

Lucy v. Zehmer

196 Va. 493, 84 S.E.2d 516 (1954)

Posture: William Lucy and J. Lucy, the Complainants, brought suit against Adrian Zehmer and Ida Zehmer, the Defendants, seeking specific performance of a land sale contract. The Circuit Court of Dinwiddie County denied specific performance and dismissed the suit, holding that the Complainants had failed to establish their right to enforce the agreement. The Complainants appealed, and the Supreme Court of Appeals of Virginia granted review to determine whether the writing executed by the Defendants constituted a binding contract.

Facts: William Lucy, a lumberman and farmer, had sought to purchase the Ferguson Farm, a 471.6-acre tract in Dinwiddie County owned by Adrian Zehmer, for several years. On the evening of December 20, 1952, Lucy visited Zehmer's restaurant in McKenney, Virginia, where the two men drank whiskey and negotiated the sale. Lucy offered \$50,000 for the property and asked Zehmer to put the terms in writing. Zehmer drafted a first version on the back of a restaurant check, then, at Lucy's request, revised it to include his wife as a co-seller. Ida Zehmer initially refused to sign until her husband, in an undertone, told her it was nothing but a joke, after which she signed. The negotiation lasted approximately forty minutes and covered what the sale would include and a provision for title examination. Lucy took the signed writing and offered Zehmer \$5 to seal the bargain, which Zehmer refused, claiming for the first time that the entire matter had been a joke. The following day, Lucy arranged for his brother J. Lucy to take a half interest and retained an attorney to examine the title, which came back satisfactory on December 31, 1952.

Issue: Does a written agreement constitute a binding contract when the signing party later claims it was made in jest and while intoxicated?

Held: Yes

Reasoning and Rationale: The Court reversed the circuit court and held that the Zehmers were bound by the written agreement. The Court first rejected the intoxication defense, finding the record clearly established that Zehmer understood what he was signing. Defendants' own counsel conceded at oral argument that Zehmer was not too drunk to form a valid contract. The jest defense held no stronger; the negotiation lasted forty minutes, involved revision of the agreement at Lucy's request, required Ida Zehmer's signature, and concluded with Lucy retaining the writing without objection. The Court held that the law judges a party's intent by the outward meaning of his words and actions, not by what he privately thought or felt. Private intentions that were never communicated do not override what was outwardly expressed. Because Lucy was justified in believing the contract represented a good-faith sale, the agreement was enforceable regardless of Zehmer's private intentions. Finding no fraud, misrepresentation, or sharp dealing, the Court ordered specific performance and remanded for enforcement.

Concurring Opinions and Dissenting Opinions: The case produced no concurring or dissenting opinions. The decision was rendered unanimously by all five justices present: Eggleston, Buchanan, Miller, Smith, and Whittle, with Justice Buchanan delivering the opinion of the Court.