SUMMARY STATEMENT

Miller v. Rocking Ranch No. 3
Docket No. 49371

This appeal arises from a property dispute in Ketchum, Idaho. Glen Miller and Cynthia Anderson ("Miller and Anderson") filed a lawsuit against the Rocking Ranch No. 3 Property Owners' Association, Inc. ("the Association"), after the Association prevented Miller and Anderson from building a home on a lot they purchased within the subdivision. Miller and Anderson asserted, among other things, that the Association's decision to deny their application to construct a home and provisions of the Association's Covenants, Conditions and Restrictions ("CC&Rs") and Design Rules they relied on were unlawful. The Association asserted several counterclaims against Miller and Anderson to recover unpaid HOA assessments, the bulk of which were for legal fees the Association incurred as a result of this litigation. The district court ultimately granted summary judgment to the Association on Miller and Anderson's claims and dismissed the Association's counterclaims. Relying on *Farm Credit Bank of Spokane v. Wissel*, 122 Idaho 565, 836 P.2d 511 (1992), the district court granted the Association's subsequent request for attorney fees based on its conclusion the CC&Rs required that result, even though the district court determined neither party prevailed. Both parties timely appealed.

The Idaho Supreme Court affirmed the district court's decision granting summary judgment to Miller and Anderson on the Association's breach of contract counterclaim. However, the Court vacated the district court's order awarding attorney fees and costs to the Association. The Court overruled *Farm Credit Bank* and its progeny to the extent they suggest a non-prevailing party may receive its attorney fees on claims it did not prevail on, and clarified that a party is only entitled to recover attorney fees incurred for the discrete claim it prevailed on. The Court remanded the case to the district court for it to determine what, if any, reasonable attorney fees the Association incurred in recouping legitimate assessments charged to and unpaid by Miller and Anderson.

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