

**PURCHASE AGREEMENT:  
NEW CONSTRUCTION**

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1. Page 1      Date 01/10/2019  
2. RECORDS AND REPORTS, IF ANY, ARE  
3. ATTACHED AND MADE A PART OF THIS  
4. PURCHASE AGREEMENT

5. BUYER (S): BOARDWALKPREMIERREALTY.COM  
6. \_\_\_\_\_  
7. Buyer's earnest money in the amount of \_\_\_\_\_  
8. Five Thousand Dollars  
9. (\$ 5,000.00 ) shall be: (Check one.)  
10. ☐ GIVEN IMMEDIATELY UPON FINAL ACCEPTANCE OF THIS PURCHASE AGREEMENT TO THE SELLER  
11. ("BUILDER") AS A CONSTRUCTION DEPOSIT FOR PART PAYMENT OF MATERIALS AND LABOR; OR  
12. ☒ DELIVERED TO LISTING BROKER, OR, IF CHECKED, TO ☐ \_\_\_\_\_  
13. \_\_\_\_\_ ("Earnest Money Holder")  
14. NO LATER THAN TWO (2) BUSINESS DAYS AFTER FINAL ACCEPTANCE DATE OF THIS PURCHASE AGREEMENT.  
15. Buyer and Builder agree that Earnest Money Holder shall deposit any earnest money in the Earnest Money Holder's  
16. trust account within three (3) Business Days of receipt of the earnest money or Final Acceptance Date of this Purchase  
17. Agreement, whichever is later.  
18. Said earnest money is part payment for the purchase of the property located at  
19. Street Address: \_\_\_\_\_,  
20. City of MINNEAPOLIS, County of HENNEPIN, State of Minnesota, legally  
21. described as \_\_\_\_\_  
22. \_\_\_\_\_  
23. Builder hereby agrees to construct upon the real property a home, together with other improvements, to be built in substantial  
24. conformance with the Plans and Specifications for the \_\_\_\_\_, a copy of which is attached  
25. \_\_\_\_\_ (Plan # or Model Name)  
26. to this Purchase Agreement as Exhibit "A" or is in the office of Builder. The real property, as improved by construction,  
27. together with personal property, if any, chosen by Buyer and to be provided by Builder (collectively the "Property").  
28. **PURCHASE PRICE:**  
29. Builder has agreed to sell the Property to Buyer for the sum of (\$ \_\_\_\_\_ )  
30. \_\_\_\_\_ Dollars, which Buyer agrees to pay as follows:  
31. additional earnest money (in the method elected above) of \$ \_\_\_\_\_  
32. due \_\_\_\_\_; and  
33. \_\_\_\_\_ (Dates, Terms, or Conditions)  
34. 1. \_\_\_\_\_ percent (%) of the sale price in **CASH**, or more in Buyer's sole discretion, which includes the earnest  
35. money;  
36. 2. \_\_\_\_\_ percent (%) of the sale price in **MORTGAGE FINANCING**. (See following Mortgage Financing section.)  
37. 3. \_\_\_\_\_ percent (%) of the sale price by **ASSUMING** Seller's current mortgage. (See attached *Addendum to*  
38. *Purchase Agreement: Assumption Financing*.)  
39. 4. \_\_\_\_\_ percent (%) of the sale price by **CONTRACT FOR DEED**. (See attached *Addendum to Purchase*  
40. *Agreement: Contract for Deed Financing*.)  
41. **CLOSING DATE:**  
42. The date of closing shall be \_\_\_\_\_, 20 \_\_\_\_\_.

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41. Property located at MINNEAPOLIS

42. **MORTGAGE FINANCING:**

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

44. **MORTGAGE FINANCING** section below. If **IS NOT**, proceed to the **BUILDER'S CONTRIBUTIONS TO BUYER'S**  
45. **COSTS** section.

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

47. ☐ **FIRST MORTGAGE only** ☐ **FIRST MORTGAGE AND SUBORDINATE FINANCING.**

48. Financing ☐ **DOES** ☐ **DOES NOT** include a grant, bond program, or other loan assistance program. If **"DOES,"**  
49. please specify: \_\_\_\_\_

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

51. ☐ **CONVENTIONAL**

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

53. ☐ **FEDERAL HOUSING ADMINISTRATION ("FHA") INSURED**

54. ☐ **PRIVATELY INSURED CONVENTIONAL**

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

56. ☐ **OTHER** \_\_\_\_\_

57. mortgage in the amount stated in this Purchase Agreement, amortized over a period of not more than \_\_\_\_\_

58. years, with an initial interest rate at no more than \_\_\_\_\_ percent (%) per annum. The mortgage application **IS**

59. **TO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the Final Acceptance Date of this Purchase Agreement.

60. Buyer agrees to use best efforts to secure a commitment for such financing and to execute all documents required to  
61. consummate said financing.

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

64. ☐ If Buyer cannot secure the financing specified in this Purchase Agreement, and this Purchase Agreement does not  
65. close on the closing date specified, this Purchase Agreement is canceled. Buyer and Builder shall immediately  
66. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be

67. ☐ **REFUNDED TO BUYER** ☐ **FORFEITED TO BUILDER.**  
-----*(Check one.)*-----

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

70. ☐ Buyer shall provide Builder, or licensee representing or assisting Builder, with the Written Statement, on  
71. or before \_\_\_\_\_, 20\_\_\_\_.

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

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

80. (a) work orders agreed to be completed by Builder;

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

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

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

91. Notwithstanding the language in the preceding paragraph, Builder may not declare this Purchase Agreement  
92. canceled if the reason this Purchase Agreement does not close was due to:

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

97. If the Written Statement is not provided by the date specified on line 71, Builder may, at Builder's option, declare this  
98. Purchase Agreement canceled by written notice to Buyer at any time prior to Builder receiving the Written Statement,  
99. in which case this Purchase Agreement is canceled. In the event Builder declares this Purchase Agreement  
100. canceled, Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said  
101. cancellation and directing all earnest money paid here to be refunded to Buyer.

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

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

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

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

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

115. (a) making the necessary repairs; or  
116. (b) negotiating the cost of making said repairs with Buyer; or  
117. (c) declaring this Purchase Agreement canceled, in which case this Purchase Agreement is canceled. Buyer and Builder  
118. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest  
119. money paid here to be refunded to Buyer, unless Buyer provides for payment of the cost of said repairs or escrow  
120. amounts related thereto above the amount specified on line 112 of this Purchase Agreement.

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

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

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

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

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

139. \_\_\_\_\_ paid by Buyer ☐ **AT CLOSING** ☐ **ADDED TO MORTGAGE AMOUNT**  
------(Check one.)-----

140. \_\_\_\_\_ paid by Builder

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

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

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

150. **OTHER MORTGAGE FINANCING ITEMS:** \_\_\_\_\_

151. \_\_\_\_\_

152. **BUILDER'S CONTRIBUTIONS TO BUYER'S COSTS:**

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

154. ☐ \$ \_\_\_\_\_

155. ☐ \_\_\_\_\_ percent (%) of the sale price

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

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

163. **INSPECTIONS:**

164. Buyer has been made aware of the availability of Property inspections. Buyer ☐ **ELECTS** ☐ **DECLINES** to have a  
165. Property inspection performed at Buyer's expense. ------(Check one.)-----

166. This Purchase Agreement ☐ **IS** ☐ **IS NOT** contingent upon any inspection(s) of the Property obtained by Buyer to  
------(Check one.)-----

167. determine its condition, including any non-intrusive testing or any intrusive testing as allowed pursuant to this Purchase  
168. Agreement. Any inspection(s) or test(s) shall be done by an inspector(s) or tester(s) of Buyer's choice. **Buyer shall**  
169. **satisfy Buyer as to the qualifications of the inspector(s) or tester(s).** For purposes of this Purchase Agreement,  
170. "intrusive testing" shall mean any testing, inspection(s), or investigation(s) that changes the Property from its original  
171. condition or otherwise damages the Property.

172. Builder ☐ **DOES** ☐ **DOES NOT** agree to allow Buyer to perform intrusive testing or inspection(s).  
------(Check one.)-----

173. If answer is **DOES**, Buyer agrees that the Property shall be returned to the same condition it was in prior to Buyer's  
174. intrusive testing at Buyer's sole expense.

175. Builder will provide access to attic(s) and crawlspace(s).

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178. All inspection(s), test(s), and resulting negotiations, if any, shall be done within \_\_\_\_\_ Calendar Days of Final  
179. Acceptance Date of this Purchase Agreement ("Inspection Period"). Buyer may cancel this Purchase Agreement based  
180. on the inspection(s) or test result(s) by providing written notice to Builder, or licensee representing or assisting Builder, of  
181. Buyer's intent to cancel no later than the end of the Inspection Period. If Buyer cancels this Purchase Agreement,  
182. Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and  
183. directing all earnest money paid here to be refunded to Buyer. If Buyer does not cancel this Purchase Agreement before  
184. the end of the Inspection Period, then this Inspection Contingency shall be deemed removed and this Purchase  
185. Agreement shall be in full force and effect.

186. **OTHER INSPECTION ITEMS:** \_\_\_\_\_

187. **SALE OF BUYER'S PROPERTY:**

188. (Check one.)

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

191. OR

192. ☐ 2. This Purchase Agreement is contingent upon the successful closing on the Buyer's property located at  
193. \_\_\_\_\_, which is scheduled to close on

194. \_\_\_\_\_, 20 \_\_\_\_\_ pursuant to a fully executed purchase agreement. If Buyer's  
195. property does not close by the closing date specified in this Purchase Agreement, this Purchase Agreement  
196. is canceled. Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said  
197. cancellation and directing all earnest money paid here to be refunded to Buyer. The language in this paragraph  
198. supersedes any other provision to the contrary in any financing contingency made a part of this Purchase  
199. Agreement, if applicable.

200. OR

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

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

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

206. Buyer shall pay ☐ **PRORATED FROM DAY OF CLOSING** ☐ **ALL** ☐ **NONE** ☐ \_\_\_\_\_ /12ths OF real estate  
207. taxes due and payable in the year of closing. (Check one.)

208. Builder shall pay ☐ **PRORATED TO DAY OF CLOSING** ☐ **ALL** ☐ **NONE** ☐ \_\_\_\_\_ /12ths OF real estate taxes  
209. due and payable in the year of closing. (Check one.)

210. Builder warrants that taxes due and payable in the year 20 \_\_\_\_\_ shall be **NON-HOMESTEAD** classification. Builder  
211. agrees to pay Buyer at closing \$ \_\_\_\_\_ toward the non-homestead real estate taxes. Buyer  
212. agrees to pay any remaining balance of non-homestead taxes when they become due and payable. Buyer shall pay  
213. real estate taxes due and payable in the year following closing and thereafter, the payment of which is not otherwise  
214. here provided. No representations are made concerning the amount of subsequent real estate taxes.

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

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

218. ☐ **BUYER AND BUILDER SHALL PRORATE AS OF THE DATE OF CLOSING** ☐ **BUILDER SHALL PAY ON**  
219. **DATE OF CLOSING** all installments of special assessments certified for payment with the real estate taxes due and  
220. payable in the year of closing. (Check one.)



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222. Property located at MINNEAPOLIS.

223. ☐ **BUYER SHALL ASSUME** ☐ **BUILDER SHALL PAY** on date of closing all other special assessments levied as  
----- (Check one.) -----

224. of the date of this Purchase Agreement.

225. ☐ **BUYER SHALL ASSUME** ☐ **BUILDER SHALL PROVIDE FOR PAYMENT OF** special assessments pending  
----- (Check one.) -----

226. as of the date of this Purchase Agreement for improvements that have been ordered by any assessing authorities.

227. (Builder's provision for payment shall be by payment into escrow of two (2) times the estimated amount of the

228. assessments, or less, as required by Buyer's lender.) Buyer shall pay any unpaid special assessments payable in the year

229. following closing and thereafter, the payment of which is not otherwise here provided. As of the date of this Purchase

230. Agreement, Builder represents that Builder ☐ **HAS** ☐ **HAS NOT** received a notice regarding any new improvement project  
----- (Check one.) -----

231. from any assessing authorities, the costs of which project may be assessed against the Property. Any such notice received

232. by Builder after the date of this Purchase Agreement and before closing shall be provided to Buyer immediately. If such

233. notice is issued after the date of this Purchase Agreement and on or before the date of closing, then the parties may

234. agree in writing, on or before the date of closing, to pay, provide for the payment of, or assume the special assessments.

235. In the absence of such agreement, either party may unilaterally pay, provide for the payment of, or assume such

236. special assessments. In the absence of said agreement or said unilateral election, either party may declare this Purchase

237. Agreement canceled by written notice to the other party, or licensee representing or assisting the other party, in which

238. case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled, Buyer and

239. Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all

240. earnest money paid here to be refunded to Buyer.

241. **ADDITIONAL PROVISIONS:**

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

243. cancellation of a previously written purchase agreement dated \_\_\_\_\_, 20 \_\_\_\_\_.

244. (If answer is **IS**, said cancellation shall be obtained no later than \_\_\_\_\_, 20 \_\_\_\_\_.

245. If said cancellation is not obtained by said date, this Purchase Agreement is canceled. Buyer and Builder shall immediately

246. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to

247. be refunded to Buyer.)

248. **PRICE PROTECTION:** If this Purchase Agreement is contingent, a \_\_\_\_\_-day price protection is granted from

249. the date of this Purchase Agreement. If the contingency is not removed within said time period, price shall become

250. null and void. Buyer and Builder will then renegotiate the price. In the event the price cannot be renegotiated, this

251. Purchase Agreement is canceled. Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement*

252. confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

253. **COMMENCEMENT OF CONSTRUCTION:** Upon execution of this Purchase Agreement and clearing of all contingencies,

254. Builder shall commence with all reasonable diligence to final completion.

255. **BUYER AGREES THAT THE DIRECTION AND SUPERVISION OF THE WORKFORCES, INCLUDING**

256. **SUBCONTRACTORS, RESTS EXCLUSIVELY WITH BUILDER. BUYER AGREES NOT TO INTERFERE WITH OR**

257. **ISSUE INSTRUCTIONS TO WORKFORCES NOR TO CONTRACT FOR ADDITIONAL WORK WITH CONTRACTORS**

258. **OR SUBCONTRACTORS EXCEPT WITH BUILDER'S WRITTEN PERMISSION. IF PERMISSION IS GRANTED,**

259. **SUCH ADDITIONAL WORK SHALL NOT INTERFERE WITH BUILDER'S COMPLETION OF THE CONSTRUCTION**

260. **OF THE HOME.**

261. **MODIFICATIONS:** Any significant change in the *Plans and Specifications* must be approved in writing by

262. both parties citing by CHANGE ORDER any increase or decrease in the purchase price caused by such change.

263. Unless otherwise agreed in writing, any such increase or decrease shall be reflected as an adjustment in cash at

264. ☐ **EXECUTION OF THE CHANGE ORDER** ☐ **CLOSING.** Materials of similar type and quality may be substituted  
----- (Check one.) -----

265. without notice to or consent of Buyer, as long as such change or substitution shall not substantially alter the character

266. of the home or reduce the value thereof.

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268. Property located at MINNEAPOLIS.

269. **COMPLETION:** At closing, Builder shall furnish proper individual lien waivers for all labor and materials provided.  
270. Builder's funds shall be escrowed for any work which cannot be completed because of weather conditions or because  
271. of mortgage requirements. Such escrowed funds shall be payable to Builder upon completion of such specified  
272. work.

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

274. ☐ **WARRANTY DEED** ☐ **PERSONAL REPRESENTATIVE'S DEED** ☐ **CONTRACT FOR DEED** ☐ **TRUSTEE'S DEED**

275. ☐ **OTHER:** \_\_\_\_\_ **DEED** joined in by spouse, if any, conveying marketable title, subject to

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

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

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

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

280. (e) **rights of tenants as follows** (unless specified, not subject to tenancies): \_\_\_\_\_

281. \_\_\_\_\_ ; and

282. (f) others (must be specified in writing): \_\_\_\_\_

283. \_\_\_\_\_

284. **POSSESSION:** Builder shall deliver possession of the Property: *(Check one.)*

285. ☐ **IMMEDIATELY AFTER CLOSING**; or

286. ☐ **OTHER:** \_\_\_\_\_

287. Builder agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property

288. by possession date.

289. **TITLE AND EXAMINATION:** As quickly as reasonably possible after Final Acceptance Date of this Purchase Agreement:

290. (a) Builder shall deliver any abstract of title and a copy of any owner's title insurance policy for the Property, if  
291. in Builder's possession or control, to Buyer or Buyer's designated title service provider. Any abstract of title or  
292. owner's title insurance policy shall be immediately returned to Builder, or licensee representing or assisting  
293. Builder, upon cancellation of this Purchase Agreement; and

294. (b) Buyer shall obtain the title services determined necessary or desirable by Buyer or Buyer's lender, including  
295. but not limited to title searches, title examinations, abstracting, a title insurance commitment, or an attorney's  
296. title opinion at Buyer's selection and cost and provide a copy to Builder.

297. Builder shall use Builder's best efforts to provide marketable title by the date of closing. Builder agrees to pay all costs  
298. and fees necessary to convey marketable title including obtaining and recording all required documents, subject to the  
299. following:

300. In the event Builder has not provided marketable title by the date of closing, Builder shall have an additional thirty  
301. (30) days to make title marketable or, in the alternative, Buyer may waive title defects by written notice to Builder.  
302. In addition to the thirty (30)-day extension, Buyer and Builder may, by mutual agreement, further extend the closing  
303. date. Lacking such extension, either party may declare this Purchase Agreement canceled by written notice to the  
304. other party, or licensee representing or assisting the other party, in which case this Purchase Agreement is canceled;  
305. neither party shall be liable for damages here to the other. If either party declares this Purchase Agreement canceled,  
306. Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and  
307. directing all earnest money paid here to be refunded to Buyer.

308. **GENERAL WARRANTIES:** Builder warrants that buildings are or shall be constructed entirely within the boundary lines  
309. of the Property. Builder warrants that there is a right of access to the Property from a public right-of-way.

310. **MECHANIC'S LIENS:** Builder warrants that prior to the closing, payment in full shall have been made for all labor,  
311. materials, machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing in connection  
312. with construction, alteration, or repair of any structure on or improvement to the Property.

313. **NOTICES:** Builder warrants that Builder has not received any notice from any governmental authority as to violation  
314. of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Builder warrants that Builder has  
315. not received any notice from any person or authority as to a breach of the covenants. Any notices received by Builder  
316. shall be provided to Buyer immediately.

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318. Property located at MINNEAPOLIS.
319. **DIMENSIONS:** Buyer acknowledges any dimensions, square footage, or acreage of land or improvements provided by  
320. Builder, third party, or broker representing or assisting Builder are approximate. Buyer shall verify the accuracy of  
321. information to Buyer's satisfaction, if material, at Buyer's sole cost and expense.
322. **RISK OF LOSS:** If there is any loss or damage to the Property between the Final Acceptance Date and the date of  
323. closing for any reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Builder.  
324. If the Property is destroyed or substantially damaged before the closing date, this Purchase Agreement is canceled,  
325. at Buyer's option. If Buyer cancels this Purchase Agreement, Buyer and Builder shall immediately sign a *Cancellation*  
326. *of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.
327. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.
328. **WALK-THROUGH REVIEW:** Buyer has the right to a walk-through review of the Property prior to closing.
329. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (Calendar or Business Days as specified)  
330. following the occurrence of the event specified and includes subsequent days (Calendar or Business Days as specified)  
331. ending at 11:59 P.M. on the last day.
332. **BUSINESS DAYS:** "Business Days" are days which are not Saturdays, Sundays, or state or federal holidays unless  
333. stated elsewhere by the parties in writing.
334. **CALENDAR DAYS:** "Calendar Days" include Saturdays, Sundays, and state and federal holidays.
335. **RELEASE OF EARNEST MONEY:** Buyer and Builder agree that the Earnest Money Holder shall release earnest  
336. money from the Earnest Money Holder's trust account:  
337.     (a) at or upon the successful closing of the Property;  
338.     (b) pursuant to written agreement between the parties, which may be reflected in a *Cancellation of Purchase*  
339.     *Agreement* executed by both Buyer and Builder;  
340.     (c) upon receipt of an affidavit of a cancellation under MN Statute 559.217; or  
341.     (d) upon receipt of a court order.
342. **DEFAULT:** If Buyer defaults in any of the agreements here, Builder may cancel this Purchase Agreement, and any  
343. payments made here, including earnest money, shall be retained by Builder as liquidated damages and Buyer and  
344. Builder shall affirm the same by a written cancellation agreement.
345. If Buyer defaults in any of the agreements here, Builder may terminate this Purchase Agreement, under the  
346. provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable. If either the Buyer or  
347. Builder defaults in any of the agreements here or there exists an unfulfilled condition after the date specified for fulfillment,  
348. either party may cancel this Purchase Agreement under MN Statute 559.217, Subd. 3. Whenever it is provided here  
349. that this Purchase Agreement is canceled, said language shall be deemed a provision authorizing a Declaratory  
350. Cancellation under MN Statute 559.217, Subd. 4.
351. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Builder may seek actual damages  
352. for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific  
353. performance, such action must be commenced within six (6) months after such right of action arises.
354. **NEW CONSTRUCTION STATUTORY WARRANTIES: MINNESOTA LAW REQUIRES THAT A SELLER OF NEW**  
355. **HOMES MUST PROVIDE CERTAIN WARRANTIES TO THE PURCHASER. BUILDER WARRANTS TO THE FIRST**  
356. **PURCHASER AND SUBSEQUENT PURCHASERS THAT**  
357.     **" (1) DURING THE ONE-YEAR PERIOD FROM AND AFTER THE WARRANTY DATE, THE DWELLING**  
358.     **SHALL BE FREE FROM DEFECTS CAUSED BY FAULTY WORKMANSHIP AND DEFECTIVE MATERIALS**  
359.     **DUE TO NONCOMPLIANCE WITH BUILDING STANDARDS;**  
360.     **(2) DURING THE TWO-YEAR PERIOD FROM AND AFTER THE WARRANTY DATE, THE DWELLING SHALL**  
361.     **BE FREE FROM DEFECTS CAUSED BY FAULTY INSTALLATION OF PLUMBING, ELECTRICAL, HEATING**  
362.     **AND COOLING SYSTEMS; AND**  
363.     **(3) DURING THE TEN-YEAR PERIOD FROM AND AFTER THE WARRANTY DATE, THE DWELLING SHALL**  
364.     **BE FREE FROM MAJOR CONSTRUCTION DEFECTS."**
365. **TO DETERMINE THE EXACT COVERAGE UNDER THE WARRANTY AND THE EXCLUSION TO THE WARRANTY,**  
366. **SEE MN STATUTE SECTION 327A.01-327A.03. BUYERS MUST PURSUE CERTAIN STATUTORY PROCEDURES**  
367. **BEFORE THEY CAN PURSUE LEGAL ACTION FOR WARRANTY CLAIMS. SEE MN STATUTE 327A.02,**  
368. **SUBD. 4.**



**PURCHASE AGREEMENT:  
NEW CONSTRUCTION**

369. Page 9 Date 01/10/2019

370. Property located at MINNEAPOLIS

371. **A BUYER HAS TWO YEARS FROM**

372. (A) THE DISCOVERY OF A BREACH OF THE STATUTORY WARRANTIES SUMMARIZED ABOVE; OR

373. (B) FROM THE DISCOVERY OF A BREACH OF AN EXPRESSED WRITTEN WARRANTY TO BRING AN  
374. ACTION BASED ON THE BREACH.

375. IN THE CASE OF AN ACTION UNDER MN STATUTE SECTION 327A.05 WHICH ACCRUES DURING THE NINTH  
376. OR TENTH YEAR AFTER THE WARRANTY DATE, AN ACTION MAY BE BROUGHT WITHIN TWO YEARS OF THE  
377. DISCOVERY OF THE BREACH, BUT IN NO EVENT MAY AN ACTION UNDER MN STATUTE SECTION 327A.05  
378. BE BROUGHT MORE THAN 12 YEARS AFTER THE EFFECTIVE WARRANTY DATE.

379. **NOTICE:** Buyer has received, if required, written information regarding the home warranty dispute resolution  
380. process pursuant to MN Statute 327A.051.

381. **IMPORTANT HEALTH NOTICE:** SOME OF THE BUILDING MATERIALS USED IN THIS HOME (OR THESE BUILDING  
382. MATERIALS) EMIT FORMALDEHYDE. EYE, NOSE, AND THROAT IRRITATION, HEADACHE, NAUSEA, AND A  
383. VARIETY OF ASTHMA-LIKE SYMPTOMS, INCLUDING SHORTNESS OF BREATH, HAVE BEEN REPORTED AS  
384. A RESULT OF FORMALDEHYDE EXPOSURE. ELDERLY PERSONS AND YOUNG CHILDREN, AS WELL AS  
385. ANYONE WITH A HISTORY OF ASTHMA, ALLERGIES, OR LUNG PROBLEMS, MAY BE AT GREATER RISK.  
386. RESEARCH IS CONTINUING ON THE POSSIBLE LONG-TERM EFFECTS OF EXPOSURE TO  
387. FORMALDEHYDE.

388. REDUCED VENTILATION MAY ALLOW FORMALDEHYDE AND OTHER CONTAMINANTS TO ACCUMULATE  
389. IN THE INDOOR AIR. HIGH INDOOR TEMPERATURES AND HUMIDITY RAISE FORMALDEHYDE LEVELS. WHEN  
390. A HOME IS TO BE LOCATED IN AREAS SUBJECT TO EXTREME SUMMER TEMPERATURES, AN AIR-  
391. CONDITIONING SYSTEM CAN BE USED TO CONTROL INDOOR TEMPERATURE LEVELS. OTHER MEANS OF  
392. CONTROLLED MECHANICAL VENTILATION CAN BE USED TO REDUCE LEVELS OF FORMALDEHYDE AND  
393. OTHER INDOOR AIR CONTAMINANTS.

394. IF YOU HAVE ANY QUESTIONS REGARDING THE HEALTH EFFECTS OF FORMALDEHYDE, CONSULT YOUR  
395. DOCTOR OR LOCAL HEALTH DEPARTMENT.

396. **LIEN NOTICE:**

397. (A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR  
398. PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT  
399. PAID FOR THE CONTRIBUTIONS.

400. (B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR  
401. MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT  
402. PRICE OR TO WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION  
403. OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED  
404. ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.

405. **METHAMPHETAMINE PRODUCTION DISCLOSURE:**

406. (A Methamphetamine Production Disclosure is required by MN Statute 152.0275, Subd. 2 (m).)

407. ☐ Seller is not aware of any methamphetamine production that has occurred on the Property.

408. ☐ Seller is aware that methamphetamine production has occurred on the Property.

409. (See Disclosure Statement: Methamphetamine Production.)

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

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

**PURCHASE AGREEMENT:  
NEW CONSTRUCTION**

419. Page 10 Date 01/10/2019

420. Property located at MINNEAPOLIS

421. **(Check appropriate boxes.)**

422. BUILDER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:

423. **CITY SEWER** ☐ **YES** ☐ **NO** / **CITY WATER** ☐ **YES** ☐ **NO**

424. **SUBSURFACE SEWAGE TREATMENT SYSTEM**

425. BUILDER ☐ **DOES** ☐ **DOES NOT** KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR  
----- (Check one.) -----

426. SERVING THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Disclosure*

427. *Statement: Subsurface Sewage Treatment System.*)

428. **PRIVATE WELL**

429. BUILDER ☐ **DOES** ☐ **DOES NOT** KNOW OF A WELL ON OR SERVING THE PROPERTY.  
----- (Check one.) -----

430. (If answer is **DOES** and well is located on the Property, see *Disclosure Statement: Well.*)

431. TO THE BEST OF BUILDER'S KNOWLEDGE, THE PROPERTY ☐ **IS** ☐ **IS NOT** IN A SPECIAL WELL  
----- (Check one.) -----

432. CONSTRUCTION AREA.

433. THIS PURCHASE AGREEMENT ☐ **IS** ☐ **IS NOT** SUBJECT TO AN *ADDENDUM TO PURCHASE AGREEMENT*:  
----- (Check one.) -----

434. *SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.*

435. (If answer is **IS**, see attached *Addendum*.)

436. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**  
437. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE SEWAGE**  
438. **TREATMENT SYSTEM.**

439. **RADON DISCLOSURE:** (The following Seller disclosure satisfies MN Statute 144.496.)

440. **RADON WARNING STATEMENT:** The Minnesota Department of Health strongly recommends that ALL homebuyers  
441. have an indoor radon test performed prior to purchase or taking occupancy, and recommends having the radon levels  
442. mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a  
443. qualified, certified, or licensed, if applicable, radon mitigator.

444. Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous  
445. levels of indoor radon gas that may place occupants at risk of developing radon-induced lung cancer. Radon, a Class  
446. A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The  
447. seller of any interest in residential real property is required to provide the buyer with any information on radon test  
448. results of the dwelling.

449. **RADON IN REAL ESTATE:** By signing this Statement, Buyer hereby acknowledges receipt of the Minnesota  
450. Department of Health's publication entitled ***Radon in Real Estate Transactions***, which is attached hereto and can be  
451. found at [www.health.state.mn.us/divs/eh/indoorair/radon/rnrealestateweb.pdf](http://www.health.state.mn.us/divs/eh/indoorair/radon/rnrealestateweb.pdf).

452. A seller who fails to disclose the information required under MN Statute 144.496, and is aware of material facts pertaining  
453. to radon concentrations in the property, is liable to the Buyer. A buyer who is injured by a violation of MN Statute 144.496  
454. may bring a civil action and recover damages and receive other equitable relief as determined by the court. Any such  
455. action must be commenced within two years after the date on which the buyer closed the purchase or transfer of the  
456. real property.

457. **SELLER'S REPRESENTATIONS:** The following are representations made by Seller to the extent of Seller's actual  
458. knowledge.

459. (a) Radon test(s) ☐ **HAVE** ☐ **HAVE NOT** occurred on the property.  
----- (Check one.) -----

460. (b) Describe any known radon concentrations, mitigation, or remediation. **NOTE:** *Seller shall attach the most*  
461. *current records and reports pertaining to radon concentration within the dwelling:*

462. \_\_\_\_\_  
463. \_\_\_\_\_

464. (c) There ☐ **IS** ☐ **IS NOT** a radon mitigation system currently installed on the property.  
----- (Check one.) -----

465. If "**IS**," Seller shall disclose, if known, information regarding the radon mitigation system, including system  
466. description and documentation.

467. \_\_\_\_\_  
468. \_\_\_\_\_

**PURCHASE AGREEMENT:  
NEW CONSTRUCTION**

469. Page 11 Date 01/10/2019

470. Property located at MINNEAPOLIS

471. **COVENANTS, CONDITIONS, AND RESTRICTIONS:** Builder warrants that Builder has delivered copies of all  
472. covenants, conditions, and restrictions pertaining to the Property, and Buyer acknowledges receipt and  
473. acceptance of all covenants, conditions, and restrictions.

474. **BUILDER AND BUYER INITIAL(S):** \_\_\_\_\_ Builder(s) \_\_\_\_\_ Buyer(s)

475. **NOTICE:** Buyer shall receive, prior to the execution of this Purchase Agreement, written performance guidelines  
476. for the services to be performed by Builder, pursuant to MN Statute 326B.809(b). Said written performance  
477. guidelines are included or incorporated by reference here.

478. **SPECIAL WARRANTIES:** BUILDER WARRANTS, AS MN STATUTE 327A.02, SUBD. 1(b) REQUIRES, THAT  
479. PLUMBING, ELECTRICAL, HEATING AND COOLING SYSTEMS BE FREE FROM DEFECTS CAUSED BY FAULTY  
480. INSTALLATION FOR A TWO-YEAR PERIOD AND SHALL BE IN WORKING ORDER AT TIME OF CLOSING.  
481. APPLIANCES PROVIDED WITH THE PROPERTY BEAR ONLY THE WARRANTIES ESTABLISHED BY THE  
482. MANUFACTURER, AND BUILDER MAKES NO ADDITIONAL WARRANTIES ON APPLIANCES, EXPRESS OR  
483. IMPLIED.

484. **AGENCY NOTICE**  
485. \_\_\_\_\_ is ☐ Seller's Agent ☐ Buyer's Agent ☐ Dual Agent ☐ Facilitator.  
(Licensee) (Check one.)

486. \_\_\_\_\_  
(Real Estate Company Name)  
487. Steve W Vennemann is ☐ Seller's Agent ☐ Buyer's Agent ☐ Dual Agent ☐ Facilitator.  
(Licensee) (Check one.)

488. Boardwalk Premier Realty, Inc.  
(Real Estate Company Name)

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

**DUAL AGENCY REPRESENTATION**

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

492. ☐ Dual Agency representation **DOES NOT** apply in this transaction. *Do not complete lines 493-509.*

493. ☐ Dual Agency representation **DOES** apply in this transaction. *Complete the disclosure in lines 494-509.*

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

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

502. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and

503. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of  
504. the sale.

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

507. Seller \_\_\_\_\_ Buyer \_\_\_\_\_

508. Seller \_\_\_\_\_ Buyer \_\_\_\_\_

509. Date \_\_\_\_\_ Date \_\_\_\_\_

**PURCHASE AGREEMENT:  
NEW CONSTRUCTION**

510. Page 12 Date 01/10/2019

511. Property located at MINNEAPOLIS.
512. **CLOSING COSTS:** Buyer or Builder may be required to pay certain closing costs, which may increase the cash outlay
513. at closing or effectively reduce the proceeds from the sale.
514. **SETTLEMENT STATEMENT:** Buyer and Builder authorize the title company, escrow agent, and/or their representatives
515. to disclose and provide copies of the disbursing agent's settlement statement to the real estate licensees involved in
516. the transaction at the time these documents are provided to Buyer and Builder.
517. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code
518. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold
519. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller
520. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.
521. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same
522. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive
523. the closing and delivery of the deed.
524. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement
525. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer
526. identification numbers or Social Security numbers.
527. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for
528. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**
529. **compliance, as the respective licensees representing or assisting either party will be unable to assure either**
530. **party whether the transaction is exempt from FIRPTA withholding requirements.**
531. **ENTIRE AGREEMENT:** This Purchase Agreement and any addenda or amendments signed by the parties shall
532. constitute the entire agreement between Buyer and Builder. Any other written or oral communication between Buyer
533. and Builder, including, but not limited to, e-mails, text messages, or other electronic communications are not part of
534. this Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and
535. Builder or by operation of law. All monetary sums are deemed to be United States currency for purposes of this Purchase
536. Agreement.
537. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this
538. transaction constitute valid, binding signatures.
539. **FINAL ACCEPTANCE:** To be binding, this Purchase Agreement must be fully executed by both parties and a copy
540. must be delivered.
541. **SURVIVAL:** All warranties specified in this Purchase Agreement shall survive the delivery of the deed or contract for
542. deed.
543. **OTHER:** \_\_\_\_\_
544. \_\_\_\_\_

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

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

547. ☐ Addendum to Purchase Agreement
548. ☐ Addendum to Purchase Agreement: Assumption Financing
549. ☐ Addendum to Purchase Agreement: Buyer Move-In Agreement
550. ☐ Addendum to Purchase Agreement: Buyer Purchasing "As Is" and Limitation of Seller Liability
551. ☐ Addendum to Purchase Agreement: Condominium/Townhouse/Cooperative Common Interest Community
552. ("CIC")
553. ☐ Addendum to Purchase Agreement: Contract for Deed Financing
554. ☐ Addendum to Purchase Agreement: Disclosure of Information on Lead-Based Paint and Lead-Based Paint
555. Hazards
556. ☐ Addendum to Purchase Agreement: Sale of Buyer's Property Contingency
557. ☐ Addendum to Purchase Agreement: Seller's Rent Back Agreement
558. ☐ Addendum to Purchase Agreement: Short Sale Contingency
559. ☐ Addendum to Purchase Agreement: Subsurface Sewage Treatment System and Well Inspection Contingency

**PURCHASE AGREEMENT:  
NEW CONSTRUCTION**

560. Page 13 Date 01/10/2019

561. Property located at MINNEAPOLIS

562. I agree to sell the Property for the price and on the terms  
563. and conditions set forth above.

564. **I have reviewed all pages of this Purchase**  
565. **Agreement.**

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

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

566. ☐ **If checked, this Purchase Agreement is subject to**  
567. **attached Addendum to Purchase Agreement:**  
568. **Counteroffer.**

569. **FIRPTA:** Builder represents and warrants, under penalty  
570. of perjury, that Builder ☐ **IS** ☐ **IS NOT** a foreign person (i.e.,  
-----*(Check one.)*-----

571. a non-resident alien individual, foreign corporation, foreign  
572. partnership, foreign trust, or foreign estate for purposes of  
573. income taxation. (See lines 517-530.) This representation  
574. and warranty shall survive the closing of the transaction  
575. and the delivery of the deed.

576. **X** \_\_\_\_\_  
(Builder's Signature) (Date)

**X** \_\_\_\_\_  
(Buyer's Signature) (Date)

577. **X** \_\_\_\_\_  
(Builder's Printed Name)

**X** \_\_\_\_\_  
(Buyer's Printed Name)

578. **X** \_\_\_\_\_  
(Marital Status)

**X** \_\_\_\_\_  
(Marital Status)

579. **X** \_\_\_\_\_  
(Builder's Signature) (Date)

**X** \_\_\_\_\_  
(Buyer's Signature) (Date)

580. **X** \_\_\_\_\_  
(Builder's Printed Name)

**X** \_\_\_\_\_  
(Buyer's Printed Name)

581. **X** \_\_\_\_\_  
(Marital Status)

**X** \_\_\_\_\_  
(Marital Status)

582. Builder's License Number \_\_\_\_\_

583. Builder's Federal ID Number \_\_\_\_\_

584. **FINAL ACCEPTANCE DATE:** \_\_\_\_\_ The Final Acceptance Date  
585. is the date on which the fully executed Purchase Agreement is delivered.

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

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

592. **BUILDER(S)** \_\_\_\_\_ **BUYER(S)** \_\_\_\_\_

593. **BUILDER(S)** \_\_\_\_\_ **BUYER(S)** \_\_\_\_\_



# Radon in Real Estate Transactions

**All Minnesota homes can have dangerous levels of radon gas.** Radon is a colorless, odorless and tasteless **radioactive gas** that can seep into homes from the soil. When inhaled, it can damage the lungs. Long-term exposure to radon can lead to **lung cancer**. About 21,000 lung cancer deaths each year in the United States are caused by radon.

The only way to know how much radon gas has entered the home is to conduct a radon test. MDH estimates 2 in 5 homes exceed the 4.0 pCi/L action level. Whether a home is old or new, **any home can have high levels of radon.**

The purpose of this publication is to educate and inform potential home buyers of the risks of radon exposure, and how to test for and reduce radon as part of real estate transactions.

## Disclosure Requirements



Effective January 1, 2014, the Minnesota Radon Awareness Act requires specific disclosure and education be provided to potential home buyers during residential real estate transactions in Minnesota. **Before signing a purchase agreement to sell or transfer residential real property**, the seller shall provide this publication and shall disclose in writing to the buyer:

1. whether a radon test or tests have occurred on the property;
2. the most current records and reports pertaining to radon concentrations within the dwelling;
3. a description of any radon levels, mitigation, or remediation;
4. information on the radon mitigation system, if a system was installed; and
5. a radon warning statement.

**MDH** Minnesota  
Department of Health

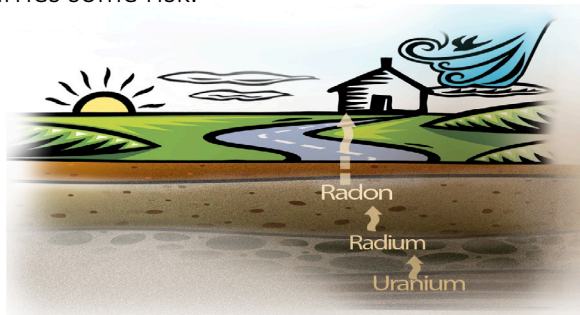
**INDOOR AIR UNIT**

## Radon Facts

**How dangerous is radon?** Radon is the number one cause of lung cancer in non-smokers, and the second leading cause overall. Your risk for lung cancer increases with higher levels of radon, prolonged exposure, and whether or not you are a current smoker or former smoker.

**Where is your greatest exposure to radon?** For most Minnesotans, your greatest exposure is at home where radon can concentrate indoors.

**What is the recommended action based on my results?** If the average radon in the home is at or above 4.0 pCi/L, the home's radon level should be reduced. Also, consider mitigating if radon levels are between 2.0 pCi/L and 3.9 pCi/L. Any amount of radon, even below the recommended action level, carries some risk.



**MDH Radon Program**

PO Box 64975

St Paul, MN 55164-0975

[health.indoor@state.mn.us](mailto:health.indoor@state.mn.us)

[www.health.state.mn.us/radon](http://www.health.state.mn.us/radon)

651-201-4601

800-798-9050

## Radon Testing

Any test lasting less than three months requires **closed-house conditions**. Keep all windows and doors closed, except for normal entry and exit.

**Before testing:** Begin closed-house conditions at least 12 hours before the start of the radon test.

**During testing:** Maintain closed-house conditions during the entire duration of the short-term test. Operate home heating or cooling systems normally during the test. Test for at least 48 hours.

**Where should the test be conducted?** Any radon test conducted for a real estate transaction needs to be placed in the lowest livable area of the home suitable for occupancy. This is typically in the basement, whether finished or unfinished.

Place the test kit:

- twenty inches to six feet above the floor
- at least three feet from exterior walls
- four inches away from other objects
- in a location where it won't be disturbed
- not in enclosed areas or areas of high heat or humidity

## Radon Mitigation

When elevated levels of radon are found, they can be easily reduced by a certified radon mitigation professional.

**Radon mitigation** is the process used to reduce radon concentrations in buildings. This is done by drawing soil gas from under the house and venting it above the roof. A quality mitigation system should reduce levels to below 4.0 pCi/L, if not lower.

**After a radon mitigation system is installed** perform an independent short-term test to ensure the reduction system is effective. Operate the radon system during the entire test. This test will confirm low levels in the home. Be sure to retest the house every two years to confirm continued radon reduction.

## Radon Warning Statement

*"The Minnesota Department of Health strongly recommends that ALL homebuyers have an indoor radon test performed prior to purchase or taking occupancy, and recommends having the radon levels mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a qualified, certified, or licensed, if applicable, radon mitigator.*

*Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer. Radon, a Class A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The seller of any interest in residential real property is required to provide the buyer with any information on radon test results of the dwelling".*

**How are radon tests conducted in real estate transactions?** There are special protocols for radon testing. The two most common ways to test are either using a calibrated continuous radon monitor (CRM) or two-short term test kits used at the same time. The short-term test kits are placed 4 inches apart and the results are averaged.

### Continuous Radon Monitor (CRM)

*Fastest*



### Simultaneous Short-term Testing

*Second Fastest*



**All radon tests should be conducted by a certified professional.** This ensures the test was conducted properly, in the correct location, and under appropriate building conditions. A list of these radon measurement professionals can be found at MDH's Radon website. If the seller previously conducted testing in a property at or above 4 pCi/L, the home should be mitigated.

# 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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