

**PURCHASE AGREEMENT:
NEW CONSTRUCTION**

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

5. BUYER (S): _____
6. _____
7. Buyer's earnest money in the amount of One Thousand
8. _____ Dollars

9. (\$ 1,000) 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 ☐ _____
("Earnest Money Holder")

13. NO LATER THAN TWO (2) BUSINESS DAYS AFTER FINAL ACCEPTANCE DATE. Buyer and Builder agree that Earnest
14. Money Holder shall deposit any earnest money in the Earnest Money Holder's trust account within three (3) Business
15. Days of receipt of the earnest money or Final Acceptance Date, whichever is later.

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

17. Street Address: _____

18. City of _____, County of _____,

19. State of Minnesota, Zip Code _____, legally described as _____

20. _____

21. _____

22. Builder agrees to construct or complete construction, or has completed construction, upon the real property a
23. home, together with other improvements. All improvements ☐ WILL BE ☐ HAVE BEEN built in substantial
_____ (Check one.)

24. conformance with the Plans and Specifications for the _____, a copy of which is attached to
(Plan # or Model Name)

25. this Purchase Agreement as Exhibit "A" or is in the office of Builder. The real property, as improved by construction,
26. together with personal property, if any, chosen by Buyer and to be provided by Builder (collectively the "Property").

27. **PURCHASE PRICE:**

28. Builder has agreed to sell the Property to Buyer for the sum of (\$ _____)

29. _____ Dollars, which Buyer agrees to pay as follows:

30. ~~additional earnest money~~ ^{cash deposit} (in the method elected above) of \$ 4,000

31. due immediately upon final acceptance of this purchase agreement to the Builder. ; and
(Dates, Terms, or Conditions)

32. 1. _____ percent (%) of the sale price in **CASH**, or more in Buyer's sole discretion, including earnest money;

33. 2. _____ percent (%) of the sale price in **MORTGAGE FINANCING**. (See following Mortgage Financing section.)

34. 3. _____ percent (%) of the sale price by **ASSUMING** Seller's current mortgage. (See attached *Addendum to*
35. *Purchase Agreement: Assumption Financing*.)

36. 4. _____ percent (%) of the sale price by **CONTRACT FOR DEED**. (See attached *Addendum to Purchase*
37. *Agreement: Contract for Deed Financing*.)

38. **CLOSING DATE:**

39. The date of closing shall be _____.

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40. Page 2 Date _____

41. Property located at _____.

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

49. ☐ **CONVENTIONAL OR PRIVATELY INSURED CONVENTIONAL**

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

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

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

53. ☐ **OTHER** _____

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

55. tbd years, with an initial interest rate at no more than best avail percent (%) per annum. The mortgage

56. application **IS TO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the Final Acceptance Date. Buyer agrees to

57. use best efforts to secure a commitment for such financing and to execute all documents required to consummate

58. said financing.

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

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

64. ☐ **REFUNDED TO BUYER** ☒ **FORFEITED TO BUILDER.**

-----*(Check one.)*-----

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

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

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 Builder, or licensee representing or assisting Builder, 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 Builder;

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

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

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**PURCHASE AGREEMENT:
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80. Page 3 Date _____

81. Property located at _____.
82. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the stated closing date
83. for ANY REASON relating to financing, including, but not limited to interest rate and discount points, if any, then
84. Builder may, at Builder's option, declare this Purchase Agreement canceled, in which case this Purchase Agreement
85. is canceled. If Builder declares this Purchase Agreement canceled, Buyer and Builder shall immediately sign a
86. *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to
87. be forfeited to Builder as liquidated damages. In the alternative, Builder may seek all other remedies allowed by
88. law.
89. Notwithstanding the language in the preceding paragraph, Builder may not declare this Purchase Agreement
90. canceled if the reason this Purchase Agreement does not close was due to:
91. (a) Builder's failure to complete work orders to the extent required by this Purchase Agreement;
92. (b) Builder's failure to complete any other financing terms agreed to be completed by Builder here; or
93. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement, except
94. as 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, Builder may, at Builder's option, declare this
96. Purchase Agreement canceled by written notice to Buyer at any time prior to Builder receiving the Written Statement,
97. in which case this Purchase Agreement is canceled. In the event Builder declares this Purchase Agreement
98. canceled, Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said
99. cancellation and directing all earnest money paid here to be ☐ **REFUNDED TO BUYER** ☒ **FORFEITED TO BUILDER.**
------(Check one.)-----
100. If the Written Statement is not provided, and Builder 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 Builder
102. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest
103. money paid here to be ☐ **REFUNDED TO BUYER** ☒ **FORFEITED TO BUILDER.**
------(Check one.)-----
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; OR**
107. ☒ **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER(S).**
108. **LENDER COMMITMENT WORK ORDERS:** Builder agrees to pay up to \$ _____ 0 _____ to
109. make repairs as required by the lender commitment. If the lender commitment is subject to any work orders for which
110. the cost of making said repairs shall exceed this amount, Builder shall have the following options:
111. (a) making the necessary repairs; or
112. (b) negotiating the cost of making said repairs with Buyer; or
113. (c) declaring this Purchase Agreement canceled, in which case this Purchase Agreement is canceled. Buyer and Builder
114. shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest
115. money paid here to be refunded to Buyer, unless Buyer provides for payment of the cost of said repairs or escrow
116. amounts related thereto above the amount specified on line 108 of this Purchase Agreement.
117. ☐ **BUILDER** ☒ **BUYER** agrees to pay any reinspection fee required by Buyer's lender(s).
------(Check one.)-----
118. **FHA ESCAPE CLAUSE (FHA Financing only):** "It is expressly agreed that, notwithstanding any other provisions of
119. this contract, the purchaser shall not be obligated to complete the purchase of the Property described here or to
120. incur any penalty by forfeiture of earnest money deposits or otherwise, unless the purchaser has been given in accordance
121. with the Department of Housing and Urban Development ("HUD")/FHA or DVA requirements a written statement by the
122. Federal Housing Commissioner, Department of Veterans' Affairs, or a Direct Endorsement lender setting forth the
123. appraised value of the Property as not less than \$ _____ Final Purchase Price _____ .
(sale price)
124. The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard to
125. the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage HUD
126. will insure; HUD does not warrant the value nor the condition of the Property. The purchaser should satisfy himself/
127. herself that the price and condition of the Property are acceptable."

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128. Page 4 Date _____

129. Property located at _____.

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

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

135. _____ paid by Buyer ☐ **AT CLOSING** ☐ **ADDED TO MORTGAGE AMOUNT**
136. 0 paid by Builder ------(Check one.)-----

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

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

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

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

147. _____

BUILDER'S CONTRIBUTIONS TO BUYER'S COSTS:

149. 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.)-----

150. ☐ \$ _____

151. ☐ _____ percent (%) of the sale price

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

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

INSPECTIONS:

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

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

163. determine its condition, including any non-intrusive testing or any intrusive testing as allowed pursuant to this Purchase
164. Agreement.

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

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

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

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

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173. Page 5 Date _____

174. Property located at _____.

175. Within _____ Calendar Days of Final Acceptance Date, all inspection(s), test(s), and resulting negotiations, if any,
176. shall be done ("Inspection Period").

177. If this Purchase Agreement is contingent upon inspection, Buyer may cancel this Purchase Agreement based on the
178. inspection(s) or test result(s) by providing written notice to Builder, or licensee representing or assisting Builder, of
179. Buyer's intent to cancel no later than the end of the Inspection Period. If Buyer cancels this Purchase Agreement,
180. Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
181. directing all earnest money paid here to be refunded to Buyer. If Buyer does not cancel this Purchase Agreement before
182. the end of the Inspection Period, then this Inspection Contingency shall be deemed removed and this Purchase
183. Agreement shall be in full force and effect.

184. **OTHER INSPECTION ITEMS:** _____

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

186. (Check one.)

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

189. OR

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

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

198. OR

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

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

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

204. Buyer shall pay ☒ **PRORATED FROM DAY OF CLOSING** ~~contract~~ ☐ **ALL** ☐ **NONE** ☐ _____ /12ths OF real estate
205. taxes due and payable in the year of closing. (Check one.)

206. Builder shall pay ☒ **PRORATED TO DAY OF CLOSING** ~~contract~~ ☐ **ALL** ☐ **NONE** ☐ _____ /12ths OF real estate taxes
207. due and payable in the year of closing. (Check one.)

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

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

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

217. ☒ **BUYER AND BUILDER SHALL PRORATE AS OF THE DATE OF CLOSING** ~~1/1/2023~~ ☐ **BUILDER SHALL PAY ON**
218. **DATE OF CLOSING** all installments of special assessments certified for payment with the real estate taxes due and
219. payable in the year of closing. (Check one.)

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220. Page 6 Date _____

221. Property located at _____.

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

223. of the Date of this Purchase Agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

240. **ADDITIONAL PROVISIONS:**

241. **PREVIOUSLY EXECUTED PURCHASE AGREEMENT:** This Purchase Agreement ☐ **IS** ☒ **IS NOT** subject to
------(Check one.)-----

242. cancellation of a previously executed purchase agreement dated _____.

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

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

245. immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money

246. paid here to be refunded to Buyer.)

247. **PRICE PROTECTION:** If this Purchase Agreement is contingent on the sale or closing of the Buyer's property and the

248. home is not yet completed, a _____-day price protection is granted from the Final Acceptance Date. If the

249. contingency is not removed within said time period, price shall become null and void. Buyer and Builder will then

250. renegotiate the price. In the event the price cannot be renegotiated, this Purchase Agreement is canceled. Buyer and

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

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

253. **COMMENCEMENT OF CONSTRUCTION:** If not already commenced, upon execution of this Purchase Agreement

254. and clearing of all contingencies, 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.

**PURCHASE AGREEMENT:
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267. Page 7 Date _____

268. Property located at _____.

269. **COMPLETION:** Builder's funds shall be escrowed for any work which cannot be completed because of weather conditions or
270. because of mortgage requirements. Such escrowed funds shall be payable to Builder upon completion of such specified work.

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

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

273. ☐ **OTHER:** _____ **DEED** joined in by spouse, if any, conveying marketable title, subject to

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

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

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

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

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

279. _____ ; and

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

281. _____ .

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

283. ☒ **IMMEDIATELY AFTER CLOSING**; or

284. ☐ **OTHER:** _____ .

285. Builder agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property by
286. possession date.

287. **TITLE AND EXAMINATION:** As quickly as reasonably possible after Final Acceptance Date:

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

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

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

297. In the event Builder has not provided marketable title by the date of closing, Builder shall have an additional thirty
298. (30) days to make title marketable or, in the alternative, Buyer may waive title defects by written notice to Builder.

299. In addition to the thirty (30)-day extension, Buyer and Builder may, by mutual agreement, further extend the closing
300. date. Lacking such extension, either party may declare this Purchase Agreement canceled by written notice to the
301. other party, or licensee representing or assisting the other party, in which case this Purchase Agreement is canceled;
302. neither party shall be liable for damages here to the other. If either party declares this Purchase Agreement canceled,
303. Buyer and Builder shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
304. directing all earnest money paid here to be refunded to Buyer.

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

307. **MECHANIC'S LIENS:** Builder warrants that prior to the closing, payment in full shall have been made for all labor,
308. materials, machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing in connection
309. with construction, alteration, or repair of any structure on or improvement to the Property. At closing, Builder shall
310. furnish proper individual lien waivers for all labor and materials provided.

311. **NOTICES:** Builder warrants that Builder has not received any notice from any governmental authority as to violation
312. of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Builder warrants that Builder
313. has not received any notice from any person or authority as to a breach of the covenants. Any notices received
314. by Builder shall be provided to Buyer immediately. Discriminatory restrictive covenants (e.g. provisions against
315. conveyance of property to any person of a specified religious faith, creed, national origin, race, or color) are illegal and
316. unenforceable. An owner of real property may permanently remove such restrictive covenants from the title by recording
317. a statutory form in the office of the county recorder of any county where the property is located.

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318. Page 8 Date _____

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

**PURCHASE AGREEMENT:
NEW CONSTRUCTION**

372. Page 9 Date _____

373. Property located at _____.

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

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

376. **(B) FROM THE DISCOVERY OF A BREACH OF AN EXPRESSED WRITTEN WARRANTY TO BRING AN**
377. **ACTION BASED ON THE BREACH.**

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

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

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

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

397. **IF YOU HAVE ANY QUESTIONS REGARDING THE HEALTH EFFECTS OF FORMALDEHYDE, CONSULT YOUR**
398. **DOCTOR OR LOCAL HEALTH DEPARTMENT.**

399. **LIEN NOTICE:**

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

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

408. **METHAMPHETAMINE PRODUCTION DISCLOSURE:**

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

410. ☒ Seller is not aware of any methamphetamine production that has occurred on the Property.

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

412. (See *Disclosure Statement: Methamphetamine Production.*)

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

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

MN:PA:NC-9 (8/22)

**PURCHASE AGREEMENT:
NEW CONSTRUCTION**

422. Page 10 Date _____

423. Property located at _____

424. **(Check appropriate boxes.)**

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

426. **CITY SEWER** ☒ **YES** ☐ **NO** / **CITY WATER** ☒ **YES** ☐ **NO**

427. **SUBSURFACE SEWAGE TREATMENT SYSTEM**

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

429. SERVING THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Disclosure Statement: Subsurface Sewage Treatment System*.)

431. **PRIVATE WELL**

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

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

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

435. CONSTRUCTION AREA.

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

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

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

439. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**
440. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE SEWAGE**
441. **TREATMENT SYSTEM.**

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

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

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

452. **RADON IN REAL ESTATE:** By signing this Statement, Buyer hereby acknowledges receipt of the Minnesota
453. Department of Health's publication entitled ***Radon in Real Estate Transactions***, which is attached hereto and can
454. be found at www.health.state.mn.us/communities/environment/air/radon/radonre.html.

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

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

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

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

465. _____

466. _____

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

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

470. _____ passive vent per building code

471. _____

**PURCHASE AGREEMENT:
NEW CONSTRUCTION**

472. Page 11 Date _____

473. Property located at _____.

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

477. **BUILDER AND BUYER INITIAL(S):** _____ Builder(s) _____ Buyer(s)

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

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

487. **AGENCY NOTICE**
488. _____ is ☐ Builder's Agent ☒ Buyer's Agent ☐ Dual Agent ☐ Facilitator.
(Licensee) -----(Check one.)-----

489. _____
(Real Estate Company Name)
490. Nate Anderson - DR is ☒ Builder's Agent ☐ Buyer's Agent ☐ Dual Agent ☐ Facilitator.
(Licensee) -----(Check one.)-----

491. Thomsen Homes
(Real Estate Company Name)
492. **THIS NOTICE DOES NOT SATISFY MINNESOTA STATUTORY AGENCY DISCLOSURE REQUIREMENTS.**

493. **DUAL AGENCY REPRESENTATION**
494. **PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:**
495. ☒ Dual Agency representation **DOES NOT** apply in this transaction. *Do not complete lines 496-512.*
496. ☐ Dual Agency representation **DOES** apply in this transaction. *Complete the disclosure in lines 497-512.*
497. Broker represents both the Seller(s) and the Buyer(s) of the Property involved in this transaction, which creates a
498. dual agency. This means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because
499. the parties may have conflicting interests, Broker and its salespersons are prohibited from advocating exclusively for
500. either party. Broker cannot act as a dual agent in this transaction without the consent of both Seller(s) and Buyer(s).
501. Seller(s) and Buyer(s) acknowledge that
502. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will
503. remain confidential unless Seller(s) or Buyer(s) instructs Broker in writing to disclose this information. Other
504. information will be shared;
505. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
506. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of
507. the sale.
508. With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker
509. and its salesperson to act as dual agents in this transaction.
510. Seller _____ Buyer _____
511. Seller _____ Buyer _____
512. Date _____ Date _____

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

**PURCHASE AGREEMENT:
NEW CONSTRUCTION**

515. Page 12 Date _____

516. Property located at _____.

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

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

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

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

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

534. **FULLY EXECUTED PURCHASE AGREEMENT AND FINAL ACCEPTANCE:** To be binding, this Purchase Agreement
535. and all addenda must be fully executed by both parties and a copy must be delivered.

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

538. **ENTIRE AGREEMENT:** This Purchase Agreement and all addenda and amendments signed by the parties shall
539. constitute the entire agreement between Buyer and Builder. Any other written or oral communication between Buyer
540. and Builder, including, but not limited to, e-mails, text messages, or other electronic communications are not part of
541. this Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and
542. Builder or by operation of law. All monetary sums are deemed to be United States currency for purposes of this
543. Purchase Agreement.

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

546. **DATE OF THIS PURCHASE AGREEMENT:** Date of this Purchase Agreement to be defined as the date on line one
547. (1) of this Purchase Agreement.

548. **OTHER:** _____

549. _____

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

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

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

565. ☐ Other: _____

**PURCHASE AGREEMENT:
NEW CONSTRUCTION**

566. Page 13 Date _____

567. Property located at _____.

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

570. **I have reviewed all pages of this Purchase**
571. **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.

572. ☐ **If checked, this Purchase Agreement is subject to**
573. **attached *Addendum to Purchase Agreement:***
574. ***Counteroffer* and the Final Acceptance Date shall be**
575. **noted on the *Addendum*.**

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

578. a non-resident alien individual, foreign corporation, foreign
579. partnership, foreign trust, or foreign estate for purposes of
580. income taxation. (See lines 520-533.) This representation
581. and warranty shall survive the closing of the transaction
582. and the delivery of the deed.

583. **X** _____
(Builder's Signature) (Date)

X _____
(Buyer's Signature) (Date)

584. **X** _____
(Builder's Printed Name)

X _____
(Buyer's Printed Name)

585. **X** _____
(Builder's Signature) (Date)

X _____
(Buyer's Signature) (Date)

586. **X** _____
(Builder's Printed Name)

X _____
(Buyer's Printed Name)

587. Builder's License Number BC630723

588. Builder's Federal ID Number 26-2320773

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

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

593. **I ACKNOWLEDGE THAT I HAVE RECEIVED AND HAVE HAD THE OPPORTUNITY TO REVIEW THE**
594. ***DISCLOSURE STATEMENT: ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION***
595. ***AGREEMENT*, WHICH IS AN OPTIONAL, VOLUNTARY AGREEMENT SEPARATE FROM THIS PURCHASE**
596. ***AGREEMENT*.**

597. **BUILDER(S)** _____ **BUYER(S)** _____

598. **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, its radioactive particles 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 (picocuries per liter) 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
5. a radon warning statement

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.

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"

Radon Testing

Any test lasting less than three months requires **closed-house conditions**. This means 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.

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:

- 20 inches to 6 feet above the floor
- 3 feet from exterior doors and windows
- 1 foot from exterior walls
- 4 inches away from other objects
- in a location where it won't be disturbed
- not in enclosed areas or areas of high heat/humidity

How are radon tests conducted in real estate transactions?

There are special protocols for radon testing in real estate transactions. Here are the two most common.

Continuous Radon Monitor (CRM)

This test is completed by a certified radon measurement professional with a calibrated CRM for a minimum of 48 hours. The data is analyzed to ensure a valid test. A report is generated by the measurement professional.

Simultaneous Short-Term Testing

Two short-term test kits are used at the same time, placed 4 inches apart, for a minimum of 48 hours. Test kits are sent to the lab for analysis. The lab generates a report. The two test results are averaged to get the radon level.

All radon tests should be conducted by a licensed professional. This ensures the test was conducted properly, in the correct location(s), which includes testing the lowest liveable level in each unique foundation type and under appropriate building conditions. A list of these licensed radon measurement professionals can be found at MDH's Radon web site.

Radon Mitigation

When elevated levels of radon are found, they can be easily reduced by a licensed professional. A list of these licensed radon mitigation professionals can be found on MDH's Radon website.

Radon mitigation is the process or system used to reduce radon concentrations in the breathing zones of occupied buildings. The goal of a radon mitigation system is to reduce the indoor radon levels to below the action level. This is done by drawing soil gas from under the house and venting it above the roof. A quality mitigation system is often able to reduce the annual average radon level to below 2.0 pCi/L. The cost of a radon mitigation system averages \$1,200 to \$2,500.

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 short-term test will confirm low levels in the home. Be sure to retest the house every two years to confirm continued radon reduction.

Radon Information on the Web:

www.health.state.mn.us/radon

Last Updated 3/2021

MDH Indoor Air Unit

PO Box 64975
St Paul, MN 55164-0975
651-201-4601
800-798-9050

health.indoorair@state.mn.us