

FILED

10/27/2023

Clerk of the  
Appellate Courts

IN THE COURT OF APPEALS OF TENNESSEE  
AT KNOXVILLE  
June 21, 2023 Session

**HOOPER RANDALL BROCK v. JONATHAN EICK**

**Appeal from the Circuit Court for Meigs County**  
**No. 2021-CV-42**                      **Michael S. Pemberton, Judge**

---

**No. E2023-00021-COA-R3-CV**

---

In this declaratory judgment action between two real property owners in the same subdivision, the trial court dismissed the matter without prejudice, finding that the court lacked subject matter jurisdiction. The trial court declined to adjudicate the merits of the case concerning the issue of whether the defendant property owner’s utilization of his home within the subdivision as a vacation rental violated neighborhood restrictive covenants, determining that the plaintiff property owner had failed to properly join all real property owners in the subdivision as required by Tennessee’s Declaratory Judgments Act. Discerning no reversible error, we affirm.

**Tenn. R. App. P. 3 Appeal as of Right; Judgment of the Circuit Court**  
**Affirmed; Case Remanded**

THOMAS R. FRIERSON, II, J., delivered the opinion of the court, in which JOHN W. MCCLARTY and KRISTI M. DAVIS, JJ., joined.

Andrew J. Brown, Cleveland, Tennessee, for the appellant, Hooper Randall Brock.

Ben M. Rose, Brentwood, Tennessee, for the appellee, Jonathan Eick.

**OPINION**

**I. Factual and Procedural Background**

This appeal arises from litigation concerning property located within a real estate development or subdivision in Meigs County, Tennessee, known as “Red Cloud Development” (“Red Cloud”). All real property situated within Red Cloud is subject to certain protective covenants and restrictions (“the Restrictions”), which are recorded in

the Register's Office of Meigs County. The Restrictions include the following language, in pertinent part:

Only those lots designated as commercial shall be used for business purposes.

\* \* \*

If the parties hereto, or any of them, or their heirs or assigns shall violate or attempt to violate any of the Covenants herein, it shall be lawful for any other person or persons ow[n]ing any real property in said subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant, and [either] to prevent him or them from so doing or to recover damages or other dues for such violation.

The defendant herein, Jonathan Eick ("Defendant"), a real property owner in Red Cloud, began advertising and renting his home in Red Cloud as a vacation rental to visitors on websites such as VRBO and Airbnb. The plaintiff, Hooper Randall Brock ("Plaintiff"), who was another property owner in Red Cloud, became aware of Defendant's use of the property as a vacation rental. Although Plaintiff made verbal requests for Defendant to cease the use of his property as a rental, claiming that such use violated the Restrictions, Defendant refused to terminate the rental activity. In August 2021, Plaintiff, through legal counsel, sent a demand letter to Defendant, advising him that he was in violation of the Restrictions and demanding that Defendant cease his actions in order to avoid litigation. According to Plaintiff, Defendant ignored the letter and continued to rent his home in Red Cloud.

On September 13, 2021, Plaintiff filed a "Complaint for Permanent Injunction" in Meigs County Circuit Court ("trial court") based on Tennessee Rule of Civil Procedure 65. Plaintiff generally alleged that Defendant was in violation of the Restrictions because the Eick property was not classified as commercial and was being used for "business purposes" through rental of the real property. Plaintiff further averred that Defendant received up to \$392 per night of occupancy through the operation of what Plaintiff termed a "for-profit vacation rental available to the public." Plaintiff requested a permanent injunction to prohibit Defendant from using the property as a vacation rental as well as the award of costs, expenses, and damages predicated on the alleged violation of the Restrictions.

On October 29, 2021, Defendant responded to the complaint with a motion to dismiss and a motion for attorney's fees and costs, alleging that the trial court lacked subject matter jurisdiction. Defendant asserted that the action should have been filed in Meigs County Chancery Court. Additionally, Defendant alleged that Plaintiff had failed

to state a claim upon which relief could be granted because the complaint merely sought a permanent injunction, which is a remedy and not a cause of action.

On November 4, 2021, Plaintiff responded to the motion to dismiss and also filed a motion seeking to amend the complaint to add a claim for declaratory relief. However, on December 3, 2021, Plaintiff filed a notice “striking” the motion to amend, arguing that he could amend his complaint as a matter of course any time before a responsive pleading was filed. Plaintiff concomitantly filed an amended complaint seeking declaratory relief and a permanent injunction, pursuant to Tennessee Code Annotated § 29-14-101, *et seq.* and Tennessee Rule of Civil Procedure 65, including substantially the same allegations as contained in the original complaint. Defendant responded to the amended complaint with a motion to strike, contending that Plaintiff had forfeited his amendment as of right when he filed his motion to amend.

On February 23, 2022, the trial court heard all of the pending motions, first addressing Defendant’s motion to strike the amended complaint. In its analysis, the court reasoned that because Defendant’s motion to dismiss was not a responsive pleading, Plaintiff had retained the right to file his amended complaint without seeking the court’s permission. In addition, the court denied Defendant’s motion to dismiss for lack of subject matter jurisdiction based on Tennessee Code Annotated § 29-14-102(a), which provides that circuit courts have subject matter jurisdiction to grant declaratory relief. The court determined that because the amended complaint sought declaratory relief, the court maintained jurisdiction over the claim.

In turn, Defendant filed a second “Motion to Dismiss and for Attorney’s Fees and Costs” on June 21, 2022. By this motion, Defendant asserted that the Declaratory Judgments Act requires that all necessary parties be joined in the action. Defendant contended that in this case, all real property owners in Red Cloud, or those who had or claimed any interest that would be affected by the declaration, should be considered necessary parties. Defendant also averred that at a minimum, Red Cloud property owners were third party beneficiaries to the Restrictions, which required their joinder as necessary parties in order to support a grant of declaratory relief. In addition, Defendant posited that Plaintiff had failed to state a claim upon which relief could be granted because: (1) vacation rentals, or short-term rentals (“STRs”), were not a commercial business purpose; (2) Plaintiff had made an inadequate and improper request for injunctive relief; and (3) Plaintiff had failed to adequately plead his damages.

Plaintiff responded to the motion to dismiss on August 14, 2022. Plaintiff’s main postulate was that not all property owners had to be joined as parties because he was seeking an injunction against a particular property owner rather than a declaratory judgment banning all STRs within Red Cloud.

On August 31, 2022, the trial court conducted a hearing concerning the motion to dismiss. In its resultant order entered on October 5, 2022, the court concluded that it lacked subject matter jurisdiction over the matter based on the requirements of the Declaratory Judgments Act, codified at Tennessee Code Annotated § 29-14-10, *et seq.* In so ruling, the court primarily relied on our Supreme Court’s reasoning in *Tennessee Farmers Mut. Ins. Co. v. DeBruce*, 586 S.W.3d 901, 906 (Tenn. 2019). As the trial court noted, in *DeBruce*, the Supreme Court explained that the Declaratory Judgments Act defined necessary parties as, *inter alia*, those whose absence could cause recurring litigation because the judgment would not terminate the controversy or uncertainty that caused the proceedings. *See id.* The trial court found that in the absence of the other Red Cloud owners in this matter, repeated litigation related to whether STRs violated the Restrictions in the subdivision was likely. The court therefore ruled that Plaintiff had sixty days from October 5, 2022, the day upon which the order was entered, to join all remaining property owners. Otherwise, the motion to dismiss would be granted and the case dismissed with prejudice.

Plaintiff responded to the trial court’s order by filing a motion to alter or amend on November 1, 2022. In this motion, Plaintiff stated that joining all 200 property owners was financially impossible as well as unnecessary. Plaintiff contended that because he was only seeking an injunction against one property owner, the interests of the other property owners would not be directly affected. Additionally, Plaintiff propounded that the court erred in granting the motion “with prejudice” and requested that the court amend its order to note that dismissal would occur “without prejudice.”

The trial court entered a final order on December 15, 2022, following a hearing concerning the motion to amend conducted on November 16, 2022. In the final order, the court reiterated that it lacked subject matter jurisdiction respecting the action without joinder of all Red Cloud property owners. The court referenced and incorporated its October 5, 2022, order as a continuing order, with the modification that the dismissal would be without prejudice. Plaintiff timely appealed.

## II. Issues Presented

Plaintiff presents the following issue for our review, which we have restated slightly:

1. Whether the trial court abused its discretion by requiring that all Red Cloud real property owners be joined as parties in an action to enforce the Restrictions against a single homeowner.

Defendant presents the following issues, which we have also restated slightly:

2. Whether the trial court erred in dismissing the amended complaint for lack of subject matter jurisdiction for failure to join the remaining property owners.
3. If error is found, whether the trial court erred in refusing to consider the lack of a homeowners' association for Red Cloud when ruling upon the second motion to dismiss.
4. Whether the trial court erred in denying the second motion to dismiss for failure to state a claim upon which relief could be granted because STRs in Red Cloud do not constitute a "commercial" or "business purpose" based on the Restrictions.
5. Whether the trial court erred in denying the second motion to dismiss for failure to state a claim for injunctive relief.
6. Whether the trial court erred in denying the second motion to dismiss for failure to state a claim for recovery of "costs, expenses, and damages."

### III. Standard of Review

As our Supreme Court has previously explained concerning dismissal based on lack of subject matter jurisdiction:

Tennessee Rule of Civil Procedure 12.02(1) governs a motion to dismiss for lack of subject matter jurisdiction. Subject matter jurisdiction involves a court's lawful authority to adjudicate a controversy brought before it. *See Meighan v. U.S. Sprint Commc'ns Co.*, 924 S.W.2d 632, 639 (Tenn. 1996); *Standard Sur. & Cas. Co. v. Sloan*, 180 Tenn. 220, 173 S.W.2d 436, 440 (1943). Subject matter jurisdiction depends on the nature of the cause of action and the relief sought, *see Landers v. Jones*, 872 S.W.2d 674, 675 (Tenn. 1994), and can only be conferred on a court by the constitution or a legislative act. *See Kane v. Kane*, 547 S.W.2d 559, 560 (Tenn. 1977); *Computer Shoppe, Inc. v. State*, 780 S.W.2d 729, 734 (Tenn. Ct. App. 1989). Where subject matter jurisdiction is challenged under Rule 12.02(1), the party asserting that subject matter jurisdiction exists . . . has the burden of proof. *See Redwing v. Catholic Bishop for the Diocese of Memphis*, 363 S.W.3d 436, 445 (Tenn. 2012) (citing *Staats v. McKinnon*, 206 S.W.3d 532, 543 (Tenn. Ct. App. 2006)). "Since a determination of whether subject matter jurisdiction exists is a question of law, our standard of review is de novo, without a presumption of correctness." *Northland Ins. Co. v. State*, 33 S.W.3d 727, 729 (Tenn. 2000).

*Chapman v. DaVita, Inc.*, 380 S.W.3d 710, 712-13 (Tenn. 2012).

With respect to a declaratory judgment action, this Court has clarified:

Because of the nature of declaratory relief, the Declaratory Judgments Act, Tenn. Code Ann. § 29-14-101 *et seq.*, “makes it incumbent that every person having an affected interest be given notice and an opportunity to be heard before declaratory relief may be granted.” *The Huntsville Utility District of Scott County, Tenn. v. General Trust Co.*, 839 S.W.2d 397, 403 (Tenn. App. 1992). Tenn. Code Ann. § 29-14-107(a) requires:

When declaratory relief is sought, all persons shall be made parties who have or claim any interest which would be affected by the declaration, and no declaration shall prejudice the rights of persons not parties to the proceedings.

*Id.* The statute, therefore, imposes stricter requirements than those imposed generally by the Tennessee Rules of Civil Procedure requiring the joinder of indispensable parties in all types of cases. *See, e.g.*, Tenn. R. Civ. P. 19.01 and 19.02. Consequently, non-joinder of necessary parties is fatal on the question of a justiciable issue, which, in an action for declaratory judgment, is a necessary condition of judicial relief. *See Huntsville Utility*, 839 S.W.2d at 399 (citing *Wright v. Nashville Gas & Heating Co.*, 183 Tenn. 594, 598, 194 S.W.2d 459, 461 (1946)); *Powers v. Vinsant*, 165 Tenn. 390, 54 S.W.2d 938 (1932). This does not mean, however, that all persons who might be remotely affected need be joined. *Shelby County Bd. of Comm’rs v. Shelby County Quarterly Court*, 20 McCanless 470, 216 Tenn. 470, 392 S.W.2d 935 (1965).

Generally, the trial court has discretion to determine who should be made parties to proceedings for declaratory judgment as well as whether to grant or deny a declaratory judgment. *Huntsville Utility*, 839 S.W.2d at 399; *see Powers*, 54 S.W.2d at 938. Absent an abuse of that discretion, a declaration should not be disturbed on appeal. *Huntsville Utility*, 839 S.W.2d at 399 (citing *Southern Ry. Co. v. Atlantic Coast Line R. Co.*, 209 Tenn. 177, 182, 352 S.W.2d 217, 219 (1961); *Love v. Cave*, 622 S.W.2d 52, 55 (Tenn. Ct. App. 1981)).

*Timmins v. Lindsey*, 310 S.W.3d 834, 839 (Tenn. Ct. App. 2009).

#### IV. Subject Matter Jurisdiction

The trial court determined that it lacked subject matter jurisdiction to adjudicate the claim for declaratory relief because Plaintiff had failed to join as parties all other real property owners within Red Cloud, whom the court determined to be necessary parties in the action. We note that Plaintiff's claim for declaratory relief was premised on Tennessee's Declaratory Judgments Act, codified at Tennessee Code Annotated §§ 29-14-101 (2012), *et seq.* As the *Timmins* Court explained, one section of the Act provides in pertinent part:

When declaratory relief is sought, all persons shall be made parties who have or claim any interest which would be affected by the declaration, and no declaration shall prejudice the rights of persons not parties to the proceedings.

Tenn. Code Ann. § 29-14-107(a) (2012). *See Timmins*, 310 S.W.3d at 839.

Plaintiff contends that the trial court erred by concluding that all real property owners in Red Cloud were necessary parties to the action. In so ruling, the trial court relied upon *DeBruce*, 586 S.W.3d at 906, wherein the Supreme Court elucidated as follows concerning the Declaratory Judgments Act:

We liberally construe the Act in favor of the person seeking relief “to the end that rights and interests be expeditiously determined.” *Tenn. Farmers Mut. Ins. Co. v. Hammond*, 200 Tenn. 106, 290 S.W.2d 860, 862 (1956) (citing *Johnson City v. Caplan*, 194 Tenn. 496, 253 S.W.2d 725, 726 (1952); *Cummings v. Beeler*, 189 Tenn. 151, 223 S.W.2d 913, 917 (1949)). The stated purpose of the Act is “to settle and to afford relief from uncertainty and insecurity with respect to rights, status, and other legal relations[.]” *Reed v. Town of Louisville*, No E2006-01637-COA-R3-CV, 2007 WL 816521, at \*2 (Tenn. Ct. App. Mar. 19, 2007) (quoting Tenn. Code Ann. § 29-14-113).

To achieve the goal of finality and certainty in a declaratory judgment action, all necessary parties must be joined. *Id.* (citations omitted). Parties are determined to be necessary when their absence from the action could cause recurring litigation on the same subject because the declaratory judgment, if rendered, “would not terminate the uncertainty or controversy giving rise to the proceedings.” *Id.* (citing *Commercial Cas. [Ins. Co. v. Tri-State Transit Co. of La.]*, 146 S.W.2d [135,] 136 [(Tenn. 1941)]); *see also Huntsville Util. Dist. of Scott Cnty., Tenn. v. General Trust Co.*, 839 S.W.2d 397, 404 (1992) (stating that failure to join

necessary parties “could result in inconsistent rulings and unnecessary duplicative litigation”); *Edmondson v. Henderson*, 246 N.C. 634, 99 S.E.2d 869, 871 (1957) (quoting *Equitable Life Assurance Soc’y of U.S. v. Basnight*, 234 N.C. 347, 67 S.E.2d 390, 395 (1951)) (“Necessary parties are those persons who have rights which must be ascertained and settled before the rights of the parties to the suit can be determined.”). The Act “imposes stricter [joinder] requirements than those imposed generally by Tennessee Rules of Civil Procedure 19.01 and 19.02.” *Huntsville Util. Dist.*, 839 S.W.2d at 403. Unless all parties to be bound by the judgment are joined in the action, a trial court has no authority to grant declaratory relief. *Largen v. City of Harriman*, No. E2017-01501-COA-R3-CV, 2018 WL 3458280, at \*9 (Tenn. Ct. App. July 17, 2018) (citing *Huntsville Util. Dist.*, 839 S.W.2d at 403).

Whether a party must be joined “in a declaratory judgment action depends on the type of case and the issues involved.” *Adler v. Double Eagle Props. Holdings, LLC*, No. W2010-01412-COA-R3-CV, 2011 WL 862948, at \*3 (Tenn. Ct. App. Mar. 14, 2011) (quoting *Byrn v. Metro. Bd. of Pub. Educ.*, No. 01-A-019003CV00124, 1991 WL 7806, at \*5 (Tenn. Ct. App. Jan. 30, 1991)). Declaratory relief will be granted “only to parties who have a real interest in the litigation and when the case involves present rights that have accrued under presently existing facts.” *Dobbs v. Guenther*, 846 S.W.2d 270, 275 (Tenn. Ct. App. 1992) (citations omitted).

In *DeBruce*, the appellant, Christina Wright, had been injured in an accident when her vehicle was rear-ended by a vehicle driven by the defendant, Brandon DeBruce. *Id.* at 903. Ms. Wright had filed suit against Mr. DeBruce concerning her injuries arising out of the collision; however, while Ms. Wright’s tort action was pending, Mr. DeBruce’s insurance carrier filed a declaratory judgment action against Mr. DeBruce in a different court, seeking a declaration that the insurer did not have to defend or indemnify Mr. DeBruce in the tort action because he had breached his duties under the insurance policy. *Id.* at 904. The insurer was granted default judgment relieving it of any duty to defend Mr. DeBruce. *Id.*

Ms. Wright later moved, pursuant to Tennessee Rule of Civil Procedure 60.02, to set aside the default judgment granted to the insurer, and she also sought to intervene in the declaratory judgment action. *Id.* Ms. Wright asserted that she was a necessary party in the action because she had a direct interest in the outcome of the insurance litigation. *Id.* The trial court disagreed and denied the motion. *Id.* On appeal, this Court reversed, ruling that Ms. Wright possessed a sufficient interest in the outcome of the litigation concerning Mr. DeBruce’s insurance coverage. *Id.*



The insurer appealed to the Tennessee Supreme Court, who agreed with the trial court's determination. *Id.* The Court explained that "Wright's status as a necessary party hinges on whether she had 'any interest which would be affected by the declaration.'" *See* 586 S.W.2d at 907. The High Court further clarified: "If Wright was an intended beneficiary of the insurance policy, she would have an interest that would be affected; her non-joinder would impede the resolution of the dispute between Tennessee Farmers and DeBruce and leave open the possibility of additional litigation on the coverage issue." *Id.* Because Ms. Wright had not obtained a judgment against Mr. DeBruce, however, the Supreme Court determined that she was not yet an intended beneficiary of the insurance policy and that her interest in the insurance litigation was remote. *See id.* at 908. The Court further concluded that Ms. Wright's joinder would not have prevented the default judgment from being entered and that her absence from the insurance litigation "did not impede the full termination of the controversy between" the insurer and Mr. DeBruce. *Id.* The Court therefore affirmed the trial court's denial of Ms. Wright's motion and her request to intervene. *Id.*

Importantly, in the case at bar, the underlying issue in the declaratory judgment action involves the proper interpretation of a subdivision's restrictive covenants. As our Supreme Court has previously explained: "The construction of restrictive covenants, like other written contracts, is a question of law." *Hughes v. New Life Dev. Corp.*, 387 S.W.3d 453, 480-81 (Tenn. 2012) (citing *Massey v. R.W. Graf, Inc.*, 277 S.W.3d 902, 908 (Tenn. Ct. App. 2008)) (emphasis added). This Court has further elucidated:

Covenants, conditions, and restrictions . . . are property interests that run with the land. *See Turnley v. Garfinkel*, 211 Tenn. 125, 130, 362 S.W.2d 921, 923 (1962). They arise, however, from a series of overlapping contractual transactions. *See* Restatement (Third) of Property: Servitudes § 4.1 cmt. c (Tentative Draft No. 4, 1994). Accordingly, they should be viewed as contracts, *see Clem v. Christole*, 582 N.E.2d 780, 782 (Ind. 1991); *Russell v. Williams*, 964 P.2d 231, 234 (Okla. Ct. App. 1998); *Houck v. Rivers*, 316 S.C. 414, 450 S.E.2d 106, 108 (1994); *Shafer v. Board of Trustees of Sandy Hook Yacht Club Estates, Inc.*, 76 Wash. App. 267, 883 P.2d 1387, 1392-93 (1994), and they should be construed using the rules of construction generally applicable to the construction of other contracts. *See Xinos v. Village of Oak Brook*, 298 Ill. App. 3d 520, 232 Ill. Dec. 576, 698 N.E.2d 667, 669 (1998); *Hoag v. McBride & Son Inv. Co.*, 967 S.W.2d 157, 169 (Mo. Ct. App. 1998); *Toavs v. Sayre*, 281 Mont. 243, 934 P.2d 165, 166 (1997); *Pilarcik v. Emmons*, 966 S.W.2d 474, 478 (Tex. 1998).

*Maples Homeowners Ass'n, Inc. v. T & R Nashville Ltd. P'ship*, 993 S.W.2d 36, 38-39 (Tenn. Ct. App. 1998).

This Court has previously held that in a declaratory judgment action, when the underlying issue involves construction of a written contract, “all contracting parties having a justiciable dispute must be joined.” See *Bryn v. Metro. Bd. of Public Educ.*, No. 01-A-019003-CV-00124, 1991 WL 7806, at \*5 (Tenn. Ct. App. Jan. 30, 1991). We note that in his amended complaint, Plaintiff requested a declaration that Defendant’s use of his improved real property as a vacation rental constituted a violation of the Restrictions’ prohibition on using non-commercial property within the subdivision for “business purposes.” Plaintiff therefore argues that this matter involves solely Defendant’s property and affects no other homeowners in the subdivision. Having fully considered the applicable authority on this issue, we disagree.

As previously explained, restrictive covenants such as the Restrictions at issue are typically treated as written contracts. See *Maples Homeowners Ass’n*, 993 S.W.2d at 39. As such, all homeowners in the subdivision would be parties to the contract with a direct interest in its possible interpretation and enforcement.<sup>1</sup> The *Maples* Court also recognized that restrictive covenants are “property interests that run with the land.” See *id.* Our Supreme Court has similarly held that “ownership of the right to restrict the use of a given parcel of land to a certain use is, to that extent, a property right in that lot[.]” *City of Shelbyville v. Kilpatrick*, 322 S.W.2d 203, 206 (Tenn. 1959) (determining that all homeowners in the subdivision should be compensated for a municipality’s violation of subdivision restrictions because such amounted to a “taking” of property).

Accordingly, whether the Restrictions are considered to be a contract or an interest in property, the other homeowners in the subdivision will be affected by the outcome of the declaratory judgment action, which seeks to construe and define the parameters of the parties’ contractual or property interests. As stated in *Bryn*: “Proper parties include all those who must be bound by the decree in order to make it effective and to avoid the recurrence of additional litigation on the same subject.” 1991 WL 7806, at \*5. Ergo, unlike the situation in *DeBruce*, wherein the proposed intervenor lacked a justiciable interest in the insurance contract litigation and was unnecessary to a full adjudication of that question, the other homeowners in Red Cloud have an existing interest in the interpretation and enforcement of the Restrictions herein. Moreover, as the trial court determined in its October 2, 2022 order:

The Court further finds that the remaining lot owners in the Red Cloud development subject to the restrictive covenants upon which Mr. Brock couches this lawsuit are necessary here because their absence from

---

<sup>1</sup> We acknowledge Plaintiff’s argument that the plain language of the Restrictions affords him the right to bring an action seeking their enforcement. However, such provision does not change the requirements of the Declaratory Judgments Act concerning subject matter jurisdiction and necessary parties. See Tenn. Code Ann. § 29-14-107(a). In other words, Plaintiff’s declaratory judgment action must still comply with the statute in order to proceed.

this action could and, indeed, will likely cause recurring litigation related to whether short-term rentals (“STRs”) are a business purpose that violate the restrictive covenants. This is particularly applicable in this case where Red Cloud has no homeowners’ association to represent the lot owners.<sup>[2]</sup> Accordingly, any declaratory judgment rendered by this Court would not terminate the uncertainty of controversy giving rise to the proceedings. Citing *Largen v. City of Harriman*, 2018 WL 3458280, at \*9 (Tenn. Ct. App. July 17, 2018), which involved similar circumstances as in this case, the Tennessee Supreme Court in *DeBruce* concluded, “Unless all parties to be bound by the judgment are joined in the action, a trial court has no authority to grant declaratory relief.” [*DeBruce*, 581 S.W.3d at 906.]

We emphasize that the “trial court has discretion to determine who should be made parties to proceedings for declaratory judgment.” *Timmins*, 310 S.W.3d at 839. As this Court has explained, a court abuses its discretion when it “causes an injustice to the party challenging the decision by (1) applying an incorrect legal standard, (2) reaching an illogical or unreasonable decision, or (3) basing its decision on a clearly erroneous assessment of the evidence.” *Lee Med., Inc. v. Beecher*, 312 S.W.3d 515, 524 (Tenn. 2010). Having determined that the trial court’s decision is supported by the facts, the applicable legal authorities, and logic, we further determine that the trial court did not abuse its discretion in concluding that it lacked subject matter jurisdiction because the other Red Cloud homeowners were necessary parties in the declaratory judgment action. By reason of this determination, we conclude that the additional issues raised by the appellee are pretermitted as moot.<sup>3</sup>

---

<sup>2</sup> We note that in its subsequent order entered respecting Plaintiff’s motion to alter or amend, the trial court stated: “The Court clarifies that the existence or non-existence of a homeowners’ association for Red Cloud Development did not play any part in the Court’s ruling as it has relied exclusively upon the pleadings before it[.]” We further note that the pleadings contained in the appellate record do not conclusively establish the existence or non-existence of a homeowners’ association for Red Cloud.

<sup>3</sup> The parties have urged this Court to rule, to some extent, on the underlying substantive issue concerning whether STRs violate the Restrictions’ prohibition on utilizing the Red Cloud lots for “business purposes.” See, e.g., *Pandharipande v. FSD Corp.*, \_\_\_ S.W.3d \_\_\_, \_\_\_, No. M2020-01174-SC-R11-CV, 2023 WL 6819018, at \*8 (Tenn. Oct. 17, 2023) (concluding that a provision in neighborhood restrictive covenants stating that “each Lot shall be used for residential and no other purposes” did not conclusively prohibit STRs). Having affirmed the trial court’s determination that it lacked subject matter jurisdiction to adjudicate the substantive issues in the case, we likewise decline to rule on such matters.

## V. Conclusion

For the foregoing reasons, we affirm the trial court's dismissal of Plaintiff's declaratory judgment action for lack of subject matter jurisdiction due to the absence of necessary parties. Costs on appeal are assessed to the appellant, Hooper Randall Brock. We remand this matter to the trial court for collection of costs assessed below.

s/Thomas R. Frierson, II

---

THOMAS R. FRIERSON, II, JUDGE