

# Title Insurance 101



## Chicago Title Insurance Company

**Presented by:**

Lisa Petersen

Underwriting Counsel

Chicago Title Insurance Company

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### **Northwest Land Title, Inc.**

105 Central Ave. • PO Box 520 Milltown, WI 54858  
PHONE 715-825-4411 • FAX 715-825-4226

### **Assured Title, LLC**

24012 State Road 35/70 • PO Box 578 Siren, WI 54872  
PHONE 715-349-2345 • FAX 715-349-5208

### **Oakey and Oakey Abstract & Title, LLC**

108 Chieftain St. • PO Box 126 Osceola, WI 54020  
PHONE 715-294-2324 • FAX 715-755-3535

We provide the most complete and professional title and escrow services for all of Northwestern Wisconsin.

## **Speaker Lisa Pertersen's Bio**

Lisa A. Petersen is Underwriting Counsel and Back Up State Counsel for the Fidelity National Title Group, which includes Chicago Title Insurance Company, Fidelity National Title Insurance Company, and Commonwealth Land Title Company. Her responsibilities include statewide underwriting for all companies. She enjoys the education component of her position. She has created several educational tools for the agency network, including Friday FAQs, Title Tuesdays and Lunch & Learns. Lisa has also created numerous seminars for our agents and their customers with Title 101 being the most popular. Lisa creates the annual Webinar schedule with topics based on agent suggestions. She loves the opportunity to travel across the state to meet with our agents and present seminars to their staff members, as well as their customers. Lisa is a member of the State Bar of Wisconsin and the Milwaukee Bar Association where she serves as a speaker on various title insurance topics. She served on the Board of Directors for the Wisconsin Mortgage Banker's Association and was a member of the Wisconsin Commercial Real Estate Women. She is also a member of the American Land Title Association and the Wisconsin Land Title Association where she is an active member of the Education and Legislative Committees. Lisa is a Past President of the Wisconsin Land Title Association and served on its Board of Directors for 7 years. She received her BA from the University of Wisconsin-Madison and her JD from Northern Illinois University and is a frequent lecturer on title issues across the state.

### **Wisconsin Land Title Association (WLTA) Activities**

Appointed member of WLTA Commissioner of Insurance Task Force

WLTA Past President

WLTA Education Committee Chair

WLTA Legislative Committee Member

Recipient of many WLTA awards including the President's Award, Committee Chair of the Year, Committee Member of the Year, Service Award, Golden Key Award, Michael F. Wille Leadership Award

WLTA Instructor (Certificate Courses/Pre Licensing) 1999-present

### **Fidelity National Title Group Awards**

Ticor Title Service Award

Chicago Title Insurance Company Circle of Excellence Award

 **Chicago Title Insurance Company**

## **TITLE INSURANCE 101**

**Presented by:**  
Lisa Petersen  
Underwriting Counsel  
Chicago Title Insurance Company

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## TITLE INSURANCE IN WISCONSIN

The decision to purchase a home is an important one. It involves a significant amount of thought, time and money. For most people it is among the most important financial decisions that they will make during their lives. Title insurance companies provide a critical service by supplying real estate buyers and lenders with crucial information about the property being bought or mortgaged.

Virtually every real estate contract requires that the seller provide the buyer with proof that the seller actually owns the real estate being sold. The form of this proof—called “evidence of title”—depends upon the custom and practice of the state in which the property is located. In Wisconsin, the most common form of title evidence is title insurance.

Title insurance is a contract of indemnity between the insurer and the insured, wherein the insurer undertakes to compensate the insured for actual monetary loss suffered by the insured by reason of defects, liens or other encumbrances on the insured’s title that occurred prior to the effective date of the policy and which are not specifically excluded by or excepted from the policy.

Title insurance differs from other types of casualty insurance (fire, auto, life) in that it covers matters, which precede the date of coverage, whereas, other casualty insurance covers matters which occur subsequent to the policy date. In addition, title insurance requires only a one-time premium versus annual premiums for other types of casualty insurance.

The commitment represents the underwriter’s commitment to issue a policy of insurance once the requirements are met. The history of the property is researched in the records of the Register of Deeds, the Treasurers Office, the Child Support Lien Docket, the Clerk of Court’s office and in some cases, the Department of Financial Institutions. A title examiner analyzes the results of these searches. Title examiners are licensed and regulated by the Office of the Commissioner of Insurance. They have many duties to perform when examining a property file. The examiner must verify that a complete chain of title has been examined, either in the current exam or in previous title insurance policies on the same parcel. Copies of deeds must be reviewed in order to verify that they meet all of the legal requirements for a valid transfer of real estate. The tax and special assessment searches are reviewed for accuracy and completeness. If court proceedings are disclosed, they will be investigated to determine their impact on the title and the transaction at hand. Matters that were raised in earlier policies will be evaluated to determine if they still affect the property, and if they do, they will be carried forward to the new commitment.

After completing this analysis, the title examiner prepares the commitment with the appropriate exceptions.

Once the transaction has closed, the agent updates the title search to show the recording of the closing documents. The update will also show any matters that have been recorded or filed between the effective date of the commitment and the recording of the new deed and mortgage (the "Gap").

The owner's policy insures the purchasers as to their new status as record owners of the property and assures them that, as of the date of the policy, there are no defects, liens or other matters, which affect their title, other than those that have been disclosed or otherwise excepted or excluded under the terms of the policy.

The lender's policy insures the validity of the new mortgage, assuring that it is not a forgery or unenforceable for any other reason in a way that would jeopardize the lender's lien and its ability to recoup the money it is owed should the borrower default in repaying the loan. More importantly, the loan policy insures the priority of the mortgage lien as of the date of the policy, subject to any exceptions and exclusion in the policy.

American Land Title Association

Commitment

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

COMMITMENT FOR TITLE INSURANCE

Issued by

Chicago Title Insurance Company

CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation ("Company"), for a valuable consideration, commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the Proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest in the land described or referred to in Schedule A, upon payment of the premiums and charges and compliance with the Requirements; all subject to the provisions of Schedules A and B and to the Conditions of this Commitment.

This Commitment shall be effective only when the identity of the Proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A by the Company.


All liability and obligation under this Commitment shall cease and terminate 90 days after the Effective Date or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue the policy or policies is not the fault of the Company.

The Company will provide a sample of the policy form upon request.


IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A.

CHICAGO TITLE INSURANCE COMPANY

By:

  
Raymond R. Quirk  
President

By:

  
Todd Johnson

Countersigned

Issued By:

CHICAGO TITLE INSURANCE COMPANY

SCHEDULE A

Prepared for:

CHICAGO TITLE INSURANCE COMPANY-CLOSING  
20900 SWENSON DRIVE, SUITE 900  
P.O. BOX 987  
WAUKESHA, WISCONSIN 53187-0987  
CLOSING DEPT.

1089093

Order No:

1. Effective Date: June 30, 2005 at 7:00A.M.

2. Policy or Policies to be issued:

a. OWNER'S POLICY1: ALTA Owner's Policy (6/17/06) Amount: \$205,000.00  
Proposed Insured:  
DAVID M. ROBERTS AND ANNA M. ROBERTS

b. LOAN POLICY1: ALTA Loan Policy (6/17/06) Amount: \$107,500.00  
Proposed Insured:  
YOU WANT IT, WE LEND IT, F.S.B., its successors and/or assigns

3. The estate or interest in the land described or referred to in this commitment is:

FEE SIMPLE

4. Title to the fee simple estate or interest in the land described or  
YOUNG FAMILY LLC, a Wisconsin limited liability company

5. The land referred to in the Commitment is described as follows:

Lot 5, in Block 8 in Armory Subdivision, being a Subdivision of a part of the South East 1/4 of Section 4, Township 7 North, Range 22 East, in the Village of Shorewood, County of Milwaukee, State of Wisconsin

|  |                               |
|--|-------------------------------|
| Issued By:<br><b>CHICAGO TITLE INSURANCE COMPANY</b> | <b>Schedule B - Section I</b> |
|--|-------------------------------|

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

|   |
|---|
| Order No: <span style="border: 1px solid black; padding: 2px 10px;">TITLE101</span> |
|---|

**SCHEDULE B - SECTION I  
REQUIREMENTS**

AM (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

AN (b) PAYMENT TO THE COMPANY OF THE PREMIUMS, FEES AND CHARGES FOR THE POLICY.

R (c) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:

Deed from YOUNG FAMILY LLC, a Wisconsin limited liability company to DAVID M. ROBERTS AND ANNA M. ROBERTS, husband and wife.

Mortgage from DAVID M. ROBERTS AND ANNA M. ROBERTS, husband and wife to YOU WANT IT, WE LEND IT, F.S.B.

S (d) We should be furnished with a copy of the Articles of Organization and all amendments thereto of YOUNG FAMILY LLC, a Wisconsin limited liability company, as filed with the Department of Financial Institutions, together with its Operating Agreement, all amendments thereto and evidence that it has not dissolved. Upon receipt and examination of same further requirements for the conveyance called for herein will be made.

T (e) We should be furnished with satisfactory evidence that the proposed deed has been approved by a majority of the members of the YOUNG FAMILY LLC, a Wisconsin limited liability company, which approval should name the member or members authorized to execute the deed.

AT (f) The proposed mortgage should either designate the subject property as non-homestead, identify the mortgagor as unmarried or be joined in by the mortgagor's spouse.

If all of the net proceeds of the proposed mortgage are to be disbursed to the seller of the subject premises as part of the purchase price and said mortgage recites on the face thereof that it is a purchase money mortgage, the above requirement may be disregarded.

\*\*\*\*\*



|  |                                |
|--|--------------------------------|
| issued By:<br><b>CHICAGO TITLE INSURANCE COMPANY</b> | <b>Schedule B - Section II</b> |
|--|--------------------------------|

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

|  |
|--|
| Order No: <span style="margin-left: 20px;">TITLE101</span> |
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**SCHEDULE B - SECTION II  
EXCEPTIONS**

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

AO      Note: Exception 1 will be removed only if no intervening matters appear of record between the effective date of this commitment and the recording of the instruments called for at Item (c) of Schedule B-I, or if a gap endorsement is issued in conjunction with this commitment and the requirements for the issuance of "gap" coverage as described in the endorsement are met, including the payment of the premium.

- AP      2. **Special taxes or assessments, if any, payable with the taxes levied or to be levied for the current and subsequent years.**

AQ      Note: Exception 2 will be removed only if the Company receives written evidence from the municipality that there are no special assessments against the land, or that all such items have been paid in full.

- AR      3. **Liens, hook-up charges or fees, deferred charges, reserve capacity assessments, impact fees, or other charges or fees due and payable on the development or improvement of the land, whether assessed or charged before or after the Date of Policy.**

AS      The Company assures the priority of the lien of the insured mortgage over any such lien, charge or fee.

AT      Note: Exception 3 will be removed only if the Company receives (1) written evidence from the municipality that there are no deferred charges, hookup fees, or other fees or charges attaching to the property; (2) evidence that the land contains a completed building; and (3) a statement showing that the land has a water and sewer use account. If the land is vacant, this exception will not be removed.

- AU      4. **Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.**

AV      Note: Exception 4 will be removed only if the Company receives the Construction Work and Tenants Affidavit on the form furnished by the Company and the following is true:

No work done: the Affidavit must establish that there has been no lienable construction work in the previous six months.

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

|           |          |
|-----------|----------|
| Order No: | TITLE101 |
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**Repair work done:** if repair work has been done on an existing structure in the last six months, the affidavit must accurately disclose all parties who have done lienable work in the last six months, and have attached to it original full waivers of lien from each person or company.

**New construction:** if the property contains a newly-built structure, the Affidavit must incorporate a complete list of all parties who have done lienable work in the last six months, and have attached to it original full waivers of lien from each person or company. If Exception 4 is removed, it may be replaced by the following exception: "Any construction lien claim by a party not shown on the Construction Work and Tenants Affidavit supplied to the Company."

AW 5. **Rights or claims of parties in possession not shown by the public records.**

AX **Note:** Exception 5 will be removed only if the Company receives the Construction Work and Tenants Affidavit on the form furnished by the Company. If the affidavit shows that there are tenants, Exception 5 will be replaced by an exception for the rights of the tenants disclosed by the Affidavit.

AY 6. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land.**

AZ 7. **Easements or claims of easements not shown by the public records.**

BA 8. **Any claim of adverse possession or prescriptive easement.**

BB **Note:** Exceptions 6, 7 and 8 will be removed only if the Company receives an original survey which (1) has a current date, (2) is satisfactory to the Company, and (3) complies with current ALTA/ACSM Minimum Survey Standards or Wisconsin Administrative Code AE-7. If the survey shows matters which affect the title to the property, Exceptions 6, 7 and 8 will be replaced by exceptions describing those matters.

U 9. **General taxes for the year 2005.**

V 10. **Delinquent taxes for the years 2003 and 2004 together with all penalties and interest.**

W 11. **Covenants, conditions and restrictions (but omitting any such covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin, unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code, or (b) relates to handicap but does not discriminate against handicapped persons) set forth in Declaration executed by The Light Horse Squadron Armory Association, dated April 22, 1929 and recorded on May 8, 1929 in Volume 1282 of Deeds at page 1289, as Document No. 1699160; and contained in Warranty Deed**

Issued By:  
**CHICAGO TITLE INSURANCE COMPANY**

Schedule B - Section II (continued)

Your Ref: **YOUNG/ROBERTS/4134 S. OAK STREET**

Order No: **TITLE101**

executed by Armory Realty Company to Mercantile Securities Company dated May 31, 1930 and recorded June 25, 1931 in Volume 1370 of Deeds at page 48, as Document No. 1855154, providing for no forfeiture or reversion of title in case of violation.

x 12. Declaration of Restrictions dated June 30, 1973, recorded July 7, 1973 in Volume 1968 of Deeds at page 51, as Document No. 9203865.

y 13. Utility Easement granted by Armory Realty Company to The Milwaukee Electric Railway and Light Company and Wisconsin Telephone Company, its successors and/or assigns, by an instrument dated April 19, 1930 and recorded April 21, 1930 in Volume 1328 of Deeds at page 457, as Document No. 1774895.

z 14. Mortgage, according to the terms and provisions thereof, from Young Family LLC to My Savings & Loan Association to secure the originally stated indebtedness of \$83,700.00 and any other amount payable under the terms thereof, dated September 23, 1985 and recorded on September 24, 1985, Reel 1797, Image 1795, as Document No. 5848035.

AJ 15. Mortgage, according to the terms and provisions thereof, from DAVID M. ROBERTS AND ANNA M. ROBERTS to YOU WANT IT, WE LEND IT, F.S.B., to secure the originally stated indebtedness of \$107,500.00 and any other amount payable under the terms thereof, dated June 29, 2005 and recorded on June 30, 2005 as Document No. 1234567.

AC 16. Access easement in favor of the owners of Lot 6 in Block 8 over and across the parcel to be insured herein, as shown on the plat of Armory Subdivision.

AK 17. Encroachment to the extent of 6 feet onto the property lying West of the insured parcel of a fence as shown on survey dated May 7, 2005.

AL 18. Encroachment to the extent of 2 feet of the shed onto the property lying North of the insured parcel as shown on survey dated May 7, 2005.

The Company insures the Insured against loss or damage (not exceeding the amount of this policy) resulting from the enforced removal of the above-mentioned encroachment.

\*\*\*\*\*

AE

AF

EXCEPTIONS 6, 7 AND 8 OF SCHEDULE B-II HEREOF ARE NOT APPLICABLE TO THE ISSUANCE OF THE LOAN POLICY.

The Loan Policy, when issued, will contain an ALTA Endorsement 9, an ALTA 8.1 Environmental Endorsement and a Location Endorsement.

Issued By:  
**CHICAGO TITLE INSURANCE COMPANY**

**Schedule B - Section II (continued)**

Your Ref: **YOUNG/ROBERTS/4134 S. OAK STREET**

Order No: **TITLE101**

**END OF SCHEDULE B - SECTION II**

Issued By:

CHICAGO TITLE INSURANCE COMPANY

Conditions

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Order No:

TITLE101

CONDITIONS

1. The term mortgage, when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquired actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 or these Conditions.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and Conditions and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. This Commitment is a contract to issue one or more title insurance policies and is not an abstract of title or a report of the condition of title. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.
5. *The policy to be issued contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <<http://www.alta.org/>>.*

# CHICAGO TITLE INSURANCE COMPANY

## Construction Work and Tenants Affidavit

1. I am the Owner of the property (the Property) described in commitment number \_\_\_\_\_ issued by Chicago Title Insurance Company.

2. Construction work. *(check one box)*

Repair or construction work **has not** been done on the Property in the past six months.

Repair or construction work **has** been done on the Property in the past six months. The total dollar amount of the work is approximately \$ \_\_\_\_\_. All of the people who supplied labor or material are listed below. All lien waivers I collected from these people are stapled to this affidavit.

| Type of work | Contractor name | Dollar amount of work | Date of work |
|--------------|-----------------|-----------------------|--------------|
|              |                 |                       |              |
|              |                 |                       |              |
|              |                 |                       |              |
|              |                 |                       |              |

3. Tenants. The following tenants and renters occupy the Property: *(check one box)*

There are **no** tenants.

There are tenants, but all have left the Property or **will leave** as of closing.

One or more tenants **will stay** after this sale is closed. Their names are:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I give this affidavit to persuade CHICAGO TITLE INSURANCE COMPANY to issue its policy or policies of title insurance. I agree to indemnify Chicago Title Insurance Company against loss caused by inaccuracies or omissions in the above information of which I am aware.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year).

OWNER

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year).

By:

Notary Public, \_\_\_\_\_ County, Wisconsin. My commission (expires) (is permanent):

Its:

# CHICAGO TITLE INSURANCE COMPANY

## Construction Work and Tenants Affidavit Refinance Mortgages Only

1. I am the Owner of the property (the Property) described in commitment number \_\_\_\_\_ issued by Chicago Title Insurance Company.

2. **Construction work. (check one box)**

Repair or construction work **has not** been done on the Property in the past six months.

Repair or construction work **has** been done on the Property in the past six months. The total dollar amount of the work is approximately \$\_\_\_\_\_. All of the people who supplied labor or material are listed below. All lien waivers I collected from these people are stapled to this affidavit.

| Type of work | Contractor name | Dollar amount of work | Date of work |
|--------------|-----------------|-----------------------|--------------|
|              |                 |                       |              |
|              |                 |                       |              |
|              |                 |                       |              |

3. **Tenants.** The following tenants and renters occupy the Property: *(check one box)*

There are **no** tenants.

The following tenants live in the building:  
\_\_\_\_\_  
\_\_\_\_\_

4. **Special assessments.** There are no unpaid special assessments, charges for water or sewer hookup or service, or other tax liens on the property, except: \_\_\_\_\_

5. **Association dues and assessments.** There are no association dues owed to my condominium or homeowner's association, except: \_\_\_\_\_

I give this affidavit to persuade CHICAGO TITLE INSURANCE COMPANY to issue its policy or policies of title insurance. I agree to indemnify Chicago Title Insurance Company against loss caused by inaccuracies or omissions in the above information of which I am aware.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year).

OWNER

Subscribed and sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year).

Notary Public, \_\_\_\_\_ County, Wisconsin. My commission (expires) (is permanent):

American Land Title Association

Owner's Policy

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

OWNER'S POLICY OF TITLE INSURANCE  
Issued by  
Chicago Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation (the Company) insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;



Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

- (c) the subdivision of land; or
- (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.

6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated Schedule A or being defective
  - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers.

CHICAGO TITLE INSURANCE COMPANY

By:

*Raymond R. Quirk*  
Raymond R. Quirk  
President

By:

*Todd Johnson*  
Todd Johnson  
Secretary

Countersigned

Authorized Signatory

Issued By:

**Chicago Title Insurance Company**

20900 SWENSON DR. STE 900, WAUKESHA, WI 53187-0987

PHONE: (262)796-3800

FAX: (262)796-3888

**SCHEDULE A**

Your Ref: **YOUNG/ROBERTS/4134 S. OAK STREET**

File No.: TITLE101

Policy No:

TITLE101

Address Reference: 4134 S. OAK STREET, SHOREWOOD, WISCONSIN

Amount of Insurance: \$205,000.00

Premium: \$0.00

Date of Policy: JUNE 30, 2005 at 7:00 A.M.

**1. Name of Insured:**

DAVID M. ROBERTS AND ANNA M. ROBERTS

**2. The estate or interest in the Land that is insured by this policy is:**

**3. Title is vested in:**

DAVID M. ROBERTS AND ANNA M. ROBERTS

**4. The Land referred to in this policy is described as follows:**

Lot 5, in Block 8 in Armory Subdivision, being a Subdivision of a part of the South East 1/4 of Section 4, Township 7 North, Range 22 East, in the Village of Shorewood, County of Milwaukee, State of Wisconsin

issued By:

**CHICAGO TITLE INSURANCE COMPANY**

20900 SWENSON DR. STE 900, WAUKESHA, WI 53187-0987

PHONE: (262)796-3800

FAX: (262)796-3888

**SCHEDULE B**

Your Ref: **YOUNG/ROBERTS/4134 S. OAK STREET**

Policy No: **TITLE101**

**SCHEDULE B  
EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses that arise by reason of:

- U 1. General taxes for the year 2005.
- W 2. Covenants, conditions and restrictions (but omitting any such covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin, unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code, or (b) relates to handicap but does not discriminate against handicapped persons) set forth in Declaration executed by The Light Horse Squadron Armory Association, dated April 22, 1929 and recorded on May 8, 1929 in Volume 1282 of Deeds at page 1289, as Document No. 1699160; and contained in Warranty Deed executed by Armory Realty Company to Mercantile Securities Company dated May 31, 1930 and recorded June 25, 1931 in Volume 1370 of Deeds at page 48, as Document No. 1855154, providing for no forfeiture or reversion of title in case of violation.
- X 3. Declaration of Restrictions dated June 30, 1973, recorded July 7, 1973 in Volume 1968 of Deeds at page 51, as Document No. 9203865.
- X 4. Utility Easement granted by Armory Realty Company to The Milwaukee Electric Railway and Light Company and Wisconsin Telephone Company, its successors and/or assigns, by an instrument dated April 19, 1930 and recorded April 21, 1930 in Volume 1328 of Deeds at page 457, as Document No. 1774895.
- AJ 5. Mortgage, according to the terms and provisions thereof, from DAVID M. ROBERTS AND ANNA M. ROBERTS to YOU WANT IT, WE LEND IT, F.S.B., to secure the originally stated indebtedness of \$107,500.00 and any other amount payable under the terms thereof, dated June 29, 2005 and recorded on June 30, 2005 as Document No. 1234567.
- AC 6. Access easement in favor of the owners of Lot 6 in Block 8 over and across the parcel to be insured herein, as shown on the plat of Armory Subdivision.
- AK 7. Enroachment to the extent of 6 feet onto the property lying West of the insured parcel of a fence as shown on survey dated May 7, 2005.
- AL 8. Encroachment to the extent of 2 feet of the shed onto the property lying North of the insured parcel as shown on survey dated May 7, 2005.

The Company insures the Insured against loss or damage (not exceeding the amount of this policy) resulting from the enforced removal of the above-mentioned encroachment.

\*\*\*\*\*

*Issued By:*

**CHICAGO TITLE INSURANCE COMPANY**

20900 SWENSON DR. STE 900, WAUKESHA, WI 53187-0987

PHONE: (262)796-3800

FAX: (262)796-3888

**SCHEDULE B**  
**(continued)**

Your Ref: **YOUNG/ROBERTS/4134 S. OAK STREET**

Policy No:

**TITLE101**

**END OF SCHEDULE B**

## American Land Title Association

## Owner's Policy

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

## EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters:
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

## CONDITIONS

## 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 11 and 12 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
  - (i) The term "Insured" also includes
    - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
    - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
    - (C) successors to an Insured by its conversion to another kind of Entity;
    - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
      - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
      - (2) if the grantee wholly owns the named
  - (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

## 2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

# American Land Title Association

# Owner's Policy

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

### 4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

### 5. DEFENSE AND PROSECUTION OF ACTIONS

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required

Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

### 6. DUTY OF INSURED CLAIMANT TO COOPERATE

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental

regulation, shall terminate any liability of the Company under this policy as to that claim.

### 7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.  
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

### 8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

- (i) the Amount of Insurance; or
- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

American Land Title Association

Owner's Policy

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
    - (i) the Amount of Insurance shall be increased by 10%, and
    - (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
  - (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.
- 9. LIMITATION OF LIABILITY**
- (a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
  - (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
  - (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.
- 10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**
- All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.
- 11. LIABILITY NONCUMULATIVE**
- The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.
- 12. PAYMENT OF LOSS**
- When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.
- 13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**
- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
  - (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.
- 14. ARBITRATION**
- Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.
- 15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**
- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
  - (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
  - (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
  - (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.
- 16. SEVERABILITY**
- In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.
- 17. CHOICE OF LAW; FORUM**
- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
  - (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.
- 18. NOTICES, WHERE SENT**
- Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at :
- Chicago Title Insurance Company  
 Attn: Claims Department  
 P.O. Box 45023  
 Jacksonville, FL 32232-5023

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No:

TITLE101

Issued by

# Chicago Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given the Company under this Policy must be given to the Company at the address shown in Section 17 of the Conditions.

## COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B, AND THE CONDITIONS, CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation (the "Company") insures as of Date of Policy and, to the extent stated in Covered Risks 11, 13, and 14, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protection

if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.



Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

- 6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
- 7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
- 8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
- 9. The invalidity or unenforceability of the lien of the Insured Mortgage upon the Title. This Covered Risk includes but is not limited to insurance against loss from any of the following impairing the lien of the Insured Mortgage
  - (a) forgery, fraud, undue influence, duress, incompetency, incapacity or impersonation;
  - (b) failure of any person or Entity to have authorized a transfer or conveyance;
  - (c) the Insured Mortgage not being properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
  - (d) failure to perform those acts necessary to create a document by electronic means authorized by law;
  - (e) a document executed under a falsified, expired, or otherwise invalid power of attorney;
  - (f) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
  - (g) a defective judicial or administrative proceeding.
- 10. The lack of priority of the lien of the Insured Mortgage upon the Title over any other lien or encumbrance.
- 11. The lack of priority of the lien of the Insured Mortgage upon the Title
  - (a) as security for each and every advance of proceeds of the loan secured by the Insured Mortgage over any statutory lien for services, labor or material arising from construction of an improvement or work related to the Land when the improvement or work is either
    - (i) contracted for or commenced on or before Date of Policy; or
    - (ii) contracted for, commenced or continued after Date of Policy if the construction is financed, in whole or in part, by proceeds of the loan secured by the Insured Mortgage that the Insured has advanced or is obligated on Date of Policy to advance; and
  - (b) over the lien of any assessments for street improvements under construction or completed at Date of Policy.
- 12. The invalidity or unenforceability of any assignment of the Insured Mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the Insured Mortgage in the named Insured assignee free and clear of all liens.
- 13. The invalidity, unenforceability, lack of priority, or avoidance of the lien of the Insured Mortgage upon the Title
  - (a) resulting from the avoidance in whole or in part, or from a court order providing an alternative remedy, of any transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction creating the lien of the Insured Mortgage because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - (b) because the Insured Mortgage constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - (i) to be timely, or
    - (ii) to impart notice of its existence to a purchaser for value or a judgment or lien creditor.

American Land Title Association

LOAN POLICY OF TITLE INSURANCE

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No:

TITLE101

14. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 13 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the Insured Mortgage in the Public Records.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused this policy to be signed and sealed by its duly authorized officers.

CHICAGO TITLE INSURANCE COMPANY

By:

Raymond R. Quirk

President

Countersigned

By:

Todd Johnson

Secretary

\_\_\_\_\_  
Authorized Signatory

Issued By:  
Chicago Title Insurance Company

Schedule A

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

File No.: TITLE101

Policy No: TITLE101

Loan No.:

Address Reference: 4134 S. OAK STREET, SHOREWOOD, WISCONSIN

Amount of Insurance: \$107,500.00

Premium: \$0.00

Date of Policy: JUNE 30, 2005 at 8:00 AM

1. Name of Insured:

YOU WANT IT, WE LEND IT, F.S.B., its successors and/or assigns

2. The estate or interest in the Land that is encumbered by the Insured Mortgage is:

3. Title is vested in:

DAVID M. ROBERTS AND ANNA M. ROBERTS

4. The Insured Mortgage, and its assignments, if any, are described as follows:

Mortgage, according to the terms and provisions thereof, from DAVID M. ROBERTS AND ANNA M. ROBERTS to YOU WANT IT, WE LEND IT, F.S.B., to secure the originally stated indebtedness of \$107,500.00, dated June 29, 2005 and recorded on June 30, 2005 as Document No. 1234567.

5. The land referred to in this policy is described as follows:

Lot 5, in Block 8 in Armory Subdivision, being a Subdivision of a part of the South East 1/4 of Section 4, Township 7 North, Range 22 East, in the Village of Shorewood, County of Milwaukee, State of Wisconsin

6. This policy incorporates by reference those ALTA endorsements selected below:

- 4-06 (Condominium)
- 4.1-06
- 5-06 (Planned Unit Development)
- 5.1-06
- 6-06 (Variable Rate)
- 6.2-06 (Variable Rate - Negative Amortization)
- 8.1-06 (Environmental Protection Lien) Paragraph b refers to the following state statute(s):
- 9-06 (Restrictions, Encroachments, Minerals)
- 13.1-06 (Leasehold Loan)
- 14-06 (Future Advance - Priority)
- 14.1-6 (Future Advance - Knowledge)
- 14.3-06 (Future Advance - Reverse Mortgage)

and the street address is as shown above

Issued By:  
Chicago Title Insurance Company

Schedule B - Part I

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

SCHEDULE B - PART I  
EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

- u 1. General taxes for the year 2005.
- w 2. Covenants, conditions and restrictions (but omitting any such covenant, condition or restriction based on race, color, religion, sex, handicap, familial status, or national origin, unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code, or (b) relates to handicap but does not discriminate against handicapped persons) set forth in Declaration executed by The Light Horse Squadron Armory Association, dated April 22, 1929 and recorded on May 8, 1929 in Volume 1282 of Deeds at page 1289, as Document No. 1699160; and contained in Warranty Deed executed by Armory Realty Company to Mercantile Securities Company dated May 31, 1930 and recorded June 25, 1931 in Volume 1370 of Deeds at page 48, as Document No. 1855154, providing for no forfeiture or reversion of title in case of violation.
- x 3. Declaration of Restrictions dated June 30, 1973, recorded July 7, 1973 in Volume 1968 of Deeds at page 51, as Document No. 9203865.
- y 4. Utility Easement granted by Armory Realty Company to The Milwaukee Electric Railway and Light Company and Wisconsin Telephone Company, its successors and/or assigns, by an instrument dated April 19, 1930 and recorded April 21, 1930 in Volume 1328 of Deeds at page 457, as Document No. 1774895.
- ac 5. Access easement in favor of the owners of Lot 6 in Block 8 over and across the parcel to be insured herein, as shown on the plat of Armory Subdivision.

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Issued By:

Chicago Title Insurance Company

Schedule B - Part II

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No:

TITLE101

SCHEDULE B - PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- 1. (a) Any law, ordinance, permit, or governmental regulation... (b) Any governmental police power... 2. Rights of eminent domain... 3. Defects, liens, encumbrances, adverse claims, or other matters... 4. Unenforceability of the lien of the Insured Mortgage... 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage... 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws... 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority...

CONDITIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

- (a) "Amount of Insurance": the amount stated in Schedule A... (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A... (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity... (d) "Indebtedness": The obligation secured by the Insured Mortgage including one evidenced by electronic means authorized by law... (i) the amount of the principal disbursed as of Date of Policy; (ii) the amount of the principal disbursed subsequent to Date of Policy; (iii) the construction loan advances made subsequent to Date of Policy for the purpose of financing whole or in part the construction of an improvement to the Land... (iv) interest on the loan; (v) the prepayment premiums, exit fees, and other similar fees or penalties allowed by law; (vi) the expenses of foreclosure and any other costs of enforcement; (vii) the amounts advanced to assure compliance with laws or to protect the lien or the priority of the lien Insured Mortgage before the

- acquisition of the estate or interest in the Title; (viii) the amounts to pay taxes and insurance; and, (ix) the reasonable amounts expended to prevent deterioration of improvements; but the Indebtedness is reduced by the total of all payments and by any amount forgiven by an Insured. (e) "Insured": The Insured named in Schedule A. (i) The term "Insured" also includes (A) the owner of the Indebtedness and each successor in ownership of the Indebtedness, whether the owner or successor owns the Indebtedness for its own account or as a trustee or other fiduciary, except a successor who is an obligor under the provisions of Section 12(c) of these Conditions; (B) the person or Entity who has "control" of the "transferable record," if the Indebtedness is evidenced by a "transferable record," as these terms are defined by applicable electronic transactions law; (C) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization; (D) successors to an Insured by its conversion to another kind of Entity; (E) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title (1) If the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured, (2) If the grantee wholly owns the named Insured, or (3) If the grantee is wholly owned by an affiliated Entity of the named

- Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity; (F) any government agency or instrumentality that is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the Indebtedness secured by the Insured Mortgage, or any part of it, whether named as an Insured or not; (ii) With regard to (A), (B), (C), (D), and (E) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured, unless the successor acquired the Indebtedness as a purchaser for value without Knowledge of the asserted defect, lien, encumbrance, or other matter insured against by this policy. (f) "Insured Claimant": An Insured claiming loss or damage. (g) "Insured Mortgage": The Mortgage described in paragraph 4 of Schedule A. (h) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title. (i) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

(j) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.

(k) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.

(l) "Title": The estate or interest described in Schedule A.

(m) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title or a prospective purchaser of the Insured Mortgage to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured after acquisition of the Title by an Insured or after conveyance by an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of the Conditions, (ii) in case Knowledge shall come to an Insured of any claim of title or interest that is adverse to the Title or the lien of the Insured Mortgage, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title or the lien of the Insured Mortgage, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS.

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS.

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title or the lien of the Insured Mortgage, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title, the lien of the Insured Mortgage, or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require

under oath by any authorized representative of the Company and to produce for examination, inspection and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay; or

(ii) To purchase the Indebtedness for the amount of the Indebtedness on the date of purchase, together with any costs, attorneys' fees and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of purchase and that the Company is obligated to pay.

When the Company purchases the Indebtedness, the Insured shall transfer, assign, and convey to the Company the Indebtedness and the Insured Mortgage, together with any collateral security.

Upon the exercise by the Company of either of the options provided for in subsections (a)(i) or (ii), all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in those subsections, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No: TITLE101

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the least of

(i) the Amount of Insurance;

(ii) the Indebtedness;

(iii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy, or

(iv) if a government agency or instrumentality is the Insured Claimant, the amount it paid in the acquisition of the Title or the Insured Mortgage in satisfaction of its insurance contract or guaranty.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title or the lien of the Insured Mortgage, as insured, the Amount of Insurance shall be increased by 10%, and the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In the event the Insured has acquired the Title in the manner described in Section 2 of these Conditions or has conveyed the Title, then the extent of liability of the Company shall continue as set forth in Section 8(a) of these Conditions.

(d) In addition to the extent of liability under (a), (b) and (c), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the Title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, or establishes the lien of the Insured Mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title or to the lien of the Insured Mortgage, as insured.

(c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the Amount of Insurance by the amount of the payment. However, any payments made prior to the acquisition of Title as provided in Section 2 of these Conditions shall not reduce the Amount of Insurance afforded under this policy except to the extent that the payments reduce the Indebtedness.

(b) The voluntary satisfaction or release of the Insured Mortgage shall terminate all liability of the Company except as provided in Section 2 of these Conditions.

11. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

12. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

(a) The Company's Right to Recover Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title or Insured Mortgage and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.

If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

(b) The Insured's Rights and Limitations

(i) The owner of the Indebtedness may release or substitute the personal liability of any debtor or guarantor, extend or otherwise modify the terms of payment, release a portion of the Title from the lien of the Insured Mortgage, or release any collateral security for the Indebtedness, if it does not affect the enforceability or priority of the lien of the Insured Mortgage.

(ii) If the Insured exercises a right provided in (b)(i), but has Knowledge of any claim adverse to the Title or the lien of the Insured Mortgage insured against by this policy, the Company shall be required to pay only that part of any losses insured against by this policy that shall exceed the amount, if any, lost to the Company by reason of the impairment by the Insured Claimant of the Company's right of subrogation.

(c) The Company's Rights Against Noninsured Obligors

The Company's right of subrogation includes the Insured's rights against noninsured obligors including the rights of the Insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

The Company's right of subrogation shall not be avoided by acquisition of the Insured Mortgage by an obligor (except an obligor described in Section 1(e)(i)(F) of these Conditions) who acquires the Insured Mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an Insured under this policy.

13. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.



American Land Title Association

LOAN POLICY OF TITLE INSURANCE

Your Ref: YOUNG/ROBERTS/4134 S. OAK STREET

Policy No:

TITLE101

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

(a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage that arises out of the status of the Title or lien of the Insured Mortgage or by any action asserting such claim shall be restricted to this policy.

(c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

(d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

15. SEVERABILITY.

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid and all other provisions shall remain in full force and effect.

16. CHOICE OF LAW; FORUM.

(a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located.

Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title or the lien of the Insured Mortgage that are adverse to the Insured, and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its

conflicts of laws principles to determine the applicable law.

(b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

17. NOTICES, WHERE SENT.

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at:

Chicago Title Insurance Company  
Attn: Claims Department  
P.O. Box 45023  
Jacksonville, FL 32232-5023

# GAP

| January 1st               | February 1st               | February 15th                              | March 1st | March 3rd          |  |
|---------------------------|----------------------------|--|-----------|--------------------|--|
| Commitment Effective Date | Written Update - No Change | Judgment Docketed Against Seller \$250,000 | Closing   | Documents Recorded |  |

# RECORDING GAP INDEMNITY

Commitment No. \_\_\_\_\_

WHEREAS, the CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation (Chicago), is about to issue its title insurance policy or policies (the Policies) to proposed insured(s) for property described in the above referenced commitment, insuring against loss by reason of defects in the title to said property (the Land);

AND, WHEREAS, Chicago has made exception for defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching between the effective date of the title insurance Commitments and the date of recording of the deed and/or mortgage to be insured [Gap Defect(s)];

AND WHEREAS, Chicago has been asked to issue the Policies, and may hereafter in the ordinary course of its business issue title insurance policies or commitments in respect to the Land, or some part or interest in it (the Future Policies), removing or insuring against loss by reason of the Gap Defect(s);

NOW, THEREFORE, in consideration of the issuance of the Policies or Future Policies, the undersigned covenant(s) and agree(s) with Chicago forever to protect, defend and save Chicago harmless from and against Gap Defect(s) created, suffered or agreed to by the undersigned and except as disclosed in writing to Chicago, and any right, interest or defect growing out of the same, including all loss, costs, damages, and attorneys' fees and expenses which it may incur by reason thereof, including loss, costs, damages, fees and expenses incurred in actions brought to enforce this agreement; to defend at undersigned's own cost any and every suit, action or proceeding in which the Gap Defect(s) was created, suffered or agreed to by the undersigned and, except as disclosed in writing to Chicago, is or are asserted against the real estate; to satisfy or remove such Gap Defect(s) on written demand within thirty days; and that each and every provision herein shall extend to and be in force concerning Future Policies.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

### FOR CORPORATIONS

Name \_\_\_\_\_

By \_\_\_\_\_  
(Signature)

Print name and title \_\_\_\_\_

Address (new address if moving) \_\_\_\_\_

City State Zip \_\_\_\_\_

Rev. 1/98

### FOR INDIVIDUALS

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print name)

Address (new address if moving) \_\_\_\_\_

City State Zip \_\_\_\_\_

## GAP ENDORSEMENT

Attached to and forming a part of  
Commitment of Insurance No. \*

Issued By  
CHICAGO TITLE INSURANCE COMPANY

Notwithstanding the provisions of Paragraph 1 of Schedule B-II of the commitment, policies issued or issuable within 30 days from the effective date hereof shall not contain as exceptions matters arising subsequent to the effective date of this commitment unless:

1. The Company discloses such matters prior to the closing to the person for whom this commitment is prepared; or
2. The conveyance to the Insured is by a grantor who does not warrant title; or
3. The proposed insured or his counsel fails to notify the Company of closing at least three business days prior to the closing; or
4. The conveyance documents, in recordable form, are not made available or delivered to the Company or recorded within two business days after the closing; or
5. The seller or sellers fail to execute a personal undertaking and indemnity in favor of the Company regarding matters which may appear in the public records after the effective date of this commitment, in a form acceptable to the Company.

This endorsement is made a part of the commitment or policy. It is subject to all the terms of the commitment or policy and prior endorsements. Except as expressly stated on this endorsement, the terms, dates and amount of the commitment or policy and prior endorsements are not changed.

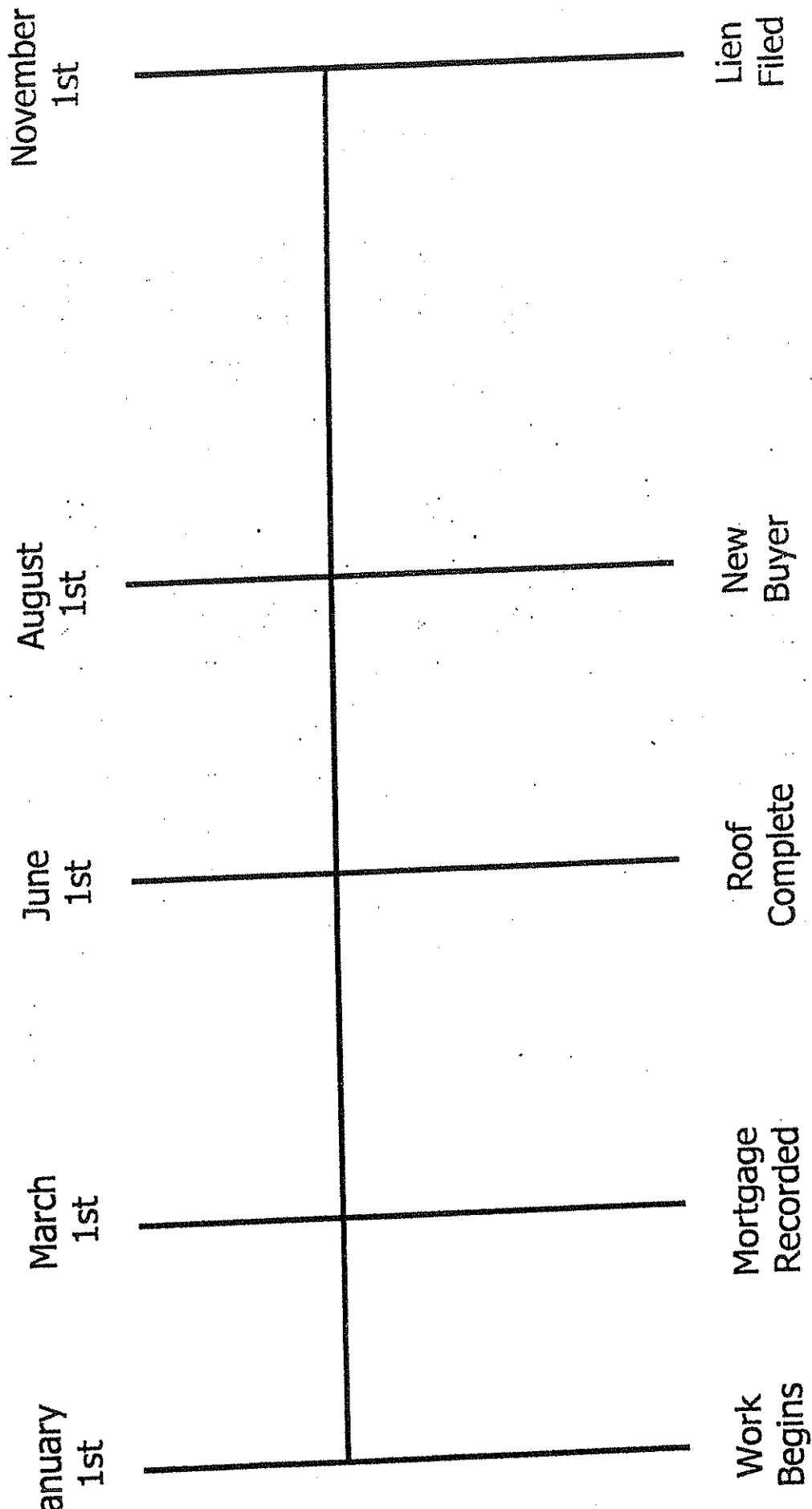
Dated: January 10, 2007

CHICAGO TITLE INSURANCE COMPANY

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Authorized signatory

# CONSTRUCTION TIMELINE



## CONSTRUCTION LIEN LAW

Construction Liens Generally. Construction liens are created by Chapter 779 of the statutes. This law grants a lien right to a party which performs work or furnishes materials for the improvement of land. The lien attaches to all interests in the land belonging to its owners. The lien extends to all contiguous land of the owner, but if the improvement is located wholly on one or more platted lots belonging to the owner, the lien applies only to the lots on which the improvement is located. Section 779.01(3).

Procedures for Filing Constructions Liens. The lien law is to be read generously to the lien claimant, but it does require that a party do certain things in order to keep a valid lien right.<sup>1</sup> To have a valid lien, the claimant must do the following:

1. A prime contractor, who is not the owner, must give to the owner, in the written contract between said prime contractor and the owner, a written statement notifying the owner that persons or companies furnishing labor or material may have lien rights if not paid. If there is no written contract the prime contractor must give the owner this notice in writing within 10 days after the first labor or materials are furnished by or through said prime contractor.

Every person other than a prime contractor who furnishes labor or materials for an improvement must notify the owner in writing within 60 days after furnishing the first labor or materials that said person has supplied labor or materials. Section 779.02(2). These notices are not required to be given by any laborer or mechanic employed by any prime contractor or subcontractor and are not required where the improvement will consist of more than 4 family living units or where more than 10,000 total usable square feet of floor space is to be provided or added if the improvement is partly a wholly nonresidential. Section 779.02(1).

2. No construction lien claim may be filed unless, a least 30 days before filing the construction lien, the lien claimant serves on the owner, personally or by registered mail with return receipt requested a written notice of intent to file such lien, briefly describing therein the nature of the claim, the amount and the land and improvement to which it relates. Sec 779.06(2)
3. The construction lien itself must be filed in the office of the Clerk of Circuit Court of the county in which the land affected lies within 6 months from the date the claimant furnished the last labor or materials and such lien becomes outlawed if an action to foreclose the lien is not brought within 2 years of the date of the filing of the lien unless the limitation has been tolled by the pendency of an action to foreclose another lien. Sec 779.06(1).

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<sup>1</sup> Scott v. Christianson, 110 Wis 164 (1901), Goebel v. National Exchangors, Inc. 88 Wis. 2d 596 (1979).

4. The lien filed must contain (1) a statement of the contract or demand upon which it is founded, (2) the name of the person against whom the demand is claimed, (3) the name of the claimant and any assignee, (4) the last date of the performance of any labor or the furnishing of any materials, (5) a legal description of the property against which the lien is claimed and (6) all other material facts in relation thereto. Such lien claim must be signed by the claimant or attorney. Copies of the prerequisite notices (60 day notice, if appropriate, and the 30 day notice of intent to file lien) must be attached to the lien. Sec 779.06(3).

NOTE: "statutory priority" lenders must still state on the first page of the mortgage that the instrument is a "construction mortgage".

### Lenders Having Statutory Priority Over Unfiled Construction Liens

| Class of lender  | Statute                  |
|--|--------------------------|
| Banks chartered by State of Wisconsin or national banks  | 706.11(1)(d)             |
| Credit unions incorporated in Wisconsin or chartered by U.S.   | 706.11(1)(d)             |
| Finance companies licensed pursuant to Section 138.09  | 706.11(1)(h)             |
| Insurance companies licensed to do business in Wisconsin   | 706.11(1)(g)             |
| Mortgage bankers registered with the State of Wisconsin  | 706.11(1)(f)             |
| Savings and loan associations chartered by U.S. and federal savings banks  | 706.11(1)(a)             |
| Savings and loan associations chartered by State of Wisconsin  | 215.21(4)(a)             |
| Savings banks incorporated in Wisconsin and federal savings banks <sup>1</sup>   | 214.495;<br>706.11(1)(a) |
| Trustee under industrial revenue bond issue  | 706.11(1)(e)             |
| United States; State of Wisconsin; county, city, village or town in the State; any agency, department or other formally constituted subunit of above. Not second mortgages assigned to or executed to the Department of Veterans Affairs under second mortgage program under Section 47.79(3)(a) and Section 45.80(4)(a)(1). | 706.11(1)(c)(1)          |
| Wisconsin Health and Educational Facilities Authority (WHEFA) or Wisconsin Housing and Economic Development Authority (WHEDA)  | 706.11(1)(c)(2)          |
| Wisconsin Department of Veterans Affairs under   | 706.11(1)(b)             |

<sup>1</sup> State savings banks were added under AB 243, 1997.



## HOMESTEAD

The protection of a family homestead from creditors is a right created by the state constitution.<sup>1</sup> All laws about homestead rights are supposed to protect a "reasonable amount" of the asset of the family home from creditors.

The two basic homestead protections are: the law exempting the owner's equity in the homestead up to the statutory amount (currently \$40,000) from a judgment creditor's right to sell the home to pay the debt, and the law which says that both spouses must sign a deed, mortgage, lease, land contract or other conveyance of the homestead. This second law is intended to protect each spouse from the other's reckless dealings with the family home which could leave the family without that home.

The second law, requiring that both spouses sign a "conveyance," is found at Section 706.02(1)(f). That law says that a real estate transaction is not valid unless the conveyance

"is signed, or joined in by separate conveyance, by or on behalf of each spouse, if the conveyance alienates any interest of a married person in a homestead...except conveyances between spouses, but on a purchase money mortgage pledging that property as security only the purchaser need sign the mortgage..."

Again, the purpose in requiring both spouses to sign a deed, mortgage or other instrument on the homestead is to keep one spouse from bargaining away the homestead without the other spouse's consent. The spouse has a veto right. If a husband wants to sell the home and his wife does not, she can prevent the sale by refusing to sign the deed.

This homestead law applies only to married couples, and only to their homesteads. The law does not apply to the summer cabin, for example. Whenever title is held by one person, the commitment should call for the deed or mortgage to be executed by that owner. Also make requirement Form 3B, which calls for one of three things: signature by the owner's spouse, a statement that the property is non-homestead, or a statement that the owner is a single person. You must include Form 3B even if the deed into the seller showed the person as being single. If that person has since gotten married, the spouse has the homestead veto power.

---

<sup>1</sup> Article I, section 17 of the constitution states: "The privilege of the debtor to enjoy the necessary comforts of life shall be recognized by wholesome laws, exempting a reasonable amount of property from seizure or sale for the payment of any debt or liability hereafter contracted."

**MARRIED COUPLE  
ONE SPOUSE IN TITLE  
HOMESTEAD PROPERTY**

**PURCHASE MONEY MORTGAGE:**

Titled spouse signs alone

**SALE/REFINANCE/HOME EQUITY LOAN/JUNIOR MORTGAGES:**

Both spouses sign

Non-titled spouse signs under language shown on Exhibit A and is not in granting clause

**MORTGAGE TO PAY OFF LAND CONTRACT:**

Both spouses sign

Non-titled spouse signs under language shown on Exhibit A and is not in granting clause of mortgage

**PROCESS OF A DIVORCE:**

If a Judgment of Divorce **has not** been granted:

Both spouses sign deed or mortgage

Non-titled spouse signs under language shown on Exhibit B (deed) or A (mortgage) and is not in granting clause of mortgage \*

Non-titled spouse may sign an affidavit instead of executing the mortgage or deed. Exhibit C (mortgage) or Exhibit D (deed)

If a Judgment of Divorce **has** been granted and property is awarded to titled spouse:

Titled spouse may sign deed or mortgage alone (Watch for liens created in Judgment of Divorce)

**MARITAL PROPERTY AGREEMENT IDENTIFIES PROPERTY AS TITLED SPOUSE'S  
INDIVIDUAL PROPERTY:**

Both spouses sign mortgage or deed

Non-titled spouse signs under language shown on Exhibit A (deed) or B (mortgage) and is not in granting clause of mortgage

Non-titled spouse may sign an affidavit instead of executing the mortgage or deed. Exhibit E (mortgage) or Exhibit F (deed)

\* See divorce flow chart for detailed reference

**MARRIED COUPLE  
ONE SPOUSE IN TITLE  
NON-HOMESTEAD PROPERTY**

**PURCHASE MONEY MORTGAGE:**

Titled spouse signs alone

**SALE/REFINANCE/HOME EQUITY LOAN/JUNIOR MORTGAGE:**

Titled spouse signs alone

**MORTGAGE TO PAY OFF LAND CONTRACT:**

Titled spouse signs alone

**PROCESS OF A DIVORCE:**

Titled spouse signs alone on deed and mortgage \*

**MARITAL PROPERTY AGREEMENT IDENTIFIES PROPERTY AS TITLED SPOUSE'S  
INDIVIDUAL PROPERTY:**

Titled spouse signs alone

*\* See divorce flow chart for detailed reference*

**MARRIED COUPLE  
BOTH IN TITLE  
HOMESTEAD PROPERTY**

**PURCHASE MONEY MORTGAGE:**

Both spouses sign

**SALE/REFINANCE/HOME EQUITY LOAN/JUNIOR LOAN:**

Both spouses sign

**MORTGAGE TO PAY OFF LAND CONTRACT:**

Both spouses sign

**PROCESS OF A DIVORCE:**

Both spouses sign

**MARITAL PROPERTY AGREEMENT IDENTIFIES PROPERTY AS TITLED SPOUSES  
INDIVIDUAL PROPERTY:**

Both spouses sign

**MARRIED COUPLE  
BOTH IN TITLE  
NON-HOMESTEAD PROPERTY**

**PURCHASE MONEY MORTGAGE:**

Both spouses sign

**SALE/REFINANCE/HOME EQUITY LOAN/JUNIOR LOAN:**

Both spouses sign

**MORTGAGE TO PAY OFF LAND CONTRACT:**

Both spouses sign

**PROCESS OF A DIVORCE:**

Both spouses sign

**NOTE:** If only one of the titled spouses executes the mortgage, you must add "an undivided 1/2 interest in and to the following described parcel" above your insured legal description and raise 9Z as an exception.

## **SINGLE PERSON HOMESTEAD PROPERTY**

### **PURCHASE MONEY MORTGAGE:**

Person signs alone

### **SALE/REFINANCE/HOME EQUITY LOAN/JUNIOR LOAN:**

Person signs alone

*Watch for marriages after purchase money mortgage – then, new spouse must sign – see refinance section of “Married People / Homestead”*

### **MORTGAGE TO PAY OFF LAND CONTRACT:**

Person signs alone

*Watch for marriages after purchase money mortgage – then, new spouse must sign – see refinance section of “Married People / Homestead”*

**SINGLE PERSON  
NON-HOMESTEAD PROPERTY**

**PURCHASE MONEY MORTGAGE:**

Person signs alone

**SALE/REFINANCE/HOME EQUITY LOAN/JUNIOR LOAN:**

Person signs alone

**MORTGAGE TO PAY OFF LAND CONTRACT:**

Person signs alone

## FOR USE WITH PENDING DIVORCES ONLY!

## SELLING

| Who is in title?           | Who signs the deed?   | Need a court order?   |
|----------------------------|---|---|
| Both spouses               | Both sign.  | Not if both are signing.  |
| One Spouse (non-homestead) | The titled spouse signs the deed.   | Not if the sale is in the ordinary course of business, otherwise, we must have a court order or an Affidavit of Consent (Exhibit I) |
| One spouse (homestead)     | The titled spouse signs the deed. The other spouse signs the deed with consent language or signs the alienation of homestead affidavit. | No, unless the spouse is uncooperative.   |

## REFINANCING

| Who is in title?           | Who signs the mortgage?   | Need a court order?  |
|----------------------------|---|--|
| Both spouses               | Both sign the mortgage.   | Not if both are signing.   |
| One spouse (non-homestead) | The titled spouse signs the mortgage.   | Not if the mortgage is in the ordinary course of business, otherwise, we must have a court order or an Affidavit of Consent (Exhibit I). |
| One spouse (homestead)     | The titled spouse signs the mortgage. The soon to be ex-spouse consents to the mortgage by affidavit or signs a mortgage containing consent language. Remember---until the divorce judgment is final, they are still married. | No, unless the spouse is uncooperative.  |



**FOR USE WITH PENDING DIVORCES ONLY!****ONE SPOUSE IN TITLE SELLING HOMESTEAD OR NON-HOMESTEAD PROPERTY**

The spouse who is selling must obtain the consent of the non-title spouse because of the restraining order imposed by Wisconsin Statutes Section 767.087(1)(b) in all divorce actions filed after December 9, 1993:

"...the petitioner upon filing the petition, the joint petitioners upon filing the joint petition and the respondent upon service of the petition are prohibited from doing any of the following:

"...encumbering, concealing, damaging, destroying, transferring or otherwise disposing of property owned by either or both of the parties, without the consent of the other party or an order of the court or family court commissioner, except in the usual course of business, in order to secure necessities or in order to pay reasonable costs and expenses of the action, including attorneys fees."

See Exhibit I.

**ONE SPOUSE PURCHASING FOR CASH**

The spouse who is not buying needs to consent to the purchase, if the purchase price is substantial in your market, by telling us that the funds being used are not marital property. See Exhibit G. *If you are not sure about the amount, please call our office.*

**EXHIBIT A****ADD ABOVE SIGNATURE LINE ON MORTGAGE FOR NON-ENTITLED SPOUSE:**

The undersigned signs this mortgage solely to validate the lien of the mortgage under Wisconsin homestead law. He/She does not claim to own the property (and is not responsible for the debt secured by the mortgage).

You will not use the language in parenthesis if the non-entitled spouse will be signing the note.

**EXHIBIT B****ADD ABOVE SIGNATURE LINE ON DEED FOR NON-ENTITLED SPOUSE:**

The undersigned signs this deed solely to convey his/her homestead interest under Wisconsin's homestead law. He/She does not claim to own the property and does not by signing this deed warrant title to said property.

**ALIENATION OF  
HOMESTEAD INTEREST**

Document Number

**Exhibit C  
Divorce & Mortgage**

Note: use black ink; print or type legibly.

\_\_\_\_\_ being first duly sworn, on oath, deposes and states as follows:

1. That I am aware that my spouse, \_\_\_\_\_, has applied for a mortgage on the premises described at Exhibit A attached hereto.
2. That my spouse and I are currently separated and/or in the process of a divorce, but a final judgement of divorce has not been granted.
3. That the premises which are to be mortgaged are the individual property of my spouse, and that I claim no interest in said individual property.

This space reserved for recording data

Name and return address

4. That despite the fact that I do not claim an interest in the property, I am aware that, while my spouse and I are legally married and not yet divorced, I must convey and alienate my homestead interest, if any, to the lien of the mortgage to be placed upon the property described at Exhibit A.
5. Pursuant to Wisconsin Statutes Section 706.02, I hereby acknowledge the alienation and conveyance of my homestead interest in the property described at Exhibit A for the purposes of a mortgage executed by my spouse to \_\_\_\_\_ (lender) in the amount of \$ \_\_\_\_\_ dated \_\_\_\_\_, and recorded \_\_\_\_\_ as Document No. \_\_\_\_\_.

Parcel Identification Number

6. That I hereby affirm the superior interest of the lien of the mortgage as set forth in paragraph 4 above to my homestead interest and subordinate, alienate and convey my homestead interest, if any, consistent with the provisions of Wisconsin Statutes Section 706.02.

Signed: \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year)

Name printed: \_\_\_\_\_

**AUTHENTICATION/ACKNOWLEDGMENT**

STATE OF WISCONSIN  
COUNTY OF \_\_\_\_\_

The above named person came before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year), to me known to be the person who executed the instrument.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed

Notary Public, State of Wisconsin My  
commission  
expires: \_\_\_\_\_

DOCUMENT DRAFTED

BY: \_\_\_\_\_

**ALIENATION OF  
HOMESTEAD INTEREST**

**Note: use black  
ink; print or type legibly.**

\_\_\_\_\_ being first duly sworn, on oath, deposes  
and states as follows:

1. That I am aware that my spouse, \_\_\_\_\_  
\_\_\_\_\_, is the record owner of the  
premises described at Exhibit A attached hereto  
(the Property), and is in the process of selling the  
Property.
2. That my spouse and I are currently separated  
and/or in the process of a divorce, but a final  
judgement of divorce has not been granted.
3. That the premises which are to be sold are the  
individual property of my spouse, and that I claim  
no interest in said individual property. \_\_\_\_\_  
Parcel Identification Number
4. That despite the fact that I do not claim an interest in the property, I am aware that, while  
my spouse and I are legally married and not yet divorced, I must convey and alienate my  
homestead interest, if any, to validate the conveyance of the Property.
5. Pursuant to Wisconsin Statutes Section 706.02, I hereby acknowledge the alienation and  
conveyance of my homestead interest in the Property for the purposes of a conveyance of  
the Property to be executed by my spouse.
6. That I hereby subordinate, alienate and convey my homestead interest, if any, consistent  
with the provisions of Wisconsin Statutes Section 706.02.

|   |                 |
|---|-----------------|
|   | Document Number |
| <p><b>Exhibit D</b></p> <p><b>Divorce - Selling</b></p> |                 |
| Name and return address                                 |                 |

Signed: \_\_\_\_\_, on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
(year)

Name printed: \_\_\_\_\_

**AUTHENTICATION/ACKNOWLEDGMENT**

STATE OF WISCONSIN  
COUNTY OF \_\_\_\_\_

The above named person came before me this \_\_\_\_\_ day of  
\_\_\_\_\_, \_\_\_\_\_ (year), to me  
known to be the person who executed the instrument.

\_\_\_\_\_  
Signature

Name printed  
  
Notary Public, State of Wisconsin My  
commission  
expires: \_\_\_\_\_

DOCUMENT DRAFTED  
BY: \_\_\_\_\_

# ALIENATION OF HOMESTEAD INTEREST

|   |
|---|
| Document Number   |
| <p><b>Exhibit E</b></p> <p><b>Mortgage – Marital Property</b></p> |
| This space is reserved for recording data                         |
| Name and return address   |

Note: use black ink; print or type legibly.

\_\_\_\_\_ being first duly sworn, on oath, deposes and states as follows:

1. That I am aware that my spouse, \_\_\_\_\_, has applied for a mortgage on the premises described at Exhibit A attached hereto (the Property).
2. That my spouse and I have made a marital property agreement, under which I claim no interest in the Property.
3. That the premises which are to be mortgaged are the individual property of my spouse, and that I claim no interest in said individual property.
4. That despite the fact that I do not claim an interest \_\_\_\_\_ Parcel Identification Number in the property, I am aware that I must convey and alienate my homestead interest, if any, to the lien of the mortgage to be placed upon the Property in order for that mortgage to be a valid lien against the Property.
5. Pursuant to Wisconsin Statutes Section 706.02, I hereby acknowledge the alienation and conveyance of my homestead interest in the Property for the purposes of a mortgage executed by my spouse to \_\_\_\_\_ (lender) in the amount of \$ \_\_\_\_\_ dated \_\_\_\_\_, and recorded \_\_\_\_\_ as Document No. \_\_\_\_\_.
6. That I hereby affirm the superior interest of the lien of the mortgage as set forth in paragraph 4 above to my homestead interest and subordinate, alienate and convey my homestead interest, if any, consistent with the provisions of Wisconsin Statutes Section 706.02.

Signed: \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year)

Name printed: \_\_\_\_\_

### AUTHENTICATION/ACKNOWLEDGMENT

STATE OF WISCONSIN  
COUNTY OF \_\_\_\_\_

The above named person came before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year), to me known to be the person who executed the instrument.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed

Notary Public, State of Wisconsin My commission expires: \_\_\_\_\_.

DOCUMENT DRAFTED BY: \_\_\_\_\_



**ALIENATION OF  
HOMESTEAD INTEREST**

|   |
|---|
| Document Number   |
| <p><b>Exhibit F</b></p> <p><b>Sale – Marital Property Agreement</b></p> |
| This space is reserved for recording data                               |
| Name and return address   |

Note: use black ink; print or type legibly.

\_\_\_\_\_ being first duly sworn, on oath, deposes and states as follows:

1. That I am aware that my spouse, \_\_\_\_\_, is selling the premises described at Exhibit A attached hereto (the Property).
2. That my spouse and I have made a marital property agreement, under which I claim no interest in the Property.
3. That the premises which are to be sold are the individual property of my spouse, and that I claim no interest in said individual property.
4. That despite the fact that I do not claim an interest in \_\_\_\_\_ Parcel Identification Number the property, I am aware that I must convey and alienate my homestead interest, if any, in order for the sale of the real estate to comply with Wisconsin's Homestead law.
5. Pursuant to Wisconsin Statutes Section 706.02, I hereby acknowledge the alienation and conveyance of my homestead interest in the Property.

Signed: \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year).

Name printed: \_\_\_\_\_

**AUTHENTICATION/ACKNOWLEDGMENT**

STATE OF WISCONSIN  
COUNTY OF \_\_\_\_\_

The above named person came before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year), to me known to be the person who executed the instrument.

\_\_\_\_\_  
Signature

Name printed  
Notary Public, State of Wisconsin My  
commission  
expires: \_\_\_\_\_.

DOCUMENT DRAFTED  
BY: \_\_\_\_\_

**ALIENATION OF  
HOMESTEAD INTEREST**

**Note: use black  
ink; print or type  
legibly.**

\_\_\_\_\_ being first duly sworn, on oath, deposes  
and states as follows:

1. That I am aware that my spouse, \_\_\_\_\_  
\_\_\_\_\_, is purchasing the premises  
described at Exhibit A attached hereto and that  
said purchase is a cash transaction.
2. That my spouse and I are currently separated  
and/or in the process of a divorce, but a final  
judgement of divorce has not been granted.
3. That the premises which are to be purchased for  
cash are the individual property of my spouse, and  
that I claim no interest in said individual property.
4. That the cash being used to purchase the property  
is not part of the marital estate.

|   |  |
|---|--|
| Document Number                                       |  |
| <b>Exhibit G</b>                                      |  |
| <b>Cash in Divorce</b>                                |  |
| <small>This space reserved for recording data</small> |  |
| <small>Name and return address</small>                |  |

5. That I hereby state that I claim no interest in the cash being used for the purchase nor in  
the residence being purchased with said funds.

Signed: \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
(year)

Name printed: \_\_\_\_\_

**AUTHENTICATION/ACKNOWLEDGMENT**

STATE OF WISCONSIN  
COUNTY OF \_\_\_\_\_

The above named person came before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_ (year), to me  
known to be the person who executed the instrument.

\_\_\_\_\_  
DOCUMENT DRAFTED BY: \_\_\_\_\_

Signature  
\_\_\_\_\_  
Name printed  
\_\_\_\_\_  
Notary Public, State of Wisconsin My  
commission  
expires: \_\_\_\_\_  
\_\_\_\_\_

# HOMESTEAD AFFIDAVIT

Commitment No. \*

STATE OF WISCONSIN )  
( SS  
COUNTY OF MILWAUKEE )

\*, being first duly sworn on oath, deposes and states:

1. I am the owner of real estate further described in the above-reference title insurance commitment (the Premises).

2. I have continuously occupied the Premises as my homestead from the date I acquired title until the present date.

3. The amount of equity I have in the Premises after the payment of the expenses of closing and all mortgages, liens and encumbrances other than judgments does not exceed \$40,000.00. Attached hereto is a copy of the closing statement for the current sale of the Premises reflecting the amount of equity.

4. The purpose of this affidavit is to establish the applicability of the homestead exemption under §815.20, Wis. Stats., and to induce Chicago Title Insurance Company to remove from its commitment and policy exceptions for judgments docketed against the undersigned.

Tax Parcel Number: \_\_\_\_\_

Further your affiant sayeth not.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_

\*

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_

Notary Public, State of Wisconsin,  
\_\_\_\_\_ County, Wisconsin.

My commission (expires)(is) \_\_\_\_\_.

|  |
|--|
| Document number  |
| <p><b>Exhibit H</b></p> <p><b>Affidavit of Homestead</b></p> |
| This space reserved for recording data                       |
| Return document to:  |

Dear \*

\* has a judgment against me docketed on \* , docket no. \* , in the amount of \$\* . I am writing to request that you sign the enclosed release of lien as to property at \* . That property is my homestead.

Your judgment does not attach to this property. The homestead exemption protects all of my equity in the property. As you know, the homestead exemption under Wisconsin Statutes (815.20) protects up to \$40,000 in equity. I have enclosed my closing statement showing that my equity on the sale of the homestead will be \$\* .

Please execute and return to me the enclosed release of judgment lien within ten days, as required by law. 815.20(2), Wis. Stats. Otherwise, I will bring suit to have the lien removed and seek my attorney fees and costs of that action. Thank you in advance for your cooperation.

Very truly yours,

\*

RELEASE OF JUDGMENT

STATE OF WISCONSIN

CIRCUIT COURT

\* COUNTY

Plaintiff,

v.

Case No. \*

Defendant.

The lien of the judgment entered in this action and docketed on \* , as docket no. \* , in the amount of \$\* , is hereby released only as to the following real estate and no other: \* , Wisconsin, and further described as:

[Legal]

This is not a satisfaction of the judgment.

Dated this \_\_\_\_\_ day of \*, 2007.

\*

By \_\_\_\_\_  
\*

STATE OF WISCONSIN )  
                          ) SS.  
COUNTY OF \_\_\_\_\_ )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2007, the above named \_\_\_\_\_, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
\*  
\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission expires \_\_\_\_\_

**AFFIDAVIT OF CONSENT**

|  |
|--|
| Document Number                                    |
| <p><b>Exhibit I</b><br/><b>Sale in Divorce</b></p> |
| This space reserved for recording data             |
| Name and return address                            |

**Note: use black ink; print or type legibly.**

\_\_\_\_\_ being first duly sworn, on oath, deposes and states as follows:

1. That I am aware that my spouse, \_\_\_\_\_, is selling the premises described at Exhibit A attached.
2. That my spouse and I are currently separated and/or in the process of a divorce, but a final judgement of divorce has not been granted.
3. That the premises which are to be sold are the individual property of my spouse, and that I claim no interest in said individual property.
4. That I hereby state that I claim no interest in the premises being sold.

\_\_\_\_\_  
Parcel Identification Number

Signed: \_\_\_\_\_, on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year)

Name printed: \_\_\_\_\_

**AUTHENTICATION/ACKNOWLEDGMENT**

STATE OF WISCONSIN  
COUNTY OF \_\_\_\_\_

The above named person came before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (year), to me known to be the person who executed the instrument.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name printed

Notary Public, State of Wisconsin My commission expires: \_\_\_\_\_

DOCUMENT DRAFTED BY: \_\_\_\_\_

EXHIBIT A  
[Family Company] TITLE INSURANCE COMPANY  
Affidavit as to Location of Improvements

State of Wisconsin )  
                                  ( SS.  
County of                )

\_\_\_\_\_ , being first duly sworn, deposes and says:

That affiant is the (owner) (duly authorized agent for (officer of)  
, the owner) of premises described as:

That on \_\_\_\_\_ affiant personally inspected the above-  
described premises located at \_\_\_\_\_,  
, Wisconsin;

That the improvements located on said premises are  
(describe fully the type) and that at the same time affiant personally inspected all  
premises adjoining the above-described premises.

That except as hereinafter stated no additional improvements have been added to  
the above described premises, including additions such as porches, bay windows, etc.;  
that no changes whatever have been made in the location of any improvements on said  
premises, including garages, outbuildings, driveways, walks, wall and fences, since  
, the date of survey of said premises made by \_\_\_\_\_; and  
that all structures on adjoining premises are of such nature, or of sufficient distance from  
the boundaries of the above-described premises, so as to assure the affiant that no such  
structures encroach upon the above-described premises. Exceptions:

That this Affidavit is made with the intention that [Family Company] TITLE  
INSURANCE COMPANY will rely upon it in issuing a title insurance policy on the  
above-described premises.

I hereby certify to [Family Company] TITLE INSURANCE COMPANY that I  
am an owner of the above-described premises; that I have carefully read the foregoing  
affidavit; and that the statements contained therein are true and correct.

Subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**Certifications agreed on by Wisconsin Land Title Association  
and the Wisconsin Society of Land Surveyors on April 1, 1974:**

I have surveyed the above-described property and the above map is a true representation thereof and shows the size and location of the property, its exterior boundaries, the location and dimensions of all structures thereon, fences, apparent easements and roadways and visible encroachments, if any.

This survey is made for the exclusive use of the present owners of the property, and also those who purchase, mortgage, or insure the title thereto within one (1) year from date hereof; and as to them I warrant the accuracy of said survey map.



Unofficial Text (See Printed Volume). Current through date and Register shown on Title Page.

## Chapter A-E 7

### MINIMUM STANDARDS FOR PROPERTY SURVEYS

|          |                              |          |  |
|----------|------------------------------|----------|--|
| A-E 7.01 | Scope.                       | A-E 7.05 | Maps.                                    |
| A-E 7.02 | Property survey, definition. | A-E 7.06 | Measurements.                            |
| A-E 7.03 | Boundary location.           | A-E 7.07 | Monuments.                               |
| A-E 7.04 | Descriptions.                | A-E 7.08 | U.S. public land survey monument record. |

**A-E 7.01 Scope.** The minimum standards of this chapter apply to every property survey performed in this state except:

(1) If other standards for property surveys are prescribed by statute, administrative rule, or ordinance, and the standards are more restrictive than those in this chapter, the more restrictive standards govern; and,

(2) The land surveyor and his or her client or employer may agree in a signed statement to exclude any land surveying work from the requirements of this chapter except the preparation of a U.S. public land survey monument record and a map of work performed. The map prepared by the land surveyor for the client or employer shall include:

(a) A note which states that an agreement to exclude work from the requirements of this chapter has been made and the names of the parties making the agreement.

(b) The accuracy of linear measurements between points, if the minimum accuracy established by s. A-E 7.06 (2) has been waived.

(c) The difference between the sum of the individual measured angles and the theoretical sum, and the difference between the sum of the total measured angles and the theoretical sum, if the minimum accuracy established by s. A-E 7.06 (3) has been waived.

(d) The latitude and departure closure ratio of any closed traverse, if the minimum accuracy established by s. A-E 7.06 (4) has been waived.

(e) Dimensional accuracy of bearings, angles and distances as shown on the map, if the minimum accuracy established by s. A-E 7.06 (5) has been waived.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87; am. (2), Register, May, 1989, No. 401, eff. 6-1-89; am. (2), cr. (2) (a) to (e), Register, December, 1993, No. 456, eff. 1-1-94.

**A-E 7.02 Property survey, definition.** In this chapter, "property survey" means any land surveying which includes as one of its principal purposes describing, monumenting, locating the boundary lines of or mapping one or more parcels of land. The term includes the restoration, perpetuation or reestablishment of a U.S. public survey corner.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87.

**A-E 7.03 Boundary location.** Every property survey shall be made in accordance with the records of the register of deeds as nearly as is practicable. The surveyor shall acquire data necessary to retrace record title boundaries such as deeds, maps, certificates of title and center line and other boundary line locations. The surveyor shall analyze the data and make a careful determination of the position of the boundaries of the parcel being surveyed. The surveyor shall make a field survey, traversing and connecting monuments necessary for location of the parcel and coordinate the facts of the survey with the analysis. The surveyor shall set monuments marking the corners of the parcel unless monuments already exist at the corners.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87.

**A-E 7.04 Descriptions.** Descriptions defining land boundaries written for conveyance or other purposes shall be complete, providing unequivocal identification of lines or boundaries. The description shall contain necessary ties to adjoining together with data and dimensions sufficient to enable the description to be mapped and retraced and shall describe the land surveyed by government lot, recorded private claim, quarter-quarter section, section, township, range and county and by metes and bounds commencing with some corner marked and established by the U.S. public land survey; or, if the land is located in a recorded subdivision, a recorded addition to the subdivision, or recorded certified survey map, then by the number or other description of the lot, block or sub-division of the land which has been previously tied to a corner marked and established by the U.S. public land survey.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87; am. Register, May, 1989, No. 401, eff. 6-1-89.

**A-E 7.05 Maps.** A map shall be drawn for every property survey showing information developed by the survey. The map shall:

(1) Be drawn to a convenient scale.

(2) Be referenced as provided in s. 59.73 (1), Stats.

(3) Show the exact length and bearing of the boundaries of the parcels surveyed. Where the boundary lines show bearings, lengths or locations which vary from those recorded in deeds, abutting plats, or other instruments there shall be the following note placed along such lines, "recorded as (show recorded bearing, length or location)".

(4) Describe all monuments used for determining the location of the parcel and show by bearing and distance their relationship to the surveyed parcel and indicate whether such monuments were found or placed.

(5) Identify the person for whom the survey was made, the date of the survey, and describe the parcel as provided in s. A-E 7.04.

(6) Bear the stamp or seal and signature of the land surveyor under whose direction and control the survey was made with a statement certifying that the survey is correct to the best of the surveyor's knowledge and belief.

(7) Be filed as required by s. 59.45 (1), Stats.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87; am. (4) and (5), cr. (7), Register, May, 1989, No. 401, eff. 6-1-89; correction in (6) made under s. 13.93 (2m) (b) 5, Stats., Register, March, 1993, No. 447; am. (1) to (5) and (7), Register, January, 1999, No. 517, eff. 2-1-99.

**A-E 7.06 Measurements.** (1) Measurements shall be made with instruments and methods capable of attaining the required accuracy for the particular problem involved.

(2) The minimum accuracy of linear measurements between points shall be 1 part in 3,000 on all property lines of boundary or interior survey.

(3) In a closed traverse the sum of the measured angles shall agree with the theoretical sum by a difference not greater than 30 seconds per angle, or the sum of the total angles may not differ

Unofficial Text (See Printed Volume). Current through date and Register shown on Title Page.

from the theoretical sum by more than 120 seconds, whichever is smaller.

(4) Any closed traverse depicted on a property survey map shall have a latitude and departure closure ratio of less than 1 in 3,000.

(5) Bearings or angles on any property survey map shall be shown to the nearest 30 seconds. Distances shall be shown to the nearest 1/100th foot.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87; am. (5), Register, May, 1989, No. 401, eff. 6-1-89.

**A-E 7.07 Monuments.** The type and position of monuments to be set on any survey shall be determined by the nature of the survey, the permanency required, the nature of the terrain, the cadastral features involved, and the availability of material.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87.

**A-E 7.08 U.S. public land survey monument record.**

(1) **WHEN MONUMENT RECORD REQUIRED.** A U.S. public land survey monument shall be prepared and filed with the county surveyor's office as part of any land survey which includes or requires the perpetuation, restoration, reestablishment or use of a U.S. public land survey corner, and,

(a) There is no U.S. public land survey monument record for the corner on file in the office of the county surveyor or the register of deeds for the county in which the corner is located; or,

(b) The land surveyor who performs the survey accepts a location for the U.S. public land survey corner which differs from that shown on a U.S. public land survey monument record filed in the office of the county surveyor or register of deeds for the county in which the corner is located; or,

(c) The witness ties or U.S. public land survey monument referenced in an existing U.S. public land survey monument record have been destroyed or disturbed.

(2) **FORM REQUIRED.** A U.S. public land survey monument record shall be prepared on the board-approved form or on a form substantially the same as the board-approved form which includes all the elements required by this section. A form used for this purpose shall be entitled, "U.S. Public Land Survey Monument Record".

Note: A copy of the board-approved form is available from the Department of Regulation and Licensing, Bureau of Business and Design Professions, 1400 East Washington Avenue, P.O. Box 3935, Madison, Wisconsin 53708.

(3) **MONUMENT RECORD REQUIREMENTS.** A U.S. public land survey monument record shall show the location of the corner and shall include all of the following elements:

(a) The identity of the corner, as referenced to the U.S. public land survey system.

(b) A description of any record evidence, monument evidence, occupational evidence, testimonial evidence or any other material evidence considered by the surveyor, and whether the monument was found or placed.

(c) Reference ties to at least 4 witness monuments. Witness monuments shall be concrete, natural stone, iron, bearing trees or other equally durable material, except wood other than bearing trees.

(d) A plan view drawing depicting the relevant monuments and reference ties which is sufficient in detail to enable accurate relocation of the corner monument if the corner monument is disturbed.

(e) A description of any material discrepancy between the location of the corner as restored or reestablished and the location of that corner as previously restored or reestablished.

(f) Whether the corner was restored through acceptance of an obliterated evidence location or a found perpetuated location.

(g) Whether the corner was reestablished through lost-corner-proportionate methods.

(h) The directions and distances to other public land survey corners which were used as evidence or used for proportioning in determining the corner location.

(i) The stamp and signature or seal and signature of the land surveyor under whose direction and control the corner location was determined and a statement certifying that the U.S. public land survey monument record is correct and complete to the best of his or her knowledge and belief.

History: Cr. Register, February, 1987, No. 374, eff. 3-1-87; am. (1) and (3) (c), Register, May, 1989, No. 401, eff. 6-1-89; am. (3) (a) to (h), Register, January, 1999, No. 517, eff. 2-1-99.