

SUPREME COURT OF THE STATE OF MONTANA

John Bradley and Lisa Bradley v. Yellowstone Trails Ranch Owners’ Association

Bradley, 2026 MT 112 (Supreme Court of the State of Montana 2026) · No. DA 25-0473 · Decided May 26, 2026

SUMMARY

The Montana Supreme Court affirms the District Court’s order setting aside a default judgment against the Yellowstone Trails Ranch Owners’ Association. The court holds that the Association’s acknowledgment of service constituted an appearance, triggering the seven-day notice requirement for a motion for default judgment under Montana Rule of Civil Procedure 55(b)(2). Because the District Court entered judgment the day after the motion was served, the judgment was premature and voidable.

CASE DETAILS

COURT	Supreme Court of the State of Montana
WRITING FOR THE COURT	Justice Beth Baker; Justice Cory J. Swanson; Justice Katherine M. Bidegaray; Justice Ingrid Gustafson; Justice Jim Rice
JURISDICTION	Montana Supreme Court
DECIDED	May 26, 2026
DOCKET	DA 25-0473
DISPOSITION	affirmed
PROCEDURAL POSTURE	Direct appeal from an order setting aside a default judgment in a declaratory judgment action.
STANDARD OF REVIEW	The Supreme Court reviews an order setting aside a default judgment for manifest abuse of discretion and reviews interpretation and application of procedural rules de novo.
PRECEDENTIAL VALUE	Published Montana Supreme Court opinion
PARTIES	John Bradley, Lisa Bradley v. Yellowstone Trails Ranch Owners’ Association

TOPICS

- default judgment
- civil procedure
- appellate procedure
- standard of review
- declaratory judgment

PRACTICE AREAS

Civil procedure

Appellate procedure

Real estate

Remedies

QUESTIONS PRESENTED

1. Whether the Association's acknowledgment of service, which expressly stated that it entered a voluntary appearance, constituted an appearance triggering Montana Rule of Civil Procedure 55(b)(2)'s seven-day notice requirement.
2. Whether the District Court's entry of default judgment one day after the application, without allowing the required seven-day period, rendered the judgment premature and justified setting it aside.
3. Whether the District Court manifestly abused its discretion by setting aside the default judgment.

HOLDINGS

1. A defendant's filed acknowledgment of service expressly stating that it enters a voluntary appearance constitutes an appearance under section 25-3-401, MCA, and triggers the defendant's right to notice of a motion for default judgment under Montana Rule of Civil Procedure 55(b)(2).
2. When Rule 55(b)(2) requires notice, a court must refrain from ruling on a motion for default judgment for seven days even if no hearing is scheduled; entering judgment the next day renders the judgment premature and voidable.
3. The District Court reached the correct result in setting aside the default judgment because the premature entry of judgment, together with the Association's demonstrated intent to defend and prompt response, justified relief; the Supreme Court therefore affirmed without deciding whether the District Court correctly applied the Rule 60(b)(1) excusable-neglect test.

KEY QUOTATIONS

"Because YTROA's acknowledgment of service provided that YTROA "enter[ed] its voluntary appearance in this action," we conclude that YTROA appeared in the proceedings, thereby triggering Rule 55(b)(2)'s seven-day notice requirement." (§ 22)

"The District Court's failure to observe this requirement rendered its entry of default judgment in favor of the Bradleys premature and voidable." (§ 22)

FACTUAL BACKGROUND

John and Lisa Bradley owned two parcels in the Yellowstone Trails Ranch subdivision, including Tract 38, the subdivision's only lot designated as agricultural. They sought to terminate that designation and develop the property for residential and recreational purposes, but the Owners' Association opposed the change. After the Bradleys filed suit, the Association's president signed and filed an acknowledgment of service expressly stating that the Association entered a voluntary appearance and consented to jurisdiction. The Association failed to answer timely, but after the clerk entered default and the Bradleys moved for default judgment, the president requested an extension; the District Court entered judgment the next day without waiting seven days or holding a hearing.

PROCEDURAL HISTORY

The Bradleys sued the Yellowstone Trails Ranch Owners' Association seeking termination of an agricultural designation on their property and a declaration of their right to develop it residentially and recreationally. After the Association failed to answer within the required period, the clerk entered default and the District Court entered default judgment for the Bradleys. The Association moved under Montana Rule of Civil Procedure 60(b) to set aside the judgment, and the District Court granted the motion. The Montana Supreme Court affirmed on the alternative ground that the Association's written appearance triggered the seven-day notice requirement for a default-judgment application and that the District Court entered judgment prematurely.

DISPOSITION

affirmed

CASES CITED

- Bartell v. Zabawa, 2009 MT 204, 351 Mont. 211, 214 P.3d 735
- St. James Healthcare v. Cole, 2008 MT 44, 341 Mont. 368, 178 P.3d 696
- Tucker v. Tucker, 2014 MT 115, 375 Mont. 24, 326 P.3d 413
- Hoff v. Lake County Abstract & Title Co., 2011 MT 118, 360 Mont. 461, 255 P.3d 137
- Whitefish Credit Union v. Sherman, 2012 MT 267, 367 Mont. 103, 289 P.3d 174
- Frye v. Roseburg Forest Products Co., 2020 MT 10, 398 Mont. 347, 456 P.3d 573
- Essex Insurance Co. v. Moose's Saloon, Inc., 2007 MT 202, 338 Mont. 423, 166 P.3d 451
- Peterson v. Montana Bank, N.A., 212 Mont. 37, 687 P.2d 673 (1984)
- H.F. Livermore Corp. v. Aktiengesellschaft Gebruder Loepfe, 432 F.2d 689 (D.C. Cir. 1970)
- Kenner v. Moran, 263 Mont. 368, 868 P.2d 620 (1994)
- In re Marriage of Neneman, 217 Mont. 155, 703 P.2d 164 (1985)
- Bermudez v. Reid, 733 F.2d 18 (2d Cir. 1984)
- Tipp v. Skjelset, 1998 MT 263, 291 Mont. 288, 967 P.2d 787
- In re Marriage of Whiting, 259 Mont. 180, 854 P.2d 343 (1993)
- Peeler v. Rocky Mountain Log Homes Can., Inc., 2018 MT 297, 393 Mont. 396, 431 P.3d 911