11/21/2023

Bowen Greenwood
CLERK OF THE SUPREME COURT
STATE OF MONTANA

Case Number: DA 23-0154

DA 23-0154

IN THE SUPREME COURT OF THE STATE OF MONTANA

2023 MT 223N

AGNES ADVENTURES, LLC,

Plaintiff and Appellee,

v.

JORDI ANZIK,

Defendant and Appellant.

APPEAL FROM: District Court of the First Judicial District,

In and For the County of Lewis and Clark, Cause No. ADV-2022-1071

Honorable Mike Menahan, Presiding Judge

COUNSEL OF RECORD:

For Appellant:

Daniel Webster, Amy Hall, Montana Legal Services Association, Helena, Montana

For Appellee:

David B. Gallik, Gallik Law Offices, PLLC, Helena, Montana

Submitted on Briefs: October 25, 2023

Decided: November 21, 2023

Filed:

Clerk

Justice Ingrid Gustafson delivered the Opinion of the Court.

- Pursuant to Section I, Paragraph 3(c), Montana Supreme Court Internal Operating Rules, this case is decided by memorandum opinion and shall not be cited and does not serve as precedent. Its case title, cause number, and disposition shall be included in this Court's quarterly list of noncitable cases published in the Pacific Reporter and Montana Reports.
- Justice Court issued by the First Judicial District Court, Lewis and Clark County. The District Court's order reversed the Lewis and Clark County Justice Court's November 15, 2022 Findings of Fact[,] Conclusions of Law[, and] Order for Judgment, which had dismissed the complaint for possession made by Agnes Adventures, LLC (Agnes). We reverse the District Court.
- In November 2020, Anzik purchased a mobile home, located at 5247 McHugh Lane, on Lot 3 of the Western Skies Mobile Home Park, in Helena, from its previous owner. Agnes is the owner of the Western Skies Mobile Home Park and the lot on which Anzik's mobile home is located. Anzik and Agnes did not sign a written lot rental agreement, but Anzik paid lot rent on a monthly basis and the parties agreed they had a month-to-month rental agreement pursuant to § 70-33-201(2)(e), MCA. On September 2, 2022, Agnes mailed Anzik a "30 DAY NOTICE TO QUIT AND TERMINATE THE RENTAL AGREEMENT," which asserted Agnes was terminating Anzik's month-to-month tenancy pursuant to "M.C.A. 70-24-441" and ordered Anzik to surrender possession of the lot by October 10, 2022. Anzik did not vacate the lot by October 10.

- Agnes filed its Verified Complaint for Possession of Mobile Home Lot in the Justice Court on October 11, 2022. After Anzik filed an Answer, the Justice Court held a hearing on November 9, 2022. The Justice Court issued a ruling from the bench at the conclusion of the hearing, dismissing Agnes's complaint for possession because Agnes did not allege any grounds to terminate Anzik's rental agreement under § 70-33-433, MCA, and Anzik was in compliance with the rental agreement. The Justice Court's written order followed on November 15, 2022. Agnes filed a motion for relief, asserting the Justice Court erroneously gave Anzik a life estate in the mobile home lot by not allowing Agnes to terminate the rental agreement without cause, which the Justice Court denied in its November 21, 2022 Order Denying Motion for Relief from Judgment.
- Agnes thereafter appealed to the District Court. After the parties briefed the appeal, the District Court issued its Order on Appeal from Justice Court on February 9, 2023. The District Court held the Justice Court erred by determining Agnes could not terminate Anzik's lot rental agreement without cause and reversed the Justice Court's order denying Agnes's claim for possession of the lot. On February 16, 2023, the District Court issued its Order Certifying as Final the "Order on Appeal from Justice Court." The court noted the present action was an issue of first impression, not yet decided by this Court, involving interpretation of the Montana Residential Mobile Home Lot Rental Act (MRMHLRA or the Act) and whether the Act allows for no-cause terminations of mobile home lot rental agreements which would have "wide-ranging effects on mobile homeowners and landlords statewide." Pursuant to M. R. Civ. P. 54(b), the court certified its order as final to allow

Anzik immediate appeal to this Court so that we "may determine the issue of whether a no-cause notice is valid under the Lot Rental Act."

- The interpretation and construction of a statute is a matter of law, which we review de novo. *Hines v. Topher Realty, LLC*, 2018 MT 44, ¶ 12, 390 Mont. 352, 413 P.3d 813.
- Mobile Home Park, LLC v. Lockhart, 2023 MT 201, 413 Mont. 477, ___ P.3d ___, which addressed whether no-cause terminations of the periodic tenancies of mobile home owners who rented lots were allowed under the MRMHLRA. The oral lot rental agreement here was automatically renewed as a month-to-month periodic tenancy, see Westview Mobile Home Park, ¶ 16, and therefore our decision in that case is dispositive of the present appeal.
- ¶8 In Westview Mobile Home Park, we addressed both the text of the Act and the legislative history behind it, Westview Mobile Home Park, ¶¶ 10-21, before determining the Act "does not allow for no-cause termination of a periodic tenancy" of a mobile home owner who rented the lot on which their home is located. Westview Mobile Home Park,

\P 23. In that case, we noted

[t]he landlords' interpretation of the Act, and their assertion it allows for no-cause terminations of rental agreements with 30-day notices, would render § 70-33-433(1)(l-m), MCA, superfluous. If the Act did indeed provide for no-cause termination, a landlord could simply terminate any and all of its leases without cause and with 30 days' notice to avoid the lengthier notice requirements involved when changing land use or asserting a "legitimate business reason." In addition, there would be no purpose to requiring lengthier notice periods at all if the month-to-month tenancies at issue here, and contemplated as the standard by the Act, § 70-33-201(2)(e), MCA, were not periodic tenancies but continually expired and renewed themselves each month. The 90-day and 180-day notice periods provided for in subsections (l) and (m) would never be relevant in such a situation as the 30-day lease could simply not be renewed, eviscerating the Legislature's

goal for mobile home owners to not face being "forced to sell their mobile homes at a fraction of their costs and within an unreasonable amount of time," but rather to have sufficient time to find a new lot, if they are able, when there is a legitimate reason for their ouster through no fault of their own. Such a result would be absurd and not in keeping with the Legislature's concern for keeping and maintaining a stock of affordable housing by providing for different and greater protections for mobile home owners through the Act[.]

Westview Mobile Home Park, ¶ 19. We further noted, contrary to the concern addressed by both the District Court and Agnes here, that we disagreed with the contention "that prohibiting no-cause evictions would somehow grant [a mobile home owner who rents a lot from a landlord] a perpetual lease or life estates in the landlords' property," because the mobile home owner could be evicted based on any of the grounds for termination found in § 70-33-433, MCA, which provides numerous reasons to terminate a lot-only lease, including terminations for cause due to the tenant's behavior, the landlord changing the use of the land, or for a "legitimate business reason." Westview Mobile Home Park, ¶ 22. With the justifiable grounds for termination of a lot-only lease provided by the statute, an eviction of a mobile home owner from a lot they rent "simply cannot be for no reason at all[.]" Westview Mobile Home Park, ¶ 22.

We recognize neither the District Court, when it issued its decision, nor the parties, when briefing this matter either below or on appeal, had the benefit of our decision in *Westview Mobile Home Park*. The present dispute is, however, governed by *Westview Mobile Home Park*, which determined that the "Montana Residential Mobile Home Lot Rental Act does not allow a lot-only landlord to terminate a homeowner tenant's month-to-month lease without cause." *Westview Mobile Home Park*, ¶ 24. The no-cause

termination of Anzik's lease in this case was therefore illegal and invalid and the District Court's order reversing the Justice Court's dismissal of Agnes's claim was incorrect.

¶10 We have determined to decide this case pursuant to Section I, Paragraph 3(c) of our Internal Operating Rules, which provides for memorandum opinions. In the opinion of the Court, the case presents a question controlled by settled law or by the clear application of applicable standards of review.

¶11 Reversed.

/S/ INGRID GUSTAFSON

We concur:

/S/ MIKE McGRATH
/S/ LAURIE McKINNON
/S/ JAMES JEREMIAH SHEA
/S/ BETH BAKER

Justice Jim Rice, specially concurring.

The Court's decision is based upon recently decided *Westview Mobile Home Park*, 2023 MT 201, 413 Mont. 477. I dissented in *Westview Mobile Home Park* and disagree with that holding, but it is now the law, and thus I specially concur. *See In re T.S.B.*, 2008 MT 23, ¶ 52, 341 Mont. 204, 177 P.3d 429 (Gray, CJ, concurring) ("I specially concur in the Court's opinion, notwithstanding my strong disagreement with it. I set forth the reasons for that disagreement at some length in my dissent to *In re K.J.B.*, 2007 MT 216, ¶¶ 39-48, 339 Mont. 28, 168 P.3d 629. The Court's determinations in *In re K.J.B.* are now the law

of the State of Montana, however, and I am obliged--like all Montanans--to follow the law. I do so most reluctantly.").

/S/ JIM RICE

Justice Dirk Sandefur joins in the special concurrence Opinion of Justice Rice.

/S/ DIRK M. SANDEFUR