

Residential Limited Warranty (Non-transferable)

Limited Warranty Coverage – Section 1

Coverage During First Year

BORUP CONSTRUCTION warrants that for one (1) year, beginning on the Limited Warranty Commencement Date stated on the Certificate, the Home will be free from defects due to noncompliance with the Performance Standards attached to and incorporated into this Limited Warranty.

Coverage During the Second Year

BORUP CONSTRUCTION warrants that during the second year after the Limited Warranty Commencement Date stated on the certificate;

1. The electrical, plumbing, heating, cooling and ventilation systems of the Home (exclusive of appliances, fixtures and items of equipment) will be free from defects due to noncompliance with the Performance Standards attached to and incorporated into this Limited Warranty; and,
2. The Home will be free from Major Structural Defects as defined in this Limited Warranty.

Coverage for Common Elements in Condominium and Cooperative Structures

Common Elements serving condominium or cooperative units are also covered by this Limited Warranty. Common Elements are covered for the same length of time as similar items which are part of a Home, but the commencement date of the Limited Warranty period for Common Elements is determined by the Common Elements Commencement Date stated on the Certificate.

Consequential Damages

Consequential damages are not covered by this Limited Warranty. (Some jurisdictions do not allow the exclusion or limitation of consequential damages so this exclusion or limitation may not apply to you.)

Remedy

If a defect occurs in an item which is covered by this Limited Warranty, the Builder will repair, replace or pay the Home Owner the reasonable cost of repairing or replacing the defective item(s).

If a Major Structural Defect first occurs during the two (2) year term of this Limited Warranty, the Builder will repair, replace, or pay the Homeowner the reasonable cost of repairing or replacing the Major Structural Defect.

Repair of a Major Structural Defect under this Limited Warranty is limited 1) to the repair of damage to the load-bearing portion of the Home which is necessary to restore their load-bearing function; and 2) to the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, unsanitary or otherwise unlivable. The Builder's total liability for deficiencies under this Limited Warranty is limited to the original purchase price of the Home. The choice among repair, replacement or payment is solely that of the Builder.

Other Rights

This Limited Warranty gives specific legal rights to the Homeowner. Other legal rights may also be available. This Limited Warranty does not affect any rights the Homeowner or Borup Construction may have to one another under any other express or implied warranty.

Exclusions

This Limited Warranty shall not extend to or include or be applicable to:

1. Defects in outbuildings, including but not limited to, detached garages and detached carports except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Home); site-located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements; or any other improvements not a part of the Home itself.
2. After the first year of coverage, concrete floors of basements and concrete floors of attached garages that are built separately from foundation walls or other structural elements of the Home.
3. Loss or damage to real property which is not part of the Home covered by this Limited Warranty and which may or may not be included in the original purchase price of the Home.
4. Any damage to the extent it is caused or made worse by:
 - a. Negligence, improper maintenance or improper operation by anyone other than Borup Construction, its employees, agents, or subcontractors;
 - b. Failure by the Home Owner or by anyone other than Borup Construction, its employees, agents, or subcontractors to comply with the warranty requirements of manufacturers of appliances, fixtures, and items of equipment;
 - c. Failure by the Home Owner to give notice to Borup Construction of any defects within a reasonable time;
 - d. Changes of the grading of the ground by anyone other than Borup Construction, its employees, agents, or subcontractors;
 - e. Changes, alterations or additions made to the Home by anyone after the Limited Warranty Commencement Date stated on the Certificate;
 - f. Dampness or condensation due to the failure of the Homeowner to maintain adequate ventilation.
5. Loss or damage which the Homeowner has not taken timely action to minimize.

6. Any defect in, caused by, or resulting from materials or work including, but not limited to, items shown on any Addendum supplied by anyone other than the Builder, its employees, agents, or subcontractors.
7. Normal wear and tear or normal deterioration.
8. Loss or damage, not otherwise excluded under this Limited Warranty, which does not constitute a defect in the construction of the Home by Borup Construction, its employees, agents, or subcontractors.
9. Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water and changes in the underground water table which were not reasonably foreseeable.
10. Loss or damage caused by or resulting from seepage of water.
11. Loss or damage caused by or resulting from soil movement for which compensation is provided by legislation or which is covered by other insurance.
12. Insect damage.
13. Loss or damage which arises while the home is being used primarily for nonresidential purposes.
14. Any condition which does not result in actual physical damage to the Home, including, but not limited to, uninhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde or other pollutants or contaminants or the presence of hazardous or toxic on-site materials.
15. Bodily injury or damage to personal property.
16. Loss or damage caused by or resulting from abnormal loading on floors by the Homeowner which exceeds design loads as mandated by codes.
17. Costs of shelter, transportation, food, moving, storage, or other incidental expenses related to inconvenience or relocation during repairs.
18. Consequential damages (except where required by state law).

Warranty Service

Request for Warranty Service

The Homeowner with a warranty complaint should first review the performance standards contained herein and then send a clear, specific, written request for service to BORUP CONSTRUCTION at the address shown on the Residential Limited Warranty. WARRANTY SERVICE REQUESTS WILL NOT BE ACCEPTED WITHOUT REFERENCE TO THE PARAGRAPH THAT APPLIES TO THE LISTED ITEM. BORUP CONSTRUCTION will supply the warranty service provided under this Limited Warranty.

Time of Notice of Claim

Written notice of a defect in any item under this Limited Warranty must be received by BORUP CONSTRUCTION before the Limited Warranty coverage on that item expires. Coverage on certain items varies with the two (2) year Limited Warranty period. Consult Limited Warranty Coverage, above, and the Performance Standards that follow for specific coverage terms on specific items. If such notice is not received by BORUP CONSTRUCTION by the deadline, any Request for Warranty Performance or insurance claims for the defect may be rejected.

I have read and accept the terms of the warranty service request procedure. _____
initial

Residential Limited Warranty

Definitions – Section II

Except as otherwise provided, the terms used in this Limited Warranty shall have the meanings assigned below:

1. “Appliances, Fixtures and Items of Equipment”

Include, but are not limited to, furnaces, boilers, oil tanks and fittings, air purifiers, air handling equipment, ventilation fans, air conditioning equipment, water heaters, pumps, stoves, refrigerators, garbage disposals, compactors, dishwashers, automatic door openers, washers and dryers, bathtubs, sinks, toilets, faucets and fittings, lighting fixtures, and circuit breakers.

2. “Borup Construction”

The corporation which provides this Limited Warranty.

3. “Home”

A single-family house, or a unit in a ‘for sale’ multi-unit residential building in which title to the individual units is transferred to owners under a condominium or cooperative regime.

4. “Homeowner”

The first person to whom the Home is sold by Borup Construction. Homeowner does not include Borup Construction or any firm under common control of Borup Construction.

5. “Major Structural Defect”

Actual physical damage to any of the following designated load-bearing portions of the Home caused by failure to such load-bearing portions which affects their load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable:

- a. Foundation systems and footings
- b. Beams
- c. Girders
- d. Lintels
- e. Columns
- f. Walls and partitions
- g. Floor systems
- h. Roof framing systems

Damage to the following non-load bearing portions of the Home may be covered by the Limited Warranty, but do not constitute a Major Structural Defect:

- a. Roofing and sheathing
- b. Drywall and plaster
- c. Exterior siding
- d. Brick, stone or stucco veneer
- e. Floor covering materials
- f. Wall tile and other wall coverings
- g. Non-load bearing walls and partitions
- h. Concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Home
- i. Electrical, plumbing, heating, cooling and ventilation systems
- j. Appliances, fixtures and items of equipment
- k. Paint
- l. Doors and windows
- m. Trim
- n. Cabinets
- o. Hardware
- p. Insulation

6. “Performance Standard”

The locally applicable building codes and Performance Standards, per Section III, which describe the Builder’s obligation for specific defects under the Limited Warranty.

7. “Systems”

Exclusive of appliances, fixtures and items of equipment, includes the following:

- a. Plumbing System - Gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain field; water, gas and sewer services piping and their extensions to the tie-in of public utility connection, or on-site well and sewage disposal system.
- b. Electrical System – All wiring, electrical boxes, switches, outlets and connections up the public utility connections.
- c. Heating, Cooling and Ventilation System – All ductwork, steam, water and refrigerant lines, register, connector, radiation elements and dampers.

Other Conditions

Independence from the Contract of Sale

This Limited Warranty is independent of the contract between the Homeowner and BORUP CONSTRUCTION for the construction of the Home and/or its sale to the Homeowner. Contract disputes which are not Limited Warranty disputes are not eligible for informal dispute settlement under this Limited Warranty. Nothing contained in the construction and/or sale contract or any other contract between the Homeowner and BORUP CONSTRUCTION can restrict or override the provisions of this Limited Warranty.

General Provisions

1. Should any provision of this Limited Warranty be deemed unenforceable by a court of competent jurisdiction, that determination will not affect the enforceability of the remaining provisions.
2. This Limited Warranty is to be binding on BORUP CONSTRUCTION and the Homeowner, their heirs, executors, administrators, successors, and assigns.
3. Use of one gender in this Limited Warranty includes all other genders and use of the plural includes the singular, as may be appropriate.
4. This Limited Warranty is to be covered by and construed in accordance with the laws of the state in which the Home is located.

Amendments

The scope of the coverage of this Limited Warranty can only be changed or altered by use of the Addendum to the Application.

Residential Limited Warranty

Performance Standards – Section III

A. Introduction

Please read this carefully. The following is intended to acquaint you with the responsibilities of Borup Construction under this Limited Warranty. If a defect that results in actual physical damage to the Home occurs, the Performance Standards will be used to determine Borup Construction's obligation under this Limited Warranty. If a specific defect is not addressed in the Performance Standards, one of the following standards will be used to determine Borup Construction's obligation under this Limited Warranty.

Building Codes

The Uniform Building Code, International Conference of Building Officials.
The Uniform Building Code Standards by the International Conference of Building Officials.

Mechanical Codes

Uniform Building Code, Volume 11, Mechanical, International Conference of Building Officials.
Uniform Plumbing Code, International Association of Plumbing and Mechanical Officials.
National Electrical Code, National Fire Protection Association.

Also note that coverage on certain items varies with the two (2) year Limited Warranty period and some items rely on proper maintenance by the Homeowner.

B. Homeowner Responsibilities

The Home requires an active maintenance effort on the Homeowner's part to reduce the likelihood of damage due to neglect, improper maintenance, or abnormal use. Various regional areas of the country have local maintenance problems. Some specific Homeowner responsibilities are included under specific topics in Sections I and II, Performance Standards.

Note: Damage caused or made worse by Homeowner negligence, improper maintenance, or improper operation is expressly excluded under this Limited Warranty.

C. Performance Standards – Topic Index

The Performance Standards lists specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials and the second section covers Systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. Possible Deficiency – a brief statement, in simple terms, of problems that may be encountered.

2. Performance Standard – a performance relating to a specific deficiency.
3. Responsibility – a statement of the corrective action required of Borup Construction to repair the deficiency or a statement of the Homeowner's maintenance responsibilities.

First Section: Workmanship and Materials – First Year Only

1. Site Work
2. Concrete
3. Masonry
4. Wood and Plastic
5. Thermal and Moisture Protection
6. Doors and Windows
7. Finishes
8. Specialties
9. Equipment
10. Plumbing
11. Heating and Cooling
12. Ventilation
13. Electrical

Second Section: Systems – First and Second Year

14. Plumbing System
15. Ventilation System
16. Electrical System

Workmanship and Materials, First Year Only

A. Site Work Coverage: First Year Only – Workmanship & Materials

1. Site Grading

- a. Possible Deficiency – Settling of ground around foundation, utility trenches or other areas.

Performance Standard – Settling of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the Home.

Responsibility – If Borup Construction has provided final grading, upon request by the Homeowner, Borup Construction shall fill settled areas affecting proper drainage one time only during the first year of the Limited Warranty period. Homeowner shall be responsible for removal and replacement of shrubs, sprinklers or other landscaping affected by placement of such fill.

2. Site Draining

- a. Possible Deficiency – Improper drainage of the site

Performance Standard – The necessary grades and swales shall have been established by Borup Construction to insure proper drainage away from the Home.

Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.

Responsibility – Borup Construction is responsible only for initially establishing the proper grades and swales. The Homeowner is responsible for maintaining such grades and swales once they have been properly established.

B. Concrete Coverage: First Year Only – Workmanship & Materials

1. Expansion and Contraction Joints

- a. Possible Deficiency – Separation or movement of concrete slabs within the structure at expansion and contraction joints.

Performance Standard – Concrete slabs within the structure are designed to move at expansion and concrete joints.

Responsibility – None

2. Cast-In-Place Concrete

- a. Possible Deficiency – Basement or foundation wall cracks.

Performance Standard – Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.

Responsibility – Borup Construction will repair cracks in excess of 1/8 inch width.

- b. Possible Deficiency – Cracking of basement floor.

Performance Standard – Minor cracks in concrete basement floors are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in vertical displacement shall be repaired.

Responsibility – Borup Construction will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

- c. Possible Deficiency – Cracking of all slabs including attached garage.

Performance Standard – Cracks in slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be repaired.

Responsibility – Borup Construction will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

- d. Possible Deficiency – Uneven concrete floors/slabs

Performance Standard – Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding 1/4 inch in 32 inches.

Responsibility – Borup Construction will correct or repair to meet the Performance Standard.

- e. Possible Deficiency – Cracks in concrete slab-on-grade floors with finish flooring.

Performance Standard – Cracks should not rupture the finish flooring material.

Responsibility – Borup Construction will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place. (See also Performance Standard G., “Finishes.”)

- f. Possible Deficiency – Pitting, scaling or spalling of concrete work covered by this Limited Warranty.

Performance Standard – Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.

Responsibility – Borup Construction will take whatever corrective action necessary to repair or replace defective concrete surfaces. Borup Construction is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond its control.

- g. Possible Deficiency – Setting, heaving or separating of porches, steps or garage floors.

Performance Standard – Stoops, steps or garage floors shall not settle, heave or separate in excess of 1 inch from the house structures.

Responsibility – Borup Construction will take whatever corrective action is required to meet the Performance Standard.

- h. Possible Deficiency – Standing water on stoops

Performance Standard – Water should drain from outdoor porches and steps. The possibility of minor water standing on porches for a short period after rain can be anticipated.

Responsibility – Builder shall take corrective action to assure drainage of steps and porches.

C. Masonry Coverage: First Year Only – Workmanship & Materials

1. Unit Masonry

- a. Possible Deficiency – Basement or foundation wall cracks.

Performance Standard – Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility – Builder will repair cracks in excess of 1/8 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Limited Warranty period.

- b. Possible Deficiency – Cracks in masonry walls or veneer.

Performance Standard – Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive.

Responsibility – Borup Construction will repair cracks in excess of Performance Standard by pointing or patching. These repairs shall be made during the first year of Limited Warranty period. Borup Construction will not be responsible for color variation between old and new mortar.

- c. Possible Deficiency – Creosote or resin build-up or creosote seepage through chimney.

Performance Standard – Creosote seepage is caused by the build-up of creosote in the chimney flue which is the direct result of the materials and manner in which the fireplace or stove is utilized. Burning of non-seasoned wood or improper operation will greatly enhance this situation. Chimney flues should be cleaned yearly. Borup Construction is responsible for constructing the chimney to meet the code requirements. Since Borup Construction does not have control of the materials and methods used in operating, it is not responsible for any defects caused by anything other than a code violation in construction.

A. Wood and Plastic Coverage: First Year Only – Workmanship & Materials

1. Rough Carpentry

- a. Possible Deficiency – Floors squeak or subfloor appears loose.

Performance Standard – Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

Responsibility – Borup Construction will correct the problem only if caused by an underlying construction defect.

- b. Possible Deficiency – Uneven wood floors.

Performance Standard – Floors shall not have more than 1/4 inch ridge or depression within any 32-inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the applicable building code.

Responsibility – Borup Construction will correct or repair to meet Performance Standard.

- c. Possible Deficiency – Bowed walls.

Performance Standard – All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more

than ¼ inch out of line within any 32-inch horizontal or vertical measurement.

Responsibility – Borup Construction will repair to meet Performance Standard.

- d. Possible Deficiency – Out-of-plumb walls.

Performance Standard – Walls should not be more than ¼ inch out of plumb for any 32-inch vertical measurement.

Responsibility – Borup Construction will repair to meet the Performance Standard.

2. Finish Carpentry, Interior

- a. Possible Deficiency – Poor quality of interior trim workmanship.

Performance Standard – Joints in moldings or joint between moldings and adjacent surface shall not result in open joints exceeding 1/8 inch in width.

Responsibility – Borup Construction will repair defective joints, as defined. Caulking is acceptable.

3. Finish Carpentry, Exterior

- a. Possible Deficiency – Poor quality of exterior trim workmanship.

Performance Standard – Joints between exterior trim elements including siding and masonry, shall not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.

Responsibility – Borup Construction will repair open joints, as defined. Caulking is acceptable.

B. Thermal and Moisture Protection Coverage – First Year Only – Workmanship and Materials

1. Waterproofing

- a. Possible Deficiency – Leaks in basement.

Performance Standard – Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.

Responsibility – Borup Construction will take such action as necessary to correct basement leaks except where the cause is determined to result from Homeowner action or negligence.

2. Insulation

- a. Possible Deficiency – Insufficient insulation.

Performance Standard – Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility – Borup Construction will install insulation in sufficient amount to meet Performance Standard.

3. Louvers and Vents

- a. Possible Deficiency – Leaks due to snow or rain driven into the attic through louvers or vents.

Performance Standards – Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.

Responsibility – None

4. Roofing and Siding

- a. Possible Deficiency – Ice build-up on roof.

Performance Standard – During prolonged cold spells, ice build-up is likely to occur at the eaves or a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.

Responsibility – Prevention of ice build-up on the roof is a Homeowner maintenance item.

- b. Possible Deficiency – Roof or flashing leaks.

Performance Standard – Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Homeowner action or negligence.

Responsibility – Borup Construction will repair any verified roof or flashing leaks not caused by ice build-up or Homeowner action or negligence.

- c. Possible Deficiency – Standing water on flat roof.

Performance Standards – Water shall drain from flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.

Responsibility – Borup Construction will take corrective action to assure proper drainage of roof.

- d. Possible Deficiency – Delamination of veneer siding or joint separation.

Performance Standard – All siding shall be installed according to the manufacturer’s and industry’s accepted standard. Separations and delaminations shall be repaired or replaced.

Responsibility – Borup Construction will repair or replace siding as needed unless caused by Homeowner’s neglect to maintain siding properly. Repaired area may not match in color and/or texture. For surfaces requiring paint, Borup Construction will paint only the new materials. The Homeowner can expect that the newly painted surface may not match original surface in color.

5. Sheet Metal

- a. Possible Deficiency – Gutters and/or downspouts leak.

Performance Standard – Gutters and downspouts shall not leak but gutters may overflow during heavy rain.

Responsibility – Builder will repair leaks. It is a Homeowner responsibility to keep gutters and downspouts free of leaves and debris which could cause overflow.

- b. Possible Deficiency – Water standing in gutters.

Performance Standard – When gutter is unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

Responsibility – Borup Construction will correct to meet Performance Standard.

6. Sealants

- a. Possible Deficiency – Leaks in exterior walls due to inadequate caulking.

Performance Standard – Joint and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.

Responsibility – Borup Construction will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during the life of the Home.

C. Doors and Windows Coverage: First Year Only – Workmanship and Materials

1. Wood and Plastic Doors

a. Possible Deficiency – Warpage of exterior doors.

Performance Standard – Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association standards (1/4 inch, measured diagonally from corner to corner).

Responsibility – Borup Construction will correct or replace and refinish defective doors during the first year of the Limited Warranty period.

b. Possible Deficiency – Warpage of interior passage and closet doors.

Performance Standard – Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).

Responsibility – Borup Construction will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of Limited Warranty period.

c. Possible Deficiency – Shrinkage of panels show raw wood edge.

Performance Standard - Panels will shrink and expand and may expose unpainted surface.

Responsibility – None

d. Possible Deficiency – Split in door panel.

Performance Standard – Split panels shall not allow light to be visible through the door.

Responsibility – Borup Construction will, if light is visible, fill split and match paint or stain as closely as possible one time in first year of the Limited Warranty period.

2. Glass

a. Possible Deficiency – Broken glass.

Performance Standard – None

Responsibility – Broken glass not reported to Borup Construction prior to closing is the Homeowner's responsibility.

3. Garage Doors on Attached Garages

- a. Possible Deficiency – Garage doors fail to operate properly under normal use.

Performance Standard – Garage doors shall operate properly.

Responsibility – Borup Construction will correct or adjust garage doors as required, except where the cause is determined to result from Homeowner action or negligence.

- b. Possible Deficiency – Garage doors allow entrance of snow or water.

Performance Standard – Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.

Responsibility – Builder will adjust or correct garage doors to meet manufacturer's recommendations.

4. Wood, Plastic and Metal Windows

- a. Possible Deficiency – Malfunction of windows.

Performance Standard – Windows shall operate with reasonable ease, as designed.

Responsibility – Borup Construction will correct or repair as required.

- b. Possible Deficiency – Condensation and/or frost on windows.

Performance Standard – Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Homeowner.

Responsibility – Unless directly attributed to faulty installation, window condensation is a result of conditions beyond Borup Construction's control. No corrective action required.

7. Weatherstripping and Seals

- a. Possible Deficiency – Air infiltration around doors and windows.

Performance Standard – Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping shall be adjusted or replaced. It may be necessary for the Homeowner to have storm doors and windows installed to provide satisfactory solutions in high wind areas.

Responsibility – Borup Construction will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping.

G. Finishes Coverage: First Year Only – Workmanship and Materials

1. Lath and Plaster

- a. Possible Deficiency – Cracks in interior wall and ceiling surfaces.

Performance Standard – Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility – Borup Construction will repair cracks exceeding 1/8 inch in width as required one time only during the first 12 months of the Limited Warranty period. (See also Performance Standard G.6., “Painting.”)

2. Gypsum Wallboard

- a. Possible Deficiency – Defects which appear during first year of the Limited Warranty such as nail pops, blisters in tape or other blemishes.

Performance Standard – Slight imperfections such as wallpaper seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable.

Responsibility – Borup Construction will repair nail pops and cracks exceeding 1/8 inch in width, one time only during the 12 months of the Limited Warranty period. (See also Performance Standard G.6., “Painting.”)

3. Ceramic Tile

- a. Possible Deficiency – Ceramic tile cracks or becomes loose.

Performance Standard – Ceramic tile shall not crack or become loose.

Responsibility – Borup Construction will replace cracked tiles and secure loose tiles unless the defects were caused by Homeowner action or negligence. Borup Construction will not be responsible for discontinued patterns or color variation in ceramic tile.

- b. Possible Deficiency – Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.

Performance Standard – Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.

Responsibility – Borup Construction will repair grouting, if necessary, one time only during the first year of the Limited Warranty period. Borup Construction will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Homeowner within the life of the Home.

4. Finished Wood Flooring

- a. Possible Deficiency – Cracks developing between floorboards.

Performance Standard – Cracks in excess of 1/8 inch in width shall be corrected.

Responsibility – Borup Construction will repair cracks in excess of 1/8 inch within the first year of the Limited Warranty period by filling or replacing at Borup Construction's option.

5. Resilient Flooring

- a. Possible Deficiency – Nail pops appear on the surface of resilient flooring.

Performance Standard – Readily apparent nail pops shall be repaired.

Responsibility – Borup Construction will correct nail pops which have broken the surface. Borup Construction will repair, at Borup Construction's sole option, resilient floor covering in the affected area with similar material. Borup Construction will not be responsible for discontinued patterns or color variations in the floor covering.

- b. Possible Deficiency – Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

Performance Standard – Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken at the gap created at one end of a six-inch straightedge placed over the depression or ridge with three inches of the straightedge on one side of the defect, held tightly to the floor.

Responsibility – Borup Construction will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Borup Construction will not be responsible for discontinued patterns or color variations in floor covering.

- c. Possible Deficiency – Resilient flooring loses adhesion.

Performance Standard – Resilient flooring shall not lift, bubble or become unglued.

Responsibility – Borup Construction will repair or replace, at Borup Construction’s sole option, the affected resilient flooring as required. Borup Construction will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Homeowner neglect or abuse.

- d. Possible Deficiency – Seams or shrinkage gaps show at resilient flooring points.

Performance Standard – Gaps shall not exceed 1/16 inch in width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.

Responsibility – Borup Construction will repair or replace at Borup Construction’s sole option, the affected resilient flooring as required. Borup Construction will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Homeowner neglect or abuse.

6. Painting

- a. Possible Deficiency – Exterior paint or stain peels, deteriorates or fades.

Performance Standard – Exterior paints or stains should not fail during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.

Responsibility – If paint or stain is defective, Borup Construction will properly prepare and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.

- b. Possible Deficiency – Painting required as corollary repair because of other work.

Performance Standard – Repairs required under this Limited Warranty shall be finished to match surrounding areas as closely as practicable.

Responsibility – Borup Construction will finish repair areas as indicated.

- c. Possible Deficiency – Deterioration of varnish or lacquer finishes.

Performance Standard – Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish-type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.

Responsibility – Borup Construction will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.

- d. Possible Deficiency – Mildew or fungus on painted surfaces.

Performance Standard – Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposure (i.e., rainfall, lake or riverfront, or sprinklers watering the structure).

Responsibility – Mildew or fungus formation is a condition Borup Construction cannot control and is a Homeowner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

7. Wall Covering

- a. Possible Deficiency – Peeling of wall covering.

Performance Standard – Peeling of wall covering shall not occur.

Responsibility – Borup Construction will repair or replace defective wall covering applications.

- b. Possible Deficiency – Edge mismatching in pattern or wall covering.

Performance Standard – None

Responsibility – None

8. Carpeting

- a. Possible Deficiency – Open carpet seams.

Performance Standard – Carpet seams will show. However, no visible gap is acceptable.

Responsibility – Borup Construction will correct.

- b. Possible Deficiency – Carpeting becomes loose, seams separate or stretching occurs.

Performance Standard – Wall-to-wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate from its point of attachment.

Responsibility – Borup Construction will restretch or resecure carpeting as needed, if original installation was performed by Borup Construction.

- c. Possible Deficiency – Spots on carpet, minor fading.

Performance Standard – Exposure to light may cause spots on carpet and/or minor fading.

Responsibility- None

9. Special Coatings

- a. Possible Deficiency – Cracks in exterior stucco wall surfaces.

Performance Standard – Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired.

Responsibility – Borup Construction will repair cracks exceeding 1/8 inch in width one time only during the first year of the Limited Warranty period.

H. Specialties Coverages: First Year Only – Workmanship and Materials

1. Louvers and Vents

- a. Possible Deficiency – Inadequate ventilation of attics and crawl spaces.

Performance Standard – Attic and crawl spaces shall be ventilated as required by the approved building code.

Responsibility – Borup Construction shall provide for adequate ventilation. Borup Construction will not be responsible for alterations to the original system.

2. Fireplaces

- a. Possible Deficiency – Fireplace or chimney does not draw properly.

Performance Standard – A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.

Responsibility – Borup Construction will determine the cause or malfunction and correct, if the problem is one of design or construction of the fireplace.

- b. Possible Deficiency – Chimney separation from structure to which it is attached.

Performance Standard – Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed ½ inch from the main structure in any 10 foot vertical measurement.

Responsibility – Borup Construction will determine the cause of separation and correct, if standard is not met. Caulking is acceptable.

c. Possible Deficiency – Firebox paint changed by fire.

Performance Standard – None

Responsibility – None. Heat from fires will alter finish.

d. Possible Deficiency – Cracked brick and mortar points.

Performance Standard – None

Responsibility – None. Heat and flames from “roaring” fires will cause cracking.

I. Equipment Coverage: First Year Only – Workmanship and Materials

1. Residential Equipment

a. Possible Deficiency – Surface cracks, joint delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops.

Performance Standards – Countertops fabricated with high pressure laminate coverings shall not delaminate.

Responsibility – Borup Construction will replace delaminated coverings to meet specified criteria. Borup Construction will not be responsible for chips and cracks noted following first occupancy.

b. Possible Deficiency – Kitchen cabinet malfunctions.

Performance Standards – Warpage not to exceed $\frac{1}{4}$ inch as measured from face frame to point of furthest warpage with door or drawer front in closed position.

Responsibility – Borup Construction will correct or replace doors or drawer fronts.

c. Possible Deficiency – Gaps between cabinets, ceiling or walls.

Performance Standard – Acceptable tolerance $\frac{1}{8}$ inch in width.

Responsibility – Borup Construction will correct to meet Performance Standard.

J. Plumbing Coverage: First Year Only – Workmanship and Materials

1. Water Supply System

a. Possible Deficiency – Plumbing pipes freeze and burst.

Performance Standard – Drain, waste and vent, and water pipes shall be adequately protected, as required by applicable code, during normally anticipated cold weather, and is defined in accordance with ASHRAE design temperatures, to prevent freezing. Outside faucets are freeze-proof only if a hose is not left attached during freezing weather. Outside faucets are not warranted against this condition or any subsequent damage therefrom.

Responsibility – Borup Construction will correct situations not meeting the code. It is the Homeowner’s responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

2. Plumbing System

a. Possible Deficiency – Faucet or valve leak.

Performance Standard – No valve or faucet shall leak due to defects in workmanship and materials.

Responsibility – Borup Construction will repair or replace the leaking faucet or valve.

b. Possible Deficiency – Defective plumbing fixtures, appliances or trim fittings.

Performance Standard – Fixtures, appliances or fittings shall comply with their manufacturer’s standards.

Responsibility – Builder will replace any defective fixture or fitting which does not meet acceptable standards, as defined by the manufacturer.

c. Possible Deficiency – Noisy water pipes.

Performance Standard – There will be some noise from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.

Responsibility – Borup Construction cannot remove all noises due to water flow and pipe expansion. Borup Construction will correct to eliminate “water hammer”.

d. Possible Deficiency – Cracking or chipping of fiberglass or porcelain surfaces.

Performance Standard – Chips and cracks of surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.

Responsibility – Borup Construction will not be responsible for repairs unless damage has been reported to Borup Construction prior to first occupancy.

K. Heating and Cooling Coverage: First Year Only – Workmanship and Materials

1. Heating

a. Possible Deficiency – Inadequate heating

Performance Standard – Heating system shall or is capable of producing an inside temperature of 70 degrees Fahrenheit, as measured in the center of each room of a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHRAE handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility – Borup Construction will correct heating system to provide the required temperatures. However, the Homeowner shall be responsible for balancing dampers, registers and other minor adjustments.

2. Refrigeration

a. Possible Deficiency – Inadequate cooling

Performance Standard – Where air conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor under local outdoor summer design conditions as specified in ASHRAE handbook. In the case of outside temperatures exceeding 95 degrees Fahrenheit, a differential of 15 degrees Fahrenheit from the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility – Borup Construction will correct system to meet temperature conditions, in accordance with specifications.

3. Condensation Lines

a. Possible Deficiency – Condensation lines clog up.

Performance Standard – None

Responsibility – Condensation lines will clog eventually under normal use. This is a Homeowner maintenance item. Borup Construction shall provide unobstructed condensation lines at time of first occupancy.

4. Evaporative Cooling

- a. Possible Deficiency – Improper mechanical operation.

Performance Standard – Equipment shall function properly at temperature standard set.

Responsibility – Borup Construction will correct and adjust so that blower and water system operate as designed.

L. Ventilation Coverage: First Year Only – Workmanship and Materials

1. Air Distribution

- a. Possible Deficiency – Noisy ductwork.

Performance Standard – When metal is heated it expands and when cooled it contracts. The result is “ticking” or “crackling” which is generally to be expected.

Responsibility – None

- b. Possible Deficiency – Oilcanning.

Performance Standard – The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not “oilcan”. The booming noise cause by “oilcanning” is not acceptable.

Responsibility – Borup Construction will correct in order to eliminate this sound.

M. Electrical Coverage: First Year Only – Workmanship and Materials

1. Electrical Conductors, Fuses and Circuit Breakers

- a. Possible Deficiency – Fuses blow or circuit breakers (excluding ground fault interruptors) “kick out.”

Performance Standard – Fuses and circuit breakers shall not activate under normal usage.

Responsibility – Borup Construction will check wiring circuits for conformity with local, state, or approved national electrical code requirements. Borup Construction will correct circuitry not conforming to code specifications.

2. Outlets, Switches and Fixtures

- a. Possible Deficiency – Drafts from electrical outlets.

Performance Standard – Electrical junction boxes on exterior walls may produce air flow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.

Responsibility – None

- b. Possible Deficiency – Malfunction of electrical outlets, switches or fixtures.

Performance Standard – All switches, fixtures and outlets shall operate as intended.

Responsibility – Borup Construction will repair or replace defective switches, fixtures and outlets.

3. Service and Distribution

- a. Possible Deficiency – Ground fault interruptor trips intermittently.

Performance Standards – Ground fault interruptors are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

Responsibility – Borup Construction shall install ground fault interruptor in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to construction defect.

N. Plumbing System Coverage: First and Second Years – Systems

1. Water Supply

- a. Possible Deficiency – Water supply system fails to deliver water.

Performance Standard – All on-site service connections to municipal water main and private water supply shall be Borup Construction's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing, and health codes.

Responsibility – Borup Construction will repair providing failure is the result of defective workmanship or materials. If conditions beyond Borup Construction's control disrupt or eliminate the source of the supply, Borup Construction has no responsibility.

2. Septic Tank System

- a. Possible Deficiency – Septic system fails to operate properly.

Performance Standard – Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable and anticipated (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable Code Requirements.

Responsibility – Borup Construction will repair or correct a malfunctioning or non-operating system if failure is caused by inadequate design, faulty installation, or other cause relating to actions of Borup Construction or subcontractors under Borup Construction’s control. Borup Construction will not be responsible for system malfunction or damage which is caused by owner negligence, lack of system maintenance, or other causes attributable to actions of the owner or owner’s contractors, not under the control of Borup Construction; including, but not necessarily limited to the addition of fixtures, items of equipment, appliance or other sources of waste or water to the plumbing system served by the septic system, and damage or changes to the septic system installation or surrounding soil conditions critical to the system’s functioning.

3. Piping

a. Possible Deficiency – Leakage from any piping.

Performance Standard – No leaks of any kind shall exist in any soil, waste, vent or water pipe. Condensation on piping does not constitute leakage and is not covered.

Responsibility – Borup Construction will make repairs to eliminate leakage.

b. Possible Deficiency – Stopped-up sewers, fixtures and drains.

Performance Standard – Sewers, fixtures and drains shall operate properly.

Responsibility – Borup Construction will not be responsible for sewers, fixtures, and drains which are clogged through the Homeowner’s negligence. If a problem occurs, the Homeowner should consult Borup Construction for a proper course of action. Where defective construction is shown to be the cause, Borup Construction will assume the cost of the repair. Where Homeowner negligence is shown to be the cause, the Homeowner shall assume all repair costs.

c. Possible Deficiency – Refrigerant lines leak.

Performance Standard – Refrigerant lines shall not develop leaks during normal operation.

Responsibility – Borup Construction will repair leaking refrigerant lines and recharge unit, unless damage was caused by the Homeowner.

O. Ventilation System Coverage: First and Second Years – Systems

1. Air Distribution

a. Possible Deficiency – Ductwork separates or becomes unattached.

Performance Standard – Ductwork shall remain intact and securely fastened.

Responsibility – Borup Construction will reattach and resecure any separated or unattached ductwork.

P. Electrical Systems Coverage: First and Second Years – Systems

1. Wiring

- a. Possible Deficiency – Failure of wiring to carry its designed load.

Performance Standard – Wiring should be capable of carrying the designed load for normal residential use.

Responsibility – Borup Construction will check wiring for conformity with local, state, or approved national electrical code requirements. Borup Construction will repair wiring not conforming to code specifications.

----- End of Performance Standards -----