

**Northern Minnesota Builders Association  
218-326 6622 (NMBA)**

**Home Warranty Law**

Minnesota's home warranty statute (327A.01-327A.07) creates warranties for new homes and home improvements. The statutory warranties provide the following coverage's:

**One-Year Period from Warranty Date:**

The dwelling shall be free from defects caused by faulty workmanship and defective materials due to noncompliance with building standards;

**Two-Year Period from Warranty Date:**

The dwelling shall be free from defects caused by faulty installation of plumbing, electrical, heating and cooling systems due to noncompliance with building standards; and

**Ten-Year Period from Warranty Date:**

During the ten-year period from and after the warranty date, the dwelling shall be free from major construction defects due to noncompliance with building standards.

The statute defines the term "major construction defects" as meaning actual damage to the load-bearing portion of the dwelling, including damage due to the subsidence, expansion or lateral movement of the soil, which affects the load bearing function and which vitally affects or is eminently likely to vitally affect use of the dwelling for residential purposes. The term does not include damage due to movement of soil caused by flood, earthquake or other natural disaster.

Warranty coverage under the statute runs from the "warranty date" which is the earlier of the following:

The date of the buyer's first occupancy of the dwelling or the date on which the buyer takes legal or equitable title to the dwelling. A warranty claim must be brought within two years of the date of discovery of the breach of warranty. If a builder breaches a statutory warranty, a buyer has a cause of action against the builder for damages or for specific performance. For the complete Minnesota Home Warranty Law, go to <http://www.revisor.leg.state.mn.us/stats/327A/>