

DISTRICT COURT OF APPEAL OF FLORIDA, SECOND DISTRICT

Tom Lam and Deborah Murphy Lam v. Modern Tampa Bay Homes, Inc.

Lam · No. 2D2025-1204 · Decided April 8, 2026

SUMMARY

The Florida Second District Court of Appeal held that Tom and Deborah Murphy Lam were the prevailing parties in arbitration arising from a construction contract dispute. Although the Lams recovered less than the full damages sought, they prevailed on the significant issue of contractual liability, so the trial court abused its discretion by declining to designate them as prevailing parties for purposes of attorneys’ fees and costs.

CASE DETAILS

COURT	District Court of Appeal of Florida, Second District
WRITING FOR THE COURT	Morris, J.; LaRose, J.; Atkinson, J.
JURISDICTION	District Court of Appeal of Florida, Second District
DECIDED	April 8, 2026
DOCKET	2D2025-1204
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	The Lams appealed a final order denying their motion to be designated the prevailing parties for purposes of attorneys' fees and costs following confirmation of an arbitration award in their breach-of-contract action.
STANDARD OF REVIEW	Abuse of discretion review applies to the trial court's determination of the prevailing party.
PRECEDENTIAL VALUE	Published opinion
PARTIES	Tom Lam, Deborah Murphy Lam v. Modern Tampa Bay Homes, Inc.

TOPICS

- breach of contract
- appellate procedure
- standard of review
- remedies
- damages

PRACTICE AREAS

QUESTIONS PRESENTED

1. Whether the trial court abused its discretion by declining to designate the Lams as the prevailing parties for purposes of attorneys' fees and costs because they recovered substantially less than the damages they originally sought.
2. Whether a party that prevails entirely on contractual liability may be designated the prevailing party when the party recovers only a portion of the requested damages because consequential damages are contractually unavailable.

HOLDINGS

1. The Lams were the prevailing parties because they prevailed on the significant issue of liability for breach of contract and achieved some of the benefit they sought, while Modern Tampa Bay Homes did not prevail on its competing breach claims.

KEY QUOTATIONS

"[T]he party prevailing on the significant issues in the litigation is the party that should be considered the prevailing party for attorney[s'] fees." (at 2)

"A trial court's determination of the prevailing party depends on whether that party was successful 'on any significant issue in the litigation which achieves some of the benefit the parties sought in bringing suit.'" (at 3)

"The Lams won on their breach of contract claim; Modern Tampa Bay Homes did not." (at 4)

FACTUAL BACKGROUND

The parties entered into a construction contract, and their dispute proceeded to arbitration. The arbitration panel found that Modern Tampa Bay Homes breached the contract, that the Lams did not breach the contract or the implied covenant of good faith and fair dealing, and awarded the Lams \$139,404.69 in actual damages. The Lams had sought approximately \$709,000, including consequential damages that the contract precluded them from recovering.

PROCEDURAL HISTORY

The parties' construction contract dispute proceeded to arbitration. The arbitration panel determined that Modern Tampa Bay Homes breached the contract, that the Lams did not breach the contract or the implied covenant of good faith and fair dealing, and awarded the Lams \$139,404.69 in actual damages while reserving prevailing-party and fee issues for the trial court. The trial court confirmed the award but later denied both parties' motions for prevailing-party status, reasoning that the Lams recovered only approximately 18% of the damages they sought. The trial court denied reconsideration, and the Lams appealed.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The trial court must designate the Lams as the prevailing parties for purposes of awarding attorneys' fees and costs and proceed with the related fee and cost determination.

CASES CITED

- Hayward Baker, Inc. v. Westfield Ins. Co., 313 So. 3d 772, 774 (Fla. 2d DCA 2020)
- ERHM Orthopedics, Inc. v. Edwards, 260 So. 3d 559, 561 (Fla. 2d DCA 2019)
- Moritz v. Hoyt Enterprises, Inc., 604 So. 2d 807, 810 (Fla. 1992)
- Hardeman Landscape Nursery, Inc. v. Watkins, 290 So. 3d 574, 576 (Fla. 2d DCA 2020)
- Point E. Four Condo. Corp. v. Zevuloni & Assocs., 50 So. 3d 687, 688 (Fla. 4th DCA 2010)
- KCIN, Inc. v. Canpro Invs., Ltd., 675 So. 2d 222, 223 (Fla. 2d DCA 1996)
- Lemartec Corp. v. East Coast Metal Structures Corp., 391 So. 3d 426, 434-435 (Fla. 4th DCA 2024)

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