

BOISE, WEDNESDAY, JUNE 10, 2020 AT 10:00 A.M.

IN THE SUPREME COURT OF THE STATE OF IDAHO

BRET W. BENNETT, an individual, and)

MARY E. BENNETT, an individual,)

Plaintiffs-Appellants,)

v.)

Docket No. 47346

BANK OF EASTERN OREGON, a)

national banking association,)

Defendant-Respondent.)

Appeal from the District Court of the Third Judicial District, State of Idaho,
Payette County. Susan E. Wiebe, District Judge.

Law Office of D. Blair Clark, PC, Boise, for Appellants.

Yturri Rose, LLP, Boise, for Respondent.

Bret and Mary Bennett appeal the district court’s order and judgment dismissing their quiet-title action against the Bank of Eastern Oregon (“BEO”). In 2008, the Bennetts signed a deed of trust on their property in Payette, Idaho, as security for a promissory note with BEO. In the years between signing the deed of trust and when the Bennetts filed their complaint in April 2019, the Bennetts defaulted on the promissory note, the deed of trust matured, BEO successfully pursued a collection action against the Bennetts in Oregon state court, BEO domesticated that judgment in Payette County, and the Bennetts received a Chapter 7 bankruptcy discharge.

The Bennetts’ complaint sought to quiet title to the property by removing: (1) the lien created by domesticating the Oregon state court judgment in Payette County on grounds that the lien expired when BEO failed to renew it; and (2) the lien created by the deed of trust on grounds that BEO could no longer enforce the deed of trust under the applicable statute of limitations. BEO filed a motion to dismiss pursuant to Idaho Rule of Civil Procedure 12(b)(6) for failure to state a claim upon which relief could be granted. BEO argued that: (1) the judgment lien had expired by operation of law and, thus, did not cloud the property’s title; and (2) Idaho case law dictates that courts should not quiet title against a lien created by a deed of trust when the

underlying debt has not been paid, even if enforcement remedies were unavailable. The district court agreed with BEO and granted the motion. The Bennetts timely appeal.