

# **Don't Assume What a Court Will Assume About Your Contract**

Eric D. Mulligan of **Hudson Cook, LLP** writes about a case that illustrates the importance of drafting a contract that will avoid questions of interpretation by making the terms clear and apparent from the face of the text.

The case involves the default on a mobile home retail installment contract. The purchaser returned the home to the vendor with \$40,000 left on the contract. Then the company sold the home for \$53,000 and did not return the surplus to the buyer.

The Montana Supreme Court found that the terms of the release did not end the parties' debtor-creditor relationship, and the purchaser was allowed to retain a surplus.

**Read the article.**