

Wrong place, wrong time!

Mold litigation continues to be an issue throughout the country, resulting in costly verdicts against contractors, property owners and insurers. Be ready when life happens. These claim situations illustrate the variety of environmental mold exposures that could affect your customers!



A contractor was hanging new drywall during a renovation project, when an employee accidentally drilled through a small water pipe located behind the wall. The drywall contractor did not realize the water leak occurred, resulting in a substantial amount of mold growth between the walls. The drywall contractor was held responsible for cleanup cost associated with the mold, as well as defense of third party bodily injury claims.



A few years after construction of the upscale apartment community, tenants complained about discovering mold in the bathrooms. Several tenants moved and filed claims for alleged bodily injury and property damage. An extensive investigation revealed that construction defects associated with shower installation caused severe water intrusion and moisture build-up. Damages to the property owner included loss of rent, cleanup cost and settlements with injured tenants—totaling over two million dollars.



Two years after the completion of a new high school, it was determined that the window system was allowing water to infiltrate the building. Significant mold damage was discovered. The installation fault and cost to remediate was shared by the general contractor and manufacturer. The sub-contractor who installed the windows was no longer in business. The general contractor did not have pollution coverage for mold and paid over \$900,000.



A mechanical contractor recently installed a HVAC system in an assisted living facility. The system was improperly installed, which caused mold growth in a number of residences. The facility was forced to relocate several patients during the repair of the system, and renovate the moldy building materials. A claim for cleanup costs and property damage was filed.

Mold Claims Scenarios



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