

Business Law & Real Estate Terms & Concepts

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Common forms of business

- Sole Proprietor
- Partnership
- Corporation (S)
- Corporation (C)
- Limited Partnership
- Limited Liability Company
- Cooperative

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Uniform Commercial Code

- A body of common business laws adopted by nearly all states.
- Deals with business transactions
- Contract law

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The Business Contract

- Stage I – the negotiation stage
- Stage II – the contract stage

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The elements of a Contract

- **Contract**, in law, an agreement that creates an obligation binding upon the parties thereto. The essentials of a contract are as follows:
 - (1) mutual assent;
 - (2) a legal consideration, which in most instances need not be pecuniary;
 - (3) parties who have legal capacity to make a contract;
 - (4) absence of fraud or duress; and
 - (5) a subject matter that is not illegal or against public policy.

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Fee Interest

- Fee interest is the most common form of ownership; with certain exceptions, private homes, apartment buildings, farms, office buildings, and similar properties are owned in fee.

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Real Estate Ownership Forms

- Joint Tenants (undivided interest in the property)
- Tenants in Common (identifiable interest)
- A Deed is a legal document claiming ownership interest in Real Property
- Every County Courthouse in the US has a Register of Deeds Office
- A Mortgage is a recorded legal document serving notice to others that land has been promised as collateral on a loan.

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Real Estate Transactions:

- When land is acquired by purchase, a deed is given by the seller, or grantor, to the purchaser, or grantee.
- The deed contains a legal description of the property conveyed; it must be drawn, executed, and acknowledged in proper form to be entitled to record.
- It is customary for the seller and the purchaser to enter into a contract, at which time the purchaser makes a deposit (earnest money) on account of the purchase price.
- The purchaser employs a title company to search the title to the property.
- The title company issues an insurance policy that the seller can convey clear title.
- The transaction is then closed; that is, the property title is transferred and the balance of the purchase price is paid.

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Property Transfer through Inheritance

- When an owner of real property dies *intestate*, or without leaving a will, title to the property is said to pass by descent to the heirs;
- when he dies *testate*, or leaving a will that has been probated, the property passes by devise to the person or persons designated in the will.
- Estate Planning is too important to put off.

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Mortgage & Mortgage Note

- The mortgage contains a legal description of the property and a statement that pledges the property as security for the loan.
- The note specifies the financial terms of a loan agreement.
- The Mortgage is recorded at the Register of Deeds.
- Failure to pay the mortgage can force the sale of the property.

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Real Estate Mortgages

- When the mortgage note is paid off a satisfaction notice is recorded with the register of deeds.
- A Warranty Deed is the complete bundle of rights
- A Quit Claim Deed simply states that the filer has no ownership interest to the parcel.

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Land Contracts:

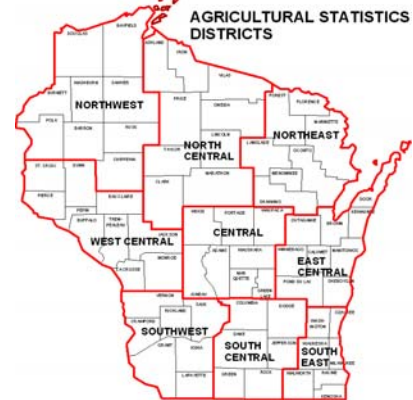
- The Land Contract also known as an "Installment Contract" is designed as an agreement between the parties for the purchase of real property in which the payment of all or a portion of the purchasing price is deferred.

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Land Contracts

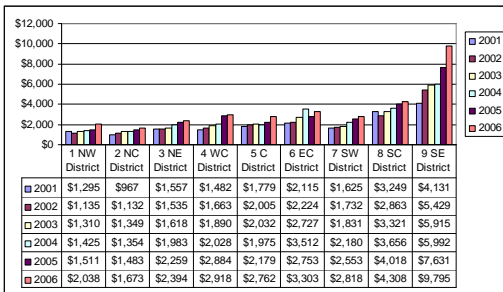
- The purchase price may be paid in installments over the period of the contract, with the balance due at maturity.
- When the Buyer completes the required payments, the Seller must deliver good legal title by the way of a deed.
- During the period of the contract, the Buyer is making the installment payments on the purchase price, the Buyer is entitled to possession of the property and equitable title to the property while the Seller holds legal title and continues to be liable for payment of any underlying mortgage.

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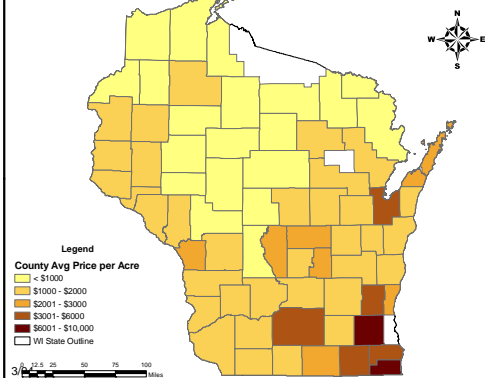
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Large Tracts of Bare Land (>35 Acres and < 1000 Acres)

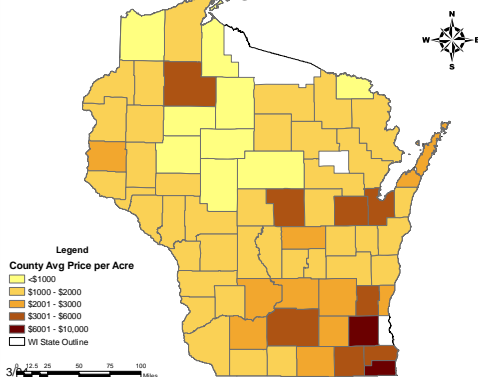


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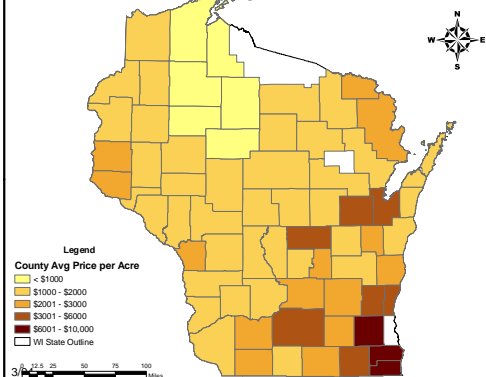
2000 Average Price per Acre

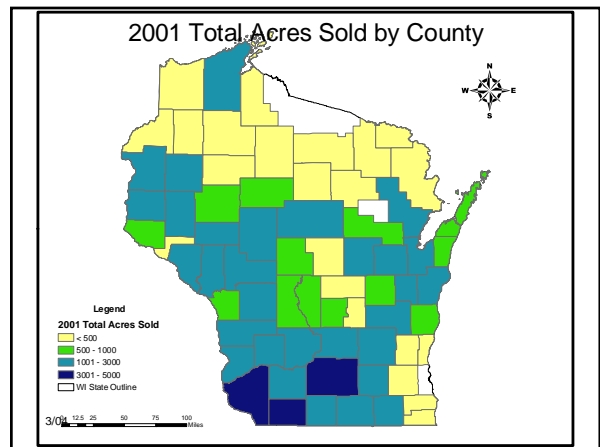
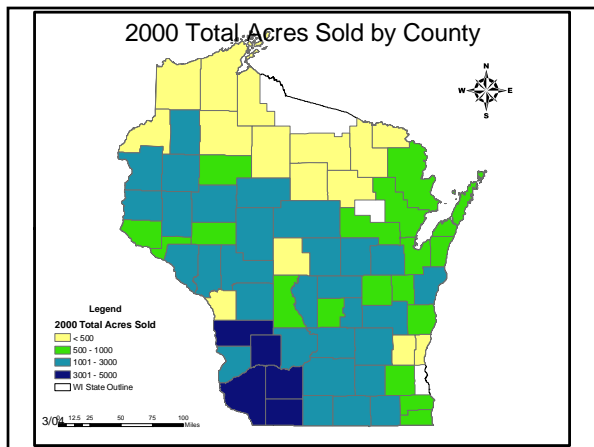
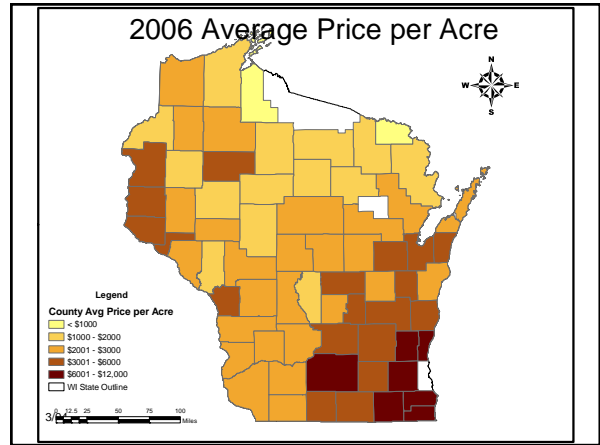
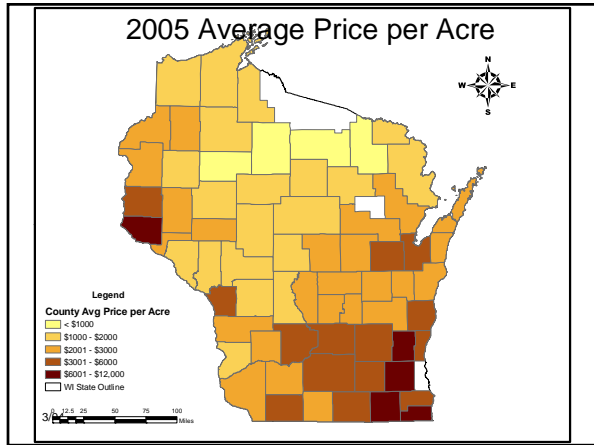
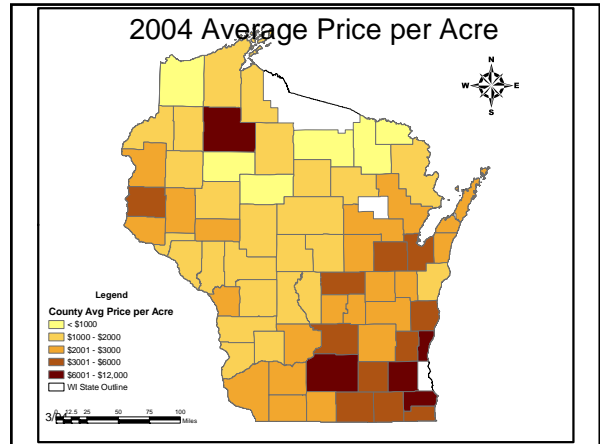
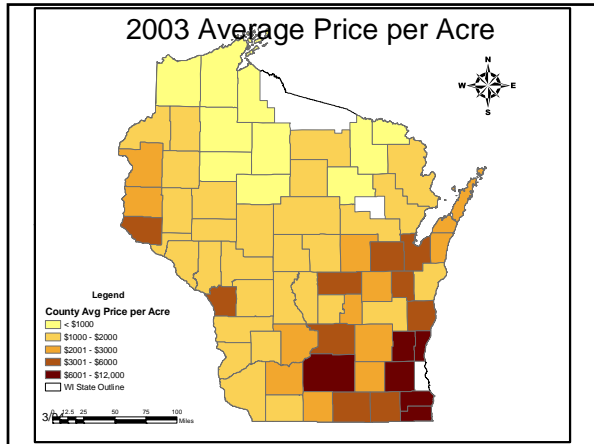


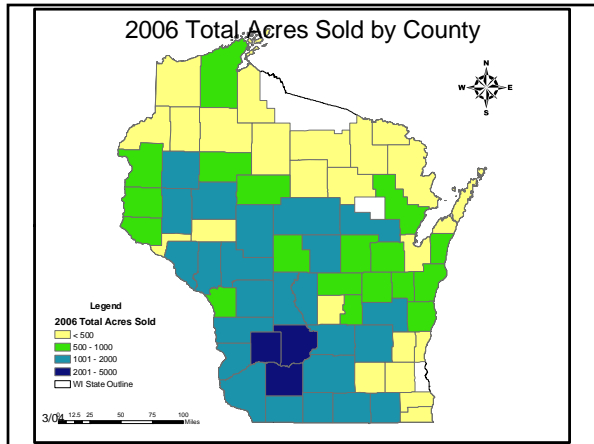
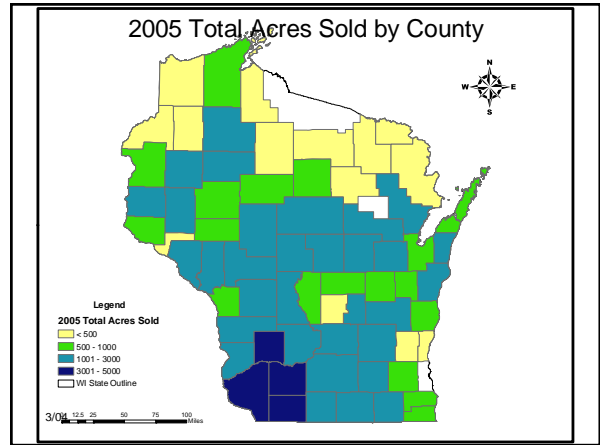
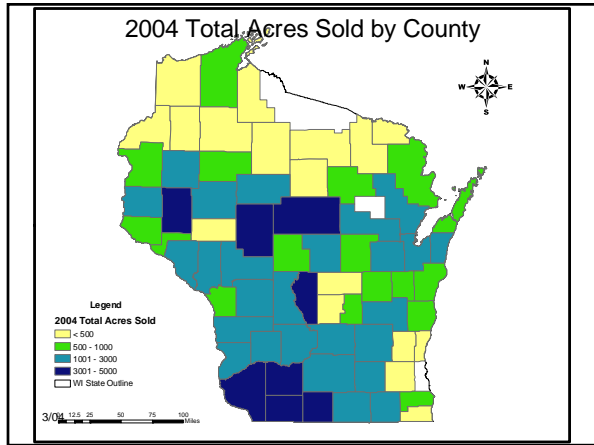
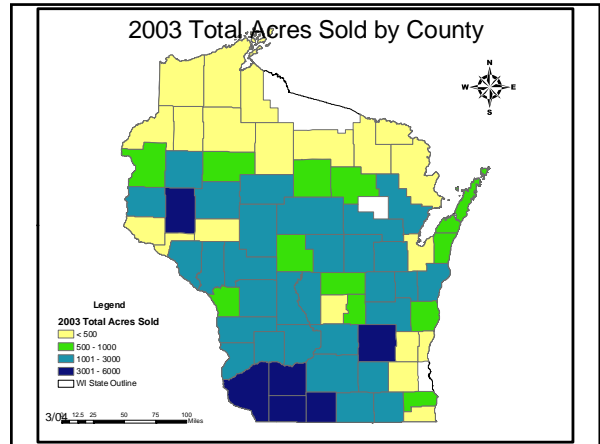
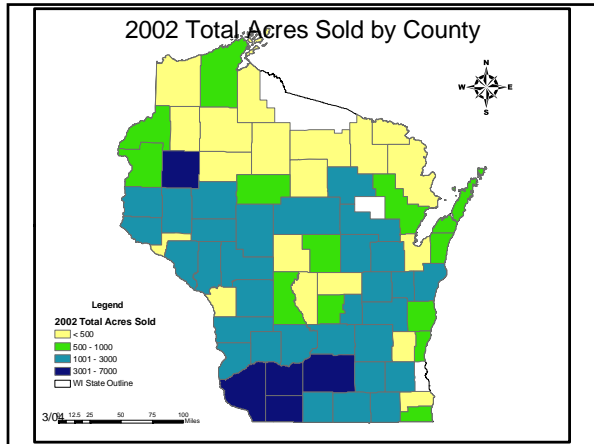
2001 Average Price per Acre



2002 Average Price per Acre







Production 2006 by Land State Sales: State: Wisconsin
 Source: Wisconsin State of Revenue and Taxation Services

| County | County Name | County Acres Sold | County Acres Sold |
|------------------|-------------|-------------------|-------------------|
| 2002-2003 | | | |
| Adams | Adams | 48 | \$2,297 |
| Bay | Bay | 401 | \$1,453 |
| Chippewa | Chippewa | 48 | \$1,127 |
| Dodge | Dodge | 66 | \$1,244 |
| Grant | Grant | 51 | \$1,254 |
| Jefferson | Jefferson | 66 | \$1,244 |
| Lincoln | Lincoln | 66 | \$1,244 |
| Monroe | Monroe | 66 | \$1,244 |
| Portland | Portland | 66 | \$1,244 |
| Rock | Rock | 66 | \$1,244 |
| Walworth | Walworth | 66 | \$1,244 |
| Winnebago | Winnebago | 66 | \$1,244 |
| Wisconsin | Wisconsin | 66 | \$1,244 |
| 2004-2005 | | | |
| Adams | Adams | 48 | \$2,297 |
| Bay | Bay | 401 | \$1,453 |
| Chippewa | Chippewa | 48 | \$1,127 |
| Dodge | Dodge | 66 | \$1,244 |
| Grant | Grant | 51 | \$1,254 |
| Jefferson | Jefferson | 66 | \$1,244 |
| Lincoln | Lincoln | 66 | \$1,244 |
| Monroe | Monroe | 66 | \$1,244 |
| Portland | Portland | 66 | \$1,244 |
| Rock | Rock | 66 | \$1,244 |
| Walworth | Walworth | 66 | \$1,244 |
| Winnebago | Winnebago | 66 | \$1,244 |
| Wisconsin | Wisconsin | 66 | \$1,244 |
| 2006 | | | |
| Adams | Adams | 48 | \$2,297 |
| Bay | Bay | 401 | \$1,453 |
| Chippewa | Chippewa | 48 | \$1,127 |
| Dodge | Dodge | 66 | \$1,244 |
| Grant | Grant | 51 | \$1,254 |
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