

SUPREME COURT OF RHODE ISLAND

David H. Haffenreffer, in his Capacity as Co-Executor of the Estate of Carolyn B. Haffenreffer v. Karl Haffenreffer, in his Capacity as Co-Executor of the Estate of Carolyn B. Haffenreffer et al.

994 A.2d 1226 (R.I. 2010) · No. No. 2008-276-Appeal · Decided May 18, 2010

SUMMARY

The Rhode Island Supreme Court reviewed summary judgments concerning whether an offer document allowed a beneficiary to use a credit against amounts expected from an estate and trust to purchase real property. The Court held that the document unambiguously referred to the decedent’s overall estate, including assets distributed through the trust, and that the purchaser was entitled to use the credit. It reversed and vacated the Superior Court’s judgments and remanded the case.

CASE DETAILS

COURT	Supreme Court of Rhode Island
WRITING FOR THE COURT	Justice Robinson; Goldberg; Flaherty; Robinson
JURISDICTION	Rhode Island
DECIDED	May 18, 2010
DOCKET	No. 2008-276-Appeal
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Defendant appealed from two Superior Court grants of summary judgment in favor of plaintiff concerning interpretation of an offer document and defendant's alternative claim for contract reformation.
STANDARD OF REVIEW	The Supreme Court reviews summary judgment de novo, viewing the evidence and reasonable inferences in the light most favorable to the nonmoving party. Contract interpretation and whether a contract is ambiguous are also reviewed de novo.
PRECEDENTIAL VALUE	Published state supreme court opinion; precedential
PARTIES	Karl Haffenreffer, in his Capacity as Co-Executor of the Estate of Carolyn B. Haffenreffer v. David H. Haffenreffer, in his Capacity as Co-Executor of the Estate of Carolyn B. Haffenreffer

TOPICS

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether the offer document's credit provision unambiguously permitted Karl to use amounts due from Carolyn's overall estate, including the trust, as a credit toward the purchase price.
2. Whether the Superior Court properly granted summary judgment to David on the contract-interpretation issue.
3. Whether Karl was entitled to reformation of the offer document based on mutual mistake.

HOLDINGS

1. The phrase "Estate of Carolyn B. Haffenreffer," read together with the provision referring to the terms of Carolyn's will and its pour-over provision, unambiguously refers to Carolyn's overall estate, including both the probate estate and the trust.
2. The Superior Court improperly granted summary judgment in David's favor; Karl was entitled to summary judgment on the contract-interpretation issue.
3. The court did not reach the issue of contractual reformation because its interpretation of the credit provision resolved the controversy.

KEY QUOTATIONS

"Accordingly, we hold that the term "Estate of Carolyn B. Haffenreffer" as used in the credit provision of the Offer Document unambiguously refers to Carolyn's Overall Estate. Consequently, we further hold that, in purchasing the three units that he wished to purchase, Karl was entitled to use, in the form of a credit, the amount due to him from the Overall Estate." (994 A.2d at 1232)

"In summary, we conclude as a matter of law that the phrase "Estate of Carolyn B. Haffenreffer" unambiguously refers to Carolyn's Overall Estate, and not solely to her probate estate. We thus hold that summary judgment was improperly granted in favor of David on this issue. Rather, in our view, Karl was entitled to summary judgment." (994 A.2d at 1234-1235)

FACTUAL BACKGROUND

Carolyn B. Haffenreffer's will directed that certain Little Compton real estate be offered first to specified family members and provided that the residue of her estate would pour over into a trust. Her three coexecutors prepared an offer document permitting family members to purchase the property, with payment by specified forms and subject to an adjustment or credit for amounts due from Carolyn's estate pursuant to the will. Karl accepted the offer for three units and sought to use approximately \$4.1 million expected from the combined probate estate and trust as a credit toward the purchase price, but David and the independent coexecutor refused to complete the sale.

PROCEDURAL HISTORY

David commenced a declaratory-judgment action in Newport County Superior Court concerning the proposed sale of estate real property. The parties filed cross-motions for summary judgment. The Superior Court ruled that the offer document allowed a credit only for amounts due from Carolyn's probate estate, granted summary judgment for David, and later denied Karl's mutual-mistake reformation claim. Partial final judgment was entered under Rule 54(b), and Karl timely appealed.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The Superior Court's grants of summary judgment in favor of David were reversed and vacated, and the case was remanded. The opinion indicates that Karl was entitled to summary judgment on the contract-interpretation issue.

CASES CITED

- Estate of Giuliano v. Giuliano, 949 A.2d 386, 391 (R.I. 2008)
- Fiorenzano v. Lima, 982 A.2d 585, 589 (R.I. 2009)
- Planned Environments Management Corp. v. Robert, 966 A.2d 117, 121 (R.I. 2009)
- Chavers v. Fleet Bank (RI), N.A., 844 A.2d 666, 669 (R.I. 2004)
- O'Sullivan v. Rhode Island Hospital, 874 A.2d 179, 182-183 (R.I. 2005)
- Alves v. Hometown Newspapers, Inc., 857 A.2d 743, 750 (R.I. 2004)
- Zarrella v. Minnesota Mutual Life Insurance Co., 824 A.2d 1249, 1259 (R.I. 2003)
- Gorman v. Gorman, 883 A.2d 732, 738 n.8 (R.I. 2005)
- Young v. Warwick Rollermagic Skating Center, Inc., 973 A.2d 553, 558-560 (R.I. 2009)
- Rotelli v. Catanzaro, 686 A.2d 91, 94 (R.I. 1996)
- Filippi v. Filippi, 818 A.2d 608, 615 (R.I. 2003)
- Notarantonio v. Notarantonio, 941 A.2d 138, 141 (R.I. 2008)
- Merrill v. Boal, 47 R.I. 274, 283, 132 A. 721, 725 (1926)
- The Elena Carcieri Trust-1988 v. Enterprise Rent-A-Car Co. of Rhode Island, 871 A.2d 944, 947 (R.I. 2005)
- Hill v. M.S. Alper & Son, Inc., 106 R.I. 38, 47, 256 A.2d 10, 15 (1969)
- Harrigan v. Mason & Winograd, Inc., 121 R.I. 209, 213, 397 A.2d 514, 516 (1979)
- LPP Mortgage, Ltd. v. Sugarman, 565 F.3d 28, 31-32 (1st Cir. 2009)
- Garden City Treatment Center, Inc. v. Coordinated Health Partners, Inc., 852 A.2d 535, 542 (R.I. 2004)
- McBurney v. Teixeira, 875 A.2d 439, 443 (R.I. 2005)
- Cathay Cathay, Inc. v. Vindalu, LLC, 962 A.2d 740, 746 (R.I. 2009)
- Singer v. Singer, 692 A.2d 691, 692 (R.I. 1997) (mem.)

- Sturbridge Home Builders, Inc. v. Downing Seaport, Inc., 890 A.2d 58, 66 (R.I. 2005)
- Dovenmuehle Mortgage, Inc. v. Antonelli, 790 A.2d 1113, 1115 (R.I. 2002)
- Burke v. Potter, 771 A.2d 895, 895 (R.I. 2001) (mem.)
- Elias v. Youngken, 493 A.2d 158, 163 (R.I. 1985)
- Chapman v. Vendresca, 426 A.2d 262, 264 (R.I. 1981)
- Dudzik v. Leeson Corp., 473 A.2d 762, 765 (R.I. 1984)
- Flanagan v. Kelly's System of New England, Inc., 109 R.I. 388, 392-393, 286 A.2d 249, 251 (1972)
- Paolella v. Radiologic Leasing Associates, 769 A.2d 596 (R.I. 2001)
- National Refrigeration, Inc. v. Standen Contracting Co., 942 A.2d 968, 972 (R.I. 2008)
- Clark-Fitzpatrick, Inc./Franki Foundation Co. v. Gill, 652 A.2d 440, 443 (R.I. 1994)
- Monahan v. Girouard, 911 A.2d 666, 672 (R.I. 2006)
- Rivera v. Gagnon, 847 A.2d 280, 284 (R.I. 2004)

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