Filed Washington State Court of Appeals Division Two

August 21, 2018

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON

DIVISION II

SHELCON CONSTRUCTION GROUP LLC, a Washington Corporation,	No. 49828-6-II
Plaintiff, v.	
SCOTT M. HAYMOND and JANE DOE HAYMOND, husband and wife; and DARRA ODENWALDER, as Trustee of the Darra Marie Haymond Living Trust,	UNPUBLISHED OPINION
Appellants,	
A-3 VENTURE, a Washington limited liability company; A-4 VENTURE, an unknown entity type; A-1111 VENTURE, a Washington limited liability company; 14224 PIONEER LIVING TRUST; and ANCHOR MUTUAL SAVINGS BANK,	
Defendants,	
LINVILLE LAW FIRM PLLC,	
Respondent.	

MAXA, C.J. - Darra Odenwalder appeals the trial court's ruling that Scott Haymond's

transfer of his membership in the East End Lake Tapps Rod and Gun Club (the Club) to her as

trustee of the Darra Marie Haymond Living Trust (the Trust) was a fraudulent transfer under the

Uniform Fraudulent Transfer Act (UFTA), chapter 19.40 RCW.¹ Specifically, Odenwalder challenges the trial court's conclusion that the applicable statute of limitations did not begin to run until the Club's board of directors approved the membership transfer in March 2012 rather than when Haymond executed a bill of sale for the membership years earlier. The Linville Law Firm (Linville), as assignee of Shelcon Construction Group's judgment against Haymond, sought to avoid the transfer in an attempt to execute on that judgment.

We hold that (1) substantial evidence supported the trial court's findings of fact that a transfer of a Club membership requires the Club board of directors' prior approval and that Haymond remained a Club member after he transferred ownership of his residence, and (2) the trial court did not err in concluding that Haymond's transfer of the Club membership was not effective until the Club's board approved the transfer in March 2012 and therefore that the statute of limitations had not run on Shelcon's motion to avoid the transfer. However, we are unable to determine whether Linville could hold a Club membership after avoiding the transfer and obtaining the membership in execution of its judgment. We also hold that the trial court did not err in awarding attorney fees and costs to Linville.

Accordingly, we affirm the trial court's order avoiding the transfer of the Club membership and the court's supplemental judgment in favor of Linville regarding attorney fees.

FACTS

Background

The Club consists of 6.8 acres of property in Lake Tapps on which 22 residences are located. The Club membership owns the real property. Individual members own the residences

¹ In 2017, the Uniform Fraudulent Transfer Act was renamed the Uniform Voidable Transactions Act. RCW 19.40.900.

as personal property. Haymond owned a residence that was located on property the Club owned, and he also held a membership in the Club.

In 2006, Haymond executed but did not record a bill of sale transferring his residence and his Club membership to Odenwalder as trustee of the Trust. In 2008, Haymond executed and properly recorded another bill of sale transferring the residence and the Club membership to Odenwalder as trustee. Haymond did not request approval of the transfer from the Club's board of directors at that time. And Haymond continued to live in the residence and paid certain Club expenses. He also continued to pay Club membership dues and remained a Club member.

On October 28, 2011, Shelcon obtained a judgment against Haymond in an amount exceeding \$550,000.

In November 2011, Haymond and Odenwalder attended a Club board meeting and informed the board that Haymond had transferred his Club membership to Odenwalder. Haymond asked the board to approve the transfer retroactive to 2006. The board declined to backdate the transfer. The board ultimately approved Odenwalder's membership effective March 12, 2012.

Order Avoiding Transfers and Appeal

In 2014, Shelcon filed a motion to avoid Haymond's transfers of the residence and the Club membership. The trial court issued an order avoiding the transfers under the UFTA to the extent necessary to satisfy Shelcon's judgment against Haymond.

On appeal, this court held that the transfers violated the UFTA but that the UFTA's fouryear statute of limitations had expired on the transfer of the residence. *Shelcon Constr. Grp. LLC v. Haymond*, No. 46235-4-II slip op. at 13, 17-20 (Wash. Ct. App. May 27, 2015) (unpublished), http://www.courts.wa.gov/opinions/pdf/D2%2046235-4-

II%20Unpublished%20Opinion.pdf. However, the court determined that there were insufficient facts to determine when the Club membership was transferred for statute of limitations purposes. *Id.* at 15. Accordingly, the court remanded and directed the trial court to address two factual questions relevant to whether the statute of limitations had run on the transfer of the Club membership: (1) "whether the club rules permitted Haymond to transfer his club membership before the board approved the new member," *Id.* at 14; and (2) "whether Haymond retained his club membership after transferring his residence." *Id.* The court also stated that the trial court may need to determine "whether Shelcon is entitled to possess a membership absent owning a residence." *Id.* n.10.

Following the appeal, Shelcon assigned its interest in the litigation to its former attorneys, Linville.

Evidentiary Hearing and Findings

On remand, the trial court held an evidentiary hearing. The court heard testimony from two former Club board members, Richard McDermott and Nancy Thorp.

McDermott testified that it was his understanding that it was the board's function to approve transfers of Club memberships. He also testified that his understanding of the bylaws was that a member could not transfer a membership without the board's approval. McDermott stated that it was the Club's practice to bring prospective members in front of the board before approving a transfer. He stated that a transfer became effective on the date of board approval. McDermott also testified that at the time Haymond requested board approval for the transfer of his membership to Odenwalder, Haymond was a Club member in good standing.

Thorp testified that Club bylaws gave the board control over Club memberships by holding board meetings to approve transfers. Thorp stated that the Club rules required the

board's prior approval of transfers of membership. Thorp testified also that a member in violation of Club rules would not automatically forfeit membership and could retain a membership until the board acted to expel the member.

The trial court found that the Club's rules required the Club board of directors' approval before a Club membership could be transferred and that a transfer was not effective until board approval. The court also found that even though Haymond was in violation of Club rules by being a Club member without owning a residence at the Club, he would remain a member until expelled. Therefore, the court concluded that Haymond's transfer of his Club membership to Odenwalder was not effective until March 2012 and that Shelcon's motion to avoid that transfer was filed within the statute of limitations. The trial court did not expressly address Linville's ability to hold a Club membership if he obtained the membership through execution of the judgment.

Award of Attorney Fees to Linville

Linville filed a motion for attorney fees based on the language of Shelcon's original judgment, which allowed Shelcon to apply for attorney fees and costs incurred in executing on the judgment. Linville requested \$89,950.50 in attorney fees and \$3,139.95 in costs and included documentation of the tasks performed, time spent, and hourly rate charged.

Haymond opposed the motion, and the trial court reduced the award from the lodestar calculation based on objections raised to some of the entries. The court entered a supplemental judgment awarding \$71,240 in attorney fees and \$3,139.95 in costs to Linville.

Odenwalder, as trustee of the Trust, appeals the trial court's order avoiding the transfer of the Club membership. Haymond appeals the supplemental judgment for attorney fees and costs.

ANALYSIS

A. STANDARD OF REVIEW

Odenwalder challenges many of the trial court's findings of fact and conclusions of law. We review such challenges to determine whether substantial evidence supports the court's findings and whether those findings support the trial court's conclusions of law. *Columbia State Bank v. Invicta Law Group, PLLC*, 199 Wn. App. 306, 319, 402 P.3d 330 (2017).

Substantial evidence is the quantum of evidence sufficient to persuade a rational fact finder of the truth of fact. *Id.* We view all evidence and reasonable inferences in the light most favorable to the prevailing party. *Id.* We do not review the credibility of witnesses or weigh evidence. *Id.* Unchallenged findings of fact are verities on appeal. *Id.*

Whether a trial court's findings of fact support its conclusions of law is a question of law that we review de novo. *See Kitsap County v. Kitsap Rifle & Revolver Club*, 184 Wn. App. 252, 290, 337 P.3d 328 (2014).

B. UFTA STATUTE OF LIMITATIONS

Under the UFTA, property transfers made by a debtor are voidable as to a creditor under certain circumstances. RCW 19.40.041, .051. In an action regarding such a transfer, a creditor can obtain various forms of relief, including avoidance of the transfer to the extent necessary to satisfy the creditor's claim. RCW 19.40.071.

The UFTA statute of limitations for most claims for relief regarding a transfer is four years after the transfer was made. RCW 19.40.091(1), (2). In the previous appeal in this case, this court held that the relevant "end date" for the statute of limitations was when Shelcon moved to avoid the transfer in February 2014. *Shelcon Constr.*, slip op. at 5, 11, 12.

C. PRIOR APPROVAL OF CLUB MEMBERSHIP TRANSFER

Odenwalder argues that substantial evidence does not support the trial court's finding,

reflected in several findings of fact, that Haymond could not transfer his membership without the

prior approval of the Club's board of directors. We hold that substantial evidence supports the

trial court's findings of fact.²

. . . .

1. Challenges to Findings of Fact

Odenwalder does not appear to question that the Club's board must approve a transfer

before the transferee can become a Club member. She does not challenge four key findings of

fact regarding the board's authority over transfers:

- 2.1 The Club's Bylaws charge the Board with managing the "business and property of the Club".
- 2.6 The Board's authority to manage the business and property of the Club is exclusive and extends to the transfer of memberships and the admission of new members.
- 2.17 A Club member may not transfer his or her membership without the Board's authority.
- 2.20 It is a function of the Board to effectuate any transfer of a Club membership by approving such transfer of a Club membership.

Clerk's Papers (CP) at 472-73. These findings are verities on appeal. Columbia State Bank, 199

Wn. App. at 319. Odenwalder also does not challenge a related conclusion of law:

3.1 The Board has the exclusive authority to manage the business and property of the Club, including the transfer of memberships and the approval or disapproval of new members.

² Odenwalder did not assign error to any of the trial court's findings of fact. RAP 10.3(g) requires that an appellant include a separate assignment of error for each challenged finding of fact. However, in the body of her brief Odenwalder specifically identified by number and quoted each finding of fact that she was challenging. Despite her violation of RAP 10.3(g), Odenwalder's brief is sufficient for us to address the challenged findings.

CP at 476.

Instead, the focus of Odenwalder's argument is on the trial court's findings that the board's

approval of a transfer of a Club membership was required before the transfer could become

effective. She challenges the findings that a transfer does not occur until the board approves it:

- 2.18 The Club rules require Board approval of transfers of memberships. The Club rules permit members to transfer their membership upon the transferee's payment of an initiation fee to the Club and upon the transferee being approved by the Club's Board.
- 2.19 A Club member retains his or her membership interest until such time as the Club's Board meets with and approves the transfer of Club membership to the transferee or until the member is expelled by the Club.
- •••
- 2.21 Prior to the transfer of a Club membership, a prospective transferee must be brought before the Board.
- 2.22 The Club's Bylaws required the Board's approval before transfer of Haymond's membership.

CP at 473. In addition, two challenged conclusions of law essentially are findings of fact³:

- 3.2 The Club rules do not permit a member to transfer his/her Club membership until such time as the Board approves the new member.
- 3.3 The Club's rules require Board approval for all Club membership transfers and this approval by the Board must occur before the transfer of membership can occur.

CP at 476-77.

Odenwalder's argument is that Haymond's transfer of the Club membership became

legally effective once the bill of sale was executed and recorded, regardless of any right of the

board to subsequently approve Odenwalder's membership.

³ We review conclusions of law that actually are findings of fact as findings of fact. *Scott's Excavating Vancouver, LLC v. Winlock Properties, LLC*, 176 Wn. App. 335, 342, 308 P.3d 791 (2013).

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2. Interpretation of Bylaws

The trial court's crucial finding of fact was "The Club's Bylaws required the Board's approval before transfer of Haymond's membership." CP at 473. Odenwalder argues that substantial evidence does not support this finding and related findings because the bylaws do not expressly require board approval before a membership transfer can be effective, the language of the bylaws must control, and the testimony from McDermott and Thorp about how the Club interprets the bylaws is irrelevant. We disagree.

a. Context Rule

We interpret the governing documents of a corporation according to the accepted rules of contract interpretation. *Roats v. Blakely Island Maint. Comm'n Inc.*, 169 Wn. App. 263, 273-74, 279 P.3d 943 (2012). We apply the "context rule" of contract interpretation, which allows the court to consider extrinsic evidence, such as subsequent conduct of the parties, in determining the parties' intent in forming the contract. *Id.* at 274. We may apply the context rule even where contract terms are unambiguous. *Id.* However, extrinsic evidence is not admissible to contradict the plain terms of the written instrument. *Pelly v. Panasyuk*, 2 Wn. App. 2d 848, 866, 413 P.3d 619 (2018).

b. Language of Bylaws

The article of the Club's bylaws entitled "Membership" states, "The Board of Directors *may allow* new membership of the Club upon the payment of an initiation fee of \$300.00."⁴ CP at 280 (emphasis added). The same article states, "Membership in the Club is not transferable except as provided in Article IX." CP at 280.

⁴ Revisions to the bylaws made in September 2009 changed the initiation fee to \$1,000.

Article IX of the bylaws is entitled "Disposition of Membership," and provides:

A member may sell, transfer, or assign his or her membership . . . only under the following terms:

. . . .

b) the transferor has paid, in full, all assessments levied against the transferor through the date of the transfer;

c) the transferee pays the \$300 initiation fee as a condition of Board approval.⁵

CP at 283.

Regarding the board's general authority, the bylaws state, "The business and property of the Club shall be managed by a Board of seven (7) Directors." CP at 142.

c. Evidence Regarding Bylaws

McDermott testified about the club's rules and practices relating to transferring

memberships. He stated that his understanding of the bylaws was that a member could not transfer his or her membership without the board's approval.⁶ He also stated his understanding that a transfer would become effective on the date of board approval. McDermott clarified that the bylaws required board approval of a prospective member *before* the board would approve the transfer.

Thorp testified that when a transfer occurs the matter is brought before the board at a board meeting. She stated that the transferee is introduced to the board and *asks* for the membership to be transferred. She also stated that the Club rules "absolutely" required that a transfer of membership be approved by the board.

⁵ Revisions to the bylaws made in September 2009 deleted subsection (c).

⁶ After Odenwalder objected, the trial court stated that McDermott's testimony was being admitted to show his understanding as Club president and a Club member, not as a legal conclusion.

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The trial court entered a finding of fact stating that the testimony of McDermott and Thorp was credible. Odenwalder argues that this finding is erroneous because the witness should not have been considered credible. However, we do not review the trial court's credibility determinations. *Columbia State Bank*, 199 Wn. App. at 319.

d. Analysis

The Club's bylaws give the board of directors authority to approve the transfer of Club membership. The board has broad authority to manage "the business and property of the Club." CP at 280. The bylaws give the board discretion to allow new Club membership – the board "may allow" new membership. CP at 280. And a transferee must pay an initiation fee "as a condition of Board approval." CP at 283. As noted above, Odenwalder does not challenge the trial court's findings that the board has authority over the transfer of Club memberships, which includes approving membership transfers.

However, Odenwalder argues that the bylaws do not state that the Club's board must give *prior* approval of any transfer or that a transfer does not become legally effective until the board approves the transfer. Odenwalder may be correct. But the bylaws also do not state that a transfer occurs when a bill of sale is executed purporting to transfer the Club membership when the board has not approved the transfer. The bylaws are silent as to when board approval is required or when a transfer of membership becomes effective.

As a result, the bylaws alone do not control this issue. The bylaws do not compel the trial court's finding that prior board approval was required before a transfer could be effective. But the bylaws are consistent with such a finding. And the trial court's finding is consistent with its unchallenged findings, which are verities on appeal, that "[a] Club member may not transfer his or her membership without the Board's authority" and "[i]t is a function of the Board to

effectuate any transfer of a Club membership by approving such transfer of a Club membership." CP at 473.

In interpreting the bylaws, the trial court considered the testimony of McDermott and Thorp and found that testimony credible. McDermott testified unequivocally that his understanding of the bylaws was that board approval was required *before* transfer of a club membership and that a transfer did not become effective until board approval. Thorp provided similar testimony.

Odenwalder argues that the testimony of McDermott and Thorp is irrelevant because the language of the bylaws controls. But as discussed above, the bylaws do not expressly address whether prior board approval is required for a transfer to be effective. And under the context rule, a court can consider extrinsic evidence in determining the parties' intent with regard to an organization's governing documents. *Roats*, 169 Wn. App. 263, 274.

A reasonable fact-finder could conclude from the language of the bylaws, the findings of fact that Odenwalder does not challenge, and the testimony of McDermott and Thorp, that the Club rules require prior board approval before a transfer could be effective. Therefore, we hold that substantial evidence supports this finding and related findings.⁷

3. Application of RCW 19.40.061(3)

Odenwalder argues that the board approval issue actually is a red herring because the effective date of a transfer of a property interest for the purposes of an UFTA claim is governed by RCW 19.40.061. She claims that under RCW 19.40.061(3), the transfer took place when it

⁷ Odenwalder also argues that the transfer was an assignment of contract rights, which would have been effective at the time of the bill of sale. However, Odenwalder provides no support for the claim that the membership transfer was an assignment of a contract.

became effective between Haymond and Odenwalder, which occurred at the time of the bill of sale. Odenwalder seems to argue that *as a matter of law*, the transfer of Haymond's Club membership was effective in 2008 at the latest regardless of the trial court's factual findings.

The applicability of RCW 19.40.061(3) is questionable because that section applies only if "applicable law does not permit the transfer to be perfected." As Linville notes, the transfer was "perfected" when the Board approved the transfer in 2012.

In addition, RCW 19.40.061(4) states, "A transfer is not made until the debtor has acquired rights in the asset transferred." Because the board has exclusive authority to manage the transfer of Club memberships, Odenwalder could not actually acquire rights in the Club membership until she was approved as a member in March 2012. Accordingly, the effective date of the transfer under RCW 19.40.061(3) would be the same date that the board approved the transfer because that was when Odenwalder actually acquired rights to the Club membership.

We reject Odenwalder's argument based on RCW 19.40.061(3).

D. RETENTION OF CLUB MEMBERSHIP AFTER TRANSFER OF RESIDENCE

Odenwalder argues that substantial evidence does not support the trial court's finding, reflected in several findings of fact, that Haymond remained a Club member after he transferred ownership of his residence but before the board approved the membership transfer. We hold that substantial evidence supports the trial court's findings of fact.

1. Challenges to Findings of Fact

The trial court found that "A Club rule requires that a member must own a dwelling on Club property." CP at 474. Based on this finding, Odenwalder argues that Haymond's Club membership lapsed upon the transfer of his residence to her.

Three challenged findings of fact directly relate to this issue:

. . . .

. . . .

- 2.19 A Club member retains his or her membership interest until such time as the Club's Board meets with and approves the transfer of Club membership to the transferee or until the member is expelled by the Club.
- 2.27 Haymond was a Club member in good standing in 2011 and was President of the Club in 2011.
- 2.31 A member who violates Club rules remains a member until expelled.

CP at 473-74. In addition, one of the trial court's conclusions of law essentially is a finding of fact:

3.4 A Club member may own and possess a Club membership without owning a dwelling at the Club until such time as the rule violation is addressed by the Club's Board and the Board has resolved the situation and taken final action.

CP at 477.

However, Odenwalder does not challenge the trial court's finding that "Haymond was a Club member from 2008 to 2012." CP at 473.

2. Interpretation of Bylaws

Odenwalder argues that substantial evidence does not support the trial court's findings regarding his membership status because the bylaws state that each Club member must own a residence at the Club and do not state that a person can retain his membership after transferring his residence. We disagree.

a. Language of Bylaws

The Club's bylaws do not expressly address whether a Club member can retain his membership after transferring ownership to his or her residence at the Club. The bylaws state, "Each member of the Club must own a dwelling situated on Club property." CP at 280. A member who transfers his or her residence at the Club clearly would be in violation of this provision. But the bylaws do not state that a member who is in violation of this requirement automatically ceases to be a member.

The bylaws provide, "[a] member of the Club may be expelled from membership by the membership for any of the following reasons: . . . d. Violation of these By-Laws or any part thereof." CP at 282-83. But the bylaws do not state that a member *must* be expelled immediately when he or she violates the residence ownership requirement.

The bylaws provide that "a member electing to terminate Club membership shall notify the President in writing of such intent." CP at 283. The 2009 bylaw revisions added "and such member shall be subject to the provisions of Article IX, Sections 2 & 3 [relating to payment of assessments and selling the residence] even though the member is not expelled or has not transferred ownership." CP at 146. The bylaws do not state whether the board must formally accept or approve an election to terminate membership.

The board's broad authority also is relevant to this issue. As noted above, the bylaws state that the board shall manage the Club's "business and property." CP at 280. This provision suggests that the board has authority to determine whether a person can remain a member after transferring ownership of his or her residence at the Club.

b. Evidence Regarding Bylaws

McDermott testified that Haymond was in violation of club rules during the period when he held a membership but did not own a residence at the Club. He also testified that, although Haymond violated the bylaws by transferring his house, he retained his membership throughout the period of violation.

Thorp testified that when a Club member was in violation of the bylaws, it was the Club practice for the member to retain his or her membership until the board acted to expel the

member or transfer the membership. Thorp also stated that under the bylaws a member in violation of club rules would not automatically forfeit his or her membership. As noted above, the trial court entered a finding of fact stating that the testimony of McDermott and Thorp was credible.

The trial court also admitted a Club membership roster showing that Haymond was a Club member in good standing as of March 2011. In fact, there was evidence that Haymond was elected president of the Club in the 2010-2011 time frame. And there was no evidence that the Club had expelled Haymond as a member. The trial court made an unchallenged finding that Haymond was a Club member from 2008 to 2012.

c. Analysis

As with board approval of transfers, the bylaws alone do not expressly control this issue. But nothing in the bylaws indicates that a person who transfers his or her residence would immediately and automatically forfeit that membership. Conversely, the bylaws are consistent with the trial court's finding that Haymond remained a Club member after he transferred ownership of his residence.

In interpreting the bylaws, the trial court once again considered the testimony of McDermott and Thorp and found that testimony credible. McDermott testified that Haymond remained a member even after he transferred ownership of his residence, and that fact was supported by documentary evidence. Thorp stated that a member who was in violation of the bylaws would not automatically forfeit his or her membership.

Odenwalder argues that if a Club member no longer owns a residence at the Club, the membership immediately extinguishes. Therefore, even though it may have *appeared* that he was a Club member between 2008 and 2012, continuing membership was legally impossible.

However, Odenwalder admits that the bylaws are silent on this issue. And she presents no evidence to support her claim that membership automatically ends when a member transfers his or her ownership of a residence.

Odenwalder also argues that the board's approval of Odenwalder as a member in March 2012 involved a new membership rather than a transfer of Haymond's membership because Haymond had no interest to transfer in 2012. However, the trial court entered an unchallenged finding of fact that Haymond requested that the board retroactively approve the "transfer." CP at 473. This unchallenged finding supports an inference that the board considered Odenwalder's membership a transfer rather than a new membership.

A reasonable fact-finder could conclude that Haymond retained his membership in the Club after transferring his residence, even though he was in violation of Club bylaws because he did not own a residence at the Club. Accordingly, we hold that substantial evidence supports the trial court's finding that Haymond retained his membership after transferring ownership of his residence.

E. CONCLUSIONS OF LAW

Odenwalder argues that the trial court's conclusions of law are erroneous. We disagree.

The trial court made two key conclusions of law:⁸

3.5 Haymond did not transfer his Club membership until March 12, 2012, the date that the Club's Board approved said transfer to Odenwalder as trustee of the Trust. 3.6 Shelcon's Motion to Avoid the transfer of Haymond's Club membership was timely filed within the statute of limitations set forth in the Uniform Fraudulent Transfer Act, RCW 19.40.091.

⁸ As noted above, conclusions of law 3.2, 3.3, and 3.4 essentially are findings of fact and have been treated as such in the above analysis. Odenwalder does not challenge conclusion of law 3.1 (discussed above) or conclusion of law 3.7, which concluded that the Club membership transfer was a fraudulent transfer under the UFTA (as held by this court in the first appeal).

CP at 477.

The trial court's findings of fact support the court's conclusion that Haymond's transfer of his Club membership became effective on March 12, 2012 when the board approved his transfer to Odenwalder. Finding of fact 2.22 states that "[t]he Club's Bylaws required the Board's approval before transfer of Haymond's membership." CP at 473. As noted above, substantial evidence supports this finding. And finding of fact 2.14, which Odenwalder did not challenge, states that "[t]he Board approved Odenwalder's membership effective March 12, 2012." CP at 473.

The trial court's findings of fact also support the court's conclusion that Shelcon's motion to avoid the transfer of Haymond's Club membership was timely filed within the statute of limitations. Under RCW 19.40.091, a creditor generally must bring a claim for relief within four years of the transfer or within one year of the time the transfer was or reasonably could have been discovered. As noted above, substantial evidence supports the trial court's conclusion that the effective date of the transfer was March 12, 2012. Shelcon moved to avoid the transfer on February 20, 2014. Because Shelcon brought an action within four years of the date of the effective transfer, the statute of limitations did not run on Shelcon's claim under RCW 19.40.041(1).

Accordingly, we hold that the trial court did not err in ruling that Haymond's transfer to Odenwalder did not occur until March 2012 and that Shelcon filed its motion to avoid the transfer within the statute of limitations.

F. LINVILLE'S POSSESSION OF CLUB MEMBERSHIP WITHOUT OWNING RESIDENCE

In the first appeal, this court stated that on remand the trial court may need to determine a third question: whether Shelcon would be entitled to possess a membership without owning a

residence. *Shelcon Constr.*, slip op. at 14 n.10. This question involves whether in the course of executing on the Shelcon judgment, Linville could obtain Haymond's Club membership by involuntary transfer. We are unable to determine whether Linville could hold a Club membership after avoiding the membership transfer.

The trial court did not explicitly address this question in its findings of fact and conclusions of law; its findings on this question were identical to the findings on the second question.⁹ But the court's findings and conclusions provide guidance on this question and related questions. We make three observations.

First, as noted above, the bylaws state that a Club member must own a residence located on Club property. But the bylaws do not expressly address whether a Club member can transfer the membership to a person who does not own a residence at the Club. And no such transfer could occur until the board approved the transfer. The board might not approve a transfer to someone who immediately would be in violation of the rule requiring a member to own a residence at the Club.

Second, if for some reason the Club's board did approve an involuntary transfer of Haymond's membership to Linville, Linville immediately would be in violation of the rule requiring a Club member to own a residence at the Club. This violation would subject Linville to expulsion from the membership. But expulsion would be a decision for the board.

Third, the trial court found that once Haymond's transfer to Odenwalder was avoided, Haymond would be in violation of Club rules because he no longer owns a residence at the Club. Although Haymond would continue to be a Club member, he would be subject to board action.

⁹ In its oral ruling, the trial court merely stated that Linville was not asserting an ownership interest in the Club at that time and was only seeking to avoid the transfer to the extent necessary to satisfy its judgment against Haymond.

Specifically, the board could expel Haymond from the membership. This means that if the board expelled Haymond from membership before Linville obtained an order requiring Haymond to transfer to membership to Linville, Haymond no longer would have any membership interest on which to execute.

Therefore, we cannot reach any conclusions regarding Linville's ability to obtain Haymond's Club membership.

G. AWARD OF ATTORNEY FEES TO LINVILLE

Haymond argues that the trial court erred by awarding \$71,240 of attorney fees to Linville. We disagree.

We review a trial court's award of attorney fees for an abuse of discretion. *White v. Clark County*, 188 Wn. App. 622, 638, 354 P.3d 38 (2015). A trial court abuses its discretion if "its decision is manifestly unreasonable, based on untenable grounds, or made for untenable reasons." *Id.* at 639. Trial courts apply the lodestar calculation to determine reasonable attorney fees. *Ewing v. Glogowski*, 198 Wn. App. 515, 521, 394 P.3d 418 (2017). The lodestar is equal to the number of hours reasonably expended on the litigation multiplied by a reasonable hourly rate. *Id.* The trial court has the discretion to adjust the award up or down to reflect factors not considered in the lodestar. *Id.*

Here, the trial court reviewed all the entries in Linville's declaration. The court found that Linville's hourly rates were reasonable for similar work in the Pierce County area, and that none of Linville's entries indicated duplication or wasteful work. However, the court reduced the award from the lodestar calculation after considering objections raised to some of the entries. The trial court ultimately found that \$71,240 was a reasonable and necessary award of attorney fees.

Although the trial court did not explain how it arrived at the exact amount of the reduced award, the court followed the lodestar method and provided adequate findings to support its award. We see no reason to question the trial court's analysis of the attorney fee claim and find no abuse of discretion.

We hold that the trial court did not error in determining the amount of attorney fees awarded to Linville.

H. ATTORNEY FEES ON APPEAL

Linville requests attorney fees under RAP 18.1 and the express terms of the judgment entered against Haymond. Under RAP 18.1, a party may recover attorney fees on appeal if allowed under the applicable law.

The original judgment entered against Haymond and in favor of Shelcon states "Leave of Court is granted Shelcon Construction Group, LLC to apply for supplemental judgment(s) for additional costs and attorneys' fees reasonably and necessarily incurred . . . in the course of executing and collecting upon the judgment entered herein." CP at 493-94. Provisions supporting awards of attorney fees generally support attorney fees incurred both at trial and on appeal. *See Edmundson v. Bank of Am., NA*, 194 Wn. App. 920, 932-33, 378 P.3d 272 (2016).

As the assignee of Shelcon's interest in the judgment, Linville may recover attorney fees under this order. RCW 4.56.090; *Trinity Universal Ins. Co. v. Ohio Cas. Ins. Co.*, 176 Wn. App. 185, 200, 312 P.3d 976 (2013) (stating that the assignee "steps into the shoes of the assignor and has all the rights of the assignor"). Accordingly, we award attorney fees to Linville against Haymond on appeal.

CONCLUSION

We affirm the trial court's order avoiding the transfer of the Club membership and the court's supplemental judgment in favor of Linville regarding attorney fees.

A majority of the panel having determined that this opinion will not be printed in the Washington Appellate Reports, but will be filed for public record in accordance with RCW 2.06.040, it is so ordered.

<u>La, C.J.</u>

We concur:

LFZ, J