

DISTRICT COURT OF APPEAL OF FLORIDA, THIRD DISTRICT

Wells v. Halmac Development, Inc.

189 So. 3d 1015 (Fla. 3d DCA 2016) · No. No. 3D15-1081 · Decided April 13, 2016

SUMMARY

The Florida Third District Court of Appeal held that the trial court erred in denying Diane and Thomas Wells' motion for attorney's fees under section 57.105, Florida Statutes. The court concluded that Hector Castro's claim to prevailing-party status was not supported by then-existing Florida law or the arbitration award, which expressly found no prevailing party. The court reversed and remanded for an award of fees beginning February 14, 2012, to be taxed solely against Castro's counsel.

CASE DETAILS

COURT	District Court of Appeal of Florida, Third District
WRITING FOR THE COURT	Emas, J.; Rothenberg, J.; Fernandez, J.
JURISDICTION	Florida
DECIDED	April 13, 2016
DOCKET	No. 3D15-1081
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Appeal from an order denying the appellants' motion for attorney's fees under section 57.105, Florida Statutes.
STANDARD OF REVIEW	An order denying attorney's fees is generally reviewed for abuse of discretion; to the extent the fee determination rests on a legal issue, review is de novo.
PRECEDENTIAL VALUE	Published Florida Third District Court of Appeal opinion; precedential within the court's jurisdiction unless limited by later authority.
PARTIES	Diane N. Wells, Thomas O. Wells v. Halmac Development, Inc., Hector Castro

TOPICS

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PRACTICE AREAS

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QUESTIONS PRESENTED

1. Whether Castro's claim that he was entitled to be declared the prevailing party was supported by then-existing Florida law and the material facts.
2. Whether Wells were entitled to attorney's fees under section 57.105(1)(b), Florida Statutes, because Castro's counsel pursued the claim despite the arbitrator's determination and controlling law.
3. Whether Castro's initial success in the trial court precluded an award of section 57.105 attorney's fees after the trial court's ruling was reversed on appeal.

HOLDINGS

1. Florida law does not require a court to declare a prevailing party in every construction lien case; where the governing analysis results in no prevailing party, no party is entitled to prevailing-party attorney's fees on that basis.
2. Wells were entitled to attorney's fees under section 57.105(1)(b) because Castro's counsel knew or should have known that the claim seeking to have Castro declared the prevailing party was not supported by the application of then-existing law to the material facts.
3. A party's success at the trial level does not categorically preclude section 57.105 attorney's fees after the party ultimately loses on appeal.
4. The fee award under section 57.105(1)(b) must be taxed solely against the counsel representing Castro at the relevant time, not against Castro.

KEY QUOTATIONS

"We hold that the trial court erred in its legal determination that Castro presented a "colorable claim" under Florida law and therefore, in denying Wells' motion for fees." (at 1015)

"We disagree, and because we determine that Castro's position was not "arguably supported" under Hollub or any other valid authority in Florida, the trial court erroneously denied Wells' motion for attorney's fees under section 57.105." (at 1020)

"We reject the notion that in every construction lien case the trial court is compelled to find a prevailing party." (at 1021)

"The trial court's determination that Castro's counsel raised a colorable claim was erroneous as a matter of law and its decision to deny Wells their entitlement to fees was an abuse of discretion." (at 1025)

"Reversed and remanded with directions." (at 1025)

FACTUAL BACKGROUND

Wells contracted with Halmac Development for general construction work at their Coral Gables home and later terminated Halmac. Halmac filed a mechanic's lien and pursued lien foreclosure and related claims, while Wells asserted claims against Halmac and Hector Castro. In arbitration, the arbitrator resolved the claims and determined that neither Wells nor Castro was the prevailing party for purposes of attorney's fees. Despite that

determination and the Florida Supreme Court's decision in Trytek, Castro sought a trial-court declaration that he was the prevailing party.

PROCEDURAL HISTORY

The parties arbitrated construction and mechanic's-lien disputes. The arbitrator determined that there was no prevailing party between Wells and Castro, and later reaffirmed that determination on remand. The trial court nevertheless declared Castro the prevailing party; this court quashed that order in a prior mandamus proceeding and directed confirmation of the arbitration award. After the trial court complied with the mandate, it denied Wells' motion for section 57.105 attorney's fees, finding that Castro had asserted a colorable claim. Wells appealed that denial.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Enter an order granting Wells entitlement to attorney's fees beginning February 14, 2012, determine the reasonable amount of fees, and tax the award solely against counsel representing Castro at that time.

CASES CITED

- Trytek v. Gale Industries, Inc., 3 So. 3d 1194 (Fla. 2009)
- Hollub Construction Co. v. Narula, 704 So. 2d 689 (Fla. 3d DCA 1997)
- Blue Infiniti, LLC v. Wilson, 170 So. 3d 136 (Fla. 4th DCA 2015)
- Wells v. Castro, 117 So. 3d 1233 (Fla. 3d DCA 2013)
- Cassara v. Wofford, 55 So. 2d 102 (Fla. 1951)
- Prosperi v. Code, Inc., 626 So. 2d 1360 (Fla. 1993)
- Moritz v. Hoyt Enterprises, Inc., 604 So. 2d 807 (Fla. 1992)
- Pennington & Associates, Inc. v. Evans, 932 So. 2d 1253 (Fla. 5th DCA 2006)
- Grant v. Wester, 679 So. 2d 1301 (Fla. 1st DCA 1996)
- Sanfilippo v. Larry Giacin Tile Co., 390 So. 2d 413 (Fla. 4th DCA 1980)
- Kenmark Construction, Inc. v. Cronin, 765 So. 2d 129 (Fla. 2d DCA 2000)
- In re Forfeiture of 100,000 Euros, 170 So. 3d 810 (Fla. 3d DCA 2015)
- Albritton v. Ferrera, 913 So. 2d 5 (Fla. 1st DCA 2005)
- Waddington v. Baptist Medical Center of the Beaches, Inc., 78 So. 3d 114 (Fla. 1st DCA 2012)