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STATE OF MICHIGAN

COURT OF APPEALS

HALEY SANDULA, Plaintiff-Appellant,	UNPUBLISHED August 19, 2026 11:47 AM
v	No. 375509 Grand Traverse Circuit Court
EASTWOOD CUSTOM HOMES, INC., Defendant-Appellee.	LC No. 2025-037385-CK

Before: ACKERMAN, P.J., and REDFORD and FEENEY, JJ.

PER CURIAM.

In this contract dispute, the trial court granted summary disposition to defendant Eastwood Custom Homes, Inc., because plaintiff Haley Sandula commenced litigation without first complying with a contractual provision requiring nonbinding mediation. But in doing so, the trial court failed to acknowledge plaintiff's threshold claim that, under MCL 559.184(2), the agreement never became binding or was timely withdrawn. Because the trial court enforced the mediation provision without addressing the dispute over its enforceability, we vacate the trial court's order and remand for further proceedings.

I. FACTS

According to her complaint, plaintiff entered into an agreement with defendant to purchase a condominium unit on October 9, 2024. On October 15, plaintiff e-mailed defendant's agent and said that, after further consideration, she did not want to go through with the purchase. An attorney for defendant responded that plaintiff would be in default if she failed to complete the transaction and would owe defendant $67,400 in liquidated damages.

In January 2025, plaintiff filed a complaint in the trial court. Although her complaint did not clearly articulate the precise legal theory on which she relied, she sought a declaratory judgment that: (1) defendant and Wistrand Woods, LLC, should "be regarded, in legal contemplation, as a single entity"; (2) she "timely withdrew from the agreement as allowed by law"; and (3) defendant's claim for damages was unenforceable. Plaintiff developed her theory more fully in a subsequent motion for summary disposition under MCR 2.116(C)(10). She pointed to MCL 559.184(2), under which "a signed purchase agreement shall not become binding on a

purchaser and a purchaser may withdraw from a signed purchase agreement without cause and without penalty before conveyance of the unit" if the withdrawal occurs "within 9 business days after receipt of" certain documents that the statute requires be conveyed to a condominium purchaser. Plaintiff acknowledged that the statutory protection applies only to a "purchase agreement," which the statute defines as "an agreement under which a developer agrees to sell and a person agrees to purchase a condominium unit." MCL 559.109(5). She asserted that William Clous, defendant's president, deeded the land at issue to Wistrand Woods in 2018; in September 2022, Grand Traverse County issued a building permit to defendant; and in October 2022, Wistrand Woods conveyed the subject property to defendant. She alleged that Wistrand Woods "was a mere instrumentality of Defendant used to evade that part of the Condominium Act the Legislature enacted to provide condominium buyers a 'cooling off' period."

In lieu of answering plaintiff's complaint, defendant moved for summary disposition under MCR 2.116(C)(7) and (8). Defendant pointed to paragraph 13 of the purchase agreement, in which the parties agreed that "[a]ny dispute or claim in law or equity arising out of this agreement . . . shall be submitted to neutral, non-binding mediation prior to the commencement of . . . litigation." Defendant argued that "MCR 2.116(C)(7) is the proper subrule for deciding whether to grant a motion for summary disposition for failure to exhaust grievance and arbitration procedures," *Mollett v City of Taylor*, 197 Mich App 328, 332; 494 NW2d 832 (1992), and that an agreement to mediate is therefore properly enforced under that rule. In the alternative, defendant argued that the mediation agreement could be enforced under MCR 2.116(C)(8) as a condition precedent to plaintiff's action that she had failed to satisfy before filing suit.

At a hearing on the motions, the trial court discussed the parties' arguments. After doing so, it remarked:

> We're . . . at the beginning of the case, and we know . . . summary disposition under (C)(10) would generally be premature; however, even accepting all of the well pled allegations in the complaint as true and construing them in plaintiff's favor, it is clear at this stage of the case that the agreement is valid and binding, as such no factual development could justify recovery at this stage given the requirements of the agreement. Section 13 of the agreement is clear.
>
> It's also clear that plaintiff did not first go through mediation, as was required.
>
> So, given all of that plaintiff–excuse me, the Court will deny plaintiff's motion for summary disposition.
>
> And, while generally under ([I])(5) the party would be able to amend, the Court will find that would be futile in this case given the Court will also grant defendant's motion pursuant to (C)(7).

It therefore denied plaintiff's motion for summary disposition and granted defendant's motion under MCR 2.116(C)(7). In addition, the trial court granted defendant's request for attorney fees, concluding that "plaintiff improperly filed this complaint as opposed to properly going through mediation." This appeal followed.

II. STANDARD OF REVIEW

"We review de novo a trial court's decision on a motion for summary disposition, reviewing the record in the same manner as must the trial court to determine whether the movant was entitled to judgment as a matter of law." *Bronson Methodist Hosp v Auto-Owners Ins Co*, 295 Mich App 431, 440; 814 NW2d 670 (2012). Our review is limited to the evidence presented to the trial court when the motion was decided. *Innovative Adult Foster Care, Inc v Ragin*, 285 Mich App 466, 475-476; 776 NW2d 398 (2009). "To the extent this matter presents questions concerning the proper interpretation of contractual or statutory language, our review is also de novo." *Dobbelaere v Auto-Owners Ins Co*, 275 Mich App 527, 529; 740 NW2d 503 (2007).

Under MCR 2.116(C)(7), a trial court may grant summary disposition when certain affirmative defenses are raised by the moving party. Under MCR 2.116(C)(10), a trial court may grant summary disposition when "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." Documentary evidence in support of a motion for summary disposition is required "when the grounds asserted do not appear on the face of the pleadings" as well as for all motions brought under subrule (C)(10). MCR 2.116(G)(3)(a)-(b).

III. DISCUSSION

On appeal, plaintiff argues that the trial court did not properly resolve the parties' competing motions for summary disposition. We agree and vacate its order.

At the hearing on the parties' motions for summary disposition, the trial court said that "even accepting all of the well pled allegations in the complaint as true and construing them in plaintiff's favor, it is clear at this stage of the case that the agreement is valid and binding." But plaintiff's complaint alleged that she "timely withdrew from the agreement as allowed by law," relying on MCL 559.184(2).[1] That statute, if applicable, provides a right of withdrawal. The trial court therefore erred—if all of the allegations in plaintiff's complaint are true, the agreement, including its commitment to mediate before going to court, was *not* valid and binding. We express no opinion on whether MCL 559.184(2) applies or whether plaintiff satisfied its requirements. Rather, we conclude that the trial court could not grant summary disposition under MCR 2.116(C)(7) to enforce the mediation agreement without first addressing plaintiff's allegation that the purchase agreement was unenforceable.

The trial court's remaining rulings must also be vacated. The court denied plaintiff's motion because it concluded that the mediation provision barred the action, but, as explained, the court could not enforce that provision without first addressing plaintiff's challenge to the purchase

[1] Because the trial court did not identify any defects in plaintiff's complaint, we assume that it was adequately pleaded. That said, the trial court suggested it might have had concerns with plaintiff's complaint when it said that generally MCR 2.116(I)(5) allows a party to amend but "that would be futile in this case." Our remand does not preclude further scrutiny of the adequacy of plaintiff's pleadings.

agreement's enforceability. And because the award of attorney fees was predicated on defendant's motion being meritorious, that award likewise cannot stand.

We vacate the trial court's order and remand for further proceedings not inconsistent with this opinion. We do not retain jurisdiction.

/s/ Matthew S. Ackerman
/s/ James Robert Redford
/s/ Kathleen A. Feeney