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STATE OF WISCONSIN
BEFORE THE REAL ESTATE BOARD

IN THE MATTER OF THE DISCIPLINARY PROCEEDINGS AGAINST	:	FINAL DECISION AND ORDER 95 REB 104
JAMES C. THOMAS, and JAMES C. THOMAS COMPANY, INC., RESPONDENTS.	:	

The parties to this action for the purpose of Wis Stats. sec. 227.53 are:

James C. Thomas
3803 W. Fond du Lac Ave.
Milwaukee, WI 53216

James C. Thomas Company, Inc.
3803 W. Fond du Lac Ave.
Milwaukee, WI 53216

Wisconsin Real Estate Board
P.O. Box 8935
Madison, WI 53708-8935

Wisconsin Department of Regulation and Licensing
Division of Enforcement
P.O. Box 8935
Madison, WI 53708-8935

The parties in this matter agree to the terms and conditions of the attached Stipulation as the final disposition of this matter, subject to the approval of the Real Estate Board ("Board"). The Board has reviewed the Stipulation and considers it acceptable.

Accordingly, the Board adopts the attached Stipulation and makes the following:

FINDINGS OF FACT

1. **James C. Thomas** ("Thomas"), 3803 W. Fond du Lac Ave., Milwaukee, WI 53216, is and was at all times relevant to the facts set forth herein, a real estate broker licensed to practice in the state of Wisconsin pursuant to license #9790, originally granted to him on August 5, 1968.

2. Thomas' real estate broker's license was suspended for six months in disciplinary case 87 REB 303, a copy of which decision is attached hereto as **Exhibit A** and made a part hereof by this reference.

3. **James C. Thomas Company, Inc.**, ("Corporation"), 3803 W. Fond du Lac Avenue, Milwaukee, WI 53216, is and was at all times relevant to the facts set forth herein, a real estate corporation licensed to practice as a real estate broker in the state of Wisconsin pursuant to license #834007, originally granted to it on August 22, 1990.

4. Thomas is the president and managing broker of the corporation.

BROWN TRANSACTION

5. On or about August 31, 1994, Thomas prepared an offer to purchase for a 2-family dwelling owned by his sister Mae Beard and brother-in-law Sylvester Beard located at 3968 N. 28th Street, Milwaukee, Wisconsin on behalf of prospective buyer, Linda S. Brown This offer was accepted by the sellers. A copy of this offer to purchase is attached hereto as **Exhibit B** and incorporated herein as if set forth at length.

6. Pursuant to the terms of the offer, the sellers agreed to provide to Brown, at or prior to closing, a Certificate of Code Compliance from the City of Milwaukee

7. Additional terms of the Beard to Brown purchase contract relating to the required code compliance inspection state:

> "COST ALTERNATIVES FOR CODE COMPLIANCE, WEATHERIZATION OR STORAGE TANKS: The above indicated responsible party will, prior to closing, perform and pay for the cost of repairs, alterations, inspection and/or compliance unless said costs exceed $250.00 for weatherization and/or $500.00 for buried storage tanks, in which case the responsible party may in writing declare this agreement null and void with all earnest money being returned to the Buyer, in accordance with the terms of the Offer to Purchase, unless the other party agrees (in writing) within 3 days after receipt of responsible party's declaration, to accept responsibility for all required work in excess of said amount." See lines 100 through 105 of Addendum A1, attached hereto as Exhibit B.

8. The municipal code for the City of Milwaukee, at Section 200-52-3 provides the following:

> "CERTIFICATE OF CODE COMPLIANCE REQUIRED.
>
> a. No buyer of a one or 2-family dwelling within the designated reinvestment areas of the city of Milwaukee shall occupy or rent the property after the time of sale without having first secured a certificate of code compliance
>
> b. Sellers of one and 2-family dwellings within the designated reinvestment areas shall expressly inform perspective buyers of the property that a certificate of code compliance is required by the city.
>
> **********
>
> 5. APPLICATION FOR INSPECTION. When a certificate of code compliance is required for the sale or conveyance of a one or 2-family dwelling within the designated reinvestment areas, an application for inspection shall be filed with the department on forms provided by the department. The application shall be signed by the owner and it shall state the street address of the dwelling to be inspected.

****

7. ENFORCEMENT.

****

c. Nonhazardous Conditions. *Should the department, upon inspection,* determine that there are code violations which do not constitute an imminent danger, the owner shall be issued a temporary certificate of occupancy and given a specified number of days to remedy the violations.

d. Uncorrected Violations. Failure to abate violations cited as a result of the inspection pursuant to an application for a certificate of code compliance constitutes a violation of the building maintenance code and may result in the enforcement measures normally instituted by the *department in such instances* "

9. The property located at 3968 N 28th Street, Milwaukee, Wisconsin is a two family residence located within the area of the City of Milwaukee requiring a Certificate of Code Compliance under the above mentioned Milwaukee municipal code.

10. The purpose of the code compliance provisions for the City of Milwaukee, as stated by the common counsel in section 200-52-1, is the following:

> "The common counsel declares that its purpose in adopting these provisions are: to forewarn and protect buyers against dangerous or unsatisfactory housing conditions: to preserve the existing housing stock; to prevent the deterioration of residential buildings that may result in substantial depreciation of property values in the neighborhood; and to implement an effective method of enforcing the city's building maintenance code developed to ensure basic standards of livability and habitability as well as to enhance the quality of life in an urban environment."

11. The closing of the Beard to Brown transaction took place on December 16, 1994. At that time, no code compliance certificate had been applied for by the sellers or by Thomas.

12. On or about January 13, 1995, Thomas submitted an "Application for Certificate of Code Compliance" to the Department of Building Inspection for the City of Milwaukee. A copy of this application is attached hereto as **Exhibit C** and incorporated herein by this reference. Thomas signed as the applicant's agent and the applicant was noted as Sylvester Beard and Mae Beard.

13. On or about February 13, 1995, the City of Milwaukee issued an order directing Brown to correct conditions on the premises known as 3968 N. 28th Street, Milwaukee, Wisconsin. A copy of this Order is attached hereto as **Exhibit D** and incorporated herein as if set forth at length.

14. On or about February 20, 1995, the Plumbing Division of the Department of Building Inspection for the City of Milwaukee issued its order directing Brown to correct certain plumbing conditions on the premises known as 3968 N. 28th Street, Milwaukee, Wisconsin. A copy of the

Plumbing Division's Order is attached hereto as **Exhibit E** and incorporated herein as if set forth at length.

15. On or about February 27, 1995, the Electrical Section of the Department of Building Inspection for the City of Milwaukee, issued its order directing Brown to correct conditions on the premises known as 3968 N. 28th Street, Milwaukee, Wisconsin. A copy of the Electrical Section's Order is attached hereto as **Exhibit F** and incorporated herein as if set forth at length.

16. Subsequent to receiving the above-mentioned notices and orders to correct conditions on the premises, Brown attempted to get the sellers and Thomas to pay for the necessary corrections in order to come into code compliance. Thomas and the sellers failed and refused to do so and disclaimed responsibility for doing so.

17. Brown hired contractors to perform the code compliance work required by the city inspectors. The cost of the repairs and municipal forfeitures incurred by Brown on account of Thomas' failure to obtain the required certificate of code compliance exceeds $5,000.00.

TRUST ACCOUNT VIOLATIONS

18. The Corporation's real estate trust account records have been audited by the Department of Regulation and Licensing on the following recent occasions:

February 28, 1994
June 30, 1994
May 22, 1995
August 17, 1995
November 9, 1995
April 26, 1996

19. On all of these audit occasions, the Corporation's real estate trust account records were found to be in violation of RL 18.13 in that trial balances were out of balance and months of reconciliations were either incomplete or incorrectly done.

20. On the most recent audit occasion, auditor Jeanne Pegelow found that no reconciliations had been done since November, 1995, the last time she had been at the Corporation's office.

21. On August 23, 1996, Respondents James C. Thomas and James C. Thomas Company, Inc., negotiated a settlement agree with Linda Brown, a copy of which agreement is attached hereto as **Exhibit G** and incorporated herein by reference. At the time of signing this agreement, Respondents paid to Ms. Brown $2,500.00. An additional $1,000.00 is to be paid by Respondents to Ms. Brown within 90 days of the date of the agreement. The Respondents will also repair the chimney on the property to the satisfaction of the City of Milwaukee. This chimney repair had been estimated to cost $980.00. This settlement agreement mitigates financial losses incurred by Ms. Brown as a consequence of Respondents actions.

CONCLUSIONS OF LAW

1. The Real Estate Board has jurisdiction in the matter pursuant to section 452.14 of the Wisconsin Statutes.

2. The Wisconsin Real Estate Board is authorized to enter into the attached Stipulation pursuant to section. 227.44(5) of the Wisconsin Statutes.

3. *Respondent James C. Thomas has violated the following:*

a. Sections 452.14(3)(i) and 452.14(3)(b) of the Wisconsin Statutes and sections RL 24.025, 24.03(2)(b) and (c), of the Wisconsin Administrative Code, by failing to guide the sellers and buyer in the Beard to Brown transaction appropriately in regard to the necessary code compliance provisions of the City of Milwaukee and in failing to file an application for a Certificate of Code Compliance prior to the closing so that all known code compliance orders resulting from the code inspection could be known by all the parties prior to the closing of the transaction.

b. Section 452.14(3)(i) of the Wisconsin Statutes, and section RL 24.17(1) of the Wisconsin Administrative Code by aiding and abetting the violation of a law the circumstances of which substantially relate to the practice of a real estate broker.

c. Section 452 14(3)(i) of the Wisconsin Statutes, and section RL 18.13 of the Wisconsin Administrative Code, by failing to accurately maintain an appropriate bookkeeping system for the corporation.

3. Respondent James C. Thomas Company, Inc., is subject to discipline pursuant to section 452.14(4) of the Wisconsin Statutes and , in addition, has violated section 452.14(3)(i) of the Wisconsin Statutes, and section RL 18.13 of the Wisconsin Administrative Code, by failing to accurately maintain an appropriate bookkeeping system for its real estate trust account.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that the attached Stipulation is accepted.

IT IS FURTHER ORDERED, that Respondent James C. Thomas, license #9790, is hereby **REPRIMANDED**

IT IS FURTHER ORDERED, that Respondent James C. Thomas, license #9790, fully comply with the agreement between James C Thomas and Linda Brown which is attached hereto as Exhibit ~~F~~. G. Respondent James C. Thomas shall report the status of his compliance with the agreement within three months of the date of this Order by submitting a written report of the status to the Division of Enforcement, Attn: Discipline Monitor, P.O. Box 8935, Madison, WI 53708-8935.

IT IS FURTHER ORDERED, that the failure of Respondent James C. Thomas, to fully and timely comply with the provisions of the attached settlement agreement between James C Thomas and Linda Brown shall be considered a violation of this stipulated Board Order and a violation of section RL 24.17 of the Wisconsin Administrative Code.

IT IS FURTHER ORDERED, that Respondent James C. Thomas, within six months of the date of this Order, successfully complete the following course modules from the Real Estate Broker's Course at an educational institution approved by the Department of Regulation and Licensing:

a. The five hour trust accounts, escrow, closing statement module (RL 25 02(2)(c)), and
b. The four hour business ethics for real estate brokers module (RL 25.02(2)(g),

and submit proof of the same in the form of verification from the institution providing the education to the Real Estate Board, P.O. Box 8935, Madison, Wisconsin 53708-8935. None of the education completed pursuant to this requirement may be used to satisfy any continuing education requirements that are or may be instituted by the Board or the Department of Regulation and Licensing.

IT IS FURTHER ORDERED, that in the event Respondent James C. Thomas, fails to comply with the required education as set forth above, or fails to verify the same to the Department of Regulation and Licensing as set forth above, then his real estate broker's license shall be suspended, without further notice, hearing or order of the board, until he has complied with the terms of this Order.

IT IS FURTHER ORDERED, that Respondent James C. Thomas Company, Inc., license # 834007 is hereby **REPRIMANDED.**

IT IS FURTHER ORDERED, that Division of Enforcement file 95 REB 104 is hereby closed as to all Respondents.

Dated this 24th day of October, 1996.

WISCONSIN REAL ESTATE BOARD

By: James Pilz Jr Chairman

Attachments: Exhibits A, B, C, D, E, F and G

R:\Enforce\FLG2901

STATE OF WISCONSIN
BEFORE THE REAL ESTATE BOARD

IN THE MATTER OF DISCIPLINARY PROCEEDINGS AGAINST JAMES C. THOMAS RESPONDENT	: : : : : :	FINAL DECISION AND ORDER

The State of Wisconsin, Real Estate Board, having considered the above-captioned matter and having reviewed the record and the Proposed Decision of the Administrative Law Judge, makes the following:

ORDER

NOW, THEREFORE, it is hereby ordered that the Proposed Decision annexed hereto, filed by the Administrative Law Judge, shall be and hereby is made and ordered the Final Decision of the State of Wisconsin, Real Estate Board.

The rights of a party aggrieved by this Decision to petition the Board for rehearing and the petition for judicial review are set forth on the attached "Notice of Appeal Information."

Dated this 24TH day of JANUARY, 1991.

EXHIBIT A

STATE OF WISCONSIN
BEFORE THE REAL ESTATE BOARD

IN THE MATTER OF
DISCIPLINARY PROCEEDINGS AGAINST

JAMES C. THOMAS,

Respondent

PROPOSED DECISION

The parties to this proceeding, for the purposes of Wis. Stats. sec. 227.53, are:

James C. Thomas
3803 West Fond du Lac Avenue
Milwaukee, WI 53216

State of Wisconsin Real Estate Board
1400 East Washington Avenue, Room 183
Madison, WI 53708

Department of Regulation & Licensing, Division of Enforcement
1400 East Washington Avenue, Room 183
Madison, WI 53708

A hearing was conducted in the above-captioned matter on October 9, 1990, at 1400 East Washington Avenue. Madison, Wisconsin. Respondent attended in person and by Attorney Le Roy Jones. Complainant appeared by Attorney Richard Castelnuovo. Based upon the entire record in this matter, the Administrative Law Judge recommends that the Real Estate Board adopt as its final decision and order the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. James C. Thomas, respondent herein (respondent), 3803 West Fond du Lac Avenue, Milwaukee, WI 53216 was at all times material hereto licensed as a real estate broker in the State of Wisconsin by license #9790, granted on August 5, 1968.

2. On or about June 17, 1983, respondent prepared an Offer to Purchase property owned by him located at 3704 North 4th Street, Milwaukee, Wisconsin,

on behalf of prospective buyers Jimmie and Rachel Lee Jones. The offer provided for a purchase price of $31,500. Earnest money in the amount of $300 was to be tendered with the offer with additional earnest money in the amount of $475 to be paid within 30 days of acceptance of the offer. The buyer was to pay $800 at the time of closing as the balance of the down payment. The offer contained a financing contingency requiring financing through the City of Milwaukee Low Interest Loan Program in the amount of $29,925, at an interest rate not to exceed 10.2% per annum, plus 1/2% P.M.I. on the unpaid balance. Respondent accepted the Offer on or before September 1, 1983.

3. Only $100 in earnest money was tendered with the application. An additional $200 was tendered by the Joneses approximately two weeks later. No additional down payment monies were ever paid by the Joneses.

4. At the time of these events, Universal Mortgage Corporation (Universal), 744 North 4th Street, Milwaukee, Wisconsin, participated in the City of Milwaukee Low Interest Loan Program. The Joneses submitted a loan application to Universal for financing the purchase on or about June 6, 1983

5. One of the conditions of the Low Interest Loan Program was that all down payment funds must come from the personal resources of the applicant. On July 20, 1983, Rachel and Jimmie Jones executed a Certification certifying to Universal that funds used for the down payment came from "my on [sic] source at home."

6. Universal conducted a credit check on the Jones, which revealed an outstanding judgment and at least one other overdue debt. Universal contacted the Joneses relating to this adverse credit information, and the Joneses contacted respondent. Respondent thereafter satisfied the Joneses' outstanding liens, including a lien held by Ernie Von Schledorn Pontiac-Buick and one held by Columbia Family Stores. Universal was notified of the satisfaction of the liens by a letter signed by the Joneses dated September 27, 1983.

7. Also by letter dated September 27, 1983, respondent falsely verified to Universal that the Joneses had deposited down payment monies in the amount of $1600 with respondent, which had in turn been deposited in respondent's real estate trust account. Respondent's letter indicates that $200 was deposited with him on June 20, 1983, that $700 was deposited on August 31, 1983, and that $700 was deposited on September 23, 1983.

8. On June 20, 1983, respondent deposited $200 into his real estate trust account as down payment on the property in question. On October 28, 1983, respondent deposited $1400 into his real estate trust account as the balance of the down payment on the property.

9. With the possible exception of the initial $300 down payment deposits, the entire down payment was loaned to the Joneses by the respondent. The Joneses signed promissory notes to respondent in recognition of those loans, including a promissory note dated August 30, 1983, in the amount of $700; and a note dated September 23, 1983, also in the amount of $700. Those dates correspond closely to those verified to Universal as the dates on which the Joneses had deposited down payment monies with respondent.

10. Additional promissory notes to respondent were executed by the Joneses dated June 17, 1983 for $100, which may or may not have been used to make the initial earnest money deposit; and dated September 9, 1983 for $557.92, which covered all or part of respondent's payments to clear the liens described in paragraph 6, above.

11. At no time did respondent notify Universal that he had paid the Joneses' debts and that he had loaned money to the Joneses to make the down payment; and respondent instructed the Joneses to withhold this information from Universal.

12. An appraisal of the property on or about August 4, 1983, indicated that the selling price of the property should be $32,000 if certain designated repairs were made. On or about August 31, 1983, an Amendment to the Contract of Sale was executed changing the closing date to on or before October 30, 1983, changing the purchase price to $32,000, changing the loan amount in the financing contingency to $30,400, and providing that respondent would pay closing costs. By letter dated September 28, 1983, respondent advised Universal that as seller, he would pay the prepayables for the Joneses at closing.

13. Respondent did not reduce to writing the agreement to perform repairs on the property.

14. The Joneses' loan was approved by Universal on October 7, 1983.

15 Had Universal been aware that respondent had loaned money to the Joneses for the down payment, the loan would not have been approved.

16. The transaction closed on October 28, 1983. The Joneses received a notice of default on their mortgage loan on October 10, 1984, and foreclosure occurred sometime in 1987.

17. The fact that respondent had made loans to the Joneses for the down payment and to clear the Joneses' existing liens and debts is a material and adverse factor as to Universal, and Universal was an interested party in this transaction.

CONCLUSIONS OF LAW

1. The Real Estate Board has jurisdiction in this matter pursuant to Wis. Stats. sec. 452.14.

2. The fact that respondent made loans to the Joneses for the down payment and to clear the Joneses' existing liens and debts is a material and adverse factor as to Universal, and Universal was an interested party to this transaction, as those terms are used at Wis. Adm. Code secs. RL 24.07(1) and RL 24.07(2)(d).

3. By satisfying the Joneses' outstanding liens and other debts and by accepting the Joneses' note for the amounts paid by him, without notifying Universal of his actions, respondent has concealed a material fact and an adverse factor from an interested party, in violation of Wis. Adm. Code secs. RL 24.07(1) and RL 24.07(2)(d) and, pursuant to Wis. Adm. Code sec RL 24.01(3), respondent has thereby demonstrated incompetency to act as a broker in a manner which safeguards the interests of the public, in violation of Wis. Stats sec. 452.14(3)(i)

4. By loaning the Joneses money for the down payment without notifying Universal of his actions, respondent has concealed a material fact and adverse factor from an interested party, in violation of Wis. Adm. Code secs. RL 24.07(1) and RL 24.07(2)(d) and, pursuant to Wis. Adm. Code sec. RL 24.01(3), respondent has thereby demonstrated incompetency to act as a broker in a manner which safeguards the interests of the public, in violation of Wis. Stats. sec. 452.14(3)(i).

5. By his failure to reduce to writing the exact agreement of the parties relating to repairs to be performed by respondent as a condition for increasing the sales price of the affected property to $32,000, respondent has violated Wis. Adm. Code sec. RL 24.08.

ORDER

NOW, THEREFORE, IT IS ORDERED that the license of James C. Thomas to practice as a real estate broker in Wisconsin be, and hereby is, suspended for a period of six months, commencing 30 days from the date of the order of the Real Estate Board adopting the terms of this Proposed Decision. On or before the effective date of the board's order, respondent shall return his license certificates to the offices of the Real Estate Board. The certificates shall be returned to him at the conclusion of the period of suspension

IT IS FURTHER ORDERED that pursuant to Wis. Stats. sec. 440.20, the costs of this proceeding shall be assessed against the respondent.

OPINION

Respondent does not deny that he loaned Rachel and Jimmie Jones $2057.92, and the Joneses' promissory notes documenting those loans are a part of the record herein as Exhibit 5. What respondent claims, however, is that the entire amount of those loans was used to pay the Joneses' outstanding debts. While Mrs. Jones testified that the amount owing to Ernie Von Schledorn was something more than $500, respondent testified that the lien was for over $1500, and that payment of that debt, along with payment of the lien in favor of Columbia Family Stores in the amount of $224 and payment of another debt of undisclosed amount to "Columbia Family Hospital" accounted for the entire amount of the loans.[1]

Even if it is assumed that the entire amount loaned to the Joneses was to cover their outstanding debts, the result herein would be little different.

In *Ollerman v O'Rourke Co., Inc.*, 94 Wis 2d 17, 42 (1980), the Wisconsin Supreme Court defines a material fact as follows:

> A fact is material if a reasonable purchaser would attach importance to its existence or nonexistence in determining the choice of action in the transaction in question; or if the vendor knows or has reason to know that the purchaser regards or is likely to regard the matter as important in determining the choice of action, although a reasonable person would not so regard it.

While Universal was not the purchaser in this transaction, the board's statute and rules require disclosure of material facts both to the parties to the transaction and to other interested parties. It may therefore be concluded that respondent's payment of the Joneses' debts and his acceptance of their promissory notes for the amounts paid would be material facts as to Universal if Universal would have attached importance to their existence in determining its choice of action in granting the mortgage loan to the Joneses. Gary Rieboldt, Vice President and former Loan Originator for Universal Mortgage, credibly testified that knowledge by Universal that the respondent was lending money to the Joneses to satisfy the latter's liens and judgments would in fact have been an adverse factor in determining whether the mortgage loan was granted.

[1] *Respondent in his initial testimony stated that there were debts paid by him on the Joneses behalf in addition to those owed to the car dealer and the department store, but that he was unable to recall what they were. Later, after reviewing Universal's undated letter to the Joneses indicating that a satisfaction would be needed for the judgment for "Columbia Family Hospital," respondent testified that it was in fact that debt which he had been attempting to recall.*

That circumstance was therefore a material fact and an adverse factor from Universal's standpoint, and Universal, unquestionably an interested party in this transaction, was therefore required to be notified of the loans.

It is true that if respondent did not consider his action in loaning money to the Joneses' to satisfy their debts to be a material fact in terms of Universal's interests, that would be at least a mitigating factor. I do not credit respondent's contention that he did not consider those particular loans to the Joneses to be material, however, and instead credit Mrs. Jones' testimony that respondent had instructed her on two or three occasions not to disclose to Universal that he had paid the Joneses' debts. The clear inference from that instruction is that respondent was well aware that Universal would attach importance to the manner in which the Joneses' debts had been satisfied.[1] Accordingly, it is concluded that even if every penny loaned to the Joneses by respondent was expended exclusively to repay their debts, respondent nonetheless concealed or failed to disclose a material fact and adverse factor from an interested party, and he would thus be subject to discipline.

There is clear and convincing evidence, however, that at least $1400 of the money loaned by respondent to the Joneses was for the purpose of making the down payment. First, there is the testimony of Mrs. Jones, who stated that she and her husband had paid $100 as down payment on or about the time of the Offer to Purchase; had paid $200 approximately two weeks thereafter; and had not from that day forward made any further down payment.[2] Mrs. Jones was a reluctant and forgetful witness, and her testimony evinced a greater recognition of the ramifications of the manner in which this transaction was conducted than she professed having.[3] Nonetheless, there

1 *It may also be noted in this regard that respondent admitted in his letter to the department dated May 15, 1989, that he had drafted the September 27, 1983, letter to Universal which states that at that time, "We are all up to date with all of our bills and don't owe anyone except $500 altogether." At that time, the Joneses had executed promissory notes to respondent in the amount of $2057.92.*

2 *It is probable that the $100 promissory note given to respondent by the Joneses on June 17, 1983, covered a loan by respondent to make the earnest money payment tendered with the Joneses' offer to purchase on that same date Absent corroborating evidence, however, the coincidence of dates does establish clearly and convincingly that the initial earnest money deposit came from respondent.*

3 *An example of Mrs. Jones' occasionally obfuscatory testimony was her response to Attorney Jones' repeated question whether the "Certification of Source of Funds Used for Down Payment" executed by she and her husband at the time they applied for their mortgage loan was truthful. Her typical response was "I put the truth down what I was told."*

is no reason not to believe Mrs. Jones' testimony that she had made no down payment in addition to the initial payments totaling $300, for it was not in her best interests to so testify. This is true because Mrs. Jones' contention that she and her husband had received no funds from respondent and therefore owed him no money would be more credible if she had also contended that she and her husband had in fact provided the entire $1600 down payment.

The conclusion that respondent provided $1400 of the Joneses' down payment is corroborated by other evidence in the record. By letter dated September 27, 1983, respondent verified to Universal that the Joneses had deposited down payment monies with him including $700 on August 31, 1983, and $700 on September 23, 1983. On August 30, 1983, and September 23, 1983, Mr. & Mrs. Jones executed promissory notes in respondent's favor; each of them in the amount of $700. One would have to be more than credulous to conclude that mere coincidence is responsible for the fact that the Joneses' $700 promissory notes were dated within one day of the dates which respondent verified as those upon which he received down payment monies from the Joneses. I instead reach the only logical conclusion: that respondent covertly provided at least $1400 of the Joneses' down payment in order to avoid the denial of the Joneses' mortgage loan application.

There is clear and convincing evidence that respondent provided the funds to both satisfy the Joneses' outstanding liens and judgments and to make all but a small part of the down payment; that his actions constituted a material fact and an adverse factor which was required to be disclosed to Universal as an interested party; and that in failing to notify Universal of those material facts and adverse factors, respondent has violated Wis. Adm. Code secs. RL 24.07(1) and (2)(d), and Wis. Stats. sec. 452.14(3)(i). Respondent did not deny at hearing that he failed to reduce to writing the agreement relating to repairs that he agreed to perform on the property in return for an increase in the sales price from $31,500 to $32,000, and it is thus also clear that he has violated Wis Adm. Code sec. RL 24.08.

It is established that the purposes for imposition of discipline include rehabilitating the licensee, deterring other licensees from engaging in the same or similar conduct and protecting the health, safety and welfare of the public. *State v. Aldrich*, 71 Wis. 2d 206 (1976). Punishment of the licensee is not an appropriate consideration. *State v. McIntyre*, 41 Wis 2d 481.

There is no question but that respondent has engaged in serious misconduct, and the cited disciplinary objectives militate for serious discipline. Moreover, there is very little mitigation present here. It could be argued that the effect of respondent's actions was to permit a couple who could not otherwise have acquired financing necessary to purchase their own home to do so. Except for one thing, respondent might even be

viewed as a kind of latter day Robin Hood – notwithstanding his wrongfully concealing his actions from the mortgage company; and even though, as the owner of the property, the expenses he incurred were not for the most part out-of-pocket. The evidence is, however, that respondent pursued payment of the Joneses' promissory notes through a collection agency at the very time the the Joneses were in the process of losing their home to foreclosure. Any question as to a possibly altruistic motive for respondent's actions is thereby set to rest. Nor may it be said that no one was harmed by respondent's actions. It would be speculative to decide that respondent's actions led to the Joneses purchasing a home they couldn't afford, because the record does not document the bases for their ultimate default. To conclude that the mortgage company suffered a net loss as a result of the transaction would also be speculative based on this record. It may be assumed, however, that no one came out ahead on this transaction except possibly the respondent and, in my opinion, the disciplinary objectives require that respondent should for some period of time be deprived of the privilege of practicing his profession. A six month suspension seems appropriate in that regard.

Dated at Madison, Wisconsin this 20th day of December, 1990.

Respectfully submitted,

Wayne R. Austin
Administrative Law Judge

WRA:BDLS:

Approved by Wisconsin Department of Regulation and Licensing
11-1-93 (Optional Use Date)
1-1-94 (Mandatory Use Date)

Wisconsin Legal Blank Co., Inc.
Milwaukee, Wisconsin

WB-11 RESIDENTIAL OFFER TO PURCHASE

THE BROKER DRAFTING THIS OFFER ON August 31st. 1994 (DATE) IS THE AGENT OF (SELLER) (BUYER) [STRIKE AS APPLICABLE]

GENERAL PROVISIONS The Buyer LINDA S. BROWN, a single woman

offers to purchase the Property known as (Street Address) 3968-68-A North 28th. Street

in the City of Milwaukee County of Milwaukee, Wisconsin.

(Additional description, if any) Belmont in the Northeast ¼ of Section 12-7-21 Block 2 and the south 11' of Lot 2 and the N 24' of Lot 3 on the following terms:

- PURCHASE PRICE Forty-Five Thousand Five Hundred---------- Dollars ($ 45,500.00)
- EARNEST MONEY of $ -0- in the form of N/A accompanies this Offer and earnest money of $ 500.00 in the form of cash or check will be paid within 2 days of acceptance.
- THE BALANCE OF THE PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below
- ADDITIONAL ITEMS INCLUDED IN PURCHASE PRICE Seller shall include in the purchase price and transfer, free and clear of encumbrances, all fixtures as defined at lines 194 to 202 and as may be on the Property on the date of this Offer unless excluded at lines 16-17 and the following additional items all tacked down carpeting in the lower unit, and upper unit. radiator covers in lower unit, and bar in recreation room.
- ITEMS NOT INCLUDED IN THE PURCHASE PRICE all personal items of the tenants in the upper unit.
- 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 (and not disclosed at lines 168 to 188) other than those identified in Seller's Real Estate Condition Report ~~xxxx

ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and [illegible] should be reviewed, particularly if Buyer contemplates making improvements to Property or a use other than the current use.

PROPERTY CONDITION PROVISIONS

■ REAL ESTATE CONDITION REPORT: *Wisconsin law requires sellers of property which includes 1-4 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 fiduciaries. (for example, personal representatives who have never occupied the Property). The form of the Report is found in Wis. Stats. §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 ten days, may within two business days after the end of that ten day period,* rescind the contract of sale by delivering a written notice of rescission to the seller or the seller'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 these rescission rights.

■ PROPERTY MEASUREMENT AND TOTAL SQUARE FOOTAGE: Buyer acknowledges that there are various formulas used to calculate total square footage, and that total square footage figures will vary dependent upon the formula used. Buyer also acknowledges that all room and house measurements may be approximate because of rounding or other reasons. ***CAUTION: Buyer should verify total square footage formula and room measurements if material to Buyer's decision to purchase.***

■ INSPECTIONS: Seller agrees to allow Buyer's inspectors reasonable access to the Property, upon reasonable notice. Buyer agrees to *(if applicable) provide copies of all inspection reports to Seller (and Listing Broker if Property is listed).*

■ PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING: Seller shall maintain the Property until the earlier of closing or occupancy by Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If prior to the earlier of closing or occupancy by Buyer, the Property is damaged in an amount of more than five percent (5%) of the selling price, Seller shall be obligated to repair the Property and restore it to the same condition that it was on the day of this Offer. If the damage shall exceed such sum, *Seller shall promptly notify Buyer in writing of the damage and this Offer may be cancelled at option of Buyer.* Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds relating to the damage to the Property, plus credit towards the purchase price equal to the amount of Seller's deductible under the policy. However, if this sale is financed by a land contract or a mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

■ PRE-CLOSING INSPECTION: At a reasonable time, promptly scheduled by Seller or Seller's agent, within 3 days before closing, Buyer shall *have the right to inspect the Property to determine that there has been no material change in the condition of the Property, except for* ordinary wear and tear and changes approved by Buyer, and that any defects Seller has elected to cure have been repaired in a good and workmanlike manner.

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 which may subject the defaulting party to liability for damages or other *legal remedies.*

If Buyer defaults, 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) direct Broker to return the earnest money and have the option to sue for actual damages.

If Seller defaults, Buyer may:

(1) sue for specific performance; or

(2) terminate the Offer and request the return of the earnest money and 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: WISCONSIN LICE[illegible] PROHIBITS A BROKER FROM GIVING ADVICE OR OPINIONS CONCERNING THE LEGAL *RIGHTS OR OBLIGAT[illegible] PARTIES TO A TRANSACTION OR THE LEGAL EFFECT OF A SPECIFIC CONTRACT OR* CONVEYANCE. AN A[illegible] SHOULD BE CONSULTED IF LEGAL ADVICE IS REQUIRED. Buyer's or Seller's legal right to earnest money cannot b[illegible] ned by Broker. In the absence of a mutual agreement by the Parties, earnest money will be distributed as set forth in lin[illegible] 146.

EARNEST MONEY

■ HELD BY: Earnest mone[illegible] broker shall be held in the trust account of the broker drafting the Offer prior to acceptance of Offer and in the trust acco[illegible] ng broker (buyer's agent if Property is not listed) after acceptance until applied to purchase price or otherwise disbursed as p[illegible] the Offer. If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearanc[illegible] or's depository institution if earnest money is paid by check) to the person who paid the earnest money. ***CAUTION: If some[illegible] er than Buyer makes payment of earnest money on behalf of Buyer, consider a special agreement regarding disbursement.***

■ DISBURSEMENT: At cl[illegible] nest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be dis[illegible] ording to a written disbursement agreement signed by all Parties to the Offer. If said disbursement agreement has not been do[illegible] broker within 60 days after the date set for closing, broker may disburse the earnest money (1) as directed by an attorney who h[illegible] d the transaction and does not represent Buyer or Seller, (2) into a court hearing a lawsuit involving the earnest money and all Pe[illegible] Offer, (3) as directed by court order, or (4) any other disbursement required or allowed by law. Broker may retain legal se[illegible] disbursement per (1) or to file an interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to exceed $250, prior to disbursement. Should persons other than broker hold earnest money, an escrow agreement should be drafted by the Parties or an attorney for Buyer or Seller.

■ LEGAL RIGHTS/ACTION: Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer. *At least 30 days prior to disbursement per (1) or (4), broker shall send Buyer and Seller notice of the disbursement by certified mail.* If Buyer or Seller disagree with broker'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 1-4 dwelling units and certain other earnest money disputes. The 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 broker harmless from any liability for good faith disbursement of [illegible] earnest money in accordance with the Offer or applicable Department o[illegible] ulation and Licensing [illegible] earnest money. See Wis. Administrative Code RL 18.

TITLE EVIDENCE

■ FORM OF TITLE EVIDENCE. Seller shall give evidence of title (as selected at lines 64 to 69) to the Property in the form of: (1) an abstract of title prepared by an attorney licensed to practice law in Wisconsin or an abstract company; or (2) 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.

■ PROVISION OF MERCHANTABLE TITLE. Seller shall pay all costs of providing such title evidence. For purposes of closing, the evidence shall be acceptable if the abstract or a commitment for the required title insurance is delivered to Buyer's attorney or to Buyer at least less than 3 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, subject only to liens which will be paid out of the proceeds of closing and standard abstract certificate limitations or standard title insurance requirements and exceptions as appropriate.

■ TITLE 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. In such event, 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. In the event that Seller is unable to remove said objections, Buyer shall have 5 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.

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.

DEFINITIONS

■ ACCEPTANCE. Acceptance occurs when all Buyers and Sellers have signed the Offer. See lines 31 and 32 regarding binding acceptance.

■ CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION. A "condition affecting the Property or transaction" is defined as follows:

(a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property or the present use of the Property;

(b) government agency or court order requiring repair, alteration or correction of any existing condition;

(c) structural inadequacies which if not repaired will significantly shorten the expected normal life of the Property;

(d) mechanical systems inadequate for the present use of the Property;

(e) conditions constituting a significant health or safety hazard for occupants of Property;

(f) insect or animal infestation of the Property;

(g) underground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to gasoline and heating oil. ***NOTE: Wis. Adm. Code, Chapter ILHR 10 contains registration and operation rules for such underground storage tanks.***

(h) any portion of the Property being in a 100 year floodplain, a wetland or a shoreland zoning area under local, state or federal regulation;

(i) completed or pending reassessment of the Property for property tax purposes;

(j) material violations of environmental rules or other rules or agreements regulating the use of the Property;

(k) construction or remodeling on Property for which required state or local permits had not been obtained;

(l) any land division involving the subject Property for which required state or local approvals had not been obtained;

(m) material violation of applicable state or local smoke detector law. ***NOTE: State law requires smoke detectors on all levels of residential properties.***

(n) high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property;

(o) that a structure on the Property is designated as a historic building or that any part of the Property is in a historic district;

(p) other conditions or occurrences which would significantly reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence. See lines 118 to 122.

■ DAYS. Deadlines expressed as a specific number of "days" from the occurrence of an event, such as acceptance, are calculated excluding the day the event occurs. The deadline then expires at midnight on the last day. Deadlines expressed as a specific number of "business days" exclude Sundays and any legal public holiday under Wisconsin or Federal law or other holiday designated by the President such that the post office does not receive registered mail or make regular deliveries on that 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.

■ FIXTURES. A fixture is an item of property which is physically attached to or so closely associated with land or buildings 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 attached to the premises and items customarily treated as fixtures including but not limited to all garden bulbs, plants, shrubs, and trees, storm doors and windows, electric lighting fixtures, window shades, curtain and traverse rods, blinds and shutters, central heating/cooling units and attached equipment, water heaters and softeners, sump pumps, attached or fitted floor coverings, awnings, attached satellite dishes and component parts, garage door openers and remote controls, installed security systems, central vacuum systems and accessories, in-ground sprinkler systems and component parts, built-in appliances, ceiling fans, fence, attached exterior lighting, permanent foundations and dock/pier on permanent foundations. See lines 12 to 17. ***CAUTION: Address rented fixtures, if any, e.g. water softener, L.P. tanks, etc.***

■ TIME IS OF THE ESSENCE. "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 default occurs. See lines 23 and 24.

PROVISIONS RELATED TO FINANCING

■ LOAN COMMITMENT. If this Offer is contingent on financing, Buyer agrees to pay all customary financing costs (including closing fees), to apply for financing and to provide evidence of application promptly upon request of Seller. If Buyer qualifies for such financing or other financing acceptable to Buyer, Buyer agrees to deliver to Seller, or Seller's agent, a copy of the written loan commitment no later than the deadline for loan commitment under the Financing Contingency. If Buyer does not make timely delivery of such commitment, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's actual receipt of a copy of Buyer's written loan commitment.

■ FINANCING UNAVAILABILITY. If this Offer is contingent on financing and financing is not available on the terms stated, Buyer shall promptly deliver written notice to Seller of same including copies of lender(s) rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in the financing contingency, Seller shall then have 5 days to give Buyer written notice of Seller's decision to finance this transaction on the same terms set forth herein, 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, this Offer shall be null and void.

■ LAND CONTRACT. If this Offer provides for a land contract, prior to execution of the land contract Seller shall provide the same evidence of merchantable title as is required above and written proof satisfactory to Buyer that the total underlying indebtedness, if any, is not in excess of the proposed balance of the land contract, that the payments on the land contract are sufficient to cover all of the obligations of Seller on the underlying indebtedness, and that all creditors whose consent is required have consented to the land contract sale.

OPTIONAL PROVISIONS: THE PROVISIONS ON LINES 225 THROUGH 271 ARE A PART OF THIS OFFER IF MARKED SUCH AS WITH AN "X" THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.

[X] ***FINANCING CONTINGENCY:*** *This Offer is contingent upon Buyer being able to obtain within* 38 *days of acceptanc of this Offer a* conventional *[INSERT LOAN PROGRAM] (adjustable) [STRIKE ONE] rate first mortgage loa commitment, in an amount of not less than $* 43,225.00 *for a term of not less than* 3 *years amortized over not les than* 30 *years. If the purchase price under this Offer is modified, the loan amount, unless otherwise provided, shall be adjusted t the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain th term and amortization stated above.*

IF FINANCING IS ADJUSTABLE RATE the initial annual interest rate shall not exceed 6.9 *%. The initial interest rate shall b fixed for* 36 *months, a The maximu interest rate during the mortgage term shall not exceed* 10 *%. Initial monthly payments of principal and interest shall not excee $* $287.87 *Monthly payments of principal and interest may be adjusted to reflect interest changes.*

MONTHLY PAYMENTS MAY ALSO INCLUDE 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, an private mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay a loan fee in an amou not to exceed 2.00 *% of the loan. (Loan fee refers to discount points and/or loan origination fee, but DOES NOT include Buyer other closing costs.) SEE LINES 207 TO 221 FOR ADDITIONAL FINANCING PROVISIONS.*

[ ] ***SALE OF BUYER'S PROPERTY CONTINGENCY*** *This Offer is contingent upon the sale and closing of Buyer's propert located at / / /

Wisconsin Legal Blank Co. Inc.
Milwaukee, Wi.

ADDENDUM "A"

(Contains optional and fill-in provisions)

These addenda (both Addendum A and A1) are made part of the Offer to Purchase dated August 31, 1994 signed by Linda S. Brown, a single woman for the property known as 3968-68-A North 28th. Street

LOT SIZE xxx (is not) verified by survey

NO FINANCING CONTINGENCY xxxx

PROPERTY INSPECTION (DO NOT DELETE) Broker recommends Buyer obtain an inspection by a qualified independe inspector Buyer is advised that Seller Real Estate Condition Report and the Comprehensive Property Condition Report ma show defects with the subject property, and further acknowledges that there may be other defects which are unknown t Seller or Broker Buyer shall have the right and responsibility to inspect, or have others for the Buyer at Buyer's expens inspect the property and/or conduct non-destructive testing for any reason including possible hazardous substances withi 10 days of acceptance of this Offer to Purchase Any of the inspections being done for or by Buyer also may be made by an inspector acceptable to Buyer

SECONDARY OFFER Buyer is aware that there may be more than one accepted secondary offer If more than one secondar offer is accepted then only that secondary offer which the seller decides will become primary will receive notice that th previously primary offer became null and void.

FORM OF SELLER'S PROCEEDS Seller's proceeds may be paid by check from Broker's Trust account or a closing compar authorized by Buyer's lender to close this transaction and disburse the funds

LEGAL NON-CONFORMING USE The Buyer is aware that the subject property may be classified legal non conforming us under current zoning regulations If this property is severely damaged in an amount of 50% or more of the assessed value th governing community may restrict or prohibit the reconstruction without a zoning or use variance Buyer is encouraged t take necessary steps to obtain an endorsement to or modification of Buyer's Home Owner's Insurance for protection.

CERTIFICATE OF CODE COMPLIANCE Seller agrees to provide to Buyer at or prior to closing, any required Certificate of Co Compliance or Occupancy Permit as may be required by the community along with verification of paid general taxes, speci assessments outstanding balances due for public utilities and flood plain status Seller should understand that co compliance violations may be enforceable by the municipality

WEATHERIZATION The party, if any designated as responsible for compliance with DILHR's rental weatherization progra requirements in stated on lines 48-49 of the Offer to Purchase shall obtain and pay for the required inspection report or legally permitted waiver DILHR's Stipulation prior to or at closing and accepts the responsibility for the cost of compliance

BURIED STORAGE TANK Seller will comply with all Federal state and local regulations including DILHR registration a closure requirements if property has an underground storage tank

COST ALTERNATIVES FOR CODE COMPLIANCE WEATHERIZATION OR STORAGE TANKS The above indicated responsible party w prior to closing perform and pay for the cost of repairs alterations inspection and/or compliance unless said costs excee $250 00 for code compliance $250 00 for weatherization and or $500 00 for buried storage tanks in which case th responsible party may in writing declare this agreement null and void with all earnest money being returned to the Buyer, accordance with the terms of the Offer to Purchase unless the other party agrees (in writing) within 3 days after receipt responsible party's declaration to accept responsibility for all required work in excess of said amount

HAZARDOUS SUBSTANCES All parties to this agreement are hereby notified that various governmental agencies (such Department of Natural Resources Environmental Protection Agency Southeastern Wisconsin Regional Planning Commission etc) public health departments and consumer groups have determined that the presence of various chemic and or substances may be hazardous to the health of individuals exposed to such substances The substances include b are not limited to lead in water supplies and or plumbing systems lead in paint lead in soil radium in water supplies, rade gas and asbestos

CLOSING PRORATIONS ADDITIONAL PROVISIONS (1) At closing real estate taxes are to be prorated based on 105% of last yea Net General Taxes less last year's lottery tax credit Last Year and This Year shall be interpreted using and referencing th date of closing Buyer and Seller understand that Broker does not warrant or guarantee receipt of lottery tax credit for th year tax bill (2) Any and all special assessments shall be deemed to be levied on the date when same are fully and final adopted passed and approved by the appropriate governmental body

CONTEMPLATED SEWER CONSTRUCTION REAL ESTATE TAXES AND ASSESSMENTS Newspaper and other public informatio indicate that properties in the metropolitan area are subject to possible tax reassessment or changes in real estate tax levi for various reasons including but not limited to periodic reassessments and/or contemplated major expenditures for sew construction

AIRPORT Buyer is aware that pr[illegible] near any airport may be affected by airport noise and any airport expansion development

SMOKE DETECTORS All parties to [illegible] ment are notified that the State of Wisconsin requires smoke detectors. Prior closing **Seller agrees to provide [illegible] moke detectors.**

CITY OF MILWAUKEE RENTAL REG[illegible] ORDINANCE All parties to this transaction are hereby notified and acknowledge that th City of Milwaukee requires [illegible] all residential properties (except owner occupied one- and two-family properties) t record their ownership a[illegible] information with the City of Milwaukee Department of Building Inspection

PERSONAL PROPERTY [illegible] th the sale of this property is deemed to be of no monetary value unless otherwise indicate on the Offer to Purc[illegible]

MARITAL PROPERTY [illegible] and Seller understand that the Wisconsin Marital Property Law affects property transfers fo married persons and [illegible] saction may be covered by said law and affect their legal rights

BUYER'S RELIANCE Bu[illegible] owledge that in purchasing the subject property they have relied solely on their ow independent inspec[illegible] ing all of the inspections conducted by or for Buyer) and analysis of the property and up the warranties and [illegible] tions of the Seller contained in the Offer to Purchase and in the Seller's Property Conditi Reports Buyers fur[illegible] wledge all of the following 1) all representations, disclosures, and warranties which ha been made to Buyer [illegible] in writing in this contract or in the Seller's Condition Reports (which is prepared or answere solely by Seller) 2[illegible] er has inspected the property (and not observed anything different from that stated by Sell in Seller's Property [illegible] Reports) Buyer knows Broker while having expertise in the marketing of real estate, does n have any other spec[illegible] owledge concerning the condition of the property (for example Broker is not a plumbe electrician carpenter [illegible] mason, engineer etc) 3) Buyer knows that if Buyer has any questions or concerns relatin to the property s cond[illegible] er must hire an independent inspector to answer the questions since Broker does not have th technical knowledge

CONFLICTING LANGUAGE [illegible] PROVED FORM *It is intended that this document be used with an approved form as set forth in* RL16 03 Wisconsin Administrative Code In the event any provision of the Addendum A conflicts with the provisions of the approved form the provisions of the approved Form shall control In the event any provision of the Addendum A1 conflicts with the provisions of the approved form the provisions of Addendum A1 shall control

Buyer has read fully understands and acknowledges receipt of a copy of these Addenda A and A1

Buyer [illegible] Buyer

Seller has read fully understands and acknowledges receipt of a copy of this Addenda A and A1

Seller [illegible] Seller [illegible]

Department of Building Inspection
841 N. Broadway
Milwaukee, Wis. 53202

Receipt Number

APPLICATION FOR CERTIFICATE OF CODE COMPLIANCE

Location Address	Date
[illegible]	13 January 94
OWNER'S Name - Address - City - Zip Code	PHONE
[illegible]	[illegible]
Buyer's Name - Address - City - Zip Code	PHONE
[illegible]	
Selling Realtor's Name - Address - City - Zip Code	PHONE
[illegible]	[illegible]

___ONE FAMILY DWELLING ___ TWO FAMILY DWELLING

The undersigned hereby attests to the above information as accurately describing the premises and proposed occupancy to the best of their knowledge and that they have been authorized by the owner or their agent to make this application. Any falsification of information or failure to inform buyer of code violations or their responsibility regarding the Certificate of code compliance will result in enforcement of penalties prescribed in the Milwaukee Code of Ordinances.

Applicant's Signature	Per authorized agent of applicant	Phone number
[illegible]	[illegible]	[illegible]
Present Street Address of Applicant	City - State - Zip Code	
[illegible]	[illegible]	

NOTE: Please allow one week minimum for processing of this application and inspection. The final certificate is valid for one year. But the compliance time on correction, will be different

All areas of the dwelling and garage should be available for inspection. The owner or the agent must be present for the inspection.

Date of 1st inspection	Date of notice letter	Date of 2nd inspection	Date of 3rd inspection	Date of code compliance	Date certificate was issued

Certificate Number

BI 160 REV 10/93

EXHIBIT C

ORDER TO CORRECT CONDITION OF PREMISES

CITY OF MILWAUKEE
DEPARTMENT OF BUILDING INSPECTION
841 NORTH BROADWAY
MILWAUKEE, WISCONSIN 53202
DISTRICT NO. 59

DATE OF INSPECTION
02/13/95

LINDA S BROWN
3968 N 28TH ST
MILWAUKEE WI 53210

RE: 3968 N 28TH ST 269-0015

A RECENT INSPECTION OF THE PREMISES AT THE ABOVE ADDRESS REVEALED CONDITIONS THAT VIOLATE THE MILWAUKEE CODE OF ORDINANCES.

YOU ARE HEREBY ORDERED TO CORRECT EACH VIOLATION LISTED BELOW ***WITHIN 90 DAYS *** OF SERVICE OF THIS ORDER, EXCEPT AS OTHERWISE SET FORTH BELOW.

YOUR RIGHT TO APPEAL THIS ORDER IS FULLY EXPLAINED ON THE REVERSE SIDE OF THIS PAGE.

FAILURE TO CORRECT THE VIOLATIONS NOTED HEREIN WITHIN THE TIME SET, OR FAILURE TO COMPLY WITH THE ORDER AS MODIFIED BY AN APPELLATE BOARD MAY SUBJECT YOU TO PROSECUTION AND TO PENALTIES OF $150 TO $10,000 IN THE MANNER PROVIDED IN SECTION 200.19. ALSO, UNCORRECTED VIOLATIONS ON PROPERTIES MAY ALLOW TENANTS TO DEPOSIT THEIR RENT IN AN ESCROW ACCOUNT IN THE DEPARTMENT OF BUILDING INSPECTION, UNDER SECTION 200-22.

YOUR FAILURE TO MAINTAIN COMPLIANCE WITH THIS ORDER MAY SUBJECT YOU TO PROSECUTION.

IN ACCORDANCE WITH SECTION 200-33-48, NO FEE WILL BE CHARGED FOR THE FIRST REINSPECTION. A FEE OF $50 MAY BE CHARGED FOR ANY SUBSEQUENT REINSPECTION. REINSPECTION FEES SHALL BE A LIEN UPON THE REAL ESTATE WHERE THE REINSPECTIONS WERE MADE AND SHALL BE ASSESSED AND COLLECTED AS A SPECIAL TAX.

THE CITY OF MILWAUKEE CODE SECTIONS 214-3, 222-01, 223-01, 236-01, 251-01, 252-01, 253-01 ,254-01 ,255-01, 256-01, 257-01, 258-01, 259-01, 260-01,261-01, 262-01, 263-01 AND 264-01 ADOPT BY REFERENCE ILHR CHAPTERS 7, 8,10,11,14,16,18,20-25,41,42, 45 AND 51-64,AND IND 19 AND 78 OF THE WISCONSIN ADMINISTRATIVE CODE. NUMBERS PRECEDED BY THE LETTER "W" ARE PART OF THE WISCONSIN ADMINISTRATIVE CODE AND HAVE BEEN ADOPTED BY THE CITY OF MILWAUKEE BY THE PRECEDING SECTIONS.

DUPLEX*-CTC

** CERTIFICATE OF CODE COMPLIANCE PROGRAM ** THE CITY OF MILWAUKEE CODE OF ORDINANCES INCLUDES A PROVISION FOR A CERTIFICATE OF COMPLIANCE IN DESIGNATED AREAS AND PROPERTIES IN THE CITY. THE VIOLATIONS NOTED IN THIS LETTER PREVENT THE ISSUANCE OF THE FINAL CERTIFICATE. THERE IS NO CHARGE FOR THE FIRST REINSPECTION OF THIS ORDER, BUT THERE IS A FEE OF FIFTY DOLLARS FOR EACH ADDITIONAL REINSPECTION.

1 275-32-3-F REPLACE MORTAR MISSING IN CHIMNEY (TUCKPOINT) - (NORTH SIDE)

2 275-32-8 REPAIR REPLACE OR REMOVE DEFECTIVE FENCE. -REAR (EAST SIDE)

EXHIBIT D

CITY OF MILWAUKEE
FORM BI-134 (REV)

OFFICIAL NOTICE
DEPARTMENT OF BUILDING INSPECTION

ORDER TO CORRECT CONDITION OF PREMISES

ST 02/17/95269-0015 134940 PAGE 2

75-32-4-A REPAIR OR REPLACE DEFECTIVE WINDOW SCREENS
-2ND FLOOR REAR (EAST SIDE) WINDOWS

4 275-32-4-A REPLACE ALL MISSING OR DEFECTIVE WINDOW PUTTY.
-2ND FLOOR (NORTH SIDE) WINDOWS

5 275-32-3-G REPAIR OR REPLACE DEFECTIVE PORCH GUARDRAIL.
-2ND FLOOR REAR (EAST SIDE)

6 217-13-4- SOUTH EXTERIOR COMMON EXIT DOOR DOUBLE KEYED (DOOR CANNOT BE KEY LOCKED ON THE INSIDE - REPLACE)

7 217-17-2 REMOVE OR PROPERLY INSTALL WINDOW SECURITY BARS. BARS MUST BE ABLE TO RELEASE FROM INSIDE

I had ask my [illegible] to remove [illegible] Now they [illegible] but still [illegible] to remove them.

COMMON AREAS AT 3968

8 275-62-2 REPAIR OR REPLACE DEFECTIVE ELECTRICAL FIXTURE(S).
- BASEMENT (UNDER BASEMENT STAIRS AND BASEMENT BOILER ROOM) 2 27-95 JB

9 275-62-2 REPLACE MISSING COVER ON ELECTRIC JUNCTION BOX. (BASEMENT BOILER ROOM AND BASEME CEILING NOR 2 27-

10 275-62-2 REPLACE MISSING COVER ON ELECTRIC OUTLETS. (BASEMENT SOUTH WALL)

11 275-32-3-F PROPERLY SEAL WATER HEATER VENT PIPE TO CHIMNEY.

SOUTH STAIRWAY TO 2ND floor 2 27-95 JB

12 275-32-3-G REPAIR OR REPLACE DEFECTIVE STAIR HANDRAIL.
Back they without [illegible] [illegible] properly.

INTERIOR AT 3968 LOWER UNIT

NORTHEAST BEDROOM CLOSET 2-27-95 JB

13 275-33-6 REPLACE ALL MISSING DOOR KNOBS.

BATHROOM

14 275-33-6 REPLACE ALL MISSING DOOR KNOBS.

15 275-33-3-A REPAIR PLASTER ON CEILING AND PAINT TO PROVIDE A CLEANABLE SURFACE. (REPAIR AND PAINTING TO BE DONE IN A WORKMANLIKE MANNER.)

LIVING ROOM

16 275-62-2 REPAIR OR REPLACE DEFECTIVE ELECTRIC OUTLETS (NO POWER) 2-27-95 JB

UNIT

CITY OF MILWAUKEE
FORM BI-134 (REV)

OFFICIAL NOTICE

ORDER TO CORRECT CONDITION OF PREMISES

-53 REPAIR OR REPLACE LOOSE FAUCET HANDLE ON BATH TUB. 2 25 95 SB

275-53 REPAIR OR REPLACE DEFECTIVE BATH TUB (IF REPLACED-PERMI REQUIRED) (FINISH WORN OFF) 2 27-95 SB

INTERIOR AT 3968A UPPER UNIT

BEDROOM NORTHEAST

19 275-32-4-A RESTORE WINDOW TO A WEATHERTIGHT CONDITION (WINDOW PANE) 2-27 95 SB

DINING ROOM

20 275-62-2 REPLACE MISSING COVER PLATE ON ELECTRIC OUTLET OR SWITCH (SOUTH WALL) 2 27-95 SB

KITCHEN

21 275-32-4-A REPLACE BROKEN OR MISSING WINDOW PANE.

UNIT

22 275-53 REPAIR OR REPLACE LOOSE FAUCET HANDLE ON BATH TUB.

23 275-53 REPAIR OR REPLACE DEFECTIVE SHOWER HEAD 2-27-95 SB

24 275-53 REPAIR OR REPLACE DEFECTIVE FLUSH MECHANISM ON TOILET.

275-53 REPLACE MISSING OVERFLOW COVER ON BATHTUB 2 27-95

FOR ANY ADDITIONAL INFORMATION
PHONE BALZER AT 286-2844
THE DISTRICT INSPECTOR BETWEEN
THE HOURS OF 8 00AM-9 00AM AND
3 00PM-3 45PM MONDAY THRU FRIDAY.

PER COMMISSIONER OF
BUILDING INSPECTION
BY John Balzer
DISTRICT INSPECTOR

NOTE: REFERRALS HAVE BEEN SENT TO THE PLUMBING AND ELECTRICAL DIVISIONS. ADDITIONAL ORDERS MAY BE ISSUED ON A SUBSEQUENT INSPECTION.

CITY OF MILWAUKEE | OFFICIAL NOTICE

ORDER TO CORRECT CONDITION OF PREMISES

CITY of MILWAUKEE

Code Comp.

DEPARTMENT of BUILDING INSPECTION

PLUMBING DIVISION
841 N. BROADWAY ROOM 1017
MILWAUKEE, WI 53202

February 22, 1995

Date of insp.: 2-20-95
by: Jerry Northern II
Phone: 286-3357

Linda S. Brown
3968 N. 28th St.
Milwaukee, WI 5316-2637

Re: 3968 N. 28th St.

A recent inspection of the premises at the above address revealed conditions that are in violation of the Milwaukee Code of Ordinances for the City of Milwaukee, and/or Wisconsin Administrative Code.

Appeals from the violation noted below must be made within 20 days after service of this notice by written petition. Further details on the appeal process are on the back of this sheet.

Failure to correct the violations noted herein within the time set, or failure to comply with the notice as modified by an appellate board may subject you to prosecution and to penalties of $150 to $10,000 in the manner provided in section 200-19. Also rent witholding may result from failure to correct violation on time.

You are hereby notified to correct each violation listed below within 30 DAYS of service of this notice, except as otherwise set forth below.

Your failure to maintain compliance with this order may subject you to prosecution.

The City of Milwaukee Code of Ordinances Section 225-1 adopts by reference IDHR Chapters 81 to 86, Wis. Adm. Code and Wis. Stats. 145.01, 145.06, 145.15 (4), 145.175 and 145.25 (1) to (3). Code numbers preceded by the letters IDHR are part of the Wis. Adm. Code or SS are part of the Wis. Stats and have been adopted by the City of Milwaukee by the preceeding sections.

The following violation regarding plumbing facilities and fixtures shall also comply with the requirements of City of Milwaukee Code of Ordinances SS 275-51 and 275-55.

Wisconsin Statutes Section 145.06 ALL PLUMBING WORK MUST BE CORRECTED BY A LICENSED MASTER PLUMBER. Section 225-1 Milwaukee Code of Ordinances A PLUMBING PERMIT IS REQUIRED FOR ALL PLUMBING WORK

Note: All violations marked with an asterisk * can be done by other than a licensed contractor

All violations marked with a pound # sign shall be charged with a quadruple fee as per City of Milwaukee Code of Ordinances, Section 200-32 (3).

In accordance with Section 200-33-49, no fee will be charged for the first reinspection. A fee of $50 may be charged for any subsequent reinspection. Reinspection fees shall be a lien upon the real estate where the reinspections were made and shall be assessed and collected as a special tax

EXHIBIT E

CITY OF MILWAUKEE
FORM BI-134 (REV)

DEPARTMENT OF BUILDING INSPECTION

ORDER TO CORRECT CONDITION OF PREMISES

To: Linda S. Brown

Re: 3968 N. 28th St.

Violations

General Information.

1. Sec. 225-01, ILHR 82.21 (2)(a)(f) Repair all defective valves and faucets throughout the building.

2. Sec. 225-3 (1)(4) Permit required. Obtain a proper plumbing permit for each item without an asterisk (*).

Basement.

3. Sec. 225-01, ILHR 82.21 (2)(a)(f), ILHR 82.41 Install an approved backflow protection device serving the boiler.

4. Sec. 225-3(1)(4), Sec. 225-01, ILHR 82.30 Properly install the illegally installed waste piping serving the laundry tray.

5. Sec. 225-3(1)(4), Sec. 225-01, ILHR 82.31 Properly install the illegally installed vent piping serving the laundry tray.

6. Sec. 225-01, ILHR 82.60 Properly secure or support the water piping serving the laundry tray.

7. Sec. 225-01, ILHR 82.21 (2)(a)(f) Repair or replace the defective control valve serving the hose faucet.

8. Sec. 225-01, ILHR 82.40 (8)(f) Install an approved water hammer arrestor serving the clothes washer.

9. * Sec. 225-33 Properly seal gas piping not in use as close to gas meter as possible. (near laundry tray)

10. Sec. 225-3 (1)(4), Sec. 225-01, ILHR 82.21 (2)(a)(f) Properly install the illegally installed water heater.

11. Sec. 225-01, ILHR 82.21 (2)(a)(f), ILHR 82.40 Repair or replace the defective shut off valve or water piping at water meter (water service side) (See Milwaukee Water Works Rules and Regulations Chapter 3.3.2 and Water Service Piping Specifications Chapter 2.1.0).

1st Floor.

12. Sec. 225-01, ILHR 82.21 (2)(a)(f) Repair or replace the defective waste piping serving the kitchen sink.

To: Linda S. Brown

Re: 3963 N. 28th St.

2nd Floor.

13. Sec. 225-01, ILHR 82.41 (2)(3), ILHR 84.20(4)(b) Install an approved cross connection device at the water supply flushometer or faucet serving the water closet.

14. Sec. 225-01, ILHR 82.21 (2)(a)(f), ILHR 84.20 (4)(b)(5) Repair or replace the defective waste and overflow serving the bath tub.

FOR ANY ADDITIONAL INFORMATION
CALL: Jerry Northern II
THE DISTRICT PLUMBING INSPECTOR
PHONE: 286-3357
BETWEEN THE HOURS OF
7:00 AM - 8:45 AM
MONDAY THRU FRIDAY

PER COMMISSIONER OF
BUILDING INSPECTION
by: Jerry Northern II
Jerry Northern II
(District Plumbing Inspector)

CITY OF MILWAUKEE
FORM BI-134 (REV)

OFFICIAL NOTICE
DEPARTMENT OF BUILDING INSPECTION

ORDER TO CORRECT CONDITION OF PREMISES

CITY OF MILWAUKEE
Department of Building Inspection
Electrical Section
841 N. Broadway St.
Milwaukee, Wisconsin 53202

Serial #: 121501
Inspection Date: 2/27/95

Linda S. Brown
3968 N. 28th St.
Milwaukee, WI 53216

RE: 3968 N. 28th St.
Taxkey #: 2690015000

A recent inspection of the premises at the above address revealed conditions that violate the Milwaukee Code of Ordinances or the Wisconsin Administrative Code or both.

You are required to correct each violation listed below within 14 days of service of this notice, except as otherwise stated below.

Your right to appeal this notice is explained on the back of this page

Failure to correct the violations within the time set or to comply with the notice as modified by an appellate board or to maintain compliance may [illegible] to prosecution and to penalties of $150 to $10,000 as provided in Section 200-19. Uncorrected violations in residential properties may allow tenants to deposit their [illegible] with the Department of Building Inspection under Section 200-22.

In accordance with Section 200-33-11-[illegible], no fee will be charged for the first reinspection for compliance of this order. Please note that a fee of $70 will be charged for any subsequent reinspection. Reinspection fees shall be [illegible] the date when the reinspections were made and shall be assessed and collected [illegible] as [illegible]

The City of Milwaukee Code Sections 222-01 and 222-50 adopt by reference ILHR Chapters [illegible] 18 and ILHR 19 Wis. Adm. Code. Code numbers preceded by the letter "ILHR" or "IND" are part of the Wis. Adm. Code and have been adopted by the City of Milwaukee [illegible] sections.

In accordance with Section 222-11-[illegible] electrical work [illegible] a Milwaukee licensed electrical contractor, [illegible] work be started.

[illegible]

1. ILHR 16.12 (NEC 300.11) Provide approved means for permanently securing in place all raceways and boxes, to their [illegible]

2. ILHR 16.12 (NEC 300.15) Provide box or fitting [illegible] print.

3. ILHR 16.12 (NEC 300.4) Provide adequate protection for [illegible] holes of wood members.

EXHIBIT F

CITY OF MILWAUKEE
FORM BI-134 (REV)

OFFICIAL NOTICE
DEPARTMENT OF BUILDING INSPECTION

ORDER TO CORRECT CONDITION OF PREMISES

3968 N. 28th St.
2690015000

Serial #. 121301

4. ILHR 16.12 (NEC 336.3) Remove non-metallic cable as this wiring method is not approved for this location.

5. ILHR 16.12 (NEC 336.10) Reinstall non-metallic cable to closely follow surface of building.

6. ILHR 16.12 (NEC 336.12) Remove cables where below joists of basement ceiling and reinstall through bored holes when necessary or fasten to side of joists where necessary.

7. ILHR 16.12 (NEC 336.15) Properly secure in place non-metallic cables within 12" of every cabinet, box or fitting and at intervals not exceeding 4 1/2".

8. ILHR 16.12 (NEC 400.8(1)) Remove flexible electric cord wiring where used as substitute for fixed wiring of structure.

9. ILHR 16.09 Repair or replace all defective switches and receptacles located throughout building

10. ILHR 16.12 (NEC 110.12) Install all electrical equipment in a neat and workmanlike manner.

11. ILHR 16.12 (NEC 110.12(a)) Effectively close unused openings in boxes, raceways, auxiliary gutters, cabinets and equipment cases or housing to afford protection substantially equal to the wall of the equipment.

12. ILHR 16.12 (NEC 110.13)) Firmly secure electrical equipment to the surface on which it is mounted.

13. ILHR 16.12 (NEC 300.15(b)) Provide box or cover so that exposed conductors are properly enclosed.

14. ILHR 16.12 (NEC 333.7) Provide proper supports for armored cable.

15. ILHR 16.12 (NEC 370.8) Provide proper closures for all unused openings in panels boxes and conduit bodies.

16. ILHR 16.12 (NEC 410.16(c)) Provide approved means of fastening fluorescent fixtures to framing members of suspended ceiling.

CITY OF MILWAUKEE
FORM BI-134 (REV)

OFFICIAL NOTICE
DEPARTMENT OF BUILDING INSPECTION

ORDER TO CORRECT CONDITION OF PREMISES

3968 N. 28th St.
2690015000

Serial #: 121501

17. ILHR 16.12 Provide protection with proper enclosure for circulating pump on heating system.

For any additional information
phone **Inspector Jim McWaters at 286-2523**
between the hours of 7:30-8:30am and 3:00-4:00pm
Monday through Friday.

Per Commissioner of
Building Inspection

Electrical Inspector

CITY OF MILWAUKEE
FORM BI-134 (REV.)

OFFICIAL NOTICE
DEPARTMENT OF BUILDING INSPECTION

A G R E E M E N T

RE: 3968 North 28th St. Milwaukee, Wisconsin 53216

Pursuant to an agreement reached between Mr. James C. Thomas and Ms. Linda Brown on August 23, 1996, with regard to the sale of the above-referenced property, Mr. Thomas, as indicated by his signature herein below, agrees to:

1) Pay Ms. Brown Two Thousand Five Hundred Dollars ($2,500.00) on August 23, 1996. JB/833/9

2) Pay Ms. Brown One Thousand Dollars ($1,000.00) within 90 days of the date of this agreement; and

3) Repair the chimney at the above-referenced property, said repairs being sufficient to pass inspection by the City of Milwaukee and to be performed within 60 days of this agreement.

In return for the promises made by Mr. Thomas, Ms. Brown, as indicated by her signature below, agrees to release Mr. Thomas and the party Mr. Thomas represented in the sale of the above-referenced property, Sylvester and Mae Beard, from any and all liability, financial or otherwise, relating to damages or injuries sustained or allegedly sustained by Ms. Brown as a result of the sale of the above-referenced property (including code compliance matters involving the City of Milwaukee and/or the State of Wisconsin.

Linda Brown 8/23/96
LINDA BROWN:

8/23/96
JAMES C. THOMAS:

JB

Ms Brown represents by her initials that she has conferred with her attorney and fully understands the terms of this agreement. JB 8/23/96

EXHIBIT G

COPY

STATE OF WISCONSIN
BEFORE THE REAL ESTATE BOARD

IN THE MATTER OF THE DISCIPLINARY PROCEEDINGS AGAINST	:	
	:	**STIPULATION**
JAMES C. THOMAS, and JAMES C. THOMAS COMPANY, INC.,	:	**95 REB 104**
RESPONDENTS.	:	

The parties in this matter agree and stipulate as follows:

1. This Stipulation is entered into for the purpose of resolving this matter known as investigative file 95 REB 104. JAMES C. THOMAS and JAMES C. THOMAS COMPANY, INC., collectively called "Respondents" and Attorney Tracey R. Thomas, attorney for the Respondents, and the Division of Enforcement, Department of Regulation and Licensing by its attorney Charles J. Howden, consent to the resolution of this matter pursuant to the terms of this stipulation and the attached Final Decision and Order.

2. Respondents understand that by the signing of this Stipulation they voluntarily and knowingly waive their rights, including: the right to a hearing on the allegations against them, at which time the State has the burden of proving those allegations; the right to confront and cross-examine the witnesses against them; the right to call witnesses on their behalf and to compel their attendance by subpoena; the right to file objections to any proposed decision and to present briefs or oral arguments to the officials who are to render the final decision; the right to petition for rehearing; and all other applicable rights afforded to them under the United States Constitution, the Wisconsin Constitution, the Wisconsin Statutes, and the Wisconsin Administrative Code.

3. Respondents have had the opportunity to consult with legal counsel regarding this mater and the legal implications of the stipulation. Respondents are represented by attorney Tracey R. Thomas, 400 North McClurg Court #2012, Chicago, IL 60611.

4. Respondents voluntarily and knowingly waive the rights set forth in paragraph 2 above, on the condition that all of the provisions of this Stipulation are approved by the Board.

5. With respect to the attached Final Decision and Order, Respondents neither admit nor deny the facts as set forth in the Findings of Fact, however, they all agree that the Board may make the Findings of Fact and may reach the conclusions set forth in the Conclusions of Law and enter the Order attached hereto.

6. If the terms of this Stipulation are not acceptable to the Board, the parties shall not be bound by the contents of this Stipulation or the proposed Final Decision and Order. The matter

414 - 445 - 8070

shall then be returned to the Division of Enforcement for further proceedings in this matter. In the event that the Stipulation is not accepted by the Board the parties agree not to contend that the members of the Board have been prejudiced or biased in any manner by the consideration of this attempted resolution.

7. If the Board accepts the terms of this Stipulation, the parties to the Stipulation consent to the entry of the attached Final Decision and Order without further notice, pleading, appearance or consent of the parties.

8. Respondents agree that Complainant's attorney, Charles J. Howden, may appear at any meeting with the Board with respect to the Stipulation and that his appearance is limited to statements in support of the Stipulation and to answer any questions the Board may have regarding the Stipulation. Respondents waive any right they may have to have notice of that meeting.

October 15, 1996

23 September 96

JAMES C. THOMAS, as an individual
Respondent

Date

October 15, 1996

23 September 96

JAMES C. THOMAS COMPANY, INC.,
Respondent
by its President James C. Thomas

Date

TRACEY R. THOMAS, Attorney
for Respondents

October 15, 1996

Date

CHARLES J. HOWDEN, Attorney
Division of Enforcement

October 23, 1996

Date

BEFORE THE STATE OF WISCONSIN
REAL ESTATE BOARD

IN THE MATTER OF THE DISCIPLINARY PROCEEDINGS AGAINST JAMES C. THOMAS and JAMES C. THOMAS COMPANY, INC., RESPONDENTS.	: : : : : :	AFFIDAVIT OF SERVICE

Katie Rotenberg, being first duly sworn on oath deposes and states that she is in the employ of the Department of Regulation and Licensing, and that on October 28, 1996, she served the following upon the respondent's attorney:

Final Decision and Order dated October 24, 1996, LS9606251REB

by mailing a true and accurate copy of the above-described document, which is attached hereto, by certified mail with a return receipt requested in an envelope properly addressed to the above-named respondent's attorney at:

Tracey R. Thomas, Attorney
400 North McClurg Court, #2012
Chicago, IL 60611
Certified P 213 340 127

NOTARY PUBLIC
RUBY JEFFERSON-MOORE
STATE OF WISCONSIN

Katie Rotenberg
Katie Rotenberg
Department of Regulation and Licensing

Subscribed and sworn to before me
this 28th day of October, 1996.

Ruby Jefferson-Moore
Notary Public
Dane County, Wisconsin
My Commission is Permanent

NOTICE OF APPEAL INFORMATION

Notice Of Rights For Rehearing Or Judicial Review, The Times Allowed For Each, And The Identification Of The Party To Be Named As Respondent.

Serve Petition for Rehearing or Judicial Review on:

STATE OF WISCONSIN REAL ESTATE BOARD

1400 East Washington Avenue
P.O. Box 8935
Madison, WI 53708.

The Date of Mailing this Decision is:

October 28, 1996

1. REHEARING

Any person aggrieved by this order may file a written petition for rehearing within 20 days after service of this order, as provided in sec. 227.49 of the *Wisconsin Statutes*, a copy of which is reprinted on side two of this sheet. The 20 day period commences the day of personal service or mailing of this decision. (The date of mailing this decision is shown above.)

A petition for rehearing should name as respondent and be filed with the party identified in the box above.

A petition for rehearing is not a prerequisite for appeal or review.

2. JUDICIAL REVIEW.

Any person aggrieved by this decision may petition for judicial review as specified in sec. 227.53, *Wisconsin Statutes* a copy of which is reprinted on side two of this sheet. By law, a petition for review must be filed in circuit court and should name as the respondent the party listed in the box above. A copy of the petition for judicial review should be served upon the party listed in the box above.

A petition must be filed within 30 days after service of this decision if there is no petition for rehearing, or within 30 days after service of the order finally disposing of a petition for rehearing, or within 30 days after the final disposition by operation of law of any petition for rehearing.

The 30-day period for serving and filing a petition commences on the day after personal service or mailing of the decision by the agency, or the day after the final disposition by operation of the law of any petition for rehearing. (The date of mailing this decision is shown above.)