

SUMMARY STATEMENT

Sullivan v. BitterSweet Ranch, LLC

Docket No. 49354

For five years, from 2015 until 2019, BitterSweet Ranch and its managers (“BitterSweet”) leased three parcels of farmland from Frank Sullivan and two of his business entities, Green Desert, LLC, and Sullivan Limited Partnership, LLC, (this individual and the two entities are collectively referred to as “Sullivan”). The parties signed three identical five-year leases (“the Leases”) involving three separate parcels of real property, each owned by one of the three Sullivan parties. The Leases specified that Sullivan was to be responsible for payment of the property taxes, but that those parties were to be reimbursed by BitterSweet, and that BitterSweet was to be responsible for bi-annual rent payments, utilities, and water assessments.

For a variety of reasons, the parties deviated from the written Leases by offsetting amounts owed to each other throughout the terms of the Leases. At the end of each year, the parties would “true up all of the amounts . . . to make the final rent payments a complete settling of matters between lessor and lessee for each year.” Shortly before the Leases were set to expire, Sullivan claimed that BitterSweet was in breach of the Leases due to its alleged failure to make timely rent payments, to pay all property taxes, and to pay the water assessments pursuant to the written terms of the Leases.

Sullivan then filed three lawsuits (one for each of the Leases and in the names of each of the three parties) in district court. The district court ordered the cases consolidated and then granted summary judgment in favor of BitterSweet, concluding that no genuine issue of material fact existed as to whether BitterSweet had breached the Leases. Sullivan appealed the district court’s decision.

On appeal, this Court affirmed the district court’s decision to grant summary judgment to BitterSweet. The district court concluded, and this Court agreed, that, notwithstanding alleged conversations between BitterSweet and Sullivan, the undisputed actions, texts, and emails undertaken by Sullivan led to the reasonable conclusion that a meeting of the minds had occurred, as necessary to ratify an oral modification of the Leases.

This Court also affirmed the district court’s award of attorney fees and costs to BitterSweet pursuant to section 34.2 of the Leases. Finally, this Court awarded attorney fees on appeal to BitterSweet pursuant to section 34.2 of the Leases. BitterSweet was also awarded costs as a matter of right under Idaho Appellate Rule 40.

******This summary constitutes no part of the Court’s opinion. It has been prepared by court staff for the convenience of the public.******