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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2618

03/20/2025 Authored by Bahner, Mekeland, Howard, Igo, Moller and others
The bill was read for the first time and referred to the Committee on Housing Finance and Policy

1.1 A bill for an act
1.2 relating to housing; requiring plain-language explanations for condo associations
1.3 and homeowners associations; appropriating money for the creation of a guide to
1.4 explain the laws governing common interest communities and homeowners
1.5 associations; amending Minnesota Statutes 2024, sections 515B.4-102;
1.6 515B.4-1021; 515B.4-107; proposing coding for new law in Minnesota Statutes,
1.7 chapter 515B.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. **[515B.3-1035] BOARD OF DIRECTORS; TRAINING.**

1.10 Each member of the board of directors must, upon election or reelection to the board,
1.11 review the governing documents for the association and review the plain-language
1.12 explanation on applicable laws and common provisions for governing documents for common
1.13 interest communities and homeowners associations. Each member of the board is responsible
1.14 for sharing an electronic or print copy of the plain-language explanation on applicable laws
1.15 and common provisions for governing documents when a member unit owner requests
1.16 assistance in understanding their rights or responsibilities under the governing documents
1.17 or this chapter of law.

1.18 **EFFECTIVE DATE.** This section is effective August 1, 2026.

1.19 Sec. 2. Minnesota Statutes 2024, section 515B.4-102, is amended to read:

1.20 **515B.4-102 DISCLOSURE STATEMENT; GENERAL PROVISIONS; CIC**
1.21 **CREATED BEFORE AUGUST 1, 2010.**

1.22 (a) A disclosure statement shall fully and accurately disclose:

1.23 (1) the name and, if available, the number of the common interest community;

- 2.1 (2) the name and principal address of the declarant;
- 2.2 (3) the number of units which the declarant has the right to include in the common
2.3 interest community and a statement that the common interest community is either a
2.4 condominium, cooperative, or planned community;
- 2.5 (4) a general description of the common interest community, including, at a minimum,
2.6 (i) the number of buildings, (ii) the number of dwellings per building, (iii) the type of
2.7 construction, (iv) whether the common interest community involves new construction or
2.8 rehabilitation, (v) whether any building was wholly or partially occupied, for any purpose,
2.9 before it was added to the common interest community and the nature of the occupancy,
2.10 and (vi) a general description of any roads, trails, or utilities that are located on the common
2.11 elements and that the association or a master association will be required to maintain;
- 2.12 (5) declarant's schedule of commencement and completion of construction of any
2.13 buildings and other improvements that the declarant is obligated to build pursuant to section
2.14 515B.4-117;
- 2.15 (6) any expenses or services, not reflected in the budget, that a declarant pays or provides,
2.16 which may become a common expense; the projected common expense attributable to each
2.17 of those expenses or services; and an explanation of declarant's limited assessment liability
2.18 under section 515B.3-115(b);
- 2.19 (7) any initial or special fee due from the purchaser to the declarant or the association
2.20 at closing, together with a description of the purpose and method of calculating the fee;
- 2.21 (8) identification of any liens, defects, or encumbrances which will continue to affect
2.22 the title to a unit or to any real property owned by the association after the contemplated
2.23 conveyance;
- 2.24 (9) a description of any financing offered or arranged by the declarant;
- 2.25 (10) a statement as to whether application has been made for any project approvals for
2.26 the common interest community from the Federal National Mortgage Association (FNMA),
2.27 Federal Home Loan Mortgage Corporation (FHLMC), Department of Housing and Urban
2.28 Development (HUD) or Department of Veterans Affairs (VA), and which, if any, such final
2.29 approvals have been received;
- 2.30 (11) the terms of any warranties provided by the declarant, including copies of sections
2.31 515B.4-112 through 515B.4-115, and any other applicable statutory warranties, and a
2.32 statement of any limitations on the enforcement of the applicable warranties or on damages;

(12) a statement that: (i) within ten days after the receipt of a disclosure statement, a purchaser may cancel any contract for the purchase of a unit from a declarant; provided, that the right to cancel terminates upon the purchaser's voluntary acceptance of a conveyance of the unit from the declarant or by the purchaser agreeing to modify or waive the right to cancel in the manner provided by section 515B.4-106(a); (ii) if a purchaser receives a disclosure statement more than ten days before signing a purchase agreement, the purchaser cannot cancel the purchase agreement; and (iii) if a declarant obligated to deliver a disclosure statement fails to deliver a disclosure statement which substantially complies with this chapter to a purchaser to whom a unit is conveyed, the declarant shall be liable to the purchaser as provided in section 515B.4-106(d);

(13) a statement disclosing to the extent of the declarant's or an affiliate of a declarant's actual knowledge, after reasonable inquiry, any unsatisfied judgments or lawsuits to which the association is a party, and the status of those lawsuits which are material to the common interest community or the unit being purchased;

(14) a statement (i) describing the conditions under which earnest money will be held in and disbursed from the escrow account, as set forth in section 515B.4-109, (ii) that the earnest money will be returned to the purchaser if the purchaser cancels the contract pursuant to section 515B.4-106, and (iii) setting forth the name and address of the escrow agent;

(15) a detailed description of the insurance coverage provided by the association for the benefit of unit owners, including a statement as to which, if any, of the items referred to in section 515B.3-113, subsection (b), are insured by the association;

(16) any current or expected fees or charges, other than assessments for common expenses, to be paid by unit owners for the use of the common elements or any other improvements or facilities;

(17) the financial arrangements, including any contingencies, which have been made to provide for completion of all improvements that the declarant is obligated to build pursuant to section 515B.4-118, or a statement that no such arrangements have been made;

(18) in a cooperative: (i) whether the unit owners will be entitled for federal and state tax purposes, to deduct payments made by the association for real estate taxes and interest paid to the holder of a security interest encumbering the cooperative; (ii) a statement as to the effect on the unit owners if the association fails to pay real estate taxes or payments due the holder of a security interest encumbering the cooperative; and (iii) the principal amount and a general description of the terms of any blanket mortgage, contract for deed, or other blanket security instrument encumbering the cooperative property;

(19) a statement: (i) that real estate taxes for the unit or any real property owned by the association are not delinquent or, if there are delinquent real estate taxes, describing the property for which the taxes are delinquent, stating the amount of the delinquent taxes, interest and penalties, and stating the years for which taxes are delinquent, and (ii) setting forth the amount of real estate taxes, including the amount of any special assessment certified for payment with the real estate taxes, due and payable with respect to the unit in the year in which the disclosure statement is given, if real estate taxes have been separately assessed against the unit;

(20) if the association or the purchaser of the unit will be a member of a master association, a statement to that effect, and all of the following information with respect to the master association: (i) a copy of the master declaration, the articles of incorporation, bylaws, and rules and regulations for the master association, together with any amendments thereto; (ii) the name, address and general description of the master association, including a general description of any other association, unit owners, or other persons which are or may become members; (iii) a description of any nonresidential use permitted on any property subject to the master association; (iv) a statement as to the estimated maximum number of associations, unit owners or other persons which may become members of the master association, and the degree and period of control of the master association by a declarant or other person; (v) a description of any facilities intended for the benefit of the members of the master association and not located on property owned or controlled by a member or the master association; (vi) the financial arrangements, including any contingencies, which have been made to provide for completion of the facilities referred to in subsection (v), or a statement that no arrangements have been made; (vii) any current balance sheet of the master association and a projected or current annual budget, as applicable, which budget shall include with respect to the master association those items in paragraph (23), clauses (i) through (iii), and the projected monthly common expense assessment for each type of unit, lot, or other parcel of real estate which is or is planned to be subject to assessment; (viii) a description of any expenses or services not reflected in the budget, paid for or provided by a declarant or a person executing the master declaration, which may become an expense of the master association in the future; (ix) a description of any powers delegated to and accepted by the master association pursuant to section 515B.2-121(f)(2); (x) identification of any liens, defects or encumbrances that will continue to affect title to property owned or operated by the master association for the benefit of its members; (xi) the terms of any warranties provided by any person for construction of facilities in which the members of the master association have or may have an interest, and any known defects in the facilities which would violate the standards described in section 515B.4-112(b); (xii)

a statement disclosing, after inquiry of the master association, any unsatisfied judgments or lawsuits to which the master association is a party, and the status of those lawsuits which are material to the master association; (xiii) a description of any insurance coverage provided for the benefit of its members by the master association; and (xiv) any current or expected fees or charges, other than assessments by the master association, to be paid by members of the master association for the use of any facilities intended for the benefit of the members;

(21) a statement as to whether the unit will be substantially completed at the time of conveyance to a purchaser, and if not substantially completed, who is responsible to complete and pay for the construction of the unit;

(22) a plain-language explanation on applicable laws and common provisions for governing documents for common interest communities and homeowners associations and a copy of the declaration and any amendments thereto (exclusive of the CIC plat); any other recorded covenants, conditions, restrictions, or reservations affecting the common interest community; the articles of incorporation, bylaws and any rules or regulations of the association; any agreement excluding or modifying any implied warranties; any agreement reducing the statute of limitations for the enforcement of warranties; any contracts or leases to be signed by purchaser at closing; and a brief narrative description of any (i) contracts or leases that are or may be subject to cancellation by the association under section 515B.3-105 and (ii) any material agreements entered into between the declarant and a governmental entity that affect the common interest community; and

(23) a balance sheet for the association, current within 90 days; a projected annual budget for the association; and a statement identifying the party responsible for the preparation of the budget. The budget shall assume that all units intended to be included in the common interest community, based upon the declarant's good faith estimate, have been subjected to the declaration; provided, that additional budget portrayals based upon a lesser number of units are permitted. The budget shall include, without limitation: (i) a statement of the amount included in the budget as a reserve for replacement; (ii) a statement of any other reserves; (iii) the projected common expense for each category of expenditures for the association; (iv) the projected monthly common expense assessment for each type of unit; and (v) a footnote or other reference to those components of the common interest community the maintenance, repair, or replacement of which the budget assumes will be funded by assessments under section 515B.3-115(e), rather than by assessments included in the association's annual budget, and a statement referencing section 515B.3-115(e)(1) or (2), as the source of funding. If, based upon the association's then current budget, the monthly common expense assessment for the unit at the time of conveyance to the purchaser is

6.1 anticipated to exceed the monthly assessment stated in the budget, a statement to such effect
6.2 shall be included.

6.3 (b) A declarant shall promptly amend the disclosure statement to reflect any material
6.4 change in the information required by this chapter.

6.5 (c) The master association, within ten days after a request by a declarant, a holder of
6.6 declarant rights, or a buyer referred to in section 515B.4-101(e), or the authorized
6.7 representative of any of them, shall furnish the information required to be provided by
6.8 subsection (a)(20). A declarant or other person who provides information pursuant to
6.9 subsection (a)(20) is not liable to the buyer for any erroneous information if the declarant
6.10 or other person: (i) is not an affiliate of or related in any way to a person authorized to
6.11 appoint the master association board pursuant to section 515B.2-121(c)(3), and (ii) has no
6.12 actual knowledge that the information is incorrect.

6.13 (d) This section applies only to common interest communities created before August 1,
6.14 2010.

6.15 **EFFECTIVE DATE.** This section is effective August 1, 2026, and applies to disclosures
6.16 provided on or after that date.

6.17 Sec. 3. Minnesota Statutes 2024, section 515B.4-1021, is amended to read:

6.18 **515B.4-1021 DISCLOSURE STATEMENT; GENERAL PROVISIONS; CIC**
6.19 **CREATED ON OR AFTER AUGUST 1, 2010.**

6.20 (a) A disclosure statement shall fully and accurately disclose:

6.21 (1) the name and, if available, the number of the common interest community;

6.22 (2) the name and principal address of each declarant holding any special declarant rights;
6.23 a description of the special declarant rights held by each declarant; a description of the units
6.24 or additional real estate to which the respective special declarant rights apply; and a copy
6.25 of any recorded transfer of special declarant rights pursuant to section 515B.3-104(a), or
6.26 any instrument recorded pursuant to section 515B.3-104(b), (g), or (h);

6.27 (3) the total number of units which all declarants have the right to include in the common
6.28 interest community and a statement that the common interest community is either a
6.29 condominium, cooperative, or planned community;

6.30 (4) a general description of the common interest community, including, at a minimum,
6.31 (i) the number of buildings, (ii) the number of dwellings per building, (iii) the type of
6.32 construction, (iv) whether the common interest community involves new construction or

7.1 rehabilitation, (v) whether any building was wholly or partially occupied, for any purpose,
7.2 before it was added to the common interest community, and the nature of the occupancy,
7.3 (vi) a general description of any roads, trails, or utilities that are located on the common
7.4 elements and that the association or master association will be required to maintain, (vii) a
7.5 description of any declarant licensing rights under section 515B.2-109(e), and (viii) the
7.6 initial maintenance plan, initial maintenance schedule, and maintenance budget under section
7.7 515B.3-107(b). The initial maintenance plan prepared by the declarant must be based on
7.8 the best available information listing all building elements to which the plan will apply and
7.9 the generally accepted standards of maintenance on which the plan is based. The initial plan
7.10 must be dated and signed by the declarant and be fully funded by the initial budget provided
7.11 by the declarant;

7.12 (5) declarant's schedule of commencement and completion of construction of any
7.13 buildings and other improvements that the declarant is obligated to build pursuant to section
7.14 515B.4-117;

7.15 (6) any expenses or services, not reflected in the budget, that the declarant pays or
7.16 provides, which may become a common expense; the projected common expense attributable
7.17 to each of those expenses or services; a description of any alternate common expense plan
7.18 under section 515B.3-115(a)(2)(i); and, if the declaration provides for an alternate common
7.19 expense plan, either (i) a statement that the alternate common expense plan will have no
7.20 effect on the level of services or amenities anticipated by the association's budget or disclosed
7.21 in the disclosure statement, or (ii) a statement describing how the services or amenities may
7.22 be affected;

7.23 (7) any initial or special fee due from the purchaser to the declarant or the association
7.24 at closing, together with a description of the purpose and method of calculating the fee;

7.25 (8) identification of any liens, defects, or encumbrances which will continue to affect
7.26 the title to a unit or to any real property owned by the association after the contemplated
7.27 conveyance;

7.28 (9) a description of any financing offered or arranged by the declarant;

7.29 (10) a statement as to whether application has been made for any project approvals for
7.30 the common interest community from the Federal National Mortgage Association (FNMA),
7.31 Federal Home Loan Mortgage Corporation (FHLMC), Department of Housing and Urban
7.32 Development (HUD), or Department of Veterans Affairs (VA), and which, if any, such
7.33 final approvals have been received;

(11) the terms of any warranties provided by the declarant, including copies of sections 515B.4-112 to 515B.4-115, and any other applicable statutory warranties, and a statement of any limitations on the enforcement of the applicable warranties or on damages;

(12) a statement that:

(i) within ten days after the receipt of a disclosure statement, a purchaser may cancel any contract for the purchase of a unit from a declarant; provided, that the right to cancel terminates upon the purchaser's voluntary acceptance of a conveyance of the unit from the declarant or by the purchaser agreeing to modify or waive the right to cancel in the manner provided by section 515B.4-106(a);

(ii) if a purchaser receives a disclosure statement more than ten days before signing a purchase agreement, the purchaser cannot cancel the purchase agreement; and

(iii) if a declarant obligated to deliver a disclosure statement fails to deliver a disclosure statement which substantially complies with this chapter to a purchaser to whom a unit is conveyed, the declarant shall be liable to the purchaser as provided in section 515B.4-106(d);

(13) a statement disclosing to the extent of the declarant's or an affiliate of a declarant's actual knowledge, after reasonable inquiry, any unsatisfied judgments or lawsuits to which the association is a party, and the status of those lawsuits which are material to the common interest community or the unit being purchased;

(14) a statement (i) describing the conditions under which earnest money will be held in and disbursed from the escrow account, as set forth in section 515B.4-109, (ii) that the earnest money will be returned to the purchaser if the purchaser cancels the contract pursuant to section 515B.4-106, and (iii) setting forth the name and address of the escrow agent;

(15) a detailed description of the insurance coverage provided by the association for the benefit of unit owners, including a statement as to which, if any, of the items referred to in section 515B.3-113(b), are insured by the association;

(16) any current or expected fees or charges, other than assessments for common expenses, to be paid by unit owners for the use of the common elements or any other improvements or facilities;

(17) the financial arrangements, including any contingencies, which have been made to provide for completion of all improvements that the declarant is obligated to build pursuant to section 515B.4-118, or a statement that no such arrangements have been made;

(18) in a cooperative:

(i) whether the unit owners will be entitled, for federal and state tax purposes, to deduct payments made by the association for real estate taxes and interest paid to the holder of a security interest encumbering the cooperative;

(ii) a statement as to the effect on the unit owners if the association fails to pay real estate taxes or payments due the holder of a security interest encumbering the cooperative; and

(iii) the principal amount and a general description of the terms of any blanket mortgage, contract for deed, or other blanket security instrument encumbering the cooperative property;

(19) a statement:

(i) that real estate taxes for the unit or any real property owned by the association are not delinquent or, if there are delinquent real estate taxes, describing the property for which the taxes are delinquent, stating the amount of the delinquent taxes, interest, and penalties, and stating the years for which taxes are delinquent; and

(ii) setting forth the amount of real estate taxes, including the amount of any special assessment certified for payment with the real estate taxes, due and payable with respect to the unit in the year in which the disclosure statement is given, if real estate taxes have been separately assessed against the unit;

(20) if the unit or other parcel of real estate being purchased is or may be subject to a master declaration at the time of the conveyance from the declarant to the purchaser, a statement to that effect, and all of the following information with respect to the master association:

(i) copies of the following documents (which may be in proposed form if the master declaration has not been recorded): the master declaration, the articles of incorporation, bylaws, and rules and regulations for the master association, together with any amendments thereto;

(ii) the name and address of the master developer, and the name, address, and general description of the master association, including a general description of any other association, unit owners, or other persons which are or may become members;

(iii) a description of any nonresidential use permitted on any property subject to the master declaration;

(iv) a statement as to the estimated maximum number of associations, unit owners, or other persons which may become members of the master association, and a description of any period of control of the master association and rights to appoint master association directors by a master developer or other person pursuant to section 515B.2-121(c);

10.1 (v) a description of any facilities intended for the benefit of the members of the master
10.2 association and not located on property owned or controlled by a member of the master
10.3 association;

10.4 (vi) the financial arrangements, including any contingencies, which have been made to
10.5 provide for completion of the facilities referred to in subsection (v), or a statement that no
10.6 arrangements have been made;

10.7 (vii) any current balance sheet of the master association and a projected or current annual
10.8 budget, as applicable, which budget shall include with respect to the master association
10.9 those items in paragraph (23), clauses (i) through (iii), and the projected monthly or other
10.10 periodic common expense assessment payment for each type of unit, lot, or other parcel of
10.11 real estate which is or is planned to be subject to assessment;

10.12 (viii) a description of any expenses or services not reflected in the budget, paid for or
10.13 provided by a master developer or another person executing the master declaration, which
10.14 may become an expense of the master association in the future;

10.15 (ix) a description of any powers delegated to and accepted by the master association
10.16 pursuant to section 515B.2-121(e)(2);

10.17 (x) identification of any liens, defects, or encumbrances that will continue to affect title
10.18 to property owned or operated by the master association for the benefit of its members;

10.19 (xi) the terms of any warranties provided by any person for construction of facilities in
10.20 which the members of the master association have or may have an interest, and any known
10.21 defects in the facilities which would violate the standards described in section
10.22 515B.4-113(b)(2);

10.23 (xii) a statement disclosing, after inquiry of the master association, any unsatisfied
10.24 judgments or lawsuits to which the master association is a party, and the status of those
10.25 lawsuits which are material to the master association;

10.26 (xiii) a description of any insurance coverage provided for the benefit of its members
10.27 by the master association; and

10.28 (xiv) any current or expected fees or charges, other than assessments by the master
10.29 association, to be paid by members of the master association for the use of any facilities
10.30 intended for the benefit of the members;

10.31 (21) a statement as to whether the unit will be substantially completed at the time of
10.32 conveyance to a purchaser, and, if not substantially completed, who is responsible to complete
10.33 and pay for the construction of the unit;

11.1 (22) a plain-language explanation on applicable laws and common provisions for
11.2 governing documents for common interest communities and homeowners associations and
11.3 copies of the following documents (which may be in proposed form if the declaration has
11.4 not been recorded): the declaration and any supplemental declaration, and any amendments
11.5 thereto (exclusive of the CIC plat); any other recorded covenants, conditions, restrictions,
11.6 and reservations affecting the common interest community; the articles of incorporation,
11.7 bylaws, and any rules or regulations of the association; the names of the current members
11.8 of the association's board of directors; any agreement excluding or modifying any implied
11.9 warranties; any agreement reducing the statute of limitations for the enforcement of
11.10 warranties; any contracts or leases to be signed by the purchaser at closing; and a description
11.11 of any material contracts, leases, or other agreements affecting the common interest
11.12 community; and

11.13 (23) a balance sheet for the association, following the creation of the association, current
11.14 within 90 days; a projected annual budget for the association; and a statement identifying
11.15 the party responsible for the preparation of the budget. The budget shall assume that all
11.16 units intended to be included in the common interest community, based upon the declarant's
11.17 good faith estimate, have been subjected to the declaration; provided, that additional budget
11.18 portrayals based upon a lesser number of units are permitted. The budget shall include,
11.19 without limitation:

11.20 (i) a statement of the amount included in the budget as a reserve for replacement, the
11.21 components of the common interest community for which the reserves are budgeted, and
11.22 the amounts of the reserves, if any, that are allocated for the replacement of each of those
11.23 components;

11.24 (ii) a statement of any other reserves;

11.25 (iii) the projected common expense for each category of expenditures for the association;

11.26 (iv) the projected monthly common expense assessment for each type of unit;

11.27 (v) a statement as to the components of the common interest community whose
11.28 replacement will be funded by assessments under section 515B.3-115(c) or (e), rather than
11.29 by replacement reserves as approved pursuant to section 515B.3-114(a). If, based upon the
11.30 association's then-current budget, the monthly common expense assessment for the unit at
11.31 the time of conveyance to the purchaser is anticipated to exceed the monthly assessment
11.32 stated in the budget, a statement to such effect shall be included.

11.33 (b) A declarant shall promptly amend the disclosure statement to reflect any material
11.34 change in the information required by this chapter.

(c) The master association, within ten days after a request by a declarant, a holder of declarant rights, or a buyer referred to in section 515B.4-101(e), or the authorized representative of any of them, shall furnish the information required to be provided by subsection (a)(20). A declarant or other person who provides information pursuant to subsection (a)(20), is not liable to the buyer for any erroneous information if the declarant or other person: (i) is not an affiliate of or related in any way to a person authorized to appoint the master association board pursuant to section 515B.2-121(c)(3), and (ii) has no actual knowledge that the information is incorrect.

(d) This section applies only to common interest communities created on or after August 1, 2010.

EFFECTIVE DATE. This section is effective August 1, 2026, and applies to disclosures provided on or after that date.

Sec. 4. Minnesota Statutes 2024, section 515B.4-107, is amended to read:

515B.4-107 RESALE OF UNITS.

(a) In the event of a resale of a unit by a unit owner other than a declarant, unless exempt under section 515B.4-101(c), the unit owner shall furnish to a purchaser, before execution of any purchase agreement for a unit or otherwise before conveyance, the following documents relating to the association or to the master association, if applicable:

(1) the plain-language explanation on applicable laws and common provisions for governing documents for common interest communities and homeowners associations, as well as copies of the declaration (other than any CIC plat), the articles of incorporation and bylaws, any rules and regulations, and any amendments or supplemental declarations;

(2) copies of the master declaration, articles of incorporation, bylaws, and rules and regulations, if the common interest community is subject to a master declaration; and

(3) a resale disclosure certificate from the association dated not more than 90 days prior to the date of the purchase agreement or the date of conveyance, whichever is earlier, containing the information set forth in subsection (b).

(b) The resale disclosure certificate must be in substantially the following form:

COMMON INTEREST COMMUNITY

RESALE DISCLOSURE CERTIFICATE

Name of Common Interest Community:.....

Name of Association:.....

- 13.1 Address of Association:.....
- 13.2 Unit Number(s) (include principal unit and any garage, storage, or other auxiliary units):
- 13.3 Common elements licensed under Minnesota Statutes, section 515B.2-109(e):
- 13.4
- 13.5
- 13.6 The following information is furnished by the association named above according to
- 13.7 Minnesota Statutes, section 515B.4-107.
- 13.8 1. There is no right of first refusal or other restraint on the free alienability of the above
- 13.9 unit(s) contained in the declaration, bylaws, rules and regulations, or any amendment to
- 13.10 them, except as follows:.....
- 13.11
- 13.12
- 13.13
- 13.14 2. The following periodic installments of common expense assessments and special
- 13.15 assessments are payable with respect to the above unit(s):
- 13.16 a. Annual assessment installments: \$..... Due:.....
- 13.17 b. Special assessment installments: \$..... Due:.....
- 13.18 c. Unpaid assessments, fines, or other charges:
- 13.19 (1) Annual \$.....
- 13.20 (2) Special \$.....
- 13.21 (3) Fines \$.....
- 13.22 (4) Other Charges \$.....
- 13.23 d. The association has/has not (strike one) approved a plan for levying certain
- 13.24 common expense assessments against fewer than all the units according to
- 13.25 Minnesota Statutes, section 515B.3-115, subsection (e). If a plan is approved, a
- 13.26 description of the plan is attached to this certificate.
- 13.27 3. In addition to the amounts due under paragraph 2, the following additional fees or
- 13.28 charges other than assessments are payable by unit owners (include late payment charges,
- 13.29 user fees, etc.):
- 13.30
- 13.31
- 13.32

14.1 4. There are no extraordinary expenditures approved by the association, and not yet
14.2 assessed, for the current and two succeeding fiscal years, except as follows:.....
14.3

14.4

14.5 5. The association is obligated to replace the following components of the common
14.6 interest community:.....

14.7

14.8

14.9 The association has the following amounts in its reserves for replacement of those
14.10 components:

14.11

14.12

14.13 The replacement of the following components is funded by assessments levied only against
14.14 the unit or units served by the component, pursuant to Minnesota Statutes, section
14.15 515B.3-115(e)(1) or (2).....

14.16

14.17

14.18 6. The following documents are furnished with this certificate according to statute:

14.19 a. The most recent regularly prepared balance sheet and income and expense
14.20 statement of the association.

14.21 b. The current budget of the association.

14.22 7. There are no unsatisfied judgments against the association, except as follows (identify
14.23 creditor and amount):.....

14.24

14.25

14.26 8. There are no pending lawsuits to which the association is a party, except as follows
14.27 (identify and summarize status):.....

14.28

14.29

14.30 9. Description of insurance coverages:

15.1 a. The association provides the following insurance coverage for the benefit of unit
15.2 owners: (Reference may be made to applicable sections of the declaration or bylaws;
15.3 however, any additional coverages should be described in this space).....
15.4
15.5
15.6

15.7 b. The following described fixtures, decorating items, or construction items within the
15.8 unit referred to in Minnesota Statutes, section 515B.3-113, subsection (b), are insured by
15.9 the association (check as applicable):

15.10 Ceiling or wall finishing materials
15.11 Finished flooring
15.12 Cabinetry
15.13 Finished millwork
15.14 Electrical, heating, ventilating, and air conditioning equipment, or plumbing fixtures
15.15 serving a single unit
15.16 Built-in appliances
15.17 Improvements and betterments as originally constructed
15.18 Additional improvements and betterments installed by unit owners

15.19 10. The board of directors of the association has not notified the unit owner (i) that any
15.20 alterations or improvements to the unit or to the limited common elements assigned to it
15.21 violate any provision of the declaration; or (ii) that the unit is in violation of any governmental
15.22 statute, ordinance, code, or regulation, except as follows:.....
15.23

15.24 11. The remaining term of any leasehold estate affecting the common interest community
15.25 and the premises governing any extension or renewal of it are as follows:.....
15.26
15.27

15.28 12. This Resale Disclosure Certificate is given in connection with the resale of a unit
15.29 by a unit owner who is not a declarant and who, therefore, is not liable for express warranties
15.30 under Minnesota Statutes, section 515B.4-112, or implied warranties under Minnesota

Statutes, section 515B.4-113. The conveyance of this unit may, however, result in a transfer of preexisting warranties made by a declarant under the referenced statutes, subject to the terms of Minnesota Statutes, sections 515B.4-114 and 515B.4-115.

13. In addition to the above, the following matters affecting the occupancy or use of the unit, or the unit owner's obligations with respect to the unit, are deemed material:.....

I hereby certify that the foregoing information and statements are true and correct as of.....

(Date)

By:

Title:

(Association representative)

Address:

Phone Number:

RECEIPT

In addition to the foregoing information furnished by the association, the unit owner is obligated to furnish to the purchaser before execution of any purchase agreement for a unit or otherwise before conveyance, copies of the following documents relating to the association or to the master association (as applicable): the declaration (other than any common interest community plat), articles of incorporation, bylaws, rules and regulations (if any), and any amendments to these documents. Receipt of the foregoing documents, and the resale disclosure certificate, is acknowledged by the undersigned buyer(s).

Dated:

(Buyer)

(Buyer)

(c) If the common interest community is subject to a master declaration and governed by a master association to which has been delegated any of the association's powers under section 515B.3-102(a)(2), then the financial information required to be disclosed under subsection (b) may be disclosed on a consolidated basis.

(d) The association, within ten days after a request by a unit owner, or the unit owner's authorized representative, shall furnish the certificate required in subsection (a). The association may charge a reasonable fee for furnishing the certificate and any association

documents related thereto. A unit owner providing a certificate pursuant to subsection (a) is not liable to the purchaser for any erroneous information provided by the association and included in the certificate. A unit owner who has acquired title to a unit pursuant to section 515B.3-104 including, but not limited to, a unit owner who has acquired title through foreclosure or a deed in lieu of foreclosure, must indicate to the association in connection with a request for a resale disclosure certificate whether the requesting unit owner is or is not a declarant. The unit owner, not the association, is liable for any damage, loss, or other consequence arising out of the incorrect representation of its declarant status.

(e) A purchaser is not liable for any unpaid common expense assessments, including special assessments, if any, not set forth in the certificate required in subsection (a). A purchaser is not liable for the amount by which the annual or special assessments exceed the amount of annual or special assessments stated in the certificate for assessments payable in the year in which the certificate was given, except to the extent of any increases subsequently approved in accordance with the declaration or bylaws. A unit owner is not liable to a purchaser for the failure of the association to provide the certificate, or a delay by the association in providing the certificate in a timely manner.

EFFECTIVE DATE. This section is effective August 1, 2026.

Sec. 5. **APPROPRIATION; MINNESOTA HOMEOWNERSHIP CENTER.**

(a) \$200,000 in fiscal year 2026 is appropriated from the general fund to the commissioner of the Housing Finance Agency for a grant to the Minnesota Homeownership Center to create a guide providing a plain-language explanation of common provisions in governing documents for common interest communities and homeowners associations and a guide to the laws governing common interest communities and homeowners associations, specifically Minnesota Statutes, chapter 515B, the Minnesota Common Interest Ownership Act. The guide must provide a plain-language explanation of:

(1) common elements in governing documents;

(2) the rights and responsibilities of the board of directors that are often found in governing documents and Minnesota Statutes, chapter 515B; and

(3) the rights and responsibilities of homeowners contained in Minnesota Statutes, chapter 515B.

(b) The guide must be available for no cost to the public and posted online by the Minnesota Homeownership Center by July 30, 2026.