AGENDA ADDITIONS
May 6, 2025 at 5:30pm
Regular Meeting Ely City Council – City Hall, Council Chambers

1. CALL TO ORDER

2. ROLL CALL: Council members A.Forsman, Lahtonen, Debeltz, Roose, Campbell, Bisbee, and Mayor Omerza

3. APPROVAL OF MINUTES:
   (4-11) Approve minutes from the April 15, 2025 Regular Council Meeting, and the April 17, 2025 Local Board of Appeal and Equalization Meeting

4. ADDITIONS OR OMISSIONS TO AGENDA:
   A. Additions 8.A. vi. Cemetery Committee
   B. Additions 9.E.ii. Purchase Agreement for Lot 6 Block 4 in East Spaulding City of Ely to Christine Bleyhl for $19,700 pending updating listing agreement with Keller Williams Classic Realty NW – Ely Lakes and Pines Real Estate Partners, Lori Schulze.

5. MAYOR'S REPORT:

6. CONSENT AGENDA:

7. REQUESTS TO APPEAR:
   A. Bernie and Jeanette Palcher – Donation to the Ely Fire Department from Louis Gornick

8. COMMITTEE REPORTS:
   A. Standing/Special
      i. (12-13) Ely Economic Development Authority(EEDA)

      ii. (14) Heritage Preservation Commission (HPC)

      iii. (15-16) Planning and Zoning Commission(P&Z)

      iv. (17-19) Ely Utilities Commission (EUC)
         i. Recommendation from EUC to move forward with the conversion to Civic Systems utility billing software for $24,100 plus $3,270 for annual support.

         ii. Recommendation from EUC to approve the $31,100 payment to AE2S for the Facility Plan Amendment study and report phase at the Wastewater Treatment Facility – the updated plans included a biosolids press.

iii. Recommendation from EUC to approve $19,947 payment to AE2S for an Inflow and Infiltration Study within the City's Wastewater Collection System

iv. Recommendation from EUC to approve $27,900 payment to ON2 Solutions for 18 additional decorative lights to complete Sheridan Street and Trailhead.

v. Recommendation from EUC to approve $1,899.10 payment to Ferguson Waterworks for the purchase of two sling harnesses for confined space entry.

vi. Recommendation from EUC to approve $4,740 payment to Minnesota Pump Works for the purchase of a lift station pump.

vii. Recommendation from EUC to approve $17,012 payment to T and R Electric for the purchase of a pad mount transformer for the new hotel. (transformer will be at the developer's expense)

viii. Recommendation from EUC to approve $2,250 payment to the MN DNR for the permit fee for the Burntside Water Project.

ix. Recommendation from EUC to approve $500 payment to Mick Shusta for March A Operator Services at the WTP and WWTP

v. (20-26) Donald G. Gardner Humanities Trust

vi. (Additions A1) Cemetery Committee

vii. Other Committee Meetings

9. DEPARTMENTAL REPORTS:
   A. Clerk-Treasurer
      i. (27-32) Consider the Ely Depot Redevelopment – Green Space- Excavation and Disposal of Contaminated Soils Quote from Low Impact Excavators for $344,488.00
      ii. (33-34) Harvey Street Project Update
      iii. (35) 2010 Tucker Terra Snow Groomer for the Ely Igloo Club for $70,000 from the MN DNR – City of Ely will be the fiscal agent

   B. Fire Chief

   C. Library Director

   D. Police Chief
      i. (36) Notice for Quotes for Police Squad Pickup Truck

   E. City Attorney
      i. (37-38) Consider the Quit Claim Deed for Isaac and Sonya Olson regarding Lot 1, Block 1, East Spaulding First Addition

ii. (Additions A2-A25) Purchase Agreement for Lot 6 Block 4 in East Spaulding City of Ely to Christine Bleyhl for $19,700 pending updating listing agreement with Keller Williams Classic Realty NW – Ely Lakes and Pines Real Estate Partners, Lori Schulze.

F. City Engineer

10. COMMUNICATIONS:
    A. (39) Arbor Day Proclamation
    B. (40) Thank You from the Highway 169 North Task Force
    C. (41-50) Ely Community Resource – Quarter 1 Progress Report

11. CLAIMS FOR PAYMENT:
    A. (51-60) City and EUC Claims for May 6, 2025 for $645,419.08

12. OLD BUSINESS:

13. NEW BUSINESS:
    A. (61-63) Consider the Transfer of Entitlements from Ely Municipal Airport to Little Falls Airport for FFY 2024 of $150,000 and FFY 2025 of $100,000

    B. Consider the Residential Rehab Loan Application for Thomas Teigen at 245 E Pattison St for $10,000 to reside the house and garage pending proper paperwork and fees and to direct Attorney Klun to work with the applicant and proceed with the loan application.

    C. (64-65) Consider the Software Purchase Agreement between the City of Ely and Civic Systems for Building Permits and Utility Billing w/Direct Pay for $54,350 and annual support of $9,230.

    D. Consider the Residential Rehab Loan Application for Louis Champa at 1237 E Sheridan St for $5000 to fix replace shingles on a leaking roof and for repair to water line at 1237 E Sheridan St pending proper paperwork and fees and to direct Attorney Klun to work with the applicant and proceed with the loan application.

14. OPEN FORUM:

15. ADJOURN:

Cemetery Committee meeting April 16, 2025
Unapproved minutes submitted by Mike Banovetz

Call to order at 4pm
Attending: Mike Banovetz, Jeanie Zaveral, Len Groom, Valerie Myntti,
Harold Langowski, Jim Kappes
Absent: Karl Kubiak, Jerome DeBeltz

Election of officers:
Chair: Jeanie Zaveral
Vice Chair: Len Groom
Secretary: Mike Banovetz

- Approval of April 8, 2024 meeting minutes
- Spring Cleanup notice
  - Jeanie Z. working with Casey V. who will put a notice in the Ely Echo
  - Jeanie has already collected 2 bags of trash
  - Some mics wreaths and such still need to be collected up
  - Mowers need routine maintenance
    - ✓ Change oil
    - ✓ Sharpen blades
- 2025 Cemetery budget
  - Total source: $24,800
  - Projected lot sales: $8,000
    - ✓ Projected total cost of services: $8,000
  - Misc revenues: $400
  - Total revenue fund: $30,200
- Main Entrance Sign
  - ½ being paid for my Korpi Trust
  - ½ being paid my Mary Zupancich
  - Thank you notes being sent to both
  - Brad Pearse is contracted to create and help install sign
    - ✓ Sign to be an archway type constructed with SS and aluminum
    - ✓ Installation to be a cooperative effort with the city of Ely employees
- Columbarium's
  - Foundations for #2 and #3 are installed
  - Side walk planned for this summer
  - Reviewed design for flower planter
  - Will work with Jeff N. on the benches (stay away from black granite, use lighter color)
  - 6 doubles and 3 singles sold for #1
    - ✓ There has been additional advertising for sales
- Traditional Memorial Day for Veterans recognition is planned
- Next meeting planned for May 15th at 4pm in Mayor's conference room
- Adjourned meeting at 5pm

PURCHASE AGREEMENT
from the City of Ely

1. **PARTIES.** This Purchase Agreement is made on May 6, 2025, and between Christine Bleyhl and or assigns ("Buyer"), and City of Ely, a Minnesota municipal corporation, 209 E. Chapman St., Ely, MN 55731 ("Seller").

2. **OFFER/ACCEPTANCE.** Buyer offers to purchase and Seller agrees to sell real property located in St. Louis County, Minnesota and legally described as follows:

2211 Sibley Dr

Lot 6 Block 4 East Spaulding City of Ely

3. **PRICE AND PAYMENT TERMS.** The price for the real and personal property included in this sale is: $19,700.00, which Buyer shall pay as follows:

Earnest money in the amount of $500.00, to be paid to Seller by Buyer upon the execution of this Purchase Agreement. The remaining balance of $19,200.00, is to be paid on or before June 13, 2025, the DATE OF CLOSING. The DATE OF CLOSING may be modified as circumstances may dictate or as the parties may agree.

4. **DEED/MARKETABLE TITLE.** Upon performance by Buyer, Seller shall execute and deliver a Warranty Deed conveying title to the Seller, subject to:

A. Subject to Mineral rights reserved by the State of Minnesota or other parties.
B. Building and zoning laws, ordinances, state and federal regulations;
C. Exceptions to title which constitute encumbrances, restrictions, or easements which have been disclosed to Buyer and accepted by Buyer in this Purchase Agreement (must be specified in writing):

Property is subject to the terms and conditions of the attached Ordinance No. 368, 2nd Series, filed 5/11/23 as Document No. 01466309, in the office of the St. Louis County Recorder.

5. **REAL ESTATE TAXES AND SPECIAL ASSESSMENTS.** Seller represents the taxes due and payable in the year of closing will be non-homestead classification. The tax parcel number for the property is 030-0063-00290.

SELLER SHALL PAY ON DATE OF CLOSING all installments of special assessments certified for payment together with the real estate taxes due and payable in the year of closing.

SELLER SHALL PAY ON DATE OF CLOSING all other special assessments levied as of the date of this Purchase Agreement.

SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as of the date of this Purchase Agreement for improvements that have been ordered by the City Council or other governmental assessing authorities.

Initials ____ ____ ____ ____

A002

As of the date of this Purchase Agreement, Seller represents that Seller has not received a Notice of Hearing of a new public improvement project from any governmental assessing authority, the costs of which project may be assessed against the property.

Buyer shall pay all real estate taxes due and payable in the year following closing and thereafter and any unpaid special assessments payable therewith and thereafter, the payment of which is not otherwise provided herein. Seller makes no representation concerning the amount of future real estate taxes or of future special assessments.

6. **SELLER'S ACCESS AND LIEN WARRANTIES.** Seller warrants that there is a right of access to the real property from a public right of way. Seller warrants that there has been no labor or material furnished to the property by Seller for which payment has not been made.

7. **CONDITION OF PROPERTY.**

A. Other than the representations made in this paragraph 7, the property is being sold **"AS IS"** with any and all faults, and with no express or implied representations or warranties by Seller as to physical conditions or fitness for any particular purpose.

B. Seller, to their knowledge, knows of no hazardous substances or petroleum products having been placed, stored, or released from or on the property by any person in violation of any law, nor of any underground storage tanks, wells, or septic systems located on the property.

C. Buyer shall have the right to have inspections of the property conducted prior to closing. If any hazardous substances, underground storage tanks, pollutant or contaminate is discovered, the Buyer shall notify the Seller in writing stating the nature of the discovery within ten (10) business days of the discovery, but no later than June 6, 2025.

8. **DISCLOSURE OF NOTICES.** Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation. If the property is subject to restrictive covenants, Seller has not received any notice from any person as to a breach of the covenants. Seller has not received any notice from any governmental authority concerning any eminent domain, condemnation, special taxing district, or rezoning proceedings.

9. **ACCESS PRIOR TO CLOSING.** By this Purchase Agreement, Buyer does not acquire any right to possession of the property nor does Buyer acquire any right of entry, license, or easement, except as permitted in paragraph 7C.

10. **POSSESSION.** Seller shall deliver possession of the property on the date of closing.

11. **TITLE AND EXAMINATION:** Buyer may, at buyer's discretion, obtain a commitment for an owner's policy of title insurance. Buyer shall deliver a copy of the commitment to Seller within ten (10) business days of receipt. Buyer shall be deemed to have waived any title objections not made within the ten (10) business day period above. If the Buyer desires to obtain an owner's policy of title insurance, Buyer agrees to pay all related costs including the title insurance premium for a policy in the amount of the purchase price. Buyer acknowledges that the Seller is not in possession of an abstract of title for the property and will not be required to provide Buyer with an abstract of title.

Initials _____ _____ _____

12. **TITLE CORRECTIONS AND REMEDIES.** Seller shall use Seller's best efforts to address any title objections by the date of closing. If the remedy to correct the title objection is cost-prohibitive in the sole opinion of the Seller, the Seller will notify Buyer within a reasonable time period that the objection cannot be remedied at the current sale price. In the case that the Seller will not remedy the objection, the Buyer, if not willing to pay the cost of the remedy, will sign a cancellation of purchase agreement.

13. **NOTICES.** All notices required herein shall be in writing and delivered personally or mailed to the address as shown at Paragraph 1 above and if mailed, are effective as of the date of mailing.

14. **MINNESOTA LAW.** This contract shall be governed by the laws of the State of Minnesota.

15. **AFFIDAVITS.** At closing, Seller shall supplement the warranties and representations in this Purchase Agreement by executing and delivering an Affidavit of Seller. Buyer shall deliver to the Seller an Affidavit of Purchaser.

16. **CLOSING.** Closing shall be at Klun Law Firm, P.A., 1 E. Chapman St., Ely, MN 55731, or a location mutually agreed upon by the Parties.

17. **CLOSING COSTS.** Buyer and Seller shall pay their own respective closing costs.

18. **ADDITIONAL TERMS/CONTINGENCIES:** City water, sewer and electric service shall be made available to the lot by the City of Ely. Buyer shall be responsible for all fees, including but not limited to WAC and SAC fees, to hook up to city services. All primary structures shall be serviced by city water, sewer, and electric.

19. **TIME IS OF THE ESSENCE.** Time is of the essence for all provisions of this Purchase Agreement.

20. **ADDENDA.** Attached is Addendum "A" which is made a part of this Purchase Agreement.

21. **MULTIPLE ORIGINALS.** There are (one) 1 original(s) of this document.

THIS IS A LEGALLY BINDING CONTRACT. BEFORE SIGNING, CONSULT A LAWYER.
Minnesota law permits licensed real estate broker and sales agents to prepare purchase agreements. No recommendation or representation may be made by any real estate broker or sales agent as to the legal sufficiency, the legal effect, or the tax consequences of this contract. These are questions for your lawyer.

Initials _____ _____ _____ _____

Buyer:

Authentisign

_____
Date

_____
Date

Seller:

CITY OF ELY

By _____
Heidi Omerza, Mayor Date

By_____
Harold Langowski, Clerk-Treasurer Date

Initials ____ ____ ____ ____

Aul

ADDENDUM A – RIGHT OF RE-ENTRY

Addendum to purchase agreement and deed between the Seller and Buyer. In the event any conflict between terms and provisions hereof and terms and provisions of the Purchase Agreement arise, the provisions contained herein shall control. The parties agree to these additional terms:

1. **POLICY**. It is the policy of the City of Ely to encourage construction of residential homes and to discourage land speculation on properties developed by the City of Ely. The City of Ely is willing to sell property which it has developed at a price below market value, in exchange for a Buyer's promise to build a single-family residence within three (3) years of the date of closing, or within three (3) years of the date that electric, water and sewer are available to the property, whichever shall last occur.

2. **CONSIDERATION**. As additional consideration for the purchase of this property the Buyer agrees to construct a "Dwelling, Single-Family", as defined by Ely City Code Chapter 11, to substantial completion and to obtain a Certificate of Occupancy as required by Ely City Code and Minnesota Law within three (3) years of the date of closing, or within three (3) years of the date that electric, water and sewer are available to the property, whichever shall last occur. It is Buyer's duty and obligation to pay any and all taxes, special assessments, mortgage liens, mechanics' liens and occupancy expenses levied, due or payable from the date of closing.

3. **DEFAULT**. Failure by the Buyer to substantially complete construction of a single-family dwelling on the property and obtain a Certificate of Occupancy within three (3) years of the date of closing, or within three (3) years of the date that electric, water and sewer are available to the property, is deemed to be a default.

4. **REMEDY**. Upon default, a conveyance from the Seller to the Buyer shall be deemed null and void, ab initio, and title shall revert to the Seller. To enforce this remedy Seller hereby excepts and reserves the right of re-entry and the right of reversion to the Seller. This remedy and the right to exercise it are within the sole discretion of the Seller and does not confer any rights to the Buyer. In the sole discretion of the Seller, the Seller shall have the option to enforce this right of re-entry and reversion upon Buyer default. This right may be exercised by the Seller by giving written notice to the Buyer of Seller's intent to exercise the right of re-entry and reversion. Within 30 days following that notice, the Buyer shall vacate the property and execute and deliver a Warranty Deed in recordable form to the Seller. Upon acceptance of the deed the Seller shall pay to the Buyer the original purchase price, without interest, after deducting the following: (1) the Seller-paid closing costs of the original transaction, (2) the costs to exercise the right of re-entry and reversion, including but not limited to, reasonable attorneys' fees, recording fees and deed tax, (3) all real estate taxes and special assessments payable in the year of default, and (4) penalty in the amount of $2,000.00; and the Seller shall then be entitled to record the Warranty Deed from Buyers. If Buyer fails to execute and deliver a Warranty Deed, Seller may seek a court order to enforce this agreement, at Buyer's expense.

In addition, if the real property is substantially damaged prior to re-entry and reversion, including removal of trees and moving the earth, and the Seller chooses to exercise the right of re-entry and reversion, the Seller shall have the right to seek compensation from the Buyer for the damages.

In the event the Seller chooses not to exercise the right of re-entry and reversion, the Seller shall have the right to seek damages from the Buyer for the difference between the original purchase price and the fair market value of the property at the time of Buyer's default. These rights are in addition to and not a limit of any other rights or remedies the Seller may have under this agreement or at law or in equity.

5. **INDEMNIFICATION**. The Buyer shall bear all loss, the time value of property and money, expense, (including attorney's fees) and damage in connection with, and shall indemnify and hold harmless the Seller and its agent, servants and employees from, all claims, liens, taxes and assessments, demands or judgments affecting the property or recovered against the Seller, its agents, servants, or

ADDENDUM A – RIGHT OF RE-ENTRY

employees because of bodily injury or damages, including loss of use, from any cause whatsoever arising out of, incidental to or in connection with this agreement or the occupancy or improvement of the real property.

6. **LEGAL FEES**. In the event of default, the Buyer agrees to pay all expenses, including but not limited to reasonable attorneys' fees, court costs, and other legal expenses incurred by the Seller in endeavoring to enforce this agreement or to collect any damages or enforce any other obligations or duties owed to or remedies available to the Seller.

7. **NON-WAIVER OF RIGHTS**. Nothing in this contract shall constitute a waiver by the Seller of any rights or remedies under this contract. Failure of the Seller to exercise any right or remedy hereunder shall not operate as a waiver, and no single or partial exercise by the Seller of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right or remedy available to the Seller under this agreement or at law or in equity.

8. **SEVERABILITY / MERGER**. The parties further agree to substitute for any invalid provision a valid provision that most closely approximates the economic effect and the intent of the invalid provision. This contract is the final expression of the agreement of the parties and the complete and the exclusive statement of the terms agreed upon, and shall supersede all prior negotiations, understandings or agreements. There are no representations, warranties, or stipulations either oral or written not herein contained.

9. **TIME**. Time is of the essence under this agreement.

10. **TITLE / REPRESENTATION**. Title to the real property shall be subject to the terms of this addendum. The terms of this addendum shall survive closing. The terms of this addendum shall run with the land and inure to the benefit of the Seller, its agents, representatives, successors, and assigns. Klun Law Firm, P.A., d/b/a Canoe Country Title, represents Seller only and does not represent Buyer in this transaction. Buyer understands that Buyer is entitled to representation by an independent attorney, title company and/or closing agent and has had the opportunity to consult independent advisors. This addendum shall be attached to and recorded with the deed from Seller to Buyer.

THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.

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

Authentisign

By_____
Its Mayor Date

_____
Buyer's Signature Date

By_____
Its Clerk-Treasurer Date

_____
Buyer's Printed Name

Office of the County Recorder
St. Louis County, Minnesota
Recorded on 05/11/2023
At 11:48AM

Document No. 01466309

Wendy Levitt
County Recorder

By A Johnson Deputy
AFR 10166241

Auditor

Recording Fee: $46.00
Well Certificate Fee: $0.00

This page has been added by the St. Louis County Recorder/Registrar of Titles to add the recording information to the attached document.

Notes:

ORDINANCE NO. 368, 2nd Series

AN ORDINANCE OF THE CITY OF ELY, MINNESOTA, AMENDING THE ELY CITY CODE, CHAPTER 20, SECTION 20.2.33, SALE OF LAND LOCATED IN THE EAST SPAULDING PLAT

THE COUNCIL OF THE CITY OF ELY DOES HEREBY ORDAIN:

SECTION 1. Chapter 20 as Section 20.2.33, of the Ely City Code shall be amended to read as follows:

SEC. 20.2.33. SALE OF LAND LOCATED IN THE EAST SPAULDING PLAT. The Council of the City of Ely is hereby authorized to sell land located in the East Spaulding Plat, on terms and conditions acceptable to the City Council and the Mayor and Clerk are hereby authorized to execute all documents and do all things necessary to effect the sale of that certain real estate described as follows, to wit:

Block	Lot	Total Price
2	8	$15,000.00
2	9	$18,000.00
2	10	$18,000.00
2	11	$18,000.00
2	12	$20,000.00
2	13	$18,000.00
2	14	$18,000.00
2	15	$ 12,000.00
3	1	$15,000.00
3	2	$15,000.00
3	3	$15,000.00
3	4	$15,000.00
4	1	$10,000.00
4	2	$19,800.00
4	3	$19,800.00
4	4	$19,800.00

4	5	$19,700.00
4	6	$19,700.00
4	7	$19,700.00
4	8	$15,000.00
4	9	$19,700.00

Following are the terms and conditions of the sales of the above-referenced parcels:

1. There will be no access from Pioneer Road.
2. There will be three years from installation of utilities to build.
3. Buyer is to pay all legal fees, permits and water and sewer access fees.
4. Earnest Money of $500.00 will be required to hold the lot for the buyers.
5. One residential unit per lot, except for Lot 1, Block 4 and Lot 15, Block 2 which is deemed unbuildable as single residential lot.
6. All developed lots shall connect to the City electrical grid.

SECTION 2. Effective Date: Pursuant to Section 3.08 of the Charter of the City of Ely, Minnesota, the adoption of this Ordinance is effective immediately after final adoption and publication.

First Reading: April 4, 2023 Second Reading: May 2, 2023

Adopted this 2nd day of May, 2023

Mayor

Clerk Treasurer

Publication Date: April 8, 2023
Newspaper: Ely Echo

Public Hearing: April 18, 2023

CITY OF ELY CORPORATE SEAL ST. LOUIS COUNTY, MN

KELLERWILLIAMS. CLASSIC REALTY NORTHWEST

DISCLOSURE STATEMENT: ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT

ARBITRATION DISCLOSURE

You have the right to choose whether to have any disputes about disclosure of material facts affecting the use or enjoyment of the property that you are buying or selling decided by binding arbitration or by a court of law. By agreeing to binding arbitration, **you give up your right to go to court for claims over $20,000.**

By signing the RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT ("ARBITRATION AGREEMENT") on page two (2), you agree to the following:

(1) disputes with demands which fall within the jurisdictional limits of the conciliation court shall be resolved in the applicable conciliation court; and

(2) all other disputes shall be subject to binding arbitration under the Residential Real Property Arbitration System ("Arbitration System") administered by National Center for Dispute Settlement ("NCDS") and endorsed by the Minnesota Association of REALTORS® ("MNAR"). The ARBITRATION AGREEMENT is enforceable only if it is signed by all buyers, sellers and licensees representing or assisting the buyers and the sellers. The ARBITRATION AGREEMENT is not part of the *Purchase Agreement.* **Your *Purchase Agreement* will still be valid whether or not you sign the ARBITRATION AGREEMENT.**

The Arbitration System is a private dispute resolution system offered as an alternative to the court system. It is not government sponsored. NCDS and the MNAR jointly adopt the rules that govern the Arbitration System. NCDS and the MNAR are not affiliated. Under the ARBITRATION AGREEMENT you must use the arbitration services of NCDS.

All disputes about or relating to disclosure of material facts affecting the use or enjoyment of the property, excluding disputes related to title issues, are subject to arbitration under the ARBITRATION AGREEMENT. This includes claims of fraud, misrepresentation, warranty and negligence. Nothing in this Agreement limits other rights you may have under MN Statute 327A (statutory new home warranties) or under private contracts for warranty coverage. An agreement to arbitrate does not prevent a party from contacting the Minnesota Department of Commerce, the state agency that regulates the real estate profession, about licensee compliance with state law.

The administrative fee for the Arbitration System varies depending on the amount of the claim, but it is more than initial court filing fees. In some cases, conciliation court is cheaper than arbitration. The maximum claim allowed in conciliation court is $20,000. This amount is subject to future change. In some cases, it is quicker and less expensive to arbitrate disputes than to go to court, but the time to file your claim and pre-hearing discovery rights are limited. The right to appeal an arbitrator's award is very limited compared to the right to appeal a court decision.

A request for arbitration must be filed within 24 months of the date of the closing on the property or else the claim cannot be pursued. In some cases of fraud, a court or arbitrator may extend the 24-month limitation period provided herein.

A party who wants to arbitrate a dispute files a Demand, along with the appropriate administrative fee, with NCDS. NCDS notifies the other party, who may file a response. NCDS works with the parties to select and appoint an arbitrator to hear and decide the dispute. A three-arbitrator panel will be appointed instead of a single arbitrator at the request of any party. The party requesting a panel must pay an additional fee. Arbitrators have backgrounds in law, real estate, architecture, engineering, construction or other related fields.

Arbitration hearings are usually held at the home site. Parties are notified about the hearing at least 14 days in advance. A party may be represented by a lawyer at the hearing, at the party's own expense, if he or she gives five (5) days advance notice to the other party and to NCDS. Each party may present evidence, including documents or testimony by witnesses. The arbitrator must make any award within 30 days from the final hearing date. The award must be in writing and may provide any remedy the arbitrator considers just and equitable that is within the scope of the parties' agreement. The arbitrator does not have to make findings of fact that explain the reason for granting or denying an award. The arbitrator may require the party who does not prevail to pay the administrative fee.

This Arbitration Disclosure provides only a general description of the Arbitration System and a general overview of the Arbitration System rules. For specific information regarding the administrative fee, please see the Fee Schedule located in the NCDS Rules. Copies of the Arbitration System rules are available from NCDS by calling (866) 727-8119 or on the Web at www.ncdsusa.org or from your REALTOR®. If you have any questions about arbitration, call NCDS at (866) 727-8119 or consult a lawyer.

KELLERWILLIAMS CLASSIC REALTY NORTHWEST

DISCLOSURE STATEMENT: VACANT LAND

1. Date May 6, 2025

2. Page 1 of 10 pages: RECORDS AND
3. REPORTS, IF ANY, ARE ATTACHED AND MADE
4. A PART OF THIS DISCLOSURE

5. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

6. **NOTICE:** This Disclosure Statement satisfies the disclosure requirements of MN Statutes 513.52 through 513.60.
7. Under Minnesota law, Sellers of residential property, with limited exceptions listed on page nine (9), are obligated to
8. disclose to prospective Buyers all material facts of which Seller is aware that could adversely and significantly affect
9. an ordinary buyer's use or enjoyment of the property or any intended use of the property of which Seller is aware.
10. MN Statute 513.58 requires Seller to notify Buyer in writing as soon as reasonably possible, but in any event before
11. closing, if Seller learns that Seller's disclosure was inaccurate. Seller is obligated to continue to notify Buyer, in writing,
12. of any facts disclosed herein (new or changed) of which Seller is aware that could adversely and significantly affect the
13. Buyer's use or enjoyment of the property or any intended use of the property that occur up to the time of closing.
14. Seller has disclosure alternatives allowed by MN Statutes. See *Disclosure Statement: Seller's Disclosure Alternatives*
15. form for further information regarding disclosure alternatives. This disclosure is not a warranty or a guarantee of any
16. kind by Seller or licensee(s) representing or assisting any party in the transaction.

17. For purposes of the seller disclosure requirements of MN Statutes 513.52 through 513.60:

18. "Residential real property" or "residential real estate" means property occupied as, or *intended to be occupied* as, a
19. single-family residence, including a unit in a common interest community as defined in MN Statute 515B.1-103, clause
20. (10), regardless of whether the unit is in a common interest community not subject to Chapter 515B.

21. The seller disclosure requirements of MN Statutes 513.52 through 513.60 apply to the transfer of any interest in
22. residential real estate, whether by sale, exchange, deed, contract for deed, lease with an option to purchase, or any
23. other option.

24. **INSTRUCTIONS TO BUYER:** Buyers are encouraged to thoroughly inspect the Property personally or have it inspected
25. by a third party, and to inquire about any specific areas of concern. **NOTE:** If Seller answers "No" to any of the
26. questions listed below, it does not necessarily mean that it does not exist on the Property, did not occur, or does not
27. apply. "No" may mean that Seller is unaware.

28. **INSTRUCTIONS TO SELLER:** (1) Complete this form yourself. (2) Consult prior disclosure statement(s) and/or
29. inspection report(s) when completing this form. (3) Describe conditions affecting the Property to the best of your
30. knowledge. (4) Attach additional pages with your signature if additional space is required. (5) Answer all questions.
31. (6) If any items do not apply, write "NA" (not applicable).

32. Property location or identification 2211 Sibley Drive (Address/Section/Township/Range),

33. PID # 030-0063-00290, Legal Description EAST SPAULDING, Lot 6, Block 4,

34. City or Township of Ely, County of St Louis,

35. State of Minnesota, Zip Code 55731 ("Property").

36. **A. GENERAL INFORMATION:** The following questions are to be answered to the best of Seller's knowledge.

37. (1) What date did you acquire the land? _____

38. (2) Type of title evidence: ☒ Abstract ☐ Registered (Torrens) ☐ Unknown

39. Location of Abstract: _____

40. Is there an existing Owner's Title Insurance Policy? ☐ Yes ☒ No

41. (3) Are you in possession of prior vacant land disclosure statement(s)?
42. (If "Yes," please attach if in your possession.) ☐ Yes ☒ No

A012

DISCLOSURE STATEMENT: VACANT LAND

44. THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.

45. Property located at 2211 Sibley Drive Ely MN 55731

46. (4) Are there any current or past Phase I, Phase II, or Phase III Environmental Site
47. Assessment(s)? (If "Yes," please attach if in your possession.) ☐ Yes ☒ No

48. (5) Access (where/type): _____

49. Is access (legal and physical) other than by direct frontage on a public road? ☐ Yes ☒ No

50. (6) Has the Property been surveyed? ☐ Yes ☒ No

51. Year surveyed: _____
52. What company/person performed the survey? _____

53. Name: _____ Address: _____ Phone: _____

54. (7) Is this platted land? ☒ Yes ☐ No
55. If "Yes,"

56. has the plat been recorded? ☒ Yes ☐ No

57. do you have a certificate of survey in your possession? ☐ Yes ☐ No

58. If "Yes," who completed the survey? _____ When? _____

59. (8) Are there any property markers on the Property? ☐ Yes ☐ No

60. If "Yes," give details:

61. _____

62. (9) Is the Property located on a public or private road? ☒ Public ☐ Private ☐ Public: no maintenance

63. (10) Are there any private or non-dedicated roadways that you are responsible for? ☐ Yes ☒ No

64. (11) Are there any rivers, lakes, ponds, creeks, streams, or springs running
65. through the Property or along a boundary line? ☐ Yes ☒ No

66. (12) Flood Insurance: All properties in the State of Minnesota have been assigned a flood zone designation.
67. Some flood zones may require flood insurance.
68. (a) Do you know which zone the Property is located in? ☐ Yes ☒ No

69. If "Yes," which zone? _____

70. (b) Have you ever had a flood insurance policy? ☐ Yes ☒ No
71. If "Yes," is the policy in force? ☐ Yes ☐ No

72. If "Yes," what is the annual premium? $ _____

73. If "Yes," who is the insurance carrier? _____

74. (c) Have you ever had a claim with a flood insurance carrier or FEMA? ☐ Yes ☒ No
75. If "Yes," please explain:

76. _____

77. **NOTE:** Whether or not Seller currently carries flood insurance, it may be required in the future. Flood
78. Insurance premiums are increasing, and in some cases will rise by a substantial amount over the premiums
79. previously charged for flood insurance for the Property. As a result, Buyer should not rely on the premiums
80. paid for flood insurance on this Property previously as an indication of the premiums that will apply after
81. Buyer completes their purchase.

DISCLOSURE STATEMENT: VACANT LAND

83. THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.

84. Property located at 2211 Sibley Drive Ely MN 55731

85. (13) Is the Property located in a drainage district, County or Judicial Drainage System? ☐ Yes ☒ No

86. (14) Is the Property drain tiled? ☐ Yes ☒ No

87. (15) Is there a private drainage system on the Property? ☐ Yes ☒ No

88. (16) Is the Property located within a government designated disaster evacuation zone
89. (e.g., nuclear facility, hazardous chemical facility, hazardous waste facility)? ☐ Yes ☒ No

90. (17) Are there encroachments? ☐ Yes ☒ No

91. (18) Please provide clarification or further explanation for all applicable "Yes" responses in Section A:

92. _____

93. _____

94. **B. GENERAL CONDITION:** The following questions are to be answered to the best of Seller's knowledge.

95. (1) Are there any structures, improvements, or emblements (e.g., crops) included
96. in the sale? ☐ Yes ☒ No

97. If "Yes," list all items:

98. _____

99. (2) Are there any abandoned or junk motor vehicles, equipment of any kind, or debris
100. included in the sale? ☐ Yes ☒ No

101. If "Yes," list all items:

102. _____

103. (3) Are there any drainage issues, flooding, or conditions conducive to flooding? ☐ Yes ☒ No

104. (4) Has there been any damage by wind, fire, flood, hail, or other cause(s)? ☐ Yes ☒ No

105. If "Yes," give details of what happened and when:

106. _____

107. (5) Were there any previous structures on the Property? ☐ Yes ☒ No

108. (6) Are there any settling, erosion, or soil movement problems on or affecting
109. the Property? ☒ Yes ☐ No

110. (7) Are there any gravel pits, caves, sink holes, or mineshafts on or affecting
111. the Property? ☒ Yes ☐ No

112. (8) For any questions in Section B answered "Yes," please explain:

113. This site was previously a mine.

114. _____

115. **C. USE RESTRICTIONS:** The following questions are to be answered to the best of Seller's knowledge.

116. (1) Do any of the following types of covenants, conditions, reservations of rights or use, or restrictions affect
117. the use or future resale of the Property?

118. (a) Are there easements, other than utility or drainage easements? ☐ Yes ☒ No

119. (b) Are there any public or private use paths or roadway rights of way/
120. easement(s)? ☐ Yes ☒ No

121. (c) Are there any ongoing financial maintenance or other obligations related to
122. the Property that the buyer will be responsible for? ☐ Yes ☒ No

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DISCLOSURE STATEMENT: VACANT LAND

124. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

125. Property located at 2211 Sibley Drive Ely MN 55731

126. (d) Are there any communication, power, wind, pipeline (utility or drainage),
127. or other utility rights of way/easement(s)? ☐ Yes ☒ No

128. (e) Are there any railroad or other transportation rights of way/easement(s)? ☐ Yes ☒ No

129. (f) Is there subdivision or other recorded covenants, conditions, or restrictions? ☒ Yes ☐ No

130. (g) Are there association requirements or restrictions? ☐ Yes ☒ No

131. (h) Is there a right of first refusal to purchase? ☒ Yes ☐ No

132. (i) Is the Property within the boundaries of a Native American reservation? ☐ Yes ☒ No

133. (j) Are there any Department of Natural Resources restrictions? ☐ Yes ☒ No

134. (k) Is the Property located in a watershed district? ☐ Yes ☒ No

135. (l) Is the Property enrolled in any federal, state, or local governmental programs
136. (e.g., conservation programs, CREP, CRP, EQIP, Green Acres, Managed Forest Land,
137. RIM, riparian buffers, Rural Preserve, SFIA, WRP/RIM-WRP, etc.)? ☐ Yes ☒ No

138. (m) Are there any USDA Wetland Determinations? ☒ Yes ☐ No

139. (n) Are there any USDA Highly Erodible Land Determinations? ☐ Yes ☒ No

140. (o) Are there any conservation practices installed (e.g., terracing, waterways,
141. control structures)? ☐ Yes ☒ No

142. (p) Are there any federal or state listed species? ☐ Plants ☐ Animals ☐ Yes ☒ No

143. (q) Are there any third parties which have an interest in the mineral rights? ☒ Yes ☐ No

144. (r) Is there any forfeiture or transfer of rights (e.g., mineral, timber,
145. development, etc.) ☐ Yes ☒ No

146. (s) Are there any historical registry restrictions? ☐ Yes ☒ No

147. (t) If any of the questions in Section C(1) are answered "Yes," please provide written copies of these
148. covenants, conditions, reservations, or restrictions if in your possession:
149. _____
150. _____

151. (2) Have you ever received notice from any person or authority as to any breach of any of these covenants,
152. conditions, reservations, or restrictions? ☐ Yes ☒ No

153. If "Yes," please explain:
154. _____
155. _____

156. (3) Is the Property currently rented? ☐ Yes ☒ No

157. If "Yes," is there a written lease? ☐ Yes ☒ No
158. If "Yes," please provide a copy of the lease if in your possession or provide information:

159. Lease start date: _____

160. Lease end date: _____

161. Number of acres leased: _____

162. Price/acre: _____

163. Terms of lease: _____

164. Renter's name: _____ Phone number: _____

165. May the renter be contacted for information on the Property? ☐ Yes ☐ No

167. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

168. Property located at 2211 Sibley Drive Ely MN 55731

169. (4) Is woodland leased for recreational purposes? ☐ Yes ☒ No

170. (5) Has a timber cruise been completed on woodland? ☐ Yes ☒ No

171. (6) Has timber been harvested in the past 25 years? ☐ Yes ☒ No

172. If "Yes," what species was harvested? _____

173. Was harvest monitored by a registered forester? ☐ Yes ☐ No

174. (7) Are there plans for a new road, expansion of an existing road, airport, trail,
175. affect by railroad, or other improvement that may affect this Property? ☐ Yes ☒ No

176. If "Yes," please explain:

177. —

178. _____

179. (8) Are there any zoning violations, nonconforming uses, or unusual restrictions on the
180. Property that would affect future construction or remodeling? ☐ Yes ☒ No

181. **D. UTILITIES:** The following questions are to be answered to the best of Seller's knowledge.

182. (1) Have any percolation tests been performed? ☐ Yes ☒ No

183. When? _____ By whom? _____

184. Attach copies of results, if in your possession.

185. (2) Subsurface Sewage Treatment System Disclosure: (A subsurface sewage treatment system disclosure is
186. required by MN Statute 115.55.) *(Check appropriate box.)*

187. Seller ☐ **DOES** ☒ **DOES NOT** know of a subsurface sewage treatment system on or serving the above-described
(Check one.)
188. real Property. (If answer is **DOES**, and the system does not require a state permit, see *Disclosure Statement:*
189. *Subsurface Sewage Treatment System*.)

190. ☐ There is an abandoned subsurface sewage treatment system on the above-described real Property.
191. *(See Disclosure Statement: Subsurface Sewage Treatment System.)*

192. (3) Private Well Disclosure: (A well disclosure and Certificate are required by MN Statute 103I.235.)
193. *(Check appropriate box(es).)*

194. ☒ Seller does not know of any wells on the above-described real Property.

195. ☐ There are one or more wells located on the above-described real Property.
196. *(See Disclosure Statement: Well.)*

197. ☐ This Property is in a Special Well Construction Area.

198. ☐ There are wells serving the above-described Property that are not located on the Property.
199. (a) How many properties or residences does the shared well serve? _____
200. (b) Is there a maintenance agreement for the shared well? ☐ Yes ☐ No

201. If "Yes," what is the annual maintenance fee? $ _____

203. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

204. Property located at 2211 Sibley Drive Ely MN 55731

205. (4) Are any of the following presently existing within the Property:

206.	(a) connection to public water?	☐ Yes	☒ No
207.	(b) connection to public sewer?	☐ Yes	☒ No
208.	(c) connection to private water system off-property?	☐ Yes	☒ No
209.	(d) connection to electric utility?	☐ Yes	☒ No
210.	(e) connection to pipelines (natural gas, petroleum, other)?	☐ Yes	☒ No
211.	(f) connection to communication, power, or utility lines?	☐ Yes	☒ No
212.	(g) connection to telephone?	☐ Yes	☒ No
213.	(h) connection to fiber optic?	☐ Yes	☒ No
214.	(i) connection to cable?	☐ Yes	☒ No

215. **E. ENVIRONMENTAL CONCERNS:** The following questions are to be answered to the best of Seller's knowledge.

216. (1) Are there any buried storage tanks or buried debris or waste on the Property? ☐ Yes ☒ No

217. If "Yes," give details:

218. _____

219. (2) Are there any hazardous or toxic substances or wastes in, on, or affecting
220. the Property? ☐ Yes ☒ No

221. If "Yes," give details:

222. _____

223. (3) Have any soil tests been performed? ☐ Yes ☒ No

224. When? _____ By whom? _____

225. Attach copies of results if in your possession.

226. (4) Are there any soil problems? ☐ Yes ☒ No

227. If "Yes," give details:

228. _____

229. (5) Are there any dead or diseased trees? ☐ Yes ☒ No

230. If "Yes," give details: _____

231. (6) Are there any insect/animal/pest infestations? ☐ Yes ☒ No

232. If "Yes," give details:

233. _____

234. (7) Are there any animal burial pits? ☐ Yes ☒ No

235. If "Yes," give details: _____

236. (8) Are there any unused wells or other potential environmental hazards (e.g., fuel or
237. chemical storage tanks, contaminated soil or water) on the land? ☐ Yes ☒ No

238. If "Yes," give details:

239. _____

240. (9) Did the land at one time abut or was located in close proximity to a gas station, refuse
241. disposal site, toxic substance storage site, junk yard, or other pollution situation? ☐ Yes ☒ No

242. If "Yes," give details:

243. _____

245. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

246. Property located at 2211 Sibley Drive Ely MN 55731

247. (10) Is the Property located in or near an agricultural zone? ☐ Yes ☒ No
248. If "Yes," the Property may be subjected to normal and accepted agricultural practices and operations
249. including, but not limited to, noise; dust; day and nighttime operation of farm machinery; the raising and
250. keeping of livestock; and the storage and application of manure, fertilizers, soil amendments, herbicides
251. and pesticides associated with normal agricultural operations.

252. (11) Are there any landfills or waste disposal sites within two (2) miles of the Property? ☒ Yes ☐ No
253. If "Yes," give details:

254. _____

255. (12) Is there any government sponsored clean-up of the Property? ☐ Yes ☒ No

256. If "Yes," give details:

257. _____

258. (13) Are there currently, or have previously been, any orders issued on the Property by any governmental authority
259. ordering the remediation of a public health nuisance on the Property? ☐ Yes ☒ No
260. If "Yes," Seller certifies that all orders ☐ **HAVE** ☐ **HAVE NOT** been vacated.
(Check one.)

261. (14) Other:

262. _____

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

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

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

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

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

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

283. (a) Radon test(s) ☐ **HAVE** ☒ **HAVE NOT** occurred on the Property.
(Check one.)

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

286. _____

287. _____

289. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

290. Property located at 2211 Sibley Drive Ely MN 55731

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

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

294. _____

295. _____

296. **EXCEPTIONS:** See Section O for exceptions to this disclosure requirement.

297. G. **PREFERENTIAL PROPERTY TAX TREATMENT:** Is the Property subject to any preferential
298. property tax status or any other credits affecting the Property (e.g., Exclusive Ag Covenant,
299. Green Acres, Managed Forest Land, Non-Profit Status, Rural Preserve, SFIA, etc.)? ☐ Yes ☒ No

300. If "Yes," would these terminate upon the sale of the Property? ☐ Yes ☐ No

301. Explain: _____

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

305. Seller represents that Seller ☐ **IS** ☒ **IS NOT** a foreign person (i.e., a non-resident alien individual, foreign corporation,
-----(Check one.)-----

306. foreign partnership, foreign trust, or foreign estate) for purposes of income taxation. This representation shall
307. survive the closing of any transaction involving the Property described herein.

308. **NOTE:** If the above answer is "**IS**," Buyer may be subject to income tax withholding in connection with the
309. transaction (unless the transaction is covered by an applicable exception to FIRPTA withholding). In
310. non-exempt transactions, Buyer may be liable for the tax if Buyer fails to withhold.

311. If the above answer is "**IS NOT**," Buyer may wish to obtain specific documentation from Seller ensuring
312. Buyer is exempt from the withholding requirements as prescribed under Section 1445 of the Internal
313. Revenue Code.

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

318. I. **METHAMPHETAMINE PRODUCTION DISCLOSURE:**
319. (A methamphetamine production disclosure is required by MN Statute 152.0275, Subd. 2 (m).)
320. ☒ Seller is not aware of any methamphetamine production that has occurred on the Property.
321. ☐ Seller is aware that methamphetamine production has occurred on the Property.
322. *(See Disclosure Statement: Methamphetamine Production.)*

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

328. K. **CEMETERY ACT:** MN Statute 307.08 prohibits any damage or illegal molestation of human remains, burials,
329. or cemeteries. A person who intentionally, willfully and knowingly destroys, mutilates, injures, disturbs or removes
330. human skeletal remains or human burial grounds is guilty of a felony.
331. Are you aware of any human remains, burials, or cemeteries located on the Property? ☐ Yes ☒ No

332. If "Yes," please explain: _____
333. All unidentified human remains or burials found outside of platted, recorded, or identified cemeteries and in
334. contexts which indicate antiquity greater than 50 years shall be dealt with according to the provisions of MN
335. Statute 307.08, Subd. 7.

337. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

338. Property located at 2211 Sibley Drive Ely MN 55731.

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

344. M. **NOTICES/OTHER DEFECTS/MATERIAL FACTS:** The following questions are to be answered to the best of
345. Seller's knowledge.

346. **Notices:** Seller ☐ **HAS** ☒ **HAS NOT** received a notice regarding **any** proposed improvement project from **any**
(Check one)
347. assessing authorities, the costs of which project may be assessed against the Property. If "HAS," please attach
348. and/or explain:

349. _____

350. **Other Defects/Material Facts:** Are there any other material facts that could adversely and significantly affect an
351. ordinary buyer's use or enjoyment of the Property or any intended use of the Property? ☐ Yes ☐ No

352. If "Yes," explain:

353. _____

354. N. **MN STATUTES 513.52 THROUGH 513.60:**

355. **Exceptions:** The seller disclosure requirements of MN Statutes 513.52 through 513.60 **DO NOT** apply to
356. (1) real property that is not residential real property;
357. (2) a gratuitous transfer;
358. (3) a transfer pursuant to a court order;
359. (4) a transfer to a government or governmental agency;
360. (5) a transfer by foreclosure or deed in lieu of foreclosure;
361. (6) a transfer to heirs or devisees of a decedent;
362. (7) a transfer from a co-tenant to one or more other co-tenants;
363. (8) a transfer made to a spouse, parent, grandparent, child, or grandchild of Seller;
364. (9) a transfer between spouses resulting from a decree of marriage dissolution or from a property
365. agreement incidental to that decree;
366. (10) a transfer of newly constructed residential property that has not been inhabited;
367. (11) an option to purchase a unit in a common interest community, until exercised;
368. (12) a transfer to a person who controls or is controlled by the grantor as those terms are defined with
369. respect to a declarant under section 515B.1-103, clause (2);
370. (13) a transfer to a tenant who is in possession of the residential real property; or
371. (14) a transfer of special declarant rights under section 515B.3-104.

372. **MN STATUTES 144.496: RADON AWARENESS ACT**
373. The seller disclosure requirements of MN Statute 144.496 DO NOT apply to (1)-(9) and (11)-(14) above. Sellers
374. of newly constructed residential property must comply with the disclosure requirements of MN Statute 144.496.

375. **Waiver:** The written disclosure required under sections 513.52 to 513.60 may be waived if Seller and the
376. prospective Buyer agree in writing. Waiver of the disclosure required under sections 513.52 to 513.60 does not
377. waive, limit, or abridge any obligation for seller disclosure created by any other law.

378. **No Duty to Disclose**
379. A. There is no duty to disclose the fact that the Property
380. (1) is or was occupied by an owner or occupant who is or was suspected to be infected with Human
381. Immunodeficiency Virus or diagnosed with Acquired Immunodeficiency Syndrome;
382. (2) was the site of a suicide, accidental death, natural death, or perceived paranormal activity; or
383. (3) is located in a neighborhood containing any adult family home, community-based residential facility,
384. or nursing home.

386. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF SELLER'S KNOWLEDGE.**

387. Property located at 2211 Sibley Drive Ely MN 55731

388. B. **Predatory Offenders.** There is no duty to disclose information regarding an offender who is required to
399. register under MN Statute 243.166 or about whom notification is made under that section, if Seller, in a
400. timely manner, provides a written notice that information about the predatory offender registry and
401. persons registered with the registry may be obtained by contacting the local law enforcement agency
402. where the property is located or the Department of Corrections.
403. C. The provisions in paragraphs A and B do not create a duty to disclose any facts described in paragraphs
404. A and B for property that is not residential property.
405. D. **Inspections.**
406. (1) Except as provided in paragraph (2), Seller is not required to disclose information relating to the real
407. Property if a written report that discloses the information has been prepared by a qualified third party
408. and provided to the prospective buyer. For purposes of this paragraph, "qualified third party" means
409. a federal, state, or local governmental agency, or any person whom Seller or prospective buyer reasonably
410. believes has the expertise necessary to meet the industry standards of practice for the type of
411. inspection or investigation that has been conducted by the third party in order to prepare the written
412. report.
413. (2) Seller shall disclose to the prospective buyer material facts known by Seller that contradict any
414. information included in a written report under paragraph (1) if a copy of the report is provided to Seller.

415. **O. ADDITIONAL COMMENTS:**

416. _____

417. _____

418. _____

419. **P. SELLER'S STATEMENT:** *(To be signed at time of listing.)*
420. Seller(s) hereby states the facts as stated above are true and accurate and authorizes any licensee(s)
421. representing or assisting any party(ies) in this transaction to provide a copy of this Disclosure Statement to
422. any person or entity in connection with any actual or anticipated sale of the Property. A seller may provide this
423. Disclosure Statement to a real estate licensee representing or assisting a prospective buyer. The Disclosure
424. Statement provided to the real estate licensee representing or assisting a prospective buyer is considered to have
425. been provided to the prospective buyer. If this Disclosure Statement is provided to the real estate licensee
426. representing or assisting the prospective buyer, the real estate licensee must provide a copy to the prospective
427. buyer.

428. **Seller is obligated to continue to notify Buyer in writing of any facts that differ from the facts disclosed**
429. **here (new or changed) of which Seller is aware that could adversely and significantly affect the Buyer's**
430. **use or enjoyment of the Property or any intended use of the Property that occur up to the time of closing.**
431. To disclose new or changed facts, please use the *Amendment to Disclosure Statement* form.

432. _____ _____
(Seller) (Date) (Seller) (Date)

433. **Q. BUYER'S ACKNOWLEDGEMENT:** *(To be signed at time of purchase agreement.)*
434. I/We, the Buyer(s) of the Property, acknowledge receipt of this *Disclosure Statement: Vacant Land* and agree
435. that no representations regarding facts have been made other than those made above. This Disclosure Statement
436. is not a warranty or guarantee of any kind by Seller or licensee representing or assisting any party in the
437. transaction and is not a substitute for any inspections or warranties the party(ies) may wish to obtain.

438. The information disclosed is given to the best of Seller's knowledge.

439. _____ _____
(Buyer) (Date) (Buyer) (Date)

440. **LISTING BROKER AND LICENSEES MAKE NO REPRESENTATIONS HERE AND ARE**
441. **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, 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 radontest 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"

DEPARTMENT OF HEALTH

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 undre 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

51. **THIS IS AN OPTIONAL, VOLUNTARY AGREEMENT.**
52. **READ THE ARBITRATION DISCLOSURE ON PAGE ONE (1) IN FULL BEFORE SIGNING.**

53. ## RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT

54. For the property located at 2211 Sibley Dr.

55. City of Ely, County of St. Louis County,

56. State of Minnesota, Zip Code 55731.

57. Any dispute between the undersigned parties, or any of them, about or relating to material facts affecting the use or
58. enjoyment of the property, excluding disputes related to title issues of the property covered by the *Purchase Agreement*
59. dated May 6, 2025, including claims of fraud, misrepresentation, warranty and negligence, shall
60. be settled as specified in the Arbitration Disclosure above. National Center for Dispute Settlement shall be the arbitration
61. service provider. The rules adopted by National Center for Dispute Settlement and the Minnesota Association of
62. REALTORS® shall govern the proceeding(s). The rules that shall govern the proceeding(s) are those rules in effect
63. at the time the Demand for Arbitration is filed and include the rules specified in the Arbitration Disclosure on page one
64. (1). This Agreement shall survive the delivery of the deed or contract for deed in the *Purchase Agreement*. This Agreement
65. is only enforceable if all buyers, sellers and licensees representing or assisting the buyers and sellers have agreed to
66. arbitrate as acknowledged by signatures below. For purposes of this Agreement, the signature of one licensee of a
67. broker shall bind the broker and all licensees of that broker.

68.	(Seller's Signature) (Date)	(Buyer's Signature) (Date)
		Christine Bleyhl
69.	(Seller's Printed Name)	(Buyer's Printed Name)
70.	(Seller's Signature) (Date)	(Buyer's Signature) (Date)
71.	(Seller's Printed Name)	(Buyer's Printed Name)
72.	(Licensee Representing or Assisting Seller) (Date)	(Licensee Representing or Assisting Buyer) (Date)
73.	Keller Williams Classic Realty NW - Ely (Company Name)	Keller Williams Classic Realty NW - Ely (Company Name)

74. **THE RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT IS A LEGALLY BINDING CONTRACT**
75. **BETWEEN BUYERS, SELLERS AND LICENSEES. IF YOU DESIRE LEGAL ADVICE, CONSULT A LAWYER.**

KELLERWILLIAMS. CLASSIC REALTY NORTHWEST

Earnest Money Acknowledgement

1. Date May 6, 2025

2. The earnest money due under the terms of the Purchase Agreement between the parties, dated

3. May 6, 2025, pertaining to the purchase and sale of the property located at

4. 2211 Sibley Dr
(Street)

5. Ely
(City)

6. The Buyer has indicated to the licensee representing or assisting them that the Buyer will deliver earnest
7. money in

8. the amount of $ 500.00, upon written acceptance of the Purchase Agreement in the following manner:

9. ☐ TrustFunds – Earnest Money Deposit

10. ☐ Buyer has Provided Buyer's Agent with a Check at the Time of the Offer, Check #_____

11. ☐ Buyer Pledges to Deliver Check to the Buyer's Agent Immediately Upon Written Acceptance of Offer

12. ☒ Buyer Pledges to Deliver Check to the Listing Broker within Two (2) Business Days of Written Acceptance Of Offer

13. All parties understand earnest money is required to be delivered to the Listing Broker no more than two (2)

14. business days after Final Acceptance Date of Purchase Agreement.

15. **Buyer and Licensee Representing or Assisting Buyer Information:**

16. _____ _____ _____
(Buyer's Name(s)) Buyer's Signature (Date)

17. _____
Buyer's Signature (Date)

18. _____
(Buyer's Licensee Representing or Assisting Buyer) (Date)
Lori Schulze