

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF VIRGINIA

Snell v. Gustafson

No. 3:21-cv-00024 (W.D. Va. Dec. 10, 2025) · No. 3:21-cv-00024 · Decided December 10, 2025

SUMMARY

The United States District Court for the Western District of Virginia denies Marcia Snell’s motion to alter or amend an interlocutory order and grants defendants’ renewed motion for summary judgment. The court holds that Virginia law governs the finality of the prior judgment for res judicata purposes and concludes that defendants did not waive their preclusion defenses by seeking to amend their pleadings after remand. It further finds privity and mutuality among the property owner, property manager, and leasing agent, making the prior jury verdict in favor of the owner preclusive of Snell’s constructive fraud claim.

CASE DETAILS

COURT	United States District Court for the Western District of Virginia
WRITING FOR THE COURT	Norman K. Moon
JURISDICTION	United States District Court for the Western District of Virginia, Charlottesville Division
DECIDED	December 10, 2025
DOCKET	3:21-cv-00024
DISPOSITION	affirmed
PROCEDURAL POSTURE	Plaintiff's motion to alter judgment under Rules 59(e) and 60(b) and Defendants' renewed motion for summary judgment
PRECEDENTIAL VALUE	Unpublished

TOPICS

- res judicata
- summary judgment
- civil procedure
- affirmative defenses
- motions to dismiss

PRACTICE AREAS

- civil procedure
- torts
- real estate

QUESTIONS PRESENTED

1. Whether federal or Virginia law governs the timing of when a judgment becomes final for res judicata purposes
2. Whether Defendants waived their preclusion defenses by not raising them at the first reasonable opportunity
3. Whether res judicata (claim preclusion and issue preclusion) bars Snell's constructive fraud claim against Gustafson and Hasbrouck based on the prior jury verdict in favor of Reid

HOLDINGS

1. Virginia law governs all elements of res judicata, including the timing of when a judgment becomes final, under *Semtek Int'l Inc. v. Lockheed Martin Corp.*
2. Defendants did not waive their preclusion defenses; the three-month-and-ten-day delay was not unduly prejudicial and is distinguishable from the 480-day delay in *Georgia Pacific*.
3. Res judicata (both claim preclusion and issue preclusion) bars Snell's constructive fraud claim against Gustafson and Hasbrouck because they were in privity with Reid, mutuality exists, and the same cause of action arising from the same conduct was already adjudicated.

KEY QUOTATIONS

"A principal is liable for the fraudulent or deceitful acts of her agent committed as an incident to and during the performance of an act which is within the scope of the agent's authority."

FACTUAL BACKGROUND

Plaintiff Marcia Snell alleged she fell and injured herself when a wooden railing gave way in her rental home, claiming the wood had been covered with fresh paint to conceal decay and rot. She alleged Defendant Gustafson, during a pre-rental walkthrough, stated the stairs and rail system were 'in great shape' and 'structural sound.' The complaint named three defendants: the owner (Reid), the property management company (Hasbrouck), and the leasing agent (Gustafson).

PROCEDURAL HISTORY

Plaintiff fell at rental home and sued defendants for constructive fraud. Court previously granted summary judgment to Gustafson and Hasbrouck on res judicata grounds. After Plaintiff's Rule 60(b) motion, Court found it erred by considering Plaintiff's admissions as evidence and afforded Defendants 60 days to conduct discovery and refile summary judgment motion. Plaintiff moved to alter judgment; Defendants renewed motion for summary judgment.

DISPOSITION

affirmed

CASES CITED

- *Semtek Int'l Inc. v. Lockheed Martin Corp.*, 531 U.S. 497 (2001)

- Carlson v. Boston Sci. Corp., 856 F.3d 320 (4th Cir. 2017)
- American Canoe Ass'n v. Murphy Farms, Inc., 326 F.3d 505 (4th Cir. 2003)
- Am. Reliable Ins. Co. v. Stillwell, 336 F.3d 311 (4th Cir. 2003)
- Georgia Pacific Consumer Prods., LP v. Von Drehle Corp., 710 F.3d 527 (4th Cir. 2013)
- Lane v. Bayview Loan Servicing, LLC, 831 S.E.2d 709 (Va. 2019)
- D'Ambrosio v. Wolf, 809 S.E.2d 625 (Va. 2018)
- Nero v. Ferris, 284 S.E.2d 828 (Va. 1981)
- Norfolk & W. Ry. Co. v. Bailey, 272 S.E.2d 217 (Va. 1980)
- Faison v. Hudson, 417 S.E.2d 302 (Va. 1992)
- Columbia Gas Transmission, LLC v. David N. Martin Revocable Tr., 833 F. Supp. 2d 552 (E.D. Va. 2011)
- Harris v. McKay, 122 S.E. 137 (Va. 1924)
- State Water Control Bd. v. Smithfield Foods, Inc., 542 S.E.2d 766 (Va. 2001)
- Hatley v. Watts, 917 F.3d 770 (4th Cir. 2019)
- Hanna v. Plumer, 380 U.S. 460 (1965)
- Variety Stores, Inc. v. Wal-Mart Stores, Inc., Variety Stores, Inc. v. Wal-Mart Stores, Inc., 888 F.3d 651 (4th Cir. 2018)
- Snell v. Reid, No. 22-1869, 2024 WL 2815061 (4th Cir. June 3, 2024)
- In re Marriott Int'l, Inc., 2021 WL 1516028 (D. Md. Apr. 16, 2021)
- Netscape Commc'n Corp. v. ValueClick, Inc., 704 F. Supp. 2d 544 (E.D. Va. 2010)
- Bates v. Devers, 202 S.E.2d 917 (Va. 1974)