

Martin v. Bridgeport Community Association

173 Cal.App.4th 1024 (April 7, 2009)

Non-owners did not have standing to sue association to enforce CC&Rs and provisions of the Davis-Stirling Common Interest Development Act.

FACTS:

Plaintiffs were tenants in a home in the Bridgeport Community Association in Santa Clarita, California. The owners of the property executed a power of attorney assigning all their rights, title and interest in dealings with the association to Plaintiffs, which was accepted by the association. During construction, there had been a property line issue, the resolution of which was negotiated between the Plaintiffs (non-owners) and the association. The resulting lot line adjustment was agreed to by the Plaintiffs on behalf of the owners. Thereafter, Plaintiffs invested money for fencing and landscaping in the newly acquired lot line adjustment area. Because the association had delayed in proceeding with the City approval process for the lot line adjustment, Plaintiffs brought suit against the association for various breaches of the CC&Rs and violations of the Davis-Stirling Common Interest Development Act (Civil Code Sections 1350, *et seq.*).

TRIAL COURT'S DECISION: The Trial Court dismissed Plaintiffs' causes of action based upon its finding that they lacked standing to assert causes of action for breach of the agreement and breach of the CC&Rs. Plaintiff tenants appealed.

To have standing to sue, a person must have a real interest in the subject matter of the action, which means that such person would be benefited or injured by the judgment in such action.

APPELLATE COURT'S DECISION: Upheld the Trial Court's decision.

The Appellate Court held that ownership in the property at issue is prerequisite to standing to assert causes of action arising under the CC&Rs and the Davis-Stirling Act and that such causes of action are not assignable to non-owners, such as Plaintiffs.

In reaching its decision, the Appellate Court explained that while the Plaintiffs are subject to compliance with the CC&Rs as occupants of the units, pursuant to the CC&Rs, the CC&Rs are equitable servitudes only enforceable as between an owner of a separate interest and the association. (Id. at 1036) This right of enforcement cannot be assigned absent a transfer of ownership of the parcel to which it applies. (Id.) The owners' property and membership in the association and, consequently, their rights of enforcement and duties, are indivisible interests, under applicable law (see Civil Code Section 1358(c)) and the association's governing documents.

The Court further held that an owner's rights under the Davis-Stirling Act are similarly not assignable. (Id. at 1037) As non-owners, Plaintiffs have no right to enforce the CC&Rs or obligations of the association that arise therefrom or from the Davis Stirling Act. (Id. at 1038)

COMMENT: This case serves as a reminder that while tenants, guests, and invitees are to comply with an association's governing documents and rules, the association can only bring enforcement proceedings against the owner of the separate interest to whom the violating tenant, guest, or invitee is connected.