

MISSOURI

SUMMARY JUDGMENT WIN FOR CARRIER IN \$200,000 FIRST PARTY PROPERTY SUIT FILED BY INSURED



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In a first-party property insurance lawsuit filed by a landlord insured, Alexa Lester and Bob Brady brought in a huge victory for a WWBH client insurance carrier when the Madison County granted summary judgment in favor of the insurance carrier as to the insured's breach of contract and extra-contractual bad-faith claims, denied plaintiff's cross-motion for summary judgment, and struck the insured's affidavit in support of his cross-motion. Prior to the grant of summary judgment, the court dismissed the insured's statutory and common law fraud claims against the insurance carrier.

The insured sustained a total fire loss to his uninhabitable rental property, which was insured on an actual cash value basis. The carrier issued payments for the dwelling limit, the actual cash value of personal property damaged by fire, and the maximum amount allowed for reasonable debris removal expenses. The carrier denied coverage as to the insured's lost rental income claim because the insured failed to provide records and documents substantiating and verifying his alleged loss of rental income claim. The insured sought additional payment under the policy for debris removal expenses, an additional 10% of the dwelling limit under building code coverage for pre-loss repairs to the property, payment for alleged loss of rental income, a statutory penalty, as well as pre and post-judgment interest totaling more than \$200,000. The court adopted Alexa's arguments in full and found that the insurance carrier fulfilled all monetary obligations under the policy, the insurance carrier exhausted the dwelling and debris removal protection limits of liability, and the insured's failure to provide documentation substantiating his fair rental value claim constituted a material breach of the insurance policy.