

<p>DISTRICT COURT MESA COUNTY, COLORADO 125 N. Spruce Street Grand Junction, Colorado 81501 (970) 257-3625</p> <p>Plaintiff: GARDEN GROVE TOWNHOME OWNERS ASSOCIATION</p> <p>v.</p> <p>Defendant: MID-CENTURY INSURNACE COMPANY</p>	<p>DATE FILED: October 16, 2023 6:29 PM FILING ID: B8445021CA1A0 CASE NUMBER: 2023CV30437</p> <p>COURT USE ONLY</p>
<p>Attorney for Plaintiff: Chad T. Wilson, #50736 Patrick C. McGinnis, #52194 Chad T. Wilson Law Firm, PLLC 1001 Bannock Street, Suite 239 Denver, Colorado 80204 Phone: (833) 942-0678 Fax: (281) 940-2137 Email: eservice@cwilsonlaw.com cwilson@cwilsonlaw.com pmcginnis@cwilsonlaw.com</p> <p>And</p> <p>Attorney for Plaintiff: W. Dan Mahoney, Esq., Atty. Reg.#: 14195 The Law Offices of W. Dan Mahoney, P.C. 700 17TH Street, Suite #1300 Denver, CO 80202 Phone #: (303) 407-0484; Fax #: (303) 407-2400 E-mail: dan@mahoneylaw.net</p>	<p>Case Number:</p> <p>Division</p> <p>Courtroom</p>
<p>Complaint and Jury Demand</p>	

COMES NOW PLAINTIFF, Garden Grove Townhome Owners Association (“Garden Grove”), by and through Plaintiff’s attorneys, Chad T. Wilson Law Firm, PLLC, and Law Office of Dan Mahoney, PC, and Complain against the Mid-Century Insurance Company (“Mid-Century”) as follows:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff, Garden Grove Townhome Owners Association, is a townhome owners association that resides in Mesa County and is the owners' association for the subject properties, located at 551 Garden Grove Court, Grand Junction, Colorado 81501 (the "Property").
2. Mid-Century Insurance Company is licensed to transact business in the State of Colorado.
3. All of the acts described in Plaintiff's Complaint occurred in the State of Colorado under Colorado law and involve an insurance policy governed by Colorado law.
4. This Court has personal and subject-matter jurisdiction pursuant to C.R.S. §13-1-124 1(a), (b), (c), and (d).
5. Venue is proper in this Court pursuant to C.R.C.P 98 because all activities alleged in Plaintiff's Complaint occurred in Mesa County and Mid-Century is licensed to conduct business in Colorado.

GENERAL ALLEGATIONS

6. Paragraphs 1 through 5 are incorporated by reference as if fully set forth herein.
7. Mid-Century issued Policy Number 60670-36-83 (hereinafter the "Policy") to Garden Grove insuring the Property at all times relevant herein.
8. Garden Grove was the direct beneficiary of a valid policy of insurance purchased from Mid-Century which provided coverage for sudden and accidental direct physical loss due to a wind and hailstorm that occurred on or about May 29, 2022. The damage occurred immediately during the loss.
9. The covered event caused extensive and obvious windstorm and hail damage including, extensive damages to the roofs and exteriors of the Property.
10. In order to repair the damaged Property, Garden Grove filed a claim with Mid-Century shortly after sustaining the property damage. Mid-Century acknowledged the claim and assigned it number 5021107605-1-1.
11. Mid-Century then hired or employed Caleb Prudholm ("Prudholm") with Mid-Century to adjust the claim. Prudholm, on behalf of Mid-Century, initially inspected the Property (or had it inspected). Prudholm denied all but a small part of the claim on behalf of Mid-Century on the allegation that the damage to Garden Groves roof occurred at a time when the Property was not covered by Mid-Century. Garden Grove received payment in the amount of \$368.77 to effectuate repairs to the Property.
12. Mid-Century failed to adequately compensate Garden Grove for the damage to Plaintiff's Property.

13. Although Garden Grove provided to Mid-Century the necessary documentation evidencing Plaintiff's losses and establishing Mid-Century's obligation to pay for such losses, Mid-Century has refused to pay Garden Grove the full benefits due under the Policy.
14. Mid-Century denied Garden Grove's claim without any proof as to the damages of the Property and construed the Policy in a way that was not proper. It failed to address significant areas of damage to the Property and also failed to provide adequate payment for all coverage implicated in Garden Grove's loss.
15. Damage to the Property is currently estimated at \$1,654,010.74.
16. These actions by Mid-Century were taken in bad faith, with the intent of delaying payment and reducing the covered benefit that Mid-Century would have to pay on the wind and hail damage claims submitted by Garden Grove.
17. Mid-Century's actions constitute a breach of the express duties set forth in the Policy as well as the implied contractual duties of good faith and fair dealing that Mid-Century owes to Garden Grove.

**FIRST CLAIM FOR RELIEF
(Breach of Contract)**

18. Paragraphs 1 through 17 are incorporated by reference as if fully set forth herein.
19. The Policy issued by Mid-Century contained an express or implied covenant of good faith and fair dealing.
20. Garden Grove paid all premiums and otherwise performed all conditions precedent to recover benefits due under the contract.
21. After filing its claim with Mid-Century, Garden Grove provided Mid-Century with proof that Plaintiff's claim significantly exceeded the amount Mid-Century was willing to provide to settle Garden Grove's claim. Despite receiving information that Mid-Century had underpaid Garden Grove's claim, Mid-Century refused to tender the fair and reasonable value of Garden Grove's claim under the Policy.
22. Mid-Century breached the express and implied terms of the insurance contract by failing to pay the full amount due under the contract with Garden Grove and by failing to act reasonably and in good faith in investigating and resolving the claims presented by Garden Grove.
23. As a direct, immediate, and proximate result of Mid-Century's breaches of contract, Garden Grove has suffered injuries, damages, and losses, in an amount which will be proven at trial.

SECOND CLAIM FOR RELIEF
(Bad Faith Breach of Insurance Contract)

24. Paragraphs 1 through 23 are incorporated by reference as if fully set forth herein.
25. Mid-Century entered an insurance contract with Garden Grove and issued a policy providing coverage for damage to the insured Property.
26. Garden Grove paid premiums and performed Plaintiff's obligations under Plaintiff's insurance contract with Mid-Century.
27. As an insurer, Mid-Century owed certain general duties to Garden Grove, including the duty of good faith and fair dealing, the duty to timely and fully investigate insurance claims, the duty to communicate with the insured, and the duty to attempt to reasonably settle the claim.
28. Mid-Century breached these duties to Garden Grove by delaying or denying payment of covered benefits without a reasonable basis.
29. Mid-Century acted unreasonably and breached its duties of good faith and fair dealing by its actions, which included, without limitation, the following unreasonable acts:
 - a. Failing to properly investigate and evaluate Garden Grove's claims for Policy Benefits;
 - b. Failing to pay Garden Grove the full benefits owed under the Policy;
 - c. Failing to pay amounts under the Policy in a timely manner;
 - d. Failing to effectuate a prompt, fair, and equitable settlement of Garden Grove's claims;
 - e. Failure to give equal consideration to Garden Grove's rights and interests as it gave its own interests;
 - f. Depriving Garden Grove of the benefits and protections of Plaintiff's insurance contract with Mid-Century;
 - g. Forcing Garden Grove to institute litigation to recover amounts due to Plaintiff under the Policy; and
 - h. Other conduct that may potentially be revealed through discovery.

THIRD CLAIM FOR RELIEF
(Statutory Bad Faith Pursuant to C.R.S. §§ 10-3-1113(3), 1115, 1116)

30. Paragraphs 1 through 29 are incorporated by reference as if fully set forth herein.
31. Garden Grove was and is a first-party claimant who was owed benefits directly under an insurance policy.
32. Mid-Century accordingly had a statutory duty not to unreasonably delay or deny benefits to Garden Grove.

33. However, Mid-Century delayed or denied payment of covered benefits to Garden Grove without a reasonable basis for their action.
34. As a direct and proximate result of Mid-Century's unreasonable delay and denial, Garden Grove has suffered injuries, damages, and losses in an amount to be proven at trial.
35. Garden Grove is entitled to all remedies allowed by C.R.S. § 10-3-1116, including two times the covered benefit, reasonable attorney fees, and cost of court.

WHEREFORE, Garden Grove prays for Judgment in its favor and against Mid-Century for compensatory damages in an amount that will fully compensate Plaintiff for its injuries, damages, and losses; statutory damages equal to two times the covered benefit; reasonable attorney fees and costs; interest on such sums as is provided by law; and such other relief as Plaintiff's Court may deem proper.

JURY DEMAND

Plaintiff demands trial by jury.

Respectfully Submitted this 16th day of October, 2023

/s/ Chad T. Wilson

Chad T. Wilson #50736

Patrick C. McGinnis, #52194

/s/ W. Dan Mahoney

W. Dan Mahoney, #14195

ATTORNEY FOR PLAINTIFF

A printed copy of Plaintiff's document with original signatures is being maintained by the filing party and will be made available for inspection by other parties or the Court upon

