

83.24 PUBLIC OFFERING STATEMENT.

Subdivision 1. **Delivery.** A public offering statement shall be delivered to each person to whom an offer is made before or concurrently with (a) the first written offer other than offer by means of a public advertisement, or (b) any payment pursuant to a sale, whichever occurs first. Each person to whom an offer is made must be afforded a reasonable opportunity to examine the public offering statement and must be permitted to retain the statement. The subdivider or subdivider's agent shall obtain a receipt, signed by the person, acknowledging receipt of a copy of the public offering statement prior to the execution of any contract or agreement to purchase any lot, unit, parcel, or interest in subdivided lands. All receipts shall be kept in files which are in the possession of the subdivider or subdivider's agent, subject to inspection by the commissioner, for a period of three years from the date of the receipt.

Subd. 2. **Full disclosure.** A public offering statement shall disclose fully and accurately the subdivided lands being offered and shall make known to prospective purchasers all unusual and material circumstances or features affecting the subdivided lands.

Subd. 3. **Form.** A public offering statement shall be in a format prescribed by rule and shall include the following:

(a) the name, principal address, and telephone number of the subdivider and of its officers and agents in this state;

(b) a general description of the subdivided lands stating the total number of lots, parcels, units, or interests to be offered;

(c) a statement which discloses whether the subdivider owns any rights or options to acquire an interest in adjacent properties, and if so, a description of the options and the locations and zoning status of the adjacent properties;

(d) a statement of the assistance, if any, that the subdivider or subdivider's agent will provide to the purchaser in the resale of the property and whether or not the subdivider or the subdivider's agent will be in competition in the event of resale;

(e) the material terms of any restrictions affecting the subdivided lands and each unit or lot, including, but not limited to, any encumbrances, easements, liens, and zoning status; a statement of the subdivider's efforts to remove the restrictions; and a statement of all existing taxes and existing or proposed special taxes or assessments which affect the subdivided lands;

(f) a statement of the use for which the property is to be offered;

(g) information concerning existing or proposed improvements and amenities and the completion dates thereof; and

(h) additional information as may be required at the discretion of the commissioner to assure full and fair disclosure to prospective purchasers.

Subd. 4. **Permitted use.** The public offering statement shall not be used for any promotional purpose before registration of the subdivided lands and after registration shall be used only in its entirety. A person may not advertise or represent that the commissioner has approved or recommended the subdivided lands or sale thereof. A portion of the public offering statement may not be underscored, italicized, or printed in

larger or heavier or different color type than the remainder of the statement unless required or approved by the commissioner.

Subd. 5. **Other law.** Any public offering statement which complies with the requirements of any federal law or the laws of any other state requiring substantially the same disclosure of information as is required by this section, may by rule or order of the commissioner be deemed to be in full or partial compliance with this section.

History: *1973 c 413 s 5; 1984 c 452 s 8; 1984 c 640 s 32; 1986 c 444; 1996 c 305 art 2 s 11,12*