

STATE OF MICHIGAN
COURT OF APPEALS

INDIANA LUMBERMEN'S MUTUAL
INSURANCE COMPANY,

UNPUBLISHED
June 7, 2002

Plaintiff-Appellant,

and

SUSTAINABLE FOREST PRODUCTS, INC,

Plaintiff,

v

No. 236082
Luce Circuit Court
LC No. 01-003049-NP

COUNTY OF LUCE,

Defendant-Appellee.

Before: Griffin, P.J., and Hood and Sawyer, JJ.

PER CURIAM.

Plaintiff Indiana Lumbermen's Mutual Insurance Company, as subrogee of Sustainable Forest Products, Inc., appeals as of right the granting of defendant's summary disposition motion under MCR 2.116(C)(10). We affirm.

Plaintiff's only issue on appeal is that the trial court improperly granted summary disposition where defendant misrepresented the condition of a building it sold to Sustainable. This Court reviews the grant of summary disposition de novo and must review the entire record to determine if the defendant was entitled to summary disposition. *Maiden v Rozwood*, 461 Mich 109, 118; 597 NW2d 817 (1999).

A summary disposition motion under MCR 2.116(C)(10) asserts there is no genuine issue of material fact. *Maiden, supra* at 120. The opposing party must then set forth specific facts showing a genuine issue for trial. *Id.* at 121. The trial court must consider affidavits, pleadings, depositions, admissions, and documentary evidence submitted by the parties. *Id.* at 120; MCR 2.116(G)(5). Only substantively admissible evidence must be considered, and this evidence must be viewed in the light most favorable to the opposing party. *Maiden, supra* at 120; MCR 2.116(G)(6).

Courts must use the words of a contract to determine the parties' intent. *UAW-GM Human Resource Ctr v KSL Recreation Corp*, 228 Mich App 486, 491; 579 NW2d 411 (1998). When words are clear, unambiguous, and have a definite meaning, courts must not look to extrinsic testimony. *Id.* A contract is ambiguous if "its words may reasonably be understood in different ways." *Id.*, quoting *Raska v Farm Bureau Ins Co*, 412 Mich 355, 362; 314 NW2d 440 (1982).

There is no ambiguity in the contract between Sustainable and defendant. The contract has an "as is" clause and an integration clause. There is no language in the clauses or elsewhere in the contract that may reasonably be understood to mean the parties agreed to other conditions.

The contract has an explicit integration clause; therefore, the clause is conclusive that the contract is complete. *UAW, supra* at 494, 502; *Romska v Oppen*, 234 Mich App 512, 516; 594 NW2d 853 (1999) (an explicit integration clause precludes the Court from reviewing parol evidence). While parol evidence is generally admissible to prove fraud, an integration clause nullifies all prior claims. *UAW, supra* at 502-503. This includes any collateral agreements that allegedly induced a party to enter into the contract. *Id.* at 502. In other words, while parol evidence is generally admissible to prove fraud, fraud that relates solely to an oral agreement that was nullified by a valid integration clause would have no effect on the validity of the contract. *Id.* at 503. Because plaintiff does not assert fraud with respect to the integration clause, parol evidence of alleged statements made before the signing of the contract is inadmissible. We find the trial court properly granted summary disposition because the integration clause precluded considering parol evidence of prior representations.

Affirmed.

/s/ Richard Allen Griffin
/s/ Harold Hood
/s/ David H. Sawyer