

CertainTeed Class Action Fiber Cement Siding Settlement: Is Your Association Eligible for \$1,000,000?

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Are any communities you manage experiencing issues with CertainTeed fiber cement siding installed prior to September 30, 2013? If so, you may be eligible for a settlement. A class action lawsuit was filed against CertainTeed and settled for \$103.9 million, with an effective settlement date of August 11, 2014. This date is important. Class action settlement members have until six (6) years from the effective settlement date to submit a claim. Waldman Engineering Consultants recently have submitted two claims on behalf of associations in suburban Illinois. In June, one claim was paid out for over \$485,000, which is only half the amount the association will receive. How do you become a settle class member? Read on!

Who is a settlement class member? Only settlement class members can submit a claim under the class action settlement. You are a settlement class member if you owned a home or residence on which CertainTeed Weatherboards™ Fiber Cement Siding was installed prior to September 30, 2013. Associations do qualify as a property owner under this criteria. Once you determine that you are a member, you must submit an eligible claim.

In order for a claim to be eligible, the siding must exhibit qualifying damage. Qualifying damage to the siding is caused by a siding defect that is manifested in shrinkage between the ends of the boards in excess of 3/16" or siding exhibiting warping or bowing in excess of 1/2". This damage needs to be evident on over 5% of an elevation of the structure.



If you are a settlement class member and have qualifying damage on your buildings, a claim needs to be filed by August 11, 2020 to qualify for a financial remedy from CertainTeed. However, there is a fixed settlement pool of \$103.9 million, which is paid out as claims are filed. Once the pool is empty, no additional claims will be processed.

How do you file your claim? The claims process is detailed and must be followed to the letter in order for a claim to be submitted. One claim must be submitted per building, with photographic documentation of each elevation where qualified damage exists. Proof of ownership documents, square footage calculations and siding installation details are also required to be submitted.

The submitted claim is reviewed by CertainTeed. If the claim is approved, payments will be made in an amount determined by the cost and installation date of the siding and includes removal and disposal of siding plus the materials and installation of new siding. The payments are made in two installments, half when the claim is approved and half at the end of the settlement period, which is August of 2020. Although most are skeptical that money is ever paid out in a class action settlement such as this, there is proof that CertainTeed is keeping up its end of this deal.

In December 2014 and February 2015, Waldman Engineering conducted a siding inspection at two townhome communities consisting of 36 and 33 buildings respectively. It was determined the CertainTeed fiber cement siding was defective and a recommendation was provided to the associations that claims should be submitted under the class action settlement. The site visits and claims were completed and submitted; the first in February 2015 and the second in March 2015.

Over the following months, emails were exchanged with CertainTeed and the claims were approved. In June 2015, the first checks were received on 35 of the 36 for one association in the amount of \$484,000. The check for the last building is anticipated to be about \$15,000 for a total of \$499,000, which is HALF of the total amount the association will receive. The second association is estimated to receive an overall payout of \$950,000.

If you think any of your associations may qualify, please contact Mike Roche (630-922-3000 x 108; miker@waldmaneng.com) or Becky Weber (630-922-3000 x 102; beckyw@waldmaneng.com) for more information.