This opinion is nonprecedential except as provided by Minn.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
A25-0350
A25-2054

In re the Marriage of:

Julie Karen Johnson, petitioner,
Respondent,

vs.

Thomas Francis Johnson, Jr.,
Appellant.

Filed August 17, 2026
Affirmed in part, reversed in part, and remanded
Wheelock, Judge

Scott County District Court
File No. 70-FA-22-14666

Susan A. Daudelin, Henschel Moberg, P.A., Minneapolis, Minnesota (for respondent)

Mark A. Olson, Olson Law Office, Apple Valley, Minnesota; and

Rodney H. Jensen, Jensen Law Offices, Edina, Minnesota (for appellant)

Considered and decided by Larson, Presiding Judge; Wheelock, Judge; and Bond, Judge.

NONPRECEDENTIAL OPINION

WHEELOCK, Judge

Appellant challenges the district court's judgment and decree (J&D) in this marriage-dissolution appeal, arguing that the district court (1) erroneously applied

Minn. R. Civ. P. 60.01 to amend the J&D, (2) committed reversible error and abused its discretion in its treatment of the parties' nonmarital property claims, (3) abused its discretion in the allocation of marital property, (4) erred in its division of personal property, and (5) abused its discretion by awarding attorney fees to respondent. We affirm the J&D's treatment of the nonmarital property claims, allocation of marital property, division of personal property, and award of conduct-based attorney fees. We reverse and remand the amendment of the J&D under rule 60.01. And we remand for further findings on the need-based attorney-fee award.

FACTS

Appellant Thomas Francis Johnson Jr. (husband) and respondent Julie Karen Johnson (wife) were married on August 28, 2004; they had signed an antenuptial agreement two days earlier. The parties had a shared interest in their marital homestead in Scott County (Pioneer property). The antenuptial agreement waived spousal maintenance and stated that husband contributed $90,000 of his nonmarital funds to the purchase price of the marital home. Wife's nonmarital home had not yet sold, but the agreement stated that it was "anticipated" that she would also contribute $90,000 of her nonmarital funds to the acquisition of the marital home and that any net proceeds from the sale of the marital home would be split equally as part of a divorce proceeding.

On November 22, 2022, wife petitioned for dissolution, citing an irretrievable breakdown of the marriage. In the petition, wife stated that her gross income was $877 per month and that husband's was about $13,177 per month. Wife alleged that the fair market value of the Pioneer property was $498,000 and that it was not encumbered by a mortgage.

Consistent with the antenuptial agreement, each party waived spousal maintenance, and wife requested an equitable distribution of the real and personal property and debt of the parties and that each party be responsible for their own attorney fees.

The parties appeared for an initial case-management conference before the district court and agreed to mediate their claims. In February 2023, the parties appeared before the district court for a hearing on wife's motion for husband to pay $5,000 for need- and conduct-based attorney fees. At the motion hearing, wife argued that she was unable to access the parties' joint bank account and that husband left only $6,000 in the account when she was entitled to $59,944.50—half of the funds she alleged were in the account before she petitioned to dissolve the marriage—and she requested a court order to facilitate retrieving personal items from the Pioneer property. Wife also argued that she made only $877 per month and was receiving assistance through food stamps. Husband argued that the bank account to which wife was referring contained funds that included his nonmarital inheritance. Husband objected to the request for attorney fees until such time as wife provided him access to her financial records; moved for sole occupancy of the Pioneer property pending the property division; and alleged that wife stole his passport, garage-door opener, and tax-return documents. Wife denied that she possessed any of husband's personal property.

In April 2023, the district court ordered husband to pay $20,000 to wife, which would be accounted for on the balance sheet upon dissolution; granted sole and exclusive occupancy of the Pioneer property to husband; gave wife temporary access to the Pioneer property for six hours to retrieve nonmarital property; ordered the parties to file

2022 income tax returns separately; reserved wife's request for need-based attorney fees; and denied husband's and wife's requests for conduct-based attorney fees.

In November 2023, the parties appeared for a pretrial hearing. Wife asserted that she served formal discovery on husband on July 12, 2023, but had not yet received a response from husband. Husband agreed to submit discovery by December 15, 2023.

In March 2024, wife moved to compel discovery and requested attorney fees and costs in the amount of $999, asserting that husband was "unnecessarily contributing to the length and expense of this proceeding by not completing the formal discovery that was served upon him." In an accompanying affidavit, wife's counsel stated that the parties did not resolve the matter in mediation and identified multiple ways in which husband's discovery responses "continue[d] to be deficient."

Later that same month, husband also filed a motion to compel discovery and for attorney fees. The accompanying affidavit stated that he requested formal discovery from wife on January 10, 2024, and did not receive a response until March 12, 2024. Husband argued that wife's responses were deficient. Wife's attorney attached an email to a subsequent response memorandum that showed that she had inquired what information husband needed for formal discovery.

In April 2024, the parties appeared for a hearing about the discovery issues. Wife informed the district court that husband had not submitted any discovery following her March motion to compel and that she had already provided full responses to husband's discovery requests. Wife explained that, as to husband's request about a loan he gave wife's daughter around 13 to 14 years earlier, wife did not have that information. Wife also asserted that husband's requests regarding her bank accounts subsequent to the valuation date in December 2022 were irrelevant, that she has no assets other than her current income, and that her income is irrelevant because she waived spousal maintenance. She expressed that she did not want to share her 2023 tax return with husband because the address was on her return and she has a "Safe at Home address."[1] Wife also pointed out that husband failed to honor his commitment to provide discovery responses "on or before December 15," 2023.

Husband said that he could submit responses by April 30, 2024. Husband argued that he needed information about wife's income up to 2023 because they filed joint taxes in 2022 and "he thought they were going to file jointly for 2023," but when they did not, he was stuck with higher tax costs. As to the marital home, husband stated that both parties "have nonmarital claims in the home as well of about 90 to 100,000 dollars each in nonmarital claims, plus the marital division as well."

In June 2024, the district court issued an order denying husband's motion to compel and dismissing husband's request to file taxes jointly in 2023. It found that wife's bank statements from 2023 until present were not relevant to the proceedings because the parties separated around November 2022 and her current income and bank information were not relevant to the dissolution disputes.

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[1] "Safe at Home" is a program authorized by Minn. Stat. §§ 5B.01-.13 (2024) that allows participants to use an address designated by the secretary of state as a substitute mailing address for all purposes to ensure data protection for victims of violence.

The parties appeared for a trial on June 26, July 25, and August 16, 2024. Both husband and wife testified about multiple issues at trial, including their retirement accounts, the division of marital and nonmarital property, personal property, and attorney fees.

The district court's initial J&D was entered on December 31, 2024.

On February 13, 2025, wife wrote an informal letter to the district court requesting amendment of clerical errors in the J&D. These corrections were to the marriage date, the nonmarital interests in the homestead, and the equalizer amounts. Husband took his appeal from the J&D, which this court stayed pending a mediation session between the parties.

The stay was dissolved in March 2025; however, wife requested another stay until the district court could correct the clerical errors in the J&D. This court granted the motion to stay the appeal, noting, "on the record currently before us, we conclude that it would be consistent with rule 60.01 and associated caselaw, and that it would promote judicial efficiency, to allow the district court to address motions to correct clerical errors in the judgment at issue in this appeal." Wife filed a motion for correction of clerical errors pursuant to Minn. R. Civ. P. 60.01 on June 13, 2025, requesting to add the language "subject to market gains and losses" into the J&D in the section on the retirement-accounts equalizer payment. Husband asked the district court to deny the correction.

The parties appeared for a motion hearing in July 2025 to address wife's request to correct clerical errors in the J&D. Wife argued that both parties agreed at trial and put into their proposed findings that the equalizer amount for the retirement assets would be "subject to gains and losses" and that the district court erred by failing to add that language to the J&D. Husband argued that this alleged error was substantive and therefore should have been addressed in a motion for amended findings or motion for a new trial and that there was no error on the face of the J&D. The district court took the matter under advisement.

In October 2025, the district court entered an amended J&D with the requested correction adding the language "subject to gains or losses from December 13, 2022, to the date of division" to the retirement-assets equalizer amount. Husband filed another appeal, seeking review of the amended J&D. This court consolidated husband's appeals in December 2025.

DECISION

Husband raises multiple issues on appeal. He argues that the district court erred by (1) adding the language "subject to gains or losses" to the retirement-equalizer amount because it changed his substantive rights, (2) not properly allocating nonmarital property by awarding wife her nonmarital interest in the marital homestead and denying his request to allocate $20,000 to him as nonmarital inheritance, (3) not properly allocating marital property by denying his request to assign the loan he gave to wife's daughter as wife's marital asset and awarding wife the sauna without assigning her its value as a marital asset, (4) ordering him to return wife's personal property "no later than 30 days" after entry of the J&D and not ordering wife to do the same with husband's personal property, and (5) granting wife need- and conduct-based attorney fees and denying his request for conduct-based fees. We address each argument in turn.

I. The district court erred by amending the J&D pursuant to rule 60.01 to add the language, "subject to gains or losses."

On the first day of trial, husband's financial expert testified about a balance sheet he created that illustrated husband's and wife's marital and nonmarital property, assets and debts, and personal property and that reflected how the property was divided and allocated to each party.[2] The balance sheet included husband's and wife's retirement accounts and an equalizer amount that husband would need to pay wife for a division of property that husband asserted was equitable and correct. Wife agreed with the equalizer amount husband would pay to her for an equitable division of retirement assets.

In the J&D, the district court determined that, for the pension, IRAs, and other retirement benefits, "Husband shall execute a [Qualified Domestic Relations Order] in favor of Wife in the amount of $394,450 to equalize investment accounts."

Husband first argues that the district court erred by amending the language in the J&D to add the phrase "subject to gains or losses" to the retirement-account equalizer. He asserts that this change was not the correction of a clerical error because it affected his substantive rights and that wife should have brought a motion under Minnesota Rule of Civil Procedure 60.02 or a motion for amended findings to request this change.[3]

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[2] The district court admitted the balance sheet as an exhibit at trial.

[3] Wife also cites *Thomas v. Thomas*, 407 N.W.2d 124, 127 (Minn. App. 1987), to assert that, when a property division is delayed, the district court must either award interest or make explicit findings explaining why interest is not warranted. However, in a persuasive opinion, we determined that *Thomas* does not apply to market-based interest. *See Guezmir v. Guezmir*, No. A11-1988, 2012 WL 3553184, at *4 (Minn. App. Aug. 20, 2012) ("Nothing in the language of *Thomas* required the district court to award market-based

The district court has broad discretion to divide property in dissolution actions, and an appellate court will not overturn the district court absent a clear abuse of that discretion. *Reck v. Reck*, 346 N.W.2d 675, 678 (Minn. App. 1984), *rev. denied* (Minn. Apr. 25, 1984). A district court may clarify and construe a divorce judgment so long as it does not change the parties' substantive rights. *Ulrich v. Ulrich*, 400 N.W.2d 213, 218 (Minn. App. 1987). "[A] district court may not, without reopening a decree, change the amount of marital property actually awarded to either party in the divorce decree." *Pooley v. Pooley*, 979 N.W.2d 867, 878 (Minn. 2022). "Substantive changes in a final property division may only be ordered under the circumstances set forth in section 518.145, subd. 2." *Id.*

Though husband asserts that wife should have brought a rule 60.02 motion, that rule plainly does not apply to marriage dissolutions. Minn. R. Civ. P. 60.02 ("[T]he court may relieve a party or the party's legal representatives from a final judgment (other than a marriage dissolution decree) . . . ."); *see, e.g.*, *Lindsey v. Lindsey*, 388 N.W.2d 713, 716 n.1 (Minn. 1986). However, he is correct in asserting that wife should have brought a motion for amended findings under Minnesota Rule of Civil Procedure 52.02, which she failed to do within the required time period.[4] Here, the district court amended the J&D pursuant to Minn. R. Civ. P. 60.01, which states that a court may correct a clerical mistake in a judgment "arising from oversight or omission" at any time on its own initiative or by

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gains on financial accounts."); *see also* Minn. R. Civ. App. P. 136.01, subd. 1(c) (stating that nonprecedential opinions of this court may be cited for their persuasive value).

[4] Under Minn. R. Civ. P. 52.02, a motion for amended findings or new trial must be brought within 30 days after the district court's decision or order. Minn. R. Civ. P. 59.03.

motion of a party. However, a correction that changes a party's substantive rights is not the correction of a clerical error. *See Nelson v. Nelson*, 806 N.W.2d 870, 871 (Minn. App. 2011).

Neither party explained in briefing or at oral argument how the addition of the phrase "subject to gains or losses" would affect the equalizer amount. The parties also did not point to any evidence in the record that would illuminate what the effect would be, and we are unable to answer that question without speculation. Because we cannot determine whether, or to what extent, the district court's amendment changed husband's substantive rights, we cannot conclude that the amendment merely corrected a clerical error as permitted by rule 60.01. We therefore reverse and remand to the district court to remove this language from the J&D.

II. The district court did not err in its treatment of the parties' nonmarital property claims.

Husband argues that the district court committed reversible error and abused its discretion by determining that wife's nonmarital assets that were intended to be paid towards the Pioneer property mortgage were her nonmarital property and that husband's $20,000 inheritance was no longer his nonmarital property.

Generally, marital property is any real or personal property "acquired by the parties, or either of them, . . . at any time during the existence of the marriage relation between them." Minn. Stat. § 518.003, subd. 3b (2024). Minnesota law presumes that all property acquired by either party during the marriage before the valuation date is marital property "regardless of whether title is held individually or by the spouses in a form of co-ownership." *Id.* To overcome the presumption of marital property, a spouse must prove, by a preponderance of the evidence, that the property is nonmarital property. *Baker v. Baker*, 753 N.W.2d 644, 649-50 (Minn. 2008). Nonmarital property is real or personal property of either spouse that

> (a) is acquired as a gift, bequest, devise or inheritance made by a third party to one but not to the other spouse;
> (b) is acquired before the marriage;
> (c) is acquired in exchange for or is the increase in value of property which is described in clauses (a), (b), (d), and (e);
> (d) is acquired by a spouse after the valuation date; or
> (e) is excluded by a valid antenuptial contract.

Minn. Stat. § 518.003, subd. 3b. When property acquired during the marriage is acquired in exchange for property that was acquired before the marriage, it "retains the nonmarital character of the exchanged-for property." *Ward v. Ward*, 453 N.W.2d 729, 732 (Minn. App. 1990), *rev. denied* (Minn. June 6, 1990).

Whether property is marital or nonmarital is a question of law that we review de novo. *Gill v. Gill*, 919 N.W.2d 297, 301 (Minn. 2018). But we defer to the district court's underlying factual findings and set them aside only if they are clearly erroneous. *Id.* We also defer to the district court's credibility determinations. *Kerr v. Kerr*, 770 N.W.2d 567, 570 (Minn. App. 2009).

Wife's Nonmarital Interest in the Pioneer Property

In husband's proposed balance sheet, the value of wife's nonmarital interest in the couple's marital home (Pioneer property) is listed as $99,447.56 because that was the amount of the sale proceeds from her nonmarital home. Pursuant to the antenuptial agreement, upon dissolution of the marriage, both parties would receive the nonmarital funds they put into the Pioneer property before splitting the remaining equity equally. Though the antenuptial agreement did not have a set amount for wife's nonmarital contribution at the time of signing, she sold her nonmarital home and received net proceeds of $99,447.56 on December 16, 2004, about four months after husband and wife were married and after the Pioneer property was purchased. Wife testified that she gave husband the check for her settlement to be paid towards the Pioneer property mortgage as agreed upon in the antenuptial agreement.

Wife testified that both her and husband's names were on the settlement for her nonmarital home because they were married when her house sold, that a check was written to both of them for the proceeds of the sale, and that she believed husband took the money and put it towards the mortgage of the Pioneer property. Husband claimed that he did not receive the money from the sale of wife's nonmarital home for the Pioneer property mortgage; that he could not remember if the check was made out to him, but it "could have" been; and that, either way, he was still proposing that wife receive the proceeds from her nonmarital home.

On the final day of trial, when asked about wife's contribution to the Pioneer property mortgage, husband stated that he no longer agreed with her nonmarital property claim, having changed his mind after he testified at the start of trial. On cross-examination, wife's counsel asked husband about a $100,010 check that he deposited into one of his accounts in 2006 and where those funds came from since he was reportedly making around $68,000 a year at that time. Husband said it was money from income that he had transferred from different accounts that he then transferred into his Roth IRA.

Wife testified again, stating that husband was present when her nonmarital home sold, that she gave him the check for the proceeds, and that she believed the $100,010 check he deposited in 2006 was partially the proceeds from the sale of her nonmarital home.

The district court found that both parties have nonmarital interests in the Pioneer property and that wife's sale of her nonmarital home generated $99,447, which was given to husband "to be applied to the mortgage of the joint homestead." The district court noted that there was not a record that husband applied the amount to the mortgage but that "there was evidence that in 2006 Husband made a payment in excess of $100,000 to another bank account which circumstantially supports a conclusion that he applied the funds elsewhere rather than abiding by the Antenuptial Agreement." The district court determined that, either way, wife was entitled to credit for $99,447 of nonmarital interest in the homestead.

Husband argues on appeal that the district court abused its discretion by determining that $99,447, attributable to the proceeds from the sale of wife's nonmarital home, was the value of wife's nonmarital property interest in the Pioneer property. Husband claims that there is no evidence that wife's nonmarital proceeds from the sale of her nonmarital home were paid toward the Pioneer property.

Both husband's and wife's proceeds from their previous nonmarital homes were intended to be put towards the mortgage of the Pioneer property pursuant to the antenuptial agreement. Based on the record at trial and the testimony from each party, the district court found wife's testimony credible that she and husband were both present when her nonmarital home was sold, that husband received the check for the sale proceeds from wife's nonmarital home that were meant to be put towards the Pioneer property, and that it appeared that he never actually paid those funds toward the mortgage for the Pioneer property. Wife also presented evidence of the date of sale of her nonmarital home, the amount for which she sold it, and that both wife and husband were listed as joint sellers. Weighing evidence and assessing credibility are the exclusive province of the district court. *Pechovnik v. Pechovnik*, 765 N.W.2d 94, 99 (Minn. App. 2009); *see also Chamberlain v. Chamberlain*, 615 N.W.2d 405, 414 (Minn. App. 2000) (concluding that one spouse's testimony that the proceeds of her premarital home were placed into an account by the other spouse's investment advisor was credible and therefore sufficient to prove her nonmarital claim, despite her spouse's contention that those proceeds could not be traced to an existing asset), *rev. denied* (Minn. Oct. 25, 2000).

As the district court notes in the J&D, the antenuptial agreement directed husband, upon receipt of those funds, to put the full amount towards a payment on the mortgage for the Pioneer property. Husband's failure to do so does not diminish the fact that wife provided nonmarital funds that were intended for the mortgage payment. The district court credited wife's testimony. Husband does not identify evidence in the record indicating that wife retained the funds.

Based on the district court's findings and the testimony at trial, the district court did not err in determining that $99,447 from the marital home is wife's nonmarital property and did not abuse its discretion in awarding her that amount.

Husband's Inheritance

On husband's proposed balance sheet entered at trial, he included $20,000 from one of the parties' savings accounts as his nonmarital property based on an inheritance amount he received from a family member in 2006. Husband's expert testified that he was not able to trace the inheritance amount after it was deposited into the parties' joint savings account to a current balance today. The only document husband provided to the expert was a carbon copy of a check for $20,000 written to husband in September 2006.

Husband testified that the account stayed consistent since he deposited the inheritance in 2006, that he did not hire anyone or provide documentation tracing the amount since then, and that money from the account was moved to a separate account at some point. Based on the expert's and husband's testimonies, the district court found that husband "did not provide adequate tracking to prove the money remained in that account as of the valuation date."

Husband argues that the district court's factual finding that he did not provide adequate tracking for his inheritance was clearly erroneous, that the inheritance amount was not in doubt, and that, therefore, the district court abused its discretion by determining that the $20,000 was not his nonmarital property. He argues that oral testimony is sufficient to show tracking of the nonmarital funds. Wife argues that there is no record of the inheritance check being deposited into the savings account.

In order to maintain its nonmarital character, nonmarital property must be kept separate from marital property or, if commingled, must be readily traceable. *Wiegers v. Wiegers*, 467 N.W.2d 342, 344 (Minn. App. 1991). "Where a party cannot show that nonmarital money was invested in a readily traceable asset, the trial court should characterize it as marital property." *Wopata v. Wopata*, 498 N.W.2d 478, 484 (Minn. App. 1993) (citing *Hafner v. Hafner*, 406 N.W.2d 590, 593-94 (Minn. App. 1987)). And "[w]hether a nonmarital interest has been traced is also a question of fact." *Kerr*, 770 N.W.2d at 571.

At trial, the only documentary evidence husband provided regarding the inheritance was a photograph of the carbon copy of the check made out to husband in September 2006 and court documents indicating a bequest to husband's other family members. Neither husband nor his expert presented any documentation tracing the $20,000 inheritance after it was deposited into the joint account in 2006 up until the trial in 2024. Given that the trial occurred almost 20 years after the check was deposited, during which time money flowed in and out of the account with no tracing of the inheritance funds, the district court did not clearly err in finding that husband failed to provide adequate tracking to prove the inheritance amount remained in the account at the time of trial. The district court therefore did not err in determining that the nonmarital inheritance had sufficiently commingled with marital assets to become marital property. *See id.* (concluding that, where "[t]he record is devoid of any evidence that explains what ultimately happened to the aforementioned sums after they were received" and, instead, "evidence produced at trial suggests that these amounts were commingled with marital funds," the appellant has not met their burden to trace the nonmarital interest).

Therefore, the district court did not abuse its discretion when it did not award the amount of the inheritance check to husband as nonmarital funds.

III. The district court did not abuse its discretion in its division of marital property as to a purported loan and a sauna.

Another item husband included on his proposed balance sheet, allocated to wife as a marital asset, was a loan he gave to wife's daughter for $13,980. Wife testified that the loan husband gave was for her daughter's college payments around 12 years earlier, that she was not aware of any promissory note or documentation of the loan, that her daughter had not made any payments on the loan, and that her daughter would not pay wife on the loan. Wife testified that her daughter did not have the income to pay on the loan.

Husband argued that wife's daughter wrote him a letter in 2012 saying that she would pay him back for the loan and that the loan amount should be allocated to wife on the balance sheet because she could collect the loan from her daughter. Husband testified that he believed wife's daughter would still repay the loan 12 years later but that she would likely pay wife back and not him.

The district court did not allocate the loan amount owed to husband as wife's marital asset. The district court noted that, though husband is claiming the loan should be allocated to wife, he did not provide a promissory note or evidence of past payment.

Wife also testified that the parties purchased a sauna for the home that was portable and that she wished to receive the sauna upon the dissolution. She stated that they paid $3,500 for the sauna in 2019. The district court allocated the sauna to wife under personal property but did not allocate the value to her as a marital asset.

A district court exercises its discretion to divide marital assets equitably rather than equally. *See* Minn. Stat. § 518.58, subd. 1 (2024) (requiring the district court to "make a just and equitable division of the marital property of the parties" based on "all relevant factors" and considering "the contribution of each in the acquisition, preservation, depreciation or appreciation in the amount or value of the marital property"); *White v. White*, 521 N.W.2d 874, 878 (Minn. App. 1994). The district court has broad discretion over the division of marital property, and the court's decision will not be reversed absent a clear abuse of discretion. *Bogen v. Bogen*, 261 N.W.2d 606, 609 (Minn. 1977). The district court abuses its discretion regarding a property division if its findings of fact are "against logic and the facts on [the] record." *Rutten v. Rutten*, 347 N.W.2d 47, 50 (Minn. 1984).

If the evidence supports the district court's property-division determination, "we must affirm even if we would have reached a different result originally." *Justis v. Justis*, 384 N.W.2d 885, 888-89 (Minn. App. 1986) (citing *Posselt v. Posselt*, 136 N.W.2d 659, 660-61 (Minn. 1965)), *rev. denied* (Minn. May 29, 1986).

Loan to Wife's Daughter

We have determined that district courts need not consider unrepaid intrafamily debt as marital debt. *Novick v. Novick*, 366 N.W.2d 330, 332 (Minn. App. 1985) (determining that transfers from a party's parents to that party were not marital debt). Here, the district court did not consider unrepaid intrafamily debt to be an asset, but the same reasoning applies.

Husband did not provide a promissory note or identify the date he made the loan to wife's daughter. Husband and wife both agreed that wife's daughter had not made any payments on the loan, but husband argued that he believed she would still pay the loan after 12 years and that she would likely pay wife instead of him. Husband did not call wife's daughter to testify. Given that the loan is an undocumented and unsecured intrafamily debt, the district court did not abuse its discretion by not allocating the loan as wife's marital asset.

We further observe that the loan was for $13,980, which is a small amount compared to the $1.8 million estate at issue in the dissolution. Even if the district court *did* err by not allocating the loan to wife, the asset is minimal when compared to the estate, and therefore the district court's judgment should be affirmed. *See Risk ex rel. Miller v. Stark*, 787 N.W.2d 690, 694 n.1 (Minn. App. 2010) (noting that, in a marriage-dissolution case, the district court failed to account for $400 of value in an apparent "arithmetical or typographical error," but because the difference was de minimis in the context of the proceeding, a remand was unnecessary), *rev. denied* (Minn. Nov. 16, 2010).

Sauna Value

Husband argues that the district court abused its discretion when it awarded the sauna to wife without also assigning its value to her as a marital asset.

Wife testified that she and husband bought the sauna brand new in 2019 for $3,500. The value of the sauna is de minimis when compared with the $1.8 million value of the estate. *See id.* (refusing to remand for de minimis error). Moreover, the district court also awarded husband personal property without assigning him the value as a marital asset.

In light of the considerable deference appellate courts give to district courts in property-division decisions, *Maurer v. Maurer*, 623 N.W.2d 604, 606 (Minn. 2001), and considering that a division of marital property does not have to be equal to be equitable, *White*, 521 N.W.2d at 878, we discern no reversible abuse of discretion by the district court in awarding the sauna to wife without allocating the value to her as marital asset.

IV. The district court did not abuse its discretion by ordering husband to return wife's personal property.

Wife testified that, after the district court issued an order in April 2023 allowing her into the marital home to collect her personal property, she was unable to locate multiple items of her personal property. She testified that a crystal glassware set (Princess House items) that she obtained before the marriage was missing from the house and that she was unable to locate two of her shirts—one from her deceased brother and another from her deceased nephew. Husband denied possessing any of the contested items. He testified that, if he ever came across the items, he would return them to wife.

The district court ordered husband to return wife's requested items, stating that husband "shall provide in unharmed condition within 14 days of entry of this Judgment and Decree" several items, including wife's deceased brother's shirt, wife's deceased nephew's shirt, and the Princess House items.

Husband argues that the district court abused its discretion when it directed husband to return wife's personal property within a specific time period because husband testified that he does not possess the items and the order fails to treat the parties equally. Husband contends that the order was unfair because, as to his missing items—his garage-door opener, passport, and business records—wife denied possession of them and she was not ordered to return them. Thus, he requests that the language requiring husband to return wife's personal items be removed from the J&D. Wife argues that, because she has a photograph of husband with one of the requested items, he is required to return it to her within the stated timeframe.

A district court may issue appropriate orders implementing or enforcing the provisions of a dissolution decree. *Erickson v. Erickson*, 452 N.W.2d 253, 255 (Minn. App. 1990). We review a district court's order to clarify and enforce the terms of a dissolution judgment and decree for an abuse of discretion. *Nelson*, 806 N.W.2d at 871.

Husband did not raise the issue of his missing items at trial or in his proposed findings; he addressed the missing items only at the motion hearing in February 2023. Wife testified multiple times at trial about her missing items and included a request for return of the items in her proposed findings to the district court. The district court heard testimony from both wife and husband about her contested items, and after making credibility findings and weighing the evidence, it determined that it was proper to include the items in the J&D under personal property and to order husband to return them. Because assessing credibility and weighing evidence are the exclusive province of the district court, *Pechovnik*, 765 N.W.2d at 99, we conclude that the district court acted within its broad discretion when it included in its order a direction to husband to return wife's personal property.

V. The district court did not abuse its discretion in granting wife conduct-based fees but erred in not sufficiently addressing the statutory factors for need-based fees.

Husband argues that the district court made findings that are clearly erroneous and provided inadequate legal analysis because the court failed to comply with statutory requirements when ordering husband to pay wife attorney fees.

A district court may award need- or conduct-based attorney fees in a family-law matter. Minn. Stat. § 518.14 (2024). We review a district court's decision regarding both types of attorney fees for an abuse of discretion. *Backman v. Backman*, 990 N.W.2d 478, 489 (Minn. App. 2023); *Madden v. Madden*, 923 N.W.2d 688, 702-03 (Minn. App. 2019). A district court "shall" award need-based attorney fees "in an amount necessary to enable a party to carry on or contest the proceeding" if it finds the following:

> (1) that the fees are necessary for the good faith assertion of the party's rights in the proceeding and will not contribute unnecessarily to the length and expense of the proceeding;
> (2) that the party from whom fees . . . are sought has the means to pay them; and
> (3) that the party to whom fees . . . are awarded does not have the means to pay them.

Minn. Stat. § 518.14, subd. 1. The court "may" award conduct-based fees,

> in its discretion, . . . against a party who unreasonably contributes to the length or expense of the proceeding or whose unreasonable failure to comply with an order or decree causes the other party to seek enforcement or other relief, including the reimbursement of fees and costs incurred before filing a motion.

Id., subd. 1a.

In support of the need- and conduct-based attorney fees awarded her, wife testified that she had to take money out of her retirement accounts to pay her attorney fees, which resulted in tax consequences, and that she has no access to the joint savings account because husband removed her from it. Wife testified that she learned her name was removed from the joint account prior to her leaving the marital home and filing for dissolution. She stated that she earns $21 an hour and works 30 hours a week. Wife's attorney also pointed out that, in husband's proposed balance sheet, wife has $36,000 worth of bank accounts and investments for allocation of marital value, which includes the $20,000 husband was court-ordered to pay wife after the proceedings began, whereas husband has $470,485. Wife also testified about the difficulty and delays in receiving adequate discovery from husband. Wife's attorney also argued that the parties had to appear in April 2024 on wife's motion to compel based on husband's failure to respond in formal discovery.

Husband testified at trial that his annual salary was about $120,000 with occasional bonuses. He testified that he moved money from one account into his savings account when he learned about the divorce because he feared he would lose money in a costly divorce based on his previous experience with divorce and wife's alleged spending habits. Husband further testified that he believed wife had approximately $6,000 worth of inventory from one of her previous businesses in her possession.[5] He said that his estimation was based on a photograph of a box of socks she took from the house when she retrieved her nonmarital property and that he "averaged" up the retail value of the socks and other Voxx items she had with her. Wife testified that she did not have inventory worth $6,000 in her possession as husband claimed. Husband stated that he paid wife $20,000 in February 2023 and $6,325 in August 2023 for her legal fees. Wife acknowledged that husband gave her a check for $20,000 pursuant to court order.

[5] At some point during the marriage, wife sold Voxx-brand socks and health patches; wife asserts that she was merely buying inventory at wholesale for personal use and to sell to family and friends and that it was never an official business.

Husband requested conduct-based attorney fees, alleging misconduct by wife and wife's attorney that led to extension of the proceedings. Husband's attorney represented to the district court that wife's counsel was supposed to send him a thumb drive that contained "sensitive documentation," which was then stolen, so husband had to purchase identify-theft protection. Wife's attorney stated that her office mailed the thumb drive after husband failed to pick it up from her office as arranged.

The district court noted that, although husband made numerous claims about the value of wife's business and alleged inventory she possessed from her business, he provided "no accounting of inventory or attempt to equate it with a wholesale value." The district court found that there was no credible evidence to show that her business had any marital value. Under attorney fees, the district court stated that wife was requesting both need- and conduct-based fees. The district court found:

> Wife earns significantly less income than Husband. She was denied access to their joint funds upon the separation and had to request the Court's intervention to be allowed funds to protect her interests in this proceeding. Wife is entitled to need-based attorney's fees.
>
> As to the issue of conduct-based attorney's fees, the Court must note that these parties have an Antenuptial Agreement. That agreement should have streamlined any dissolution. Instead, Husband withheld marital funds and forced Wife to bring a temporary motion. Husband further delayed providing discovery or explaining the transfer of funds until immediately before trial and on some issues during the trial. There is ample evidence that Wife repeatedly requested this evidence prior to mediation and trial. Wife is entitled to an award of conduct-based attorney's fees.

In the conclusions of law, the district court noted that "[b]y his actions Husband has unnecessarily complicated this action and caused Wife to incur increased attorney's fees because of his failure to timely comply with requests for discovery and his restriction of Wife's access to any marital funds." The district court deemed husband's previous court-ordered payments to wife, which totaled $26,325 and was the "only support she received during the two-year pendency of the case," as need-based fees. The district court went on to award wife "$25,000 as conduct based fees" payable to wife within 30 days of entry of the J&D.

Need-Based Fees

Husband argues that, because disparity in income is not an adequate basis for need-based fees, the record was devoid of any documentation of wife's income, and the statute requires the district court to find that wife did not have the means to pay her own fees, she was not entitled to an award of need-based fees.

A district court may consider a party's property award in assessing the need for fees. *See Schallinger v. Schallinger*, 699 N.W.2d 15, 24 (Minn. App. 2005) (affirming denial of need-based fees when party paid fees in part with "advance marital fund distribution"), *rev. denied* (Minn. Sept. 28, 2005); *cf. Beck v. Kaplan*, 566 N.W.2d 723, 727 (Minn. 1997) (affirming award of need-based fees when district court found requesting party would have to "deplete 'the limited capital assets available to her for her retirement'" to pay fees). A district court's determination regarding a party's ability to pay fees is a factual finding that we review for clear error. *See Muschik v. Conner-Muschik*, 920 N.W.2d 215, 225 (Minn. App. 2018).

Husband is correct that, in the J&D, the district court did not make specific findings on each of the statutory factors. The district court found that wife earns significantly less income than husband, that she was denied access to marital funds upon her separation from husband, that she had to request court intervention to access funds to pay her attorney fees, and that no credible evidence showed that wife's business had any marital value. However, the district court did not make any findings on the following statutory factors: whether "the [need-based] fees [were] necessary for the good faith assertion of [wife]'s rights in the proceeding and will not contribute unnecessarily to the length and expense of the proceeding," whether husband has the means to pay the need-based fees, and whether wife has the means to pay her attorney fees. Minn. Stat. § 518.14, subd. 1. Therefore, we reverse and remand for the district court to make the requisite findings to award need-based attorney fees. The district court need not reopen the record and may make the requisite findings based on the present record.

Conduct-Based Fees

Husband also argues that the district court improperly awarded wife conduct-based fees, asserting that, because "there is no valid award of need-based fees," "there can be no award of conduct-based fees." Wife counters that conduct-based fees may "may be based on the impact a party's behavior has had on the costs of the litigation" regardless of the parties' financial resources. *Dabrowski v. Dabrowski*, 477 N.W.2d 761, 766 (Minn. App. 1991).

A district court may award conduct-based fees "against a party who unreasonably contributes to the length or expense of the proceeding." *Id.*, subd. 1a. Conduct-based fees may be based on a party's pursuit of "frivolous or bad-faith claims." *Baertsch v. Baertsch*, 886 N.W.2d 235, 239 (Minn. App. 2016). If a party takes positions that are "duplicitous and disingenuous and have had the effect of further delaying distribution, lengthening [the] litigation, and increasing the expense of [the] proceedings," then an award of conduct-based attorney fees is appropriate. *Redmond v. Redmond*, 594 N.W.2d 272, 276 (Minn. App. 1999). "While bad faith could unnecessarily increase the length or expense of a proceeding, it is *not* required for an award of conduct-based attorney fees." *Geske v. Marcolina*, 624 N.W.2d 813, 818-19 (Minn. App. 2001).

We review a district court's award of conduct-based attorney fees under Minnesota Statutes section 518.14, subdivision 1a, for an abuse of discretion. *Sanvik v. Sanvik*, 850 N.W.2d 732, 737 (Minn. App. 2014). "A district court abuses its discretion by making findings of fact that are unsupported by the evidence, misapplying the law, or delivering a decision that is against logic and the facts on record." *Bender v. Bernhard*, 971 N.W.2d 257, 262 (Minn. 2022) (quotation omitted). "The district court's findings of fact will not be set aside unless clearly erroneous, and we defer to the district court's opportunity to assess the credibility of witnesses." *Wilson v. Wilson*, 11 N.W.3d 331, 339 (Minn. App. 2024), *rev. denied* (Minn. Dec. 17, 2024).

Here, husband fails to show that any of the district court's findings were clearly erroneous. The district court determined that, due to husband's failure to timely comply with discovery requests and his restriction of wife's access to marital funds, the proceedings were unnecessarily complicated. The district court also found that wife was forced to bring a motion for access to marital funds and that husband delayed providing discovery or explaining the transfer of funds until immediately before trial and, for some issues, at trial.

During trial, husband testified about moving funds to different accounts when the divorce proceedings began. He testified that he moved funds around to three different accounts within a number of days, withdrew all the contents of one bank account when the divorce began, and held a check for over $100,000 for over six months before depositing it into another account. Wife's attorney also argued at trial that husband failed to disclose certain funds and removed funds from the marital account when the divorce began. Husband stated he believed he "could lose that money" if he did not move it and that he was preparing for a contentious divorce.

In addition, the parties had to appear before the district court multiple times regarding discovery issues and delays caused by husband. After serving formal discovery in July 2023, wife moved to compel complete discovery in March 2024, requesting discovery responses as well as attorney fees and costs because discovery had still not been completed. In an accompanying affidavit, wife's counsel noted numerous delays and deficiencies in husband's discovery, husband's claim that he was having technical issues with his email account, and that husband's formal discovery "continue[s] to be deficient." Based on husband's actions, the district court did not abuse its discretion in awarding wife conduct-based fees. Therefore, we affirm the district court's award of conduct-based fees to wife.

In sum, we affirm the district court's J&D regarding its treatment of the parties' nonmarital property claims, the division of marital property, ordering husband to return wife's personal property, and granting wife conduct-based attorney fees. We reverse and remand to the district court to remove the language "subject to gains or losses" from the equalizer amount, and we remand the award of wife's need-based attorney fees for further findings.

Affirmed in part, reversed in part, and remanded.