NORTH DAKOTA SUPREME COURT

Minard v. Moore (In re Estate of Moore)

2018 ND 221 (2018) · No. No. 20170332 · Decided October 3, 2018

SUMMARY

The North Dakota Supreme Court reviewed a dispute over whether the estate of a deceased partner was entitled to rent for the partnership's continued use of real property. The court held that the partnership agreement barred recovery of rent, including under unjust enrichment, but concluded that the estate retained an interest in the partnership after the partner's death. The judgment was affirmed in part, reversed in part, and remanded for an accounting of partnership profits and losses through the sale of the property.

CASE DETAILS

COURT	North Dakota Supreme Court
WRITING FOR THE COURT	Gerald W. VandeWalle, Chief Justice; Jerod E. Tufte; Daniel J. Crothers; Lisa Fair McEvers; Jon J. Jensen
JURISDICTION	North Dakota
DECIDED	October 3, 2018
DOCKET	No. 20170332
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The personal representative of Delbert Moore's estate appealed a judgment denying the estate's claim for rent from the Glenn W. Moore & Sons partnership's use of real property and failing to account for the estate's interest in the partnership.
STANDARD OF REVIEW	Interpretation of a written contract and the legal effect of that contract are reviewed de novo as questions of law. A determination of unjust enrichment is also a conclusion of law fully reviewable on appeal.
PRECEDENTIAL VALUE	Published precedential opinion
PARTIES	Charles Minard, individually and as personal representative of the Estate of Delbert G. Moore, deceased v. Donald B. Moore, Scott Moore, Glenn W. Moore & Sons, Candice Eberhart, Terry Minard

TOPICS

estate administration · contracts · contract interpretation · unjust enrichment · appellate procedure

PRACTICE AREAS

Probate · Partnerships · Contracts · Equitable remedies · Appellate procedure

QUESTIONS PRESENTED

1. Whether the partnership agreement entitled Delbert Moore's estate to rent for the partnership's continued use of the contributed real property after his death.
2. Whether the estate could recover rent under unjust enrichment despite the express partnership agreement governing use of the property.
3. Whether Delbert Moore's estate retained an interest in the partnership after his death and was entitled to an accounting of partnership profits and losses.

HOLDINGS

1. The estate was not entitled to rent because the partnership agreement expressly provided that the jointly owned land was contributed to the partnership without charge, and Delbert Moore's death did not dissolve the partnership or retract that contribution.
2. The estate could not recover rent under unjust enrichment because an express contract governed the partnership's use of the property.
3. The estate remained a partner with limited decision-making authority after Delbert Moore's death and retained an interest in the partnership.
4. The district court erred by failing to account for the estate's continued interest in the partnership from Delbert Moore's death through the May 2015 sale of the property.

KEY QUOTATIONS

> *"We conclude the Estate remained a partner after Delbert Moore's death, and the district court failed to account for the Estate's continued interest in the partnership until the May 2015 sale of Delbert Moore's property."* (¶15)

> *"Because a contract exists between the parties relating to the use of the property, the Estate cannot recover rent from the partnership under the doctrine of unjust enrichment."* (¶12)

FACTUAL BACKGROUND

Delbert Moore and Donald Moore were equal partners in a ranching partnership and had contributed approximately 2,500 acres of jointly owned land to the partnership without charge. Their 1990 partnership agreement provided that the partnership would not automatically dissolve upon a partner's death, while the deceased partner's estate could not make business decisions without the surviving partner's approval. After Delbert died, the partnership continued farming and ranching the land without accounting to his estate, and the property was eventually sold in May 2015.

PROCEDURAL HISTORY

After Delbert Moore's death, the partnership continued to use the real property he had contributed to the partnership. The district court denied the estate's claim for rent, concluding the partnership agreement did not require rent and that the estate had not proved unjust enrichment; it also treated the estate's property interest as reverting to the estate only as of September 12, 2014. The North Dakota Supreme Court affirmed the denial of rent, reversed the failure to account for the estate's partnership interest, and remanded.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remand for an accounting of partnership profits and losses attributable to the estate's continued partnership interest from Delbert Moore's death on March 5, 2012, until the property was sold in May 2015.

CASES CITED

- 26th Street Hospitality, LLP v. Real Builders, Inc., 2016 ND 95, ¶ 11, 879 N.W.2d 437
- Hsu v. Marian Manor Apartments, Inc., 2007 ND 205, ¶ 9, 743 N.W.2d 672
- Lochthowe v. C.F. Peterson Estate, 2005 ND 40, ¶¶9-10, 692 N.W.2d 120
