

SUPREME COURT OF APPEALS OF WEST VIRGINIA

Patricia A. Dilts v. Cold Spring Forest Section I Homeowners' Association, Inc.

No. 19-0678 (Morgan County 17-P-16) (W. Va. June 25, 2020) · No. No. 19-0678 (Morgan County 17-P-16) ·
Decided June 25, 2020

SUMMARY

The Supreme Court of Appeals of West Virginia affirmed orders directing the sale of Patricia A. Dilts's lot to satisfy liens held by a homeowners' association for unpaid assessments, fees, and costs. The court held that her challenge to the association's standing was barred by res judicata and affirmed despite the circuit court's erroneous determination that her Rule 59(e) motion was untimely.

CASE DETAILS

COURT	Supreme Court of Appeals of West Virginia
WRITING FOR THE COURT	Chief Justice Tim Armstead; Justice Margaret L. Workman; Justice Elizabeth D. Walker; Justice Evan H. Jenkins; Justice John A. Hutchison
JURISDICTION	West Virginia
DECIDED	June 25, 2020
DOCKET	No. 19-0678 (Morgan County 17-P-16)
DISPOSITION	affirmed
PROCEDURAL POSTURE	Petitioner appealed orders of the Circuit Court of Morgan County directing the sale of one lot to satisfy the homeowners association's liens and denying her motion to alter or amend the sale order.
STANDARD OF REVIEW	The final order and ultimate disposition after a bench trial are reviewed for abuse of discretion; underlying factual findings are reviewed for clear error; questions of law are reviewed de novo. The standard for a Rule 59(e) motion is the same as the standard applicable to the underlying judgment.
PRECEDENTIAL VALUE	Unpublished memorandum decision; the court stated that disposition by memorandum decision was appropriate under Rule 21.
PARTIES	Patricia A. Dilts v. Cold Spring Forest Section I Homeowners' Association, Inc.

TOPICS

res judicata

motion to amend

appellate procedure

civil procedure

real estate

PRACTICE AREAS

civil procedure

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real estate

remedies

homeowners association liens

QUESTIONS PRESENTED

1. Whether petitioner's Rule 59(e) motion was timely and whether the March 14, 2019, and June 12, 2019, orders were properly before the Supreme Court on appeal.
2. What standard of review applies to the circuit court's order after a bench trial and to the Rule 59(e) motion.
3. Whether petitioner could relitigate the homeowners association's standing and authority to collect assessments, or whether that claim was barred by res judicata.
4. Whether the circuit court erred in directing the sale of Lot No. 1 to satisfy the association's liens.

HOLDINGS

1. The Rule 59(e) motion was timely filed under the applicable time-computation rules and suspended the finality of the March 14, 2019, order until the circuit court entered its order disposing of the motion. Consequently, both orders were properly before the Supreme Court on appeal.
2. The court applied the bench-trial standard of review: abuse of discretion for the final order and ultimate disposition, clear error for underlying factual findings, and de novo review for questions of law.
3. Petitioner was barred from relitigating the homeowners association's standing and authority to collect assessments because the issue had been finally adjudicated between the same parties in DeBlasio I.
4. The circuit court did not err in directing the sale of Lot No. 1 to satisfy the homeowners association's liens.

KEY QUOTATIONS

"Here, petitioner's Rule 59(e) motion suspended the finality of the March 14, 2019, order until the motion was denied in the circuit court's June 12, 2019, order. Therefore, we conclude that both orders are properly before us on appeal." (at 3-4)

"Before the prosecution of a lawsuit may be barred on the basis of res judicata, three elements must be satisfied. First, there must have been a final adjudication on the merits in the prior action by a court having jurisdiction of the proceedings. Second, the two actions must involve either the same parties or persons in privity with those same parties. Third, the cause of action identified for resolution in the subsequent proceeding either must be identical to the cause of action determined in the prior action or must be such that it could have been resolved, had it been presented, in the prior action." (at 5)

FACTUAL BACKGROUND

Patricia A. Dilts owned Lots Nos. 1 and 3 in Cold Spring Forest Section I and, as a result, was a member of the homeowners association. The association claimed unpaid assessments, fees, costs, and attorney's fees totaling \$44,906.75 when it filed its petition, later determined by the circuit court to total \$46,052.80. Earlier litigation had established the association's authority to collect assessments and its standing to sue, and the circuit court directed the sale of Lot No. 1 after the association conceded that sale of only that lot would satisfy its liens.

PROCEDURAL HISTORY

The homeowners association filed a petition seeking enforcement of its judgment lien and sale of petitioner's lots after an execution was returned showing that no property could be found. Following a two-day bench trial, the circuit court found that petitioner owed \$46,052.80 and directed the sale of Lot No. 1, while reserving determination of additional attorney's fees and costs. The court denied petitioner's Rule 59(e) motion as untimely, and the Supreme Court of Appeals held that the motion was timely, reviewed both orders, rejected petitioner's standing challenge as barred by res judicata, and affirmed.

DISPOSITION

affirmed

CASES CITED

- DeBlasio v. Cold Spring Forest Sec. 1 Homeowners Ass'n, Inc., Nos. 12-0652, 12-0686, 12-0693, 2013 WL 3388227 (W. Va. July 8, 2013)
- In re Purported Lien or Claim Against DeBlasio, No. 13-1306, 2014 WL 4289334 (W. Va. Aug. 29, 2014)
- James M.B. v. Carolyn M., 193 W. Va. 289, 456 S.E.2d 16 (1995)
- Sothen v. Continental Assurance Co., 147 W. Va. 458, 128 S.E.2d 458 (1962)
- Wickland v. American Travellers Life Insurance Co., 204 W. Va. 430, 513 S.E.2d 657 (1998)
- Pub. Citizen, Inc. v. First Nat'l Bank in Fairmont, 198 W. Va. 329, 480 S.E.2d 538 (1996)
- State v. LaRock, 196 W. Va. 294, 470 S.E.2d 613 (1996)
- State v. Lilly, 194 W. Va. 595, 461 S.E.2d 101 (1995)
- State v. Honaker, 193 W. Va. 51, 454 S.E.2d 96 (1994)
- Blake v. Charleston Area Medical Center, Inc., 201 W. Va. 469, 498 S.E.2d 41 (1997)
- Dan Ryan Builders, Inc. v. Crystal Ridge Development, Inc., 239 W. Va. 549, 803 S.E.2d 519 (2017)
- Barnett v. Wolfolk, 149 W. Va. 246, 140 S.E.2d 466 (1965)