

**SOUTH DAKOTA REAL ESTATE COMMISSION APPLICATION FOR  
REGISTRATION AND NOTICE OF INTENTION TO SELL  
CONDOMINIUM**

To: South Dakota Real Estate Commission  
217 W. Missouri Ave.  
Pierre, South Dakota 57501

For Commission Use Only  
Receipt No. \_\_\_\_\_  
Exam Date \_\_\_\_\_  
DCI/FBI \_\_\_\_\_  
Approval Date/By \_\_\_\_\_  
License No. \_\_\_\_\_

In accordance with SDCL 43-15A, the undersigned hereby gives notice of intention to sell and requests registration of the following styled condominium, and hereby submits a registration fee and an estimated inspection fee in the amount of \$\_\_\_\_\_.

PLEASE NOTE: THIS APPLICATION SHALL BE ACCOMPANIED BY A FEE OF \$25.00 FOR EACH CONDOMINIUM UNIT UP TO A MAXIMUM OF FIVE HUNDRED DOLLARS (\$500.00) AND AN ESTIMATED INSPECTION FEE OF \$100 FOR EACH 300,000 VALUE (ESTIMATED SALES PRICE OR APPRAISED VALUE) OF THE PROJECT.

Number of units \_\_\_\_\_ x \$25.00 = \_\_\_\_\_  
Estimated inspection fee = Total sales price of all units divided by 300,000 x \$100 = \_\_\_\_\_

At the time of submitting this application, the developer requests the South Dakota Real Estate Commission to issue a \_\_\_\_\_ preliminary report allowing for reservations \_\_\_\_\_ substitute report allowing for presale of units \_\_\_\_\_ final report.

\_\_\_\_\_  
DEVELOPER DATE

\_\_\_\_\_  
AUTHORIZED OFFICER OR AGENT DATE

QUESTIONNAIRE FOR CONDOMINIUM FILING

I. NAME OF PROJECT

II. ADDRESS OF PROJECT

Street

City

State

Zip

III. DEVELOPER;

A. Name of Developer

B. Address of Principal Place of Business of Developer:

Street

City

State

Zip

C. Phone

Fax

Email

EXHIBIT A: If Developer is a corporation, attach copy of Certificate of Incorporation of Certificate of Authority to Transact Business in the State of South Dakota. If Developer is a partnership or joint venture, attach recording data for any partnership or joint venture agreement recorded. Otherwise, attach a certified statement or explanation. (Mark "EXHIBIT A").

D. If the principal contact is different from Developer listed in Section III, please complete the following information.

Name of Principal Contact:

Title:

Address:

Street

City

State

Zip

Phone

Fax

Email

E. List the name and address and the type and extent of interest of each holder of any ownership interest of 10 percent or more in this project. If the holder is other than an individual, name the type of legal entity and list the legal interest and extent thereof of each holder. (Attach separate sheets and mark "Schedule III F").

F. If the Developer does not own total (100%) interest in the project, list name and address of each individual or entity having an ownership interest in the condominium project. (Attach separate sheets and mark "Schedule III G").

G. List states or jurisdictions in which Developer has filed application for registration or similar document relating to this or any other condominium project and date of each such filing:

H. Has any adverse order, judgment or decree been entered in connection with any registration listed in III H above by any regulatory agency or court? Yes No (If answer is affirmative, give full details of each such adverse order, judgment or decree including its current status on a separate sheet, attach and mark "Schedule III-I).

#### IV. VIOLATIONS, BANKRUPTCIES, AND LITIGATIONS:

A. State whether any of the persons named in III above have been disciplined, disbarred, or suspended by any governmental body or agency, or indicted or convicted by any court for violation of a federal, state, local or foreign country law or regulation in connection with activities relating to condominium sales, land sales, land investments, security sales, construction or sale of homes or home improvements or any other similar or related activity. (If so, on a separate sheet marked "Schedule IV A" describe the action, including the names and addresses of the parties involved, the type and date of the action, and the status and disposition thereof).

B. State whether within the last ten (10) years any of the persons or corporations in which such other persons were principals or entities named in III above have filed a petition in bankruptcy or has had an involuntary petition in bankruptcy filed against him. If so, on a separate sheet marked "Schedule IV B ", describe the action, including the bankruptcy petition, number, court, names and addresses of the petitioners, trustee, legal counsel and the status or disposition of the action.

C. List all current litigation, of which the Developer is aware which, individually or in the aggregate, may have a material affect upon the Developer and/or project. Describe each action in detail, identifying the court of record, action number, and full identity of the parties involved. (Attach a separate sheet and mark "Schedule IV C").

V. ENCUMBRANCES:

A. List in order of priority mortgages or deeds of trust against property giving date of instrument, lender secured, amount and purpose of loan and recording data:

B. Do the above encumbrances contain release provision? Yes      No      Explain:

C. Will units in project be conveyed free of encumbrances by any deed or trust or mortgage except those placed by purchaser? Yes      No      If not, explain in detail:

VI. TERMS OF OFFERING:

A. Type of financing available to purchase:

B. Estimated sales price of each unit:

C. Cash down payment required: Yes      No

D. Estimated settlement costs:

E. Type of deed for conveying to purchaser:

F. Name and address of institution where escrow funds will be held along with account number:

VII. TITLE TO LAND:

A. Give full legal description of real estate involved if not described in title insurance policy

B. Name and Address of current owner of land:

C. Recording reference for current deed for land:

EXHIBIT B: Attach a current title insurance policy or opinion issued within the preceding thirty days by a licensed attorney who is not a salaried employee, officer or director of the Developer or owner showing the condition of the title to the condominium including all encumbrances against it. (Mark "Exhibit B").

VIII. BUILDING STATUS:

A. Are all project improvements on land substantially complete? Yes            No

B. (1) If answer to "A" above is affirmative, give approximate completion date and state that all current zoning and other government regulations concerning such improvements have been complied with or attach a statement giving particulars of any instance in which such regulation have not been met. (Mark such statement "Schedule VIII B (1)").

(2) If answer to "A" is negative, complete the following including in the information provided the dates of any approvals or applications if not approved:

(a) Status of zoning:

(b) Copy of site plan: (Mark such statement "Schedule VIII C (2)")

(c) Status of building permit:

C. TAXES AND ASSESSMENTS:

(1) Give details of real estate tax or other tax or special assessment on property:

(2) Give details of any proposed special tax or assessment which affect this condominium:

D. Will unit purchaser be required to pay any property taxes or special assessments to any municipal or other governmental agency after signing the contract to purchase and prior to or at time of delivery or executed deed? Yes No If so, explain:

IX. CONTRACT:

List and include copy of any management, employment contracts or deed, or other contracts, leases or agreements now in effect or being negotiated affecting the use, maintenance, or access of all or part of the condominium, giving full disclosure of all the rights and privileges to common areas. Attach a copy of each such contract, lease or agreement, which has been ratified. (List each document on separate sheet designating them as EXHIBIT IX A., B., C., etc. with documents attached thereto appropriately marked.)

X. INSURANCE:

A. List types and amounts of insurance to be carried by the Developer,

B. Are minimum ratings specified for companies providing insurance? Yes No If so, specify:

## XI. ADDITIONAL EXHIBITS:

EXHIBIT C: Attach copies of the instruments which will be delivered to unit purchaser to evidence purchaser's interest in the unit and of contracts and other agreements which a purchaser will be required to agree to or sign. (Mark EXHIBIT C).

EXHIBIT D: Attach a narrative description of the promotional plan for disposition of units in the condominium. (Mark EXHIBIT D).

EXHIBIT E: If requesting a substitute report allowing for the presale of the units, attach the following and label as exhibits:

EXHIBIT E-1 — commitment letter for construction financing from lending institution

EXHIBIT E-2 — detailed site plan of proposed condominium units

EXHIBIT E-3 — conceptual summary of the material and representation of improvements to the condominium unit (A conceptual picture may be attached.)

**SDCL 43-15A-22 PROVIDES THAT THE DEVELOPER SHALL IMMEDIATELY REPORT ANY MATERIAL CHANGES IN THE INFORMATION CONTAINED IN AN APPLICATION FOR REGISTRATION TO THE COMMISSION.**

AFFIDAVIT

STATE \_\_\_\_\_)

COUNTY OF \_\_\_\_\_)

\_\_\_\_\_ being duly sworn deposes and says: That the statements herein contained, and the documents herewith submitted are full, true and complete, and that affiant is the Developer of the condominium project for which application for registration is being made, or that affiant is the officer or agent authorized by the Developer to affix Developer's signature hereto.

\_\_\_\_\_  
AUTHORIZED SIGNATURE

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

at \_\_\_\_\_.  
(City, County and State)

\_\_\_\_\_  
OFFICER ADMINISTERING OATH

Notary public in County/City of \_\_\_\_\_

State of \_\_\_\_\_. My commission

expires:\_\_\_\_\_.

PURCHASER SHOULD READ THIS DOCUMENT FOR PURCHASER'S OWN PROTECTION

PUBLIC OFFERING STATEMENT

NAME OF CONDOMINIUM:\_\_\_\_\_

LOCATION OF CONDOMINIUM:\_\_\_\_\_

NAME OF DEVELOPER:\_\_\_\_\_

ADDRESS OF DEVELOPER:\_\_\_\_\_

EFFECTIVE DATE OF PUBLIC OFFERING STATEMENT:\_\_\_\_\_

South Dakota law requires that the original seller of condominium units disclose fully and accurately the characteristics of the condominium units being offered for sale. This Public Offering Statement is the means by which such disclosure is to be made. In the even of any misrepresentation made herein, the purchaser should notify the South Dakota Real Estate Commission, 221 West Capitol, Pierre, SD 57501.

Under the law, no contract for sale of a condominium unit is binding on the purchaser until at least ten (10) days after the purchaser has received a Public Report of the Commission. The purchaser should inspect the condominium unit and all common areas and obtain professional advice.

The South Dakota Real Estate Commission does not warranty the accuracy of the statements made herein, nor has it passed on the merits of the condominium units offered for sale. Registration of a condominium by the South Dakota Real Estate Commission is not an indication that the actual values of the condominium unit is (are) equal to any offering price as stated herein. Any representation which is contrary to the foregoing statements of this paragraph is violation of state law.

A public Offering Statement is enclosed with the Public Report of the Commission and made a part hereof.

**(A) THE CONDOMINIUM CONCEPT**

Condominium ownership is a relatively new property right, which in effect combines two older forms of ownership.

The condominium Unit Owner is (1) sole owner of the portion of a building and is (2) one of many mutual owners (legally speaking, "tenants in common") of common facilities which service his and other Unit Owners and of common areas which the Unit Owner may use and enjoy along with mutual owners. Each individual Unit Owner has an "undivided interest" in the common elements, which means that all Unit Owners the right to share in the control of all the common elements, but he must also pay his share of the normal expense of operating and maintaining all the common elements. It is the ownership of an undivided interest in the common elements which sets condominium ownership apart from other forms of property ownership.

South Dakota law defines a condominium as follows:

“Condominium” as used this chapter, unless the contest otherwise requires, shall mean an estate in real property consisting of an undivided interest in portions of a parcel of real property, together with a separate interest in space in a residential, industrial, or commercial building, industrial and commercial building of such real property, such as, but not restricted to, an apartment, office or store. A condominium may include in addition a separate interest in other portions of real property. Such estate may, with respect to the duration of its enjoyment, be either an estate of inheritance or perpetual estate, an estate for life, or an estate for years.

**(B) DESCRIPTION OF THE CONDOMINIUM**

The \_\_\_\_\_ Condominium Project is specifically described in the Master Deed on file in the office of the Register of Deeds,

\_\_\_\_\_  
County, South Dakota, and a copy of the Master Deed is available at the request of the prospective purchaser.

The management of the \_\_\_\_\_ Condominium Project is controlled by a set of By-Laws, which are also available upon request by a perspective purchaser.

The \_\_\_\_\_ Condominium Project as described in the Master Deed, contains \_\_\_\_\_ units.

**A COPY OF THE RECORDED MASTER DEED MUST ACCOMPANY THIS APPLICATION.**

**(C) INDIVIDUAL UNITS** (Describe) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**(D) COMMON ELEMENTS**

The Common Areas and Facilities include:

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The Common Areas and Facilities in which a purchaser will take an undivided interest shall include everything contained on the described property, except the individual units, which shall be owned by the purchaser. The entire project square footage is the sum of the square footage of all the units and all the common areas, including land.

**(E) OFFERING PRICES**

It is expected that the initial offering prices will be approximately \$\_\_\_\_\_. Offering prices are subject to change.

The Developer shall/shall not offer financing. The purchasers shall/shall not be required to obtain his/her own financing.

**(F) ENCUMBRANCES**

The Developer is not aware of any covenants, encumbrances, easements, licenses, servitudes or other devices which would restrict the Unit Owner’s use and enjoyment of his/her Unit or the Common Areas and Facilities appurtenant thereto except routine utility easements and the governing By-Laws.

***(G), (H) and (I) apply only to projects containing more than 4 units. Projects with 4 or less units may proceed to (J).***

**(G) RESTRICTIONS ON TRANSFER**

See Attached By-Laws.

**(H) UNIT OWNERS’ ASSOCIATION**

See Attached By-Laws.

**(I) FINANCIAL MATTERS**

The estimated project budget for the first year, including projected average common expense assessments for each Unit are as follows:

ESTIMATED OPERATING BUDGET (Attach if completed as a separate document)

	UNIT/MONTH	UNIT/YEAR
Insurance	\$ _____	\$ _____
Electrical	\$ _____	\$ _____
Water / sewer / trash	\$ _____	\$ _____
Cleaning	\$ _____	\$ _____
Snow removal / lawn care	\$ _____	\$ _____
Other _____	\$ _____	\$ _____
Reserve / Miscellaneous	\$ _____	\$ _____
TOTALS	\$ _____	\$ _____

Expenses which arise from operation, maintenance, repair, improvements, or alteration specially benefiting an individual Unit or made necessary by the conduct of an individual Unit Owner may be assessed directly to the Unit Owner.

Common Expenses assessed against the Unit Owner will give rise to a lien on the Owner's condominium unit, which lien, if unsatisfied, may be enforced by foreclosure or other legal remedies.

The Board of Directors of \_\_\_\_\_ Condominiums Association will annually review the adequacy of the insurance coverage for the condominium project and, consequently, the cost of fire, hazard and public liability insurance may increase annually.

**(J) TAXES**

As of the date of the preparation of this Public Offering Statement, the assessed value of the individual condominium units, including the appurtenant interest in the Common Elements, is \$ \_\_\_\_\_.

**(K) ZONING, HOUSING AND BUILDING CODES**

The building site is zoned\_\_\_\_\_. All zoning ordinances, housing codes, building codes, and similar laws affecting the condominium project have been complied with.

**(L) WARRANTIES**

The purchasers shall receive title by Condominium Warranty Deed containing the usual warranty of title provided by statute.

**(M) DOWN-PAYMENT REQUIRED**

At the execution of an Earnest Money Contract, purchaser will be required to pay \$\_\_\_\_\_ earnest money.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Signed by \_\_\_\_\_  
Developer or Developer's Authorized Agent