

ten-day right of rescission, may not contractually obligate the purchaser to modify or waive the purchaser's ten-day right of rescission, and may not include a modification or waiver of the ten-day right of rescission in any purchase agreement for the unit. To be effective, a modification or waiver of a purchaser's ten-day right of rescission must be evidenced by an instrument separate from the purchase agreement signed by the purchaser more than three days after the purchaser receives the disclosure statement.

(b) If an amendment to the disclosure statement materially and adversely affects a purchaser, then the purchaser shall have ten days after delivery of the amendment to cancel the purchase agreement in accordance with this section. The ten-day rescission period may be modified or waived, in writing, by agreement of the purchaser of a unit only after the purchaser has received and had an opportunity to review the amendment. To be effective, a modification or waiver of a purchaser's ten-day right of rescission under this section must be evidenced by a written instrument separate from the purchase agreement signed by the purchaser more than three days after the purchaser receives the amendment.

(c) If a purchaser elects to cancel a purchase agreement pursuant to this section, the purchaser may do so by giving notice thereof pursuant to section 515B.1-115. Cancellation is without penalty, and all payments made by the purchaser before cancellation shall be refunded promptly. Notwithstanding anything in this section to the contrary, the purchaser's cancellation rights under this section terminate upon the purchaser's acceptance of a conveyance of the unit.

(d) If a declarant obligated to deliver a disclosure statement fails to deliver to the purchaser a disclosure statement which substantially complies with this chapter, the declarant shall be liable to the purchaser in the amount of ~~\$1,000~~ \$5,000, in addition to any damages or other amounts recoverable under this chapter or otherwise. Any action brought under this subsection shall be commenced within the time period specified in section 515B.4-115, subsection (a).

Sec. 6. Minnesota Statutes 2008, section 515B.4-107, is amended to read:

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 copies of the master declaration, articles of incorporation, bylaws, and rules and regulations, if the common interest community is subject to a master declaration; 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) units):

Common elements licensed under Minnesota Statutes, section 515B.2-109(e):

.....
.....

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:.....

.....
.....
.....

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.):
.....
.....

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:.....

.....
.....

5. The association is obligated to replace the following components of the common interest community:

.....
.....

The association has ~~reserved~~ the following amounts in its reserves for ~~maintenance, repair, or replacement of those components:~~

.....
.....

~~The following portions of these reserves are designated for the following specified projects or uses:~~ The replacement of the following components is funded by assessments levied only against the unit or units served by the component, pursuant to Minnesota Statutes, section 515B.3-115(e)(1) or (2).

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):

.....
.....

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

.....
.....

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)

.....
.....
.....

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~~ Finished flooring
- Cabinetry
- Finished millwork
- Electrical, heating, ventilating, and air conditioning equipment, 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:

.....

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:

.....

This Resale Disclosure Certificate is given in connection with the resale of a unit by a unit owner who is not a declarant and who, therefore, is not liable for express warranties under Minnesota Statutes, section 515B.4-112, or implied warranties under Minnesota Statutes, section 515B.4-113. The conveyance of this unit may, however, result in a transfer of preexisting warranties made by a declarant under the referenced statutes, subject to the terms of Minnesota Statutes, sections 515B.4-114 and 515B.4-115.

~~12~~ 13. In addition to the above, the following matters affecting the occupancy or use of the unit, or the unit owner's obligations with respect to the unit, are deemed material:

.....

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

.....

(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:

(Buyer)

(Buyer)

(c) If the association common interest community is subject to a master declaration and governed by a master association to which has been delegated any of 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. A unit owner who has acquired title to a unit pursuant to section 515B.3-104 including, but not limited to, a unit owner who has acquired title through foreclosure or a deed in lieu of foreclosure, must indicate to the association in connection with a request for a resale disclosure certificate whether the requesting unit owner is or is not a declarant. The unit owner, not the association, is liable for any damage, loss, or other consequence arising out of the incorrect representation of its declarant status.

(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.

Sec. 7. Minnesota Statutes 2008, section 515B.4-108, is amended to read:

515B.4-108 PURCHASER'S RIGHT TO CANCEL RESALE.

(a) ~~Unless a purchaser is given the information required to be delivered by section 515B.4-107, by a delivery method described in that section,~~ more than ten days prior to the execution of the purchase agreement for the unit the purchaser may, prior to the conveyance, cancel the purchase agreement within ten days after receiving the information. The ten-day rescission period may be modified or waived, in writing, by agreement of the purchaser of a unit only after the purchaser has received and had an opportunity to review the information required to be delivered by section 515B.4-107. The person required to