

Johnson v. Harwood, No. 162-3-05 Wncv (Toor, J., Jan. 6, 2009)

[The text of this Vermont trial court opinion is unofficial. It has been reformatted from the original. The accuracy of the text and the accompanying data included in the Vermont trial court opinion database is not guaranteed.]

STATE OF VERMONT
WASHINGTON COUNTY, SS

HENRY JOHNSON,
Plaintiff

v.

JENNIFER HARWOOD and
UNION BANK,
Defendants

SUPERIOR COURT
Docket No. 162-3-05 Wncv

RULING ON MOTION FOR SUMMARY JUDGMENT

This case, involving a financial dispute between ex-lovers, is before the court a second time on defendant Harwood's motion for summary judgment. This court's prior ruling granting judgment was reversed by the Supreme Court, which remanded the claims for (1) breach of an express promise, and (2) unjust enrichment, based on the existence of disputed facts. After further discovery, Harwood seeks summary judgment on those remaining claims.¹

In response to the motion, Johnson concedes that he cannot establish any express promises between the parties. *See* Plaintiff's Opposition to Summary Judgment, p. 1 (filed Nov. 17, 2008). Thus, the only issue before the court is the claim for unjust enrichment. In addition, it appears that Johnson has now limited his claim to outstanding credit card bills and truck payments, not any claim to the value of the home. *See*

¹ As noted in this court's prior opinion, the case has been brought as a foreclosure case upon the real estate titled in Harwood's name, but also seeks additional relief. *See* Ruling on Motion for Judgment on the Pleadings or for Summary Judgment (July 25, 2006). Familiarity with that decision is presumed.

Plaintiffs' Statement of Disputed Fact, ¶ 2 ("There is no claim for everyday expenses incurred or items obtained jointly at the time of the relationship...").

Undisputed Facts

Plaintiff does not dispute most of Defendant's Statement of Undisputed Material Facts. Those undisputed are deemed admitted. V.R.C.P. 56. Those undisputed facts include the following facts: the parties were in an intimate relationship, most of which took place while Johnson was still married to another woman (Statement of Undisputed Facts ¶¶ 1-2); they cohabited from May 1999 forward and shared joint checking and savings accounts, as well as joint credit cards (¶¶ 3-4); they paid their joint and individual debts from those accounts (¶¶ 4-5); Harwood's parents gave her (*not* both parties) land on which the parties built a home in which Harwood now pays the mortgage (¶¶ 7, 10-11); Plaintiff claims he puts \$25,000 worth of work into the home in his free time (¶ 8); Plaintiff lived in the home for two and a half years paying half the mortgage of \$960, although rent for such a home would be \$4,500 (¶¶ 7 and 10); there was never any written or oral agreement that the real estate would ever be titled in both names (¶ 12-13); Plaintiff had \$41,000 of credit card debt when the parties separated, which he claims is in part for charges for items purchased for Defendant (¶¶ 18-19).

The undisputed facts also include the following:

There was no agreement to share expenses equally... Plaintiff did not expect at the end of the day that he and Defendant "would be equal in dollars and cents."...It was only after the relationship was over that he decided that he wanted to assign responsibility.(¶ 5).

[There was] no agreement to share credit card debt in proportion to who incurred it. (¶ 5).

The parties had no agreement to share all joint expenses equally ...Plaintiff came up with the idea of sharing the credit card debt after the relationship ended.(¶ 20).

The undisputed facts also establish that Johnson did not expect to be paid for the work he put into the home, but instead “gave his help out of love and affection.” ¶ 9.

Conclusions of Law

To establish his remaining claim for reimbursement of credit card debt and car loan debt,² Johnson must show that Harwood has been unjustly enriched:

A claim for unjust enrichment must allege that a benefit was conferred on defendant, that defendant accepted the benefit, and that it would be inequitable to allow defendant to retain the benefit. In ruling on such a claim, “the inquiry is whether, in light of the totality of the circumstances, equity and good conscience demand that the defendant return that which the plaintiff seeks to recover.”

Johnson v. Harwood, 2008 VT 4 ¶ 15 (citation omitted). In analyzing the question, “whether there is unjust enrichment may not be determined from a limited inquiry confined to an isolated transaction. It must be a realistic determination based on a broad view of the human setting involved.” Legault v. Legault, 142 Vt. 525, 531(1983).

The Supreme Court reversed the earlier ruling in this case because the verified complaint alleged that the parties had oral agreements about their finances that “may have had [an impact] on plaintiff’s conduct...” Johnson, 2006 VT 4 ¶ 15. The undisputed facts before the court now show that there was never any agreement between the parties that they would contribute equally, or share equally, in terms of their finances. *See* Defendant’s Statement of Undisputed Material Facts, ¶ 5 (“There was no agreement to share expenses equally... Plaintiff did not expect at the end of the day that he and

² It appears this is all Johnson now seeks. However, if he also seeks some portion of the value of the home, the same principles apply.

Defendant ‘would be equal in dollars and cents.’...It was only after the relationship was over that he decided that he wanted to assign responsibility...The parties had no agreement to share all joint expenses equally ...Plaintiff came up with the idea of sharing the credit card debt after the relationship ended.”). There was “no agreement to share credit card debt in proportion to who incurred it.” Id.¶ 20. With respect to the house, Johnson put in the work he did out of love and affection, with no expectation of being repaid. Id. ¶ 9.

The court concludes that Plaintiff cannot establish unjust enrichment in this case. It is clear from the undisputed facts that all of the benefits and burdens at issue here were the result of a romantic relationship with no business aspect whatsoever, and with no expectation by either party that they would ever be repaid their contributions to the relationship.

Every intimate relationship inevitably involves money in some fashion, from a dinner tab picked up on a first date to years of shared bills, vacations and gifts. To take on the role of allocating every such payment when a romantic relationship fizzles could consume our courts. Our society has created formal systems to guide such relationships: they are called marriages and civil unions. If parties choose not to avail themselves of such formalities, they have the option of written contracts to direct the disposition of property in the event of the always foreseeable possibility that love may die. As noted in this court’s earlier opinion:

In the absence of such well-established legal frameworks for such matters, the courts should not be second-guessing the financial choices made by the parties in earlier years when they saw the world through rosier glasses. *Accord, Morone*, 413 N.E.2d at 1157 (“For courts to attempt through hindsight to sort out the intentions of the parties

and affix jural significance to conduct carried out within an essentially private and generally noncontractual relationship runs too great a risk of error.”).

Ruling on Motion on the Pleadings or for Summary Judgment (July 25, 2006).

In sum, the court can only return to its conclusion in the first round of this case: “benefits voluntarily conveyed in the context of a purely romantic relationship do not create legally enforceable obligations of repayment.”³

Order

Defendant Harwood’s motion for summary judgment is granted. The claim against Union Bank is dismissed as moot. Judgment will be entered in Harwood’s favor.

Dated at Montpelier this 31st day of December, 2008.

Helen M. Toor
Superior Court Judge

³ Even if there might conceivably be a case in which the financial ruins left by a romantic relationship were so extreme that it would be unjust to allow them to stand, this is not that case. For example, Johnson was able to live in a house he valued at \$4,500 a month by paying only \$480 a month for two and a half years, arguably benefitting by over \$120,000. Even if his estimate of \$25,000 worth of work was taken into account, he came out ahead on the house by close to \$100,000. His claims for payment on his credit card and car loan pale in comparison.