Order

Michigan Supreme Court Lansing, Michigan

June 11, 2021

161017

Bridget M. McCormack, Chief Justice

Brian K. Zahra David F. Viviano Richard H. Bernstein Elizabeth T. Clement Megan K. Cavanagh Elizabeth M. Welch, Justices

THOMAS HAAN, CONNIE HAAN, KRISTIN BROOKS, and JILL RHODES,

Plaintiffs/Counterdefendants-Appellees,

and

WILLIAM RHODES, CASEY ALLEN, LAURA ALLEN, TRAVIS STEPHENSON, MARCIANN STEPHENSON, KEVIN MARCY, and SUSAN MARCY,

Plaintiffs/Counterdefendants,

V

SC: 161017 COA: 345282

Allegan CC: 17-057955-CH

LAKE DOSTER LAKE ASSOCIATION, Defendant/Counterplaintiff-Appellant.

On May 5, 2021, the Court heard oral argument on the application for leave to appeal the January 16, 2020 judgment of the Court of Appeals. On order of the Court, the application is again considered. MCR 7.305(H)(1). In lieu of granting leave to appeal, we REVERSE the judgment of the Court of Appeals and REINSTATE the Allegan Circuit Court's August 17, 2018 opinion and order granting summary disposition to defendant. We agree with dissenting Chief Judge MURRAY that plaintiffs' use and maintenance of their docks is subject to the oversight and regulation of the Lake Doster Lake Association (the LDLA) and is not a permanent and irrevocable property interest. "An easement is an interest in land that is subject to the statute of frauds." Forge v Smith, 458 Mich 198, 205 (1998). Plaintiffs can point to no written conveyance manifesting a clear intent to create an easement granting dock rights. See id. Rather, plaintiffs argue that a property interest was created when (1) the Lake Doster Development Corporation (the LDDC) orally approved plaintiffs' request or a predecessor's request to install a dock and (2) the LDLA agreed, as a benefit of membership, that it would agree to allow the continuance of "all past permitted rights." Neither of these bases, whether considered separately or in tandem, satisfies the requirements for establishing a permanent interest in realty.

Assuming the LDDC intended to convey an interest in real estate when it orally

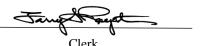
approved plaintiffs' or their predecessors' requests for dock installation, and absent any indication of fraud, an attempted conveyance of an interest in real estate is void if it is not in writing. See *Kitchen v Kitchen*, 465 Mich 654, 660 (2002). When there was no observance of the formalities required for creating an express easement, only a mere license was created. See *Morrill v Mackman*, 24 Mich 279, 283 (1872); 1 Cameron, Michigan Real Property Law (3d ed), Easements, § 6.2, p 212 ("A license may be created when the kind of interest that would normally be the subject of an easement is granted but the formal requirements for the creation of an easement are not met."). Although a license may grant permission to be on the land of the licensor, unlike easements, they are not interests in real estate and are generally revocable at will by the licensor. *Forge*, 458 Mich at 210. It makes no difference that plaintiffs or their predecessors might have relied on the oral approvals over the course of many years. Michigan does not recognize "irrevocable licenses" or "easements by estoppel" stemming from a licensee's expenditures made in reliance on representations about the duration of a license. See *Kitchen*, 465 Mich at 660.

Assuming the LDLA membership application is enforceable as a contract, it also cannot support the creation of a permanent and irrevocable property interest in the erection and maintenance of docks. Rather, the contractual agreement states only that the LDLA will allow the LDLA member and their successors-in-interest to continue "past permitted rights." The inclusion of this "past permitted rights" language, which is conditioned on plaintiffs and all future owners abiding by the LDLA's overall governance and control, is consistent with our conclusion that the prior oral approval process created a revocable license, i.e., "a permission to do some act or series of acts on the land of the licensor without having any permanent interest in it." *Morrill*, 24 Mich at 282 (citations omitted). The membership application manifests no clear intent to create an easement granting dock rights. See *Forge*, 458 Mich at 205 ("Any ambiguities are resolved in favor of use of the land free of easements.").



I, Larry S. Royster, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

June 11, 2021



## STATE OF MICHIGAN COURT OF APPEALS

THOMAS HAAN, CONNIE HAAN, KRISTIN BROOKS, and JILL RHODES,

UNPUBLISHED January 16, 2020

Plaintiffs/Counterdefendants-Appellants,

and

No. 345282 Allegan Circuit Court LC No. 17-057955-CH

WILLIAM RHODES, CASEY ALLEN, LAURA ALLEN, TRAVIS STEPHENSON, MARCIANN STEPHENSON, KEVIN MARCY, and SUSAN MARCY,

Plaintiffs/Counterdefendants,

V

LAKE DOSTER LAKE ASSOCIATION,

Defendant/Counterplaintiff-Appellee.

Before: MURRAY, C.J., and MARKEY and BECKERING, JJ.

PER CURIAM.

Plaintiffs Thomas and Connie Haan, Kristin Brooks, and Jill Rhodes (appellants) appeal by right the trial court's order granting summary disposition in favor of defendant Lake Doster Lake Association (LDLA) under MCR 2.116(C)(10). The trial court's order also denied appellants' competing motion for summary disposition brought under MCR 2.116(C)(10). We reverse and remand for entry of judgment for appellants.

In the 1960s, the Lake Doster Development Company (developer) created Lake Doster, a man-made lake in Allegan County, and developed the surrounding property. There were several platted subdivisions in the overall development, including the Sheltered Bay Subdivision (the subdivision). The plat for the subdivision included a dedication of a lakefront parcel for lot owners who did not have lake frontage—backlot owners— to provide them with access to and

use of the lake. The dedicated parcel was called Parkway, and it consisted of a private drive and park. The plat dedication made no mention of riparian rights or the right to erect docks. Appellants are backlot owners in the subdivision. The developer recorded various covenants and restrictions, some of which concerned the erection of docks. If a lot owner wished to erect a dock, he or she was required to obtain approval from the developer's Building Control Committee. The subdivision covenants and restrictions, which ran with the land, also specified that lakefront property owners did not have riparian rights. Backlot owners, including appellants or their predecessors, obtained permission to erect docks adjacent to the Parkway lot and to moor their boats to the docks. They maintained and cared for their docks over the years. When backlot owners bought and sold their properties, the dock connected or linked to a particular lot was encompassed by the conveyance; a dock was effectively appurtenant to its related lot.

In 2005, LDLA was formed as a nonprofit homeowners association for the purpose of administering and governing the rights and responsibilities of subdivision lot owners. By warranty and quitclaim deeds, the developer conveyed to LDLA its property rights and interests in Lake Doster and the subdivisions, which included ownership of the lake, the lake bottom, and the land to the high watermark of the lake, along with any interest held in the land where the developer's dam, beach, roads, and parks were located. This transaction covered the Parkway lot. Under an assignment agreement that was also executed, the developer assigned to LDLA its rights to permit or restrict use of the lake and parks and its dock and mooring rights. Bylaws were adopted by LDLA that governed the use and enjoyment of the lake and common areas.

After the formation of LDLA, it sought the submission of membership applications in the LDLA from subdivision lot owners. LDLA drafted a document that it called an application for membership and statement of declarations, which we shall refer to as the "membership agreement." The membership agreement provided in part as follows:

The Applicant desires the Property's present and future owners to have access and use of certain lands owned by the Association, including but not limited to, Lake Doster, . . . the private drive known as Parkway Drive and the private park[] known as Parkway . . . . To that end, the Applicant hereby agrees and acknowledges that upon admission and receipt of membership, this instrument shall be recorded with the Allegan County Register of Deeds and all previous rights and interests of all kinds and nature enjoyed by the Applicant in the Association Property shall be relinquished and quitclaimed to the Association. Upon acceptance of this Application for Membership . . ., the Association agrees to allow the Applicant and all future owners of the Property to continue all past permitted rights of the Association Property, provided that the Applicant and all future owners of the property abide by the Bylaws, Plat Restrictions and all rules and regulations adopted by the Association from time to time. Title to the Association Property shall at all times remain vested in the Association subject to

the rights of use and enjoyment provided above and granted elsewhere to other Members of the Association. [Emphasis added.<sup>1</sup>]

Docks are not explicitly mentioned in the membership agreement. Appellants submitted their executed membership agreements, which were accepted and recorded by LDLA, and appellants became LDLA members. The parties moved forward in accordance with the membership agreements for many years.

In 2014, LDLA became involved in a dispute regarding the placement of a dock by a non-party lot owner, which ultimately was the impetus for LDLA and its Building Control Committee to examine the issue of dock placement in connection with backlot owners and the Parkway lot. Beginning in 2015, LDLA contacted appellants and the other plaintiffs concerning the prospect of removing, adding, adjusting, and realigning docks, which appellants vehemently resisted. In March 2017, LDLA proposed the Parkway Park Dock Alignment Plan (the dock plan). The dock plan required different spacing between docks, the removal of two existing docks, the installation of one new dock, and the sharing of docks by backlot owners with other owners. Plaintiffs commenced this lawsuit to prevent LDLA's implementation of the dock plan, arguing that LDLA exceeded the scope of its authority by attempting to revoke and impair vested rights in plaintiffs' respective docks and boat moorings.<sup>2</sup> LDLA filed a counterclaim for declaratory judgment, requesting the trial court to declare the dock plan valid and enforceable and to order backlot owners to comply with LDLA's efforts to implement the dock plan.

Plaintiffs and LDLA filed competing motions for summary disposition under MCR 2.116(C)(10).<sup>3</sup> The trial court denied plaintiffs' motion for summary disposition and granted summary disposition in favor of LDLA. The trial court determined that LDLA solely owned the lake, the lake bottom, and the land to the high watermark, and that LDLA exclusively held all riparian rights in relation to the lake, which included docking rights. The court further concluded that "[a]t no time were any rights other than 'use' granted to anyone who owned or owns property on or near Lake Doster." The trial court found that the dedication of the Parkway lot to backlot owners did not grant them any rights to the land, rights to the lake, or riparian rights.<sup>4</sup>

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<sup>&</sup>lt;sup>1</sup> LDLA sent prospective members a variety of correspondence before requesting signatures on the membership agreements. In one letter to lot owners, LDLA stated: "Only those Eligible Members who accept their opportunity to become LDLA Members will enjoy boat and dock rights for their use and assignment to their property and can transfer those rights to successive owners if the property is sold." In a membership meeting handout, LDLA indicated that membership rights and privileges would include converting "many previous USES into Irrevocable RIGHTS."

<sup>&</sup>lt;sup>2</sup> Appellants were joined by other plaintiffs in pursuing the litigation, but those plaintiffs have chosen not to participate in this appeal.

<sup>&</sup>lt;sup>3</sup> The trial court had earlier denied a motion for summary disposition brought by LDLA under MCR 2.116(C)(8).

<sup>&</sup>lt;sup>4</sup> The trial court noted that even lakefront owners were not granted riparian or dock rights.

The court observed that all owners—lakefront and backlot—had to obtain approval from the Building Control Committee to erect a dock. And the developer conveyed to LDLA the interest in controlling dock rights. The trial court further ruled:

The membership application agreement guarantees property owners that they will "continue all past permitted rights" in the parks and lake. However, this document conveys no property rights and contains no mention of docks. The transfer of a riparian right cannot be implied or created; it must be conveyed. Furthermore, any purported conveyance must satisfy the statute of frauds, which the application cannot do because it was not signed by a representative of the association. It is clear, therefore, that the "past permitted rights" being guaranteed in the membership application agreement are only those that were already legally possessed by the property owners; the dedicated use of Parkway Park and the permitted use of Lake Doster, subject to the oversight and regulation of the developer/association.

The trial court indicated that "[d]espite the somewhat relaxed and informal methods that were described as previously employed by the [developer] to approve docks or the continued use of informal methods by LDLA; that practice does not prevent the LDLA from applying more rigid standards to docks maintained in the lake and requiring members to adhere and comply with them." The court stated that the bylaws did not require LDLA to obtain the assent of lot owners to implement the dock plan. This appeal ensued.

"This Court reviews de novo a trial court's decision on a motion for summary disposition." *Johnson v Vanderkooi*, 502 Mich 751, 761; 918 NW2d 785 (2018). We also review de novo the proper interpretation and application of a contract. *Rory v Continental Ins Co*, 473 Mich 457, 464; 703 NW2d 23 (2005).

Summary disposition under MCR 2.116(C)(10) is appropriate when, "[e]xcept as to the amount of damages, there is no genuine issue as to any material fact, and the moving party is entitled to judgment or partial judgment as a matter of law." A motion brought pursuant to MCR 2.116(C)(10) tests the factual support for a party's action. Pioneer State Mut Ins Co v Dells, 301 Mich App 368, 377; 836 NW2d 257 (2013). "A trial court may grant a motion for summary disposition under MCR 2.116(C)(10) if the pleadings, affidavits, and other documentary evidence, when viewed in a light most favorable to the nonmovant, show that there is no genuine issue with respect to any material fact." Id. "A genuine issue of material fact exists when the record, giving the benefit of reasonable doubt to the opposing party, leaves open an issue upon which reasonable minds might differ." West v Gen Motors Corp, 469 Mich 177, 183; 665 NW2d 468 (2003). The trial court is not permitted to assess credibility, weigh the evidence, or resolve factual disputes, and if material evidence conflicts, it is not appropriate to grant a motion for summary disposition under MCR 2.116(C)(10). Pioneer State, 301 Mich App at 377. A court may only consider substantively admissible evidence actually proffered by the parties. Maiden v Rozwood, 461 Mich 109, 121; 597 NW2d 817 (1999). "Like the trial court's inquiry, when an appellate court reviews a motion for summary disposition, it makes all legitimate inferences in favor of the nonmoving party." Skinner v Square D Co, 445 Mich 153, 162; 516 NW2d 475 (1994).

"The cardinal rule in the interpretation of contracts is to ascertain the intention of the parties[;] [t]o this rule all others are subordinate." *McIntosh v Groomes*, 227 Mich 215, 218; 198 NW 954 (1924). In light of this rule, "[i]f the language of the contract is clear and unambiguous, it is to be construed according to its plain sense and meaning; but if it is ambiguous, testimony may be taken to explain the ambiguity." *New Amsterdam Cas Co v Sokolowski*, 374 Mich 340, 342; 132 NW2d 66 (1965); see also *Rory*, 473 Mich at 464 ("In ascertaining the meaning of a contract, we give the words used in the contract their plain and ordinary meaning that would be apparent to a reader of the instrument."); *Frankenmuth Mut Ins Co v Masters*, 460 Mich 105, 111; 595 NW2d 832 (1999).

LDLA drafted the membership agreements; it received and accepted them after execution. LDLA sent them to the Allegan County Register of Deeds for recordation, and the agreements were then returned to LDLA. LDLA expressly agreed to allow appellants "to continue all past permitted rights of the" LDLA property. This is an enforceable provision as a matter of contract law.<sup>5</sup> Additionally, even assuming that the membership agreement is not a binding contract, we note that the "past permitted rights" provision would be enforceable under the doctrine of promissory estoppel.<sup>6</sup> The membership agreement is a valid instrument concerning rights and interests in real property. To the extent that there is an argument that the "past permitted rights" provision is unenforceable, it is wholly without merit.

The lakefront and backlot owners did not obtain riparian rights under the plat and dedication, under the covenants and restrictions, under the transfer and conveyance of rights and interests from the developer to LDLA, or under the membership agreements. Accordingly, any claim that riparian rights can serve as the basis to continue the existing placement and use of a dock necessarily fails.

Next, under the plat dedication, backlot owners acquired the right to utilize Parkway to access and use Lake Doster, but it did not give them the right to erect and maintain permanent docks. See *Thies v Howland*, 424 Mich 282, 288; 380 NW2d 463 (1985) (nonriparian lot owners

<sup>&</sup>lt;sup>5</sup> "A valid contract requires five elements: (1) parties competent to contract, (2) a proper subject matter, (3) legal consideration, (4) mutuality of agreement, and (5) mutuality of obligation." *AFT Mich v Michigan*, 497 Mich 197, 235; 866 NW2d 782 (2015). The membership agreement is plainly a valid contract, easily satisfying all five elements. Because LDLA's secretary drafted the membership agreements, as specifically stated at the end of the agreements, and that LDLA accepted and recorded the agreements, we find no violation of the statute of frauds, MCL 566.106 and MCL 566.108. And even were there a statute of frauds problem, part or full performance of the agreements removed the case from the statute. See *Dumas v Auto Club Ins Ass'n*, 437 Mich 521, 540; 473 NW2d 652 (1991).

<sup>&</sup>lt;sup>6</sup> "The elements of a promissory estoppel claim consist of (1) a promise (2) that the promisor should reasonably have expected to induce action of a definite and substantial character on the part of the promisee and (3) that, in fact, produced reliance or forbearance of that nature (4) in circumstances requiring enforcement of the promise if injustice is to be avoided." *Zaremba Equip, Inc v Harco Nat'l Ins Co*, 280 Mich App 16, 41; 761 NW2d 151 (2008).

who gain access by dedication to a lake have the right to use the surface of the water in a reasonable manner for such activities as boating, fishing, and swimming, including the right to temporarily anchor boats). Through the dedication, subdivision backlot owners were effectively granted and obtained an *easement* over Parkway to access and use the lake. See *Little v Hirschman*, 469 Mich 553, 560-562; 677 NW2d 319 (2004) (a dedication of land for private use in a recorded plat gives lot owners an easement to use the privately-dedicated land).

Despite the limitations of the dedication with respect to erecting docks, the covenants and restrictions gave all subdivision lot owners the opportunity to go to the developer's Building Control Committee and seek permission to erect a dock. Specifically, the covenants and restrictions provided that "[n]o dock . . . may be erected without approval of the Building Control Committee." Thus, although there was no "right" to erect a dock under the plat dedication, there was a "right" to make a request to erect and maintain a dock under the covenants and restrictions. Here, appellants or their predecessors in title did indeed obtain the necessary permission to erect and maintain their docks adjacent to the shores of Lake Doster and secured to the lake bottom. We view the approvals by the developer or LDLA as expanding the existing use and access easements originally created by the plat dedication to now encompass the erection and maintenance of those approved docks. See *Dyball v Lennox*, 260 Mich App 698, 706; 680 NW2d 522 (2004) (the law allows the owner of riparian property to grant an easement to backlot owners to enjoy rights that are traditionally regarded as exclusively riparian).8 Accordingly, when requests by subdivision backlot owners to erect docks on Lake Doster were approved, those owners acquired an easement interest or right in relation to erecting and maintaining their respective docks.<sup>9</sup> We note that "[w]henever possible, Michigan courts construe an easement as appurtenant and perpetual." 1 Cameron, Michigan Real Property Law (3d ed), Easements, § 6.22, p 232-233.

<sup>&</sup>lt;sup>7</sup> The record indicated that the process of obtaining permission was extremely informal and that there was no documentation reflecting the approvals, which were oral. LDLA notes these matters and the lack of details surrounding the approvals but then states, "That is not to say that LDLA denies that permissive uses of Lake Doster were historically allowed by" the developer.

<sup>&</sup>lt;sup>8</sup> A person with riparian rights has the right to erect and maintain a dock. *Thies*, 424 Mich at 288. An easement may grant a backlot, nonriparian owner the right to construct and maintain a dock. *Little v Kin*, 468 Mich 699, 701; 664 NW2d 749 (2003).

<sup>&</sup>lt;sup>9</sup> We recognize that an easement constitutes an interest in real property that is subject to the statute of frauds when granted or conveyed. *Kitchen v Kitchen*, 465 Mich 654, 659; 641 NW2d 245 (2002). But as discussed earlier, part performance removes an oral agreement from the statute of frauds. See *Dumas v Auto Club Ins Ass'n*, 437 Mich 521, 540; 473 NW2d 652 (1991); see also *Kent Furniture Mfg Co v Long*, 111 Mich 383, 389-390; 69 NW 657 (1897). For many years, without objection or interference from the developer or LDLA and consistent with the covenants and restrictions, appellants and their predecessors enjoyed and maintained their docks and conveyed them in association with sales of the related backlots.

LDLA argues that the dock-construction approvals created, at most, oral licenses that were not permanent and could be revoked at will. A license arises when the owner of land gives permission to another person to do some act on the land without that person acquiring any permanent interest in the owner's land; "a license is revocable at will and is automatically revoked upon transfer of title by either the licensor or licensee." Kitchen v Kitchen, 465 Mich 654, 658-659; 641 NW2d 245 (2002). Here, the very history of the subdivision and the treatment of the docks established that more than mere licenses had been granted, otherwise, every time a backlot that had a dock was conveyed, the new owner would have been required to seek and obtain approval anew to retain dock privileges. Instead, backlots were conveyed along with the docks connected to them: the docks were appurtenant to the lots. 10 We also note that even if mere licenses were created when permission was given to erect and maintain docks, the "past permitted rights" provision in the membership agreements allowed the applicants "and all future owners" to continue exercising such rights, which would have effectively converted the licenses into written easements. In fact, even if the backlot owners' rights to erect and maintain docks, as garnered by permission and as existed before the membership agreements were finalized, could not be properly be characterized as license or easement rights, the "past permitted rights" provision converted those rights into written easements.11

LDLA cites Ashley v Waite, 33 Mich App 420; 190 NW2d 370 (1971), and Winans Lake Hills Corp v Moon, 284 Mich 688; 280 NW 81 (1938), for the proposition that the permission given by the developer to allow the construction and maintenance of the docks was subject to alteration and revocation and could not ripen into a permanent right. We first note that this argument does not acknowledge that there is a dearth of evidence of any attempt to alter or revoke appellants' permitted rights to maintain their docks before the parties entered into the membership agreements, nor does the argument recognize that the membership agreements subsequently memorialized the right to maintain the docks and made the right irrevocable. Moreover, Ashley and Winans Lake were cases addressing adverse possession and simply indicated that while permitted use of land cannot ripen into title by adverse possession, the

<sup>&</sup>lt;sup>10</sup> LDLA contends that if the approvals to erect and maintain docks were permanent in nature and created vested rights, there would have been no need for the "past permitted rights" provision in the membership agreement. This argument fails to appreciate the language in the membership agreement that provided that "all previous rights and interests of all kinds and nature enjoyed by the Applicant in the Association property shall be relinquished and quitclaimed to the Association." The "past permitted rights" language was needed to retain the easement rights and interests to lake access, lake use, and to erect and maintain docks on the lake.

<sup>&</sup>lt;sup>11</sup> In LDLA's brief on appeal, it even referred to the "previous permissive *right*" of appellants to erect docks, although LDLA also argued that the "right" could be altered or revoked. (Emphasis added.)

<sup>&</sup>lt;sup>12</sup> LDLA argues that the membership agreements do not refer to "docks." We note, however, that the membership agreements also do not refer to lake use or access, but there can be no doubt that the "past permitted rights" language encompassed lake use and access rights.

permission can be revoked, and the clock on adverse use restarted. See *Winans Lake*, 284 Mich at 691 ("The court . . . is of the opinion that the evidence does not show the legal elements necessary to establish an adverse user of the lake's waters by defendants for boating and fishing, but rather the court is inclined to the opinion that such use of the lake made by the defendants was by permission of the plaintiffs and their predecessors in title."); *Ashley*, 33 Mich App at 422 (use of land by permission can never ripen into title by adverse possession, and a conveyance of property by the person granting the permission operates to revoke the permission). Accordingly, *Ashley* and *Winans Lake* are distinguishable and of no relevance to our analysis.

The membership agreement provided that LDLA agreed to allow the continuance of "all past permitted rights," and given the permission the developer or LDLA granted in the past regarding docks, appellants or their predecessors obtained an easement right to erect and maintain their docks on LDLA's real property, which appellants are entitled to continue under the membership agreements. Alternatively, as explained above, the membership agreements created an easement right by appellants to continue maintaining their docks. The question becomes whether the dock plan LDLA sought to implement can be characterized as being inconsistent with appellants' continuation of their existing rights to maintain their docks. The inconsistency must be significant enough to actually reflect an impairment of or interference with existing dock easement rights. For example, if LDLA adopted a requirement that flotation devices be kept on every dock, it could not be concluded that LDLA was not allowing a backlot owner to continue his or her past permitted rights.

Again, the dock plan required different spacing between docks, the removal of two existing docks, the installation of one new dock, and for the backlot owners to share docks with other owners. Although the need to slightly move a dock for a required spacing change between docks would likely not amount to an inconsistency with appellants' existing easement rights to maintain docks, we conclude that forcing appellants to share their docks with another lot owner would sufficiently diminish, impair, and interfere with appellants' rights to maintain their docks such that an inconsistency with rights would arise. Appellants have full and exclusive use and enjoyment of their docks, and the dock plan would substantially limit that use and enjoyment. Accordingly, the dock plan cannot be implemented without violating the "past permitted rights" provision in the membership agreements. Therefore, the trial court erred by granting summary disposition in favor of LDLA and by denying appellants' motion for summary disposition.

We must address an additional argument posed by LDLA. The membership agreement provided that the authorization to continue past permitted rights was subject to the applicant's and all future owners' abiding "by the Bylaws, Plat Restrictions and all rules and regulations adopted by [LDLA] from time to time." On the basis of this language, LDLA argues that past permitted rights "are subject to the future regulation and limitations to be put in place by" LDLA and that there is no language in the membership agreement "that would strip LDLA of its rights to determine where and when access to Lake Doster would be granted, including for the placement of docks." To be clear, we are not holding that LDLA cannot engage in any

regulation and oversight of appellants' docks, as reflected by our flotation-device example. Although appellants remain subject to the bylaws, plat restrictions, and properly adopted rules and regulations, LDLA cannot employ those authorities and mechanisms to essentially eviscerate and render meaningless its agreement to allow subdivision backlot owners to continue enjoying their past permitted rights to maintain their docks. We have concluded that the dock plan's requirement that appellants share docks sufficiently impairs or interferes with existing dock easement rights such that the dock plan cannot be sustained and implemented. LDLA's future actions and plans will have to be examined on a case-by-case basis to assess whether they conflict with the membership agreement and easement rights to maintain docks. <sup>14</sup>

We reverse and remand for entry of judgment in favor of appellants. We do not retain jurisdiction. Having fully prevailed on appeal, appellants may tax incurred costs under MCR 7.219.

/s/ Jane E. Markey /s/ Jane M. Beckering

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<sup>&</sup>lt;sup>13</sup> Another example of a likely acceptable action would be if LDLA adopted requirements pertaining to electrical installations on docks.

Appellants also contend that the trial court erred by failing to consider their right to submit a park plan and manage the Parkway lot in accordance with LDLA's bylaws. Appellants further argue that the trial court violated their procedural due process rights when it received the parties' cross-motions for summary disposition and then informed the parties that it had reached a decision on the basis of those motions and would not accept or consider additional briefs or filings, including responses. In light of our holding, we find it unnecessary to address these arguments, and appellants' former argument was also inadequately developed below and not encompassed by the relief sought in their complaint. We do note that with respect to motions for summary disposition brought under MCR 2.116(C)(10), the filing of a response with attached documentary evidence is not only permissible, it is mandatory and must be considered by the court. MCR 2.116(G)(4) and (5).

## STATE OF MICHIGAN COURT OF APPEALS

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Plaintiffs/Counterdefendants,

V

LAKE DOSTER LAKE ASSOCIATION,

Defendant/Counterplaintiff-Appellee.

Before: MURRAY, C.J., and MARKEY and BECKERING, JJ.

MURRAY, C.J., (dissenting).

I respectfully dissent from the majority's conclusion to reverse the trial court's order granting defendant's motion for summary disposition. As explained below, although the membership application is enforceable as a contract, the enforceability of the membership application does not have any bearing on whether the application established or affirmed plaintiffs' dock rights. Instead, any ability to place or utilize a dock on Lake Doster was subject to the rules and regulations of the Lake Doster Lake Association (LDLA). Consequently, and despite the peculiar procedural handling of the motions, I would affirm.

"Erecting or maintaining a dock near the water's edge is a riparian or littoral right." *Dyball v Lennox*, 260 Mich App 698, 705; 680 NW2d 522 (2004). A riparian owner owns land abutting a river, and riparian rights are the riparian owner's rights to make use of water in the waterway adjoining his or her property. *Little v Kin (Little I)*, 249 Mich App 502, 504 n 2; 644 NW2d 375 (2002), aff'd 468 Mich 699 (2003). Reservation of a right-of-way for access to a waterway does not give rise to riparian rights, but only a right-of-way. *Thompson v Enz*, 379 Mich 667, 685; 154 NW2d 473 (1967). Rights of nonriparian lot owners with access to a waterbody generally include the use of the surface of the water in a reasonable manner for activities such as boating, fishing, swimming, and temporarily anchoring boats. *Thies v Howland*, 424 Mich 282, 288; 380 NW2d 463 (1985). Although "Michigan law clearly allows the original owner of riparian property to grant an easement to backlot owners to enjoy certain rights that are traditionally regarded as exclusively riparian," *Dyball*, 260 Mich App at 706, such as the right to erect and maintain docks and permanently moor boats, the grant must be within the scope of the easement, *Thies*, 424 Mich at 293, 295.

The plain language of the easement granted plaintiffs a right-of-way to access Lake Doster and use the surface of Lake Doster for reasonable lake and water activities. However, the easement did not grant them the right to erect and maintain docks. Instead, the subdivision plat provided that the Parkway was dedicated to plaintiffs' use, and the subdivision restrictions provided that no dock or boat shelter could be erected without LDLA's approval. The subdivision restrictions also provided that LDLA had the right to control and regulate the usage of Lake Doster.

The plain language of the easement created in the plat and further described in the restrictions indicated that plaintiffs' right-of-way was limited to use of the Parkway and Lake Doster. The developer retained riparian rights, and specifically provided that lakefront property owners did not have riparian rights. These riparian rights were conveyed to LDLA when LDLA was established. Neither the developer nor LDLA ever conveyed to plaintiffs the riparian right to install and maintain docks, and the scope of the easement did not include the right to install and maintain docks. See *Thies*, 424 Mich at 295. Further, LDLA retained the right to control the usage and enjoyment of Lake Doster, which includes the right to control docks on the waters of the lake. Although the subdivision restrictions established a procedure for lot owners to install docks, this provision created a *mechanism* for property owners to obtain permission to erect a dock, but did not create a *property interest or legal right* to indefinitely keep and maintain a dock.

Because the language of the easement was limited to the use of the Parkway and Lake Doster, the easement granted plaintiffs a right-of-way of access to Lake Doster, but did not give

<sup>&</sup>lt;sup>1</sup> Technically, land which abuts a lake is defined as "littoral," while the term "riparian" refers to land abutting a river. *2000 Baum Family Trust v Babel*, 488 Mich 136, 138 n 1; 793 NW2d 633 (2010). Nevertheless, the term "riparian" is often used in reference to lakefront property. See *id*. The trial court used the term "riparian" to refer to plaintiffs' rights, seemingly for convenience rather than legal reasons, for the LDLA owned the lake bottom up to the high-water mark.

rise to the riparian right to erect and maintain docks. See *Dyball*, 260 Mich App at 706. The membership application was consistent with this arrangement, as plaintiffs' retention of their past permitted rights under their membership applications was conditioned on their abiding by the subdivision plat and restrictions, and LDLA's bylaws, rules, and regulations. This included LDLA's authority to oversee and regulate the use and access to Lake Doster for the benefit of all property owners.

As a result of the foregoing, I would hold that plaintiffs' use and maintenance of their docks was subject to LDLA's oversight and regulation, and was not a permanent, irrevocable, and legal right. Because the plain language of the easement did not grant plaintiffs' dock rights, the trial court did not err by determining that there was no genuine issue regarding any material fact, and that LDLA was entitled to judgment as a matter of law. The trial court properly granted LDLA's motion for summary disposition. See *Joseph v Auto Club Ins Ass'n*, 491 Mich 200, 206; 815 NW2d 412 (2012) (providing the standard of review for summary disposition under MCR 2.116(C)(10)).

The additional arguments posited by plaintiffs do not warrant disturbing the trial court's order. In particular, plaintiffs argue that the trial court erroneously failed to consider extrinsic evidence regarding the meaning of "past permitted rights" in their membership applications. If the language of an easement is unambiguous, a trial court is prohibited from considering extrinsic evidence of the intended scope of the easement. *Blackhawk Dev Corp v Dexter*, 473 Mich 33, 48-49; 700 NW2d 364 (2005). As this Court explained:

This Court in *Little I, supra* at 511-512, indicated that the rights of nonriparian owners should be determined by examining the language of the easement and the circumstances existing at the time of the grant. In *Little v Kin*, 468 Mich 699; 664 NW2d 749 (2003) (*Little II*), our Supreme Court affirmed *Little I, supra*, but noted that, when the language of the easement grant is plain and unambiguous, a directive to consider circumstances existing at the time of the grant was inconsistent with well-established principles of legal interpretation. *Little II*, *supra* at 700 n 2. The Supreme Court provided that "[w]here the language of a legal instrument is plain and unambiguous, it is to be enforced as written and no further inquiry is permitted." *Id.* at 700, citing *Gawrylak v Cowie*, 350 Mich 679, 683; 86 NW2d 809 (1957). In addition, our Supreme Court provided "[i]f the text of the easement is ambiguous, extrinsic evidence may be considered by the trial court in order to determine the scope of the easement." *Little II*, *supra*. [*Dyball*, 260 Mich App at 703-704].

A trial court errs when it considers extrinsic evidence, including evidence of surrounding circumstances existing at the time of the grant, when the language of the easement is unambiguous. *Dyball*, 260 Mich App at 704.

The easement language in the subdivision plat and restrictions was not ambiguous. As discussed above, the plat established that plaintiffs had the right to use the Parkway, which in turn grants the right to access Lake Doster, and use Lake Doster for activities, including boating, fishing, swimming, and temporarily mooring boats. See *Thies*, 424 Mich at 288. However, the right to permanently anchor and moor boats is generally reserved for riparian lot owners, and the

plat and restrictions did not grant plaintiffs the right to install and maintain either temporary or permanent docks. See *Dyball*, 260 Mich App at 706. Although the restrictions provided a procedure for plaintiffs to obtain permission to construct a dock, this permission did not give rise to a right to install permanent, individual docks, but rather specified how their right-of-way to access Lake Doster can be exercised. See *id*. The membership application did not expand or establish plaintiffs' dock rights as "past permitted rights," but permitted plaintiffs to retain their rights to access and use Lake Doster. Further, the plat and restrictions provided that Lake Doster and plaintiffs' use of Lake Doster were subject to LDLA's control. Because the easement language was not ambiguous, the trial court did not err when it decided the parties' motions for summary disposition without considering extrinsic evidence of the easement grantor's intent. See *id*.

Plaintiffs also argue that the trial court erroneously granted LDLA's motion for summary disposition without a hearing on the basis of the parties' initial filings, and failed to allow plaintiffs the opportunity to respond to LDLA's motion. This Court reviews de novo questions regarding the interpretation and application of court rules. *CAM Constr v Lake Edgewood Condo Ass'n*, 465 Mich 549, 553; 640 NW2d 256 (2002).

This Court interprets court rules according to the same rules applicable to statutory interpretation. *Lamkin v Engram*, 295 Mich App 701, 707; 815 NW2d 793 (2012). The guiding principle of interpretation is to give effect to the intent of the authors—the Supreme Court. *Wilcoxon v Wayne Co Neighborhood Legal Servs*, 252 Mich App 549, 553; 652 NW2d 851 (2002). "The starting point to this endeavor is the language of the court rule." *Id.* Court rule language is given its plain meaning. *Ligons v Crittenton Hosp*, 490 Mich 61, 70; 803 NW2d 271 (2011). When that language is clear and unambiguous, the rule is enforced as written without further judicial construction or interpretation. See *Wilcoxon*, 252 Mich App at 553.

A party must file and serve a response to a motion for summary disposition, including a brief and any affidavits, at least seven days before the hearing on the motion. MCR 2.116(G)(1)(a)(ii). In order to properly support a motion for summary disposition, a moving party must identify the issues about which there is no genuine issue of material fact, and present evidence that, if left unrebutted, would establish the moving party's right to summary disposition. See MCR 2.116(G)(3). Once the moving party has presented sufficient evidence to support the grounds asserted in the motion, "the burden shifts to the nonmoving party to establish the existence of a genuine issue of material fact for trial." *Innovative Adult Foster Care, Inc v Ragin*, 285 Mich App 466, 476; 776 NW2d 398 (2009). MCR 2.116(G)(4) provides, in relevant part:

When a motion under subrule (C)(10) is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of his or her pleading, but must, by affidavits or as otherwise provided in this rule, set forth specific facts showing that there is a genuine issue for trial. If the adverse party does not so respond, judgment, if appropriate, shall be entered against him or her.

MCR 2.116(G)(4) does not require a nonmoving party to respond to the moving party's motion for summary disposition. However, failure to do so could result in judgment entered in favor of the moving party. See *Innovative Adult Foster Care*, 285 Mich App at 475. Additionally, MCR

2.116(G)(1) provides that "[e]xcept as otherwise provided in this subrule, MCR 2.119 applies to motions brought under this rule."

Regarding a motion hearing, MCR 2.119(E) provides:

(1) Contested motions should be noticed for hearing at the time designated by the court for the hearing of motions. A motion will be heard on the day for which it is noticed, unless the court otherwise directs. If a motion cannot be heard on the day it is noticed, the court may schedule a new hearing date or the moving party may renotice the hearing.

\* \* \*

(3) A court may, in its discretion, dispense with or limit oral arguments on motions, and may require the parties to file briefs in support of and in opposition to a motion.

There is no evidence or support in the lower court record that the trial court denied plaintiffs the opportunity to respond to LDLA's motion for summary disposition. There was no order barring plaintiffs from filing a response to LDLA's motion, and plaintiffs had notice of LDLA's filing of its motion for summary disposition. There were approximately 1½ months between the filing of LDLA's motion for summary disposition and the trial court's issuance of its opinion and order granting LDLA's motion, during which time plaintiffs could have filed a response. Although plaintiffs' counsel represented at oral argument before this Court that the trial court's clerk indicated to him over the phone that no response could be filed, there is no record evidence of that call. But, if it is true, the trial court should refrain from any further practice. The court rules require a party to respond to a motion, or face the consequences of failing to do so. If the trial court determined that the existing briefs (both parties had filed motions for summary with supporting briefs) were adequate to resolve the issues, it could have indicated as much in an order, which could then be subject to appellate review. However, because plaintiffs had submitted a brief supporting their position why summary disposition should be entered in their favor, any error in not allowing a response was harmless. MCR 2.613(A).

Additionally, the trial court had the discretion to decline to hold oral argument, and there is nothing to suggest that the trial court's decision to decide the parties' motions without oral argument was an abuse of discretion. *American Transmission, Inc v Channel 7 of Detroit, Inc*, 239 Mich App 695, 709; 609 NW2d 607 (2000). At the time of its decision, the trial court had the benefit of LDLA's brief in support of its motion for summary disposition, plaintiffs' brief in support of their motion for summary disposition, both parties' trial briefs, and the subdivision plat, restrictions, membership applications, dock management plans, and other documents that the parties relied on in their briefs.

I would affirm.