

SUPREME COURT OF WASHINGTON

Little Mountain Estates Tenants Association v. Little Mountain Estates MHC LLC

236 P.3d 193 (Wash. 2010) · No. No. 82574-2 · Decided July 22, 2010

SUMMARY

The Washington Supreme Court held that the Manufactured/Mobile Home Landlord-Tenant Act permits a landlord and tenant to agree to a 25-year rental term that becomes a one- or two-year term if the tenant assigns the agreement. The court concluded that this provision did not waive the tenant's statutory right to assign the rental agreement and did not violate the MHLTA, while remanding the separate Consumer Protection Act claim for further factual findings. Justice Alexander and three other justices dissented.

CASE DETAILS

COURT	Supreme Court of Washington
WRITING FOR THE COURT	Sanders, J.; Susan Owens, J.; Mary E. Fairhurst, J.; James M. Johnson, J.; Debra L. Stephens, J.; Alexander, J. (dissenting); Barbara A. Madsen, C.J. (dissenting); Charles W. Johnson, J. (dissenting); Tom Chambers, J. (dissenting)
JURISDICTION	Washington
DECIDED	July 22, 2010
DOCKET	No. 82574-2
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The Supreme Court of Washington reviewed a Court of Appeals decision reversing the trial court's determination that a manufactured-home park lease provision complied with the Manufactured/Mobile Home Landlord-Tenant Act. The CPA claim had been remanded by the Court of Appeals for further factual findings and was not before the Supreme Court on review.
STANDARD OF REVIEW	Statutory interpretation is reviewed de novo. When statutory language is unambiguous, the court enforces its plain meaning.
PRECEDENTIAL VALUE	published precedential opinion

PARTIES

Little Mountain Estates MHC LLC, Peregrine Holdings, LLC, Kevin A. Ware, Kari M. Ware, the marital community composed thereof v. Little Mountain Estates Tenants Association, Jerry Jewett, Virginia Haldeman, Marie McCutchin, Wes Walton, classes of similarly situated persons

TOPICS

landlord tenant statutory interpretation plain meaning rule contract interpretation appellate procedure

PRACTICE AREAS

landlord-tenant law statutory interpretation contract law consumer protection appellate procedure

QUESTIONS PRESENTED

1. Whether the MHLTA permits a landlord and tenant to agree to a 25-year rental term that becomes a one- or two-year term if the tenant assigns the rental agreement.
2. Whether the assignment provision unlawfully waives or restricts the tenant's statutory right to assign the rental agreement under the MHLTA.
3. Whether legislative-intent provisions of the MHLTA required invalidation of the assignment provision despite the plain language of RCW 59.20.090(1).

HOLDINGS

1. The MHLTA permits a landlord and tenant to negotiate and agree to the term of a rental agreement, including a term determined by a formula or linked to the tenant's decision to assign the lease. The agreed provision providing a 25-year term for the original tenant and a one- or two-year term upon assignment therefore does not violate the MHLTA.
2. Because RCW 59.20.090(1) is unambiguous, statements of legislative intent are irrelevant to the statutory interpretation analysis and do not justify invalidating the assignment provision.

KEY QUOTATIONS

“Because the MHLTA expressly preserves the right of a landlord and tenant to negotiate and agree to the term of a rental agreement, this agreed-to provision does not violate the MHLTA.” (194)

“The MHLTA does not prevent landlords from offering special terms to the tenants who first move into a new mobile or manufactured home park.” (196)

FACTUAL BACKGROUND

Little Mountain Estates MHC LLC operated a manufactured-home community for elderly residents and offered new residents a 25-year lease with rent increases tied to the Consumer Price Index. The leases stated that the 25-year term was available only to the original tenant and that an assignment would result in a one- or two-year

term. Tenants had the opportunity to review and signed the agreements without objecting to the assignment provision, but some later assigned their leases and challenged the provision under the MHLTA and CPA.

PROCEDURAL HISTORY

Tenants and their association sued, alleging that a lease provision reducing a 25-year lease to a one- or two-year term upon assignment violated the MHLTA and the Consumer Protection Act. The trial court rejected both claims and held the tenants were bound by the leases they voluntarily signed. The Court of Appeals reversed as to the MHLTA claim and remanded the CPA claim for further factual findings. The Supreme Court reversed to the extent inconsistent with its holding and remanded the CPA and attorney-fee claims.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The Court of Appeals decision was reversed to the extent inconsistent with the holding that the assignment provision did not violate the MHLTA. The CPA claim and the claim for reasonable attorney fees under RCW 59.20.110 were remanded to the trial court.

CASES CITED

- State v. Williams, 158 Wash. 2d 904, 908, 148 P.3d 993 (2006)
- American Continental Insurance Co. v. Steen, 151 Wash. 2d 512, 518, 91 P.3d 864 (2004)
- State v. Armendariz, 160 Wash. 2d 106, 110, 156 P.3d 201 (2007)
- State v. J.P., 149 Wash. 2d 444, 450, 69 P.3d 318 (2003)
- Vance v. Villa Park Mobilehome Estates, 36 Cal. App. 4th 698, 708, 42 Cal. Rptr. 2d 723 (1995)
- Little Mountain Estates Tenants Ass'n v. Little Mountain Estates MHC LLC, 146 Wash. App. 546, 560-563, 192 P.3d 378 (2008)
- Morrison v. Nelson, 38 Wash. 2d 649, 657, 231 P.2d 335 (1951)
- McDuffie v. Noonan, 176 Wash. 436, 29 P.2d 684 (1934)
- Shannon v. Grindstaff, 11 Wash. 536, 539-540, 40 P. 123 (1895)
- Old National Bank v. Arneson, 54 Wash. App. 717, 723, 776 P.2d 145 (1989)
- Holiday Resort Community Ass'n v. Echo Lake Associates, LLC, 134 Wash. App. 210, 223-225, 135 P.3d 499 (2006)
- Puget Sound National Bank v. Department of Revenue, 123 Wash. 2d 284, 287, 868 P.2d 127 (1994)
- Estate of Jordan v. Hartford Accident and Indemnity Co., 120 Wash. 2d 490, 495, 844 P.2d 403 (1993)
- Clements v. Olsen, 46 Wash. 2d 445, 448, 282 P.2d 266 (1955)
- Torgerson v. One Lincoln Tower, LLC, 166 Wash. 2d 510, 517, 210 P.3d 318 (2009)
- Adler v. Fred Lind Manor, 153 Wash. 2d 331, 344, 103 P.3d 773 (2004)

