

## CHAPTER 500

### ESTATES IN REAL PROPERTY

500.20 Defeasible estates.

500.24 Corporate and partnership farming.

**500.20 DEFEASIBLE ESTATES.***[For text of subd 1, see M.S.1992]*

Subd. 2a. **Restriction of duration of condition.** Except for any right to reenter or to repossess as provided in subdivision 3, all private covenants, conditions, or restrictions created by which the title or use of real property is affected, cease to be valid and operative 30 years after the date of the deed, or other instrument, or the date of the probate of the will, creating them, and may be disregarded.

This subdivision does not apply to covenants, conditions, or restrictions:

(1) that were created before August 1, 1988, by deed or other instrument dated on or after August 1, 1982, or by will the date of death of the testator of which was on or after August 1, 1982;

(2) that were created before August 1, 1959, under which a person who owns or has an interest in real property against which the covenants, conditions, or restrictions have been filed claims a benefit of the covenant, condition, or restriction if the person records in the office of the county recorder or files in the office of the registrar of titles in the county in which the real estate affected is located, on or before March 30, 1989, a notice sworn to by the claimant or the claimant's agent or attorney: setting forth the name of the claimant; describing the real estate affected; describing the deed, instrument, or will creating the covenant, condition, or restriction; and stating that the covenant, condition, or restriction is not nominal and may not be disregarded under subdivision 1;

(3) that are created by the declaration, bylaws, floor plans, or condominium plat of a condominium created before August 1, 1980, under sections 515.01 to 515.29 or created on or after August 1, 1980, under sections 515A.1-101 to 515A.4-117, or by any amendments of the declaration, bylaws, floor plans, or condominium plat;

(4) that are created by the articles of incorporation, bylaws, or proprietary leases of a cooperative association formed under chapter 308A;

(5) that are created by a declaration or other instrument that authorizes and empowers a corporation of which the qualification for being a stockholder or member is ownership of certain parcels of real estate, to hold title to common real estate for the benefit of the parcels;

(6) that are created by a deed, declaration, reservation, or other instrument by which one or more portions of a building, set of connecting or adjacent buildings, or complex or project of related buildings and structures share support, structural components, ingress and egress, or utility access with another portion or portions;

(7) that were created after July 31, 1959, and before August 1, 1982, under which a person who owns or has an interest in real estate against which covenants, conditions, or restrictions have been filed claims a benefit of the covenants, conditions, or restrictions if the person records in the office of the county recorder or files in the office of the registrar of titles in the county in which the real estate affected is located during the period commencing on the 28th anniversary of the date of the deed or instrument, or the date of the probate of the will, creating them and ending on the 30th anniversary, a notice as described in clause (2); or

(8) that are created by a declaration or bylaws of a common interest community created under or governed by chapter 515B, or by any amendments thereto.

A notice filed in accordance with clause (2) or (7) delays application of this subdivi-

sion to the covenants, conditions, or restrictions for a period ending on the later of seven years after the date of filing of the notice, or until final judgment is entered in an action to determine the validity of the covenants, conditions, or restrictions, provided in the case of an action the summons and complaint must be served and a notice of lis pendens must be recorded in the office of the county recorder or filed in the office of the registrar of titles in each county in which the real estate affected is located within seven years after the date of recording or filing of the notice under clause (2) or (7).

County recorders and registrars of titles shall accept for recording or filing a notice conforming with this subdivision and charge a fee corresponding with the fee charged for filing a notice of lis pendens of similar length. The notice may be discharged in the same manner as a notice of lis pendens and when discharged, together with the information included with it, ceases to constitute either actual or constructive notice.

*[For text of subd 3, see M.S.1992]*

**History:** 1993 c 222 art 5 s 2

**NOTE:** The amendment to subdivision 2a by Laws 1993, chapter 222, article 5, section 2, is effective June 1, 1994. See Laws 1993, chapter 222, article 6, section 1.

## **500.24 CORPORATE AND PARTNERSHIP FARMING.**

*[For text of subds 1 to 6, see M.S.1992]*

**Subd. 7. Notice of offer.** (a) The state, a federal agency, limited partnership, or a corporation subject to subdivision 6 must provide a notice of an offer to sell or lease agricultural land substantially as follows, after inserting the appropriate terms within the parentheses:

### **“NOTICE OF OFFER TO (LEASE, BUY) AGRICULTURAL LAND**

**TO:** (...Immediately preceding former owner...)  
**FROM:** (...The state, federal agency, limited partnership, or corporation subject to subdivision 6...)  
**DATE:** (...date notice is mailed or personally delivered...)

**HAS ACQUIRED THE AGRICULTURAL LAND DESCRIBED BELOW AND HAS RECEIVED AN ACCEPTABLE OFFER TO (LEASE, SELL) THE AGRICULTURAL LAND FROM ANOTHER PARTY. UNDER MINNESOTA STATUTES, SECTION 500.24, SUBDIVISION 6, AN OFFER FROM (...the state, federal agency, limited partnership, or corporation...) MUST BE MADE TO YOU AT A PRICE NO HIGHER THAN THE HIGHEST OFFER MADE BY ANOTHER PARTY.**

**THE AGRICULTURAL LAND BEING OFFERED CONTAINS APPROXIMATELY (...approximate number of acres...) ACRES AND IS INFORMALLY DESCRIBED AS FOLLOWS:**

(Informal description of the agricultural land being offered that reasonably describes the land. This description does not need to be a legal description.)

(...The state, federal agency, limited partnership, or corporation...) **OFFERS TO (SELL, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE FOR A CASH PRICE OF \$(...cash price or equivalent cash price for lease and lease period, or cash price or equivalent cash price for sale of land...), WHICH IS NOT HIGHER THAN THE PRICE OFFERED BY ANOTHER PARTY. THE PRICE IS OFFERED ON THE FOLLOWING TERMS:**

(Terms, if any, of acceptable offer)

**IF YOU WANT TO ACCEPT THIS OFFER YOU MUST NOTIFY (...the state, federal agency, limited partnership, or corporation...) IN WRITING THAT YOU**

ACCEPT THE OFFER OR SIGN UNDERNEATH THE FOLLOWING PARAGRAPH AND RETURN A COPY OF THIS NOTICE BY (15 for a lease, 65 for a sale) DAYS AFTER THIS NOTICE IS PERSONALLY DELIVERED OR MAILED TO YOU. THE OFFER IN THIS NOTICE TERMINATES ON (...date of termination - 15 days for lease and 65 days for sale after date of mailing or personal delivery...)

#### ACCEPTANCE OF OFFER

I ACCEPT THE OFFER TO (BUY, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE AT THE PRICE OFFERED TO ME IN THIS NOTICE. AS PART OF ACCEPTING THIS OFFER I WILL PERFORM ACCORDING TO THE TERMS OF THE OFFER, INCLUDING MAKING PAYMENTS DUE UNDER THE OFFER, WITHIN TEN DAYS AFTER THE DATE I ACCEPT THIS OFFER. I UNDERSTAND THAT NEGOTIATING OR AGREEING TO AN ARRANGEMENT TO SELL THE AGRICULTURAL LAND TO ANOTHER PERSON PRIOR TO ACCEPTING THIS OFFER MAY BE A VIOLATION OF LAW AND I MAY BE LIABLE TO A PERSON DAMAGED BY THE SALE.

.....  
Signature of Former Owner Accepting Offer

.....  
Date"

#### IMPORTANT NOTICE

ANY ACTION FOR THE RECOVERY OF THE AGRICULTURAL LAND DESCRIBED ABOVE OR ANY ACTION FOR DAMAGES, EXCEPT FOR DAMAGES FOR FRAUD, REGARDING THIS OFFER MUST BE COMMENCED BY A LAWSUIT BEFORE THE EXPIRATION OF THREE YEARS AFTER THIS LAND IS SOLD TO ANOTHER PARTY. UPON FILING A LAWSUIT, YOU MUST ALSO FILE A NOTICE OF LIS PENDENS WITH THE COUNTY RECORDER OR REGISTRAR OF TITLES IN THE COUNTY WHERE THE LAND IS LOCATED.

(b) For an offer to sell, a copy of the purchase agreement containing the price and terms of the highest offer made by a third party that is acceptable to the seller and a signed affidavit by the seller affirming that the purchase agreement is true, accurate, and made in good faith must be included with the notice under this subdivision. At the seller's discretion, reference to the third party's identity may be deleted from the copy of the purchase agreement.

(c) For an offer to lease, a copy of the lease containing the price and terms of the highest offer made by a third party that is acceptable to the lessor and a signed affidavit by the lessor affirming that the lease is true, accurate, and made in good faith must be included with the notice under this subdivision. At the lessor's discretion, reference to the third party's identity may be deleted from the copy of the lease agreement.

(d) The affidavit under paragraphs (b) and (c) is subject to section 609.48.

**Subd. 8. Failure to bring action.** An action for the recovery of title to or possession of real property or any right in the property or any action for damages, except for damages for fraud, based upon a failure to comply with the requirements of subdivision 6 or 7 must be commenced, and a notice of lis pendens filed with the county recorder or registrar of titles in the county where the real property is located, within three years after the conveyance on which the action is based was recorded with the county recorder or registrar of titles.

**History:** 1993 c 123 s 1,2

**NOTE:** A person whose claim would be barred by subdivision 8, as added by Laws 1993, chapter 123, section 2, may commence an action and file a notice of lis pendens on or before March 1, 1994. See Laws 1993, chapter 123, section 3.