



Color Match Returns In Minnesota

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Last month, the Minnesota Supreme Court issued an opinion addressing an insurer's obligation to match replacement materials after homes suffered storm damage. The opinion in *Cedar Bluff Townhome Condominium Association, Inc. v. American Family Mutual Insurance Company*, --N.W.2d--, No. A13-0124, 2014 WL 7156914 (Minn. Dec. 17, 2014) stemmed from a hail storm in October 2011 that damaged buildings in the Cedar Bluff townhome neighborhood. Cedar Bluff sought coverage for complete replacement of the buildings' siding. However, American Family (AmFam) took the position that the policy only required replacement of the individual panels actually damaged by the storm, even though the replacement panels would be slightly darker or lighter than the original panels.

The district court granted summary judgment to AmFam, finding that the policy did not require payment for replacing property that had not experienced direct physical loss or damage. The court of appeals reversed. *Cedar Bluff Townhome Condominium Association, Inc. v. American Family Mutual Insurance Company*, No. A13-0124, 2013 WL 6223454 (Minn. Ct. App. Dec. 2, 2013). The Minnesota Supreme Court held in *Cedar Bluff* that replacement cost insurance requires reasonable color match, and refused to allow replacement of just the hail-damaged panels, explaining that the remaining property had suffered damage because of the resulting mismatching replacement panels.

Barnes & Thornburg submitted an *Amicus* brief supporting the policyholders on behalf of United Policyholders. Given this clear precedent in Minnesota, if insurance carriers are failing to provide full replacement where there is an inability to match pre-existing materials, policyholders should closely review their property insurance policies and verify that their insurers are providing them with the coverage that they are entitled.

[Learn more](#) about what the court said in this ruling and why it is important for

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