This opinion is nonprecedential except as provided by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
A25-1982

Joe Hoffman,
Appellant,

vs.

State Farm Fire and Casualty,
Respondent.

Filed August 10, 2026
Affirmed
Wheelock, Judge

Otter Tail County District Court
File No. 56-CV-25-615

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

NONPRECEDENTIAL OPINION

WHEELOCK, Judge

In this insurance-coverage dispute, appellant insured argues that the district court's grant of summary judgment to respondent insurer was improper because equitable doctrines applied that extended the insurance policy deadline for the payment of replacement-cost benefits. The insured further argues that the district court erred by determining that coverage did not exist for repairs required by code and mold remediation. We affirm.

FACTS

Appellant Joe Hoffman owns a seasonal hunting cabin in rural New York Mills that is insured by respondent State Farm Fire and Casualty. The policy provides coverage for accidental loss subject to certain exclusions, and the parties agree as to the basic aspects of the policy. The policy exclusions include damage caused by mold, burst pipes that were not maintained at 55 degrees Fahrenheit or higher, and aggravation of loss due to neglect by the insured. In the event of a covered loss, State Farm must pay actual cash value (ACV), and if the insured completes the repairs by the deadline established in the policy, State Farm must pay replacement cost value (RCV).[1] For the RCV benefit, the policy

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[1] ACV is a "legal term of art that refers to the 'actual loss' sustained by the insured." *Wilcox v. State Farm Fire & Cas. Co.*, 874 N.W.2d 780, 784 (Minn. 2016) (quoting *Brooks Realty, Inc. v. Aetna Ins. Co.*, 149 N.W.2d 494, 500-01 (Minn. 1967)). The policy defines ACV to mean "the value of the damaged part of the property at the time of loss, calculated as the estimated cost to repair or replace such property, less a deduction to account for pre-loss depreciation." RCV differs from ACV in that the insurer pays "for the cost of replacing the loss or damaged property at current prices rather than limiting payment to the actual

requires payment to repair property damaged as part of the loss in accordance with minimum state or local codes (code upgrades). The policy has a two-year deadline that applies to performing repairs to obtain RCV, demanding an appraisal, and filing a lawsuit regarding the loss.

On April 24, 2022, Hoffman discovered that a water line burst at the cabin, causing damage to the property. Because Hoffman lives in Florida and visits the property only four or five times a year, the exact date on which the damage occurred is unknown. Hoffman reported the loss to State Farm on April 26 and hired a public adjuster, Jacob Sachs, to manage the claim.[2]

State Farm inspected the property on May 11, 2022, and requested additional information on whether heat had been maintained at the cabin. Around July 5, Sachs informed State Farm that Hoffman used propane to heat the cabin. State Farm then contacted the propane company and, by July 8, confirmed that the cabin was heated at the time the water line burst. State Farm then issued a payment of $18,428.35 based on its estimate of the ACV, a portion of which State Farm identified as coverage for water-damage costs and a different portion of which it identified as coverage for water-mitigation costs. State Farm estimated the RCV to be $21,987.94.

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cash or depreciated value of the loss or damaged property." *St. Matthews Church of God & Christ v. State Farm Fire & Cas. Co.*, 981 N.W.2d 760, 762 (Minn. 2022).

[2] A public adjuster is any person who, for compensation in first-party claims, "acts or aids, . . . on behalf of an insured in negotiating for, or effecting the settlement of, a claim for loss or damage covered by an insurance contract." Minn. Stat. § 72B.02, subd. 6(1) (2024).

The parties agree that Sachs disagreed with the estimate immediately; however, the record reflects no communication between State Farm and either Sachs or Hoffman from July 8, 2022, to February 2023. In February 2023, State Farm emailed Sachs regarding a "sub flooring" building code upgrade and stated that RCV could be released with a signed contract or upon submission of a completed invoice. Between June 2023 and September 2023, State Farm and Sachs engaged in additional communication about code upgrades. Sachs argued that State Farm should cover the cost of bringing both the framing and floor joints up to code. State Farm denied coverage for code upgrades, explaining on four occasions that the policy does not cover the cost of bringing undamaged items up to code.

In October 2023, Sachs emailed State Farm an estimate prepared by a contractor with whom he works, referred to the damage to the cabin as a "constructive total loss," and requested $327,187.56 as the RCV. The parties agree that State Farm rejected this estimate, and the record reflects no further communication until February 2024.

On February 19, 2024, Sachs emailed State Farm, asking if an industrial hygienist would perform testing on the property because, "[g]iven the amount of time that the water was standing in the basement . . . from the burst pipe, it would no longer be considered grey water, but black." State Farm responded that the policy excludes coverage for mold and that a condition of the policy is that the insured must protect the property from further damage or loss, and State Farm reminded Hoffman that the two-year policy deadline to receive the RCV benefit was approaching. On April 19, 2024, five days before the two-year deadline lapsed, Hoffman demanded an appraisal and served State Farm with a summons and complaint. Due to scheduling conflicts, the appraisal was not completed until December 10, 2024.

The appraisal awarded the amount of loss at $35,185 for ACV, which State Farm immediately paid, and determined the RCV to be $52,872. The appraisal also listed another RCV amount of $86,966 that included $19,112 for code upgrades and $67,854 for mold remediation "subject to coverage." The record shows that Hoffman had still not begun to make any repairs.

State Farm answered the complaint, denying that it was required to pay RCV because repairs were not completed within two years after the date of loss as required by the policy. State Farm also denied the appraisal amounts for code upgrades and mold as excluded from coverage. The parties filed cross-motions for summary judgment, and after a hearing, the district court issued its order granting summary judgment for State Farm.

Hoffman appeals.

DECISION

Hoffman makes three main arguments that the district court erred by granting summary judgment for State Farm. First, Hoffman argues that equitable doctrines should prevent State Farm from enforcing the policy's two-year deadline for RCV benefits. Second, he argues that the appraisal's identification of code upgrades is sufficient to establish that he is entitled to those amounts. Third, he argues that State Farm delayed handling of his claim and caused mold growth in the cabin and that, therefore, he should receive mold coverage. In the alternative, Hoffman contends that summary judgment was improper because genuine issues of material fact remain. We address each argument in turn.

Summary judgment is appropriate when "there is no genuine issue as to any material fact and the movant is entitled to judgment as a matter of law." Minn. R. Civ. P. 56.01. On appeal, we determine whether there are any genuine issues of material fact that preclude summary judgment and whether the district court properly applied the law. *St. Matthews*, 981 N.W.2d at 764. "The interpretation of an insurance policy and the application of the policy to the undisputed facts of a case are questions of law that [an appellate] court reviews de novo." *Com. Bank v. W. Bend Mut. Ins. Co.*, 870 N.W.2d 770, 773 (Minn. 2015).

Appellate courts "interpret insurance policies using the general principles of contract law." *Midwest Fam. Mut. Ins. v. Wolters*, 831 N.W.2d 628, 636 (Minn. 2013). "In general, an insurer's liability is determined by the insurance contract as long as that insurance policy does not omit coverage required by law and does not violate applicable statutes." *Kelly v. State Farm Mut. Auto. Ins. Co.*, 666 N.W.2d 328, 331 (Minn. 2003). "Our objective when interpreting an insurance policy is to ascertain and give effect to the intentions of the parties as reflected in the terms of the policy." *King's Cove Marina, LLC v. Lambert Com. Constr. LLC*, 958 N.W.2d 310, 316 (Minn. 2021) (quotation omitted). "We construe an insurance policy, if possible, so as to give effect to all provisions." *Id.* (quotation omitted). "We give unambiguous policy language its plain and ordinary meaning." *Id.*

I. The district court did not err by granting summary judgment for State Farm on whether Hoffman was entitled to RCV.

Under SECTION I–LOSS SETTLEMENT, the policy states that State Farm "will pay the cost to repair or replace . . . subject to the following" and that, "until actual repair or replacement is completed, [State Farm] will pay only the actual cash value of the damaged part of the property." The policy also states that, "to receive any additional payments on a replacement cost basis, you must complete the actual repair or replacement of the damaged part of the property within two years after the date of loss" and notify State Farm within 30 days after the work has been completed.

Hoffman does not dispute that he failed to meet this condition. Hoffman instead argues that certain equitable doctrines—hindrance, impossibility, repudiation, and estoppel—apply here and thus "it is readily apparent" that application of the two-year deadline would be unjust and inequitable. He asserts that, once he demanded an appraisal and started the judicial process, the repair deadline should have been treated as tolled or flexibly applied. Hoffman served his summons, complaint, and demand for appraisal on April 19, 2024.[3] The deadline to complete repairs was no later than April 24, 2024. Hoffman has made no effort to begin repairs.

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[3] Hoffman asserted breach of contract. To prevail on a breach-of-contract claim, the plaintiff must prove that (1) an agreement was formed, (2) the plaintiff performed any conditions precedent to demand performance by the defendant, and (3) the defendant breached the contract. *Lyon Fin. Servs., Inc. v. Ill. Paper & Copier Co.*, 848 N.W.2d 539, 543 (Minn. 2014). We have questioned before whether a plaintiff can bring a breach-of-contract action and assert impossibility or impracticability because "these legal theories are defenses to a breach-of-contract claim, excusing a party for not performing a required act." *Fitness Int'l, LLC v. City Ctr. Ventures, LLC*, No. A22-1057, 2023 WL 2230321, at *4 (Minn. App. Feb. 27, 2023), *aff'd*, 9 N.W.3d 526 (Minn. 2024). The

An insurer may be estopped from asserting a time limitation contained in an insurance policy if the facts "show that it would be unjust, inequitable, or unconscionable to allow the defense to be interposed." *L & H Transp., Inc. v. Drew Agency, Inc.*, 403 N.W.2d 223, 227 (Minn. 1987) (quotation omitted). Although Hoffman's brief is not specific about which equitable doctrine he is asserting, we address each theory in turn.

Impossibility

Hoffman argues that, once an insured initiates a lawsuit, the deadline to complete repairs must be extended to a reasonable time after its resolution because it is impossible to complete repairs when the amount of coverage and scope of repairs have not been established. Hoffman also asserts that, if he had followed State Farm's original estimate and completed only around $22,000 of proposed work, he would have had to either rip out and redo that work later or pay out-of-pocket and risk the repairs not being reimbursed.

The supreme court has defined the doctrine of impossibility to allow a contractual duty to be excused "due to the existence of a fact or circumstance of which the promisor at the time of the making of the contract neither knew nor had reason to know." *Powers v. Siats*, 70 N.W.2d 344, 348 (Minn. 1955). Under such circumstances, performance becomes impossible. *Id.* But "[t]he distinction between objective and subjective impossibility is not to be overlooked." *Id.* In other words, performance may be excused for objective

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supreme court affirmed our decision, and in addressing the doctrine of frustration of purpose, noted that neither caselaw nor the Restatement of Contracts "directly address[es] whether the doctrine of frustration of purpose can be used affirmatively by a *plaintiff* in a claim for breach of contract." *Fitness Int'l, LLC*, 9 N.W.3d at 532-33. We analyze Hoffman's equitable arguments here, assuming without deciding that the doctrines may be applied in this manner.

impossibility (meaning that no one could perform the obligation), but not for subjective impossibility (meaning that a particular party was unable to perform the obligation). The impossibility defense is not available to a party who learns that performance will be impossible in time to avoid the impossibility but fails to do so. *Id.*

At the time of making the contract, Hoffman knew or had reason to know of the two-year deadline because the policy provision on RCV expressly states the deadline. Hoffman's failure to begin completing repairs was not "due to the existence of a fact or circumstance" that he neither knew nor had reason to know. As soon as State Farm issued its estimate on July 8, 2022, Hoffman knew that the scope of repairs and amount payable were in dispute.

Even if we assume impossibility could apply here, there were several occasions on which Hoffman had an opportunity to avoid it. Hoffman asserts that negotiations were ongoing and the parties remained in "active adjustment" for two years, but the record belies this assertion. State Farm's position remained consistent. Hoffman asserts that State Farm "undervalued the claim *from the start*," but he did not demand appraisal until a few days before the two-year deadline and never started repairs. And it was not until October 31, 2023, that Sachs provided an independent estimate, referred to the property as a "total constructive loss," and requested RCV in the amount of $327,187.56. It was therefore obvious by that date, if not before then, that the parties were nowhere near reaching an agreement.

Both parties cite *Bonde v. Illinois Farmers Insurance Co.*, No. C7-95-1957, 1996 WL 422504 (Minn. App. July 30, 1996), to support their positions.[4] The policy in *Bonde* allowed a payment of RCV if the repairs were completed within 180 days after the loss. 1996 WL 422504, at *2. The insured argued that the insurer frustrated compliance with the policy condition or made it impossible. *Id.* This court stated that "an insurer that relies strictly on a 180-day clause is vulnerable to these arguments"—impossibility and voidness—and that there is merit to an impossibility argument when an insured demonstrates that a failure to receive the full payment rendered it infeasible to complete the repair within 180 days. *Id.* However, the insured in that case did not offer sufficient evidence to show entitlement to RCV because he had expressed only an intent to rebuild and had made no repairs despite receiving a substantial payment from the insurer. *Id.* at *3. The insured's argument failed because he relied on general assertions and produced no evidence that the rebuilding delay was tied to the fact that additional monies were not available. *Id.*

We find *Bonde*'s reasoning that the insured provided an insufficient offer of evidence persuasive as applied to this case. Hoffman argues that, had he completed the preappraisal scope of work, he would have had to redo that work or pay out of pocket; however, the record contains no information that suggests that Hoffman could not have used the funds issued to begin repair, that he did not have additional funds available, or that initiating any repair would have required him to redo the work later. Hoffman also

[4] Nonprecedential opinions are not binding authority but may be cited as persuasive authority. *See* Minn. R. Civ. App. P. 136.01, subd. 1(c).

asserts that more damage was caused because water remained in the cabin for two years. But Hoffman received around $18,000 from State Farm in July 2022, a portion of which was specifically allocated for water mitigation. And Hoffman has done no more than express an intent to rebuild. Hoffman has therefore failed to raise a genuine issue of material fact that it was impossible to complete the repairs within two years.

Hindrance

Hoffman next asserts that the policy language means that he has a duty to proceed with repairs only when disputes over coverage are settled, that these are not yet settled, and that, until they are settled, it is not possible to proceed with repairs. He explains that the policy requires three steps—first, the insurer adjusts the loss; second, the insurer pays the ACV; and third, the insurer pays the RCV when repairs are completed. Hoffman asserts that State Farm failed to fulfill step two of paying the ACV because it did not pay the appraisal-determined amount until after the appraisal occurred. This argument can be summed up as a claim that State Farm hindered Hoffman from completing the conditions required for Hoffman to receive RCV.

Minnesota courts have held that "the party to a contract cannot take advantage of the failure of a condition precedent when the party itself has frustrated performance of that condition." *In re Hennepin Cnty. 1986 Recycling Bond Litig.*, 540 N.W.2d 494, 502 (Minn. 1995). A party also may not "unjustifiably hinder the other party's performance of the contract." *Id.* (quotation omitted). Under Minnesota law, "[i]f a party to a contract unjustifiably prevents the occurrence of a condition precedent, then that party's duty to perform is not excused." *Minnwest Bank Cent. v. Flagship Props. LLC*, 689 N.W.2d 295, 300, 303 (Minn. App. 2004) (citing *Hennepin Cnty. 1986 Recycling Bond Litig.*, 540 N.W.2d at 502-03) (concluding that Minnwest did not hinder the other party's performance because Minnwest had no contractual duty to perform).

Under the plain language of policy, it is clear that receipt of appraisal-determined ACV is not a condition precedent to obtaining RCV benefits. The policy states, "until actual repair or replacement is completed, we will pay only the actual cash value," and, "to receive any additional payments on a replacement cost basis, you must complete the actual repair or replacement of the damaged part of the property within two years." Recovery of RCV is optional and not contingent on the payment of appraisal-determined ACV. We thus reject Hoffman's hindrance argument.

Equitable Estoppel

Hoffman next discusses estoppel, citing two federal district court cases that consider equitable estoppel: *New Oil Christian Center v. Guideone Mutual Insurance Co.*, No. 22-CV-2136 (MJD/ECW), 2025 WL 642914 (D. Minn. Feb. 27, 2025), and *Axis Surplus Insurance Co. v. Condor Corp.*, No. 20-CV-789 (DSD/KMM), 2023 WL 1767269 (D. Minn. Feb. 3, 2023). Hoffman argues that these cases support that State Farm should be estopped from invoking the two-year deadline because there was no lack of action by Hoffman and he remained in active adjustment with State Farm for nearly two years.

"Equitable estoppel prevents the assertion of otherwise valid rights where one has acted in such a way as to induce another party to detrimentally rely on those actions." *Pollard v. Southdale Gardens of Edina Condo. Ass'n, Inc.*, 698 N.W.2d 449, 454 (Minn. App. 2005) (quotation omitted). "The application of equitable estoppel ordinarily presents a question of fact, unless only one inference may be drawn from the facts." *Id.* A party seeking to invoke the doctrine of equitable estoppel has the burden of proving three elements: (1) promises or inducements were made; (2) they reasonably relied upon the promises; and (3) they will be harmed if estoppel is not applied. *Eide v. State Farm Mut. Auto. Ins. Co.*, 492 N.W.2d 549, 556 (Minn. App. 1992).

The insurance policy in *New Oil* limited recovery for damage to a building roof to ACV and placed a two-year time limit to make any repairs needed to comply with city code (compliance costs). 2025 WL 642914, at *4. The insurer denied coverage entirely for over a year, claiming the reported damage preexisted the policy. *Id.* at *1, *5. An appraisal determined the ACV and compliance costs, and the insurer paid the ACV. *Id.* at *1. However, the insurer denied any further liability for compliance costs because it asserted that compliance costs do not apply to an ACV policy and, in the alternative, that the two-year deadline to make compliance repairs had already passed. *Id.* The federal district court determined that, under the policy and Minnesota law, the insurer was required to pay compliance costs. *Id.* at *4. It then determined that, based on the particular facts of the case, it would be unjust to allow the insurer to assert the limitation because the insurer was at fault for the delay in the case, would not agree to an appraisal until after numerous requests, and repeatedly denied any coverage for over a year. *Id.* at *5.

In *Axis Surplus*, the insurer consistently denied coverage and refused to participate in an appraisal. 2023 WL 1767269, at *1. After the district court ordered an appraisal, the insurer paid out the ACV but refused to pay RCV under the policy, arguing that the insured failed to meet the condition precedent of beginning repairs "as soon as reasonably possible after the loss or damage." *Id.* at *1-2 (quotation omitted). The federal district court determined that "facts and circumstances show[ed] that [the insured] reasonably waited for the coverage dispute to resolve before committing to over $2 million in replacement work. The delay was due to Axis's persistent denial of coverage, which included this lawsuit and a related appeal, rather than [the insured's] lack of action." *Id.* at *2 (footnote omitted).

These cases are not binding on this court, and neither is factually analogous.[5] Unlike in these federal cases, here, State Farm did not deny coverage entirely, it promptly paid the ACV, and it never declined to participate in the appraisal process. Furthermore, the two-year deadline was well known to Hoffman at the time he requested the appraisal, unlike the insured in *Axis Surplus*, who was required to perform "as soon as reasonably possible."

The record here does not establish that the delay in requesting an appraisal is attributable to State Farm; rather, it appears that Hoffman caused the delays. The record reflects multiple lengthy time periods during which no communication occurred, including from March until May 2023 and between June and November 2023. When Sachs communicated with State Farm, he raised new allegations about damage to the property and code upgrades on nearly every occasion. Meanwhile, State Farm maintained a consistent position—denying coverage for code upgrades on four separate occasions. On September 18, Sachs reported another new issue to State Farm via email and stated that he

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[5] We note that attempts to apply the analysis in *New Oil,* on which *Axis Surplus* relies, to facts similar to those here, including identical policy provisions, have recently failed in the federal district court. *See, e.g.*, *Krebsbach v. State Farm Fire & Cas. Co.*, No. 24-CV-2241 (PJS/SGE), 2026 WL 816771, at *5 n.7 (D. Minn. Mar. 25, 2026).

had attached photographs to support the request, but no photographs were attached. State Farm followed up four times for the photographs and never received a response. And the next month, Sachs requested $327,187.56 for the RCV.

The record contains a February 2023 email from a State Farm employee stating, "I have added the sub flooring as a building code upgrade and can be added to the claim when incurred," as part of the RCV valuation. The circumstances surrounding this email are not entirely clear, but State Farm's correspondence from July 2023 through December 2024 is clear that it would not provide coverage for code upgrades to undamaged items. Five days before the two-year deadline, Hoffman demanded appraisal and served State Farm with a summons and complaint. While the appraisal supports a conclusion that State Farm undervalued the ACV by $16,756.65, nothing in the record supports that State Farm delayed the process to avoid paying the RCV.

Although the federal district court cases involved a denial of coverage, Hoffman argues that a denial is not required to support entitlement to an equitable remedy and states that the test is whether enforcement of a contractual condition would be "unjust, inequitable, or unconscionable" under the supreme court's opinion in *L & H*.[6] But this narrow view of *L & H* is not supported.

In *L & H*, a case involving an insurance coverage dispute, the supreme court stated, "A defendant's conduct can be such as to estop that defendant from asserting a time

[6] Hoffman also contends that State Farm effectively denied coverage for all amounts exceeding $21,987.94. But the dispute as to ACV does not involve a denial of coverage; it involves a dispute as to the amount of loss.

limitation contained in an insurance policy; however, the facts must also show that it would be unjust, inequitable, or unconscionable to allow the [limitation] defense to be interposed." 403 N.W.2d at 227 (quotation omitted). The supreme court then concluded that the elements of estoppel were not established because the insurer made no representations upon which L & H relied to its detriment, negotiations did not lull L & H into inactivity, and "mere denial of liability is not the sort of act which estops [an insurer] from asserting the limitations defense." *Id.*

The party invoking the equitable-estoppel doctrine must show that it reasonably and detrimentally relied on representations made by the other party. *Hydra-Mac, Inc. v. Onan Corp.*, 450 N.W.2d 913, 919 (Minn. 1990); *see also Lake Superior Ctr. Auth. v. Hammel, Green & Abrahamson, Inc.*, 715 N.W.2d 458, 473 (Minn. App. 2006) ("When a party allegedly responsible for remedying a defect in real property makes assurances or representations that the defect will be repaired, that party may be estopped from asserting a statute-of-limitations defense if the injured party reasonably and detrimentally relied on the assurances or representations." (quotation omitted)), *rev. denied* (Minn. Aug. 23, 2006).

> [W]aiver or estoppel is established by an insurer's request or delay to permit further investigation or to obtain additional proofs of loss which cannot be furnished until after or near the expiration of the limitation period, or by its express or implied admissions of liability, coupled with prolonged negotiations through adjusters during which [the] insured is led to believe that his claim will be settled.

O'Donnell v. Cont'l Cas. Co., 116 N.W.2d 680, 684 (Minn. 1962) (citations omitted); *see also Semler Constr., Inc. v. City of Hanover*, 667 N.W.2d 457, 466 (Minn. App. 2003) ("Generally, for equitable estoppel to apply, the plaintiff must demonstrate that the defendant, through his language or conduct, induced the plaintiff to rely, in good faith, on this language or conduct to his injury, detriment or prejudice." (quotation omitted)), *rev. denied* (Minn. Oct. 29, 2003).

Hoffman does not point to any caselaw in which Minnesota courts have applied the quoted language from *L & H* without also requiring that each element of equitable estoppel be met. And Hoffman points to nothing in the record that indicates that State Farm made any representations, whether through language or conduct, upon which Hoffman detrimentally relied or caused delays that led Hoffman to believe the claim would be settled.

Hoffman asserts that the parties were in active adjustment for nearly two years, but even when the record is viewed in a light most favorable to Hoffman, State Farm remained consistent in its positions and provided responses to requests within a matter of days on each occasion. Hoffman did not demand an appraisal until a few days before the two-year deadline, and this delay is not attributable to State Farm.[7]

Extension of Minnesota Law

Hoffman appears to be asking this court to adopt a bright-line rule that filing a lawsuit to dispute coverage automatically extends contractual deadlines until the dispute is resolved. He states that insureds must be permitted whatever amount of time is necessary to challenge the insurance company's decision without losing benefits. The insurance

[7] Amicus United Policyholders explains that real-world repair timelines are affected by factors beyond an insured's control, such as contractor availability, permitting delays, material shortages, and particularly in Minnesota, weather conditions. But the record here does not contain facts such as those identified by the amicus.

policy at issue provides no such tolling provision, and there is no binding precedent in Minnesota that provides for tolling deadlines in insurance contracts in these circumstances.[8] "[T]his court is limited in its function to correcting errors." *LaChapelle v. Mitten*, 607 N.W.2d 151, 159 (Minn. App. 2000), *rev. denied* (Minn. May 16, 2000). "[T]he task of extending existing law falls to the supreme court or the legislature, but it does not fall to this court." *Tereault v. Palmer*, 413 N.W.2d 283, 286 (Minn. App. 1987), *rev. denied* (Minn. Dec. 18, 1987).[9]

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[8] Hoffman's reply brief argues that the reasonable-expectations doctrine applies here because a reasonable insured who purchases replacement-cost coverage "expects, objectively and reasonably, that proceeding through the proper steps to dispute the scope of repairs will not result in eliminating the very coverage being sought." Since *Atwater Creamery Co. v. Western National Mutual Insurance Co.*, 366 N.W.2d 271 (Minn. 1985), was decided no Minnesota appellate opinion has applied the doctrine to provide coverage in contravention of unambiguous policy terms. *Carlson v. Allstate Ins. Co.*, 749 N.W.2d 41, 49 (Minn. 2008). *Atwater* has been limited, if not to its specific facts, at least to circumstances where the exclusion from coverage was unreasonably hidden. *Id.* Here, there is no suggestion that the two-year limitation was ambiguous or hidden, and thus, no legal authority supports this argument.

[9] The district court relied on two Eighth Circuit opinions as well as other state and federal district court opinions to explain that it was not persuaded that mere undervaluation of ACV constitutes hindrance sufficient to excuse compliance with a repair deadline. Hoffman argues that this was error because those opinions did not address Minnesota law, but he also does not point out any particular distinction. Hoffman also says that, unlike the facts of those cases, he did not delay and did not wait to invoke appraisal. For the reasons already discussed above, Hoffman's attempt to distinguish his case based on those facts is belied by the record. And although federal decisions may be persuasive, we need not dive into whether those decisions support a rule that undervaluation alone is insufficient to excuse compliance with a repair-deadline provision because Minnesota caselaw and the facts here are sufficient and dispositive. *See Sonenstahl v. L.E.L.S., Inc.*, 372 N.W.2d 1, 4 (Minn. App. 1985). While we agree with the district court that Hoffman's arguments can be summarized as asserting that mere undervaluation of a claim should give rise to equitable principles, we need not adopt a bright-line rule because Hoffman has failed to establish entitlement to any of the equitable relief he seeks under Minnesota law and the facts of this case.

Issues of Material Fact

As an alternative to his equitable arguments, Hoffman argues that summary judgment was improper because there are genuine issues of material fact, including whether the two-year deadline was reasonable, whether State Farm engaged in unfair settlement practices by failing to reply to communications within ten business days pursuant to Minnesota Statutes section 72A.201, subdivision 4(2) (2024), and whether contractors would commit to the repair project without knowing the total insurance payout. But Hoffman did not raise these arguments and did not otherwise argue to the district court that there was a genuine issue of material fact precluding summary judgment. Appellate courts consider only those issues presented and considered by the district court. *Thiele v. Stich*, 425 N.W.2d 580, 582 (Minn. 1988). Hoffman's alternative arguments are forfeited.

We therefore conclude that, because Hoffman failed to raise a genuine issue of material fact regarding the applicability of an equitable doctrine and the district court did not err by determining that the policy's two-year deadline applied, the district court properly granted summary judgment in favor of State Farm on Hoffman's RCV claim.[10]

II. The district court did not err in granting summary judgment in favor of State Farm on the issue of mold remediation.

Hoffman argues that State Farm's improper delay "undoubtably caused the mold growth" and therefore he is entitled to recover the cost for mold remediation as determined

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[10] Hoffman also argues that he is entitled to the appraisal award's identification of repairs needed to comply with code. The policy provides for coverage to bring damaged property into compliance with state or local building code. But such coverage is available only under RCV. Because we have concluded that Hoffman is not entitled to RCV, we need not address this issue.

by the appraisal. He asserts that State Farm inappropriately shifted the burden of disproving an exclusion to him when it demanded documentation that he was maintaining heat on the property at the time the water line burst.

On May 11, 2022, after inspecting the property, State Farm requested documentation showing that heat was maintained on the property. When Hoffman failed to provide it, State Farm followed up on June 25, requesting a utility bill and information about the age of the interior structure of the cabin. State Farm was informed around July 5 that propane was used to heat the property, and by July 8, State Farm had verified with the propane company that heat was maintained at the cabin. Hoffman argues that this two-month delay occurred during a "critical period" and caused the mold growth. He points to State Farm's July 8, 2022 statement of loss that included line items for a dehumidifier, removal of wet insulation, and application of an antimicrobial agent to the floor.

First, we are not convinced that State Farm improperly shifted any burden. State Farm was requesting additional information to process the claim, and the policy requires that Hoffman cooperate with any requests for additional information from State Farm. But we conclude that, even if State Farm improperly requested information, our analysis does not change because Hoffman failed to raise a genuine issue of material fact and the policy excludes coverage for mold.

The loss occurred on or before April 24, 2022. The record contains no information on when any mold appeared, and the suggestion that mold was growing on the property was not raised until February 2024, when Sachs emailed State Farm asking if State Farm would like to arrange for testing "[g]iven the amount of time that the water was standing in the basement." But Hoffman received around $18,000 from State Farm in July 2022 for water damage and water mitigation.[11] Hoffman's argument that the two-month delay between May 11 and July 8, 2022, caused the need for nearly $70,000 in mold remediation is an unsupported assertion, which is insufficient to create a genuine issue of material fact. *See Nicollet Restoration, Inc., v. City of St. Paul*, 533 N.W.2d 845, 848 (Minn. 1995).

Moreover, the parties do not dispute that the policy excludes coverage for mold. "The doctrine of estoppel may not be used to enlarge the coverage of an insurance policy." *Shannon v. Great Am. Ins. Co.*, 276 N.W.2d 77, 78 (Minn. 1979); *see also Malakowsky v. Johannsen*, 374 N.W.2d 816, 819 (Minn. App. 1985) ("Estoppel may not be used to create coverage where none is provided for in the contract.").

Hoffman attempts to distinguish this caselaw by arguing that he is not seeking to expand coverage—he is seeking to prevent State Farm from invoking an exclusion to coverage. But this attempt fails because the plain language of the policy excludes coverage for mold and estoppel does not create coverage where it does not exist. *See Malakowsky*, 374 N.W.2d at 818-19 (applying *Shannon* and concluding that estoppel cannot be used to create coverage when an undisputed exclusion bars such coverage). In conclusion, Hoffman's assertion that State Farm "caused" the mold does not raise a genuine issue of

[11] Under the policy, Hoffman had a duty to "protect the property from further damage or loss" and to "make reasonable and necessary temporary repairs required to protect the property." The record shows that, despite receiving the payout for water mitigation, Hoffman took no action to protect or repair the property.

material fact, not only because Hoffman provided no evidence to support the assertion, but also because mold is excluded from coverage under the policy.

In sum, the district court did not err by granting summary judgment for State Farm. The policy has a two-year deadline to perform repairs to receive RCV benefits, and no equitable doctrine applies to extend or toll that deadline. Moreover, because there is no genuine issue of material fact, summary judgment was proper as to repairs related to mold.

Affirmed.