

SUPREME COURT OF APPEALS OF WEST VIRGINIA

Stiles Family Limited Partnership, III, LLP v. Riggs and Stiles, Inc. and Christopher Stiles

Stiles Family Limited Partnership · No. No. 16-0220 · Decided November 18, 2016

SUMMARY

The Supreme Court of Appeals of West Virginia affirmed summary judgment for farm-lease tenants in a dispute over whether permitting a withdrawn application for a proposed music festival constituted a breach of the lease. The court held that the application did not amount to a prohibited use or an anticipatory repudiation because the property continued to be farmed, the application was withdrawn, and the festival never occurred. The court declined to resolve the tenants' pending claim for attorney's fees.

CASE DETAILS

COURT	Supreme Court of Appeals of West Virginia
WRITING FOR THE COURT	Menis E. Ketchum; Robin Jean Davis; Brent D. Benjamin; Margaret L. Workman; Allen H. Loughry II
JURISDICTION	West Virginia
DECIDED	November 18, 2016
DOCKET	No. 16-0220
DISPOSITION	affirmed
PROCEDURAL POSTURE	The tenant defendants obtained summary judgment in a dispute over whether allowing a concert promoter to file a zoning application breached an agricultural farm lease. The landlord appealed the circuit court's order.
STANDARD OF REVIEW	Summary judgment is reviewed de novo. Summary judgment is proper when there is no genuine issue of material fact and the record could not lead a rational trier of fact to find for the nonmoving party.
PRECEDENTIAL VALUE	memorandum decision
PARTIES	Stiles Family Limited Partnership, III, LLP v. Riggs and Stiles, Inc., Christopher Stiles

TOPICS

breach of contract

anticipatory repudiation

contract interpretation

summary judgment

attorney fees

PRACTICE AREAS

contract law

real property

civil procedure

appellate procedure

remedies

QUESTIONS PRESENTED

1. Whether the tenants' permission for a concert promoter to file a subsequently withdrawn zoning application constituted an anticipatory breach or repudiation of the agricultural farm lease.
2. Whether filing the zoning application, without the festival occurring, constituted a prohibited nonagricultural use of the property under the lease.
3. Whether the circuit court improperly reserved the tenants' attorney-fee counterclaim for later resolution.

HOLDINGS

1. The tenants did not commit an anticipatory breach because their conduct was not an unequivocal, absolute, and positive repudiation of their entire performance under the lease.
2. The filing of the zoning application, which was later withdrawn and never resulted in a festival, did not constitute a prohibited use of the property under the plain and unambiguous terms of the farm lease.
3. The court declined to address the attorney-fee issue because the circuit court had not yet ruled on the respondents' counterclaim.

KEY QUOTATIONS

“Upon our review of the applicable law and under the facts presented in this case, we do not find that there was a breach, anticipatory or otherwise, of the Farm Lease by respondents.” (at 3)

“Continuing to farm the property under the lease is entirely inconsistent with the type of conduct required to establish a breach of the lease; respondents continued to do the very thing that the lease required them to do.” (at 4)

“Accordingly, there was no prohibited use of the property within the lease’s plain and unambiguous terms.” (at 5)

FACTUAL BACKGROUND

Stiles Family Limited Partnership owned a 169-acre parcel leased to Riggs and Stiles, Inc. and Christopher Stiles for agricultural purposes. In 2013, with the tenants' permission, Walther Productions filed an application with the Jefferson County Board of Zoning Appeals to determine whether a five-day music festival could be held on the property. The landlord objected, the application was withdrawn within weeks, the tenants continued farming the property, and the festival never occurred.

PROCEDURAL HISTORY

The parties entered into a 2006 farm lease limiting the property's use to agricultural purposes. After a concert promoter, with the tenants' permission, filed an application seeking approval for a music festival, the landlord objected and attempted to terminate the lease; the application was withdrawn and the festival never occurred. The landlord filed suit seeking declaratory, injunctive, and constructive-trust relief. After discovery and a hearing on the parties' summary-judgment motions, the Circuit Court of Jefferson County granted respondents summary judgment and dismissed the complaint with prejudice, while reserving respondents' attorney-fee counterclaim. The Supreme Court of Appeals affirmed.

DISPOSITION

affirmed

CASES CITED

- Kanawha Banking and Trust Co. v. Gilbert, 131 W. Va. 88, 46 S.E.2d 225 (1947)
- Miller v. City Hospital, Inc., 197 W. Va. 403, 475 S.E.2d 495 (1996)
- Williams v. Precision Coil, Inc., 194 W. Va. 52, 459 S.E.2d 329 (1995)
- Painter v. Peavy, 192 W. Va. 189, 451 S.E.2d 755 (1994)
- Annon v. Lucas, 155 W. Va. 368, 185 S.E.2d 343 (1971)
- Mollohan v. Black Rock Contracting, Inc., 160 W. Va. 446, 235 S.E.2d 813 (1977)
- Fayette-Kanawha Coal Co. v. Lake and Export Coal Corp., 91 W. Va. 132, 112 S.E. 222 (1922)
- Bethlehem Mines Corp. v. Haden, 153 W. Va. 721, 172 S.E.2d 126 (1969)
- Berkeley County Public Service District v. Vitro Corp. of America, 152 W. Va. 252, 162 S.E.2d 189 (1968)
- Sally-Mike Properties v. Yokum, 179 W. Va. 48, 365 S.E.2d 246 (1986)