

**CONDOMINIUM/TOWNHOUSE/
COOPERATIVE ADDENDUM
COMMON INTEREST COMMUNITY (CIC)**

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1. Date _____

2. Page _____

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), Minnesota Statutes 515B.1-101 through
13. 515B.4-118:

14. “The following notice is required by Minnesota Statutes. The purchaser is entitled to receive a disclosure statement
15. or resale disclosure certificate, as applicable. The disclosure statement or resale disclosure certificate contains
16. important information regarding the common interest community and the purchaser’s cancellation rights.”

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

20. “The following notice is required by Minnesota Statutes: The real estate to be conveyed under this Purchase
21. Agreement is or will be subject to a master association as defined in MN Statute 515B. The master association
22. is obligated to provide to the purchaser, pursuant to MN Statute 515B.4-102(c), upon the purchaser’s request, a
23. statement containing the information required by MN Statute 515B.4-102(a)(20), with respect to the master
24. association, prior to the time that the purchaser signs a purchase agreement for the real estate. The statement
25. contains important information regarding the master association and the purchaser’s obligations thereunder.”

26. **DOCUMENTATION AND RIGHT TO CANCEL**

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

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

34. 1) (a) copies of the **declaration**, if any (other than any CIC plat), (b) the **articles of incorporation**, (c) **bylaws**,
35. (d) any **rules and regulations** for the Association or Master Association, if any, and (e) any **amendments or**
36. **supplemental declarations;**

37. 2) the organizational and operating documents relating to the Master Association, if any (for resale of the property);

38. 3) a **Disclosure Statement** (for initial sale of property) or **Resale Disclosure Certificate** (for resale of the property)
39. and all amendments thereto required by MCIOA 515B.4-101 or 515B.4-107. The *Resale Disclosure Certificate*
40. from the Association must be dated not more than 90 days prior to the date of the Purchase Agreement or the
41. date of conveyance, whichever is earlier. The Association may charge a reasonable fee for providing the required
42. documents, which shall be paid by Seller unless otherwise agreed to in writing. A Seller, on resale of the property,
43. is not liable to Buyer for any erroneous information provided by the Association and included in the *Resale*
44. *Disclosure Certificate*. Nor is a Seller, on resale of the property, liable to Buyer for failure of the Association to
45. provide the *Resale Disclosure Certificate*, or for a delay by the Association in providing said *Disclosure Certificate*
46. in a timely manner. For an initial sale of the property, a declarant of a common interest community may be liable
47. to provide the *Disclosure Statement* and its contents.

48. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.**
49. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

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51. Property located at _____

52. **RIGHT TO CANCEL PURCHASE AGREEMENT:** Unless Buyer received said documents more than ten (10) days
53. before signing the Purchase Agreement, Buyer has the right to cancel this Purchase Agreement within ten
54. (10) days of receipt of said documents. If an *Amendment to a Disclosure Statement* (for an initial sale of the property
55. only) materially and adversely affects a Buyer, then Buyer may cancel this Purchase Agreement within ten (10) days
56. after delivery of the *Amendment*. If Buyer elects to cancel this Purchase Agreement, the Purchase Agreement is canceled.
57. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing
58. all earnest money paid hereunder to be refunded to Buyer. Buyer shall return all documents to Seller or shall reimburse
59. Seller for Seller's cost to obtain the documents. Buyer may cancel, without penalty, by either delivering written notice of
60. cancellation to Seller, or licensee representing or assisting Seller, or by mailing such notice by postage-prepaid U.S. mail, to
61. Seller, or licensee representing or assisting Seller, within said ten-day period. On residential transactions, the ten-day
62. rescission period, after delivery of the *Disclosure Statement*, *Amendment to the Disclosure Statement* or the *Resale*
63. *Disclosure Certificate*, may be modified or waived, in writing, by agreement of Buyer of a unit **ONLY AFTER** Buyer has
64. received and had an opportunity to review the *Disclosure Statement*, *Amendment to the Disclosure Statement* or *Resale*
65. *Disclosure Certificate*. The person required to deliver a *Disclosure Statement*, *Amendment to the Disclosure Statement*
66. or the *Resale Disclosure Certificate* may not condition the sale of the unit on Buyer agreeing to modify or waive Buyer's
67. ten-day right of rescission, may not contractually obligate Buyer to modify or waive Buyer's ten-day right of rescission
68. and may not include a modification or waiver of the ten-day right of rescission in any purchase agreement for the unit.
69. To be effective, a modification or waiver of Buyer's ten-day right of rescission must be evidenced by an instrument
70. separate from the Purchase Agreement signed by Buyer more than **THREE (3) DAYS** after Buyer receives the *Disclosure*
71. *Statement*, *Amendment to Disclosure Statement* or the *Resale Disclosure Certificate*. On residential transactions, the
72. ten-day rescission period may also be waived or shortened by Buyer's acceptance of conveyance (closing) of the
73. property, in accordance with MN Statute 515B.

74. **ASSOCIATION RESERVES AND ASSESSMENTS:** The selling price includes any funds held in reserve by the Unit
75. Owners' Association for repairs or capital improvements. There shall be no adjustment at closing for such reserves,
76. except for such portion of the current (month of closing) monthly assessments allotted for such reserves.

77. **REGULAR ASSESSMENTS:** All Unit Owners' Association regular assessments shall be paid to date of closing by
78. Seller as required by Unit Owners' Association documents. The installment of regular assessments due or paid in
79. the month of closing shall be prorated between Buyer and Seller as of the date of closing. Seller shall furnish paid
80. receipts or a letter from the Unit Owners' Association at closing, confirming that all assessments have been paid as
81. required by Unit Owners' Association documents.

82. **UNIT OWNERS' ASSOCIATION SPECIAL ASSESSMENTS:** Shall be handled as specified on page two (2) of the
83. Purchase Agreement. Seller makes no representation or warranty whatsoever concerning the amount of Unit Owners'
84. Association assessments which may be assessed against the property after the date of closing. Such information, if
85. known, is reflected in the *Disclosure Statement* or *Resale Disclosure Certificate*. However, Seller shall provide Buyer
86. with any written notice received by Seller from the Unit Owners' Association relating to potential expenditures which
87. may occur subsequent to the date of closing.

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

92. **OTHER:**

93. _____
94. _____
95. _____

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

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

103. (1) a planned community which consists of two (2) units, which utilizes a common interest community plat complying
104. with section 515B.2-110(d) (1) and (2) which is not subject to any rights to subdivide or convert units or to add
105. additional real estate and which is not subject to a master association;
106. (2) a common interest community where the units consist solely of separate parcels of real estate designed or
107. utilized for detached single-family dwellings or agricultural purposes, and where the association or a master
108. association has no obligation to maintain any building containing a dwelling or any agricultural building;
109. (3) a cooperative where, at the time of creation of the cooperative, the unit owners' interests in the dwellings as
110. described in the declaration consist solely of proprietary leases having an unexpired term of fewer than 20
111. years, including renewal options;
112. (4) planned communities utilizing a common interest community plat with section 515B.2-110(d) (1) and (2) and
113. cooperatives, which are limited by the declaration to nonresidential use; or
114. (5) real estate subject only to an instrument or instruments filed primarily for the purpose of creating or modifying
115. rights with respect to access, utilities, parking, ditches, drainage or irrigation.

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

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

123. MN Statute 515B.4-101(c) **Neither a *Disclosure Statement* nor a *Resale Disclosure Certificate* need be prepared**
124. **or delivered in the case of**

125. (1) a gratuitous transfer;
126. (2) a transfer pursuant to a court order;
127. (3) a transfer to a government or governmental agency;
128. (4) a transfer to a secured party by foreclosure or deed in lieu of foreclosure;
129. (5) an option to purchase a unit, until exercised;
130. (6) a transfer to a person who "controls," or is "controlled by," the grantor, as those terms are defined with respect
131. to a declarant under MN Statute 515B.1-103(2);
132. (7) a transfer by inheritance;
133. (8) a transfer of special declarant rights under MN Statute 515B.3-104; or
134. (9) a transfer in connection with a change of form of common interest community under MN Statute
135. 515B.2-123.

136. A *Disclosure Statement* and a *Resale Disclosure Certificate* can be waived by written agreement of purchasers of a
137. unit which is restricted to **nonresidential** use.

138. _____
(Seller) (Date) (Buyer) (Date)

139. _____
(Seller) (Date) (Buyer) (Date)

140. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.**
141. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**