

**ADDENDUM TO PURCHASE AGREEMENT:
CONDOMINIUM/TOWNHOUSE/
COOPERATIVE
COMMON INTEREST COMMUNITY ("CIC")**

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1. Date _____
2. Page 1

3. Addendum to Purchase Agreement between parties, dated _____, 20 _____, pertaining
4. to the purchase and sale of Property at _____
5. _____.

6. **THIS TRANSACTION MAY NOT BE SUBJECT TO THE DISCLOSURE REQUIREMENTS (see information**
7. **under "EXCEPTIONS") AND TEN (10)-DAY RIGHT OF CANCELLATION DESCRIBED BELOW. BUYER MAY**
8. **WISH TO DETERMINE WHETHER THESE PROVISIONS APPLY BEFORE PROCEEDING WITH THIS OFFER TO**
9. **PURCHASE.**

10. **NOTICE:** Unless they are otherwise exempt, the following statutory NOTICE applies to transactions involving
11. condominiums or cooperatives or planned communities (including townhomes) that are subject to or have elected to be
12. subject to the Minnesota Common Interest Ownership Act ("MCIOA"), MN Statutes 515B.1-101 through 515B.4-118:
13. "The following notice is required by Minnesota Statutes. The purchaser is entitled to receive a disclosure statement
14. or resale disclosure certificate, as applicable. The disclosure statement or resale disclosure certificate contains
15. important information regarding the common interest community and the purchaser's cancellation rights."

16. **NOTICE FOR INITIAL SALE:** Minnesota Statutes require that the following disclosure be made to the initial occupant,
17. of a platted lot or other parcel of real estate (i) which is or may be subject to a master declaration, (ii) which is intended
18. for residential occupancy, and (iii) which does not and is not intended to constitute a unit, shall be subject to the following
19. requirements.

20. "(1) The following notice is required by Minnesota Statutes: The real estate to be conveyed under this Purchase
21. Agreement is or may be subject to a master association as defined in MN Statute 515B. The master developer
22. is required to provide to the buyer, within ten (10) days after receipt of a request from the buyer or the buyer's
23. authorized representative, a statement containing the information required by MN Statute 515B.4-102(a)(20),
24. with respect to the master association. The statement contains important information regarding the master
25. association. The name, address and telephone number of the master developer are:

26. _____
27. _____

28. (2) A master developer shall, within ten (10) days after receipt of a request described in clause (1), furnish to the
29. requesting person the information required to be provided by MN Statute 515B.4-102(a)(20)."

30. **DOCUMENTATION AND RIGHT TO CANCEL**

31. **APPLICABILITY:** If this transaction involves ownership of a condominium or of a cooperative or of a unit in a planned
32. community (including townhomes) that is subject to or has elected to be subject to MCIOA, then the following disclosure
33. requirements and right of cancellation apply to this transaction. However, certain properties are exempt from coverage
34. under MCIOA. Buyer may wish to determine whether this Property is subject to MCIOA before submitting an offer to
35. purchase.

36. **DOCUMENTS:** Seller is required to furnish Buyer with the following documents relating to the Association
37. and/or the Master Association, if applicable, before conveyance of unit:

38. (1) (a) a copy of the **declaration** (other than any CIC plat), (b) the **articles of incorporation**, (c) **bylaws**, (d) any **rules**
39. **and regulations** for the association, and (e) any **amendments or supplemental declarations**;
40. (2) a copy of the master declaration, articles of incorporation, bylaws, and rules and regulations, if the common interest
41. community is a member of a master association;
42. (3) (a) a **Disclosure Statement** (for initial sale of property) and all amendments thereto required by MN Statute
43. 515B.4-101, including a balance sheet of the Association, current within 90 days, and the projected annual budget
44. of the Association and a statement identifying the party responsible for preparation of the budget; or (b) **Resale**
45. **Disclosure Certificate** (for resale of property) and all amendments thereto required by MN Statute 515B.4-107,
46. including the most recent regularly prepared balance sheets, income and expense statements, and current budget
47. of the Association. The *Resale Disclosure Certificate* from the Association must be dated not more than 90 days

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49. Property located at _____.
50. prior to the date of this Purchase Agreement or the date of conveyance, whichever is earlier. **The Association may**
51. **charge a reasonable fee for providing the required documents, which shall be paid by Seller.** A Seller, on resale
52. of the Property, is not liable to Buyer for any erroneous information provided by the Association and included in the
53. *Resale Disclosure Certificate*. Nor is a Seller, on resale of the Property, liable to Buyer for failure of the Association
54. to provide the *Resale Disclosure Certificate*, or for a delay by the Association in providing said *Disclosure Certificate*
55. in a timely manner. For an initial sale of the Property, a declarant of a common interest community may be liable
56. to provide the *Disclosure Statement* and its contents.
57. **Receipt of the documents relating to the Association and/or the Master Association, if applicable, by Buyer's**
58. **agent, or licensee representing or assisting Buyer, shall constitute delivery of documents to Buyer.**
59. **RIGHT TO CANCEL PURCHASE AGREEMENT:** Unless Buyer received Association documents (described on lines
60. 36-56) more than ten (10) days before signing the Purchase Agreement, Buyer has the right to cancel this
61. **Purchase Agreement within ten (10) days of receipt of said documents. This ten (10)-day right of rescission**
62. **begins when the last document relating to the Association and/or the Master Association, if applicable, is**
63. **delivered.** If an *Amendment to a Disclosure Statement* (for an initial sale of the Property only) materially and adversely
64. affects a Buyer, then Buyer may cancel this Purchase Agreement within ten (10) days after delivery of the
65. *Amendment*. If Buyer elects to cancel this Purchase Agreement, the Purchase Agreement is canceled. Buyer and Seller shall
66. immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money
67. paid here to be refunded to Buyer. Buyer shall return all documents to Seller or shall reimburse Seller for Seller's
68. cost to obtain the documents. Buyer may cancel, without penalty, by either delivering written notice of cancellation to
69. Seller, or licensee representing or assisting Seller, or by mailing such notice by postage-prepaid U.S. mail, to Seller,
70. or licensee representing or assisting Seller, within said ten (10)-day period. On residential transactions, the ten (10)-
71. day rescission period, after delivery of the *Disclosure Statement*, *Amendment to the Disclosure Statement*, or the
72. *Resale Disclosure Certificate*, may be modified or waived, in writing, by agreement of Buyer of a unit **ONLY AFTER**
73. Buyer has received and had an opportunity to review the *Disclosure Statement*, *Amendment to the Disclosure Statement*,
74. or *Resale Disclosure Certificate*. The person required to deliver a *Disclosure Statement*, *Amendment to the Disclosure*
75. *Statement*, or the *Resale Disclosure Certificate* may not condition the sale of the unit on Buyer agreeing to modify or
76. waive Buyer's ten (10)-day right of rescission, may not contractually obligate Buyer to modify or waive Buyer's ten (10)-
77. day right of rescission, and may not include a modification or waiver of the ten (10)-day right of rescission in any purchase
78. agreement for the unit. To be effective, a modification or waiver of Buyer's ten (10)-day right of rescission must be
79. evidenced by an instrument separate from the Purchase Agreement signed by Buyer more than **THREE (3) DAYS**
80. after Buyer receives the *Disclosure Statement*, *Amendment to Disclosure Statement*, or the *Resale Disclosure Certificate*.
81. On residential transactions, the ten (10)-day rescission period may also be waived or shortened by Buyer's acceptance
82. of conveyance (closing) of the Property, in accordance with MN Statute 515B.
83. **ASSOCIATION REPLACEMENT RESERVES AND ASSESSMENTS:** The selling price includes any funds held in
84. replacement reserve by the Unit Owners' Association for repairs or capital improvements. There shall be no adjustment
85. at closing for such replacement reserves, except for such portion of the current (month of closing) monthly assessments
86. allotted for such replacement reserves.
87. **REGULAR ASSESSMENTS:** All Unit Owners' Association regular assessments shall be paid to date of closing by
88. Seller as required by Unit Owners' Association documents. The installment of regular assessments due or paid in
89. the month of closing shall be prorated between Buyer and Seller as of the date of closing. Seller shall furnish paid
90. receipts or a letter from the Unit Owners' Association at closing, confirming that all assessments have been paid as
91. required by Unit Owners' Association documents.
92. **UNIT OWNERS' ASSOCIATION SPECIAL ASSESSMENTS:** Unit Owners' Association special assessments shall be
93. handled as specified on page six (6) of the Purchase Agreement. Seller makes no representation or warranty whatsoever
94. concerning the amount of Unit Owners' Association assessments which may be assessed against the Property after
95. the date of closing. Such information, if known, is reflected in the *Disclosure Statement* or *Resale Disclosure Certificate*.
96. **However, Seller shall provide Buyer with any written notice received by Seller from the Unit Owners' Association relating**
97. **to potential expenditures which may occur subsequent to the date of closing.**

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99. Property located at _____.

100. **WARRANTY DISCLAIMER:** Notwithstanding anything to the contrary contained in this Purchase Agreement,
101. Seller makes no warranty of any kind regarding the condition of the common areas and facilities, subject to
102. any statutorily mandated warranty. For an initial sale of a property, the builder/developer may be required by
103. statute to provide specified warranties.

104. **OTHER:** _____

105. _____

106. _____

107. _____

108. _____

109. _____

110. _____

111. _____

112. **EXCEPTIONS:** Most common interest communities will be subject to MN Statute 515B (MCIOA); however, current
113. MN Statute 515B.1-102 (e) states that Chapter 515B **shall not apply, unless the association has elected to be**
114. **covered by MN Statute 515B (MCIOA)**, to the following:

115. (1) a planned community which consists of two (2) units, which utilizes a CIC plat complying with section
116. 515B.2-110(d) (1) and (2) if the association was formed before August 1, 2010, or section 515B.2-1101 if the
117. association was formed on or after August 1, 2010, which is not subject to any rights to subdivide or convert
118. units or to add additional real estate, and which is not subject to a master association;
119. (2) a common interest community that consists solely of plotted lots or other separate parcels of real estate
120. designed or utilized for detached single-family dwellings or agricultural purposes, with or without common
121. property, where no association or master association has an obligation to maintain any building containing a
122. dwelling or any agricultural building located or to be located on such platted lots or parcels; except that section
123. 515B.4-101(e) shall apply to the sale of such platted lots or parcels of real estate if the common interest
124. community is or will be subject to a master declaration;
125. (3) a cooperative where, at the time of creation of the cooperative, the unit owners' interests in the dwellings as
126. described in the declaration consist solely of proprietary leases having an unexpired term of fewer than 20
127. years, including renewal options;
128. (4) planned communities utilizing a CIC plat with section 515B.2-110(d) (1) and (2) if the association was formed
129. before August 1, 2010, or section 515B.2-1101(d) (1) and (2) if the association was formed on or after August
130. 1, 2010, and cooperatives, which are limited by the declaration to nonresidential uses in which individual
131. dwellings do not constitute units or other separate parcels of real estate; or
132. (5) real estate subject only to an instrument or instruments filed primarily for the purpose of creating or modifying
133. rights with respect to access, utilities, parking, ditches, drainage, or irrigation.

134. Unless a common interest community described in (1)–(5) above has elected to be subject to MN Statute 515B,
135. Seller would not be required to provide a *Disclosure Statement*, *Amendment to the Disclosure Statement*, or the *Resale*
136. *Disclosure Certificate* or the ten (10)-day purchaser's right of rescission.

137. **If you have determined that the common interest community is subject to MN Statute 515B, then the seller**
138. **MUST provide a *Disclosure Statement*, *Amendment to the Disclosure Statement*, or the *Resale Disclosure***
139. ***Certificate* and the ten (10)-day purchaser's right of rescission for all common interest communities, including**
140. **condominiums, townhomes, and cooperatives, regardless of when they were created.**

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142. Property located at _____.
143. MN Statute 515B.4-101(c) **Neither a *Disclosure Statement* nor a *Resale Disclosure Certificate* need be prepared**
144. **or delivered in the case of**
145. (1) a gratuitous transfer;
146. (2) a transfer pursuant to a court order;
147. (3) a transfer to a government or governmental agency;
148. (4) a transfer to a secured party by foreclosure or deed in lieu of foreclosure;
149. (5) an option to purchase a unit, until exercised;
150. (6) a transfer to a person who "controls," or is "controlled by," the grantor, as those terms are defined with respect
151. to a declarant under MN Statute 515B.1-103(2);
152. (7) a transfer by inheritance;
153. (8) a transfer of special declarant rights under MN Statute 515B.3-104 for associations created before August 1,
154. 2010, and section 515B.3-1041 for associations created on or after August 1, 2010; or
155. (9) a transfer in connection with a change of form of common interest community under MN Statute
156. 515B.2-123.
157. A *Disclosure Statement* and a *Resale Disclosure Certificate* can be waived by written agreement of purchasers of a
158. unit which is restricted to **nonresidential** use.

159. _____
(Seller) (Date) (Buyer) (Date)

160. _____
(Seller) (Date) (Buyer) (Date)

161. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**

162. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**