ARIZONA COURT OF APPEALS, DIVISION TWO

Durable Investments LLC v. Villarreal

No. 2 CA-CV 2025-0107 (Ariz. Ct. App. Mar. 5, 2026) · No. 2 CA-CV 2025-0107 · Decided March 5, 2026

SUMMARY

The Arizona Court of Appeals affirmed summary judgment against Durable Investments LLC and Ten Bridges LLC on their tortious-interference claims. The court held that the plaintiffs' employees were required to possess real estate broker licenses under Arizona law and that contracts formed through their unlicensed brokerage activities were void. The court denied appellate attorney-fee sanctions but awarded appellees their costs on appeal.

CASE DETAILS

COURT	Arizona Court of Appeals, Division Two
WRITING FOR THE COURT	Judge Eckerstrom; Presiding Judge Brearcliffe; Chief Judge Staring
JURISDICTION	Arizona Court of Appeals, Division Two
DECIDED	March 5, 2026
DOCKET	2 CA-CV 2025-0107
DISPOSITION	affirmed
PROCEDURAL POSTURE	Appeal from the superior court's grant of partial summary judgment in favor of defendants on plaintiffs' tortious-interference claims, followed by dismissal of the remaining claims and entry of final judgment under Rule 54(c), Ariz. R. Civ. P.
STANDARD OF REVIEW	The court reviewed statutory interpretation and the grant of summary judgment de novo, viewing the evidence in the light most favorable to the party against whom summary judgment was entered.
PRECEDENTIAL VALUE	published
PARTIES	Durable Investments LLC, Ten Bridges LLC v. Steve Villarreal, Jane Doe Villarreal, Equity Recovery Specialists, L.L.C., Houseopoly, LLC, Maricopoly, LLC

TOPICS

real estate · statutory interpretation · contracts · standard of review · appellate procedure

PRACTICE AREAS

real estate licensing · contracts · tortious interference · appellate procedure · summary judgment

QUESTIONS PRESENTED

1. Whether Arizona's real estate broker licensing statutes required appellants' employees to be licensed for their activities in soliciting, negotiating, and facilitating distressed-real-estate transactions.
2. Whether the statutory exemptions for limited liability companies and employees applied to appellants' employees.
3. Whether the superior court had authority to declare the contracts formed through the unlicensed brokerage activities illegal and void.
4. Whether appellees were entitled to attorney fees as a sanction for an appeal brought without substantial justification or in violation of Rule 25.

HOLDINGS

1. Appellants' employees were required to hold real estate broker licenses under A.R.S. § 32-2101 because they contacted distressed-property homeowners, held themselves out as being engaged in the real-estate business, solicited and negotiated transactions, exercised delegated discretion, facilitated deeds, and received transaction-contingent compensation.
2. The exemptions in A.R.S. § 32-2121(A)(1) and (9) did not apply because the relevant activities were performed by employees rather than officers, partners, members, or managers, and the employees performed substantive brokerage activities rather than merely clerical, bookkeeping, accounting, administrative, or support duties.
3. The superior court properly concluded that the contracts were entered into in violation of A.R.S. § 32-2165(A) and were illegal and void because the violations were substantive, not merely technical.
4. Summary judgment was proper because the contracts underlying appellants' tortious-interference claims were void, defeating the required element of a valid contractual relationship.

KEY QUOTATIONS

> *"Therefore, we affirm the superior court's interpretation and application of the statutes in finding that Appellants' employees were required to hold real estate broker licenses under § 32-2101 for their activities."* (at 5)

> *"The superior court therefore did not err in concluding that the contracts in question were entered into in violation of § 32-2165(A) and were therefore void."* (at 6)

> *"For the foregoing reasons, we affirm the judgment of the superior court."* (at 7)

FACTUAL BACKGROUND

Appellants acquired distressed real estate through employees who contacted homeowners, solicited and negotiated transactions, completed deed details, answered homeowner questions, and proposed solutions. None of the employees held real estate broker licenses, although they received salaries and transaction-related bonuses. Appellants alleged that appellees made false and disparaging statements to customers, interfering with contractual relationships and business expectancies.

PROCEDURAL HISTORY

Durable Investments LLC and Ten Bridges LLC sued the appellees, alleging tortious interference with contracts and tortious interference with business expectancy, among other claims. The superior court granted partial summary judgment on both tortious-interference claims, denied reconsideration, and later entered final judgment after dismissing the remaining claims under Rule 54(c). The Court of Appeals affirmed.

DISPOSITION

affirmed

CASES CITED

- Wilks v. Manobianco, 237 Ariz. 443, ¶ 8 (2015)
- McAlister v. Loeb & Loeb, LLP, ___ Ariz. ___, ¶ 21, 571 P.3d 891, 897 (2025)
- Wells Fargo Bank v. Ariz. Laborers, Teamsters & Cement Masons Loc. No. 395 Pension Tr. Fund, 201 Ariz. 474, ¶ 74 (2002)
- State v. Christian, 205 Ariz. 64, ¶ 6 (2003)
- Adams Realty Corp. v. Realty Ctr. Invs., Inc., 149 Ariz. 405, 408 (App. 1986)
- Pruitt v. Pavelin, 141 Ariz. 195, 202 (App. 1984)
- In re Estate of Francoeur, No. 2 CA-CV 2025-0061, ¶ 12 (Ariz. App. Nov. 19, 2025) (mem. decision)
- Yank v. Juhrend, 151 Ariz. 587, 590 (App. 1986)
- Mousa v. Saba, 222 Ariz. 581, ¶¶ 1, 4, 9, 20-21, 30 (App. 2009)
- Landi v. Arkules, 172 Ariz. 126, 131-35 (App. 1992)
- Ariz. Republican Party v. Richer, 257 Ariz. 237, ¶ 38 (2024)