

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

ERIC MAROGI,
And RUTH PULKER,

Plaintiffs,

v

Case No. 19-178105-CB
Hon. James M. Alexander

WIMBLEDON CONDOMINIUM ASSOCIATION,
LINDA GIPSON, ALETA GRAYDEN,
And MARLENE RING,

Defendants.

OPINION AND ORDER REMOVING CASE FROM BUSINESS COURT

On November 21, 2019, Plaintiffs filed their Complaint against Defendants on allegations that Defendants have breached the Bylaws and Master Deed of the Wimbledon Condominium Association and that Defendants have committed defamation and/or libel against Plaintiff Marogi. Contemporaneous with the filing of the Complaint, Plaintiffs filed a Notice of Assignment to the Business Court – claiming that this is a business or commercial dispute because “one of the parties is a nonprofit organization and the claims arise out of that party’s organizational structure, governance, or finances.” See MCL 600.8031(1)(c)(iii).

This Court has an obligation to question sua sponte its jurisdiction over the subject matter of an action. *Yee v Shiawassee Co Bd of Comm'rs*, 251 Mich App 379, 399; 651 NW2d 756 (2002). Subject matter jurisdiction is determined by the allegations in the pleadings. *Trost v Buckstop Lure Co, Inc*, 249 Mich App 580, 587-588; 644 NW2d 54 (2002).

Business court jurisdiction is limited to actions involving a “business or commercial dispute.” MCL 600.8035(3). Although this matter appears to fall within the definition of a business or commercial dispute under MCL 600.8031(1)(c)(iii) on account of the fact that Defendant Wimbledon Condominium Association is a nonprofit corporation, the statute excludes certain types of disputes from business court jurisdiction.

Pursuant to MCL 600.8031(3)(k), business or commercial disputes expressly exclude “[I]and contract, mortgage, construction, and condominium lien foreclosure matters and actions involving the enforcement of condominium and homeowners associations governing documents.” The majority of the claims raised in Plaintiffs’ lawsuit relate to Defendants’ alleged violation of the Bylaws and Master Deed, which are the governing documents of Defendant Wimbledon Condominium Association. Moreover, Plaintiffs are requesting that Defendants be ordered to immediately comply with the Bylaws and Master Deed, which is essentially the type of relief that is excluded from this Court’s jurisdiction under MCL 600.8031(3)(k). With respect to Plaintiffs’ counts for defamation and libel, the Court finds that these claims do not arise out of the organizational structure, governance, or finances of Defendant Wimbledon Condominium Association to qualify those counts for business court jurisdiction under MCL 600.8031(1)(c)(iii).

For these reasons, the lawsuit is excluded from business court jurisdiction and the Court orders the case reassigned to the general civil docket. The case will be coded CZ unless counsel files a stipulated order to change it otherwise.

IT IS SO ORDERED.

December 10, 2019
Date

/s/ James M. Alexander
Hon. James M. Alexander, Circuit Court Judge