This opinion is nonprecedential except as provided by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
A25-2214

All Around Property Preservation, LLC,
Respondent,

vs.

Ronald Clark, et al.,
Appellants,

Bank of America, N.A.,
Defendant,

Scott Halderson Construction, LLC,
Respondent.

Filed July 13, 2026
Affirmed as modified
Beane, Judge

Wright County District Court
File No. 86-CV-21-6214

Michael S. Rowley, Goetz & Eckland P.A., Minneapolis, Minnesota; and

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Considered and decided by Smith, Tracy M., Presiding Judge; Schmidt, Judge; and Beane, Judge.

NONPRECEDENTIAL OPINION

BEANE, Judge

This is the second appeal following a bench trial on claims stemming from a construction dispute. After this court's remand in the first appeal, the district court issued an order amending the amount of damages awarded to the contractor to account for the cost of completion and leaving unchanged the amounts of attorney fees, costs, and disbursements it had previously awarded. On appeal from the resulting amended judgment, appellants argue that the district court (1) incorrectly adjusted the damages award without making adequate factual findings and without accounting for prejudgment interest and (2) failed to amend the attorney-fee award to reflect the updated damages amount. Because we conclude that the district court proceeded consistent with our remand instructions but made an error in its recalculation of damages, we affirm as modified.

FACTS

In May 2021, appellants Ronald and Karen Clark contracted with respondent All Around Property Preservation, LLC (AAPP) to repair hail damage to the roof of a horse stable and horse-riding arena they own. AAPP then subcontracted with respondent Scott Halderson Construction, LLC (SHC) to perform the repairs. Work began shortly thereafter and was substantially complete a few months later, except for a few punch-list items.[1] After a dispute over some of the work, the Clarks informed AAPP that they were withholding

[1] A "punch list" refers to a list of final work items remaining that is often made when a construction project is considered substantially complete, but before the project reaches final completion.

payment on the remaining balance due under the contract. AAPP then perfected a mechanic's lien on the Clarks' property in the amount of the unpaid contract balance—$136,919.50—and sued to foreclose the lien. A few months later, after the Clarks made a partial payment, AAPP amended the lien amount to $55,500.

In August 2024, after a bench trial, the district court made detailed findings of fact and conclusions of law, entered judgment for AAPP on its breach-of-contract and mechanic's-lien claims, and dismissed all other claims and counterclaims. The district court awarded AAPP $71,437.63 in damages, based on the $55,500 remaining on the mechanic's lien, plus $6,035.85 in prejudgment interest owed on the original mechanic's lien and $9,901.80 in prejudgment interest owed on the amended mechanic's lien. The district court also awarded AAPP and SHC reasonable attorney fees, costs, and disbursements. The Clarks then moved for a new trial or amended findings. The district court denied the Clarks' motion but acknowledged that it had erred in awarding SHC attorney fees and concluded that SHC was entitled only to costs and disbursements.

The Clarks appealed. Relevant here, the Clarks argued that the district court erred in its damages calculations by failing to account for the costs AAPP would have incurred to complete the remaining work and in its attorney-fee award to AAPP. *All Around Prop. Pres., LLC v. Clark*, No. A25-0339, 2025 WL 3001400, at *4-6 (Minn. App. Oct. 27, 2025). As to damages, we held that "the district court erred by failing to determine the amount it would have cost AAPP to complete its performance under the contract and by failing to deduct that amount from the damage award." *Id.* at *6. And as to the attorney-fee award, we stated:

> [W]e are not persuaded that the district court erred in its determination of AAPP's attorney fees. However, because the district court reasoned, in part, that AAPP was awarded "the full amount sought" and because it is necessary to remand for recalculation of AAPP's damages, *the district court has discretion* to modify the attorney-fee award based on its determination of damages on remand.

Id. (emphasis added). We then reversed the damages award and remanded for a determination of damages consistent with our opinion. *Id.* at *7.

Shortly thereafter, without holding a hearing or receiving any briefing from the parties, the district court issued an order amending the damages award and declining to alter the attorney-fee award. The district court stated, based on trial testimony from an expert retained by AAPP, that the remaining punch-list items would cost $6,129.50 to complete, amended the damages award accordingly by subtracting $6,129.50 from the original $71,437.63 award, and left the attorney-fee award unchanged. The district court entered an amended judgment consistent with that order.

The Clarks appeal.

DECISION

I.

We first address the Clarks' arguments that the district court erred in its post-remand determination of damages. We review "a district court's compliance with remand instructions" for an abuse of discretion. *Janssen v. Best & Flanagan, LLP*, 704 N.W.2d 759, 763 (Minn. 2005). "It is the duty of the [district] court on remand to execute the mandate of [an appellate] court strictly according to its terms." *Halverson v. Village of Deerwood*, 322 N.W.2d 761, 766 (Minn. 1982). "The [district] court has no power to alter, amend, or modify" the appellate court's mandate. *Id.* A district court generally has broad discretion to determine how to proceed on remand, so long as they do not take any action that is inconsistent with the remand instructions provided. *Leiendecker v. Asian Women United of Minn.*, 895 N.W.2d 623, 633 (Minn. 2017). But "[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 Clarks argue that the district court's post-remand determination of damages is erroneous in two respects: (1) the district court did not make factual findings regarding the scope of work required for AAPP to complete its performance, and (2) the district court did not recalculate prejudgment interest on the amended damages award.

We disagree with the Clarks' argument that our remand instructions required the district court to make more detailed factual findings regarding the scope of work that remained for AAPP to complete its performance and the associated costs of performing that work. We instructed the district court to determine the cost-to-complete amount under the contract and to then adjust the damages award accordingly. *All Around Prop. Pres.*, 2025 WL 3001400, at *6. On remand, the district court adopted the trial testimony of a witness who "estimated the punch-list items would cost $6,129.50 to repair." In doing so, the district court implicitly found that the punch-list items described by that witness represented the scope of work remaining for AAPP to complete its performance. The district court acted within its discretion in relying on that testimony to determine the cost-to-complete amount.

To persuade us otherwise, the Clarks point out that the trial record "contains materially conflicting evidence regarding the scope of corrective work required." The Clarks argue that the district court was required to resolve that factual dispute about the scope of corrective work before adopting a specific dollar figure to use in its recalculation of damages. But the dollar figure the district court chose is supported by evidence in the record, and in adopting that figure, the district court impliedly credited the testimony that supported it over that of other witnesses. Because the district court complied with our mandate and its determination of AAPP's cost to complete its performance is supported by the record, we discern no abuse of discretion.

But the Clarks separately argue that the district court erred by not recalculating prejudgment interest on the damages award, as reduced by the cost-to-complete amount. We agree.

The interest due on a mechanic's lien is calculated on the principal balance. *Lyman Lumber Co. v. Cornerstone Constr., Inc.*, 487 N.W.2d 251, 255 (Minn. App. 1992), *rev. denied* (Minn. Aug. 4, 1992). But as we explained in deciding the Clarks' previous appeal, the principal balance that AAPP, as the lienholder, is entitled to recover is "the unpaid contract price less the amount it would have cost him to complete his performance." *All Around Prop. Pres.*, 2025 WL 3001400, at *5 (quoting *Zobel & Dahl Constr. v. Crotty*, 356 N.W.2d 42, 46 (Minn. 1984)). Because the cost of completion represents a portion of the lien amount to which AAPP was not entitled in the first place, the district court's amended damages award includes interest on an amount the Clarks never owed and thereby overstates the Clarks' obligation.

For its part, AAPP concedes that the district court erred by not recalculating interest on the amended principal. But AAPP then argues—for the first time, so far as we can tell—that it was entitled to a higher rate of interest than the district court used in its original calculation back in August 2024. AAPP urges us to correct that error, in addition to the one identified by the Clarks. According to AAPP's calculation, correcting the interest rate should result in an amended judgment against the Clarks even larger than the one from which they appealed. In its August 22, 2024 order (on which judgment was entered the same day), the district court expressly found that the parties' contract provided for an interest rate of 8% per annum. The time for AAPP to seek review of this interest-rate issue was in an appeal from that August 22, 2024 judgment. *See Dieseth v. Calder Mfg. Co.*, 147 N.W.2d 100, 103 (Minn. 1966) ("Even though the decision of the trial court in the first order may have been wrong, if it is an appealable order it is still final after the time for appeal has expired."). Moreover, we do not consider challenges to parts of the order or judgment decided adversely to a respondent when the respondent has not filed a notice of related appeal. *Kolby v. Nw. Produce Co.*, 505 N.W.2d 648, 653 (Minn. App. 1993); *see also* Minn. R. Civ. App. P. 106. AAPP did not file such a notice here, so the interest-rate issue is not properly before us.

With all this in mind, we conclude that the amended damages award should have been calculated as follows: The amended lien amount AAPP is entitled to recover is $49,370.50—that is, the remaining unpaid contract price of $55,500 less the $6,129.50 cost of completion, as found by the district court. The interest on the original lien amount, which accrued during the 168 days from the last day of AAPP's work on the project in October

2021 until the Clarks' partial payment in April 2022,[2] is $4,815.94.[3] And the interest on the amended lien amount, which accrued over 814 days between the date of the partial payment in April 2022 and the August 2024 judgment, is $8,808.24.[4] Thus, the amended award of damages in favor of AAPP is $62,994.68.[5]

II.

We next address the Clarks' argument that the district court abused its discretion by declining to consider the attorney-fee award on remand. Although a district court "cannot act in a way that is inconsistent with the remand instructions provided," we generally afford district courts "broad discretion" in determining how to proceed on remand. *Leiendecker*, 895 N.W.2d at 633 (quotation omitted).

Our remand instructions stated that the district court "*has discretion* to modify the attorney-fee award based on its determination of damages on remand." *All Around Prop. Pres.*, 2025 WL 3001400, at *6 (emphasis added). The Clarks contend that the district court

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[2] Our interest calculations are based on the district court's calculations, to the extent they are not challenged on appeal. That is, because neither party has challenged the district court's use of simple (as opposed to compound) interest, the contractual interest rate, or the dates when AAPP stopped work or the Clarks made partial payment on the lien, we adopt those aspects of the district court's calculations in performing our interest calculations.

[3] The original lien amount of $136,919.50 less the cost to complete performance of $6,129.50 is $130,790.00. The interest that accrues on that sum over 168 days at 8% per annum is $130,790.00 x 0.08 x (168/365) = $4,815.94.

[4] The interest that accrues on the amended lien amount of $49,370.50 over 814 days at 8% per annum is $49,370.50 x 0.08 x (814/365) = $8,808.24.

[5] $49,370.50 + $4,815.94 + $8,808.24 = $62,994.68.

should have revisited the fee award to account for the amount of the recalculated damages award and should have addressed whether AAPP knowingly overstated its lien. But the district court's decision not to revisit the fee award on remand was not inconsistent with the instructions we provided. *See Janssen*, 704 N.W.2d at 763 (stating that "district courts are given broad discretion to determine how to proceed on remand, as they may act in any way not inconsistent with the remand instructions provided"). We therefore discern no abuse of discretion in the district court's decision to leave the attorney-fee award unchanged on remand.

* * *

In conclusion, based on our recalculation of prejudgment interest, the district court's November 6, 2025 judgment entered in favor of AAPP and against the Clarks in the amount of $65,308.13 shall be amended to $62,994.68. The amounts of the district court's awards of attorney fees, costs, and disbursements remain unchanged.

Affirmed as modified.