

**Created by: Minnesota Association of REALTORS®**  
**For The Minnesota Department of Commerce**

**2020/2021 Required Module**  
**Minnesota Disclosure Laws**

**3.75 hours CE (195 minutes)**

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| I. Welcome and Course Objectives   | 5 minutes  |
| II. Real estate licensee disclosure requirements   | 15 minutes |
| A. Advertising, conducting business, and broker name<br>(MN Statute 82.68, Subd. 1)                            |            |
| B. Financial interests in transaction (MN Statute 82.68, Subd. 2 (a))  |            |
| C. Relative or Business Associate (MN Statute 82.68, Subd. 2 (b))  |            |
| D. Material Fact Disclosures (MN Statute 82.68, Subd. 3)   |            |
| a. No waiver for licensees   |            |
| b. Disclosure Alternative – Third-party Inspection Report  |            |
| E. Property types (commercial/residential)   | 15 minutes |
| F. Material Fact Exceptions (MN Statute 82.68, Subd. 3)  |            |
| G. Nonperformance Disclosure (MN Statute 82.68, Subd.4)  |            |
| H. Agency Law disclosures (MN Statute 82.67)   | 10 minutes |
| a. Agency Relationships in Real Estate Transactions  |            |
| b. Creation of a Dual Agency (MN Statute 82.68, Subd. 4)   |            |
| I. Choice of Closer (MN Statute 82.66, Subd. 1(b)(10))   |            |
| a. When Broker is Closing Agent – Disclose inability for licensee to express opinion<br>regarding legal effect |            |
| III. Seller disclosure requirements (MN Statutes 513.52-513-60)  | 20 minutes |
| A. Property types and timing (residential)   |            |
| B. Material Fact Disclosures   |            |
| a. Disclosure Alternative – Waiver   |            |
| b. Disclosure Alternative - Third-party Inspection Report  |            |
| C. Exceptions to the disclosure requirement  |            |
| D. Point-of-sale and other Inspection Reports  |            |
| E. Seller liability  | 20 minutes |
| F. Changes in property condition   |            |
| G. Selling “As-Is” versus the Waiver   |            |
| H. Waiver cautions and considerations  |            |
| IV. Buyer disclosure?  | 5 minutes  |
| a. No obligation for buyer to provide inspection reports to seller   |            |
| i. Material facts versus opinions  |            |
| V. Special Disclosure Items  | 15 minutes |
| A. Predatory Offender issues (MN Statutes 82.68, Subd. 3 & 513.56, Subd. 2)                                    |            |
| B. Airport Zoning issues (82.68, Subd. 3 & 53.56, Subd. 3)   |            |

C. Lead-based Paint (42 U.S.C. § 4852d)	
D. Methamphetamine (MN Statute 152.0275, Subd. 2)	
E. Radon (MN Statute 144.496)	15 minutes
F. Sewage Treatment Systems (MN Statute 155.55)	
G. Storage Tanks (MN Statute 116.48)	
H. Valuation Exclusion (MN Statute 273.11, Subd. 18)	
I. Wells and water supplies (MN Statute 103I.235)	
a. Special Well Construction Areas (MN Statute 103I.236)	
J. MN Common Interest Communities (MCIOA) (MN Statute 515B)	10 minutes
K. Manufactured Homes (MN Statute 327B)	10 minutes
VI. General Material Fact Disclosure Considerations	15 minutes
A. Environmental Disclosure Issues	
B. Animal, Insects and Pest Infestations	
C. Asbestos (MN Statute 326.70-326.785)	
D. Diseased Trees	
E. Formaldehyde (MN Statute 325F.18)	
F. Hazardous Waste (42 U.S.C. §9601)	
G. Mold Growth and Water Intrusion	
H. Public Health Nuisance (MN Statute 145A)	
I. Soil problems and Superfund sites (42 U.S.C. §9601)	
J. Vapor intrusion	
K. Wetlands (MN Statute 103G.221)	
VII. Review/Questions/Answers	10 minutes
VIII. Exam	30 minutes

The course will include its own 20-question examination, chosen from an associated bank of 50 questions. The 70% passing score for the examination will be 14 correct answers.

### **Course Description:**

This course will provide in depth details on numerous real estate licensee disclosure requirement issues. Curriculum also includes the proper disclosures required by sellers, including selling property "as is" and the liability sellers can incur for non-compliance.

### **Learning Objectives:**

Real Estate salespersons and brokers who attend this course will:

- Receive detailed information on real estate licensee disclosure requirements;
- Review seller material fact disclosure requirements including waiver conditions and cautions;
- Become informed on special disclosure requirements such as environmental, predatory offender and other disclosure considerations;
- Learn disclosure rules related to special statutory disclosure items.

### **Note:**

Completion of this 2020-2021 General Module WILL also satisfy the 1-hour broker-module training requirement as required in 82.61(i) for 2020-2021. (In other words, there will be no separate broker module course for 2020-2021.)