

Effie Eraklis v. Massachusetts Bay Insurance Company

Held: December 22, 2021
Decision Issued: January 26, 2022
Docket Number: INS-21-2051

The named insured requested a hearing to contest the nonrenewal of a homeowners policy. The company asserted that the frequency of losses affecting the covered dwelling and the insured's failure to timely repair damage associated with certain losses increased its exposure to further losses.

Held: For the company. Under Section 3051 of the Maine Property Insurance Cancellation Control Act, 24-A M.R.S. §3051, nonrenewal of a homeowners policy is permissible if the underlying reason is a good faith reason and related to the insurability of the property. The company met its burden of establishing that its stated concerns regarding the unrepaired condition of the covered dwelling were reasonable and related to the insurability of the property. Accordingly, the nonrenewal action is permitted.