

KANSAS

Construction Defect as Occurrence

Lee Builders, Inc. v. Farm Bureau Mut. Ins. Co., 137 P.3d 486 (Kan. 2006). The court found an occurrence where the insured general contractor's faulty workmanship on a home resulted in moisture seepage.

Fid. & Dep. Co. of Md. v. Hartford Cas. Ins. Co., 189 F. Supp. 2d 1212 (D. Kan. 2002). The structural damage to a school and performing arts building allegedly caused by the insured contractor's and subcontractor's negligent workmanship constituted an occurrence.

Application of Property Damage Exclusions

Lee Builders, Inc. v. Farm Bureau Mut. Ins. Co., 137 P.3d 486 (Kan. 2006). After finding that the unintended property damage arising out of faulty workmanship can constitute an occurrence, the court upheld coverage for the faulty workmanship of the subcontractors of the insured contractor under the subcontractor exception to Exclusion I, the Your Work Exclusion.

Potomac Ins. of Ill. v. Huang, 2002 WL 418008 (D. Kan. Mar. 1, 2002). The court recognized that Exclusion j(6), the Faulty Workmanship Exclusion, did not apply to a completed operations claim for the defective window installation in a home.

American Mercury Ins. Group v. Urban, 2001 WL 1723734 (D. Kan. May 23, 2001). Exclusion m, the Impaired Property Exclusion, applied to deny coverage for the faulty design and construction of a concrete pad upon which a wet bin for a grain dryer sat since the damages alleged were purely economic in nature.