CHAPTER 706

CONVEYANCES OF REAL PROPERTY; RECORDING; TITLES

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706.001 Scope and construction. (1) Subject to the exclusions in sub. (2), this chapter shall govern every transaction by which any interest in land is created, aliened, mortgaged, assigned or may be otherwise affected in law or in equity.

(2) Excluded from the operation of this chapter are transactions which an interest in land is affected:

(a) By act or operation of law; or

(b) By will; or

(bm) By nonprobate transfer on death under s. 705.15; or

(c) By lease for a term limited to one year or less; or by contract or option to lease for such period which postpones the commencement of the agreed lease to a time not later than 60 days after the date of the contract or option; or by assignment, modification or termination of lease when, at the time such assignment, modification or termination is made, the unexpired term is limited to one year or less, and remains so limited under the lease as modified; except that instruments relating to such excluded transactions, if in recordable form, shall be entitled to record.

(3) This chapter shall be liberally construed, in cases of conflict or ambiguity, so as to effectuate the intentions of parties who have acted in good faith.

History: 1999 a. 85 ss. 135, 138; 2005 a. 206.

Transactions in which an interest in land is affected by act or operation of law are excluded from operation of this chapter under sub. (2). The mortgage in this case was equitably assigned to the holder of the original note by operation of law upon transfer of the note. Therefore, equitable assignment of the mortgage was not barred by the statute of frauds under s. 706.02. Dow Family, LLC v. PHH Mortgage Corporation, 2013 WI App 114, ___ Wis. 2d ___, ___ N.W.2d ___, 13−0221.

706.01 Definitions. In this chapter:

(4) "Conveyance" means a written instrument, evidencing a transaction governed by this chapter, that satisfies the requirements of s. 706.02, subject to s. 706.25.

(5) "Conveyance of mineral interests" means any transaction under s. 706.001 (1) entered into for the purpose of determining the presence, location, quality or quantity of metalliferous minerals or for the purpose of mining, developing or extracting metalliferous minerals, or both. Any transaction under s. 706.001 (1) entered into by a mining company is rebuttably presumed to be a conveyance of mineral interests.

(6) "Grantor" means the person from whom an interest in lands passes by conveyance, including, without limitation, lessors, vendors, mortgagors, optionors, releasors, assignors and trust settlors of interest in lands, and "grantee" means the person to whom the interest in land passes. Whenever consistent with the context, reference to the interest of a party includes the interest of the party's heirs, successors, personal representatives and assigns.

(7) "Homestead", as used in this chapter, means the dwelling, and so much of the land surrounding it as is reasonably necessary for use of the dwelling as a home, but not less than one−fourth acre, if available, and not exceeding 40 acres.

(7m) "Interest in minerals" means any fee simple interest in minerals beneath the surface of land that is:

(a) Separate from the fee simple interest in the surface of the land; and

(b) Created by an instrument transferring, granting, assigning or reserving the minerals.

(7r) "Legal description" means a description of a specific parcel of real estate that is described in one of the following ways, whichever is appropriate:

(a) By one of the ways under s. 66.0217 (1) (c).

(b) By condominium name, unit number, and appurtenance number in a platted condominium development.

(8) "Metalliferous minerals" means naturally occurring minerals containing metal.

(8m) "Mineral" means a naturally occurring substance recognized by standard authorities as mineral, whether metalliferous or nonmetalliferous.

(9) "Mining company" means any person or agent of a person who has a prospecting permit under s. 293.45 or a mining permit under s. 293.49 or 295.58.

(10) "Signed" includes any handwritten signature or symbol on a conveyance intended by the person affixing or adopting the signature or symbol to constitute an execution of the conveyance.

History: 1971 c. 41; 1977 c. 253; 1983 a. 189, 455; 1993 a. 486; 1995 a. 227; 1999 a. 85; 2005 a. 41, 421; 2013 a. 1.

The doctrine of part performance is not an "operation of law" under sub. (2) (a) that excludes the application of ch. 706 to a transaction. Wyss v. Albee, 183 Wis. 2d 245, 515 N.W.2d 517 (Ct. App. 1994).

Sub. (3) applies to easements. Borek Cranberry Marsh v. Jackson County, 2010 WI 95, 328 Wis. 2d 613, 785 N.W.2d 615, 08−1144.

A necessary implication under sub. (3) is one that is so clear as to be express; it is a required implication. The words "heirs and assigns," or any similar language, are unnecessary under sub. (3) to indicate a transferable interest. As a matter of law, "Grantee" has the exact same meaning as "Grantee and his heirs and assigns" unless another meaning is expressly stated or implied. Therefore, "heirs and assigns" need not be construed as having any legal effect and the use of the term in a grant of water flowage rights and not in a grant of sand removal rights in the same deed did not create a necessary implication that the sand rights were non−transferable. Borek Cranberry Marsh v. Jackson County, 2010 WI 95, 328 Wis. 2d 613, 785 N.W.2d 615, 08−1144.

706.02 Formal requisites. (1) Transactions under s. 706.001 (1) shall not be valid unless evidenced by a conveyance that satisfies all of the following:

(a) Identifies the parties; and

(b) Identifies the land; and

(c) Identifies the interest conveyed, and any material term, condition, reservation, exception or contingency upon which the interest is to arise, continue or be extinguished, limited or encumbered; and

(d) Is signed by or on behalf of each of the grantors; and

(e) Is signed by or on behalf of all parties, if a lease or contract to convey; and

(f) 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 under s. 706.01 (7) except conveyances between spouses, but on a purchase money mortgage pledging that property as security only the purchaser need sign the mortgage; and

(g) Is delivered. Except under s. 706.09, a conveyance delivered upon a parol limitation or condition shall be subject thereto only if the issue arises in an action or proceeding commenced within 5 years following the date of such conditional delivery; however, when death or survival of a grantor is made such a limiting or conditioning circumstance, the conveyance shall be subject thereto only if the issue arises in an action or proceeding commenced within such 5−year period and commenced prior to such death.

(2) A conveyance may satisfy any of the foregoing requirements of this section:

(a) By specific reference, in a writing signed as required, to extrinsic writings in existence when the conveyance is executed; or

(b) By physical annexation of several writings to one another, with the mutual consent of the parties; or

(c) By several writings which show expressly on their faces that they refer to the same transaction, and which the parties have mutually acknowledged by conduct or agreement as evidences of the transaction.

History: 1971 c. 211 s. 126; 1977 c. 177; 1999 a. 85.

There can be no waiver of the necessity of a spouse's joining in a deed of a homestead and no finding of agency will sustain the deed. Wangen v. Leum, 46 Wis. 2d 60, 174 N.W.2d 266 (1970).

In pleading a contract that is subject to the statute of frauds, it is not necessary to allege facts to establish that the contract complies with the statute or is within its exceptions. Ritterbusch v. Ritterbusch, 50 Wis. 2d 633, 184 N.W.2d 865 (1971).

An option to purchase land must be in writing and cannot be modified orally, but a seller may orally agree to accept payment in full rather than in installments. Kubnick v. Bohne, 56 Wis. 2d 527, 202 N.W.2d 400 (1972).

The test of undue influence to set aside a will is also applicable in order to void an inter vivos transfer due to undue influence. Ward v. Ward, 62 Wis. 2d 543, 215 N.W.2d 3 (1976).

Standing alone, an added provision in a 30−day option agreement to purchase real estate did not comply with the statute of frauds. Edlebeck v. Barnes, 63 Wis. 2d 240, 216 N.W.2d 551 (1974).

An oral contract for the conveyance of an interest in land is void unless there is a memorandum that conforms to the statute of frauds. Trimble v. Wis. Builders, Inc. 72 Wis. 2d 435, 241 N.W.2d 409 (1976).

When a contract for the sale of land with an indefinite description is taken out of the statute of frauds by part performance, extrinsic evidence admissible but for the statute of frauds may be introduced to provide the description. Clay v. Bradley, 74 Wis. 2d 153, 246 N.W.2d 142 (1976).

The question under sub. (1) (b) of whether property boundaries are identified to a reasonable certainty is for the jury to determine with the aid of all competent extrinsic evidence. Zapuchlak v. Hucal, 82 Wis. 2d 184, 262 N.W.2d 514 (1978).

The homestead defense under s. 706.02 (1) (f) is not defeated by s. 706.04, but a tort claim may exist against a signing spouse who misrepresents the non−signing spouse's acquiescence. Glinski v. Sheldon, 88 Wis. 2d 509, 276 N.W.2d 815 (1979).

The defense of the statute of frauds is waived if not raised in the trial court. Hine v. Vilter, 88 Wis. 2d 645, 277 N.W.2d 772 (1979).

A mortgage fraudulently executed by the use of a forged signature of one grantor was wholly void. State Bank of Drummond v. Christophersen, 93 Wis. 2d 148, 286 N.W.2d 547 (1980).

When a contract for the sale of land and personalty is not divisible, the contract is entirely void if this section is not satisfied. Spensley Feed v. Livingston Feed, 128 Wis. 2d 279, 381 N.W.2d 601 (Ct. App. 1985).

The homestead signature requirement of sub. (1) (f) must be waived affirmatively by actual signing of the mortgage. A failure to plead the statute of frauds as an affirmative defense did not constitute a waiver. Weber v. Weber, 176 Wis. 2d 1085, 501 N.W.2d 413 (1993).

A quitclaim deed of a married couple's homestead from one spouse to the other is not valid to alienate the grantor's interest in the property in any way that would eliminate either spouse's contractual obligations under a mortgage containing a valid dragnet clause. Schmidt v. Waukesha State Bank, 204 Wis. 2d 426, 555 N.W.2d 655 (Ct. App. 1996), 95−1850.

An in−court oral stipulation could create a mortgage interest in property, but a homestead conveyance must bear the conveyor's signatures. Because the stipulation lacked signatures, it was not a mortgage that could defeat the homestead exemption under s. 815.20. Equitable Bank, S.S.B. v. Chabron, 2000 WI App 210, 238 Wis. 2d 708, 618 N.W.2d 262, 99−2639.

If the language within the four corners of a deed is unambiguous, the court need look no further for the parties' intent. Eckendorf v. Austin, 2000 WI App 219, 239 Wis. 2d 69, 619 N.W.2d 129, 00−0713.

Spouses may affirmatively waive the homestead protection in sub. (1) (f) in a premarital agreement. Jones v. Estate of Jones, 2002 WI 61, 253 Wis. 2d 158, 646 N.W.2d 280, 01−1025.

A conveyance that "identifies the land" as required by sub. (1) means the conveyance must identify the property with "reasonable certainty." "Reasonable certainty" means that by the aid of the facts and circumstances surrounding the parties at the time the court can with reasonable certainty determine the land which is to be conveyed. It does not, however, necessarily require a legal description. Anderson v. Quinn, 2007 WI App 260, 306 Wis. 2d 686, 743 N.W.2d 492, 06−2462.

Parol evidence in the context of the statute of frauds does not operate to supply fatal omissions of a writing but rather to render the writing intelligible. A clear distinction must be drawn between the proper admission of extrinsic evidence for the purpose of applying the description to identified property versus the improper supplying of a description or adding to a description that on its face is insufficient. As the description "remaining acreage" was, on its face, insufficient to identify the specific property, parol evidence would not be admissible under the statute of frauds. 303, LLC v. Born, 2012 WI App 115, 344 Wis. 2d 364, 823 N.W.2d 269, 11−2368.

The statute of frauds does not bar a tort action for intentional misrepresentation. Winger v. Winger, 82 F.3d 140 (1996).

706.03 Agents, officers and guardians. (1) In this section:

(a) "Private corporation" means a corporation other than a public corporation.

(b) "Public corporation" means this state, a county, town, city or village in this state, a subunit of the state, county, town, city or village, a special purpose district in this state or any state or municipal authority or similar organization financed in whole or in part by public funds.

(1m) A conveyance signed by one purporting to act as agent for another shall be ineffective as against the purported principal unless such agent was expressly authorized, and unless the authorizing principal is identified as such in the conveyance or in the form of signature or acknowledgment. The burden of proving the authority of any such agent shall be upon the person asserting the same.

(2) Unless a different authorization is recorded under sub. (3) or is contained in the corporation's articles of incorporation, any one officer of a private corporation is authorized to sign conveyances in the corporate name. The absence of a corporate seal shall not invalidate any corporate conveyance. Public corporations shall authorize and execute conveyances as provided by law.

(3) Any private corporation may, by resolution of its governing board, duly adopted, certified and recorded in the office of the register of deeds of the county in which a conveyance executed by such corporation is to be recorded, authorize by name or title one or more persons, whether or not officers of such corporation, to execute conveyances, either generally or with specified limitation, in the name and on behalf of such corporation. After adoption and recording of such resolution and until recording of a resolution amending or revoking the same, conveyances may be executed on behalf of such corporation only in accordance with the terms thereof.

(3m) A nonprofit association, as defined in s. 184.01 (2), may authorize a person to execute conveyances of estates or interests in real property by executing and filing a statement of authority under s. 184.05.

(4) A conveyance by a minor or an individual adjudicated incompetent in this state is effective only if executed by an authorized guardian on behalf of the minor or individual adjudicated incompetent. This restriction does not apply if the individual's adjudication of incompetency permits him or her to contract.

History: 1971 c. 228; 1975 c. 393; 1977 c. 428; 1989 a. 303; 1991 a. 16, 173; 1997 a. 140; 2005 a. 387.

When a partner's actions in a transaction on behalf of a partnership fall within the express provisions of s. 178.06 (1), the partner is "an agent of the partnership" and s. 178.06 (1) controls. When the partner's actions do not fall within those provisions the partner "purports to act as an agent" and s. 706.03 controls. Wyss v. Albee, 193 Wis. 2d 101, 532 N.W.2d 444 (1995).

If the grantor's attorney−in−fact does not have authority to exercise the power of attorney in his or her own favor, any deed that the attorney−in−fact signs to himself or herself and others is void in its entirety under sub. (1m). Lucareli v. Lucareli, 2000 WI App 133, 237 Wis. 2d 487, 614 N.W.2d 60, 99−1679.

706.04 Equitable relief. A transaction which does not satisfy one or more of the requirements of s. 706.02 may be enforceable in whole or in part under doctrines of equity, provided all of the elements of the transaction are clearly and satisfactorily proved and, in addition:

(1) The deficiency of the conveyance may be supplied by reformation in equity; or

(2) The party against whom enforcement is sought would be unjustly enriched if enforcement of the transaction were denied; or

(3) The party against whom enforcement is sought is equitably estopped from asserting the deficiency. A party may be so estopped whenever, pursuant to the transaction and in good faith reliance thereon, the party claiming estoppel has changed his or her position to the party's substantial detriment under circumstances such that the detriment so incurred may not be effectively recovered otherwise than by enforcement of the transaction, and either:

(a) The grantee has been admitted into substantial possession or use of the premises or has been permitted to retain such possession or use after termination of a prior right thereto; or

(b) The detriment so incurred was incurred with the prior knowing consent or approval of the party sought to be estopped.

History: 1993 a. 486.

A partnership created to deal in real estate is void unless conforming to the statute of frauds unless all parties have performed the contract, thus indicating their acquiescence in its terms. In re Estate of Schaefer, 72 Wis. 2d 600, 241 N.W.2d 607 (1976).

In an equity action seeking the conveyance of a farm under an oral agreement, the trial court properly ordered the conveyance under sub. (3) when the tenants gave up plans to build a home on other property, planted crops on the farm, and painted the interior of the farmhouse. Krauza v. Mauritz, 78 Wis. 2d 276, 254 N.W.2d 251 (1977).

Personal services to a vendor in reliance upon an oral agreement are not enough, standing alone, to constitute part performance. In the Matter of the Estate of Lade, 82 Wis. 2d 80, 260 N.W.2d 665 (1978).

Under sub. (3) (a), a grantee with knowledge of equitable estoppel against the grantor takes title subject to the estoppel. Brevig v. Webster, 88 Wis. 2d 165, 277 N.W.2d 321 (Ct. App. 1979).

The homestead defense under s. 706.02 (1) (f) is not defeated by s. 706.04, but a tort claim may exist against a signing spouse who misrepresents the non−signing spouse's acquiescence. Glinski v. Sheldon, 88 Wis. 2d 509, 276 N.W.2d 815 (1979).

Failure to execute a document can be cured under this section. The "unclean hands" defense is discussed. Security Pacific National Bank v. Ginkowski, 140 Wis. 2d 332, 410 N.W.2d 589 (Ct. App. 1987).

Once a deed has been properly executed and recorded, a court, in equity, may not alter the document when a party later expresses a different intent than was memorialized. Wynhoff v. Vogt, 2000 WI App 57, 233 Wis. 2d 673, 608 N.W.2d 400, 99−0103.

Section 706.04 does not refer to deficiencies under 706.03. Triple Interest, Inc. v. Motel 6, Inc. 414 F. Supp. 589.

706.05 Formal requisites for record. (1) Subject to s. 59.43 (2m), every conveyance, and every other instrument which affects title to land in this state, shall be entitled to record in the office of the register of deeds of each county in which land affected thereby may lie.

(2) Except as different or additional requirements may be provided by law, every instrument offered for record shall:

(a) Bear such signatures as are required by law;

(b) Contain a form of authentication authorized by s. 706.06 or 706.07;

(c) Identify, to the extent that the nature of the instrument permits, and in form and terms which permit ready entry upon the various books and indexes publicly maintained as land records of such county, the land to which such instrument relates and the parties or other persons whose interests in such land are affected. Except as provided in sub. (2m), identification may be either by the terms of the instrument or by reference to an instrument of record in the same office, naming the place where such record may be found.

(2m) (a) Except as provided in par. (b), any document submitted for recording or filing that is to be indexed in the real estate records, any document submitted for recording or filing that modifies an original mortgage or land contract and any subordination agreement submitted for recording or filing shall contain the full legal description of the property to which it relates if the document or subordination agreement is intended to relate to a particular parcel of land. The legal description may be included on the document or may be attached to the document. Any such document shall also contain the document number of any original mortgage or land contract that the document affects and, if given on the original mortgage or land contract, the volume and page numbers of the original mortgage or land contract.

(b) The requirement of a full legal description under par. (a) does not apply to:

1. Descriptions of easements for the construction, operation or maintenance of electric, gas, railroad, water, telecommunications or telephone lines or facilities.

2. Descriptions of property that is subject to liens granted on property thereafter acquired by a rural electric cooperative organized under ch. 185, by a telephone cooperative organized under ch. 185 or 193, by a pipeline company under s. 76.02 (5), by a public utility under s. 196.01 (5), by a railroad under s. 195.02 (1), or by a water carrier under s. 195.02 (5).

(c) The requirement under par. (a) does not affect the validity of liens under par. (b) 2.

(3) In addition to the requirements under sub. (2), every conveyance of mineral interests offered for record shall:

(a) Fully disclose the terms and conditions of the agreement including both the financial arrangements and the exploration rights. Financial arrangements include the consideration exchanged for the interest in land, terms for payment, optional payments, royalty agreements and similar arrangements. Exploration rights include the conditions and extent of any surface and subsurface rights to the land, options to purchase further interest in the land, options to conduct mining operations and similar arrangements.

(b) Fully disclose the parties including any principal, parent corporation, partner or business associate with an interest in the conveyance. This paragraph shall be interpreted to provide maximum disclosure of any person with an economic interest in the transaction.

(4) Any person who anticipates becoming a party to a number of conveyances of a given form may cause a prototype of such form to be recorded, accompanied by a certificate declaring the intention of the recording party to incorporate the terms of such prototype in future recorded conveyances by reference.

(5) Copies of instruments affecting title to land in this state, authenticated by certificate of any public officer, either of this or any other state or foreign country, in whose office the original is filed or recorded pursuant to law, may be recorded in every case in which the original would be entitled to record under this section.

(6) Except as may otherwise be expressly provided, no instrument shall be denied acceptance for record because of the absence of venue, seals, witnesses or other matter of form.

(7) Every instrument which the register of deeds shall accept for record shall be deemed duly recorded despite its failure to conform to one or more of the requirements of this section, provided the instrument is properly indexed in a public index maintained in the office of such register of deeds and recorded at length at the place there shown.

(8) A duly recorded certificate signed by or on behalf of the holder of record of any mortgage or other security interest in lands, and authenticated as provided by s. 706.06 or 706.07 identifying the mortgage or other interest and stating that the same has been paid or satisfied in whole or in part, shall be sufficient to satisfy such mortgage or other interest of record.

(12) Every conveyance of any interest in real property offered for recordation shall be accompanied by the form under s. 77.22 (2). If the property is subject to certification under s. 101.122 (4) (a), waiver under s. 101.122 (4) (b) or stipulation under s. 101.122 (4) (c), the documents of conveyance offered for recordation shall have appended the certificate required under s. 101.122 (4) (a), a waiver under s. 101.122 (4) (b) or a stipulation under s. 101.122 (4) (c).

History: 1971 c. 211; 1977 c. 217, 253, 447; 1979 c. 221; 1983 a. 492 s. 3; 1985 a. 174; 1991 a. 66, 269; 1993 a. 145, 486; 1995 a. 110, 201; 1997 a. 35; 1999 a. 96; 2005 a. 179, 441; 2013 a. 66.

Under sub. (1), only instruments that affect an interest in land are entitled to be recorded. A land patent is the instrument by which the government conveys title to portions of the public domain to private individuals. "Land patents," "updates of land patent" and other, similarly−titled documents filed by private individuals that purport to be grants of private land from private individuals to themselves or other private

individuals are not true land patents and are invalid on their face and not entitled to recording. OAG 4−12.

706.055 Conveyances of mineral rights. The register of deeds shall record all conveyances of mineral interests in the index maintained under s. 59.43 (9).

History: 1977 c. 253; 2009 a. 98.

706.057 Lapse and reversion of interests in minerals. **(1)** APPLICABILITY. This section does not apply to an interest in minerals which is owned by the same person who owns the fee simple interest in the surface of the land above the interest in minerals.

(2) USE OF AN INTEREST IN MINERALS. In this section, an interest in minerals is used if any of the following occur:

(a) Any minerals are mined in exploitation of the interest in minerals.

(b) A conveyance of mineral interests is recorded under this chapter.

(c) Any other conveyance evidencing a transaction by which the interest in minerals is created, aliened, reserved, mortgaged or assigned is recorded under this chapter.

(d) Property taxes are paid on the interest in minerals by the owner of the interest in minerals.

(e) The owner of the interest in minerals records a statement of claim under sub. (4) or (5) concerning the interest in minerals.

(3) LAPSE. (a) Except as provided in par. (b) or (c), an interest in minerals lapses if the interest in minerals was not used during the previous 20 years.

(b) An interest in minerals which was not used during the 20−year period prior to July 1, 1984, does not lapse if the interest in minerals is used within 3 years after July 1, 1984.

(c) An interest in minerals which was used during the period from 17 to 20 years prior to July 1, 1984, does not lapse if the interest in minerals is used within 3 years after July 1, 1984.

(4) STATEMENT OF CLAIM; RECORDING; REQUIREMENTS. If the owner of an interest in minerals uses the interest in minerals by recording a statement of claim, the statement of claim shall comply with this subsection. The statement of claim shall contain the name and address of the owner of the interest in minerals, a description of the location and boundary of the interest in minerals and a reference to the recorded instrument which created the interest in minerals. The statement of claim shall be recorded with the register of deeds for the county in which the interest in minerals is located.

(5) CURE OF LAPSE. The lapse of an interest in minerals under sub. (3) is cured if the owner of the interest in minerals records a statement of claim complying with all of the requirements of sub. (4) before the surface owner records a statement of claim under sub. (6) (a) or before a statement of claim takes effect under sub. (6) (b) 1., whichever is later.

(6) CLAIM OF LAPSED INTEREST IN MINERALS. (a) The owner of the land under which an interest in minerals exists may claim that portion of a lapsed interest in minerals which lies beneath the owner's land by recording a statement of claim. The statement of claim shall contain the name and address of the owner of the land under which the lapsed interest in minerals is located and a description of the land under which the interest in minerals is located. The statement of claim shall be recorded with the register of deeds for the county in which the land is located.

(b) 1. Except as provided in subd. 2., a statement of claim which is recorded under par. (a) before the lapse of the interest in minerals to which the claim applies takes effect when the interest in minerals lapses.

2. A statement of claim which is recorded under par. (a) before the lapse of the interest in minerals to which the claim applies is void 6 years after the statement of claim is recorded if the interest in minerals does not lapse within that 6−year period.

(7) STATEMENT OF CLAIM; RECORDING; REGISTER OF DEEDS' DUTY. The register of deeds shall provide copies of the uniform form for statements of claim under subs. (4), (5) and (6). Upon receipt of a statement of claim under sub. (4), (5) or (6) in the office of the register of deeds, the register of deeds shall record the claim in a manner which will permit the existence of an interest in minerals to be determined by reference to the parcel or parcels of land above the interest in minerals. The claimant shall pay the recording fee under s. 59.43 (2).

(9) DETERMINATION OF OWNERSHIP. (a) The owner of an interest in minerals which is the subject of a claim under sub. (6) (a), within 3 years after the claim is recorded with the register of deeds or within 3 years after the claim takes effect as provided under sub. (6) (b) 1., whichever is later, may bring an action for a declaratory judgment or declaration of interest on the ownership of the interest in minerals. The action shall be commenced in the circuit court in the county where the interest in minerals is located.

(b) 1. If the court finds that the owner of the interest in minerals used the interest in minerals within the time limits specified under sub. (3) or that the owner of the interest in minerals recorded a claim under sub. (5) before the surface owner recorded a claim under sub. (6) (a) or before the claim took effect as provided under sub. (6) (b) 1., whichever is later, the court shall issue a judgment declaring that the interest in minerals is not lapsed.

2. If the court finds that the owner of the interest in minerals did not use the interest in minerals within the time limits specified under sub. (3) and did not record the claim under sub. (5) before the surface owner recorded the claim under sub. (6) (a) or before the claim took effect as provided under sub. (6) (b) 1. whichever is later, the court shall issue a judgment affirming the surface owner's claim.

(c) Upon the issuance of a judgment affirming the surface owner's claim or, if no action is brought under par. (a), at the end of the 3−year period after the surface owner's claim is recorded or at the end of the 3−year period after the claim takes effect as provided under sub. (6) (b) 1., whichever is later, the ownership of the interest in minerals reverts to the owner of the land under which the lapsed interest in minerals is located and title to the interest in minerals is merged with the title to the surface of the land.

(10) WAIVER; LIMITATION. No person may waive or agree to waive the provisions of this section and any waiver or agreement of this type is void.

History: 1983 a. 455; 1985 a. 29; 1995 a. 201.

Due process requires that every owner of a recorded interest, including a mineral interest under s. 706.057, be provided written notice of an application for a tax deed. 74 Atty. Gen. 59.

Under this section the owner of land under which mineral rights have lapsed must record a claim to the lapsed mineral rights in order to foreclose a separate mineral rights owner from curing the lapse. 79 Atty. Gen. 61.

706.06 Authentication. **(1)** Any instrument may be acknowledged, or its execution otherwise authenticated by its signators, as provided by the laws of this state; or as provided in this section or s. 706.07.

(2) Any public officer entitled by virtue of his or her office to administer oaths, and any member in good standing of the State Bar of Wisconsin, may authenticate one or more of the signatures on an instrument relating to lands in this state, by endorsing the instrument "Acknowledged," "Authenticated," or "Signatures Guaranteed," or other words to similar effect, adding the date of authentication, his or her own signature, and his or her official or professional title. The endorsement, unless expressly limited, shall operate as an authentication of all signatures on the instrument; and shall constitute a certification that each authenticated signature is the genuine signature of the person represented; and, as to signatures made in a representative capacity, shall constitute a certification that the signer purported, and was believed, to be such representative.

(3) Affidavits shall be authenticated by a certificate of due execution of the instrument, executed by a person entitled to administer oaths.

(4) In addition to any criminal penalty or civil remedy otherwise provided by law, knowingly false authentication of an instrument shall subject the authenticator to liability in tort for compensatory and punitive damages caused thereby to any person.

History: 1971 c. 211; 1973 c. 243; 1979 c. 110; 1983 a. 492 s. 3; 1993 a. 486; 2001 a. 103.

706.07 Uniform law on notarial acts. (1) DEFINITIONS. In this section:

(a) "Acknowledgment" means a declaration by a person that the person has executed an instrument for the purposes stated therein and, if the instrument is executed in a representative capacity, that the person signed the instrument with proper authority and executed it as the act of the person or entity represented and identified therein.

(b) "In a representative capacity" means:

1. For and on behalf of a corporation, partnership, trust, or other entity, as an authorized officer, agent, partner, trustee, or other representative;

2. As a public officer, personal representative, guardian, or other representative, in the capacity recited in the instrument;

3. As an attorney in fact for a principal; or

4. In any other capacity as an authorized representative of another.

(c) "Notarial act" means any act that a notary public of this state is authorized to perform, and includes taking an acknowledgment, administering an oath or affirmation, taking a verification upon oath or affirmation, witnessing or attesting a signature, certifying or attesting a copy, and noting a protest of a negotiable instrument.

(d) "Notarial officer" means a notary public or other officer authorized to perform notarial acts.

(e) "Verification upon oath or affirmation" means a declaration that a statement is true made by a person upon oath or affirmation.

(2) NOTARIAL ACTS. (a) In taking an acknowledgment, the notarial officer must determine, either from personal knowledge or from satisfactory evidence, that the person appearing before the officer and making the acknowledgment is the person whose true signature is on the instrument.

(b) In taking a verification upon oath or affirmation, the notarial officer must determine, either from personal knowledge or from satisfactory evidence, that the person appearing before the officer and making the verification is the person whose true signature is on the statement verified.

(c) In witnessing or attesting a signature, the notarial officer must determine, either from personal knowledge or from satisfactory evidence, that the signature is that of the person appearing before the officer and named therein.

(d) In certifying or attesting a copy of a document or other item, the notarial officer must determine that the proffered copy is a full, true, and accurate transcription or reproduction of that which was copied.

(e) In making or noting a protest of a negotiable instrument, the notarial officer must determine the matters set forth in s. 403.505 (2).

(f) A notarial officer has satisfactory evidence that a person is the person whose true signature is on a document if that person:

1. Is personally known to the notarial officer;

2. Is identified upon the oath or affirmation of a credible witness personally known to the notarial officer; or

3. Is identified on the basis of identification documents.

(3) NOTARIAL ACTS IN THIS STATE. (a) A notarial act may be performed within this state by the following persons of this state:

1. A notary public;

2. A judge, clerk or deputy clerk of a court of record;

3. A court commissioner;

4. A register of deeds or deputy register of deeds;

5. A municipal judge; or

6. A county clerk or deputy county clerk.

(b) Notarial acts performed within this state under federal authority as provided in sub. (5) have the same effect as if performed by a notarial officer of this state.

(c) The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.

(4) NOTARIAL ACTS IN OTHER JURISDICTIONS OF THE UNITED STATES. (a) A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state, if performed in another state, commonwealth, territory, district, or possession of the United States by any of the following persons:

1. A notary public of that jurisdiction;

2. A judge, clerk, or deputy clerk of a court of that jurisdiction; or

3. Any other person authorized by the law of that jurisdiction to perform notarial acts.

(b) Notarial acts performed in other jurisdictions of the United States under federal authority as provided in sub. (5) have the same effect as if performed by a notarial officer of this state.

(c) The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.

(d) The signature and indicated title of an officer listed in par. (a) 1. or 2. conclusively establish the authority of a holder of that title to perform a notarial act.

(5) NOTARIAL ACTS UNDER FEDERAL AUTHORITY. (a) A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state if performed anywhere by any of the following persons under authority granted by the law of the United States:

1. A judge, clerk, or deputy clerk of a court.

2. A commissioned officer on active duty in the military service of the United States.

3. An officer of the foreign service or consular officer of the United States.

4. Any other person authorized by federal law to perform notarial acts.

(b) The signature and title of a person performing a notarial act are prima facie evidence that the signature is genuine and that the person holds the designated title.

(c) The signature and indicated title of an officer listed in par. (a) 1., 2. or 3. conclusively establish the authority of a holder of that title to perform a notarial act.

(6) FOREIGN NOTARIAL ACTS. (a) A notarial act has the same effect under the law of this state as if performed by a notarial officer of this state if performed within the jurisdiction of and under authority of a foreign nation or its constituent units or a multinational or international organization by any of the following persons:

1. A notary public or notary;

2. A judge, clerk, or deputy clerk of a court of record; or

3. Any other person authorized by the law of that jurisdiction to perform notarial acts.

(b) An "apostille" in the form prescribed by the Hague convention of October 5, 1961, conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.

(c) A certificate by a foreign service or consular officer of the United States stationed in the nation under the jurisdiction of which the notarial act was performed, or a certificate by a foreign service or consular officer of that nation stationed in the United States, conclusively establishes any matter relating to the authenticity or validity of the notarial act set forth in the certificate.

(d) An official stamp or seal of the person performing the notarial act is prima facie evidence that the signature is genuine and that the person holds the indicated title.

(e) An official stamp or seal of an officer listed in par. (a) 1. or 2. is prima facie evidence that a person with the indicated title has authority to perform notarial acts.

(f) If the title of office and indication of authority to perform notarial acts appears either in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.

(7) CERTIFICATE OF NOTARIAL ACTS. (a) A notarial act must be evidenced by a certificate signed and dated by a notarial officer. The certificate must include identification of the jurisdiction in which the notarial act is performed and the title of the office of the notarial officer and may include the official stamp or seal of office. If the officer is a notary public, the certificate must also indicate the date of expiration, if any, of the commission of office, but omission of that information may subsequently be corrected. If the officer is a commissioned officer on active duty in the military service of the United States, it must also include the officer's rank.

(b) A certificate of a notarial act is sufficient if it meets the requirements of par. (a) and it:

1. Is in the short form set forth in sub. (8);

2. Is in a form otherwise prescribed by the law of this state;

3. Is in a form prescribed by the laws or regulations applicable in the place in which the notarial act was performed; or

4. Sets forth the actions of the notarial officer and those are sufficient to meet the requirements of the designated notarial act.

(c) By executing a certificate of a notarial act, the notarial officer certifies that the officer has made the determination required by sub. (2).

(8) SHORT FORMS. The following short form certificates of notarial acts are sufficient for the purposes indicated, if completed with the information required by sub. (7) (a):

(a) For an acknowledgment in an individual capacity:

State of ....

County of ....

This instrument was acknowledged before me on (date) by (name(s) of person(s)).

.... (Signature of notarial officer)

(Seal, if any)

.... Title (and Rank) [My commission expires: ....]

(b) For an acknowledgment in a representative capacity:

State of ....

County of ....

This instrument was acknowledged before me on (date) by (name(s) of person(s)) as (type of authority, e.g., officer, trustee, etc.) of (name of party on behalf of whom instrument was executed).

.... (Signature of notarial officer)

(Seal, if any)

.... Title (and Rank) [My commission expires: ....]

(c) For a verification upon oath or affirmation:

State of ....

County of ....

Signed and sworn to (or affirmed) before me on (date) by (name(s) of person(s) making statement).

.... (Signature of notarial officer)

(Seal, if any)

.... Title (and Rank) [My commission expires: ....]

(d) For witnessing or attesting a signature:

State of ....

County of ....

Signed or attested before me on (date) by (name(s) of person(s)).

.... (Signature of notarial officer)

(Seal, if any)

.... Title (and Rank) [My commission expires: ....]

(e) For attestation of a copy of a document:

State of ...

County of ....

I certify that this is a true and correct copy of a document in the possession of ....

Dated: ....

....(Signature of notarial officer)

(Seal, if any)

..... Title (and Rank) [My commission expires: ....]

(9) NOTARIAL ACTS AFFECTED BY THIS SECTION. This section applies to notarial acts performed on or after November 1, 1984.

(10) UNIFORMITY OF APPLICATION AND CONSTRUCTION. This section shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this section among states enacting it.

(11) SHORT TITLE. This section may be cited as the uniform law on notarial acts.

History: 1983 a. 492; 1989 a. 123; 1995 a. 449; 1999 a. 85.

706.08 Nonrecording, effect. (1) (a) Except for patents issued by the United States or this state, or by the proper officers of either, every conveyance that is not recorded as provided by law shall be void as against any subsequent purchaser, in good faith and for a valuable consideration, of the same real estate or any portion of the same real estate whose conveyance is recorded first.

(b) A conveyance of mineral interests which is not recorded in the office of the register of deeds of the county in which the land is located, within 30 days after it is signed by the lessor, is void.

(2) Where a public tract index or abstract of title index is maintained, an instrument properly indexed therein and recorded at length at the place there shown shall be deemed to be duly recorded for purposes of this section, despite any error or omission in the process of including the instrument, or prior instruments in the same chain of title, in other records. Where an instrument is not properly indexed in such tract or abstract of title index, or where such index is not publicly maintained, the instrument shall be deemed to be duly recorded only if the instrument, together with prior instruments necessary to trace title by use of alphabetical indexes by names of parties, are properly indexed in such alphabetical indexes, and recorded at length at the places there shown. Wherever an instrument is duly recorded hereunder, its record shall be effective as of the date and hour at which it is shown by the general index to have been accepted for record.

(3) When an express trust is created, but its existence is not disclosed in a recorded conveyance to the trustee, the title of the trustee shall be deemed absolute as against the subsequent creditors of the trustee not having notice of the trust and as against purchasers from such trustee without notice and for a valuable consideration.

(4) It shall be conclusively presumed that a person is a trustee of a valid express trust and has full power of conveyance if all of the following occur:

(a) The person is designated as trustee and holds an interest in land as trustee.

(b) The person's authority and powers as trustee are not set forth in a recorded instrument.

(c) The person conveys an interest in land as trustee to a good faith purchaser, as defined in s. 401.201 (2) (qm).

(5) When a conveyance purports to be absolute in terms, but is made or intended to be made defeasible by force of another instrument for that purpose, the original conveyance shall not be thereby defeated or affected as against any person other than the maker of the defeasance or the maker's heirs or devisees or per-

sons having actual notice thereof, unless the instrument of defeasance has been recorded in the office of the register of deeds of the county where the lands lie.

(6) The recording of an assignment of a mortgage shall not in itself be deemed notice of such assignment to the mortgagor so as to invalidate any payment made to the mortgagee without actual notice of such assignment.

(7) No letter of attorney or other instrument containing a power to convey lands, when executed and recorded under this chapter, shall be deemed to be revoked by any act of the party by whom it was executed unless the instrument containing such revocation is also recorded in the same office in which the instrument containing the power was recorded, and such record shall import notice to all persons, including the agent named in said letter of attorney of the contents thereof. The death of the party executing such letter of attorney shall not operate as a revocation thereof as to the attorney or agent until the attorney or agent has notice of the death, or as to one who without notice of such death in good faith deals with the attorney or agent.

History: 1977 c. 253; 1989 a. 231; 1993 a. 486; 1999 a. 85; 2009 a. 320.

An unrecorded conveyance, if delivered, is valid against judgment creditors since they are not bona fide creditors for value. West Federal Savings & Loan v. Interstate Investment, 57 Wis. 2d 690, 205 N.W.2d 361 (1973).

A purchaser having constructive notice that there may have been an unrecorded conveyance was not a "purchaser in good faith" under sub. (1) (a). Kordecki v. Rizzo, 106 Wis. 2d 713, 317 N.W.2d 479 (1982).

An original mortgagee's knowledge of a prior mortgage not properly of record will not be imputed to an assignee of the mortgage with no knowledge of the prior mortgage and does not render the assignee not a purchaser in good faith under sub. (1) (a) who cannot claim priority. The Bank of New Glarus v. Swartwood, 2006 WI App 224, 297 Wis. 2d 458, 725 N.W.2d 944, 05−0647.

"Good faith" for purposes of sub. (1) (a) exists only when there is no notice under s. 706.09. Anderson v. Quinn, 2007 WI App 260, 306 Wis. 2d 686, 743 N.W.2d 492, 06−2462.

706.085 Correction instruments. (1) ENTITLED TO BE RECORDED; PURPOSES. An instrument correcting a previously recorded conveyance shall be entitled to record in accordance with s. 706.05 in the office of the register of deeds of the county in which the conveyance is recorded and shall include one or more of the following:

(a) The correction of a legal description, including a distance; angle; direction; bearing; chord; lot, block, unit, or building number or letter; appurtenant easement; section number; township name or number; municipality, county, or state name; range number or meridian; certified survey map number; or subdivision or condominium name.

(b) The addition, correction, or clarification of information other than a legal description, including any of the following information:

1. A party's name, including the spelling of the name; a first or middle name or initial; a name suffix, such as senior or junior; alternate names by which the party is known; or a description of an entity as a corporation, company, or similar identifier.

2. A party's marital status.

3. The date on which the conveyance was executed.

4. Whether the property is a homestead.

5. The tax parcel number.

6. The identity of the drafter.

7. The recording data for an instrument referenced in the conveyance.

8. The nature and purpose of the conveyance.

9. The title of the conveyance.

10. Facts relating to the acknowledgment or authentication.

(c) The addition of an acknowledgment or authentication.

(d) The disclaimer by a grantee under a deed of that party's interest in the real property that is the subject of the deed.

(e) The addition of a mortgagee's consent or subordination.

(2) EXECUTION REQUIREMENTS. (a) A correction instrument shall be acknowledged or authenticated in accordance with s. 706.06 or 706.07. It shall recite the document number of the conveyance, the names of the grantor and grantee, and, if given on the conveyance, the volume and page numbers.

(b) 1. Except as otherwise provided in this paragraph, a correction instrument that is executed after May 28, 2010, may be executed by a person having personal knowledge of the circumstances of the conveyance and of the facts recited in the correction instrument, including the grantor, the grantee, the person who drafted the conveyance that is the subject of the correction instrument, or the person who acted as the settlement agent in the transaction that is the subject of the conveyance, and shall recite the basis for the person's personal knowledge. A correction instrument that was executed before May 28, 2010, is not rendered ineffective by reason of the instrument's failure to recite that the maker had the knowledge or capacity required under this subdivision.

2. A correction instrument that makes the correction under sub. (1) (e) shall be signed by the consenting party, or an heir, successor, or assignee of the party.

3. A correction instrument that adds, removes, or replaces a divisible parcel in a conveyance shall be signed by the following persons:

a. If the correction instrument supplies a lot, block, unit, or building number or letter that was omitted from a conveyance, by any party identified in subd. 1.

b. If a parcel is being added to a conveyance that also correctly conveys other land, only by the grantor.

c. If a parcel is being removed from a conveyance that also correctly conveys other land, only by the grantee.

d. If a lot or unit number or letter is being corrected and the lot or unit incorrectly recited in the conveyance is also owned by the grantor, only by the grantee.

e. If a lot, block, unit, or building number or letter is being corrected and the lot or unit incorrectly recited in the conveyance is not also owned by the grantor, by any party identified in subd. 1.

(c) A person who executes and records a correction instrument shall send notice of that fact by 1st class mail to all parties to the transaction that was the subject of the conveyance at their last−known addresses.

(3) EFFECT OF RECORD. All of the following apply to the record of a correction instrument that complies with this section, or a certified copy of the record:

(a) It is prima facie evidence of the facts stated in the instrument; is presumed to be true, subject to rebuttal; and constitutes notice to a purchaser under s. 706.09 of the facts recited in the instrument.

(b) It may be asserted by a purchaser for a valuable consideration against any person making an adverse or inconsistent claim under s. 706.09 (1) (i).

(4) PREVIOUSLY RECORDED INSTRUMENTS ARE VALID. Any instrument recorded before May 28, 2010, that purports to correct a previously recorded conveyance and that would have been a valid correction instrument under this section had this section been in effect when the instrument was recorded is hereby validated.

History: 2009 a. 348.

Correcting Real Estate Documents. Andrew. Wis. Law. Oct. 2010.

706.09 Notice of conveyance from the record. (1) WHEN CONVEYANCE IS FREE OF PRIOR ADVERSE CLAIM. A purchaser for a valuable consideration, without notice as defined in sub. (2), and the purchaser's successors in interest, shall take and hold the estate or interest purported to be conveyed to such purchaser free of any claim adverse to or inconsistent with such estate or interest, if such adverse claim is dependent for its validity or priority upon:

(a) *Nondelivery.* Nondelivery, or conditional or revocable delivery, of any recorded conveyance, unless the condition or revocability is expressly referred to in such conveyance or other recorded instrument.

(b) *Conveyance outside chain of title not identified by definite reference.* Any conveyance, transaction or event not appearing of record in the chain of title to the real estate affected, unless such conveyance, transaction or event is identified by definite reference in an instrument of record in such chain. No reference shall be definite which fails to specify, by direct reference to a particular place in the public land record, or, by positive statement, the nature and scope of the prior outstanding interest created or affected by such conveyance, transaction or event, the identity of the original or subsequent owner or holder of such interest, the real estate affected, and the approximate date of such conveyance, transaction or event.

(c) *Unrecorded extensions of interests expiring by lapse of time.* Continuance, extension or renewal of rights of grantees, purchasers, optionees, or lessees under any land contract, option, lease or other conveyance of an interest limited to expire, absolutely or upon a contingency, within a fixed or determinable time, where 2 years have elapsed after such time, unless there is recorded a notice or other instrument referring to such continuance, extension or renewal and stating or providing a later time for the enforcement, exercise, performance or termination of such interest and then only if less than 2 years have elapsed after such later time. This paragraph shall not apply to life estates, mortgages or trust deeds, nor shall it inferentially extend any interest otherwise expiring by lapse of time.

(d) *Nonidentity of persons in chain of title.* Nonidentity of persons named in, signing or acknowledging one or more related conveyances or instruments affecting real estate, provided the persons appear in such conveyances under identical names or under variants thereof, including inclusion, exclusion or use of: commonly recognized abbreviations, contractions, initials, or foreign, colloquial, or other equivalents; first or middle names or initials; simple transpositions which produce substantially similar pronunciation; articles or prepositions in names or titles; description of entities as corporations, companies, or any abbreviation or contraction of either; name suffixes such as senior or junior; where such identity or variance has appeared of record for 5 years.

(e) *Marital interests.* Homestead of the spouse of any transferor of an interest in real estate, if the recorded conveyance purporting to transfer the homestead states that the person executing it is single, unmarried or widowed or fails to indicate the marital status of the transferor, and if the conveyance has, in either case, appeared of record for 5 years. This paragraph does not apply to the interest of a married person who is described of record as a holder in joint tenancy or of marital property with that transferor.

(f) *Lack of authority of officers, agents or fiduciaries.* Any defect or insufficiency in authorization of any purported officer, partner, manager, agent, or fiduciary to act in the name or on behalf of any corporation, partnership, limited liability company, principal, trust, estate, minor, individual adjudicated incompetent, or other holder of an interest in real estate purported to be conveyed in a representative capacity, after the conveyance has appeared of record for 5 years.

(g) *Defects in judicial proceedings.* Any defect or irregularity, jurisdictional or otherwise, in an action or proceeding out of which any judgment or order affecting real estate issued after the judgment or order has appeared of record for 5 years.

(h) *Nonexistence, incapacity or incompetency.* Nonexistence, acts in excess of legal powers or legal incapacity or incompetency of any purported person or legal entity, whether natural or artificial, foreign or domestic, provided the recorded conveyance or instrument affecting the real estate shall purport to have been duly executed by such purported person or legal entity, and shall have appeared of record for 5 years.

(i) *Facts not asserted of record.* Any fact not appearing of record, but the opposite or contradiction of which appears affirmatively and expressly in a conveyance, affidavit or other instrument of record in the chain of title of the real estate affected for 5 years. Such facts may, without limitation by noninclusion, relate to age, sex, birth, death, capacity, relationship, family history, descent, heirship, names, identity of persons, marriage, marital status, homestead, possession or adverse possession, residence, service in the armed forces, conflicts and ambiguities in descriptions of land in recorded instruments, identification of any recorded plats or subdivisions, corporate authorization to convey, and the happening of any condition or event which terminates an estate or interest.

(j) *Defects in tax deed.* Nonexistence or illegality of any proceedings from and including the assessment of the real estate for taxation up to and including the execution of the tax deed after the tax deed has been of record for 5 years.

(k) *Interests not of record within 30 years.* Any interest of which no affirmative and express notice appears of record within 30 years.

(2) NOTICE OF PRIOR CLAIM. A purchaser has notice of a prior outstanding claim or interest, within the meaning of this section wherever, at the time such purchaser's interest arises in law or equity:

(a) *Affirmative notice.* Such purchaser has affirmative notice apart from the record of the existence of such prior outstanding claim, including notice, actual or constructive, arising from use or occupancy of the real estate by any person at the time such purchaser's interest therein arises, whether or not such use or occupancy is exclusive; but no constructive notice shall be deemed to arise from use or occupancy unless due and diligent inquiry of persons using or occupying such real estate would, under the circumstances, reasonably have disclosed such prior outstanding interest; nor unless such use or occupancy is actual, visible, open and notorious; or

(b) *Notice of record within 30 years.* There appears of record in the chain of title of the real estate affected, within 30 years and prior to the time at which the interest of such purchaser arises in law or equity, an instrument affording affirmative and express notice of such prior outstanding interest conforming to the requirements of definiteness of sub. (1) (b); or

(c) *Same.* The applicable provisions of sub. (1) (c) to (k) requiring that an instrument remain for a time of record, have not been fully satisfied.

(3) WHEN PRIOR INTEREST NOT BARRED. This section shall not be applied to bar or infringe any prior outstanding interest in real estate:

(a) *Public service corporations, railroads, electric cooperatives, trustees, natural gas companies, governmental units.* While owned, occupied or used by any public service corporation, any railroad corporation as defined in s. 195.02 (1), any water carrier as defined in s. 195.02 (5), any electric cooperative organized and operating on a nonprofit basis under ch. 185, any natural gas company, as defined in 15 USC 717a (6), or any trustee or receiver of any such corporation, electric cooperative, or natural gas company, or any mortgagee or trust deed trustee or receiver thereof; nor any such interest while held by the United States, the state or any political subdivision or municipal corporation thereof; or

(b) *Unplatted, unimproved, unused, etc.* Which, at the time such subsequent purchaser's interest arises, is unplatted, vacant and unoccupied, unused, unimproved and uncultivated; except that this paragraph shall not apply to prior interests dependent for validity or priority upon the circumstances described in sub. (1) (a), (b), (j) and (k).

(4) CHAIN OF TITLE: DEFINITION. The term "chain of title" as used in this section includes instruments, actions and proceedings discoverable by reasonable search of the public records and indexes affecting real estate in the offices of the register of deeds and in probate and of clerks of courts of the counties in which the real estate is located; a tract index shall be deemed an index where the same is publicly maintained.

(5) CONSTRUCTION. Nothing in this section shall be construed to raise or support any inference adverse or hostile to marketability of titles.

(6) EFFECTIVE DATE. This section shall take effect and may be invoked by qualified purchasers without notice as defined in sub. (2) whose interests arise on or after July 1, 1968, and by their successors in interest thereafter.

History: 1975 c. 94 s. 91 (16); 1979 c. 110; 1983 a. 186; 1987 a. 330; 1993 a. 112, 486, 496; 2005 a. 179, 387; 2009 a. 378, 379.

This section does not create or govern interests in land but deals with circumstances when a purchaser of land will be held to have notice of adverse interests. Interests arising through adverse possession or use are governed by ch. 893. Rock Lake Estates Unit Owners Association, Inc. v. Town of Lake Mills, 195 Wis. 2d 348, 536 N.W.2d 415 (Ct. App. 1995), 94−2488.

A purchaser of land has 3 sources of information from which to learn of rights to the land: 1) records in the office of register of deeds; 2) other public records that are usually not recorded, such as judgments and liens; and 3) the land itself, to find rights that arise by virtue of possession or use. The purchaser is chargeable with knowledge of the location of the land's boundaries as against 3rd persons. Hoey Outdoor Advertising, Inc. v. Ricci, 2002 WI App 231, 256 Wis. 2d 347, 653 N.W.2d 763, 01−2186.

Sub. (2) (b) does not require purchasers for value to find, in the absence of a proper recording, that an interest could possibly be discovered. Such a requirement would be contrary to the very purpose of the recording statutes, to ensure a clear and certain system of property conveyance. Associates Financial Services Company of Wisconsin, Inc. v. Brown, 2002 WI App 300, 258 Wis. 2d 915, 656 N.W.2d 56, 01−3416.

Sub. (1) (k) applies to easements. Turner v. Taylor, 2003 WI App 256, 268 Wis. 2d 628, 673 N.W.2d 716, 03−0705.

An original mortgagee's knowledge of a prior mortgage not properly of record will not be imputed to an assignee of the mortgage with no knowledge of the prior mortgage and does not render the assignee not a purchaser in good faith under s. 706.08 (1) (a) who cannot claim priority. The Bank of New Glarus v. Swartwood, 2006 WI App 224, 297 Wis. 2d 458, 725 N.W.2d 944, 05−0647.

The notice requirements in sub. (2) explain when use or occupancy gives a buyer a duty to inquire about rights held by others. Nothing in that section distinguishes between prescriptive rights and improperly recorded rights. Anderson v. Quinn, 2007 WI App 260, 306 Wis. 2d 686, 743 N.W.2d 492, 06−2462.

Marketable title and stale records: Clearing exceptions and closing deals. Halligan, WBB May, 1986.

706.095 Interspousal remedies. Nothing in this chapter limits a spouse's remedy against the other spouse under ch. 766 for misuse of marital property.

History: 1983 a. 186.

706.10 Forms, construction. (1) The several terms and forms of conveyance authorized by law or in common use in this state on July 1, 1971, shall have the same operation and effect under this chapter as formerly, except as this chapter may expressly provide to the contrary; but this section shall not preclude the adoption or use of other, different or more concise forms which conform to the requirements of this chapter.

(2) No conveyance shall be void for the reason that at the time of delivery thereof such lands are in actual possession of a person claiming under title adverse to the grantor.

(3) In conveyances of lands words of inheritance shall not be necessary to create or convey a fee, and every conveyance shall pass all the estate or interest of the grantor unless a different intent shall appear expressly or by necessary implication in the terms of such conveyance.

(4) A quitclaim deed shall pass all of the interest in or appurtenant to the land described which the grantor could lawfully convey, but shall not warrant or imply the existence, quantity or quality of any such interest.

(5) A conveyance by which the grantor contracts to warrant the land or its title shall be construed according to its terms, under rules of law for construction of contracts. A conveyance by which the grantor warrants the land or its title shall be construed, except as the terms of the conveyance may otherwise provide, to include covenants, for the benefit of the grantee, the grantee's heirs, successors and assigns, that the grantor at the time of conveyance is lawfully seized of the land; has good right to convey the same land or its title; that the same land or its title is free from all encumbrance; and that the grantor, the grantor's heirs and personal representatives will forever guarantee and defend the title and quiet possession of the land against all lawful claims whatever originating prior to the conveyance, except as the claims may arise out of open and notorious rights of easement, or out of public building, zoning or use restrictions.

(6) Except as provided in sub. (7) and except as otherwise provided by law, no warranty or covenant shall be implied in any conveyance, whether or not such conveyance contains special warranties or covenants. No mortgage shall be construed as implying a covenant for the payment of the sum thereby intended to be secured, and when there shall be no express covenant for such payment contained in the mortgage and no bond or other separate instrument to secure such payment shall have been given, the remedies of the mortgagee, shall be confined to the lands mentioned in the mortgage.

(7) In the absence of an express or necessarily implied provision to the contrary, a conveyance evidencing a transaction under which the grantor undertakes to improve the premises so as to equip them for grantee's specified use and occupancy, or to procure such improvement under grantor's direction or control, shall imply a covenant that such improvement shall be performed in a workmanlike manner, and shall be reasonably adequate to equip the premises for such use and occupancy.

History: 1973 c. 243; 1979 c. 175; 1993 a. 486.

A subdivider−vendor must disclose material facts that are not readily discernible to a noncommercial purchaser. Ollerman v. O'Rourke Co., Inc. 94 Wis. 2d 17, 288 N.W.2d 95 (1980).

Sub. (5) confirms that the rules of contract construction are to be used in interpreting the covenants of a deed. The measure of damages for breach of a covenant is the common law measure of damages for breach of warranty of title. Schorsch v. Blader, 209 Wis. 2d 401, 563 N.W.2d 538 (Ct. App. 1997), 96−1220.

A warranty deed grants a present fee simple interest. A purported reservation of a power of appointment in a warranty deed is ineffective. Powers may be reserved and lesser interests granted, but not by warranty deed. Lucareli v. Lucareli, 2000 WI App 133, 237 Wis. 2d 487, 614 N.W.2d 60, 99−1679.

Performance in a "workmanlike manner" under sub. (7) requires a builder to perform work with the care and skill and provide suitable materials as contractors of reasonable prudence, skill, and judgment in similar construction would. Riverfront Lofts Condominium Owners Association v. Milwaukee/Riverfront Properties Limited Partnership, 236 F. Supp. 2d 918.

For the premises not to be "reasonably adequate for their intended use and occupancy" under sub. (7) a showing of negligence is not necessary. The defect must be fundamental to the habitability of the building. A defendant must meet a high standard to establish a disclaimer of the protections of sub. (7). Riverfront Lofts Condominium Owners Association v. Milwaukee/Riverfront Properties Limited Partnership, 236 F. Supp. 2d 918.

Builder−vendor liability for construction defects in houses. Kirschnik, 55 MLR 369.

Duty to disclose limited to commercial vendors. 64 MLR 547 (1981).

706.105 Applicability of general transfers at death provisions. Chapter 854 applies to transfers at death under a conveyance.

History: 1997 a. 188.

706.11 Priority of certain mortgages, trust funds. (1) Except as provided in sub. (4), when any of the following mortgages has been duly recorded, it shall have priority over all liens upon the mortgaged premises and the buildings and improvements thereon, except tax and special assessment liens filed after the recording of such mortgage and except liens under ss. 292.31 (8) (i) and 292.81:

(a) Any mortgage executed to a federal savings and loan association or state or federal savings bank.

(b) Any mortgage executed to the department of veterans affairs under s. 45.352, 1971 stats.

(c) Any mortgage assigned to or executed to any of the following:

1. The United States, this state or a county, city, village or town in this state, or an agency, department or other formally constituted subunit of any of the foregoing.

2. The Wisconsin Health and Educational Facilities Authority created under ch. 231, the Wisconsin Housing and Economic Development Authority created under ch. 234, or any other authority created by state law.

(d) Any mortgage executed to a state or national bank or to a state or federally chartered credit union.

(e) Any mortgage executed under s. 66.1103 to a trustee, as defined in s. 66.1103 (2) (n).

(f) Any mortgage executed to a mortgage banker, as defined in s. 224.71 (3).

(g) Any mortgage executed to an insurer licensed to do business in this state.

(h) Any mortgage executed to a licensee under s. 138.09.

(1m) (a) In this subsection:

1. "Commitment" means an agreement under which a mortgagee agrees to advance to the mortgagor or another person funds that will be secured by the mortgage.

2. "Construction mortgage" means a mortgage that secures an obligation incurred for the construction of an improvement on land, including the acquisition cost of the land.

(b) An advance of funds, including accrued but unpaid interest on the advance, that is secured by a duly recorded mortgage specified in sub. (1) (a) to (d) or (f) to (h) and that is made after the mortgage has been recorded has the same priority as the mortgage if the advance is made before the mortgagee has actual knowledge of an intervening lien or, regardless of when the advance is made, if any of the following applies:

1. The advance is made under a commitment that is entered into before the mortgagee has actual knowledge of an intervening lien, regardless of whether the advance was made after a default or other event outside of the mortgagee's control relieved the mortgagee of the obligation to advance funds under the commitment.

2. The advance is made for the reasonable protection of the mortgagee's interest, including for the payment of real property taxes, property insurance or assessments or other maintenance charges imposed under a condominium declaration or a restrictive covenant.

3. The mortgage is a construction mortgage that clearly states on the first page of the mortgage that it is a construction mortgage and the advance is made to enable completion of the contemplated improvement on the mortgaged premises.

(2) State savings and loan associations shall have the priorities specified under s. 215.21 (4).

(3) The proceeds of any such mortgage referred to in this section shall, when paid out by a state savings bank, federal savings bank, state savings and loan association or federal savings and loan association, or of any other mortgage from any other source and received by the owner of the premises or by any contractor or subcontractor performing the work and labor, forthwith constitute a trust fund only in the hands of such owner, contractor or subcontractor for the payment proportionally of all claims due and to become due or owing from such contractor or subcontractor for lienable labor and materials until all such claims have been paid, and shall not be a trust fund in the hands of any other person. This section shall not create a civil cause of action against any person other than such owner, contractor or subcontractor. The use of any of such moneys by any owner, contractor or subcontractor for any other purpose until all claims, except those which are the subject of a bona fide dispute, have been paid in full, or proportionally in cases of a deficiency, shall constitute theft by such owner, contractor or subcontractor of any moneys so misappropriated. The district attorney of the county where the premises are situated shall on the complaint of any aggrieved party prosecute such owner, contractor or subcontractor misappropriating such moneys for such theft.

(4) Subsection (1) does not apply to a 2nd mortgage assigned to or executed to the department of veterans affairs under s. 45.80 (4) (a) 1., 1989 stats., or s. 45.37 (3).

History: 1971 c. 164; 1973 c. 208; 1975 c. 358, 409; 1979 c. 110 s. 60 (12); 1989 a. 231; 1991 a. 39, 221; 1993 a. 453; 1995 a. 27, 227; 1997 a. 27, 44; 1999 a. 150 s. 672; 2001 a. 104; 2007 a. 96.

The word "contractor" in sub. (3) includes an owner who acts as his own general contractor, and he can be held liable for conversion. Paulsen Lumber, Inc. v. Meyer, 47 Wis. 2d 621, 177 N.W.2d 884.

"Filed after the recording of such mortgage" in sub. (1) modifies "all liens." Marine Bank Appleton v. Hietpas, Inc. 149 Wis. 2d 587, 439 N.W.2d 604 (Ct. App. 1989).

"Lien" in this section does not include a lease. Grosskopf Oil, Inc. v. Winter, 156 Wis. 2d 575, 457 N.W.2d 514 (Ct. App. 1990).

Sub. (1) (d) applies to all state banks, not just Wisconsin chartered state banks. To hold otherwise would discourage banks chartered in states other than Wisconsin from lending money to investors hoping to invest in Wisconsin projects and likely trigger the cost of capital for Wisconsin projects to rise. Lowell Management Services, Inc. v. Security Bank of Kansas City, 2009 WI App 149, 321 Wis. 2d 589, 774 N.W.2d 811, 08−2533.

706.12 Uniform vendor and purchaser risk act. (1) Any contract made in this state for the purchase and sale of realty shall be interpreted as including an agreement that the parties shall have the following rights and duties, unless the contract expressly provides otherwise:

(a) If, when neither the legal title nor the possession of the subject matter of the contract has been transferred, all or a material part thereof is destroyed without fault of the purchaser or is taken by eminent domain, the vendor cannot enforce the contract, and the purchaser is entitled to recover any portion of the price that the purchaser has paid.

(b) If, when either the legal title or the possession of the subject matter of the contract has been transferred, all or any part thereof is destroyed without fault of the vendor or is taken by eminent domain, the purchaser is not thereby relieved from a duty to pay the price, nor is the purchaser entitled to recover any portion thereof that the purchaser has paid.

(2) This section shall be so construed as to make uniform the law of those states which enact it.

(3) This section may be cited as the uniform vendor and purchaser risk act.

History: 1975 c. 422; 1993 a. 486.

706.13 Slander of title. (1) In addition to any criminal penalty or civil remedy provided by law, any person who submits for filing, entering in the judgment and lien docket or recording, any lien, claim of lien, lis pendens, writ of attachment, financing statement or any other instrument relating to a security interest in or the title to real or personal property, and who knows or should have known that the contents or any part of the contents of the instrument are false, a sham or frivolous, is liable in tort to any person interested in the property whose title is thereby impaired, for punitive damages of $1,000 plus any actual damages caused by the filing, entering or recording.

(2) This section applies to any person who causes another person to act in the manner specified in sub. (1).

(3) This section does not apply to a register of deeds or other government employee who acts in the course of his or her official duties and files, enters or records any instrument relating to title on behalf of another person.

History: 1979 c. 221; 1995 a. 224; 1997 a. 27.

Enactment of this section did not create a cause of action nor destroy the common−law right of recovery. Schlytter v. Lesperance, 62 Wis. 2d 661, 215 N.W.2d 552 (1974).

When a lawsuit is commenced under this section, conditional rather than absolute privilege applies to the filing of a lis pendens. Kensington Development v. Israel, 142 Wis. 2d 894, 419 N.W.2d 241 (1988).

The filing of a lis pendens is not privileged when there is no relationship between the filing and the underlying action. Larson v. Zilz, 151 Wis. 2d 637, 445 N.W.2d 699 (Ct. App. 1989).

To recover for slander of title, it is not necessary in all cases to prove the loss of an actual sale. The trial court must consider whether it is reasonable under the circumstances to require proof that the slander prevented a particular sale, and if not, the court must determine the degree of particularity required. Tym v. Ludwig, 196 Wis. 2d 375, 538 N.W.2d 600 (Ct. App. 1995), 94−2859.

706.14 Transitional and curative provisions. The operation or effect of a conveyance made or recorded in accordance with the provisions of any prior law of this state, or thereafter validated, perfected or cured under any such prior law, shall not be impaired by any provision of this chapter.

706.15 Liens against public officials or employees. No lien may be filed, entered or recorded against the real or personal property of any official or employee of the state or any political subdivision of the state, relating to an alleged breach of duty by the official or employee, except after notice and a hearing before a court of record and a finding by the court that probable cause exists that there was a breach of duty.

History: 1979 c. 221; 1995 a. 224.

706.20 Disclosure duty; immunity for providing notice about the sex offender registry. (1) Except as provided in sub. (2), an owner of an interest in real property has no duty to dis-

close to any person in connection with the sale, exchange, purchase or rental of the real property any information related to the fact that a particular person is required to register as a sex offender under s. 301.45 or any information about the sex offender registry under s. 301.45.

(2) If, in connection with the sale, exchange, purchase or rental of real property, a person requests of an owner of an interest in the real property information related to whether a particular person is required to register as a sex offender under s. 301.45 or any other information about the sex offender registry under s. 301.45, the owner has a duty to disclose such information, if the owner has actual knowledge of the information.

(3) Notwithstanding sub. (2), the owner is immune from liability for any act or omission related to the disclosure of information under sub. (2) if the owner in a timely manner provides to the person requesting the information written notice that the person may obtain information about the sex offender registry and persons registered with the registry by contacting the department of corrections. The notice shall include the appropriate telephone number and Internet site of the department of corrections.

History: 1999 a. 89.

706.25 Uniform real property electronic recording act.

(1) DEFINITIONS. In this section:

(a) "Document" means information that satisfies all of the following:

1. The information is inscribed on a tangible medium or it is stored in an electronic or other medium and is retrievable in perceivable form.

2. The information is eligible to be recorded in the land records maintained by the register of deeds.

(b) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(c) "Electronic document" means a document that is received by the register of deeds in an electronic form.

(d) "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a document and executed or adopted by a person with the intent to sign the document.

(e) "Paper document" means a document that is received by the register of deeds in a form that is not electronic.

(f) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government, or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(g) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(2) VALIDITY OF ELECTRONIC DOCUMENTS. (a) If a law requires, as a condition for recording, that a document be an original, be on paper or another tangible medium, or be in writing, the requirement is satisfied by an electronic document satisfying this section.

(b) If a law requires, as a condition for recording, that a document be signed, the requirement is satisfied by an electronic signature.

(c) A requirement that a document or a signature associated with a document be notarized, acknowledged, verified, witnessed, or made under oath is satisfied if the electronic signature of the person authorized to perform that act, and all other information required to be included, is attached to or logically associated with the document or signature. A physical or electronic image of a stamp, impression, or seal need not accompany an electronic signature.

(3) RECORDING OF DOCUMENTS. (a) A register of deeds may do any of the following:

1. Receive, index, store, archive, and transmit electronic documents.

2. Provide for access to, and for search and retrieval of, documents and information by electronic means.

3. Convert paper documents accepted for recording into electronic form.

4. Convert into electronic form information recorded before the register of deeds began to record electronic documents.

5. Accept electronically any fee that the register of deeds is authorized to collect.

6. Agree with other officials of a state or a political subdivision thereof, or of the United States, on procedures or processes to facilitate the electronic satisfaction of prior approvals and conditions precedent to recording and the electronic payment of fees.

(b) A register of deeds who accepts electronic documents for recording shall continue to accept paper documents as authorized by state law and shall place entries for both types of documents in the same index.

(c) A register of deeds who performs any of the functions specified in this subsection shall do so in compliance with standards established by the electronic recording council and promulgated by rule under sub. (4).

(d) Every document that a register of deeds accepts for recordation under this subsection shall be considered recorded despite its failure to conform to one or more of the requirements of this section or s. 59.43 (2m), if the document is properly indexed in a public index maintained in the office of the register of deeds.

(4) ADMINISTRATION AND STANDARDS. (a) The electronic recording council shall adopt standards to implement this section. The department of administration shall promulgate by rule the standards adopted, amended, or repealed by the council under this paragraph.

(b) To keep the standards and practices of registers of deeds in this state in harmony with the standards and practices of recording offices in other jurisdictions that enact substantially this section and to keep the technology used by registers of deeds in this state compatible with technology used by recording offices in other jurisdictions that enact substantially this section, the electronic recording council, so far as is consistent with the purposes, policies, and provisions of this section, in adopting, amending, and repealing standards shall consider all of the following:

1. Standards and practices of other jurisdictions.

2. The most recent standards promulgated by national standard−setting bodies, such as the Property Records Industry Association.

3. The views of interested persons and governmental officials and entities.

4. The needs of counties of varying sizes, populations, and resources.

5. The need for security protection to ensure that electronic documents are accurate, authentic, adequately preserved, and resistant to tampering.

(c) The electronic recording council shall review the statutes related to real property and the statutes related to recording real property documents and shall recommend to the legislature any changes in the statutes that the council finds necessary or advisable.

(5) UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing this section, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

(6) RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. (a) Except as provided in par. (b), this section modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 USC 7001, et seq.

(b) This section does not modify, limit, or supersede 15 USC 7001 (c) or authorize electronic delivery of any of the notices described in 15 USC 7003 (b).

(7) SHORT TITLE. This section may be cited as the Uniform Real Property Electronic Recording Act.

History: 2005 a. 421; 2009 a. 98.