

contents, farm buildings and their contents, livestock, farm machinery, automobiles, country store buildings, and the household goods therein, threshing machines, farm produce anywhere on the premises, churches, and their contents, school houses, and their contents, society and town halls, and their contents, country blacksmith shops and their contents, parsonages and their contents, and the barns and contents used in connection therewith, buttermaker's dwelling houses and contents, and barns and contents used in connection therewith, *and dwellings together with the usual outbuildings and the usual contents of both said dwellings and outbuildings in any village of 1000 or less inhabitants, when at a duly called special or annual meeting of the policy holders it shall be duly decided by them, by a majority vote, to do so.*

Otherwise than as hereinbefore provided, no such company shall insure any property within the limits of any city or village except that located upon lands actually used for farming or gardening purposes, but whenever the dwelling house of any person insured is within the limits of a town where the company is authorized to do business, and the farm on which such dwellings are situated is partly within and partly without such town, it may include in such insurance any outbuildings, farm produce, stock or other farm property on such farm outside of such limits; provided, however, any such company is hereby authorized to insure county fair buildings whether the same are situated either within or without the limits of a duly incorporated village or city.

No law relating to insurance companies now in force in this state shall apply to township mutual fire insurance companies unless it shall be expressly designated in such law that it is applicable to such companies.

Approved April 21, 1933.

CHAPTER 422—S. F. No. 1496

An emergency act providing for the suspension of the cancellation of real estate contracts or contracts for deed; conferring jurisdiction upon the district court to determine and prescribe the procedure for the cancellation of contracts for deed; extending the period of redemption under contracts for deed now or hereafter cancelled; suspending Section 9576 of Mason's Minnesota Statutes relating to the termination of contracts for the conveyance of real

estate or any interest therein; defining the conditions required for the appointment of receivers during the cancellation of contracts for deed.

WHEREAS, there exists in the State of Minnesota a public economic emergency of such force and effect as to seriously interfere with the ordinary performance of contracts; and

WHEREAS, it is believed, and the Legislature of Minnesota hereby declares its belief, that the conditions existing as hereinbefore set forth has created an emergency of such nature that justifies and validates legislation for the extension of the time of performance by vendees of contracts for the conveyance of real property; and

WHEREAS, the welfare of the people demands that the State, pursuant to its police power, interfere for a limited time with a literal enforcement of the law regarding contracts for deed. NOW, THEREFORE—

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Cancellation of contracts suspended.—Cancellation of contracts for deed pursuant to Section 9576 of Mason's Minnesota Statutes, 1927, and acts amendatory thereof and supplemental thereto are hereby suspended for the period of two years from and after the passage of this act upon the conditions hereinafter defined.

Sec. 2. Notices not to be effective.—No notice to terminate any contract for the conveyance of real estate or any interest therein for a breach of condition contained in such contract shall be effectual to divest title and/or possession to the vendee or those claiming under him, or to reinvest title and/or possession in the vendor or those claiming under him, during the emergency herein declared except as hereinafter provided.

When default is made in the conditions of any contract for the conveyance of real estate, or any interest therein, whereby the vendor has a right to terminate the same, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that at a time specified, not less than forty days after the service of said notice, he will apply to said court for an order adjudging said contract terminated, unless prior thereto the purchaser, his personal representatives or assigns, shall comply with and perform the conditions then in default and pay the costs of service. Such notice must be given notwithstanding any provisions in the contract to the contrary and

shall be served within the state in the same manner as a summons in the district court, if served without the state, in the manner provided in Section 3234, Mason's Minnesota Statutes, 1927.

Provided, however, that three weeks' published notice, and if the premises described in said contract are actually occupied by anyone other than the vendee, then in addition thereto, the personal service of a copy of said notice within ten days after the first publication of said notice, and in like manner as the service of a summons in a civil action in the district court upon the person in possession of said premises, shall have the same effect as the personal service of said notice upon said purchaser, his personal representatives or assigns, either within or without the state as herein provided for; and provided further, that in case of such service by publication as herein provided, the said notice shall specify the conditions in which default has been made and stating that at a specified time, not less than ninety days after the first publication of said notice, he will apply to said court for an order adjudging said contract terminated, unless prior thereto the purchaser, his personal representatives or assigns, shall comply with and perform the conditions then in default and pay the costs of service.

If within the time mentioned in said notice within which the vendee, his personal representatives or assigns must perform the conditions in default, the vendee complies with such conditions and pays the costs of service, the contract shall remain in full force and effect; but if the vendee fails or neglects to perform the conditions in default within the time mentioned in said notice for such performance and to pay the costs of service, and fails to serve written objections to the termination of such contract upon the vendor, within fifteen days after service of notice on the vendee, the court shall, upon motion of the vendor, and proof of service of said notice, and in the absence of any appearance upon behalf of the vendee, make its order adjudging such contract terminated and said contract shall, thereupon forthwith, be and become finally terminated.

The vendee may, within fifteen days after service of said notice, and if served by publication, within fifteen days after the last publication, serve upon the vendor, or his attorney, written objections to the making of any order adjudging the contract terminated and any legal or equitable defenses claimed by him; and when alleged in said written objections and it shall be made to appear to the court upon the application and hearing for an order adjudging the termination of said contract, that the vendee has, in addition to the payment of taxes, insurance and interest, if any, made and paid for valuable improvements upon the premises, or paid upon the

contract price of the premises whether to the vendor or to the owner of any incumbrance subject to which the contract was made, or which the contract provides that the vendee, his successors or assigns shall pay, or to both, a sum or sums aggregating thirty (30) per cent or more of the original contract price and that the vendor's interest is reasonably secure, the court may, on taking into consideration the reasonable value of the income of such property, or, if the property have no income, then the reasonable rental value thereof, the efforts and ability of the vendee to pay, and all the facts and circumstances of the case, by order and upon such terms and conditions as to it appear just and equitable, extend the time in which the vendee may perform the conditions of the contract in default, not to exceed one year from the date of the service of notice of termination on the vendee and in no event beyond May 1, 1935.

If the vendee shall fail to perform the conditions in default, or any of them, as required and directed by the court to be performed, said contract shall forthwith be and become terminated and the vendor may thereupon apply to the court for an order adjudging said contract terminated, on giving at least ten days' written notice of such application to the vendee. If it shall be made to appear to the court, upon a hearing on said application, that the vendee has defaulted in performing such conditions, the court shall make an order declaring said contract terminated and said contract shall thereupon forthwith be and become finally terminated.

Sec. 3. Order to be recorded.—A copy of any order of the court made pursuant to this act may be recorded with the register of deeds of the county wherein the real estate is situated.

Sec. 4. Application of act.—The provisions of this act shall not apply to leaseholds.

Sec. 5. Trial or hearing.—The trial of any action, hearing or proceeding mentioned in this act shall be held within 30 days after the filing by either party of notice of hearing or trial, as the case may be, and such hearing or trial may be held at any general or special term, or in chambers, or during the vacation of the court.

Sec. 6. Termination of emergency.—The emergency herein declared to exist shall be deemed to be terminated whenever the governor of this state shall by proclamation declare that the emergency is at an end or whenever in fact the emergency shall have terminated and this Act shall remain in effect no longer than April 1, 1935.

Approved April 21, 1933.