

*This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A23-1036**

Section 21 Southeast, LLC,
Appellant,

vs.

Seiffert Farm L.L.C., a Minnesota Limited Liability Company,
Respondent,

Jeffery Seiffert, et al.,
Defendants.

**Filed March 18, 2024
Reversed; motion denied
Gaïtas, Judge**

Wilkin County District Court
File No. 84-CV-22-44

Gregory J Joseph, Joseph Law Office PLLC, Waconia, Minnesota (for appellant)

David M. Cox, Two Rivers Law P.A., Otsego, Minnesota (for respondent)

Considered and decided by Schmidt, Presiding Judge; Ross, Judge; and Gaïtas,
Judge.

NONPRECEDENTIAL OPINION

GAÏTAS, Judge

Appellant Section 21 Southeast, LLC, challenges the district court's rule 12.02(e)
dismissal of its action against respondent Seiffert Farm L.L.C. for judicial determination

of adverse claims and partition of real property. Because Section 21 pleaded sufficient facts to support its claims, we reverse.

FACTS¹

In January 2010, Betty Seiffert died intestate. At the time of her death, she owned real property in Wilkin County, Minnesota, estimated to be worth \$700,000.

Betty was survived by her four children: Jeffery Seiffert, Dale Seiffert, Daniel Seiffert, and Timothy Seiffert. After Betty's death, Jeffery applied to be informally appointed as the administrator of her estate, a request that the Hennepin County Probate Registrar granted. The informal order appointing Jeffery as the personal representative (PR) of his mother's estate also declared that "Betty's surviving heirs consisted of her children," and that each was entitled to "a one-fourth (1/4th) share of [the] decedent's intestate estate."

In 2011, Jeffery, in his capacity as the PR, executed a "deed of distribution" conveying the real property directly from Betty's estate to "Seiffert Farm." This 2011 deed declared that Seiffert Farm was an "heir of the Estate of Betty Jean Seiffert," and as such, was "entitled to the property."

But in 2019, Betty's son Timothy and his wife "executed a Quit Claim Deed conveying to Section 21 . . . all interest held by Timothy Seiffert in the real property." No other deeds were executed that purported to transfer any interest in the property.

¹ In reviewing a district court's grant of a motion to dismiss, the appellate court accepts the factual allegations in the complaint as true. *See DeRosa v. McKenzie*, 936 N.W.2d 342, 346 (Minn. 2019). Our statement of facts is based on the allegations in Section 21's amended complaint. Quotations in the statement of facts are to the amended complaint.

Section 21 sued Seiffert Farm in 2022, asking the district court to declare that Section 21 is the rightful owner of a one-fourth interest in the property pursuant to the 2019 deed and that Seiffert Farm has no interest in Section 21's portion of the property. Section 21's amended complaint² claims that, when Betty died, the property automatically and immediately devised to her heirs (i.e., her four children). *See Laymon v. Minn. Premier Props., LLC*, 903 N.W.2d 6, 14-15 (Minn. App. 2017) ("Minnesota has long recognized the principle that title to a decedent's estate vests automatically in the decedent's heirs or devisees at the moment of his death." (quotation omitted)), *aff'd*, 913 N.W.2d 449 (Minn. 2018). According to Section 21's amended complaint, the estate had no interest in the property when it was deeded to Seiffert Farm, rendering the 2011 deed "a nullity." Thus, the amended complaint asserts, the property remained with Betty's four children until Timothy conveyed his one-fourth interest to Section 21. The amended complaint alleges that the property is vacant or unoccupied but notes that two individuals rented the property for agricultural purposes in 2021.

Section 21's amended complaint pleads three causes of action. First, it alleges an action to determine adverse claims to the property. *See* Minn. Stat. § 559.01 (2022) (providing for an action to quiet title). Second, it alleges a cause of action under the

² Seiffert Farm filed a motion to dismiss Section 21's original complaint. The day before a hearing was to be held on the motion, Section 21 filed an amended complaint. After the hearing, the district court—stating that it would not consider Section 21's amended complaint—granted Seiffert Farm's motion to dismiss. With the permission of the court, Section 21 filed a motion for reconsideration, which the district court granted. Seiffert Farm subsequently filed a motion to dismiss that specifically addressed the amended complaint, and the district court ruled on that motion. The amended complaint is the pleading at issue in this appeal.

Minnesota Uniform Declaratory Judgment Act (UDJA), Minn. Stat. § 555.01 to 555.16 (2022), seeking a declaration that the 2011 deed was an ineffective transfer of title and “a nullity,” and that Section 21 was the rightful owner of a one-fourth interest in the property. And third, the amended complaint seeks partition of the property, alleging that Section 21 is a tenant in common with Betty’s three other children. *See* Minn. Stat. § 558.01 (2022) (providing for a partition action).

Seiffert Farm moved to dismiss the amended complaint under Minnesota Rule of Civil Procedure 12.02(e), arguing that it failed to state a claim upon which relief can be granted. The district court granted Seiffert Farm’s motion and dismissed each of Section 21’s three claims.

Section 21 appeals.³

DECISION

Section 21 argues that the district court erred in dismissing its claims against Seiffert Farm. According to Section 21, its amended complaint contained sufficient facts to support its claims and the district court “made several fundamental errors of law.”⁴

³ Jeffery Seiffert, Dale Seiffert, Daniel Seiffert, Timothy Seiffert, their wives, and the two people who rented the property in 2021 were all named as individual defendants in the district court but are not parties to this appeal.

⁴ Section 21 filed a motion to strike the addendum to Seiffert Farm’s brief to this court, which contains three documents: (1) the Minnesota Secretary of State business record details for Seiffert Farm L.L.C., (2) the Seiffert Farm L.L.C. member control agreement, and (3) the Minnesota Secretary of State business record details for Section 21 Southeast, LLC. It also moved to strike “those portions of [Seiffert Farm]’s brief in which they rely” on the information contained in the addendum, and specifically any references to a document titled “Jeffery Seiffert’s Affidavit.” Section 21 argues these documents, and any legal arguments based on the documents, include information that is not part of the

When a pleading fails to state a claim upon which relief can be granted, a party may move to dismiss the pleading pursuant to Minnesota Rule of Civil Procedure 12.02(e). “A claim is sufficient against a motion to dismiss for failure to state a claim if it is possible on any evidence which might be produced, consistent with the pleader’s theory, to grant the relief demanded.” *Walsh v. U.S. Bank, N.A.*, 851 N.W.2d 598, 603 (Minn. 2014). Therefore, “a pleading will be dismissed only if it appears to a certainty that no facts, which could be introduced consistent with the pleading, exist which would support granting the relief demanded.” *N. States Power Co. v. Franklin*, 122 N.W.2d 26, 29 (Minn. 1963). And “courts are to construe pleadings liberally.” *Home Ins. Co. v. Nat’l Union Fire Ins. of Pittsburgh*, 658 N.W.2d 522, 535 (Minn. 2003).

To withstand a motion to dismiss under Minnesota Rule of Civil Procedure 12.02(e), a complaint must “contain a short and plain statement of the claim showing that the pleader is entitled to relief and a demand for judgment for the relief sought.” Minn. R. Civ. P. 8.01. “Minnesota is a notice-pleading state and does not require absolute specificity in pleading, but rather requires only information sufficient to fairly notify the opposing party of the claim against it.” *Walsh*, 851 N.W.2d at 604-05 (quotation omitted). A claim will survive a motion to dismiss “if it is possible, on any evidence that might be produced, to grant the

appellate record. *See* Minn. R. Civ. App. P. 110.01 (defining the record on appeal as “the documents filed in the trial court, the exhibits, and the transcript of the proceedings”); *see also Stageberg v. Stageberg*, 695 N.W.2d 609, 613 (Minn. App. 2005) (stating that if a party includes references to matters outside the record, an appellate court “will strike references to such matters from the parties’ briefs”). Because we have not considered the documents that are the subject of Seiffert Farm’s motion to strike, we deny the motion as moot. *See Justice v. Marvel, LLC*, 979 N.W.2d 894, 903 n.9 (Minn. 2022) (denying motion to strike as moot because court’s analysis did not rely on alleged extra-record material).

relief demanded.” *Halva v. Minn. State Colls. & Univs.*, 953 N.W.2d 496, 501 (Minn. 2021) (quotation omitted).

In reviewing a district court’s decision to dismiss claims under rule 12.02(e), an appellate court considers de novo whether the pleading “sets forth a legally sufficient claim for relief.” *Walsh*, 851 N.W.2d at 606; *see also Engstrom v. Whitebirch, Inc.*, 931 N.W.2d 786, 790 (Minn. 2019). The appellate court must “accept the facts alleged in the complaint as true and construe all reasonable inferences in favor of the nonmoving party.” *Walsh*, 851 N.W.2d at 606. An appellate court will not affirm the dismissal of claims under rule 12.02(e) “if it is possible on any evidence which might be produced, consistent with the pleader’s theory, to grant the relief demanded.” *Martens v. Minn. Mining & Mfg. Co.*, 616 N.W.2d 732, 739-40 (Minn. 2000) (quoting *Franklin*, 122 N.W.2d at 29).

I. The district court erred in dismissing Section 21’s quiet-title action because the facts alleged in the amended complaint set forth a legally sufficient claim for relief.

Minnesota Statutes section 559.01 governs quiet-title actions. It provides:

Any person in possession of real property personally or through the person’s tenant, or any other person having or claiming title to vacant or unoccupied real property, may bring an action against another who claims an estate or interest therein, or a lien thereon, adverse to the person bringing the action, for the purpose of determining such adverse claim and the rights of the parties, respectively.

Minn. Stat. § 559.01.

To plead a quiet-title action for vacant or unoccupied property, a plaintiff must allege a claim of title to the property and that the property is vacant or unoccupied. *See* Minn. Stat. § 559.01. Section 21’s amended complaint alleges that Section 21 is a “person

having or claiming title” to the property. It further alleges that the property is “vacant or unoccupied within the meaning of Minnesota Statutes [section] 559.01” and that two individuals rented the property for agricultural purposes in 2021.

The district court determined that the amended complaint failed to state a quiet-title claim. According to the district court, Section 21’s statement in the amended complaint that the property is vacant or unoccupied is a legal conclusion and not a factual assertion. And the district court determined that Section 21’s factual assertion that the property was rented for agricultural purposes in 2021 contradicts any claim that the property is vacant or unoccupied.

On appeal, Section 21 contends that the district court erred in determining that the statement in the amended complaint that the property is “vacant or unoccupied within the meaning of Minnesota Statutes [section] 559.01” is a legal conclusion. It argues that this statement is a factual assertion that the district court should have accepted as true. Seiffert Farm points out, however, that the amended complaint cites the quiet-title statute when declaring that the property is “vacant or unoccupied.” By alleging that the property is “vacant or unoccupied within the meaning of Minnesota Statutes [section] 559.01,” Seiffert Farm argues, the amended complaint asserts a purely legal conclusion.

For the purpose of a motion to dismiss, a legal conclusion in a complaint is not binding. *Halva*, 953 N.W.2d at 501; *see also Bahr v. Capella*, 788 N.W.2d 76, 80 (Minn. 2010). A plaintiff’s complaint “must provide more than labels and conclusions.” *Bahr*, 788 N.W.2d at 80. But “[u]nder our law, the pleading of broad general statements that may be conclusory is permitted.” *Halva*, 953 N.W.2d at 503 (quotation omitted).

A property's status as "vacant or unoccupied" can be a factual statement or a legal conclusion. *See Walsh*, 851 N.W.2d 607 n.3 (discussing how to treat words and phrases that have both legal and factual meanings at the motion to dismiss stage). We are not convinced that Section 21's reference to the quiet-title statute alone makes its assertion that the property is vacant or unoccupied a legal conclusion. And construing all reasonable inferences in favor Section 21, as we are required to do, *see Sipe v. STS Mfg., Inc.*, 834 N.W.2d 683, 686 (Minn. 2013), the statement that the property is "vacant or unoccupied" has a clear, nonlegal factual meaning. *See Black's Law Dictionary* (11th ed. 2019) (defining "vacant" as "empty; unoccupied" and "unoccupied" as "not occupied; vacant," and then explaining that "[c]ourts have sometimes distinguished *vacant* from *unoccupied*, holding that *vacant* means completely empty while *unoccupied* means not routinely characterized by the presence of human beings"); *see also Walsh*, 851 N.W.2d at 607 n.3. We also note that strictly construing the assertion that the property is vacant or unoccupied would contravene the rule that we must liberally construe pleadings in favor of the pleader. *See id.* Thus, we conclude that the district court erred in determining that the assertion in the amended complaint that the property is vacant or unoccupied is not a factual allegation but a purely legal conclusion.

We also disagree with the district court's determination that the assertion in the complaint that the property was rented for agricultural purposes in 2021 somehow cancels out the assertion that the property is vacant or unoccupied. If both facts can be true, we must assume that both facts are true. And we conclude that both facts can be true. That is,

the property could have been rented for agricultural purposes in 2021 *and* it could have been vacant or unoccupied in May 2022 when the amended complaint was filed.

Assuming that all the allegations in the amended complaint are true, the complaint includes sufficient facts to state a quiet-title claim under Minnesota’s notice-pleading standard. *See Walsh*, 851 N.W.2d at 604-05. The amended complaint asserts a claim of title to the property and that the property is vacant or unoccupied. *See* Minn. Stat. § 559.01. Accordingly, the district court erred in dismissing Section 21’s quiet-title action.

II. Because a justiciable controversy exists, Section 21 may seek declaratory relief under the Uniform Declaratory Judgments Act.

“Minnesota’s Uniform Declaratory Judgments Act grants courts the power to declare rights, status, and other legal relations whether or not further relief is or could be claimed.” *Onvoy, Inc. v. ALLETE, Inc.*, 736 N.W.2d 611, 617 (Minn. 2007) (quotation omitted). “The [UDJA], however, is not an express independent source of jurisdiction.” *All. for Metro. Stability v. Metro. Council*, 671 N.W.2d 905, 915 (Minn. App. 2003). “A party seeking a declaratory judgment must have an independent, underlying cause of action based on a common-law or statutory right.” *Id.*; *see also Brown v. State*, 617 N.W.2d 421, 425 (Minn. App. 2000) (“Some recovery theory must underlie a declaratory judgment demand.” (quotation omitted)); *Weavewood, Inc. v. S & P Home Invs., LLC*, 821 N.W.2d 576, 579 (Minn. 2012) (reasoning that “a complaint requesting declaratory relief must present a substantive cause of action that would be cognizable in a nondeclaratory suit. . . . [T]he underlying substantive law, including any applicable defenses, forms the foundation for a declaratory judgment action” (quotation omitted)).

Put differently, a court “has no jurisdiction over a declaratory judgment proceeding unless there is a justiciable controversy.” *Onvoy*, 736 N.W.2d at 617 (citing *Seiz v. Citizens Pure Ice Co.*, 290 N.W. 802, 804 (Minn. 1940)); *see also Weavewood*, 821 N.W.2d at 579 (“A declaratory judgment is a procedural device through which a party’s existing legal rights may be vindicated so long as a justiciable controversy exists.” (quotation omitted)). A justiciable controversy exists when a plaintiff’s claim “(1) involves definite and concrete assertions of right that emanate from a legal source, (2) involves a genuine conflict in tangible interests between parties with adverse interests, and (3) is capable of specific resolution by judgment rather than presenting hypothetical facts that would form an advisory opinion.” *Otto v. Wright County*, 899 N.W.2d 186, 198 (Minn. App. 2017), *aff’d*, 910 N.W.2d 446 (Minn. 2018). A plaintiff “need not necessarily possess a cause of action (as that term is ordinarily used) as a basis for obtaining declaratory relief,” but must, at a minimum, “possess a bona fide legal interest which has been, or with respect to the ripening seeds of a controversy is about to be, affected in a prejudicial manner.” *Id.* “When reviewing a declaratory judgment action, [appellate courts] apply the clearly erroneous standard to factual findings, and review the district court’s determinations of law de novo.” *Onvoy*, 736 N.W.2d at 615 (citation omitted).

In its amended complaint, Section 21 sought a declaration under UDJA sections 555.02 and 555.04⁵ that (1) the 2011 deed to Seiffert Farm “was ineffective to transfer title

⁵ Minn. Stat. § 555.02 provides that:

Any person interested under a deed, will, written contract, or other writings constituting a contract . . . may have

to the real property described herein”; (2) the property “properly vested in the rightful heirs at the time of the death of Betty Jean Seiffert, those rightful heirs being her sons Jeffery, Daniel, Dale, and Timothy Seiffert”; and (3) the 2019 deed “was effective and valid to transfer an undivided one-fourth (1/4th) interest in the real property described herein to Plaintiff Section 21.”

The district court dismissed Section 21’s claim under the UDJA, determining that because there was no justiciable controversy, the claim necessarily failed.⁶ Because we

determined any question of construction or validity arising under the instrument, statute, ordinance, contract, or franchise and obtain a declaration of rights, status, or other legal relations thereunder.

Minn. Stat. § 555.04 provides that:

Any person interested as or through an executor, administrator, trustee, guardian, or other fiduciary, creditor, devisee, legatee, heir, next of kin, or cestui que trust, in the administration of a trust, or of the estate of a decedent, an infant, person who lacks mental capacity, or insolvent, may have a declaration of rights or legal relations in respect thereto:

(1) to ascertain any class of creditors, devisees, legatees, heirs, next of kin or other; . . . or

(3) to determine any question arising in the administration of the estate or trust, including questions of construction of wills and other writings.

⁶ The district court reasoned that Section 21’s declaratory judgement claim was barred by the statute of limitations found in section 524.3-1006 of Minnesota’s Uniform Probate Code. *See* Minn. Stat. § 524.3-1006 (providing that certain claims brought under the probate code are “forever barred at the later of (1) three years after the decedent’s death; or (2) one year after the time of distribution” of the property at issue). Section 21 did not bring a claim under the probate code in its amended complaint, and it never argued that the probate code applied to the claims in its amended complaint. Instead, Section 21 argued that it was entitled to bring a quiet-title action because, under Minnesota’s longstanding precedent governing how property passes when someone dies intestate, the 2011 deed of

have determined that Section 21's quiet-title action may proceed, there is a justiciable controversy for which Section 21 may seek declaratory relief.⁷ We therefore reverse the district court's dismissal of this claim.

III. The district court erred in dismissing Section 21's partition action because the facts alleged in the amended complaint set forth a legally sufficient claim for relief.

Minnesota Statutes section 558.01 authorizes an action for partition of real property.

This section provides:

When two or more persons are interested, as joint tenants or as tenants in common, in real property in which one or more of them have an estate of inheritance or for life or for years, an action may be brought by one or more of such persons against the others for a partition thereof according to the respective rights and interests of the parties interested therein, or for a sale of such property, or a part thereof, if it appears that a partition cannot be had without great prejudice to the owners.

Minn. Stat. § 558.01.

In its amended complaint, Section 21 alleges that it is a tenant in common with “[d]efendants Jeffery Seiffert, Daniel Seiffert, and Dale Seiffert.” Furthermore, the complaint asserts that, as a tenant in common, Section 21 is “entitled to partition of the real

distribution was invalid. We conclude that it was error for the district court to apply the statute of limitations found in section 524.3-1006 to Section 21's amended complaint.

⁷ Section 21 also argues on appeal that the district court erred by concluding that Section 21 is not a “person interested [in the property] under a deed, will, written contract, or other writings constituting a contract” pursuant to section 555.02 of the UDJA. *See* Minn. Stat. § 555.02. Because we have ruled that Section 21's amended complaint contains sufficient facts to state a quiet-title action—which is a justiciable controversy under the UDJA—we reject the district court's conclusion.

property . . . or for sale of said property if it appears that partition cannot be had without great prejudice to the owners.”

The district court dismissed Section 21’s partition action because Section 21 failed to plead any facts showing that Section 21 and Seiffert Farm are joint tenants or tenants in common. According to the district court, establishing that Section 21 and Seiffert Farm are joint tenants or tenants in common was a prerequisite for Section 21’s partition action.

We disagree. To survive the motion to dismiss, Section 21 did not need to assert that Section 21 and *Seiffert Farm* are joint tenants or tenants in common. It was sufficient for Section 21 to allege that it is a tenant in common with the other three surviving children, who are all named as individual defendants in Section 21’s lawsuit. Should Section 21 prevail on its first two claims—the quiet-title and UDJA claims—it may seek partition of the property under section 558.01. Thus, because we have reversed the district court’s dismissal of Section 21’s quiet-title and UDJA claims, we also reverse the dismissal of Section 21’s partition claim.⁸

Reversed; motion denied.

⁸ The district court also *sua sponte*—and without analysis—determined that Section 21’s quiet-title and partition actions were time barred under Minnesota Statutes section 541.05, subdivision 1(2) (2022). *See* Minn. Stat. § 541.05 (providing that causes of action based “upon a liability created by statute” are subject to a six-year statute of limitations). Neither party addresses the district court’s application of this statute of limitations on appeal. Because we are unable to discern the district court’s rationale for invoking section 541.05, subdivision 1(2), based on the facts presented here, we reverse the district court’s determination that Section 21’s actions are time barred under this section.