

Notwithstanding the provisions of subdivision 1, personalized license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by regulation provide a form for such notification.

The fee prescribed for personalized license plates shall be paid only in those years in which the number plate itself is issued, and shall not be payable in any year in which a year plate, tab or sticker is issued in lieu of a number plate.

All fees from the sale of personalized license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 2. This act is effective the day following its final enactment.

Approved March 25, 1980

CHAPTER 373—S.F.No. 273

An act relating to commerce; providing a floating usury rate and penalty for contracts for deed; changing the termination periods for contracts for deed; clarifying the procedure regarding enjoining contract for deed terminations subsequent to service of the termination notice; amending Minnesota Statutes 1978, Sections 47.20, by adding a subdivision; 559.21; Chapter 559, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 47.20, Subdivisions 2, 3, 4, and 4a.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes, 1979 Supplement, Section 47.20, Subdivision 2, is amended to read:

Subd. 2. For the purposes of this section the terms defined in this subdivision have the meanings given them:

(1) "Actual closing costs" mean reasonable charges for or sums paid for the following, whether or not retained by the mortgagee or lender:

(a) Any insurance premiums including but not limited to premiums for title insurance, fire and extended coverage insurance, flood insurance, and private mortgage insurance, but excluding any charges or sums retained by the mortgagee or lender as self-insured retention.

(b) Abstracting, title examination and search, and examination of public records.

(c) The preparation and recording of any or all documents required by law or custom for closing a conventional loan.

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(d) Appraisal and survey of real property securing a conventional loan.

(e) A single service charge, which ~~shall include~~ includes any consideration, not otherwise specified herein as an "actual closing cost" paid by the borrower and received and retained by the lender for or related to the acquisition, making, refinancing or modification of a conventional loan, and ~~shall also include~~ includes any consideration received by the lender for making a borrower's interest rate commitment or for making a borrower's loan commitment, whether or not an actual loan follows ~~such~~ the commitment. The term service charge ~~shall does~~ not include forward commitment fees. The service charge shall not exceed one percent of the original bona fide principal amount of the conventional loan, except that in the case of a construction loan, the service charge shall not exceed two percent of the original bona fide principal amount of the loan. That portion of the service charge imposed because the loan is a construction loan shall be itemized and a copy of the itemization furnished the borrower. A lender shall not collect from a borrower the additional one percent service charge permitted for a construction loan if it does not perform the service for which the charge is imposed or if third parties perform and charge the borrower for the service for which the lender has imposed the charge.

(f) Charges and fees necessary for or related to the transfer of real property securing a conventional loan or the closing of a conventional loan paid by the borrower and received by any party other than the lender.

(2) "Contract for deed" means an executory contract for the conveyance of real estate, the original principal amount of which is less than \$100,000. A commitment for a contract for deed shall include an executed purchase agreement or earnest money contract wherein the seller agrees to finance any part or all of the purchase price by a contract for deed.

(2) (3) "Conventional loan" means a loan or advance of credit, other than a loan or advance of credit made by a credit union or made pursuant to section 334.011, to a noncorporate borrower in an original principal amount of less than \$100,000, secured by a mortgage upon real property containing one or more residential units or upon which at the time the loan is made it is intended that one or more residential units are to be constructed, and which is not insured or guaranteed by the secretary of housing and urban development, by the administrator of veterans affairs, or by the administrator of the farmers home administration. The term mortgage shall does not include contracts for deed or installment land contracts.

(3) (4) "Forward commitment fee" means a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of residential units, or a fee or other consideration paid to a lender for the purpose of securing a binding forward commitment by or through the lender to make conventional loans to two or more credit worthy purchasers, including future purchasers, of apartments as defined in section 515.02 to be created out of existing structures pursuant to the Minnesota condominium act, provided that the forward commitment rate of interest does not

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exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

(4) (5) "Borrower's interest rate commitment" means a binding commitment made by a lender to a borrower wherein the lender agrees that, if a conventional loan is made following issuance of and pursuant to the commitment, the conventional loan shall be made at a rate of interest not in excess of the rate of interest agreed to in the commitment, provided that the rate of interest agreed to in the commitment is not in excess of the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower.

~~(5)~~ (6) "Borrower's loan commitment" means a binding commitment made by a lender to a borrower wherein the lender agrees to make a conventional loan pursuant to the provisions, including the interest rate, of the commitment, provided that the commitment rate of interest does not exceed the maximum lawful rate of interest effective as of the date the commitment is issued and the commitment when issued and agreed to shall constitute a legally binding obligation on the part of the mortgagee or lender to make a conventional loan within a specified time period in the future at a rate of interest not exceeding the maximum lawful rate of interest effective as of the date the commitment is issued by the lender to the borrower; provided that a lender who issues a borrower's loan commitment pursuant to the provisions of a forward commitment is authorized to issue such the borrower's loan commitment at a rate of interest not to exceed the maximum lawful rate of interest effective as of the date the forward commitment is issued by the lender.

~~(6)~~ (7) "Finance charge" means the total cost of a conventional loan including extensions or grant of credit regardless of the characterization of the same and includes interest, finders fees, and other charges levied by a lender directly or indirectly against the person obtaining the conventional loan or against a seller of real property securing a conventional loan, or any other party to the transaction except any actual closing costs and any forward commitment fee. The finance charges plus the actual closing costs and any forward commitment fee, charged by a lender shall include all charges made by a lender other than the principal of the conventional loan.

~~(7)~~ (8) "Lender" means any person making a conventional loan, or any person arranging financing for a conventional loan. The term ~~shall~~ also ~~include~~ includes the holder or assignee at any time of a conventional loan.

~~(8)~~ (9) "Loan yield" means the annual rate of return obtained by a lender over the term of a conventional loan and shall be computed as the annual percentage rate as computed in accordance with sections 226.5 (b), (c) and (d) of Regulation Z, 12 C.F.R. section 226, but using the definition of finance charge provided for in this subdivision.

~~(9)~~ (10) "Monthly index of long term United States government bond yields" means the monthly unweighted average of the daily unweighted average of the closing bid yield quotations in the over the counter market for all outstanding United States treasury bond issues, based on available statistics, which are either

maturing or callable in ten years or more. This index is expressed in terms of percentage interest per annum.

~~(10)~~ (11) "Monthly index of the federal national mortgage association auction yields" means the gross weighted average yield of accepted offers in the second free market system conventional home mortgage auction held by the federal national mortgage association in a month.

~~(11)~~ (12) "Person" means an individual, corporation, business trust, partnership or association or any other legal entity.

~~(12)~~ (13) "Residential unit" means any structure used principally for residential purposes or any portion thereof, and ~~shall include~~ includes a unit in a townhouse or planned unit development, a condominium apartment, a non-owner occupied residence, and any other type of residence regardless of whether such unit is used as a principal residence, secondary residence, vacation residence or residence of some other denomination.

(14) "Vendor" means any person or persons who agree to sell real estate and finance any part or all of the purchase price by a contract for deed. The term also includes the holder or assignee at any time of the vendor's interest in a contract for deed.

Sec. 2. Minnesota Statutes, 1979 Supplement, Section 47.20, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of section 334.01, lenders are authorized to make conventional loans and purchases of obligations representing conventional loans pursuant to ~~such~~ rules as the commissioner of banks finds to be necessary and proper, if any, at an interest rate not in excess of the maximum lawful interest rate prescribed in subdivision 4 or 4a. Contract for deed vendors are authorized to charge interest on contracts for deed at an interest rate not in excess of the maximum lawful interest rate prescribed in subdivision 4 or 4a.

Sec. 3. Minnesota Statutes, 1979 Supplement, Section 47.20, Subdivision 4, is amended to read:

Subd. 4. No conventional loan or contract for deed shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate which ~~shall be~~ is based upon the monthly index of long term United States government bond yields as compiled by the United States treasury department and published by the department in the monthly treasury bulletin. The maximum lawful interest rate shall be computed as follows:

(1) The maximum lawful rate of interest for a conventional loan or contract for deed made or contracted for during any calendar month ~~shall be~~ is equal to the monthly index of long term United States government bond yields for the second preceding calendar month plus an additional two percent per annum rounded off to the nearest quarter of one percent per annum or rounded off to the highest quarter of one percent per annum if equidistant.

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(2) On or before the 20th day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of long term United States government bond yields for the preceding calendar month and shall determine the maximum lawful rate of interest for conventional loans or contracts for deed for the next succeeding month, as defined in clause (1) and shall cause the maximum lawful rate of interest to be published in a legal newspaper in Ramsey County on or before the 20th day of each month and in the state register on or before the last day of each month; the maximum lawful rate of interest to be effective on the first day of the next succeeding month.

(3) A contract rate within the maximum lawful interest rate applicable to a conventional loan or contract for deed at the time the loan is made shall be the maximum lawful interest rate for the term of the conventional loan or contract for deed.

(4) Contracts for deed executed pursuant to a commitment for a contract for deed, or conventional loans made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a commitment for conventional loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, which commitment provides for consummation within some future time following the issuance of the commitment may be consummated pursuant to the provisions, including the interest rate, of the commitment notwithstanding the fact that the maximum lawful rate of interest at the time the contract for deed or conventional loan is actually executed or made is less than the commitment rate of interest, provided the commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date the commitment was issued. The refinancing of (a) an existing conventional loan, (b) a loan insured or guaranteed by the secretary of housing and urban development, the administrator of veterans affairs, or the administrator of the farmers home administration, or (c) a contract for deed by making a conventional loan ~~shall be~~ is deemed to be a new conventional loan for purposes of determining the maximum lawful rate of interest under this subdivision. A borrower's interest rate commitment or a borrower's loan commitment ~~shall be~~ is deemed to be issued on the date the commitment is hand delivered by the lender to, or mailed to the borrower. A forward commitment ~~shall be~~ is deemed to be issued on the date the forward commitment is hand delivered by the lender to, or mailed to the person paying the forward commitment fee to the lender, or to any one of them if there should be more than one. A commitment for a contract for deed is deemed to be issued on the date the commitment is initially executed by the contract for deed vendor or his authorized agent.

(5) A contract for deed executed pursuant to a commitment for a contract for deed, or a loan made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a forward commitment for conventional loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, issued on or before July 31, 1983 at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the commitment

was made ~~shall continue~~ continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

(6) This subdivision expires July 31, 1983.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 47.20, Subdivision 4a, is amended to read:

Subd. 4a. No conventional loan or contract for deed shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate which shall be based upon the monthly index of the federal national mortgage association auction yields as compiled by the federal national mortgage association. The maximum lawful interest rate shall be computed as follows:

(1) The maximum lawful rate of interest for a conventional loan or contract for deed made or contracted for during any calendar month ~~shall be~~ is equal to the monthly index of the federal national mortgage association auction yields for the first preceding calendar month rounded off to the next highest quarter of one percent per annum.

(2) On or before the last day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of the federal national mortgage association auction yields for that calendar month and shall determine the maximum lawful rate of interest for conventional loans or contracts for deed for the next succeeding month, as defined in clause (1) and shall cause the maximum lawful rate of interest to be published in a legal newspaper in Ramsey County on or before the first day of each month or as soon thereafter as practicable and in the state register on or before the last day of each month; the maximum lawful rate of interest to be effective on the first day of that month. If a federal national mortgage association free market system conventional home mortgage auction is not held in any month, the maximum lawful rate of interest determined by the commissioner of banks pursuant to the last auction ~~shall be~~ is the maximum lawful rate of interest through the last day of the month in which the next auction is held.

(3) A contract rate within the maximum lawful interest rate applicable to a conventional loan or contract for deed at the time the loan is made ~~shall be~~ is the maximum lawful interest rate for the term of the conventional loan or contract for deed.

(4) Contracts for deed executed pursuant to a commitment for a contract for deed, or conventional loans made pursuant to a borrower's interest rate commitment or made pursuant to a borrower's loan commitment, or made pursuant to a commitment for conventional loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, which commitment provides for consummation within some future time following the issuance of the commitment may be consummated pursuant to the provisions, including the interest rate, of the commitment notwithstanding the fact that the maximum lawful rate of interest at the time the contract for deed or conventional loan is actually executed or made is less than

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the commitment rate of interest, provided the commitment rate of interest does not exceed the maximum lawful interest rate in effect on the date the commitment was issued. The refinancing of (a) an existing conventional loan, (b) a loan insured or guaranteed by the secretary of housing and urban development, the administrator of veterans affairs, or the administrator of the farmers home administration, or (c) a contract for deed by making a conventional loan ~~shall be~~ is deemed to be a new conventional loan for purposes of determining the maximum lawful rate of interest under this subdivision. A borrower's interest rate commitment or a borrower's loan commitment ~~shall be~~ is deemed to be issued on the date the commitment is hand delivered by the lender to, or mailed to the borrower. A forward commitment ~~shall be~~ is deemed to be issued on the date the forward commitment is hand delivered by the lender to, or mailed to the person paying the forward commitment fee to the lender, or to any one of them if there should be more than one. A commitment for a contract for deed is deemed to be issued on the date the commitment is initially executed by the contract for deed vendor or his authorized agent.

(5) A contract for deed executed pursuant to a commitment for a contract for deed, or a loan made pursuant to a borrower's interest rate commitment, or made pursuant to a borrower's loan commitment, or made pursuant to a forward commitment for conventional loans made upon payment of a forward commitment fee including a borrower's loan commitment issued pursuant to a forward commitment, issued on or before November 30, 1982, at a rate of interest not in excess of the rate of interest authorized by this subdivision at the time the commitment was made shall ~~continue~~ continues to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

(6) This subdivision supersedes subdivision 4 from May 31, 1979 until November 30, 1982.

(7) This subdivision expires November 30, 1982.

Sec. 5. Minnesota Statutes 1978, Section 47.20, is amended by adding a subdivision to read:

Subd. 13a. Any contract for deed having an interest rate in excess of the maximum lawful interest rate provided for in subdivision 4 or 4a as applicable is usurious. No contract for deed is unenforceable solely because the interest rate thereon is usurious. Persons who have paid usurious interest may recover an amount not to exceed five times the usurious portion of the interest paid under the contract for deed plus attorneys' fees from the person to whom the interest has been paid. The penalty provisions of chapter 334, do not apply to usurious contracts for deed.

Sec. 6. Minnesota Statutes 1978, Section 559.21, is amended to read:

559.21 TERMINATION OF CONTRACT OF SALE; NOTICE, SERVICE AND RETURN, COSTS, REINSTATEMENT. Subdivision 1. When default is made in the conditions of any contract for the conveyance of real estate or any interest therein executed prior to May 1, 1980, whereby the vendor has a right to

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terminate the same. he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that ~~such the~~ contract will terminate (1) 30 days after the service of ~~such the~~ notice if the purchaser has paid less than 30 percent of the purchase price, exclusive of interest thereon, and any mortgages or prior contracts for deed which are assumed by the purchaser, (2) 45 days after service of ~~such the~~ notice if the purchaser has paid 30 percent, or more, but less than 50 percent of the purchase price, exclusive of interest thereon, and any mortgages or prior contracts for deed which are assumed by the purchaser, (3) 60 days after service of ~~such the~~ notice if the ~~vendee purchaser~~ has paid 50 percent, or more, of the purchase price, exclusive of interest thereon, and any mortgages or prior contracts for deed which are assumed by the purchaser, unless prior thereto the purchaser ~~shall comply~~ complies with ~~such the~~ conditions and ~~pay~~ pays the costs of service, the mortgage registration tax, if actually paid by the vendor, together with an amount to apply on attorneys' fees actually expended or incurred, of \$75 when the amount in default is less than \$750, and of \$200 when the amount in default is \$750 or more; provided, however, that no amount ~~shall be~~ is required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default ~~shall have~~ has existed at least 45 days prior to the date of service of ~~said the~~ notice.

Subd. 2. When default is made in the conditions of any contract for the conveyance of real estate or any interest therein executed on or after May 1, 1980, whereby the vendor has a right to terminate the same, he may do so by serving upon the purchaser, his personal representatives or assigns, either within or without the state, a notice specifying the conditions in which default has been made, and stating that the contract will terminate (1) 30 days after the service of the notice if the purchaser has paid less than ten percent of the purchase price, exclusive of interest thereon, and any mortgages or prior contracts for deed which are assumed by the purchaser, (2) 60 days after service of the notice if the purchaser has paid ten percent, or more, but less than 25 percent of the purchase price, exclusive of interest thereon, and any mortgages or prior contracts for deed which are assumed by the purchaser, (3) 90 days after service of the notice if the purchaser has paid 25 percent, or more, of the purchase price, exclusive of interest thereon, and any mortgages or prior contracts for deed which are assumed by the purchaser, unless prior thereto the purchaser complies with the conditions and makes all payments due and owing to the vendor under the contract through the date payment is made and pays the costs of service, the mortgage registration tax, if actually paid by the vendor, together with an amount to apply on attorneys' fees actually expended or incurred, of \$125 when the amount in default is less than \$750, and of \$250 when the amount in default is \$750 or more; provided, however, that no amount is required to be paid for attorneys' fees as provided hereunder, unless some part of the conditions of default has existed at least 45 days prior to the date of service of the notice.

Subd. 3. For purposes of this section, the term "notice" means a writing stating the information required in this section, stating the name, address and telephone number of the vendor or of an attorney authorized by the vendor to

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accept payments pursuant to the notice and the fact that the person named is authorized to receive the payments, and including the following information in 12 point or larger bold type or in large legible handwritten letters:

(a) For contracts executed prior to May 1, 1980:

THIS NOTICE IS TO INFORM YOU THAT BY THIS NOTICE THE SELLER HAS BEGUN PROCEEDINGS UNDER MINNESOTA STATUTES, SECTION 559.21, TO TERMINATE YOUR CONTRACT FOR DEED FOR THE REASONS SPECIFIED IN THIS NOTICE. THE CONTRACT WILL TERMINATE DAYS AFTER (SERVICE OF THIS NOTICE UPON YOU) (THE FIRST DATE OF PUBLICATION OF THIS NOTICE) UNLESS BEFORE THEN THE PERSON AUTHORIZED IN THIS NOTICE TO RECEIVE PAYMENTS RECEIVES FROM YOU THE AMOUNT THIS NOTICE SAYS YOU OWE PLUS THE COSTS OF SERVICE OF THIS NOTICE TOGETHER WITH THE MORTGAGE REGISTRATION TAX OF \$. AND \$. TO APPLY TO ATTORNEYS' FEES ACTUALLY EXPENDED OR INCURRED; OR UNLESS BEFORE THEN YOU SECURE FROM A COUNTY OR DISTRICT COURT AN ORDER THAT THE TERMINATION OF THE CONTRACT BE SUSPENDED UNTIL YOUR CLAIMS OR DEFENSES ARE FINALLY DISPOSED OF BY TRIAL, HEARING OR SETTLEMENT. YOUR ACTION MUST SPECIFICALLY STATE THOSE FACTS AND GROUNDS THAT DEMONSTRATE YOUR CLAIMS OR DEFENSES. IF YOU DO NOT DO ONE OR THE OTHER OF THE ABOVE THINGS WITHIN THE TIME PERIOD SPECIFIED IN THIS NOTICE, YOUR CONTRACT WILL TERMINATE AT THE END OF THE PERIOD AND YOU WILL LOSE ALL THE MONEY YOU HAVE PAID ON THE CONTRACT; YOU WILL LOSE YOUR RIGHT TO POSSESSION OF THE PROPERTY; YOU MAY LOSE YOUR RIGHT TO ASSERT ANY CLAIMS OR DEFENSES THAT YOU MIGHT HAVE; AND YOU WILL BE EVICTED. IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, CONTACT AN ATTORNEY IMMEDIATELY.

(b) For contracts executed on or after May 1, 1980:

THIS NOTICE IS TO INFORM YOU THAT BY THIS NOTICE THE SELLER HAS BEGUN PROCEEDINGS UNDER MINNESOTA STATUTES, SECTION 559.21, TO TERMINATE YOUR CONTRACT FOR DEED FOR THE REASONS SPECIFIED IN THIS NOTICE. THE CONTRACT WILL TERMINATE DAYS AFTER (SERVICE OF THIS NOTICE UPON YOU) (THE FIRST DATE OF PUBLICATION OF THIS NOTICE) UNLESS BEFORE THEN THE PERSON AUTHORIZED IN THIS NOTICE TO RECEIVE PAYMENTS RECEIVES FROM YOU THE AMOUNT THIS NOTICE SAYS YOU OWE PLUS ANY ADDITIONAL PAYMENTS DUE UNDER THE CONTRACT TO THE SELLER SINCE THE NOTICE WAS SERVED PLUS THE COSTS OF SERVICE OF THIS NOTICE TOGETHER WITH THE MORTGAGE REGISTRATION TAX OF \$. AND \$. TO APPLY TO ATTORNEYS' FEES ACTUALLY EXPENDED OR INCURRED; OR UNLESS BEFORE THEN YOU SECURE FROM A COUNTY OR DISTRICT

COURT AN ORDER THAT THE TERMINATION OF THE CONTRACT BE SUSPENDED UNTIL YOUR CLAIMS OR DEFENSES ARE FINALLY DISPOSED OF BY TRIAL, HEARING OR SETTLEMENT. YOUR ACTION MUST SPECIFICALLY STATE THOSE FACTS AND GROUNDS THAT DEMONSTRATE YOUR CLAIMS OR DEFENSES. IF YOU DO NOT DO ONE OR THE OTHER OF THE ABOVE THINGS WITHIN THE TIME PERIOD SPECIFIED IN THIS NOTICE, YOUR CONTRACT WILL TERMINATE AT THE END OF THE PERIOD AND YOU WILL LOSE ALL THE MONEY YOU HAVE PAID ON THE CONTRACT; YOU WILL LOSE YOUR RIGHT TO POSSESSION OF THE PROPERTY; YOU MAY LOSE YOUR RIGHT TO ASSERT ANY CLAIMS OR DEFENSES THAT YOU MIGHT HAVE; AND YOU WILL BE EVICTED. IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, CONTACT AN ATTORNEY IMMEDIATELY.

Subd. 4. ~~Such~~ The notice required by this section must be given notwithstanding any provisions in the contract to the contrary, and shall be served within the state in the same manner as a summons in the district court, without the state, in the same manner, and without securing any sheriff's return of not found, making any preliminary affidavit, mailing a copy of ~~said the~~ notice or doing any other preliminary act or thing whatsoever. Service of the notice without the state may be proved by the affidavit of the person making the same, made before an authorized officer having a seal, and within the state by such an affidavit or by the return of the sheriff of any county therein.

Three weeks published notice, and if the premises described in the contract are actually occupied, then in addition thereto, the personal service of a copy of the notice within ten days after the first date of publication of the notice, and in like manner as the service of a summons in a civil action in the district court upon the person in possession of the premises, ~~shall have~~ has the same effect as the personal service of the notice upon the purchaser, his personal representatives or assigns, either within or without the state as herein provided for. In case of ~~such~~ service by publication, as herein provided, the notice shall specify the conditions in which default has been made and state that ~~such the~~ contract will terminate 90 days after the first date of publication of the notice, unless prior thereto the purchaser ~~comply~~ complies with ~~such the~~ conditions and, if required pursuant to subdivision 2, makes all payments due and owing to the vendor under the contract through the date payment is made and pay ~~pays~~ the costs of service, the mortgage registration tax, if actually paid by the vendor, and attorneys' fees as provided herein, and the purchaser, his personal representatives or assigns, shall be allowed 90 days from and after the first date of publication of the notice to comply with the conditions of ~~such the~~ contract.

If, within the time mentioned, the person served complies with ~~such the~~ conditions and, if required pursuant to subdivision 2, makes all payments due and owing to the vendor under the contract through the date payment is made and pays the costs of service, the mortgage registration tax, if actually paid by the vendor, and attorneys' fees as provided herein, the contract shall be thereby reinstated; but otherwise shall terminate. In the event that ~~such the~~ notice was

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not signed by an attorney for the vendor and the vendor is not present in the state, or cannot be found therein, then compliance with the conditions specified in the notice may be made by paying to the clerk of the district court in the county wherein the real estate or any part thereof is situated any money due and filing proof of compliance with other defaults specified, and the clerk of the district court shall be deemed the agent of the vendor for such purposes. A copy of the notice with proof of service thereof, and the affidavit of the vendor, his agent or attorney, showing that the purchaser has not complied with the terms of the notice, may be recorded with the county recorder, and ~~shall be~~ is prima facie evidence of the facts therein stated; but this section ~~shall~~ in no case be held to ~~apply~~ applies to contracts for the sale or conveyance of lands situated in another state or in a foreign country.

Sec. 7. Minnesota Statutes 1978, Chapter 559, is amended by adding a section to read:

[559.211] RESTRAINING OR ENJOINING FURTHER PROCEEDINGS PURSUANT TO NOTICE OF TERMINATION OF CONTRACT OF SALE. Subdivision 1. ORDER RESTRAINING OR ENJOINING FURTHER PROCEEDINGS; SECURITY. In an action arising under or in relation to a contract for the conveyance of real estate or any interest therein, the county or district court, notwithstanding the service or publication pursuant to the provisions of section 559.21 of a notice of termination of the contract, has the authority at any time prior to the effective date of termination of the contract and subject to the requirements of Rule 65 of the Rules of Civil Procedure for the District Courts or comparable county court rule to enter an order temporarily restraining or enjoining further proceedings to effectuate the termination of the contract, including recording of the notice of termination with proof of service, recording of an affidavit showing noncompliance with the terms of the notice, taking any action to recover possession of the real estate, or otherwise interfering with the purchaser's lawful use of the real estate. In the action, the purchaser may plead affirmatively any matter that would constitute a defense to an action to terminate the contract. Upon a motion for a temporary restraining order the court has the discretion, notwithstanding any rule of court to the contrary, to grant the order without requiring the giving of any security or undertaking, and in exercising that discretion, the court shall consider, as one factor, the moving party's ability to afford monetary security. Upon a motion for a temporary injunction, the court shall condition the granting of the order either upon the tender to the court or vendor of installments as they become due under the contract or upon the giving of other security in a sum as the court deems proper. Upon written application, the court may disburse from payments tendered to the court an amount the court determines necessary to insure the timely payment of property taxes, property insurance, installments of special assessments, mortgage installments, prior contract for deed installments or other similar expenses directly affecting the real estate, or for any other purpose the court deems just. If a temporary restraining order or injunction is granted pursuant to this subdivision, the contract shall not terminate until the expiration of 15 days after the entry of the order or decision dissolving or modifying the temporary restraining order or injunction.

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Subd. 2. REMEDIES ADDITIONAL. The remedies provided in this section are in addition to and do not limit other rights or remedies available to purchasers or vendors of real estate.

Subd. 3. APPLICABILITY. This section is applicable to contracts for the conveyance of real estate or any interest therein executed before, on and after the effective date of this section.

Sec. 8. This act is effective May 1, 1980.

Approved March 25, 1980

CHAPTER 374—S.F.No. 759

An act relating to Indian affairs; expanding the term of office for at large intertribal board members from two years to four years; providing for future at large elections; defining the term of office for at large members; amending Minnesota Statutes 1978, Section 3.922, Subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1978, Section 3.922, Subdivision 2, is amended to read:

Subd. 2. **ADDITIONAL MEMBERS.** Two members of the board shall be elected at large by Indian residents of Minnesota who (1) are legal members and eligible voters of a federally recognized tribe in accordance with the criteria of said tribe and (2) are not members of any federally recognized tribe with a reservation in Minnesota. The election of at large members shall be in a manner prescribed by the secretary of state with the first such election for at large members to take place at a reasonable time, but no later than April 14, 1977. The manner of election, certification, and contest shall, insofar as reasonably possible, be consistent with procedures employed in general elections in the state so as to insure a fair election and ready access to the election process by eligible voters. The voting procedure shall include voting by absentee ballot. A person shall be eligible to serve as an at large member of the board if at the time of the election he is a qualified voter within the requirements of the Minnesota Constitution, Article VII and a member of a federally recognized tribe that does not have a reservation in Minnesota. The at large election described herein shall be certified and regulated by the secretary of state. The term for at large members elected in 1977 shall be two years and until a successor is elected and qualified expire on April 20, 1981. At large elections shall be held no later than April 14, 1981, and no later than every fourth April 14 thereafter, and the term of office for at large members shall be four years commencing on the April 20 following each at large election and ending at 12:01 a.m., April 20 four years thereafter.

Approved March 25, 1980

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