

TENNESSEE COURT OF APPEALS, EASTERN SECTION AT KNOXVILLE

Claude R. Ellis v. Melisa Jane Godfrey Ellis

No. E2024-01735-COA-R3-CV (Tenn. Ct. App. June 5, 2026) · No. E2024-01735-COA-R3-CV · Decided June 5, 2026

SUMMARY

The Tennessee Court of Appeals affirmed the trial court's post-remand classification and division of marital property in this long-running divorce case. The court upheld the classification of the Campus Loan as non-marital debt and the BFR Property as marital property, finding that the wife's quitclaim conveyance did not constitute a valid gift. The court also affirmed the awards of attorney's fees and remanded the case.

CASE DETAILS

COURT	Tennessee Court of Appeals, Eastern Section at Knoxville
WRITING FOR THE COURT	Kristi M. Davis; John W. McClarty, Presiding Judge, Eastern Section; D. Kelly Thomas, Jr., Special Judge
JURISDICTION	Tennessee Court of Appeals, Eastern Section at Knoxville
DECIDED	June 5, 2026
DOCKET	E2024-01735-COA-R3-CV
DISPOSITION	affirmed
PROCEDURAL POSTURE	Third appeal in a long-running divorce action. The husband appealed post-remand orders classifying marital assets and debt, dividing the marital estate, awarding the wife attorney's fees, imposing discovery sanctions, and permitting participation by the wife's former attorneys. The wife requested appellate attorney's fees, and her former attorneys moved to intervene.
STANDARD OF REVIEW	Factual findings following a bench trial are reviewed de novo with a presumption of correctness unless the evidence preponderates otherwise; conclusions of law are reviewed without that presumption. Credibility determinations receive great weight and are not reconsidered absent clear and convincing evidence. Classification and division of marital property and attorney's-fee and discovery-sanction decisions are reviewed under the applicable abuse-of-discretion framework; a discretionary ruling is upheld if reasonable minds could disagree and will be reversed if it applies an incorrect legal standard,

	reaches an illogical result, or rests on a clearly erroneous assessment of the evidence.
PRECEDENTIAL VALUE	Published opinion
PARTIES	Claude R. Ellis v. Melisa Jane Godfrey Ellis

TOPICS

dissolution of marriage equitable distribution alimony family law procedure appellate procedure

PRACTICE AREAS

family law divorce equitable distribution alimony appellate procedure

QUESTIONS PRESENTED

1. Whether the Campus Loan was marital debt and whether excluding it from the marital estate made the property division inequitable.
2. Whether the husband's interest in the Blythe Ferry Road property was marital property or separate property.
3. Whether the trial court abused its discretion by reaffirming the wife's award of attorney's fees incurred before the first appeal.
4. Whether the trial court properly awarded the wife attorney's fees incurred after the notice of appeal in the second appeal.
5. Whether the trial court properly awarded attorney's fees and expenses as a discovery sanction.
6. Whether the wife's former attorneys improperly participated in the remand proceedings and whether the October 21, 2024 order was void.
7. Whether the wife was entitled to attorney's fees incurred in the present appeal.

HOLDINGS

1. The evidence did not preponderate against classifying \$718,561.63 of the Campus Loan as non-marital debt belonging to QMS and/or Wedgecorp and David Triplett rather than as marital debt.
2. The trial court properly classified the husband's interest in the Blythe Ferry Road property as marital property.
3. The trial court did not abuse its discretion in dividing the marital estate, and an equitable division need not be equal.
4. The trial court did not abuse its discretion by reaffirming the \$389,344.95 award of the wife's pre-appeal attorney's fees as alimony in solido.
5. The trial court properly awarded the wife \$49,964.00 in attorney's fees incurred after the second appeal.
6. The trial court did not abuse its discretion by awarding the wife \$3,735.00 in attorney's fees and expenses as a discovery sanction.

7. The motion of Meares & Dillard to intervene was untimely and unnecessary, but the trial court's allowance of the firm's participation did not render the October 21, 2024 order void because any error was harmless.
8. Each party must bear that party's own attorney's fees incurred on the present appeal.

KEY QUOTATIONS

“Wife’s conveyance to Husband of her interest in the BFR Property lacked the requisite donative intent for a gift.” (at 10)

“The fact of a non-equal split is not, on its own, grounds for tinkering with the trial court’s division of the marital estate.” (at 10)

“On a discretionary decision such as this, we do not second-guess or substitute our judgment for that of the trial court.” (at 14)

FACTUAL BACKGROUND

Claude and Melisa Ellis married in 1996, and the husband filed for divorce in 2011. The parties disputed the classification of business interests, the Blythe Ferry Road property, and related debt, including a loan associated with Quality Machining Service, LLC. The trial court on remand classified the Campus Loan as non-marital debt, classified the Blythe Ferry Road property as marital property after finding that the wife lacked donative intent when signing a quitclaim deed, and awarded the wife substantial attorney's fees and discovery-related expenses.

PROCEDURAL HISTORY

The husband filed for divorce in 2011. In the first appeal, the court affirmed invalidation of the parties' prenuptial agreement. After a 2019 divorce trial, the court's second appeal affirmed several rulings but vacated the classification of QMS and the Blythe Ferry Road property and remanded for reconsideration of the marital estate and related attorney's fees. On remand, the trial court classified the Campus Loan as non-marital debt, classified the Blythe Ferry Road property as marital property, reaffirmed prior attorney's-fee awards, awarded additional fees and discovery sanctions, and entered related orders. The Court of Appeals affirmed and denied the former attorneys' motion to intervene.

DISPOSITION

affirmed

REMAND INSTRUCTIONS

The judgment of the Chancery Court for Bradley County was affirmed. No specific additional remand instructions were stated.

CASES CITED

- Ellis v. Ellis, No. E2013-02408-COA-R9-CV, 2014 WL 6662466, at *7, *11 (Tenn. Ct. App. Nov. 25, 2014)

- Ellis v. Ellis, No. E2020-00869-COA-R3-CV, 2022 WL 3724768, at *1, *8-9, *11, *13-14, *17 (Tenn. Ct. App. Aug. 29, 2022)
- Boote v. Shivers, 198 S.W.3d 732, 740-41 (Tenn. Ct. App. 2005)
- Estate of Walton v. Young, 950 S.W.2d 956, 959 (Tenn. Ct. App. 1997)
- Kelly v. Kelly, 445 S.W.3d 685, 692 (Tenn. 2014)
- Hodges v. S.C. Toof & Co., 833 S.W.2d 896, 901 n.3 (Tenn. 1992)
- Harmon v. Hickman Community Healthcare Services, Inc., 594 S.W.3d 297, 305 (Tenn. 2020)
- Lee Medical, Inc. v. Beecher, 312 S.W.3d 515, 524 (Tenn. 2010)
- Eldridge v. Eldridge, 42 S.W.3d 82, 85 (Tenn. 2001)
- State v. Scott, 33 S.W.3d 746, 752 (Tenn. 2000)
- State v. Gilliland, 22 S.W.3d 266, 273 (Tenn. 2000)
- Eldridge v. Eldridge, 137 S.W.3d 1, 12-13 (Tenn. Ct. App. 2002)
- Luplow v. Luplow, 450 S.W.3d 105, 109 (Tenn. Ct. App. 2014)
- Batson v. Batson, 769 S.W.2d 849, 856 (Tenn. Ct. App. 1988)
- Keyt v. Keyt, 244 S.W.3d 321, 328 (Tenn. 2007)
- Cutsinger v. Cutsinger, 917 S.W.2d 238, 241 (Tenn. Ct. App. 1995)
- Brock v. Brock, 941 S.W.2d 896, 900 (Tenn. Ct. App. 1996)
- Larsen-Ball v. Ball, 301 S.W.3d 228, 231 (Tenn. 2010)
- Owens v. Owens, 241 S.W.3d 478, 485 (Tenn. Ct. App. 2007)
- Kautz v. Berberich, No. E2019-00796-COA-R3-CV, 2021 WL 1034987, at *7 (Tenn. Ct. App. Mar. 18, 2021)
- Individual Healthcare Specialists, Inc. v. BlueCross BlueShield of Tennessee, Inc., 566 S.W.3d 671, 694-95 (Tenn. 2019)
- Strode v. Strode, No. M2007-00265-COA-R3-CV, 2008 WL 2229505, at *1-2 (Tenn. Ct. App. May 29, 2008)
- Pamplin v. Satterfield, 196 Tenn. 297, 265 S.W.2d 886, 888 (Tenn. 1954)
- Denton v. Denton, 33 S.W.3d 229, 232 (Tenn. Ct. App. 2000)
- Turner v. Turner, No. M1999-00482-COA-R3-CV, 2000 WL 1425285, at *7 (Tenn. Ct. App. Sept. 28, 2000)
- Lowry v. Lowry, 541 S.W.2d 128, 130 (Tenn. 1976)
- Dunlap v. Dunlap, 996 S.W.2d 803, 815 (Tenn. Ct. App. 1998)
- Herrera v. Herrera, 944 S.W.2d 379, 390 (Tenn. Ct. App. 1996)
- Crabtree v. Crabtree, 16 S.W.3d 356, 361 (Tenn. 2000)
- Kincaid v. Kincaid, 912 S.W.2d 140, 144 (Tenn. Ct. App. 1995)
- Umstot v. Umstot, 968 S.W.2d 819, 824 (Tenn. Ct. App. 1998)
- Houghland v. Houghland, 844 S.W.2d 619, 623 (Tenn. 1992)
- Harwell v. Harwell, 612 S.W.2d 182, 185 (Tenn. 1980)
- Connors v. Connors, 594 S.W.2d 672 (Tenn. Ct. App. 1979)
- Taylor v. Fezell, 158 S.W.3d 352, 359 (Tenn. 2005)
- Mercer v. Vanderbilt University, Inc., 134 S.W.3d 121, 133 (Tenn. 2004)

- American Materials Technologies, LLC v. City of Chattanooga, 42 S.W.3d 914, 916 (Tenn. Ct. App. 2000)
- Archer v. Archer, 907 S.W.2d 412, 419 (Tenn. Ct. App. 1995)
- Chaffin v. Ellis, 211 S.W.3d 264, 294 (Tenn. Ct. App. 2006)
- Darvarmanesh v. Gharacholou, No. M2004-00262-COA-R3-CV, 2005 WL 1684050, at *16 (Tenn. Ct. App. July 19, 2005)

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