DISCLOSURE STATEMENT:
SELLER’S DISCLOSURE ALTERNATIVES

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1. Date 10/21/2016

2. Page 1 of 7 pages: RECORDS AND REPORTS, IF ANY, ARE ATTACHED AND MADE A PART OF THIS DISCLOSURE

3. Property located at 3585 Lake Haughey Rd, Maple Plain, MN 55359


5. NOTICE: Sellers of residential property, with limited exceptions, are obligated to satisfy the requirements of MN Statutes 513.52 through 513.60. To comply with the statute, Seller must provide either a written disclosure to the prospective Buyer (see Disclosure Statement: Seller’s Property Disclosure Statement) or satisfy one of the following two options. Disclosures made here, if any, are not a warranty or guarantee of any kind by Seller or licensee(s) representing or assisting any party in this transaction and are not a substitute for any inspections or warranties the party(ies) may wish to obtain.

(Select one option only.)

1) ☐ QUALIFIED THIRD-PARTY INSPECTION: Seller shall provide to prospective Buyer a written report that discloses material information relating to the real property that has been prepared by a qualified third party. “Qualified third party” means a federal, state, or local governmental agency, or any person whom Seller or prospective Buyer reasonably believes has the expertise necessary to meet the industry standards of practice for the type of inspection or investigation that has been conducted by the third party in order to prepare the written report.

Seller shall disclose to prospective Buyer material facts known by Seller that contradict any information that is included in a written report, or material facts known by Seller that are not included in the report.

The inspection report was prepared by ____________________________, and dated ______________, 20______.

Seller discloses to Buyer the following material facts known by Seller that contradict any information included in the above referenced inspection report.

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Seller discloses to Buyer the following material facts known by Seller that are not included in the above referenced inspection report.

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2) ☒ WAIVER: The written disclosure required may be waived if Seller and prospective Buyer agree in writing. Seller and Buyer hereby waive the written disclosure required under MN Statutes 513.52 through 513.60.

NOTE: If both Seller and prospective Buyer agree, in writing, to waive the written disclosure required under MN Statutes 513.52 through 513.60, Seller is not obligated to disclose ANY material facts of which Seller is aware that could adversely and significantly affect the Buyer’s use or enjoyment of the property or any intended use of the property, other than those disclosure requirements created by any other law. Seller is not obligated to update Buyer on any changes made to material facts of which Seller is aware that could adversely and significantly affect the Buyer’s use or enjoyment of the property or any intended use of the property that occur, other than those disclosure requirements created by any other law.

Waiver of the disclosure required under MN Statutes 513.52 through 513.60 does not waive, limit, or abridge any obligation for Seller disclosure created by any other law.
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48. Property located at 3585 Lake Haughey Rd, Maple Plain, MN 55359.

49. OTHER REQUIRED DISCLOSURES:

NOTE: In addition to electing one of the above alternatives to the material fact disclosure, Minnesota law also requires sellers to provide other disclosures to prospective buyers, such as those disclosures listed below. Additionally, there may be other required disclosures by federal, state, local, or other governmental entities that are not listed below.

54. A. SUBSURFACE SEWAGE TREATMENT SYSTEM DISCLOSURE: (A subsurface sewage treatment system disclosure is required by MN Statute 115.55.) (Check appropriate box.)

56. Seller certifies that Seller [x] DOES [ ] DOES NOT know of a subsurface sewage treatment system on or serving the above-described real property. (If answer is DOES, and the system does not require a state permit, see Disclosure Statement: Subsurface Sewage Treatment System.)

59. [x] There is a subsurface sewage treatment system on or serving the above-described real property. (See Disclosure Statement: Subsurface Sewage Treatment System.)

61. [ ] There is an abandoned subsurface sewage treatment system on the above-described real property. (See Disclosure Statement: Subsurface Sewage Treatment System.)

63. B. PRIVATE WELL DISCLOSURE: (A well disclosure and Certificate are required by MN Statute 103I.235.) (Check appropriate box.)

65. [ ] Seller certifies that Seller does not know of any wells on the above-described real property.

67. [x] Seller certifies there are one or more wells located on the above-described real property. (See Disclosure Statement: Well.)

68. Are there any wells serving the above-described property that are not located on the property? [ ] Yes [x] No

69. To your knowledge, is the property in a Special Well Construction Area? [ ] Yes [x] No

72. C. VALUATION EXCLUSION DISCLOSURE: (Required by MN Statute 273.11, Subd. 18)

73. There [ ] IS [x] IS NOT an exclusion from market value for home improvements on this property. Any valuation exclusion shall terminate upon sale of the property, and the property's estimated market value for property tax purposes shall increase. If a valuation exclusion exists, Buyers are encouraged to look into the resulting tax consequences.

77. Additional comments: ____________________________________________

82. D. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (“FIRPTA”): Section 1445 of the Internal Revenue Code provides that a transferee (“Buyer”) of a United States real property interest must be notified in writing and must withhold tax if the transferor (“Seller”) is a foreign person and no exceptions from FIRPTA withholding apply.

84. Seller represents that Seller [ ] IS [x] IS NOT a foreign person (i.e., a non-resident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate) for purposes of income taxation. This representation shall survive the closing of any transaction involving the property described here.

88. If the above answer is “IS NOT,” Buyer may wish to obtain specific documentation from Seller ensuring Buyer is exempt from the withholding requirements as prescribed under Section 1445 of the Internal Revenue Code.

91. Due to the complexity and potential risks of failing to comply with FIRPTA, including Buyer’s responsibility for withholding the applicable tax, Buyer and Seller should seek appropriate legal and tax advice regarding FIRPTA compliance, as the respective licensees representing or assisting either party will be unable to assure either party whether the transaction is exempt from the FIRPTA withholding requirements.
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E. METHAMPHETAMINE PRODUCTION DISCLOSURE:

(A methamphetamine production disclosure is required by MN Statute 152.0275, Subd. 2 (m).)

Seller is not aware of any methamphetamine production that has occurred on the property.

Seller is aware that methamphetamine production has occurred on the property.

(See Disclosure Statement: Methamphetamine Production.)

F. RADON DISCLOSURE:

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 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 IN REAL ESTATE: By signing this Statement, Buyer hereby acknowledges receipt of the Minnesota Department of Health’s publication entitled Radon in Real Estate Transactions, which is attached hereto and can be found at www.health.state.mn.us/divs/eh/indoorair/radon/rnrealestatetxweb.pdf.

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

SELLER’S REPRESENTATIONS: The following are representations made by Seller to the extent of Seller’s actual knowledge.

(a) Radon test(s) □ HAVE ☑ HAVE NOT occurred on the property.

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

(c) There □ IS ☑ IS NOT a radon mitigation system currently installed on the property.

If “IS,” Seller shall disclose, if known, information regarding the radon mitigation system, including system description and documentation.

G. NOTICE REGARDING AIRPORT ZONING REGULATIONS: The property may be in or near an airport safety zone with zoning regulations adopted by the governing body that may affect the property. Such zoning regulations are filed with the county recorder in each county where the zoned area is located. If you would like to determine if such zoning regulations affect the property, you should contact the county recorder where the zoned area is located.
H. NOTICE REGARDING CARBON MONOXIDE DETECTORS:
MN Statute 299F.51 requires Carbon Monoxide Detectors to be located within ten (10) feet from all sleeping rooms. Carbon Monoxide Detectors may or may not be personal property and may or may not be included in the sale of the home.

I. WATER INTRUSION AND MOLD GROWTH: Studies have shown that various forms of water intrusion affect many homes. Water intrusion may occur from exterior moisture entering the home and/or interior moisture leaving the home.

Examples of exterior moisture sources may be
- improper flashing around windows and doors,
- improper grading,
- flooding,
- roof leaks.

Examples of interior moisture sources may be
- plumbing leaks,
- condensation (caused by indoor humidity that is too high or surfaces that are too cold),
- overflow from tubs, sinks, or toilets,
- firewood stored indoors,
- humidifier use,
- inadequate venting of kitchen and bath humidity,
- improper venting of clothes dryer exhaust outdoors (including electrical dryers),
- line-drying laundry indoors,
- houseplants—watering them can generate large amounts of moisture.

In addition to the possible structural damage water intrusion may do to the property, water intrusion may also result in the growth of mold, mildew, and other fungi. Mold growth may also cause structural damage to the property. Therefore, it is very important to detect and remediate water intrusion problems.

Fungi are present everywhere in our environment, both indoors and outdoors. Many molds are beneficial to humans. However, molds have the ability to produce mycotoxins that may have a potential to cause serious health problems, particularly in some immunocompromised individuals and people who have asthma or allergies to mold.

To complicate matters, mold growth is often difficult to detect, as it frequently grows within the wall structure. If you have a concern about water intrusion or the resulting mold/mildew/fungi growth, you may want to consider having the property inspected for moisture problems before entering into a purchase agreement or as a condition of your purchase agreement. Such an analysis is particularly advisable if you observe staining or any musty odors on the property.

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

182. (To be signed at time of listing.)

183. Seller(s) hereby authorizes any licensee(s) representing or assisting any party(ies) in this transaction to provide a copy of this Disclosure Statement to any person or entity in connection with any actual or anticipated sale of the property. A seller may provide this Disclosure Statement to a real estate licensee representing or assisting a prospective buyer. The Disclosure Statement provided to the real estate licensee representing or assisting a prospective buyer is considered to have been provided to the prospective buyer. If this Disclosure Statement is provided to the real estate licensee representing or assisting the prospective buyer, the real estate licensee must provide a copy to the prospective buyer.

190. QUALIFIED THIRD-PARTY INSPECTION: If Seller has made a disclosure under the Qualified Third-Party Inspection, Seller is obligated to disclose to Buyer in writing of any new or changed facts of which Seller is aware that could adversely and significantly affect the Buyer’s use or enjoyment of the property or any intended use of the property that occur up to the time of closing. To disclose new or changed facts, please use the Amendment to Disclosure Statement form.

195. WAIVER: If Seller and Buyer agree to waive the seller disclosure requirement, Seller is NOT obligated to disclose and will NOT disclose any new or changed information regarding facts.

196. OTHER REQUIRED DISCLOSURES (Sections A-F): Whether Seller has elected a Qualified-Third Party Inspection or Waiver, Seller is obligated to notify Buyer, in writing, of any new or changed facts regarding Other Required Disclosures up to the time of closing. To disclose new or changed facts, please use the Amendment to Seller’s Disclosure form.

L. BUYER’S ACKNOWLEDGEMENT:

202. (To be signed at time of purchase agreement.)

203. I/We, the Buyer(s) of the property, acknowledge receipt of this Seller’s Disclosure Alternatives form and agree to the seller’s disclosure option selected in this form. I/We further agree that no representations regarding facts have been made, other than those made in this form. This Disclosure Statement is not a warranty or a guarantee of any kind by Seller or licensee representing or assisting any party in the transaction and is not a suitable substitute for any inspections or warranties the party(ies) may wish to obtain.

209. The information disclosed is given to the best of the Seller’s knowledge.

211. LISTING BROKER AND LICENSEEES MAKE NO REPRESENTATIONS HERE AND ARE NOT RESPONSIBLE FOR ANY CONDITIONS EXISTING ON THE PROPERTY.
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.

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
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.

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<thead>
<tr>
<th>Continuous Radon Monitor (CRM)</th>
<th>Simultaneous Short-term Testing</th>
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<td>Fastest</td>
<td>Second Fastest</td>
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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.