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SUPREME COURT OF ALABAMA

SPECIAL TERM, 2022

SC-2022-0447

**Cathedral of Faith Baptist Church, Inc., and Lee Shefton
Riggins**

v.

Donald Moulton, Sr., and Broken Vessel United Church

**Appeal from Jefferson Circuit Court
(CV-19-902687)**

SELLERS, Justice.

Cathedral of Faith Baptist Church, Inc., and Lee Shefton Riggins
("the plaintiffs") appeal from a judgment of the Jefferson Circuit Court

dismissing their complaint against Donald Moulton, Sr., and Broken Vessel United Church ("the Broken Vessel defendants") pursuant to Rule 12(b)(6), Ala. R. Civ. P., on the basis that the claims asserted in the complaint against the Broken Vessel defendants are barred by the applicable statute of limitations. We reverse and remand.

Facts

On June 14, 2019, the plaintiffs filed a complaint against the Broken Vessel defendants and others, alleging, in relevant part, the following: Riggins was a stockholder and the chairman of the board of Cathedral of Faith Baptist Church, Inc. ("Cathedral"), which owned property located in Birmingham where it operated Cathedral Church. Worship services were conducted at Cathedral Church until the Church's membership dwindled and its services were discontinued; legal title to the Cathedral Church property ultimately vested in Riggins. In 2014, Riggins leased the Cathedral Church property to Moulton, the pastor of Broken Vessel United Church ("Broken Vessel"). Moulton and Broken Vessel agreed to pay the commercial-liability insurance that Cathedral maintained with Planter's Insurance. In July 2016, Moulton and Broken Vessel changed the insurance carrier from Planter's Insurance to

Nationwide Mutual Insurance Company without Cathedral and Riggins's knowledge or consent. The application for insurance that Moulton submitted to Nationwide contained multiple false statements. On November 26, 2016, Cathedral Church was destroyed by a fire. Moulton made a claim to Nationwide regarding the Cathedral Church property and its contents. In August 2017, Riggins discovered a "property settlement with Nationwide." Riggins subsequently discovered both a general warranty deed, dated January 1, 2012,¹ that had been filed in the Jefferson County Tax Assessor's office on January 16, 2015, purporting to convey title to Cathedral Church from Riggins to Broken Vessel for \$150,000, as well as a corrected deed that had been filed in January 2018. Deficiencies existed on the face of both the original warranty deed and the corrected deed.

Based on the foregoing allegations, the plaintiffs asserted claims against the Broken Vessel defendants alleging forgery (count one), fraud and conspiracy to commit fraud (count two), conversion (count three), and unjust enrichment (count four). The trial court ultimately entered an

¹There is no explanation in the record or from the parties as to why the date of the deed predates the lease of the Cathedral Church property to Moulton and Broken Vessel.

order dismissing the claims against the Broken Vessel defendants pursuant to Rule 12(b)(6) on the basis that the claims asserted against the Broken Vessel defendants were barred by the applicable statute of limitations; the trial court certified its order as a final judgment, pursuant to Rule 54(b), Ala. R. Civ. P.

Standard of Review

This Court reviews a dismissal under Rule 12(b)(6) de novo. Harris v. Dubai Truck Lines, Inc., [Ms. 1200426, Aug. 20, 2021] ___ So. 3d ___ (Ala. 2021). A dismissal for failure to state a claim upon which relief can be granted is warranted only when the allegations of the complaint, viewed most strongly in favor of the pleader, demonstrate that the pleader can prove no set of facts that would entitle the pleader to relief. Id.²

²Both sides cite the standard of review applicable to a ruling on a Rule 12(b)(6) motion to dismiss. We point out that the plaintiffs attached as exhibits to their complaint the original warranty deed and the corrected warranty deed purporting to convey title to Cathedral Church from Riggins to Broken Vessel, both of which were referenced in the complaint; thus, those exhibits became part of the pleadings. See Rule 10(c), Ala. R. Civ. P. ("A copy of any written instrument which is an exhibit to a pleading is a part thereof for all purposes."). The record also contains other materials outside the pleadings, primarily exhibits that other parties, not relevant to this appeal, attached to their respective motions to dismiss, as well as an affidavit submitted by Riggins in

Discussion

Although the trial court dismissed all the claims against the Broken Vessel defendants based on the applicable statute of limitations, the plaintiffs challenge only the dismissal of count one, which, they say, asserts a claim for a declaratory judgment regarding the validity of the warranty deed. The Broken Vessel defendants, however, argue that the complaint does not state a claim for a declaratory judgment because, they say, the gravamen of the complaint sounds in fraud, seeks money

opposition to some of those motions. Rule 12(b) provides that, if on a motion to dismiss pursuant to Rule 12(b)(6), "matters outside the pleading are presented to and not excluded by the [trial] court, the motion shall be treated as one for summary judgment[, pursuant to Rule 56(c), Ala. R. Civ. P.]." But, we cannot say that the referenced materials converted the motion to dismiss to a motion for a summary judgment. Notably, the trial court's original order dismissing all claims against all parties (challenged in a prior appeal) indicates that its dismissal was based on the pleadings, the parties' briefs, and arguments of counsel. See Cathedral of Faith Baptist Church, Inc. v. Moulton, [Ms. 1200062, June 25, 2021] ___ So. 3d ___ (Ala. 2021) (dismissing appeal as premature). The final judgment under review in the present appeal does not indicate that the trial court considered anything other than the pleadings and arguments of counsel. Accordingly, we will not presume that the trial court's dismissal order was based on matters outside the pleadings. See Borden v. Malone, 327 So. 3d 1105, 1111 (Ala. 2020) (noting that "this Court no longer assumes that a motion to dismiss must be converted to a motion for summary judgment when a trial court fails to affirmatively state that it did not consider matters outside the pleadings in ruling upon such a motion").

damages, does not request return of the Cathedral Church property, and does not mention the word "declaratory judgment." The Broken Vessel defendants therefore argue that the plaintiffs' claim, which the Broken Vessel defendants assert is essentially a fraud-based tort claim, is barred by the applicable statute of limitations. Although the Broken Vessel defendants do not point to a particular statute of limitations, we note that the limitations period for fraud claims is two years from the aggrieved party's discovery of facts constituting the fraud. See Ala. Code 1975, § 6-2-38(1) and § 6-2-3. Accordingly, the issues on appeal are whether count one of the complaint sufficiently pleads a claim for a declaratory judgment under the notice-pleading requirements of Rule 8(a), Ala. R. Civ. P., and, if so, whether the trial court erred in dismissing that claim on the basis that it was barred by the applicable statute of limitations.

Rule 8(a) provides:

"(a) Claims for Relief. A pleading which sets forth a claim for relief, whether an original claim, counterclaim, cross-claim, or third-party claim, shall contain (1) a short and plain statement of the claim showing that the pleader is entitled to relief, and (2) a demand for judgment for the relief the pleader seeks. Relief in the alternative or of several different types may be demanded."

The primary purpose of notice pleading is to provide defendants adequate notice of the claims against them. Adkison v. Thompson, 650 So. 2d 859 (Ala. 1994). "[P]leadings are to be liberally construed in favor of the pleader." Id. at 862. Finally,

"the dismissal of a complaint is not proper if the pleading contains 'even a generalized statement of facts which will support a claim for relief under [Rule 8, Ala. R. Civ. P.]' (Dunson v. Friedlander Realty, 369 So. 2d 792, 796 (Ala. 1979)), because '[t]he purpose of the Alabama Rules of Civil Procedure is to effect justice upon the merits of the claim and to renounce the technicality of procedure.' Crawford v. Crawford, 349 So. 2d 65, 66 (Ala. Civ. App. 1977)."

Simpson v. Jones, 460 So. 2d 1282, 1285 (Ala. 1984).

On the face of the complaint, the plaintiffs assert that a "forged title" is the basis for their action, and they seek, among other things, "clear title" to the Cathedral Church property. Count one of the complaint specifically alleges that the January 1, 2012, general warranty deed is a forgery. In that count, the plaintiffs deny: (1) that Riggins had conveyed the Cathedral Church property to Broken Vessel; (2) that the signature on the January 1, 2012, warranty deed was Riggins's signature; (3) that Riggins had ever received any consideration for the warranty deed; and (4) that Riggins had ever appeared before the notary and witnesses on January 1, 2012, as represented on the face of the warranty deed. In

their prayer for relief, the plaintiffs sought, among other things, a judgment declaring that the warranty deed was a forgery and therefore "invalid." The complaint sufficiently gave notice that a forged deed was the basis of the complaint and that the plaintiffs were seeking a judgment declaring the deed invalid on that basis. See § 6-6-223, Ala. Code 1975 (stating that "[a]ny person interested under a deed ... may have determined any question of construction or validity arising under the instrument"); see also Woodgett v. City of Midfield, 319 So. 3d 1231, 1235 (Ala. 2020) (noting that a motion to dismiss is rarely appropriate in a declaratory-judgment action and that the standard for testing the sufficiency of a complaint seeking a declaratory judgment is not whether the complaint shows that the plaintiff will succeed in obtaining the judgment sought but, rather, whether the plaintiff is entitled to a declaration of rights at all). Accordingly, we hold that the allegations of the complaint, when construed in the plaintiffs' favor, are sufficient to state a claim for a declaratory judgment, thus satisfying the pleading requirements of Rule 8(a).³

³Alternatively, the Broken Vessel defendants argue that the trial court never obtained subject-matter jurisdiction over the declaratory-judgment claim because, they say, the plaintiffs did not pay a filing fee

Because count one of the complaint states a claim for a declaratory judgment regarding the validity of the warranty deed, we now address whether the trial court erred in dismissing that count pursuant to the "applicable" statute of limitations. The trial court did not indicate in its dismissal order the limitations period it relied upon in dismissing the complaint and, specifically, count one. Nonetheless, we conclude that the 10-year statute of limitations specified by § 6-2-33(2), Ala. Code 1975, applies to the claim seeking a declaratory judgment. The complaint makes clear that the plaintiffs seek to obtain clear title to the Cathedral Church property. Section 6-2-33(2) provides that actions "for the recovery of lands ... or the possession thereof" must be commenced within

for that claim pursuant to § 12-19-71(a)(8), Ala. Code 1975 (specifying a filing fee of \$297 for declaratory-judgment actions filed in the circuit court that are not cases filed on the domestic-relations docket of that court); see also § 12-19-71(4), Ala. Code 1975 (specifying a filing fee of \$297 for cases filed in the circuit court that are not cases filed on the domestic-relations docket of that court). In other words, the Broken Vessel defendants suggest that a plaintiff who files a multclaim complaint that includes a claim for a declaratory judgment is required to pay a separate filing fee for that claim. The Broken Vessel defendants do not cite any authority for such a proposition, nor do they dispute that the plaintiffs paid a filing fee in the circuit court. See Rule 18, Ala. R. Civ. P., (providing that a party may assert as many claims as he or she has against another party in the same action). Accordingly, we conclude that the Broken Vessel defendants' argument that the trial court lacked subject-matter jurisdiction is without merit.

10 years. This Court has expressly held that the 10-year limitations period in § 6-2-33(2) applies to actions seeking to set aside a deed as a fraudulent conveyance. See Ammons v. Ammons, 253 Ala. 82, 86, 42 So. 2d 776, 779 (1949) (noting that "a bill to set aside a deed to land for fraud, where the land is in the possession of the grantee, is a suit to recover land and is controlled by the ten year statute"). In this case, the warranty deed was dated January 1, 2012; thus, the complaint, filed in June 2019, seeking a judgment declaring the warranty deed invalid, was timely because it was filed within the 10-year limitations period set forth in § 6-2-33(2). Accordingly, the trial court erred in dismissing count one of the complaint against the Broken Vessel defendants on the basis that it was barred by the applicable statute of limitations.

Conclusion

The judgment of the trial court dismissing count one of the plaintiffs' complaint against the Broken Vessel defendants is reversed, and the cause is remanded for proceedings consistent with this opinion.

REVERSED AND REMANDED.

Parker, C.J., and Bolin, Wise, and Stewart, JJ., concur.