

## BASIS FOR AGREEMENT



Owner desires to hire Builder to remodel an existing residential home.

## PROVISIONS OF THE AGREEMENT

This Construction Agreement ("Agreement") is made effective as of the date of deposit check received from client by and between the parties to this Agreement being, Colorful Beginnings, Inc. BC636736 (hereafter "Builder") and customer as disclosed on the estimate provided (hereafter "Owner"). Builder and Owner (jointly "Parties") agree to the following terms and conditions set forth in this Agreement.

**IN CONSIDERATION OF THE MUTUAL PROMISES OF THE PARTIES CONTAINED IN THIS AGREEMENT, AND OTHER VALUABLE CONSIDERATION, THE SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS.**

### I. Contracted Work.

**Builder agrees** to perform the herein described work (hereafter "Work") at the property disclosed on the estimate commonly known as [ADDRESS], State of Minnesota (hereafter "Property") as detailed below and further described in the attached signed and dated construction documents if any, which include but are not necessarily limited to, building performance guidelines, construction plans, scopes of work, job specifications, and contracts with vendors and contractors deemed necessary to perform work ("Contract Documents"). These Contract Documents are itemized in the Appendix to this Agreement.

### II. Agreed Upon Work.

Builder and Owner agree to the following Work as detailed in the estimate provided

### III. Changes to the Work (hereafter "Work Change Order")

Work Change Orders must be in writing. Everything Owner expects the Builder to do has been included in writing within this contract. If Owner desires to add or eliminate work, it may request a Work Change Order from Builder. Builder is not required to add or eliminate work until the parties agree upon a Work Change Order, which will be negotiated in good faith. If Builder performs additional work at Owner's request, and so long as the parties had agreed upon the price and scope of the Work Change Order, Owner hereby agrees that it will execute a written Work Change Order to memorialize the agreed upon price and scope, including after the work has commenced or is completed. A properly enacted Work Change Order will be an amendment of this contract.

Administrative fees. Owner may be charged a \$100 administrative fee per Work Change Order. These fees are intended to cover Builder's additional administrative and related costs and are not refundable or credited towards any other amounts that Owner may owe Builder. If Builder initiates the Work Change Order due to concealed conditions, Builder will not charge the administrative fee. All payments are due upon completion of the work described in the Work Change Order and Builder's submittal of invoice to Owner. Builder reserves the right to confirm with Owner's lending institution Owner's ability to pay for the Work Change Order.

Builder reserves the right to reject change orders. Because of the limitless possibilities of requests, Builder reserves the right to reject Work Change Orders. Builder will review Owner's requested Work Change Order and either accept or deny the Work Change Order. If Builder agrees to the requested Work Change Order, Builder will inform Owner in writing of the cost of the change, as well as any changes to the project timeline.

### IV. Payment for Work.

Select one:

1. The basis for payment can be referenced in your personalized estimate.
2. Time and materials according to the labor rates attached hereto as Exhibit 1. Builder will invoice monthly and payment is due upon receipt.
3. Cost Plus Fixed Fee of 1.5%. Builder will invoice for all labor, material costs, and expenses, plus the fee earned, on a monthly basis. Payment is due upon receipt.

Down payments. Down payments are non-refundable and intended to secure Builder's commitment to the Work.

**Allowances.** Applies if basis for payment is lump sum. Owner shall be given a credit if buyers uses less than the full amount of the allowance, which are included in the Contract Price in your estimate provided. If Owner exceeds the allowances, Owner shall pay the increase. No representations are made by the Builder that the allowance amount is enough to meet the requirements of any specific standard, design or style. Allowances are based on mid-range finishes, fixtures, and features. Higher end finishes, fixtures, and features, and custom work, can and likely will exceed allowances. Owner is responsible for all overages from allowances.

**Owner's financing for Work.** Owner agrees to give the Builder the right to inquire with Owner's lending institution and or bank as to availability of funds or financing to pay for the Work. This Contract is not contingent upon Owner obtaining financing from any lending institution. By signing this contract, Owner attests to the Builder that Owner assumes financial responsibility for the Work; that Owner has the ability and willingness to pay for the Work and has no intentions to file bankruptcy or seek other protection from Owner's creditors. Owner agrees that Builder may seek payment directly from lender if Owner fails to timely make or arrange for payment.

**Price Protection.** If there are any contingencies in this Contract, the Sale Price set out in this Contract shall be good for [30] Days from execution. If the contingencies are not removed on or before this date, Builder shall have the right to increase the Contract Price and, if Owner and Builder are unable to agree on the Contract Price, this Agreement shall be null and void.

**Material Price Escalation.** In the event of significant delay or price increase of material, equipment, or energy occurring during the performance of the contract through no fault of the Builder, the Contract Price shall be equitably adjusted by Work Change Order. A change in price of an item of material, equipment, or energy will be considered significant when the price of an item increases at least twenty percent (20%) percent between the date of this Agreement and the date of installation. The amount of the increase shall be capped at half of the total percentage increase of the original budgeted price for the item.

**Utilities and Other Services.** The Contract Price does not include utility costs which are in excess of the allowance, if any. Owner acknowledges that the Contract Price will increase to the extent costs are incurred by Builder in bringing utilities to the home.

**Appraisal.** Owner hereby acknowledges that certain options and or upgrades selected for their Work project may or may not add a value to the home equivalent to the cost of said option and or upgrade. The outcome of any appraisal requirement will have no effect on Builder's right to payment for the Work.

## **V. Non-Payment.**

**Interest.** If Owner fails to make payments as outlined in this contract, interest will be accrued at 1.5% per month (18 percent per year), or the highest amount allowed by law, whichever is greater.

**Returned checks.** Builder will charge a \$25.00 service fee on checks returned for insufficient funds.

**Suspension of Work due to non-payment.** Builder may immediately suspend work without further notice if Owner fails to make any payments due to Builder according to this contract or Work Change Orders arising out of changes to this contract. Owner will be liable for all payments due to Builder for materials and labor and all losses sustained by the Builder on materials, machinery, equipment or tools, overhead, profit, soft cost and damages. Builder will resume work once all the monies due to Builder by Owner are paid and Builder is satisfied Owner has the ability to pay for remaining work.

**Builder remedies for Non-payment.** If Owner fails to timely make the payments required by this contract, Builder has the right to any combination of the following options, which are not exclusive:

1. Suspend work.
2. Terminate this contract.
3. Retain all deposits, fees, and progress payments Owner has made.
4. Place a lien upon the Home for the payments due to Builder.
5. Builder's exercise of any one of these options does not preclude the option of the others.

## **VI. Owner Acknowledgements, Assurances, and Cooperation.**

Owner must provide Builder with assurances of Owner's willingness and ability to perform Owner's obligations under this contract. If, due to Owner, Work has stopped for any reason for more than thirty (30) days, Builder may terminate this contract and recover from Owner payment for all work completed, all losses sustained by the Builder for materials, machinery, equipment, and or tools, overhead, soft costs, profits and damages. This is in addition to the right to terminate for non-payment.

**Construction Drawings.**

Owner acknowledges that all construction plans remain the property of the Builder.

**Owner Acknowledges Builder may suspend Work based on any of the following conditions.**

1. Builder believes Owner is not cooperating in completing the Work.
2. Owner places unreasonable demands on the Builder or the Builder's sub-contractors.

3. Owner fails to supply reasonable access to the Home.
4. Owner fails to make timely product selections.
5. Owner fails to supply information Builder deems necessary to the Work.
6. Owner has not or refuses to comply with any of the terms of the contract.

#### Owner's Property.

1. Owner warrants to Builder that Owner has fee title to (Owner owns) the Home and or Real Estate on which the Work is being performed. Upon request, Owner will provide Builder with title evidence, satisfactory to Builder, establishing that Owner is the fee title owner of the Property, free and clear of all liens and encumbrances, other than those encumbrances acceptable to Builder.
2. Owner shall, throughout the term of this Contract, pay and keep current all real estate taxes and installments of special assessments which are due and payable.
3. If applicable, Owner shall, throughout the term of this Agreement keep current all applicable association fees.
4. Owner must allow Builder to have control over the Work Site during the time of construction.

#### Dust Caused by Construction.

Owner acknowledges that dust may be generated from the Work performed, especially during the drywall stage. Owner understands it is the responsibility of Owner to cover and protect personal belongings with whatever means Owner deems necessary. Builder shall take reasonable precautions to minimize dust and Owner will comply, including temporarily turning off heating and cooling systems; however, Builder shall not be responsible for dusting or other clean up associated with dust caused by the Work.

Basement Moisture. Owner acknowledges that if the Work includes construction, finishing, or remodeling of a basement or "crawl space" (collectively, the "Basement"), Builder will comply with all building code requirements designed to reduce moisture or dampness in the Basement. Builder cannot warrant that the Basement will be free from moisture or dampness. In the event Owner has opted to install a waterproofing system, Owner agrees to rely upon the warranty provided with the waterproofing system and to look exclusively to the manufacturer and/or installer of the waterproofing system for all matters relating thereto, including any loss or damage. To the extent necessary, Owner shall take all action necessary to enforce its warranty rights provided by any and all product manufacturers and, if it fails to do so, will indemnify Builder for all costs and damages that result from Owner's failure to take such action.

#### Moisture and Mold.

Mold is a type of fungus. It occurs naturally in the environment, and it is necessary for the natural decomposition of plant and other organic material. It spreads by means of microscopic spores borne on the wind and is found everywhere life can be supported. Residential home construction is not, and cannot be, designed to exclude mold spores. If the growing conditions are right, mold can grow in the Property. See Appendix for further information on preventing mold growth.

#### Non-disparagement.

Owner agrees not to disparage the Builder or any of its officers, directors, employees, contractors and Independent Contractors. For the purposes of this Agreement, "disparage" shall mean any negative statement, whether written, or recorded on any medium known or to be discovered about the Builder. This restriction applies to statements made in any form of media including personal and professional websites, blogs, chat rooms and bulletin boards; social networks, such as Facebook, Snapchat, LinkedIn and Twitter and video-sharing sites such as YouTube; and e-mail. Owner agrees and acknowledges that an actual determination of damages is difficult to ascertain fully since the advent of what is commonly known as social media and the global reach that it can produce. Owner agrees that this non-disparagement provision is a material term of this Agreement, the absence of which would have resulted in the Builder refusing to enter into this Agreement. Owner shall be responsible for any damages (including lost profits and opportunities), costs, and attorney's fees incurred by the Builder regarding an incident of disparagement, regardless if any legal proceedings are formally brought by the Builder.

#### Cooperation and indemnity for manufacturer warranties.

To the extent necessary, Owner shall take all action necessary to enforce its warranty rights provided by any and all product manufacturers and, if it fails to do so, will indemnify Builder for all costs and damages that result from Owner's failure to take such action.

## **VII. Lead-Based Paint Hazards**

### EPA Renovate Repair and Paint Rule

1. Builder is a Certified Firm and either employs individuals and or subcontractors who are Certified Renovators to perform work that falls under the requirements of Sections 40 CFR 745.85 (a) and (b).

2. Builder will test components that fall within the Scope of Work of this Agreement that would disturb any paint or surface coating for the presence of lead according to Sections 40 CFR 745.82 (a) (2).
3. Builder will handle components that contain lead-based paint or surface coatings according to Sections 40 CFR 745.85 (a).
4. After work that is performed, and the work area as defined according to 40 CFR 745.83 "Work area" has been cleaned, Builder will perform post-renovation cleaning verification according to Sections 40 CFR 745.82 (b).

## **VIII. Concealed conditions.**

Contract price. The price for Work outlined in this Contract are based solely on the Builder's observations of visible or known conditions at the time of entering into this contract.

Unforeseen conditions. If unforeseen or concealed conditions impact the scope, price, or timeline for completion, Builder will identify the conditions, and Owner and Builder will execute a Work Change Order to address any adjustments to scope, price, or timeline.

Additional cost arising from unforeseen conditions. Owner agrees to pay for all costs arising out of unforeseen or concealed conditions, which include, but are not limited to soil corrections, protection of the project from weather conditions, mold, rot, existing damage, infestation, code upgrades, hazardous material and all other similar costs. Owner will be responsible for all additional costs and time for work due to concealed conditions. Such conditions may also extend the time for completion of the Work under this Contract.

Extra excavation and removal. Builder will dispose of all Work-related debris. This contract does not include excavation, removal, and disposal of large rocks (i.e. rocks over 200 pounds), the abandonment of undisclosed wells or cisterns, the removal of undisclosed buried fuel tanks, or the removal of any hazardous materials, or similar undisclosed or concealed items. If Builder finds such items after signing this Contract, the removal and disposal of such items will be treated as a Work Change Order under this Contract and Owner will be solely responsible for any additional cost associated with the Work Change Order.

Asbestos This agreement does not include testing for or abatement of asbestos, if asbestos is discovered to be present in the existing house it will be the Owners responsibility to hire an asbestos abatement contractor to eliminate the hazard.

## **IX. Site conditions.**

Waiver of injuries and damages. Construction can be a dangerous undertaking, and at any given time during the Work, conditions may exist that could be hazardous to Owner, Owner's family, Owner's friends or guests. These conditions may include, but are not limited to, trip hazards, slip hazards, open excavation, open windows, exposed nails, exposed wiring, debris and other hazards on or around the Home. Owners waives all claims against Builder and agree to indemnify, defend, and hold Builder harmless for injuries or damages that Owner or any member of Owner's family, friends, or guests may suffer while on or around the Home during construction due to these and other hazards.

## **X. Builder's insurance.**

Builder will carry general liability insurance, automobile, and worker's compensation insurance as required by Minnesota law to protect the Builder. Builder waives all rights of subrogation against Owner to the extent of losses or damage covered and paid by Builder's insurance.

## **XI. Owner's insurance.**

Owner will be responsible for and is required to obtain an insurance policy to cover losses not covered by Builder's insurance, including any deductibles. Owner waives all rights of subrogation against Builder to the extent of losses or damage covered and paid by Owner's insurance.

## **XII. Fire or other casualty.**

If the Home is substantially destroyed by fire or other casualty prior to the completion of the Work, either Owner or Builder may terminate this Contract by written notice provided that Owner has paid for all materials and work which Builder has performed before the destruction whether or not such were completed or destroyed.

## **XIII. Material substitution.**

Builder has the right to substitute and replace materials or fixtures with other materials or fixtures as long as the substituted materials or fixtures are of similar quality and are acceptable under the building code. Owner will not be notified of substitutions unless Owner specifically specified the materials in a Change Order or if the substitution will affect the exterior appearance of the home. Builder will have the sole authority to select all sources and suppliers of materials.

#### **XIV. Payment for materials includes non-returnable items.**

If Owner is required to pay Builder for materials and work to date in order to terminate this Contract, payment for materials shall include any materials which Builder ordered specifically for the Work and which Builder may not return without charge to Builder.

#### **XV. Hiring and management of subcontractors.**

Selection of subcontractors. Builder will select competent subcontractors and suppliers to complete the Work.

Owner interaction with subcontractors. Owner agrees to the following.

1. Owner will not hire any of Builder's subcontractors or suppliers to do any work or supply any materials while this Agreement is in effect unless Builder first agrees in writing.
2. Owner agrees not to interfere with, interrupt or provide instructions to any contractor or subcontractor supplying labor or materials for this Work.
3. If Owner has an objection to a contractor or subcontractor or the work they are performing, Owner must contact Builder directly. Builder will consider Owner's objections but will have no obligation to remove or replace the contractor or subcontractor based solely upon Owner's objections, unless it presents a clear threat to health or safety.

#### **XVI. Restriction on assignment.**

Neither party may assign this Contract without the written consent of the other party. This restriction does not preclude or restrict Builder from hiring Subcontractors to perform parts of the Work.

#### **XVII. Written Performance Guidelines**

In accordance with Minnesota Statute 326B.809 (b), the Performance Guidelines (copy at [www.colorfulbeginnings.com](http://www.colorfulbeginnings.com)) will be adhered to while Work is being performed. These guidelines establish the standards for addressing any statutory or builder warranty repairs that might arise. Please refer to the Contract for clarification regarding Minnesota mandatory warranties.

#### **XVIII. Warranties**

Statutory Warranties Under Minn. Stat. Chapter 327A.

The "Statutory Warranties" of Minn. Stat. Chapter 327A (copy at [www.colorfulbeginnings.com](http://www.colorfulbeginnings.com)) apply to the new dwelling and to home improvement work involving the repairing, remodeling, altering, converting or modernizing of, or adding to a residential building but the term "residential building" does not include appurtenant recreation facilities, detached garages, driveways, walkways, patios, boundary walls, retaining walls not necessary for the structural stability of the building, landscaping, fences, nonpermanent construction materials, off-site improvements, and all other similar items.

1. Statutory Rights and Responsibilities:
  - a. Owner must notify Builder of any defective condition;
  - b. Builder then has the right to inspect the defective condition; and
  - c. Builder then has the right to make repairs and corrections.

If these steps are not followed, Owner and Builder might forfeit the right to use the alternative dispute resolution provisions of the statute.

Builder Warranties.

In addition to the Statutory Warranties and Special Warranties, the following Contractual Warranties apply:

1. Builder represents and warrants to Owner that Builder is licensed to perform construction work in Minnesota and Builder has the financial and staffing capacity to complete the Work. Builder warrants to Owner, and to Owner's heirs, successors, and current mortgagees, that all materials, fixtures and equipment will be new unless otherwise specified, of good quality, and free from defects, and that all Work will be of good quality. To the extent a higher standard of quality than "good" has been specified for any part of the Work, Builder warrants that the applicable item of Work will conform to that higher standard.
2. Builder warrants that the interior and exterior dimensions of the Work will be as shown on the plans, specifications and other documents that comprise this Contract.
3. Owner shall give written notice to Builder of any non-conformance, defect, or breach of warranty within six months of the date of discovery.
4. Builder will assign to Owner all available manufacturers' warranties applicable to materials, fixtures, or equipment installed by Builder or by any Subcontractor as a part of the Work.
5. The warranties of Builder shall survive the closing of the mortgage loan transaction, any transfer of title, completion of the Work, final payment, or occupancy.

## **XIX. Entire Agreement**

Entire Agreement This Agreement sets forth the entire understanding of the parties regarding this subject matter and supersedes all prior contracts, agreements, arrangements, communications, discussions, representations and warranties, whether oral or written, between the parties regarding this subject matter.

Binding Effect This Agreement is binding upon the parties, their respective heirs, successors and assigns. The parties represent to each other they have the capacity and the authority to enter this Agreement.

Applicable Law This Contract shall be construed and enforced in accordance with the laws of the State of Minnesota, irrespective of the domiciles of the parties, the State in which the Contract was executed, or any other factors affecting choice of law. If any portion of this Contract is unenforceable under Minnesota law, the balance of the Contract shall remain in full force and effect. In the event Builder commences litigation or arbitration to enforce this Contract, Builder shall be entitled to attorney fees and costs incurred.

Severability Each section and subsection of this Agreement constitutes a separate and distinct provision of this Agreement. It is the intent of the parties that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applicable in each jurisdiction in which enforcement is sought. Accordingly, if any provision of this Agreement is adjudicated to be invalid, ineffective or unenforceable, the remaining provisions will not be affected by such

Agreement Not Construed Against Builder Each party hereby agrees and acknowledges that it has had full opportunity to consult with counsel and tax advisors of its selection in connection with the preparation and negotiation of this Agreement. The parties hereto jointly participated in the negotiation and drafting of this Agreement. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent. This Agreement shall be construed as if drafted jointly by the parties hereto, and not construed against any person based upon drafting.

Delivery by Electronic Means This Agreement and any amendments hereto, to the extent signed and delivered by means of a facsimile machine or other electronic transmission, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person.

Counterparts This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one instrument.

Headings The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

Claims or Disputes It is hereby agreed that any and all claims, disputes and controversies by or between the Client and Builder arising from or related to the Home, or to any defect in or to the Home, including without limitation, any claim of breach of contract, negligent or intentional misrepresentation or non-disclosure in the inducement, execution or performance of any contract, including the arbitration agreement, and breach of any alleged duty of good faith and fair dealing, shall be submitted to binding arbitration by and pursuant to the rules of Construction Arbitration Services, Inc. in effect at the time of the request for arbitration.

Attorney Fees Client shall pay attorneys' fees actually incurred by Builder if Client breaches its obligations under this Agreement.

## **XX. Pre-Lien Notice to Home Owner.**

Minnesota Statute 514.011 Subdivision 1. (a)(b)

**(a) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.**

**(b) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**

## **XXI. Federal Right to Rescind.**

**YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.**

MN Statute § 325G.08 Subd. 2. Alternative Cancellation Notice.

In lieu of the notice of cancellation required by MN § 325G.08, the Builder may provide a notice which conforms to applicable federal law or regulation so long as it provides the information required by MN law.

APPENDIX  
STEPS TO REDUCE OR ELIMINATE MOLD GROWTH

Actions to Reduce or Eliminate Mold Growth.

Owner can take positive steps to reduce or eliminate the occurrence of mold growth in the Property, and thereby minimize any possible adverse effects caused by mold. These steps include the following.

1. Keep humidity levels in your home as low as you can—no higher than 50%—all day long. An air conditioner or dehumidifier will help you keep the level low. You can buy a meter to check your home's humidity at a home improvement store. Humidity levels change over the course of a day so you will need to check the humidity levels more than once a day.
2. Be sure the air in your home flows freely. Use exhaust fans that vent outside your home in the kitchen and bathroom. Make sure your clothes dryer vents outside your home.
3. Fix any leaks in your home's roof, walls, or plumbing so mold does not have moisture to grow.
4. Clean up and dry out your home fully and quickly (within 24–48 hours) after a flood.
5. Add mold inhibitors to paints before painting. You can buy mold inhibitors at paint and home improvement stores.
6. Clean bathrooms with mold-killing products.
7. Remove or replace carpets and upholstery that have been soaked and cannot be dried right away. Think about not using carpet in places like bathrooms or basements that may have a lot of moisture.

Disclaimer and Waiver.

In order to prevent mold growth in a home it is up to the Owner to properly manage and maintain the property. The responsibility of Builder is limited to things that can be controlled during construction. Owner hereby waives all claims and causes of action against Builder in connection with mold or other fungal growth, and any damages. Owner hereby waives all claims and causes of action against Builder in connection with mold or other fungal growth, and any damages, which arise out of Owner's use, management, and maintenance of the property. Nothing herein will be construed as a waiver of any warranties under MN. Statute 327A, which warranties are expressly reserved to Owner.

APPENDIX  
FORMALDEHYDE DISCLOSURE

Written Formaldehyde Disclosure.

In accordance with MN Statute 325F.18 Subd. 3. Builder provides Owner with the following notice regarding formaldehyde.

"IMPORTANT HEALTH NOTICE.

SOME OF THE BUILDING MATERIALS USED IN THIS HOME (OR THESE BUILDING MATERIALS) EMIT FORMALDEHYDE. EYE, NOSE, AND THROAT IRRITATION, HEADACHE, NAUSEA AND A VARIETY OF ASTHMA-LIKE SYMPTOMS, INCLUDING SHORTNESS OF BREATH, HAVE BEEN REPORTED AS A RESULT OF FORMALDEHYDE EXPOSURE. ELDERLY PERSONS AND YOUNG CHILDREN, AS WELL AS ANYONE WITH A HISTORY OF ASTHMA, ALLERGIES, OR LUNG PROBLEMS, MAY BE AT GREATER RISK. RESEARCH IS CONTINUING ON THE POSSIBLE LONG-TERM EFFECTS OF EXPOSURE TO FORMALDEHYDE.

REDUCED VENTILATION MAY ALLOW FORMALDEHYDE AND OTHER CONTAMINANTS TO ACCUMULATE IN THE INDOOR AIR. HIGH INDOOR TEMPERATURES AND HUMIDITY RAISE FORMALDEHYDE LEVELS. WHEN A HOME IS TO BE LOCATED IN AREAS SUBJECT TO EXTREME SUMMER TEMPERATURES, AN AIR-CONDITIONING SYSTEM CAN BE USED TO CONTROL INDOOR TEMPERATURE LEVELS. OTHER MEANS OF CONTROLLED MECHANICAL VENTILATION CAN BE USED TO REDUCE LEVELS OF FORMALDEHYDE AND OTHER INDOOR AIR CONTAMINANTS.

IF YOU HAVE ANY QUESTIONS REGARDING THE HEALTH EFFECTS OF FORMALDEHYDE, CONSULT YOUR DOCTOR OR LOCAL HEALTH DEPARTMENT."