

**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

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- 1. Date 07/10/2019
- 2. Page 1

3. BUYER(S): _____
4. _____

5. Buyer's earnest money in the amount of _____
6. Ten Thousand Dollars (\$ 10,000.00)

7. shall be delivered to listing broker, or, if checked, to _____ no later than two (2) Business
Days after Final Acceptance Date of this Purchase Agreement. Buyer and Seller agree that earnest money shall be

8. deposited in the trust account of Earnest Money Holder as specified above within three (3) Business Days of receipt
9. of the earnest money or Final Acceptance Date of this Purchase Agreement, whichever is later.
10.

11. Said earnest money is part payment for the purchase of the property located at

12. Street Address: XXXX 200th Street E

13. City of Clearwater, County of Stearns State of Minnesota, legally

14. described as
15. **04 -122 -027 62 Acres**

16.
17. including all fixtures, if any, **AND** **INCLUDING** **EXCLUDING** the following personal property, if any, which shall
18. be transferred with no additional monetary value, and free and clear of all liens and encumbrances:
19. _____
20. _____
21. _____
22. _____ (collectively the "Property").

PURCHASE PRICE:

23.
24. Seller has agreed to sell the Property to Buyer for the sum of (\$ _____)
25. _____
26. _____ Dollars,
27. which Buyer agrees to pay in the following manner:

- 28. 1. _____ percent (%) of the sale price in **CASH**, or more in Buyer's sole discretion, which includes the earnest
29. money;
- 30. 2. _____ percent (%) of the sale price in **MORTGAGE FINANCING**. (See following Mortgage Financing
31. section.)
- 32. 3. _____ percent (%) of the sale price by **ASSUMING** Seller's current mortgage. (See attached *Addendum to*
33. *Purchase Agreement: Assumption Financing*.)
- 34. 4. _____ percent (%) of the sale price by **CONTRACT FOR DEED**. (See attached *Addendum to Purchase*
35. *Agreement: Contract for Deed Financing*.)

CLOSING DATE:

36.
37. The date of closing shall be August 26th, 20 19.

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MORTGAGE FINANCING:

40. This Purchase Agreement IS IS NOT subject to the mortgage financing provisions below. If IS, complete the
-----*(Check one.)*-----

41. **MORTGAGE FINANCING** section below. If IS NOT, proceed to the **SELLER'S CONTRIBUTIONS TO BUYER'S COSTS** section.

42. Such mortgage financing shall be: *(Check one.)*

43. **FIRST MORTGAGE only** **FIRST MORTGAGE AND SUBORDINATE FINANCING.**

44. Financing **DOES** **DOES NOT** include a grant, bond program, or other loan assistance program. If "DOES,"
45. please specify: _____

46. Buyer shall apply for and secure, at Buyer's expense, a: *(Check all that apply.)*

47. **CONVENTIONAL**

48. **DEPARTMENT OF VETERANS' AFFAIRS ("DVA") GUARANTEED**

49. **FEDERAL HOUSING ADMINISTRATION ("FHA") INSURED**

50. **PRIVATELY INSURED CONVENTIONAL**

51. **UNITED STATES DEPARTMENT OF AGRICULTURE ("USDA") RURAL DEVELOPMENT**

52. **OTHER** _____

53. mortgage in the amount stated in this Purchase Agreement, amortized over a period of not more than _____
54. years, with an initial interest rate at no more than _____ percent (%) per annum. The mortgage application **IS**
55. **TO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the Final Acceptance Date of this Purchase Agreement. Buyer
56. agrees to use best efforts to secure a commitment for such financing and to execute all documents required to
57. consummate said financing.

58. **MORTGAGE FINANCING CONTINGENCY:** This Purchase Agreement is contingent upon the following and applies
59. to the first mortgage and any subordinate financing. *(Check one.)*

60. If Buyer cannot secure the financing specified in this Purchase Agreement, and this Purchase Agreement does not
61. close on the closing date specified, this Purchase Agreement is canceled. Buyer and Seller shall immediately
62. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here
63. to be **REFUNDED TO BUYER** **FORFEITED TO SELLER.**
64. -----*(Check one.)*-----

65. **NOTE:** If this Purchase Agreement is subject to DVA or FHA financing, **FORFEITED TO SELLER** may be
66. prohibited. See the following DVA and FHA Escape Clauses.

67. Buyer shall provide Seller, or licensee representing or assisting Seller, with the Written Statement, on
68. or before _____, 20 _____.

69. For purposes of this Contingency, "**Written Statement**" means a Written Statement prepared by Buyer's mortgage
70. originator(s) or lender(s) after the Final Acceptance Date that Buyer is approved for the loan(s) specified in this
71. Purchase Agreement, including both the first mortgage and any subordinate financing, if any, and stating that an
72. appraisal, satisfactory to the lender(s), has been completed and stating conditions required by lender(s) to close
73. the loan.

74. Upon delivery of the Written Statement to Seller, or licensee representing or assisting Seller, the obligation for
75. satisfying all conditions required by mortgage originator(s) or lender(s), except those conditions specified below,
76. are deemed accepted by Buyer:

77. (a) work orders agreed to be completed by Seller;

78. (b) any other financing terms agreed to be completed by Seller here; and

79. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement.

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83. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the stated closing date for
84. ANY REASON relating to financing, including, but not limited to interest rate and discount points, if any, then Seller
85. may, at Seller's option, declare this Purchase Agreement canceled, in which case this Purchase Agreement is
86. canceled. If Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a
87. *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be
88. forfeited to Seller as liquidated damages. In the alternative, Seller may seek all other remedies allowed by law.

89. Notwithstanding the language in the preceding paragraph, Seller may not declare this Purchase Agreement
90. canceled if the reason this Purchase Agreement does not close was due to:

- 91. (a) Seller's failure to complete work orders to the extent required by this Purchase Agreement;
- 92. (b) Seller's failure to complete any other financing terms agreed to be completed by Seller here; or
- 93. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement, except as
- 94. specified in the contingency for sale and closing of Buyer's property.

95. If the Written Statement is not provided by the date specified on line 68, Seller may, at Seller's option, declare this
96. Purchase Agreement canceled by written notice to Buyer at any time prior to Seller receiving the Written Statement,
97. in which case this Purchase Agreement is canceled. In the event Seller declares this Purchase Agreement
98. canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said
99. cancellation and directing all earnest money paid here to be refunded to Buyer.

100. If the Written Statement is not provided, and Seller has not previously canceled this Purchase Agreement, this
101. Purchase Agreement is canceled as of the closing date specified in this Purchase Agreement. Buyer and Seller
102. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all
103. earnest money paid here to be refunded to Buyer.

104. **LOCKING OF MORTGAGE INTEREST RATE ("RATE"):** The Rate shall be locked with the lender(s) by Buyer:
105. *(Check one.)*

- 106. **WITHIN FIVE (5) BUSINESS DAYS OF FINAL ACCEPTANCE DATE OF THIS PURCHASE AGREEMENT; OR**
- 107. **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER(S).**

108. **LENDER COMMITMENT WORK ORDERS:** Nothing in this Purchase Agreement shall be construed as a warranty
109. that Seller shall make repairs required by the lender commitment. However, Seller agrees to pay up to

110. \$ _____ to make repairs as required by the lender commitment. If the lender commitment
111. is subject to any work orders for which the cost of making said repairs shall exceed this amount, Seller shall have the
112. following options:

- 113. (a) making the necessary repairs; or
- 114. (b) negotiating the cost of making said repairs with Buyer; or
- 115. (c) declaring this Purchase Agreement canceled, in which case this Purchase Agreement is canceled. Buyer and Seller
116. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest
117. money paid here to be refunded to Buyer, unless Buyer provides for payment of the cost of said repairs or escrow
118. amounts related thereto above the amount specified on line 109 of this Purchase Agreement.

119. **SELLER** **BUYER** agrees to pay any reinspection fee required by Buyer's lender(s).
-----*(Check one.)*-----

120. **FHA ESCAPE CLAUSE (FHA Financing only):** "It is expressly agreed that, notwithstanding any other provisions
121. of this contract, the purchaser shall not be obligated to complete the purchase of the Property described here or to
122. incur any penalty by forfeiture of earnest money deposits or otherwise, unless the purchaser has been given in
123. accordance with the Department of Housing and Urban Development ("HUD")/FHA or DVA requirements a written
124. statement by the Federal Housing Commissioner, Department of Veterans' Affairs, or a Direct Endorsement lender

125. setting forth the appraised value of the Property as not less than \$ _____ .
(sale price)

126. The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard
127. to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage
128. HUD will insure; HUD does not warrant the value nor the condition of the Property. The purchaser should satisfy
129. himself/herself that the price and condition of the Property are acceptable."

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132. **LENDER PROCESSING FEES (FHA, DVA Financing Only):** Seller agrees to pay Buyer's closing fees and
133. miscellaneous processing fees which cannot be charged to Buyer, not to exceed \$ _____.
134. This amount is in addition to Seller's Contributions to Buyer's Costs, if applicable.

135. **DVA FUNDING FEE (DVA Financing only):** Pursuant to federal regulations, a one-time Funding Fee must be paid
136. at the closing of this transaction as follows:

137. _____ paid by Buyer **AT CLOSING** **ADDED TO MORTGAGE AMOUNT**
------(Check one.)-----

138. _____ paid by Seller

139. **NOTE: DVA regulations limit the fees and charges Buyer can pay to obtain a DVA loan.**

140. **DEPARTMENT OF VETERANS' AFFAIRS ESCAPE CLAUSE (DVA Financing only):** "It is expressly agreed that,
141. notwithstanding any other provisions of this contract, the purchaser shall not incur any penalty by forfeiture of earnest
142. money or otherwise be obligated to complete the purchase of the Property described here, if the contract purchase
143. price or cost exceeds the reasonable value of this Property established by the Department of Veterans' Affairs. The
144. purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without
145. regard to the amount of reasonable value established by the Department of Veterans' Affairs."

146. **NOTE: Verify DVA requirements relating to payment of all special assessments levied and pending, and**
147. **annual installments of special assessments certified to yearly taxes.**

148. **OTHER MORTGAGE FINANCING ITEMS:** _____

149. _____

SELLER'S CONTRIBUTIONS TO BUYER'S COSTS:

151. Seller **IS** **IS NOT** contributing to Buyer's costs. If answer is **IS**, Seller agrees to pay at closing, up to: *(Check one.)*
------(Check one.)-----

152. \$ _____

153. _____ percent (%) of the sale price

154. towards Buyer's closing fees, title service fees, title searches, title examinations, abstracting, lender's title insurance,
155. owner's title insurance, prepaid items, other Buyer's costs allowable by lender, if any, and/or mortgage discount points. Any
156. amount of Seller's contribution that exceeds Buyer's allowable costs, or which cannot be used because Seller's
157. contribution exceeds the maximum Seller contribution allowed by law or by mortgage requirements, shall be retained
158. by Seller.

159. **NOTE: The amount paid by Seller cannot exceed the maximum Seller contribution allowed by FHA, DVA, or**
160. **lender. All funds paid by Seller on behalf of Buyer must be stated on the Closing Disclosure at closing.**

SALE OF BUYER'S PROPERTY:

161. _____
162. *(Check one.)*

163. 1. This Purchase Agreement is subject to an *Addendum to Purchase Agreement: Sale of Buyer's Property*
164. *Contingency* for the sale of Buyer's property. (If checked, see attached *Addendum*.)

165. OR

166. 2. This Purchase Agreement is contingent upon the successful closing on the Buyer's property located at
167. _____, which is scheduled to close on

168. _____, 20 _____ pursuant to a fully executed purchase agreement. If Buyer's
169. property does not close by the closing date specified in this Purchase Agreement, this Purchase Agreement
170. is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said
171. cancellation and directing all earnest money paid here to be refunded to Buyer. The language in this paragraph
172. supersedes any other provision to the contrary in any financing contingency made a part of this Purchase
173. Agreement, if applicable.

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176. OR

177. 3. Buyer represents that Buyer has the financial ability to perform on this Purchase Agreement without the sale
178. and closing on any other property.

179. **REAL ESTATE TAXES/SPECIAL ASSESSMENTS:**

180. **REAL ESTATE TAXES:** Seller shall pay on the date of closing all real estate taxes due and payable in all prior years
181. including all penalties and interest.

182. Buyer shall pay **PRORATED FROM DAY OF CLOSING** **ALL** **NONE** _____ /12ths **OF** real estate
183. taxes due and payable in the year of closing. (Check one.)

184. Seller shall pay **PRORATED TO DAY OF CLOSING** **ALL** **NONE** _____ /12ths **OF** real estate taxes
185. due and payable in the year of closing. (Check one.)

186. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, the payment of which
187. is not otherwise here provided. No representations are made concerning the amount of subsequent real estate
188. taxes.

189. **DEFERRED TAXES/SPECIAL ASSESSMENTS:**

190. **BUYER SHALL PAY** **SELLER SHALL PAY** on date of closing any deferred real estate taxes
191. (e.g. Green Acres) or special assessments, payment of which is required as a result of the closing of this sale. (Check one.)

192. **BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING** **SELLER SHALL PAY ON**
193. **DATE OF CLOSING** all installments of special assessments certified for payment, with the real estate taxes due and
194. payable in the year or closing. (Check one.)

195. **BUYER SHALL ASSUME** **SELLER SHALL PAY** on date of closing all other special assessments levied as
196. of the date of this Purchase Agreement. (Check one.)

197. **BUYER SHALL ASSUME** **SELLER SHALL PROVIDE FOR PAYMENT OF** special assessments pending as
198. of the date of this Purchase Agreement for improvements that have been ordered by any assessing authorities. (Check one.)
199. (Seller's provision for payment shall be by payment into escrow of two (2) times the estimated amount of the
200. assessments or less, as required by Buyer's lender.)

201. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of
202. which is not otherwise here provided.

203. As of the date of this Purchase Agreement, Seller represents that Seller **HAS** **HAS NOT** received a notice
204. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed
205. against the Property. Any such notice received by Seller after the date of this Purchase Agreement and before
206. closing shall be provided to Buyer immediately. If such notice is issued after the date of this Purchase Agreement and
207. on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide
208. for the payment of, or assume the special assessments. In the absence of such agreement, either party may declare
209. this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the other
210. party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled,
211. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
212. directing all earnest money paid here to be refunded to Buyer. (Check one.)

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215. **ADDITIONAL PROVISIONS:**

216. **PREVIOUSLY WRITTEN PURCHASE AGREEMENT:** This Purchase Agreement IS IS NOT subject to
------(Check one.)-----

217. cancellation of a previously written purchase agreement dated _____, 20 _____.

218. (If answer is **IS**, said cancellation shall be obtained no later than _____, 20 _____.

219. If said cancellation is not obtained by said date, this Purchase Agreement is canceled. Buyer and Seller shall
220. immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money
221. paid here to be refunded to Buyer.)

222. **SPECIAL CONTINGENCIES:** This Purchase Agreement is subject to the following contingencies, and if the

223. contingencies checked below are not satisfied or waived, in writing, by Buyer by August 26th, 20 19,

224. this Purchase Agreement is canceled as of said date. Buyer and Seller shall immediately sign a *Cancellation of*

225. *Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to
226. Buyer.

227. (Select appropriate options a-i.)

228. (a) BUYER SELLER shall provide a certificate of survey of the Property, at BUYER SELLER
------(Check one.)-----

229. expense.

230. (b) Buyer obtaining approval of city/township of proposed building plans and specifications at

231. BUYER SELLER expense.
------(Check one.)-----

232. (c) Buyer obtaining approval of city/township of proposed subdivision development plans at

233. BUYER SELLER expense.
------(Check one.)-----

234. (d) Buyer obtaining approval of city/township for rezoning or use permits at BUYER SELLER expense.
------(Check one.)-----

235. (e) Buyer obtaining, at BUYER SELLER expense, percolation tests which are acceptable to Buyer.
------(Check one.)-----

236. (f) Buyer obtaining, at BUYER SELLER expense, soil tests which indicate that the Property may be

237. improved without extraordinary building methods or cost.

238. (g) Buyer obtaining approval of building plans and/or specifications in accordance with any recorded subdivision

239. covenants and approval of the architectural control committee.

240. (h) Buyer obtaining, at BUYER SELLER expense, copies of all covenants, reservations, and restrictions

241. affecting the Property.
------(Check one.)-----

242. (i) Other: _____

243. _____

244. Seller's expenses for these contingencies (if any) shall not exceed \$ _____.

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247. **DEED/MARKETABLE TITLE:** Upon performance by Buyer, Seller shall deliver a: *(Check one.)*

248. **WARRANTY DEED** **PERSONAL REPRESENTATIVE'S DEED** **CONTRACT FOR DEED**

249. **TRUSTEE'S DEED** **Other:** _____ **Deed** joined in by spouse, if any, conveying
250. marketable title, subject to

251. (a) building and zoning laws, ordinances, state and federal regulations;

252. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;

253. (c) reservation of any mineral rights by the State of Minnesota;

254. (d) utility and drainage easements which do not interfere with existing improvements;

255. (e) **rights of tenants as follows** (unless specified, not subject to tenancies): _____

256. _____; and

257. (f) others (must be specified in writing): _____

258. _____

259. **POSSESSION:** Seller shall deliver possession of the Property: *(Check one.)*

260. **IMMEDIATELY AFTER CLOSING;** or

261. **OTHER:** _____

262. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property
263. by possession date.

264. **PRORATIONS:** All interest; unit owners' association dues; rents; and charges for city water, city sewer, electricity, and
265. natural gas shall be prorated between the parties as of date of closing. Buyer shall pay Seller for remaining gallons of
266. fuel oil or liquid petroleum gas on the day of closing, at the rate of the last fill by Seller.

267. **TITLE AND EXAMINATION:** Within a reasonable time period after Final Acceptance Date of this Purchase Agreement,
268. Seller shall provide one of the following title evidence options, at Seller's selection, which shall include proper searches
269. covering bankruptcies, state and federal judgments and liens, and levied and pending special assessments to Buyer
270. or Buyer's designated title service provider:

271. (a) A commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write
272. title insurance in Minnesota as selected by Buyer. Seller shall be responsible for the title search and exam costs
273. related to the commitment. Buyer shall be responsible for all additional costs related to the issuance of the title
274. insurance policy(ies), including but not limited to the premium(s), Buyer's name search and plat drawing, if
275. any. Seller shall deliver any abstract of title and a copy of any owner's title insurance policy for the Property,
276. if in Seller's possession or control, to Buyer or Buyer's designated title service provider. Any abstract of title or
277. owner's title insurance policy provided shall be immediately returned to Seller, or licensee representing or assisting
278. Seller, upon cancellation of this Purchase Agreement.

279. (b) An Abstract of Title certified to date if Abstract Property or a Registered Property Abstract ("RPA") certified to date
280. if Registered (Torrens) Property. Seller shall pay for the abstracting or RPA costs and deliver any abstract for
281. this Property in Seller's possession or control to Buyer or Buyer's designated title service provider. Any abstract
282. provided shall be immediately returned to Seller, or licensee representing or assisting Seller, upon cancellation of
283. this Purchase Agreement. If Property is Abstract and Seller does not have an abstract of title, Option (a) will
284. automatically apply.

285. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event that Seller has not
286. provided marketable title by the date of closing, Seller shall have an additional thirty (30) days to make title marketable
287. or, in the alternative, Buyer may waive title defects by written notice to Seller. In addition to the thirty (30)-day extension,
288. Buyer and Seller may by mutual agreement further extend the closing date. Lacking such extension, either party may
289. declare this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting
290. the other party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement
291. canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation
292. and directing all earnest money paid here to be refunded to Buyer.

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295. **SUBDIVISION OF LAND, BOUNDARIES, AND ACCESS:** If this sale constitutes or requires a subdivision of land
296. owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. This
297. provision deals with the necessity of subdividing land to complete the sale of the Property described here in contrast
298. to the subdivision provision of lines 232-233 which deals with the future development plans of Buyer. Seller warrants
299. the legal description of the real Property to be conveyed has been or shall be approved for recording as of the date of
300. closing. Seller warrants that there is a right of access to the Property from a public right-of-way.

301. **MECHANIC'S LIENS:** Seller warrants that prior to the closing, payment in full will have been made for all labor,
302. materials, machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing.

303. **NOTICES:** Seller warrants that Seller has not received any notice from any governmental authority as to condemnation
304. proceedings or violation of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Seller
305. warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. Any
306. such notices received by Seller shall be provided to Buyer immediately.

307. **DIMENSIONS:** Buyer acknowledges any dimensions, square footage, or acreage of land or improvements provided
308. by Seller, third party, or broker representing or assisting Seller are approximate. Buyer shall verify the accuracy of
309. information to Buyer's satisfaction, if material, at Buyer's sole cost and expense.

310. **ACCESS AGREEMENT:** Seller agrees to allow Buyer reasonable access to the Property for performance of any
311. surveys, inspections or tests, or for water, sewer, gas, or electrical service hookup as agreed to here. Buyer shall
312. restore the premises to the same condition it was in prior to the surveys, inspections, or tests and pay for any
313. restoration costs relative thereto.

314. **RISK OF LOSS:** If there is any loss or damage to the Property between the Final Acceptance Date and the date of closing
315. for any reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Seller. If the Property
316. is destroyed or substantially damaged before the closing date, this Purchase Agreement is canceled, at Buyer's
317. option, by written notice to Seller or licensee representing or assisting Seller. If Buyer cancels this Purchase Agreement,
318. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
319. directing all earnest money paid here to be refunded to Buyer.

320. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.

321. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (Calendar or Business Days as specified)
322. following the occurrence of the event specified and includes subsequent days (Calendar or Business Days as specified)
323. ending at 11:59 P.M. on the last day.

324. **BUSINESS DAYS:** "Business Days" are days which are not Saturdays, Sundays, or state and federal holidays
325. unless stated elsewhere by the parties in writing.

326. **CALENDAR DAYS:** "Calendar Days" include Saturdays, Sundays, or state or federal holidays.

327. **RELEASE OF EARNEST MONEY:** Buyer and Seller agree that the Earnest Money Holder shall release earnest
328. money from the Earnest Money Holder's trust account:

- 329. (a) at or upon the successful closing of the Property;
- 330. (b) pursuant to written agreement between the parties, which may be reflected in a *Cancellation of Purchase*
331. *Agreement* executed by both Buyer and Seller;
- 332. (c) upon receipt of an affidavit of a cancellation under MN Statute 559.217; or
- 333. (d) upon receipt of a court order.

MN:PA:VL-8 (8/18)

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336. **DEFAULT:** If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any
337. payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and
338. Seller shall affirm the same by a written cancellation agreement.

339. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the
340. provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable. If either Buyer or Seller
341. defaults in any of the agreements here or there exists an unfulfilled condition after the date specified for fulfillment,
342. either party may cancel this Purchase Agreement under MN Statute 559.217, Subd. 3. Whenever it is provided here
343. that this Purchase Agreement is canceled, said language shall be deemed a provision authorizing a Declaratory
344. Cancellation under MN Statute 559.217, Subd. 4.

345. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Seller may seek actual damages
346. for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific
347. performance, such action must be commenced within six (6) months after such right of action arises.

348. **NOTICE REGARDING AIRPORT ZONING REGULATIONS:** The Property may be in or near an airport safety zone
349. with zoning regulations adopted by the governing body that may affect the Property. Such zoning regulations are
350. filed with the county recorder in each county where the zoned area is located. If you would like to determine if such
351. zoning regulations affect the Property, you should contact the county recorder where the zoned area is located.

352. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender
353. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be
354. obtained by contacting the local law enforcement offices in the community where the Property is located
355. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web
356. site at www.corr.state.mn.us.

357. **SPECIAL DISCLOSURES:** Seller discloses, to the best of Seller's knowledge, that the Property described in this
358. Purchase Agreement consists of approximately 62 **ACRES** **SQUARE FEET** and is currently zoned
------(Check one.)-----

359. _____

360. Seller discloses, to the best of Seller's knowledge, that the Property **IS** **IS NOT** in a designated flood plain
361. area. ------(Check one.)-----

362. Seller discloses, to the best of Seller's knowledge, that the Property **DOES** **DOES NOT** currently receive
363. preferential tax treatment (e.g. Green Acres). ------(Check one.)-----

364. Seller discloses, to the best of Seller's knowledge, that the Property **IS** **IS NOT** enrolled in any federal, state, or
365. local governmental programs (e.g., CREP, CRP, EQIP, WRP, conservation programs, riparian buffers, Sustainable
366. Forest Incentive Act, etc.). ------(Check one.)-----

367. **BUYER HAS THE RIGHT TO A WALK-THROUGH REVIEW OF THE PROPERTY PRIOR TO CLOSING TO**
368. **ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF THIS**
369. **PURCHASE AGREEMENT.**
370. BUYER HAS RECEIVED A: (Check any that apply.) **DISCLOSURE STATEMENT: VACANT LAND** OR A
371. **DISCLOSURE STATEMENT: SELLER'S DISCLOSURE ALTERNATIVES** FORM.
372. **DESCRIPTION OF PROPERTY CONDITION:** See *Disclosure Statement: Vacant Land* or *Disclosure Statement:*
373. *Seller's Disclosure Alternatives* for description of disclosure responsibilities and limitations, if any.
374. **BUYER HAS RECEIVED THE INSPECTION REPORTS, IF REQUIRED BY MUNICIPALITY.**
375. **BUYER IS NOT RELYING ON ANY ORAL REPRESENTATIONS REGARDING THE CONDITION OF THE PROPERTY.**

**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

376. Page 10 Date 07/10/2019

377. Property located at XXXX 200th Street E Clearwater MN 55320

378. **ENVIRONMENTAL CONCERNS:** To the best of the Seller's knowledge there are no hazardous substances or
379. underground storage tanks, except where noted here:

- 380. _____
- 381. _____
- 382. _____
- 383. _____
- 384. _____
- 385. _____
- 386. _____

387. **UTILITIES:** TO THE BEST OF SELLER'S KNOWLEDGE, THE FOLLOWING PRESENTLY EXIST WITHIN THE
388. PROPERTY:

- 389. Connection to public water Yes No
- 390. Connection to public sewer Yes No
- 391. Connection to private water system off Property Yes No
- 392. Connection to electric utility Yes No
- 393. Connection to natural gas Yes No

394. **PLEASE NOTE:** Buyer may incur additional charges improving the Property, including, but not limited to, hookup and/
395. or access charges; municipal charges; costs for sewer access, stubbing access, water access, park dedication, road
396. access, curb cuts, utility connection and connecting fees; and tree planting charges.

397. **(Check appropriate boxes.)**
398. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:
399. **CITY SEWER** YES NO / **CITY WATER** YES NO
400. **SUBSURFACE SEWAGE TREATMENT SYSTEM**
401. SELLER DOES DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR
-----*(Check one.)*-----
402. SERVING THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Disclosure*
403. *Statement: Subsurface Sewage Treatment System.*)
404. **PRIVATE WELL**
405. SELLER DOES DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY.
-----*(Check one.)*-----
406. (If answer is **DOES** and well is located on the Property, see *Disclosure Statement: Well.*)
407. TO THE BEST OF SELLER'S KNOWLEDGE, THE PROPERTY IS IS NOT IN A SPECIAL WELL
-----*(Check one.)*-----
408. CONSTRUCTION AREA.
409. THIS PURCHASE AGREEMENT IS IS NOT SUBJECT TO AN *ADDENDUM TO PURCHASE AGREEMENT*:
-----*(Check one.)*-----
410. *SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.*
411. (If answer is **IS**, see attached *Addendum.*)
412. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**
413. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE**
414. **SEWAGE TREATMENT SYSTEM.**



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

415. Page 11 Date 07/10/2019

416. Property located at XXXX 200th Street E Clearwater MN 55320

417. **AGENCY NOTICE**

418. Mark T Lampi is Seller's Agent Buyer's Agent Dual Agent Facilitator.
(Licensee) -----(Check one.)-----

419. Lampi Auctioneers Inc
(Real Estate Company Name)

420. _____ is Seller's Agent Buyer's Agent Dual Agent Facilitator.
(Licensee) -----(Check one.)-----

421. _____
(Real Estate Company Name)

422. **THIS NOTICE DOES NOT SATISFY MINNESOTA STATUTORY AGENCY DISCLOSURE REQUIREMENTS.**

423. **DUAL AGENCY REPRESENTATION**

424. **PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:**

425. Dual Agency representation DOES NOT apply in this transaction. *Do not complete lines 426-442.*

426. Dual Agency representation DOES apply in this transaction. *Complete the disclosure in lines 427-442.*

427. Broker represents both the Seller(s) and the Buyer(s) of the Property involved in this transaction, which creates a
428. dual agency. This means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because
429. the parties may have conflicting interests, Broker and its salespersons are prohibited from advocating exclusively for
430. either party. Broker cannot act as a dual agent in this transaction without the consent of both Seller(s) and Buyer(s).
431. Seller(s) and Buyer(s) acknowledge that

432. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will
433. remain confidential unless Seller(s) or Buyer(s) instructs Broker in writing to disclose this information. Other
434. information will be shared;

435. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
436. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of
437. the sale.

438. With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker
439. and its salesperson to act as dual agents in this transaction.

440. Seller _____ Buyer _____

441. Seller _____ Buyer _____

442. Date _____ Date _____

443. **CLOSING COSTS:** Buyer or Seller may be required to pay certain closing costs, which may effectively increase the
444. cash outlay at closing or reduce the proceeds from the sale.

445. **SETTLEMENT STATEMENT:** Buyer and Seller authorize the title company, escrow agent, and/or their representatives
446. to disclose and provide copies of the disbursing agent's settlement statement to the real estate licensees involved in
447. the transaction at the time these documents are provided to Buyer and Seller.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

448. Page 12 Date 07/10/2019

449. Property located at XXXX 200th Street E Clearwater MN 55320

450. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code
451. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold
452. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller
453. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.

454. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same
455. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive
456. the closing and delivery of the deed.

457. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement
458. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer
459. identification numbers or Social Security numbers.

460. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for
461. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**
462. **compliance, as the respective licensee's representing or assisting either party will be unable to assure either**
463. **party whether the transaction is exempt from FIRPTA withholding requirements.**

464. **ENTIRE AGREEMENT:** This Purchase Agreement and any addenda or amendments signed by the parties shall
465. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer
466. and Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this
467. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and
468. Seller or by operation of law. All monetary sums are deemed to be United States currency for purposes of this
469. Purchase Agreement.

470. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this
471. transaction constitute valid, binding signatures.

472. **FINAL ACCEPTANCE:** To be binding, this Purchase Agreement must be fully executed by both parties and a copy
473. must be delivered.

474. **SURVIVAL:** All warranties specified in this Purchase Agreement shall survive the delivery of the deed or contract
475. for deed.

476. **OTHER:** _____

477. _____

478. _____

479. **ADDENDA:** The following addenda are attached and made a part of this Purchase Agreement.

480. **NOTE:** Disclosures and optional Arbitration Agreement are not part of this Purchase Agreement.

- 481. *Addendum to Purchase Agreement*
- 482. *Addendum to Purchase Agreement: Assumption Financing*
- 483. *Addendum to Purchase Agreement: Buyer Move-In Agreement*
- 484. *Addendum to Purchase Agreement: Buyer Purchasing "As Is" and Limitation of Seller Liability*
- 485. *Addendum to Purchase Agreement: Condominium/Townhouse/Cooperative Common Interest Community*
- 486. *("CIC")*
- 487. *Addendum to Purchase Agreement: Contract for Deed Financing*
- 488. *Addendum to Purchase Agreement: Disclosure of Information on Lead-Based Paint and Lead-Based Paint*
- 489. *Hazards*
- 490. *Addendum to Purchase Agreement: Sale of Buyer's Property Contingency*
- 491. *Addendum to Purchase Agreement: Seller's Rent Back Agreement*
- 492. *Addendum to Purchase Agreement: Short Sale Contingency*
- 493. *Addendum to Purchase Agreement: Subsurface Sewage Treatment System and Well Inspection Contingency*

**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

494. Page 13 Date 07/10/2019

495. Property located at XXXX 200th Street E Clearwater MN 55320

496. I agree to sell the Property for the price and on the terms
497. and conditions set forth above. I agree to purchase the Property for the price and on
the terms and conditions set forth above.

498. **I have reviewed all pages of this Purchase Agreement.**
499. **I have reviewed all pages of this Purchase Agreement.**

500. **If checked, this Agreement is subject to attached**
501. **Addendum to Purchase Agreement: Counteroffer.**

502. **FIRPTA:** Seller represents and warrants, under penalty
503. of perjury that Seller **IS** **IS NOT** a foreign person (i.e., a
-----*(Check one.)*-----

504. non-resident alien individual, foreign corporation, foreign
505. partnership, foreign trust, or foreign estate for purposes of
506. income taxation. (See lines 450-463.) This representation
507. and warranty shall survive the closing of the transaction
508. and the delivery of the deed.

509. **X** _____ **X** _____
(Seller's Signature) (Date) (Buyer's Signature) (Date)

510. **X** _____ **X** _____
(Seller's Printed Name) (Buyer's Printed Name)

511. **X** _____ **X** _____
(Marital Status) (Marital Status)

512. **X** _____ **X** _____
(Seller's Signature) (Date) (Buyer's Signature) (Date)

513. **X** _____ **X** _____
(Seller's Printed Name) (Buyer's Printed Name)

514. **X** _____ **X** _____
(Marital Status) (Marital Status)

515. **FINAL ACCEPTANCE DATE:** _____ The Final Acceptance Date
516. is the date on which the fully executed Purchase Agreement is delivered.

517. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
518. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

519. **I ACKNOWLEDGE THAT I HAVE RECEIVED AND HAVE HAD THE OPPORTUNITY TO REVIEW THE**
520. **DISCLOSURE STATEMENT: ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION**
521. **AGREEMENT, WHICH IS AN OPTIONAL, VOLUNTARY AGREEMENT AND IS NOT PART OF THIS PURCHASE**
522. **AGREEMENT.**

523. **SELLER(S)** _____ **BUYER(S)** _____

524. **SELLER(S)** _____ **BUYER(S)** _____

WIRE FRAUD ALERT



Internet fraud — the use of Internet services or software with Internet access to defraud victims — is on the rise in real estate transactions.

THESE SOPHISTICATED CRIMINALS COULD:

- **HACK INTO YOUR E-MAIL ACCOUNT** or the e-mail of others involved in your real estate transaction and may direct you to wire money to the hacker's account.
- **SEND FRAUDULENT E-MAILS** that appear to be from your real estate licensee, lender, or closing agent.
- **CALL YOU** claiming they have revised wiring instructions.

Buyers/Tenants and Sellers/Owners are advised to:

- (1) Never wire funds without confirming the wiring instructions directly with the intended recipient.
- (2) Verify that the contact information for the wire transfer recipient is legitimate by calling a known phone number for the broker or closing agent. Do not rely on the information given to you in an e-mail communication.
- (3) Never send personal information through unsecured/unencrypted e-mail.

If you suspect wire fraud in your transaction:

- (1) Immediately notify your bank, closing agent, and real estate licensee.
- (2) File a complaint online at the Internet Crime Complaint Center (IC3) at <http://www.ic3.gov>.

The undersigned acknowledge receipt of this wire fraud alert and understand the importance of taking proactive measures to avoid being a victim of wire fraud in a real estate transaction.

(Signature)

(Date)

(Signature)

(Date)

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DISCLOSURE STATEMENT: ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT

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1. Page 1

2. ARBITRATION DISCLOSURE

3. You have the right to choose whether to have any disputes about disclosure of material facts affecting the use or
4. enjoyment of the property that you are buying or selling decided by binding arbitration or by a court of law. By agreeing
5. to binding arbitration, **you give up your right to go to court for claims over \$15,000.**

6. By signing the RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT (“ARBITRATION AGREEMENT”) on
7. page two (2), you agree to the following:

8. (1) disputes with demands which fall within the jurisdictional limits of the conciliation court shall be resolved in the
9. applicable conciliation court; and

10. (2) all other disputes shall be subject to binding arbitration under the Residential Real Property Arbitration
11. System (“Arbitration System”) administered by National Center for Dispute Settlement (“NCDS”) and endorsed
12. by the Minnesota Association of REALTORS® (“MNAR”). The ARBITRATION AGREEMENT is enforceable only
13. if it is signed by all buyers, sellers and licensees representing or assisting the buyers and the sellers. The
14. ARBITRATION AGREEMENT is not part of the *Purchase Agreement*. **Your Purchase Agreement will still**
15. **be valid whether or not you sign the ARBITRATION AGREEMENT.**

16. The Arbitration System is a private dispute resolution system offered as an alternative to the court system. It is not
17. government sponsored. NCDS and the MNAR jointly adopt the rules that govern the Arbitration System. NCDS and
18. the MNAR are not affiliated. Under the ARBITRATION AGREEMENT you must use the arbitration services of NCDS.

19. All disputes about or relating to disclosure of material facts affecting the use or enjoyment of the property, excluding
20. disputes related to title issues, are subject to arbitration under the ARBITRATION AGREEMENT. This includes claims
21. of fraud, misrepresentation, warranty and negligence. Nothing in this Agreement limits other rights you may have under
22. MN Statute 327A (statutory new home warranties) or under private contracts for warranty coverage. An agreement to
23. arbitrate does not prevent a party from contacting the Minnesota Department of Commerce, the state agency that
24. regulates the real estate profession, about licensee compliance with state law.

25. The administrative fee for the Arbitration System varies depending on the amount of the claim, but it is more than initial
26. court filing fees. In some cases, conciliation court is cheaper than arbitration. The maximum claim allowed in conciliation
27. court is \$15,000. This amount is subject to future change. In some cases, it is quicker and less expensive to arbitrate
28. disputes than to go to court, but the time to file your claim and pre-hearing discovery rights are limited. The right to
29. appeal an arbitrator’s award is very limited compared to the right to appeal a court decision.

30. **A request for arbitration must be filed within 24 months of the date of the closing on the property or else the**
31. **claim cannot be pursued. In some cases of fraud, a court or arbitrator may extend the 24-month limitation**
32. **period provided herein.**

33. A party who wants to arbitrate a dispute files a Demand, along with the appropriate administrative fee, with NCDS.
34. NCDS notifies the other party, who may file a response. NCDS works with the parties to select and appoint an arbitrator
35. to hear and decide the dispute. A three-arbitrator panel will be appointed instead of a single arbitrator at the request
36. of any party. The party requesting a panel must pay an additional fee. Arbitrators have backgrounds in law, real estate,
37. architecture, engineering, construction or other related fields.

38. Arbitration hearings are usually held at the home site. Parties are notified about the hearing at least 14 days in advance.
39. A party may be represented by a lawyer at the hearing, at the party’s own expense, if he or she gives five (5) days
40. advance notice to the other party and to NCDS. Each party may present evidence, including documents or testimony
41. by witnesses. The arbitrator must make any award within 30 days from the final hearing date. The award must be
42. in writing and may provide any remedy the arbitrator considers just and equitable that is within the scope of the parties’
43. agreement. The arbitrator does not have to make findings of fact that explain the reason for granting or denying an
44. award. The arbitrator may require the party who does not prevail to pay the administrative fee.

45. **This Arbitration Disclosure provides only a general description of the Arbitration System and a general overview**
46. **of the Arbitration System rules.** For specific information regarding the administrative fee, please see the Fee Schedule
47. located in the NCDS Rules. Copies of the Arbitration System rules are available from NCDS by calling (866) 727-8119
48. or on the Web at www.ncdsusa.org or from your REALTOR®. If you have any questions about arbitration, call NCDS
49. at (866) 727-8119 or consult a lawyer.

**DISCLOSURE STATEMENT: ARBITRATION
DISCLOSURE AND RESIDENTIAL REAL
PROPERTY ARBITRATION AGREEMENT**

50. Page 2

51. **THIS IS AN OPTIONAL, VOLUNTARY AGREEMENT.**
52. **READ THE ARBITRATION DISCLOSURE ON PAGE ONE (1) IN FULL BEFORE SIGNING.**

53. **RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT**

54. For the property located at XXXX 200th Street E .

55. City of Clearwater , County of Stearns , State of Minnesota.

56. Any dispute between the undersigned parties, or any of them, about or relating to material facts affecting the use or
57. enjoyment of the property, excluding disputes related to title issues of the property covered by the *Purchase Agreement*
58. dated July 10th , 20 19 , including claims of fraud, misrepresentation, warranty and
59. negligence, shall be settled as specified in the Arbitration Disclosure above. National Center for Dispute Settlement shall
60. be the arbitration service provider. The rules adopted by National Center for Dispute Settlement and the Minnesota
61. Association of REALTORS® shall govern the proceeding(s). The rules that shall govern the proceeding(s) are those rules in
62. effect at the time the Demand for Arbitration is filed and include the rules specified in the Arbitration Disclosure on
63. page one (1). This Agreement shall survive the delivery of the deed or contract for deed in the *Purchase Agreement*.
64. This Agreement is only enforceable if all buyers, sellers and licensees representing or assisting the buyers and sellers
65. have agreed to arbitrate as acknowledged by signatures below. For purposes of this Agreement, the signature of one
66. licensee of a broker shall bind the broker and all licensees of that broker.

67. _____ (Seller's Signature) _____ (Date) _____ (Buyer's Signature) _____ (Date)

68. _____ (Seller's Printed Name) _____ (Buyer's Printed Name)

69. _____ (Seller's Signature) _____ (Date) _____ (Buyer's Signature) _____ (Date)

70. _____ (Seller's Printed Name) _____ (Buyer's Printed Name)

71. _____ (Licensee Representing or Assisting Seller) _____ (Date) _____ (Licensee Representing or Assisting Buyer) _____ (Date)

72. Lampi Auctioneers Inc _____ (Company Name) _____ (Company Name)

73. **THE RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT IS A LEGALLY BINDING CONTRACT**
74. **BETWEEN BUYERS, SELLERS AND LICENSEES. IF YOU DESIRE LEGAL ADVICE, CONSULT A LAWYER.**

MN:DS:ADRAA-2 (8/18)

AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

1. Page 1

2. **MINNESOTA LAW REQUIRES** that early in any relationship, real estate brokers or salespersons discuss with
3. consumers what type of agency representation or relationship they desire.⁽¹⁾ The available options are listed below. This
4. is **not** a contract. **This is an agency disclosure form only. If you desire representation you must enter into a**
5. **written contract, according to state law** (a listing contract or a buyer/tenant representation contract). Until such time
6. as you choose to enter into a written contract for representation, you will be treated as a customer and will not receive
7. any representation from the broker or salesperson. The broker or salesperson will be acting as a Facilitator (see
8. paragraph IV on page two (2)), unless the broker or salesperson is representing another party, as described below.

9. **ACKNOWLEDGMENT: I/We acknowledge that I/we have been presented with the below-described options.**
10. **I/We understand that until I/we have signed a representation contract, I/we am/are not represented by the**
11. **broker/salesperson. I/We understand that written consent is required for a dual agency relationship.**

12. **THIS IS A DISCLOSURE ONLY, NOT A CONTRACT FOR REPRESENTATION.**

13. _____
(Signature) (Date) (Signature) (Date)

14. I. **Seller's/Landlord's Broker:** A broker who lists a property, or a salesperson who is licensed to the listing broker,
15. represents the Seller/Landlord and acts on behalf of the Seller/Landlord. A Seller's/Landlord's broker owes to
16. the Seller/Landlord the fiduciary duties described on page two (2).⁽²⁾ The broker must also disclose to the Buyer
17. material facts as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and
18. significantly affect the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to
19. rental/lease transactions.) If a broker or salesperson working with a Buyer/Tenant as a customer is representing the
20. Seller/Landlord, he or she must act in the Seller's/Landlord's best interest and must tell the Seller/Landlord any
21. information disclosed to him or her, except confidential information acquired in a facilitator relationship (see paragraph
22. IV on page two (2)). In that case, the Buyer/Tenant will not be represented and will not receive advice and counsel
23. from the broker or salesperson.

24. II. **Buyer's/Tenant's Broker:** A Buyer/Tenant may enter into an agreement for the broker or salesperson to represent
25. and act on behalf of the Buyer/Tenant. The broker may represent the Buyer/Tenant only, and not the Seller/Landlord,
26. even if he or she is being paid in whole or in part by the Seller/Landlord. A Buyer's/Tenant's broker owes to the
27. Buyer/Tenant the fiduciary duties described on page two (2).⁽²⁾ The broker must disclose to the Buyer material facts
28. as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and significantly affect
29. the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)
30. If a broker or salesperson working with a Seller/Landlord as a customer is representing the Buyer/Tenant, he or
31. she must act in the Buyer's/Tenant's best interest and must tell the Buyer/Tenant any information disclosed to him
32. or her, except confidential information acquired in a facilitator relationship (see paragraph IV on page two (2)). In
33. that case, the Seller/Landlord will not be represented and will not receive advice and counsel from the broker or
34. salesperson.

35. III. **Dual Agency - Broker Representing both Seller/Landlord and Buyer/Tenant:** Dual agency occurs when one
36. broker or salesperson represents both parties to a transaction, or when two salespersons licensed to the same
37. broker each represent a party to the transaction. Dual agency requires the informed consent of all parties, and
38. means that the broker and salesperson owe the same duties to the Seller/Landlord and the Buyer/Tenant. This
39. role limits the level of representation the broker and salesperson can provide, and prohibits them from acting
40. exclusively for either party. In a dual agency, confidential information about price, terms and motivation for pursuing
41. a transaction will be kept confidential unless one party instructs the broker or salesperson in writing to disclose
42. specific information about him or her. Other information will be shared. Dual agents may not advocate for one party
43. to the detriment of the other.⁽³⁾

44. Within the limitations described above, dual agents owe to both Seller/Landlord and Buyer/Tenant the fiduciary
45. duties described below.⁽²⁾ Dual agents must disclose to Buyers material facts as defined in MN Statute 82.68, Subd.
46. 3, of which the broker is aware that could adversely and significantly affect the Buyer's use or enjoyment of the
47. property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)

48. _____ I have had the opportunity to review the "Notice Regarding Predatory Offender Information" on
(initial) (initial)
49. page two. (2)

AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

50. Page 2

51. IV. **Facilitator:** A broker or salesperson who performs services for a Buyer/Tenant, a Seller/Landlord or both but
52. does not represent either in a fiduciary capacity as a Buyer's/Tenant's Broker, Seller's/Landlord's Broker or Dual
53. Agent. **THE FACILITATOR BROKER OR SALESPERSON DOES NOT OWE ANY PARTY ANY OF THE FIDUCIARY**
54. **DUTIES LISTED BELOW, EXCEPT CONFIDENTIALITY, UNLESS THOSE DUTIES ARE INCLUDED IN A**
55. **WRITTEN FACILITATOR SERVICES AGREEMENT.** The facilitator broker or salesperson owes the duty of
56. confidentiality to the party but owes no other duty to the party except those duties required by law or contained in
57. a written facilitator services agreement, if any. In the event a facilitator broker or salesperson working with a Buyer/
58. Tenant shows a property listed by the facilitator broker or salesperson, then the facilitator broker or salesperson
59. must act as a Seller's/Landlord's Broker (see paragraph I on page one (1)). In the event a facilitator broker or
60. salesperson, working with a Seller/Landlord, accepts a showing of the property by a Buyer/Tenant being represented
61. by the facilitator broker or salesperson, then the facilitator broker or salesperson must act as a Buyer's/Tenant's
62. Broker (see paragraph III on page one (1)).

63. (1) This disclosure is required by law in any transaction involving property occupied or intended to be occupied by
64. one to four families as their residence.

65. (2) The fiduciary duties mentioned above are listed below and have the following meanings:

66. Loyalty - broker/salesperson will act only in client(s)' best interest.

67. Obedience - broker/salesperson will carry out all client(s)' lawful instructions.

68. Disclosure - broker/salesperson will disclose to client(s) all material facts of which broker/salesperson has knowledge
69. which might reasonably affect the client(s)' use and enjoyment of the property.

70. Confidentiality - broker/salesperson will keep client(s)' confidences unless required by law to disclose specific
71. information (such as disclosure of material facts to Buyers).

72. Reasonable Care - broker/salesperson will use reasonable care in performing duties as an agent.

73. Accounting - broker/salesperson will account to client(s) for all client(s)' money and property received as agent.

74. (3) If Seller(s)/Landlord(s) elect(s) not to agree to a dual agency relationship, Seller(s)/Landlord(s) may give up the
75. opportunity to sell/lease the property to Buyer(s)/Tenant(s) represented by the broker/salesperson. If Buyer(s)/
76. Tenant(s) elect(s) not to agree to a dual agency relationship, Buyer(s)/Tenant(s) may give up the opportunity to
77. purchase/lease properties listed by the broker.

78. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender
79. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be
80. obtained by contacting the local law enforcement offices in the community where the property is located,
81. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections Web site at
82. www.corr.state.mn.us.

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