

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) 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) the organizational and operating documents relating to the master association, if any; 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:

Address of Association:

Unit Number(s) (include principal unit and any garage, storage, or other auxiliary unit(s)):

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The following information is furnished by the association named above according to Minnesota Statutes, section 515B.4-107.

1. There is no right of first refusal or other restraint on the free alienability of the above unit(s) contained in the declaration, bylaws, rules and regulations, or any amendment to them, except as follows:

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2. The following periodic installments of common expense assessments and special assessments are payable with respect to the above unit(s):

- a. Annual assessment installments: \$..... Due:.....
- b. Special assessment installments: \$..... Due:.....
- c. Unpaid assessments, fines, or other charges:
 - (1) Annual \$.....
 - (2) Special \$.....
 - (3) Fines \$.....
 - (4) Other Charges \$.....
- d. The association has/has not (strike one) approved a plan for levying certain common expense assessments against fewer than all the units according to Minnesota Statutes, section 515B.3-115, subsection (e). If a plan is approved, a description of the plan is attached to this certificate.

3. In addition to the amounts due under paragraph 2, the following additional fees or charges other than assessments are payable by unit owners (include late payment charges, user fees, etc.):

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

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5. The association has reserved the following amounts for maintenance, repair, or replacement:

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The following portions of these reserves are designated for the following specified projects or uses:

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

- a. The most recent regularly prepared balance sheet and income and expense statement of the association.
- b. The current budget of the association.

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

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

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9. Description of insurance coverages:

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

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

..... Ceiling or wall finishing materials

..... Floor coverings

..... Cabinetry

..... Finished millwork

..... Electrical or plumbing fixtures serving a single unit

..... Built-in appliances

..... Improvements and betterments as originally constructed

..... Additional improvements and betterments installed by unit owners

10. The board of directors of the association has not notified the unit owner (i) that any alterations or improvements to the unit or to the limited common elements assigned to it violate

any provision of the declaration; or (ii) that the unit is in violation of any governmental statute, ordinance, code, or regulation, except as follows:

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

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12. In addition to the above, the following matters affecting the unit or the unit owner's obligations with respect to the unit are deemed material.

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

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(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:

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(Buyer)

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(Buyer)

(c) If the association is subject to a master association to which has been delegated 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.

(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.

History: 1993 c 222 art 4 s 7; 1999 c 11 art 2 s 28; 2000 c 450 s 5; 2005 c 121 s 38