

Kenneth and Nancy Lageroos v. Hanover Insurance Co.

Held: July 30, 2020  
Decision Issued: August 28, 2020  
Docket Number: INS-20-2022

The named insureds requested a hearing to contest the nonrenewal of their homeowners insurance policy. The company asserted that the occurrence of three water damage loss events during a 2-week period in the current policy term made the property uninsurable and an unacceptable risk under its underwriting guidelines.

**Held:** For the insureds. 24-A M.R.S. §3051 permits nonrenewal of a homeowners policy if the underlying reason is a good faith reason and related to the insurability of the property. The company failed to meet its burden of establishing that the cited loss events predisposed the property to future losses, adversely affected the insurability of the property or altered the nature and extent of the risk exposures contemplated by the policy. Accordingly, the nonrenewal action is not permitted.