

STATE OF LOUISIANA
COURT OF APPEAL
FIRST CIRCUIT

2026 CA 0078

KEITH REGAN

VERSUS

**TAMIKIA JONES, PEERLISS PROPERTY MANAGEMENT &
DEVELOPMENT, LLC, ABC INSURANCE COMPANY &
XYZ INSURANCE COMPANY**

Judgment Rendered: SEP 24 2026

On Appeal from the 19th Judicial District Court
In and for the Parish of East Baton Rouge
State of Louisiana
Trial Court Docket Number C717995, Div./Sec. 32

Honorable William Jorden, Judge Presiding

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BEFORE: PENZATO, LANIER, AND FIELDS, JJ.

PENZATO, J.

Plaintiff, Keith Regan, seeks reversal of the judgment that granted a motion for summary judgment filed by defendant, State Farm Fire and Casualty Company, and dismissed State Farm from Regan’s suit with prejudice. After *de novo* review, we affirm.

FACTS AND PROCEDURAL HISTORY

On March 30, 2021, Keith Regan and his fiancée, Tricia T. Gendron, collectively, as “RESIDENT[,]” entered a rental lease contract with “Peerliss Properties,” as landlord. The lease concerned a two-story townhome owned by Tamikia Jones, who signed the lease on behalf of Peerliss Properties. The lease was for a six-month term, from April 1, 2021 to October 31, 2021, and automatically renewed thereafter, unless either party notified the other of the intent to terminate. Pursuant to the lease, Regan and Gendron paid \$1,100.00 per month in rent to Peerliss Properties.

Regan and Gendron continued to reside in the townhome through March 5, 2022. On that date, Regan fell from the top of the townhome’s interior stairs, sustaining significant injuries. Regan filed suit for personal injuries on April 19, 2022, naming Jones and Peerliss Property Management and Development, LLC (“Peerliss”) as defendants, along with their fictitious insurers. Regan alleged that he fell due to the “defective and dangerous nature” of the steps, which were “constructed and/or maintained in a defective and hazardous fashion” in contravention of all applicable building and pertinent codes and standards. Regan asserted that the stairs posed an “immediate and unreasonable danger” to users.

State Farm voluntarily substituted itself in the litigation in place of Jones’s named fictitious insurer. In its answer to the petition, State Farm admitted that it issued a policy of insurance to Jones, which was in effect on March 5, 2022, and

insured the townhome as the “*residence premises*.” Additionally, State Farm quoted excerpts from the policy, including two pertinent exclusions.

State Farm filed a motion for summary judgment in June 2024, asserting that no coverage existed for Regan’s injuries and no duty to defend its insured, Jones, was owed. State Farm supported its motion with a certified copy of the homeowner’s policy issued to Jones for the subject townhome, effective June 1, 2021 to June 1, 2022; Regan’s deposition; and the lease authenticated by Regan and attached to his deposition. See La. C.C.P. art. 966(A)(4)(a). State Farm contended that the policy’s business pursuits exclusion and the rental exclusion barred coverage. Specifically, these exclusions stated that personal liability coverage did not apply to:

b. *bodily injury* ... arising out of *business* pursuits of any *insured*, except as provided in item c. below. This exclusion does not apply to activities that are ordinarily incident to non-*business* pursuits;

c. *bodily injury* ... arising out of the rental of any part of the premises by any *insured*. This exclusion does not apply:

* * * *

(4) to activities that are ordinarily incident to non-*business* pursuits[.¹]

The policy pertinently defines “*business*” as:

any full-time or part-time activity, trade, profession, employment, or occupation or a commercial, mercantile, or industrial undertaking of an economic nature. It does not matter whether it is continuous or regular, is a secondary or supplemental source of income, or is an insured’s principal means of livelihood. Profit and profit motive are irrelevant.

State Farm argued that, pursuant to these exclusions, coverage was barred, because Jones undisputedly rented the townhome to Regan and Gendron for their exclusive use and collected \$1,100.00 per month in rent through her property management business, Peerliss.

During his deposition, Regan testified that the interior staircase in the townhome led to the second floor, where his bedroom and a bathroom were located.

¹ The rental exclusion contains additional exceptions to its application, which the parties do not contend apply here, such as when the *residence premises* is rented for up to 30 nights in the 12-month period prior to the date of the loss or is rented in part by one or two full-time roomers or boarders.

At 2:00 a.m., Regan began to walk up the stairs to his desk. As Regan approached the second floor, his foot kicked the top edge of the top step, which he alleged was 1.5 inches “out of code.” Regan fell backwards, down the stairs, and to the landing, where he struck his head on a corner post. He identified the step’s 1.5-inch deviation from code as the condition that caused his fall and confirmed he did not notice any defects, chips, or cracks in the wooden stairs.

Jones and Peerliss filed an opposition to State Farm’s motion and relied on Jones’s affidavit, which pertinently stated that Jones lived in the townhome from September 2018 through February 2021 and again following Regan’s accident. Jones and Peerliss asserted that the non-business pursuits exception to both exclusions applied because the townhome was and is primarily used as Jones’s residence and her alleged failure to repair the stairs was an activity ordinarily incident to a non-business pursuit. Jones and Peerliss relied on *Blue Ridge Ins. Co. v. Newman*, 453 So.2d 554, 556 (La. 1984), wherein the supreme court held that the maintenance of a tree, which fell and damaged a neighbor’s property, was not directly related to the insured’s rental of the insured home; thus, the non-business pursuits exception to the business pursuits exclusion applied.

Regan adopted Jones and Peerliss’s opposition in response to State Farm’s motion but did not adopt Jones’s affidavit in accordance with La. C.C.P. art. 966(A)(4)(b) and offered no evidence in opposition to the motion for summary judgment. Regan also asserted that genuine issues of material fact remained regarding the circumstances under which the State Farm agent marketed and sold an insurance policy with a rental exclusion to Jones, who was engaged in the rental of residential property.

The trial court granted State Farm’s motion for summary judgment at the conclusion of a contradictory hearing, finding the townhome was rental property, that no genuine issues of material fact remained, and that the policy exclusions

precluded coverage. A judgment in accordance with this ruling was signed on July 28, 2025, dismissing State Farm with prejudice.

LAW AND ANALYSIS

This appeal by Regan followed. Jones and Peerliss did not appeal the July 28, 2025 judgment but filed a brief with this court in support of Regan's position. In his first assignment of error, Regan asserts the trial court erred by distinguishing *Blue Ridge*, which he maintains is "directly on point[.]" In his second assignment of error, Regan asserts the trial court erred by failing to find genuine issues of material fact remain concerning the formation and subsequent renewals of the insurance policy, which State Farm purportedly failed to resolve.

Burden of Proof and Standard of Review

After an opportunity for adequate discovery, a motion for summary judgment shall be granted if the motion, memorandum, and supporting documents show there is no genuine issue of material fact, and the mover is entitled to judgment as a matter of law. La. C.C.P. art. 966(A)(3). Using this criteria, appellate courts review summary judgments *de novo*. *Broden v. Priority Management Group, L.L.C.*, 2025-01651 (La. 2/12/26), 427 So.3d 726, 728 n.1. Summary judgment declaring a lack of coverage under an insurance policy may be rendered only if there is no reasonable interpretation of the policy, when applied to the undisputed material facts shown by the evidence supporting the motion, under which coverage could be afforded. *Intelligent Mortgage & Consulting Services LLC v. Arbor Lending Group, L.L.C.*, 2022-1252 (La. App. 1 Cir. 8/1/23), 371 So.3d 554, 559, *writ denied*, 2023-01210 (La. 11/15/23), 373 So.3d 80.

An insurance policy is a conventional obligation that constitutes the law between the insured and the insurer, and the agreement governs the nature of their relationship. La. C.C. art. 1983. If the insurance policy's language clearly expresses the parties' intent and does not violate a statute or public policy, the policy must be

enforced as written.² *Supreme Services and Specialty Co., Inc. v. Sonny Greer, Inc.*, 2006-1827 (La. 5/22/07), 958 So.2d 634, 638.

Although liability insurance policies should be interpreted to effect, rather than to deny coverage, it is well-settled that, unless a statute or public policy dictates otherwise, insurers may limit liability and impose such reasonable conditions or limitations upon their insureds. In these circumstances, unambiguous provisions limiting liability must be given effect. *Supreme Services*, 958 So.2d at 638-39. The business pursuits exclusion in a homeowner's policy is intended to exclude risks that should be covered under different policies. *Stills v. Mims*, 42,799 (La. App. 2 Cir. 12/5/07), 973 So.2d 118, 121. For example, the risks associated with a rental dwelling would typically be insured by rental property insurance. *Stills*, 973 So.2d at 121.

As insurer and mover, State Farm had the burden of making a *prima facie* showing that no genuine issues of material fact remained as to the applicability of the coverage exclusions. See *Robinson v. Williams*, 2024-0201 (La. App. 1 Cir. 12/11/24), 404 So.3d 821, 827 and *Supreme Services*, 958 So.2d at 639. Additionally, if the uncontroverted facts preclude the possibility of a duty to indemnify, State Farm's duty to defend Jones ceases and the duty to indemnify is negated. See *Maldonado v. Kiewit Louisiana Co.*, 2013-0756 (La. App. 1 Cir. 3/24/14), 146 So.3d 210, 219. Only if State Farm satisfied its initial burden did the burden shift to Regan to present evidence demonstrating a material factual issue remained. *Robinson*, 404 So.3d at 827.

***Blue Ridge* is Distinguishable**

Regan asserts the policy language, facts, and circumstances of his fall are "directly analogous" to the supreme court's analysis and reasoning in *Blue Ridge*,

² There is no contention that the business pursuits exclusion and/or the rental exclusion in State Farm's policy violate a statute or public policy.

453 So.2d 554. There, the plaintiff's home was damaged by a tree growing on adjoining property owned by Robert Newman. The evidence established that, before the tree fell, Newman temporarily rented his home to a friend. However, the property was vacant from May 1980 through July 30, 1980, when the tree fell. During the time of vacancy, Newman made no effort to rent the property. *Blue Ridge*, 453 So.2d at 555-556.

The *Blue Ridge* court found the lower courts erred by dismissing the claims against Newman's homeowner's insurer after it determined the business pursuits policy exclusion did not bar coverage. *Blue Ridge*, 453 So.2d at 554. The supreme court pertinently noted that, although the tree was on rental property, it was not directly related to the renting of Newman's home and was not a necessary incident of the business of renting property. The court explained,

Although the presence of the tree might have made the property more attractive, it is unlikely that Newman's ability to rent the house was substantially affected by the presence of the tree. Neither the presence of the tree nor its eventual fall was in any way related to any business character of the property.

Blue Ridge, 453 So.2d at 556-57.

Regan argues on appeal that the stairs in the townhome exist because there are upstairs living spaces and, like the tree in *Blue Ridge*, neither the presence of the defective step nor Regan's fall was in any way related to the business character of the property. Instead, Regan fell while using the insured property as a residence. This argument and Regan's reliance on *Blue Ridge* are unpersuasive.

We agree with the trial court that the pertinent facts in *Blue Ridge* are distinguishable from those presented here. Unlike a tree, the interior stairs are an integral part of the two-story townhome, and Regan's use of the stairs was directly related to his rental of the townhome. He could not access the rented upstairs living spaces without using the stairs. Similarly, Jones could not have rented the entirety of the two-story townhome without the interior stairs. Her ability to rent the

townhome was substantially affected by the presence of and Regan's use of the stairs.

Regan's use of the *residence premises* as a residence is not material to the applicability of the policy exclusion. Instead, it is pertinent that Regan's *bodily injury*³ arose out of the *insured's business* pursuits. Regan confirmed that Jones signed the lease on behalf of "Peerliss Properties" and that he paid \$1,100.00 monthly rent to "Peerliss Properties." In brief, Jones admits that "Peerliss Properties" entered the lease as her "property manager[.]" Thus, the rental of the *residence premises* satisfies the policy definition of *business*.

Additionally, the policy exclusions at issue bar coverage for bodily injury "arising out of" the insured's business pursuits and the rental of any part of the premises. The phrase "arising out of" implies an element of causality, though not necessarily the proximate cause. There must be some causality between the business pursuit or rental of property and the bodily injury or property damage for the exclusion to apply. *Stills*, 973 So.2d at 122. Regan sustained bodily injuries while climbing the stairs at 2:00 a.m. solely because Jones rented the entire two-story townhome to Regan and Gendron. Causality is easily satisfied here. Finally, unlike the homeowner in *Blue Ridge*, Jones was renting the *residence premises* at the time Regan, the *lessee*, was injured and had been for nearly a year before this incident.

After *de novo* review, we find State Farm satisfied its burden of proving that coverage is barred by the policy's business pursuits exclusion and rental exclusion; therefore, the duty to indemnity is negated and no duty to defend is owed. See *Maldonado*, 146 So.3d at 219. The burden thereafter shifted to Regan, who failed to present evidence to demonstrate a material factual issue remains as to the applicability of these coverage exclusions. See *Robinson*, 404 So.3d at 827.

³ The policy's definition of "*bodily injury*" includes physical injury to a person.

No Genuine Issue of Material Fact Regarding Policy Formation, Renewals

Regan poses numerous questions about Jones's purchase of the State Farm homeowner's policy, attempting to demonstrate the existence of genuine issues of material fact regarding whether Jones purchased or was sold the wrong insurance product. Regan argues that State Farm failed to offer the affidavit of its agent to resolve these questions.

However, the burden was on Regan to produce evidentiary support for the genuine issues of material fact, which he maintains defeat State Farm's motion for summary judgment. See La. C.C.P. art. 966; see also *Robinson*, 404 So.3d at 827 and *1143 Four Point Road, LLC v. South. Louisiana Electric Cooperative Association*, 2025-1223 (La. App. 1 Cir. 6/18/26), 2026 WL 1765205, *6 (unpublished). Regan offered no factual support for the speculative issues he raises. Speculation and conjecture will not defeat a well-supported motion for summary judgment. *1143 Four Point Road*, 2026 WL 1765205 at *6 (finding that posing questions but failing to offer evidentiary support was insufficient to defeat summary judgment). Thus, Regan's second assignment of error lacks merit.

CONCLUSION

For the foregoing reasons, the July 28, 2025 judgment is affirmed. All costs of this appeal are assessed against appellant, Keith Regan.

AFFIRMED.