

HOW TO BRIEF A CASE

The cases that you will read are the written opinions of trial and appellate court judges explaining their decisions in the lawsuit. A court opinion is similar to a short story of an incident in which a court acted to resolve a legal dispute. The opinions are a record of the court's decisions that will be used as precedents to provide authority or guidance in resolving future legal disputes.

Case briefing is an aid in reading and understanding court opinions. The process is actually a very familiar task to you – it involves outlining and making notes about what you read by identifying the parts of a case and summarizing them. Case briefs will be useful to you in preparing for class and in reviewing for exams. After you have read a case, re-read and brief it using the following format for briefing a case.

1. Name of Case

Write the name of the case at the beginning of your brief so that you will be able to identify it later. The case name usually contains the names of the plaintiff and the defendant, who are the parties to the lawsuit. Be sure that you can identify who sued and who was sued as you read through the case.

2. Facts

Briefly summarize the facts of the case. Facts are the “who, when, what, where, and why” of the case. Describe the history of the dispute, including the events that led to the lawsuit, the legal claims and defenses of each party, and what happened in the trial court. Do not merely copy the facts verbatim; not every detail is important. Instead, include only the relevant facts. To decide which facts are relevant, ask yourself whether a particular fact was important to the court's decision. If the answer is yes, include that fact in your brief. You can also ask yourself whether the court's decision may have been different if a particular fact was omitted or changed. If so, then it is important. You should also look for facts that are repeated at least once in the court's opinion since these tend to be legally relevant.

3. Issue(s)

The issue is a statement of the question of law that the court must answer in order to decide which party should win. A case may involve more than one issue. Sometimes the court will directly state the issue in the opinion. If so, then you can quote the court's statement of the issue in your brief. In most cases, however, you will need to write your own statement of the issue. The issue should be expressed in the form of a question that can be answered “yes” or “no”. To ensure that your issue statements are written in the form of a question, begin them with “whether,” “did,” “can,” “does,” “is,” etc.

4. Holding(s)

The holding is the answer to the issue. If there are multiple issues, then you should state a holding for each issue. The holding succinctly states the court's ultimate

conclusion, but does not fully explain the conclusion. Write the holding as a single sentence that begins with “yes” or “no,” followed by the word “because.” Doing this will ensure that you directly answer the issue and provide a brief reason for the court’s conclusion.

5. Rationale

The court must justify its holding by providing reasons for answering the issue in the way that it did. The rationale is a summary of the reasons that explain how the court reached its decision. The goal for this part of your brief is to understand how the court used the rules of law to resolve the dispute. The court will state the applicable rules of law, and they can be found in readings from your textbook as well. You should summarize how the court applied the rules to the facts to reach its conclusions.

After you have finished briefing a case, take a moment to critically evaluate the court’s decision. Ask yourself whether you agree with the outcome. Is the outcome fair in light of the facts and the law? Has the court considered all of the relevant facts? Do you agree with the court’s reasoning? What is the likely impact of the decision in the business environment?

There are different approaches to briefing each aspect of the case that work equally well. You can write your brief in narrative form or simply list the facts, issues, holdings, and reasons as bullet points in your brief. The key is to create a complete summary of the court’s opinion. Remember also: case briefs should be brief. A good rule of thumb is no more than one page for most cases.

To practice briefing a case using the method described above, read the following case of *Hagan v. Adams Property Associates, Inc.* The case involves a limited liability company, or LLC, which is a type of business where the owners manage the business but have limited legal liability as to business debts and obligations. After you have read the *Hagan* case, re-read it while referring to the sample case brief that follows. As you do so, critically evaluate the outcome of the case and the reasoning behind the court’s decision. Consider whether or not you agree with the court’s decision.

HAGAN v. ADAMS PROPERTY ASSOCIATES, INC.
482 S.E.2d 805 (Va. 1997)

Ralph E. Hagan (Hagan) owned the Stuart Court Apartments (the property) in Richmond, Virginia. On April 30, 1994, Hagan signed an agreement with Adams Property Associates, Inc. (Adams), giving Adams the exclusive right to sell the property for \$1,600,000. The agreement provided that if the property was "sold or exchanged" within one year, with or without Adams' assistance, Hagan would pay Adams a commission of six percent of the "gross sales amount." Before the year expired, Hagan, Roy T. Tepper, and Lynn Parsons formed a limited liability company, known as Hagan, Parsons, & Tepper, L.L.C. (HPT). By deed dated April 23, 1995, Hagan transferred the property to HPT. Adams believed that the transfer of the property to HPT constituted a sale of the property and asked Hagan to pay him the six percent commission as provided in their agreement. When Hagan refused, Adams filed suit against Hagan seeking recovery of the commission. The trial court held that Adams was entitled to a commission and Hagan appealed.

Lacy, Justice. In this appeal, we consider whether a transfer of real property from its owner to a limited liability company in which the owner is a member constitutes the sale of the property, entitling a real estate broker to a commission authorized by a listing agreement between the owner and broker.

Hagan first contends that transfer of legal title to the property to HPT represented his contribution to the capitalization of a new company, and capitalization of a new venture should not be classified as the sale of property. Hagan also asserts that the transfer did not constitute a sale because he did not receive any present valuable consideration for his contribution. ... We disagree.

When Hagan transferred the property to HPT, he received more than an interest in the new company. Under the terms of the operating agreement executed in conjunction with the formation of HPT, HPT agreed to assume all liabilities existing on the property, which included the \$1,028,000 unpaid balance on a first deed of trust note on the property. The record does not indicate whether the holder of the first deed of trust note released Hagan and substituted HPT as the obligor on the note. Even assuming such substitution did not occur, Hagan nevertheless received substantial relief from his debt obligation because, upon assuming all liabilities on the property, HPT became liable to Hagan for any amount Hagan would have had to pay the holder of the first deed of trust note. Also as part of the

property transfer transaction, HPT executed a second deed of trust on the property securing a note payable to Hagan for \$323,000. This note was due and payable when the property was subsequently sold, and it had priority over payments to anyone other than the beneficiary of the first deed of trust. Thus, in exchange for transfer of title to the property, Hagan received relief from his debt on the first deed of trust note as well as the benefit of a second deed of trust note and an interest in HPT. These benefits received by Hagan constituted valid consideration. ...

Under the Virginia Limited Liability Company Act, a limited liability company is an unincorporated association with a registered agent and office. It is an independent entity which can sue and be sued and its members are not personally liable for the debt or actions of the company. ... [A] limited liability company ... is an entity separate from its members and, thus, the transfer of property from a member to the limited liability company is more than a change in the form of ownership; it is a transfer from one entity or person to another. Accordingly, we agree with the trial court's conclusion that Hagan transferred the title of the property in exchange for valuable consideration and that this transfer was a sale of the property. ... Adams was entitled to a commission on the gross sales amount, resulting in a commission of \$81,060. **Affirmed.**

SAMPLE CASE BRIEF

NAME OF CASE

Hagan v. Adams Properties Associates, Inc.

FACTS

Hagan owned an apartment building. On April 30, 1994, he signed an agreement with Adams that gave Adams the exclusive right to sell the property and provided that if the property was "sold or exchanged" within one year, with or without Adams' assistance, Hagan would pay Adams a commission of six percent of the "gross sales amount." Later that year, Hagan and others formed a limited liability company (HPT) and Hagan deeded the property to HPT. Adams asked Hagan to pay him the commission on the basis that the transfer of the property to HPT was a sale of the property. When Hagan refused, Adams sued. The trial court held that Adams was due the commission. Hagan appealed.

ISSUE

Was the transfer of real property from Hagan to a limited liability company in which the he was a member a contribution of capital or a sale of the property, entitling Adams to a commission as provided for in the listing agreement?

HOLDING

Yes, because Hagan's transfer of the property to HPT was a sale rather than a capital contribution, Adams is owed the commission according to the agreement.

RATIONALE

Hagan received valid consideration for his transfer of the property to HPT since HPT: (1) agreed to assume all liabilities on the property, (2) became liable for any amount Hagan would have to pay the deed note holder, and (3) executed a second deed of trust on property securing a note payable to Hagan.

A limited liability company is a legal entity separate from its members, so the transfer of property from a member to the limited liability company is a transfer from one entity or person to another.