UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA

16500 Captiva LLC v. QBE Specialty Insurance Company

16500 Captiva · No. 2:23-cv-530-KCD-DNF · Decided December 29, 2025

SUMMARY

The United States District Court for the Middle District of Florida resolves a dispute over how a $200,000 windstorm deductible applies under an insurance policy after Hurricane Ian damage. The court holds that the deductible must be subtracted from the loss payable under the policy after applying coverage limits, rather than from the total uncapped loss. The court denies Captiva's motion for summary judgment, grants QBE's cross-motion, and directs the Clerk to close the case.

CASE DETAILS

COURT	United States District Court for the Middle District of Florida
WRITING FOR THE COURT	Kyle C. Dudek
JURISDICTION	United States District Court for the Middle District of Florida
DECIDED	December 29, 2025
DOCKET	2:23-cv-530-KCD-DNF
DISPOSITION	other
PROCEDURAL POSTURE	Cross-motions for summary judgment in an insurance coverage dispute following appraisal of Hurricane Ian damage.
STANDARD OF REVIEW	Summary judgment is appropriate where the only issue is a question of law. The court interpreted the insurance policy de novo under Florida's plain-language rules of contract interpretation.
PRECEDENTIAL VALUE	nonprecedential

TOPICS

insurance coverage · casualty insurance litigation · contract interpretation · summary judgment · commercial litigation

PRACTICE AREAS

insurance law · insurance coverage · contract interpretation · civil procedure

QUESTIONS PRESENTED

1. Whether the policy's $200,000 windstorm deductible must be subtracted from the total loss before applying policy limits or from the loss payable after applying the policy's sublimits.
2. Whether the policy's deductible provision is ambiguous or provides illusory coverage because applying the deductible to the capped loss may prevent the insured from recovering the full stated policy limits.

HOLDINGS

1. Under the policy's plain language, the $200,000 windstorm deductible must be subtracted from the amount of loss payable under the applicable coverages after applying the policy limits, not from the uncapped total loss.
2. The deductible provision is not ambiguous, and applying it to the capped loss payable does not render the coverage illusory.

KEY QUOTATIONS

> *"A loss is not "payable under coverages" if it exceeds the limit of liability that the parties agreed to in the declarations."* (Conclusion)

> *"The deductible, by definition, is a portion of the risk the insured agrees to keep on its own books."* (Conclusion)

> *"You don't get to call a contract illusory simply because the math of the deductible you negotiated happens to be more than the sub-limit you purchased."* (Conclusion)

FACTUAL BACKGROUND

Hurricane Ian damaged a rental property owned by 16500 Captiva LLC. Appraisal determined losses of $136,405.73 for personal property, $492,924 for fair rental value, and $853,408.05 for the dwelling; the first two amounts exceeded their respective policy sublimits. The policy contained a $200,000 windstorm deductible, and the parties disputed whether that deductible applied to the total physical loss before policy limits or to the amount payable after applying the limits.

PROCEDURAL HISTORY

After Hurricane Ian damaged Captiva's rental property, the parties submitted the scope of physical damage to appraisal and agreed on the resulting loss figures. The parties then filed competing summary-judgment motions concerning the proper application of the policy's $200,000 windstorm deductible. The court denied Captiva's amended motion, granted QBE's supplemental cross-motion, terminated the remaining deadlines, and closed the case.

DISPOSITION

other

CASES CITED

- Auto-Owners Ins. Co. v. Anderson, 756 So. 2d 29, 34 (Fla. 2000)
- Formosa Plastics Corp., U.S.A. v. Ace Am. Ins. Co., No. CIV. 06-5055, 2010 WL 4687835, at *5-6 (D.N.J. Nov. 9, 2010)
- Saregama India Ltd. v. Mosley, 635 F.3d 1284, 1290 (11th Cir. 2011)
- Trinidad v. Fla. Peninsula Ins. Co., 121 So. 3d 433, 441 (Fla. 2013)
- State Farm Fire & Cas. Co. v. Patrick, 647 So. 2d 983 (Fla. Dist. Ct. App. 1994)
- Yang Enters., Inc. v. Space Coast Launch Servs., LLC, No. 616CV612ORL37DCI, 2017 WL 5547933, at *11 (M.D. Fla. Nov. 17, 2017)
- General Star Indemnity Co. v. West Florida Village Inn, Inc., 874 So. 2d 26, 33, 35 n.7 (Fla. Dist. Ct. App. 2004)
- Edwards v. Prime, Inc., 602 F.3d 1276, 1298 (11th Cir. 2010)
- Purrelli v. State Farm Fire & Cas. Co., 698 So. 2d 618, 620 (Fla. Dist. Ct. App. 1997)
- Travelers Indem. Co. of Connecticut v. Richard Mckenzie & Sons, Inc., 10 F.4th 1255, 1265 (11th Cir. 2021)
- Sphinx Int'l, Inc. v. Nat'l Union Fire Ins. Co. of Pittsburgh, Pa., 226 F. Supp. 2d 1326, 1340 (M.D. Fla. 2002)
- Emerald Pointe Prop. Owners' Ass'n, Inc. v. Com. Const. Indus., Inc., 978 So. 2d 873, 878 n.1 (Fla. Dist. Ct. App. 2008)
- S.-Owners Ins. Co. v. Easdon Rhodes & Assocs. LLC, 872 F.3d 1161, 1164 (11th Cir. 2017)
- Swire Pac. Holdings, Inc. v. Zurich Ins. Co., 845 So. 2d 161, 165 (Fla. 2003)
- Thomas v. Prudential Prop. & Cas., 673 So. 2d 141, 142 (Fla. Dist. Ct. App. 1996)
- U.S. Fire Ins. Co. v. Morejon, 338 So. 2d 223, 225 (Fla. Dist. Ct. App. 1976)