP 134 - Residential Rental Practice

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- Ch. 704 – Landlord and Tenant

### **E - Financing the Sale**

- Conventional Loan Market
  - 20% down and Private mortgage insurance (PMI)
  - Basic underwriting requirements
- Federal Housing Administration (FHA) Loans
  - Purpose of FHA loans and government involvement
  - Basics of FHA loans
  - Qualifying for FHA loan
  - Lending limits for FHA loans
  - Quality construction standards
  - Other lesser known FHA loan programs
    - FHA section 234(c) for condominiums
    - Alternative documentation loan – Alt-A-Loan
- Veterans Administration (VA) Loans
  - Eligibility
  - Government involvement
  - General differences between FHA and VA loans
- Wisconsin Loan Programs
  - Wisconsin Housing and Economic Development Authority (WHEDA)
  - VA
- Down Payment Assistance Programs (DPA)
  - Purpose
  - Use with FHA loans
- Recent and Pending Housing Legislation
  - Home Ownership Act of 2007
  - Mortgage Forgiveness Debt Act of 2007
  - FHA Secure Program
  - HOPE NOW Alliance
  - Condominium Loan Rules by Fannie Mae and Freddie Mac
  - Neighborhood Stabilization Act of 2008 (H.R. 5818)

### **F - Broker Supervision**

- Office Management
- Leaving one company to go to another
  - Status of listings/buyer agency
  - Status of commissions earned prior to leaving
- Termination of agency agreements
- Modifying agency agreements
- Basics of independent contract agreements
- Trust accounts
- Confirming licensees are currently licensed
- Use of State Bar forms
- Record Retention
- Supervision Duties
  - Forms
  - Advertising
  - Marketing by agents