

Wisconsin Salesperson Real Estate Content Outline

Effective Date: March 1, 2011

The state portion of the salesperson examination consists of 140 scored items, plus 5-10 pretest items. The pretest items are not identified and will not affect a candidate's score in any way.

Note: All Wisconsin references are to the Wisconsin Statutes chapter number (e.g., Ch. 452) or to the Rules of the Department of Safety and Professional Services (e.g., SPS 16), unless otherwise noted.

I. Ownership and Transfer of Property (14 items)

- A. Property Ownership
 - 1. Definition of an encumbrance (easements, liens, encroachments, property taxes, special assessments)
 - 2. Differences between real and personal property
 - 3. Types of ownership under Wisconsin law (e.g., joint tenancy, tenancy in common, marital property)
- B. Transfer of Property
 - 1. Title insurance (preliminary report, gap insurance)
 - 2. Difference between warranty, quit claim, personal reps deed
 - 3. Definition of a deed
 - 4. Deeds, warranties, and defects in title
 - 5. Definition of chattel mortgage and bills of sale
Ref: Ch. 452.09(3)a
 - 6. Conveyances of real estate property, recording titles
Ref: Ch. 706.01(7); 706.02; 706.03(1m), (2), (4)

II. Land Use Controls and Regulations (5 items)

- A. Private controls (e.g. restrictions, deed conditions, covenants)
- B. Public controls of permitted use, conditional use, non-conforming use, variance, setbacks
- C. PUDS

III. Valuing and Financing Property; Calculations (20 items)

- A. Valuation and market analysis
 - 1. Comparative market analysis
 - 2. Definition of market value/assessed value/appraised value
 - 3. Principles of value
- B. Financing
 - 1. Types of loans (fixed, adjustable rate mortgage, balloon mortgages)
 - 2. Definitions (loan to value ratio, points, loan origination fees, private mortgage insurance)
 - 3. RESPA (Illegal kickbacks)
 - 4. Government programs (e.g. FHA, VA)
 - 5. Lending requirements
 - 6. Sources (seller/owner, land/installment contracts, primary market)
 - 7. Regulation Z
 - 8. Secondary market fraud
- C. Mathematics

- 1. Basic mathematical skills involved in real estate calculations
- 2. Prorations
- 3. Calculation property tax payment - mill rate times assessed value
- 4. Loan to value ratios
- 5. Calculation to transfer fee

IV. Agency (32 items)

- A. Laws of agency
 - 1. Types of agencies and agents
 - 2. Duties to customers and clients
Ref: Ch. 452.133-139
 - 3. Termination of agency
 - 4. Creation of agency
- B. Agency contracts
 - 1. WB-1 - Residential Listing Contract
 - 2. WB-4 - Residential Condominium Listing Contract
 - 3. WB-36 - Buyer Agency/Tenant Representation agreement
 - 4. Real estate agency contracts
Ref: Statute of Frauds – Ch. 240.10

V. Disclosures (13 items)

- A. Environmental disclosures (e.g., asbestos, UST)
- B. Disclosure by owners of residential real estate
Ref: Ch. 709
- C. Condominium disclosure requirements *Ref: 703.33*
- D. Federal lead-based paint disclosure law
- E. Other disclosure obligations *Ref: e.g., Ch. 452.23-4*

VI. Contract Law and Approved Forms (22 items)

- A. Contracts
 - 1. Approved forms and legal advice *Ref: SPS 16*
 - 2. Broker's obligation to furnish copies and maintain records
- B. Offers to Purchase
 - 1. WB-11 - Residential Offer to Purchase
 - 2. WB-13 – Vacant Land Offer to Purchase
 - 3. WB-14 – Residential Condominium Offer to Purchase
 - 4. WB-40-Amendment to Offer to Purchase
 - 5. WB-41 -Notice Relating to Offer to Purchase
 - 6. WB-44 -Counter-Offer
 - 7. WB-46-Multiple Counter Proposal

VII. Business Ethics (14 items)

- A. Conduct and ethical practice for real estate licenses
Ref: SPS 24
- B. Real estate practice *Ref: Ch. 452.01; 452.13, .14, .23*

VIII. Fair Housing (6 items)

- A. Fair Housing Law *Ref: Ch. 106.5*
- B. Local equal opportunities *Ref: Ch. 66.10-11*
- C. Providing auxiliary services for the disabled
(Americans with Disabilities Act)

IX. Federal Anti-trust Law (2 items)

- A. Price fixing
- B. Group boycotts

X. Miscellaneous (12 items)

- A. Trust accounts
Ref: SPS 18.02, .031, .05, .06, .07, .09; Ch. 452.13
- B. Fee splitting *Ref: Ch. 452.1*
- C. Licensure and supervision of employees *Ref: SPS 17*
- D. Legal effects of leases as they pertain to approved forms
- E. Rental residential practices
Ref: ATCP 134.02, .06, .09

Wisconsin Broker Real Estate Content Outline

Effective Date: March 1, 2011

The state portion of the broker examination consists of 100 scored items, plus 5-10 pretest items. The pretest items are not identified and will not affect a candidate's score in any way.

Note: All Wisconsin references are to the Wisconsin Statutes chapter number (e.g., Ch. 452) or to the Rules of the Department of Safety and Professional Services (e.g., SPS 16), unless otherwise noted.

I. Real Estate Practice (19 items)

- A. Licenses *Ch. 452.12*
- B. Trust accounts *Ch. 452.13*
- C. Duties of brokers *Ch. 452.133*
- D. Confirmation and disclosure of relationships
Ch. 452.135
- E. Brokers providing services to more than one client in a transaction
Ch. 452.137
- F. Changes in common law duties of brokers and parties
Ch. 452.139
- G. Disclosures, investigations and inspections by brokers and salespersons
Ch. 452.23
- H. Disclosure duty; immunity for providing notice about the sex offender registry
Ch. 452.24
- I. Disclosure requirements for condominiums
Ch. 703.33
- J. Licensure and supervision of employees
SPS 17.07, 17.08
- K. Change of name or address on license, trade name, or form of organization
SPS 23.02, 23.04

II. Trust accounts (12 items)

- A. Definitions *SPS 18.02*
- B. Deposits and types of accounts *SPS 18.031*
- C. Number of real estate trust accounts *SPS 18.032*
- D. Time when real estate trust account shall be opened or may be closed
SPS 18.033
- E. Account designation *SPS 18.034*
- F. Duty to notify the Department *SPS 18.035*
- G. Authorization to examine real estate trust accounts and records
SPS 18.036
- H. Form for notification and authorization *SPS 18.037*
- I. Authorization to sign trust account checks *SPS 18.04*
- J. Receipt for earnest money received by the broker
SPS 18.05
- K. Escrow agreement for earnest money not held by the broker
SPS 18.06
- L. After closing escrow agreements *SPS 18.07*
- M. Real estate trust funds and cooperating brokers
SPS 18.08
- N. Disbursement of trust funds *SPS 18.09*
- O. Commingling prohibited *SPS 18.10*
- P. Non-depositable items *SPS 18.11*
- Q. Branch office trust account *SPS 18.12*
- R. Bookkeeping system *SPS 18.13*
- S. Violation of rules *SPS 18.14*

III. Conduct and ethical practices for real estate licensees (22 items)

- A. Definitions *SPS 24.02*
- B. Competent services *SPS 24.03*
- C. Advertising *SPS 24.04*
- D. Self-dealing *SPS 24.05*
- E. Inspection and disclosure duties *SPS 24.07*
- F. Tie-in arrangements *SPS 24.075*
- G. Agreements to be in writing *SPS 24.08*
- H. Securing agency agreements *SPS 24.09*
- I. Net listings prohibited *SPS 24.10*
- J. Confidentiality of offers *SPS 24.12*
- K. Drafting and submission of offers *SPS 24.13*
- L. Availability of rules *SPS 24.16*
- M. Miscellaneous requirements *SPS 24.17*

IV. Approved forms and legal advice (6 items)

- A. Definitions *SPS 16.02*
- B. Approved forms *SPS 16.03*
- C. When to utilize approved forms *SPS 16.04*
- D. Legal advice and practice of law *SPS 16.05*
- E. How to use approved forms *SPS 16.06*

V. Drafting and supervision knowledge (37 items)

- A. Forms
 1. WB-1 Residential Listing Contract
 2. WB-11 Residential Offer to Purchase
 3. Real estate condition reports
 4. WB-25 Bill of Sale
 5. WB-36 Buyer Agency/Tenant Representation Agreement
 6. WB-40 Amendment to Offer to Purchase
 7. WB-41 Notice relating to Offer to Purchase
 8. WB-44 Counter-offer
 9. WB-45 Cancellation and Mutual Release
 10. WB-46 Multiple Counter-Proposal
 11. Agency disclosures
 12. Lead-based paint disclosures
- B. Issues related to forms
 1. Requirement to fax all pages of a contract
 2. Proper contingency drafting with stressing the optional contingencies in the offer
- C. Broker's obligation to furnish copies and maintain records *SPS 15.04*

VI. Miscellaneous (4 items)

- A. Fair Housing Law *Ch. 106.50*
- B. Federal lead-based paint law *Section 1018 of Title X*