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3 **FOR PUBLICATION**
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7 **IN THE SUPERIOR COURT**
8 **FOR THE**
9 **COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS**

10 **JING YU GUAN STEPHANSON,**) **CIVIL ACTION NO. 01-0497E**
11)
12 Plaintiff,)
13 v.) **DECISION AND FINAL ORDER**
14)
14 **VICENTE I. TEREGEYO,**)
15 **YOON YOUNG BYUNG,**)
16 **HUA CHONG YAN,**)
17 **MEI NA CAO (DOE #1),**)
18 **HONA HUA LI MATAKY (DOE #2), AND**)
19 **JIN ZHONG CHENG (DOE #3),**)
20 Defendants.)
_____)

21 A trial was held in this matter on November 19, 2003 at 9:00 a.m., in courtroom 220A.¹
22 Thereafter, the Court issued an order (“ORDER AFTER HEARING”) for the parties to submit
23 supplemental memoranda on the following issue:
24

25 Under what legal theory does Mr. Teregeyo transfer (to Ms. Stephanson) pursuant
26 to the 1999 Assignment of Lease Agreement, his rights to lease the premises for the
27 period ending in the year 2047 to any new lessee or tenant after the 1992 Lease
Assignment between Teregeyo and Yoon is terminated? What are the elements of

28 ¹ The trial was only on Plaintiff Stephanson’s claims against Defendant Teregeyo. None of the other defendants appeared at this trial because Defendant Hua previously settled with Plaintiff, and the other Defendants defaulted.

1 Defendant Jin Zhong Chen (“Jin”).² Jin in turn assigned all his interest in the Lease to Defendant
2 Li Minglong (“Li”).

3
4 On February 27, 1999, Teregeyo and Plaintiff Jing Yu Guan Stephanson (“Stephanson”)
5 entered into an agreement entitled Assignment of Lease “Assignment.” In the Assignment,
6 Teregeyo transferred all his rights in the Yoon Lease to Stephanson. Two months later, the
7 Assignment was amended to modify Sections I(A) and (B), which pertain to the “Warranty of
8 Assignor.”³

9
10 On September 14, 2001, Stephanson filed this action for quiet title, ejectment, mesne profits
11 (loss of rent), and an injunction, and seeks rental income due from the property through the year
12 2047. Stephanson also seeks the ejectment of the unnamed persons currently inhabiting the
13 premises, and an injunction restraining all Defendants from reentering the property after judgment.

14 II. ISSUES

- 15
- 16 A. Whether the Assignment between Teregeyo and Stephanson is an invalid contract for
17 failure of consideration or for violating Article XII of the CNMI Constitution?
 - 18 B. If the Assignment is a valid and enforceable contract, whether Stephanson is entitled
19 to rental income from the Yoon Lease, and to possession of the premises after the
20 Lease is defaulted and terminated?
 - 21 C. If the Assignment is a valid and enforceable contract, whether Stephanson can “re-
22 let” the premises for any period after the Yoon Lease is terminated but before the
23 original Yoon Lease period expires, through the year 2047?
- 24

25 ² The details of Yoon’s assignment to Jin, and Jin’s assignment to Li, were not provided at trial until the March 5,
26 2004 hearing on the issue of attorneys fees. However, Plaintiff’s Exhibit O on the Lot Search of Lot 005 I 320
evidence these facts.

27 ³ The Amendment to Section I(A) added the following language:
28 ...which Assignor warrants, covenants and promises to keep paid and current and to immediately
notify Assignee of any default action by SBA in connection with the loan and the premises.

1 **III. ANALYSIS**

2 **A. The Assignment by Teregeyo to Stephanson Does Not Violate the Statute of Frauds.**

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4 The Commonwealth’s Statute of Frauds, 2 CMC §§ 4911, *et seq.*, provides that a “special
5 promise to answer for the debt, default, or miscarriage of another” must be in writing, and must be
6 subscribed by the party to be charged or by his agent. 2 CMC § 4914(b). In this case, the
7 Assignment constitutes Teregeyo’s special promise to Stephanson to answer for the debt of Ms. Cho
8 Min Bo. The recitals in the Assignment clearly state this fact:
9

10 WHEREAS, Assignor’s business partner, Cho Min Bo,
11 secretary and treasurer of Golden Gate Corporation borrowed from
12 Assignee \$50,000 plus interest as evidenced by the three “Loan
13 Agreements” attached hereto and incorporated herein by reference as
14 Exhibit “A.”

15 WHEREAS, Assignor wishes to retire the debt owed by Cho
16 Min Bo to Assignee by assignment of all rents due and collectible
17 under the Lease regardless of who occupies the premises.

18 The actual terms of the Assignment agreed to by Teregeyo and Stephanson further provides
19 at Section II(C) that: “[a]ssignee hereby agrees to hold harmless Cho Min Bo for the balance owed
20 her pursuant to Exhibit ‘A’ unless Assignor shall fail to perform under this Agreement.” Because
21 the Assignment is in writing, and because it was subscribed to by Teregeyo, this Court finds that the
22 Assignment satisfies the requirements of the Statute of Frauds.

23 **B. Stephanson’s Promises in the Assignment Constitute Valid Consideration.**

24 Under the Assignment, Stephanson promised to forbear from pursuing the repayment of a
25 debt owed to Stephanson by Cho Min Bo, a business acquaintance of Teregeyo.⁴ Teregeyo argued
26 that this promise did not constitute valid consideration, because it did not confer any benefit on

27 ⁴ At trial, Cho Min Bo testified that Teregeyo worked at the poker establishments she and her family owned as
28 general manager. What relationship--- business partner or employee--- existed between Cho Min Bo and Teregeyo
does not affect the Court’s conclusion.

1 Teregeyo. “The essential elements of a contract are offer, acceptance, and consideration,” *Isla*
2 *Financial Services v. Sablan*, 2001 MP 21 ¶ 13 (citing RESTATEMENT (SECOND) OF CONTRACTS §
3 17 (1981)), and the Assignment between Stephanson and Teregeyo required consideration, like any
4 other contract. Teregeyo only disputes the third element, consideration, in this matter.
5

6 A performance or return promise will constitute consideration if it is “bargained for.”
7 *Sablan*. 2001 MP 21 ¶ 14. “A performance or return promise is bargained for *if it is sought by the*
8 *promisor in exchange for his promise and is given by the promisee in exchange for that promise.*”
9 RESTATEMENT (SECOND) OF CONTRACTS § 71(2) (1981) (emphasis added). Section 79 further
10 provides that, so long as a performance or return promise is bargained for, “there is *no additional*
11 *requirement of a gain*, advantage or benefit to the promisor or a loss, disadvantage, or detriment to
12 the promisee. . .” RESTATEMENT (SECOND) OF CONTRACTS § 79(a) (1981) (emphasis added). Thus,
13 in determining whether consideration exists, the Court does not measure the “adequacy” of
14 consideration; rather, it only looks to see if consideration, however large or small, *exists*. It makes
15 no difference whether Teregeyo personally derived a benefit from that bargain.
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18 Here, ample evidence exists to support the fact that Stephanson’s promise to forego pursuing
19 the \$50,000 debt of Cho Min Bo in exchange for Teregeyo’s assignment of all his interest in the
20 Yoon Lease to Stephanson was “bargained for.” Stephanson’s previous attorney testified that she
21 met at least three separate times with Teregeyo to discuss what Stephanson would be willing to
22 accept to forgive Cho Min Bo’s debt. On one occasion, the meeting included Stephanson, her
23 attorney, Teregeyo, Cho Min Bo’s husband, and Cho Min Bo’s brother. Cho Min Bo herself
24 testified that she was in Korea when she received the news that her debt with Stephanson was taken
25 cared of.
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1 Defendant offered the case of *Isla Financial Services v. Sablan, supra*, to support his
2 contention that an offer to pay the debt of another can never constitute valid consideration.
3 However, *Sablan* did not stand for that proposition. In *Sablan*, the defendant promised to pay to the
4 plaintiff the outstanding debt of her deceased mother. Her promise was not bargained-for, because
5 it was not made in exchange for another promise, but was unilateral in nature. In fact, in the
6 sentence preceding the passage quoted by the Defendant, the Court stated that “Isla gave nothing
7 and did nothing in return for Ms. Sablan’s promise to pay,” 2001 MP 21 ¶ 15, and later, the Court
8 stated that the defendant’s promise “was not the benefit of a bargain.” *Id.* at ¶ 15. Thus, the facts
9 of the *Sablan* decision are distinguishable from the facts of this case. For the foregoing reasons, this
10 Court finds that the Assignment between Stephanson and Teregeyo was supported by valid
11 consideration, and is therefore enforceable against Teregeyo.

12 **C. Article XII of the Commonwealth Constitution Does Not Invalidate the Entire Assignment.**

13 Teregeyo previously moved to dismiss Stephanson’s complaint against him on the basis that
14 the Assignment and its amendment violate Article XII of the N.M.I. Constitution. The Court,
15 however, denied his motion because it found that material issues of fact remained. *See Stephanson*
16 *v. Teregeyo*, Civ. No. 01-0497 (N.M.I. Super. Ct. May 10, 2002) (Order Denying Plaintiff’s Motion
17 for Summary Judgment and Defendant’s Motion to Dismiss). At the end of the trial of this case,
18 Teregeyo renewed his legal argument that the Assignment, as amended, violates Article XII.
19

20 Teregeyo argues that the Assignment is unconstitutional, under Article XII of the N.M.I.
21 Constitution, because Section II(A) of the original Assignment, and Section I(B) of the Assignment,
22 as amended, provide that Stephanson could both (1) re-let the premises and (2) collect rent, “beyond
23 the term of the (Yoon) lease,” in the event that Stephanson decided to pay any delinquent payments
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1 owed by Teregeyo to the Small Business Administration (SBA) concerning the property.

2 Article XII, section I (entitled “*Alienation of Land*”) of the Commonwealth Constitution
3 states that “the acquisition of permanent and long-term interests in real property within the
4 Commonwealth shall be restricted to persons of Northern Marianas descent.” N.M.I. Const. art. XII,
5 § 1. “Acquisition” of real property includes “acquisition by sale, lease, gift, inheritance, or other
6 means.” *Id.* at § 2. “Permanent and long-term interests in real property” include “freehold interests
7 and leasehold interests of more than fifty-five years including renewal rights.” *Id.* at § 3.
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10 Section II(A) of the Assignment provides that Stephanson could “re-let the premises under
11 similar terms as the Lease *during the remaining term of the lease, which includes any extension*
12 *thereof entered by Assignor as payment to Assignee of any expenses she may incur in relation to the*
13 *SBA Loan Number 285168-30-01*” (emphasis added).⁵ This Court finds that the “extension”
14 language of Section II(A) *does* represent an unconstitutional transfer of a long-term interest in real
15 property, insofar as the term of Stephanson’s ability to re-let the premises could feasibly extend
16 beyond a fifty-five year period.⁶ Because the Court finds that, for reasons explained below, the
17 Assignment’s “re-let” language is not sufficient to transfer to Stephanson the ability to lease the
18 premises herself, this issue is inconsequential and moot.
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21 In addition, this portion of the Assignment could be severed as unconstitutional, without

22 ⁵ Section II(A) of the Assignment states:

23 Assignor [Teregeyo] hereby assigns to Assignee [Stephanson] all of Assignor’s [Teregeyo’s]
24 right, title and interest *in the Lease and Rents thereunder* to Assignee for the entire
25 remaining term of the Lease, including the right to collect all rents paid thereunder by any
26 Lessee, Sublessee, or Tenant and *the right to default the Lease, evict the Lessee, Sublessee,*
or Tenant and re-let the Premises under similar terms as the Lease during the remaining
term of the Lease, which includes any extension thereof entered by Assignor as payment to
Assignee of any expenses she may incur in relation to the SBA Loan Number 285168-30-01.

27 By the plain terms of Section II(A), only Stephanson can default the Lease.

28 ⁶ At trial, Stephanson, through counsel, amended her claim to only her rights through the period ending in the year
2047, the end of the Yoon Lease’s lease term, and waived any claim to title or possession for any period thereafter.

1 rendering the Assignment unconstitutional as a whole, pursuant to the Assignment’s severance
2 clause, contained at Section VI (C). In considering a similar severance clause, the CNMI Supreme
3 Court, in *Diamond Hotel Co., Ltd. v. Matsunaga*, 4 N.M.I. 213, 220-221 (1995), held that an
4 unconstitutional option to renew or to extend the lease term may be severed under appropriate facts,
5 from a lease agreement, without offending Article XII. In the *Diamond Hotel Co., Ltd.* case, our
6 Supreme Court concluded that:

8 the conditional option to extend the lease beyond fifty-five years is a renewal right
9 which creates a violation of Article XII. Not being integral to the lease, however, the
10 option provision is severable from the rest of the lease agreement, pursuant to
11 paragraph 34’s severability clause. The fifty-five year lease agreement thus remains
12 valid.

13 *Id.* at 221. In this case, the parties agreed to the severance clause and the extension option *to enable*
14 *Teregeyo to repay Stephanson*--the SBA payments was not “integral” to the Assignment. The
15 essence of the Assignment is Teregeyo’s transfer of his rights in the Lease, especially the right to
16 collect rent, not the payment of the SBA loan.

17 Section I(B) and the first part of Section II(A) transferred to Stephanson the ability to *collect*
18 *rent*. Originally, Section I(B) of the Assignment, in relevant part, stated as follows:

20 Assignee may then exercise her option to pay any delinquent payments owed SBA
21 by Assignor *for which Assignor shall either extend Assignee’s rights to collect rent*
22 *beyond the term or the Lease or* pay to Assignee the amount of the delinquent
23 payments plus penalties and interest made to SBA in total plus 12% per annum until
24 paid in full *by either method Assignor may choose.*

25 (emphasis added). The Amendment to the Assignment to Section I(B), in relevant part, stated as
26 follows:

27 Assignor further warrants, covenants and promises that should Assignor fail to make
28 payments to Assignee as provided in this subsection, *Assignor shall extend*
 Assignee’s rights to collect rent beyond the term of the Lease or pay to Assignee the
 amount of the delinquent payments plus penalties and interest made to SBA in total

1 plus 12% per annum until paid in full *by either method Assignor may choose.*

2 In both the original and the amended language of Section I(B), the plain terms state that the right
3 Teregeyo gave to Stephanson regarding the SBA loan repayment is *the right to collect rent*. It does
4 not include any other right Teregeyo had in the Lease or the land itself. Even though Section I(B)
5 gives Stephanson the right to collect rent beyond the period of Yoon's lease, it is still constitutional
6 because an interest in the *rental proceeds* of real property is *not* an interest in real property, but
7 rather, an interest in monetary income derived from the use of real property.
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10 Article XII concerns the *alienation of land* in the CNMI, but does not place limitations on
11 the term of an assignment of income derived from a lease of real property. For that reason, Section
12 I(B) of the Assignment and the amendment thereto that concerned the extension of Assignee's rights
13 to collect rent beyond the term of the Lease are valid and enforceable, but only to the extent that
14 Stephanson has paid, or pays in the future, any delinquent SBA payments on Teregeyo's behalf.
15 Therefore, this Court finds that the language in Section I(B) of the Assignment, originally and as
16 amended, does not violate Article XII of the Commonwealth Constitution.
17

18 **D. The Assignment of Teregeyo's Interest in the Yoon Lease is Valid, Thereby Entitling**
19 **Stephanson to the Rental Income From the Yoon Lease.**

20 Stephanson contends that Section II(A) of the Assignment grants to her:

- 21
22 (1) the ability *to collect rents* under the Lease then and still existing between Teregeyo and
23 Yoon;
24 (2) the ability *to collect rents* under any subsequent leases *she would enter into* as lessor with
25 any new lessee, in the event of a default by Yoon and termination of the Yoon Lease, for
26 whatever period is remaining on the Yoon Lease, or to the year 2047; and
27 (3) the ability *to personally re-let the premises, including the right to possession and title to the*
28 *premises* in the event of a default by Yoon, or by any sublessee or assignee subsequent to
Yoon, during the period remaining under the Yoon Lease, or through the year 2047.

1 This Court agrees with Stephanson’s first interpretation of Section II(A) above, which
2 Teregeyo does not dispute.⁷ This Court, however, disagrees with Stephanson’s second and third
3 interpretations of Section II(A).
4

5 Insofar as the transfer of Teregeyo’s interest in the lease operated to convey a right to *rental*
6 *income*, that portion of the “Assignment of Lease” agreement was valid and enforceable. The
7 assignment of income was not a transfer of a lease or of any estate in land, but operated only to
8 transfer an interest in income. However, with the stated exception of Stephanson’s right to collect
9 rent past the term of the Yoon lease to recover amounts paid to the SBA on Teregeyo’s behalf,
10 Stephanson’s right to rental income is limited to income derived from the Lease with Yoon, and any
11 assignees or sublessees of Yoon.
12

13 **E. The Alleged “Assignment” of Teregeyo’s *Right to Re-Let the Premises* is Invalid,**
14 **Thereby Denying Stephanson Any Right to Possession of the Premises After the Yoon**
15 **Lease is Terminated.**

16 Stephanson has argued that the language in the Assignment that assigned to her the right to
17 re-let the property and to collect the rents thereof following the termination of the Yoon Lease,
18 through the period covered under the Lease (i.e. the year 2047), is valid, because “any right may be
19 assigned.” Pl.’s Supp. Br. at 4 (*citing* RESTATEMENT (SECOND) OF CONTRACTS § 317, cmt. c).
20 However, because the issue ultimately involves Teregeyo’s alleged *transfer to Stephanson of the*
21 *ability to create a lease in real property*, property law, not contract law, controls in determining the
22 validity of that transfer.
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24 In order for Ms. Stephanson to *re-let* the premises, she would have to create a new lease
25 between herself and a new tenant. Under Property Law, a lease generally transfers a possessory
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27 _____
28 ⁷ See Teregeyo’s Opp’n to the Mot. for Summ. J. at 3 (filed Jan. 30, 2002).

1 right from a lessor to a lessee. See RESTATEMENT (SECOND) OF PROPERTY (LANDLORD AND
2 TENANT), § 1.2 (1977) (“[a] landlord-tenant relationship exists only if the landlord transfers the right
3 to possession of the leased property”). However, before a person can transfer a possessory right by
4 creating a lease, they must first *acquire* that right somehow. See *Id.* at cmt. a (“[i]n order to satisfy
5 the possession requirement of the landlord-tenant relationship, the transferred interest in the leased
6 property must be one that the owner is legally capable of possessing now or in the future”).
7 Stephanson has claimed that Section II(A) of the Assignment gave her just such a possessory interest
8 in the premises. As far as this Court is aware, the only way to acquire a possessory right in real
9 property is by obtaining an estate therein, whether it be a *leasehold* estate, or a *freehold* estate (such
10 as an estate in fee simple), or something else.

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13 Another way of explaining the difficulty with Stephanson’s argument is to say that the
14 express terms of the Assignment assigned only Teregeyo’s *interest in the Lease* with Yoon.
15 Teregeyo’s interest in the Lease was the right to collect rent, and to sue the lessee in the event of a
16 breach of the Lease. The ability to re-let the premises did not stem from the Lease; it was derived
17 from Teregeyo’s reversionary interest as fee simple owner of the property, since the right to possess
18 the property would revert from Yoon to Teregeyo at the time the Lease was terminated. Because
19 Stephanson is not a person of Northern Marianas descent, as defined at Section 4 of Article 12 of
20 the Northern Marianas Island Constitution, and because she therefore could not acquire an interest
21 in fee simple (in this case, Teregeyo’s reversion in the leased property), in order to create a new
22 lease in the property after Yoon’s Lease is terminated, Stephanson would need to acquire beforehand
23 a *leasehold interest* in the reversion in fee simple that is held by Teregeyo. Such a lease is called
24 a “Lease in the Reversion.” See generally 49 AM. JUR. 2D *Landlord and Tenant* § 1057 (1995) (“[a]
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1 lease which becomes effective only at the expiration of the term of a prior lease is called a lease in
2 the reversion”). The question then is whether the language in Section II(A) of the Assignment
3 allegedly giving Stephanson the right to “re-let the premises” creates as a valid lease in the
4 reversion.
5

6 In the case of *Ada v. Sadhwani’s, Inc.*, 3 N.M.I. 303, 308 (1992), the CNMI Supreme Court
7 adopted the Restatement’s requirement that a lease, in order to be valid, *must state the rent to be*
8 *paid.*⁸ The Assignment between Stephanson and Teregeyo did not state any rent Stephanson would
9 pay Teregeyo, and for this reason, did not constitute a valid lease in the reversion, and could not
10 transfer to Stephanson the ability to create a new lease in the property. Without this right,
11 Stephanson does not have any right to possession of the premises after the Yoon Lease is
12 terminated.⁹
13

14 This Court finds that, particularly given the scarcity of land in the Commonwealth and the
15 constitutional restrictions on land ownership, contracts that claim to transfer interests in real
16 property *must be strictly construed*, and real property laws must be closely observed when parties
17 create an instrument that proposes to grant such an extensive interest in real property as that sought
18 by Stephanson in this case.
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21 **F. The Court Declines to Reform the Assignment.**

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23 ⁸ Unless additional requirements are prescribed by the controlling Statute of Frauds, a lease within the
24 Statute is valid if it is evidenced by a writing which:

- 25 (1) identifies the parties;
- (2) identifies the premises;
- 26 (3) specifies the duration of the lease;
- (4) states the rent to be paid; and
- (5) is signed by the party to be charged.

27 *Ada v. Sadhwani’s Inc.*, 3 N.M.I. 303, 308 (citing RESTATEMENT (SECOND) OF PROPERTY § 2.2 (1976)).

28 ⁹ During the period the Yoon Lease is in effect, Stephanson, just like Teregeyo before the Assignment, does not have
a right to possession, because that right was transferred to Yoon in the Lease.

1 Stephanson has requested that the Court exercise its power of equitable reformation to
2 change the terms of the “Assignment of Lease,” to add a term of rent, so as to make the Assignment
3 conform to the requirements of a lease set forth in the *Ada* case, *supra*. Making this addition would
4 have the effect of allowing Stephanson to re-let the property for the remainder of the term of Yoon’s
5 Lease in the event of a default by Yoon. The RESTATEMENT (SECOND) OF CONTRACTS § 155 (1981)
6 provides that:
7

8 Where a writing that evidences or embodies an [Assignment] in whole or in part fails
9 to express the [Assignment] because of a mistake of both parties as to the contents
10 or effect of the writing, the court may at the request of a party reform the writing to
11 express the [Assignment], except to the extent that rights of third parties such as
12 good faith purchasers for value will be unfairly affected.

13 The RESTATEMENT (SECOND) OF CONTRACTS § 204 (1981) also provides that a court can
14 insert an omitted essential term that the court deems reasonable under the circumstances. Clearly,
15 whether to reform a contract is a matter of discretion for the Court.

16 A party bears the risk of a mistake when “the risk is allocated to him by the court on the
17 ground that it is in the circumstances to do so.” RESTATEMENT (SECOND) OF CONTRACTS § 154(c)
18 (1981). Although the Court acknowledges that a party’s mistake will not necessarily constitute an
19 absolute bar to their recovery in every circumstance, in this case, for reformation purposes, the Court
20 believes that it is reasonable that Stephanson should bear the risk of the mistake made in the drafting
21 of the Assignment. At trial, Stephanson’s former attorney admitted drafting the Assignment. Under
22 the Assignment, Stephanson stands to recoup the \$50,000 loan to Cho Min Bo more than *ten times*
23 *over* in the next 43 years, even as Teregeyo would be compelled to bear all costs relating to the
24 repair and upkeep of the property. *See* Assignment, Section V. Given the *inequitable* nature of the
25 Assignment’s terms, it would be inconsistent for the Court to enlarge its scope through equity. For
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1 the reasons stated, the Court declines to invoke its powers of equitable reformation.

2 **G. Attorney Fees**

3 Section VI(A) of the Assignment provides:

4 If any party to this Assignment institutes legal proceedings to resolve a dispute
5 arising out of this Assignment, then the prevailing party shall be entitled to recover
6 the cost of suit including reasonable attorney's fees.

7 Plaintiff Stephanson instituted the present legal action to resolve a dispute arising out the
8 Assignment: namely, to resolve a dispute concerning her rights to rental income and rights to re-let
9 the property. The Court has held that Stephanson is entitled to all rental income under Teregeyo's
10 1992 Lease with Yoon, and that Stephanson is also entitled to rental income under future leases, to
11 the extent that she is still owed for amounts paid to the SBA on Teregeyo's behalf. However, the
12 Court has also held that Stephanson is *not* entitled to re-let the premises, because her Assignment
13 rights from Teregeyo "to re-let" the premises, did not constitute a valid lease, or transfer of a
14 leasehold interest.
15

16
17 The question, then, is whether Stephanson is the "prevailing party" in this action against
18 Teregeyo, pursuant to the terms of Section VI (A) of the Assignment, and whether or not she is
19 entitled to recover the costs and attorney fees from the suit. In the case of *Camacho v. L & T Int'l*
20 *Corp.*, 4 N.M.I. 323 (1996), the CNMI Supreme Court held that whether one is a prevailing party
21 for purposes of an attorney fee provision "does not depend upon the degree of success at different
22 stages of the suit, but whether, at the end of the suit, the party who has made a *claim* against the
23 other, has successfully maintained it." *Id.* at 330 (*quoting* BLACK'S LAW DICTIONARY 1188 (6th ed.
24 1990) (emphasis added). In the *Camacho* case, the CNMI Supreme Court upheld the Superior
25 Court's grant of the plaintiff's claim for "unlawful detainer," but reversed the Superior Court's grant
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1 of the plaintiff's claim for "waste." Nevertheless, the Court held that the Plaintiff was the "prevailing
2 party" on appeal, stating that "[p]revailing in litigation differs from prevailing on a cause of action."

3
4 *Id.*

5 Likewise, this Court finds that although Stephanson did not succeed as to all of her claims,
6 she is nevertheless the prevailing party in this action. Consistent with the terms of Section VI (A)
7 of the Assignment, Stephanson is entitled to recover attorney fees and costs expended in this
8 litigation. Counsel for Stephanson has submitted an itemization of the fees and costs incurred by
9 Plaintiff, totaling \$11,257.90. The Court finds these costs and fees to be reasonable.
10

11 **IV. CONCLUSION**

12 For the foregoing reasons, this Court orders that judgment is entered on Stephanson's prayers
13 for relief in her Complaint as follows,
14

- 15 a. For Plaintiff Stephanson's claim against Defendant Teregeyo for the delivery
16 of possession of Lot 005 I 320, Plaintiff takes nothing.
- 17 b. For an Order quieting title to the premises, Lot 005 I 320, in favor of Plaintiff
18 Stephanson through the year 2047, Plaintiff takes nothing.
- 19 c. For damages as to Defendant Yoon, judgment in favor of Plaintiff for no
20 monetary damages, but instead, in accordance with Defendant Yoon's wishes
21 that he have nothing further to do with this property, and pursuant to Com. R.
22 Civ. P. 70, the Court hereby divests Yoon Young Byung of all his interest as the
23 lessee in the 1992 Lease Agreement filed with the Commonwealth Recorder's
24 Office as File No. 92-1627, Book 5, Page 180, and hereby vests all of Yoon's
25 rights under the Lease which he presently has or may obtain in the future, to
26 Jing Yu Guan Stephanson.¹⁰
- 27 d. For an Order ejecting Does 1-5 from the property, Plaintiff takes nothing.
- 28 e. For an Order enjoining all Defendants, or anyone claiming through them, from

¹⁰ Defendant Yoon, originally subpoenaed by Stephanson as a witness to the March 5, 2004, hearing on attorney fees, testified under a *sua sponte* Com. R. Civ. P. 55(b)(2) default judgment hearing. An Entry of Default against Defendant Yoon was entered in this matter on November 16, 2001. In his testimony, Yoon admitted that by assigning his rights to Jin, he presently has no rights to the premises.

1 re-entering the property anytime after judgment, Plaintiff takes nothing.

- 2 f. For Plaintiff Stephanson against Defendant Teregeyo, judgment in favor of
3 Plaintiff for zero monetary damages, reasonable attorney fees in the amount of
4 \$10,190, plus \$1,067.90 in costs, for a total judgment of \$11,257.90 plus 9%
5 interest per annum accruing from March 5, 2004.

6 **SO ORDERED this 16th day of March 2004.**

7
8 /s/
9 **RAMONA V. MANGLONA, Associate Judge**