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**STATE OF MINNESOTA
IN COURT OF APPEALS
A11-1858**

Lakeland Real Estate Holding Trust II, LLC,
Respondent,

vs.

Steven M. Junker, et al.,
Defendants,

BAC Home Loans Servicing, LP,
f/k/a Countrywide Home Loan Servicing, LP,
Appellant.

**Filed May 21, 2012
Reversed and remanded
Stoneburner, Judge**

Washington County District Court
File No. 82-CV-11-3153

Cameron R. Kelly, Cameron Kelly Law, LLC, Stillwater, Minnesota (for respondent)

Michael J. Orme, Dana K. Nyquist, Orme & Associates, Ltd., Eagan, Minnesota (for appellant)

Considered and decided by Hudson, Presiding Judge; Stoneburner, Judge; and
Crippen, Judge.*

* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

UNPUBLISHED OPINION

STONEBURNER, Judge

Appellant assignee of a mortgagee challenges the district court's denial of its motion to vacate an order issued under Minn. Stat. § 582.032 (2010), reducing the mortgagor's redemption period to five weeks. Appellant argues that the district court lacked subject-matter jurisdiction over the action and that vacation of the order and equitable relief is appropriate under Minn. R. Civ. P. 60.02. We agree that respondent failed to name the proper defendant and failed to make a prima facie case of abandonment as required by the statute, but we decline to hold that claim-processing violations deprived the district court of subject-matter jurisdiction. We nonetheless conclude that, because appellant demonstrated that it was entitled to relief, the district court abused its discretion by denying appellant's motion to vacate the redemption-period-reduction order under Minn. R. Civ. P. 60.02. We therefore reverse the district court's order denying appellant's motion to vacate the order and remand to the district court for vacation of the order and for consideration of appellant's request for equitable relief.

FACTS

Appellant BAC Home Loans Servicing, LP, f/k/a Countrywide Home Loan Servicing, LP (BAC), is the assignee of a mortgage held by mortgagee Lehman Bros. Bank, FSB. The assigned mortgage (BAC mortgage) covers property in Lakeland and was granted on April 14, 2004, by then property owners, Steven M. and Elizabeth A. Junker, to secure a \$229,500 loan. The mortgage was recorded on July 28, 2004.

On May 11, 2004, the Junkers granted a second mortgage covering the same property to Lake Elmo Bank (LEB mortgage) to secure a \$15,000 line of credit. The LEB mortgage was recorded on June 11, 2004, prior to the recording of the BAC mortgage.

In December 2010, Lake Elmo Bank began foreclosure by advertisement on the property under Minn. Stat. §§ 580.01-.30 (2010). On March 2, 2011, Lake Elmo Bank purchased the property at a sheriff's sale for approximately \$10,310. On March 23, 2011, the Junkers conveyed their interest in the property by quitclaim deed to Lakeland Real Estate Trust, LLC (Lakeland). The quitclaim deed was recorded on March 31, 2011. On May 2, 2011, the Lake Elmo Bank assigned the Sheriff's Certificate of Sale to respondent Lakeland Real Estate Holding Trust II, LLC (Lakeland II). Lakeland and Lakeland II are separate entities but share the same registered address on file with the secretary of state's office and have the same registered agent.

On May 19, 2011, Lakeland II started an action under Minn. Stat. § 582.032, seeking to reduce the mortgagor's redemption period from six months to five weeks. The amended summons and complaint named the Junkers and BAC as defendants, alleged that the Junkers were the record owners of the property, and alleged that the property was abandoned. Despite the claim of abandonment, Lakeland II served the amended summons and complaint on the Junkers at the property. Lakeland II did not serve BAC.

In support of the request to reduce the redemption period, Lakeland II filed the affidavit of Angela Gagliardi, Chief Manager of Lakeland II. Gagliardi states in her affidavit that the Junkers are the record owners of the property and that the property is

“vacant, unoccupied and abandoned.” But Gagliardi does not assert any of the factors supporting abandonment contained in Minn. Stat. § 582.032, subd. 7, or any other facts supporting her statement that the property is abandoned.

The district court scheduled a June 20, 2011 hearing on the action. Neither the Junkers nor BAC appeared at the hearing. The district court issued an order on June 20, 2011 (redemption-period-reduction order) reducing the redemption period to five weeks, based on its findings that the property is “vacant, unoccupied and abandoned,” as required by Minn. Stat. § 582.032, subd. 7, and that “[a]ll statutory provisions have been complied with including Minnesota Statutes § 582.032.”

On August 19, 2011, BAC filed an expedited motion asking the district court to vacate the redemption-period-reduction order. BAC asserted that it first learned of the redemption-period-reduction order on August 17, 2011. BAC argued that the order is void for lack of subject-matter jurisdiction because (1) Lakeland II failed to name Lakeland as a defendant in the action as required by Minn. Stat. § 582.032, subd. 4, and (2) the hearing was not held within the time parameters contained in the statute. BAC also argued that Lakeland II misrepresented the ownership of the property and failed to meet the statutory requirements to show that the property was abandoned at the time the action was brought, thereby entitling BAC to vacation of the order and equitable relief under Minn. R. Civ. P. 60.02.

On September 19, 2011, the district court denied BAC’s motion to vacate. The district court concluded that it had subject-matter jurisdiction and that BAC is not entitled to relief under rule 60.02 because Lakeland II incurred \$8,260 in costs in reliance on the

expiration of the redemption period and would be substantially prejudiced by vacation of the order. The district court declined to consider BAC's arguments concerning abandonment, stating that the issue of abandonment was determined at the June 20, 2011 hearing that BAC did not attend. The district court found that BAC had notice of the hearing. The district court subsequently denied BAC's request for permission to move for reconsideration but amended the order to reflect that Lakeland II had incurred only \$3,760 in costs in reliance on expiration of the redemption period. This appeal followed.

D E C I S I O N

I. BAC's appeal is not moot.

We first address Lakeland II's assertion, raised for the first time in its brief on appeal, that this appeal is moot. Lakeland II asserts that, even if the owner's six-month redemption period were reinstated, BAC's redemption period would have expired on September 9, 2011, and because a redemption period cannot be expanded by judicial action, BAC's appeal is moot. *See State ex rel. Anderson v. Kerr*, 51 Minn. 417, 420-21, 53 N.W. 719, 719 (1892) (holding that the district court has no discretionary authority to enlarge or extend the time in which a party is allowed to redeem); *see also Graybow-Daniels Co. v. Pinotti*, 255 N.W.2d 405, 406-407 (Minn. 1977) (requiring strict compliance with statutory-redemption provisions); *First Nat'l Bank of Glencoe/Minnetonka v. Pletsch*, 543 N.W.2d 706, 711 (Minn. App. 1996) (holding that "Minnesota courts are committed to follow strictly statutory rules governing mortgage foreclosures"), *review denied* (Minn. Apr. 16, 1996).

BAC argues that, because Lakeland II did not serve and file a statement of the case identifying this issue, the issue cannot be raised on appeal. *See* Minn. R. Civ. App. P. 133.03 (providing that a respondent may, within 14 days after service of the appellant’s statement of the case, serve its statement clarifying or supplementing the appellant’s statement). But the scope of an appeal is not limited by the issues identified in a party’s statement of the case. *May v. May*, 713 N.W.2d 910, 913 (Minn. App. 2006). And the issue of mootness may be raised at any time. *See Kahn v. Griffin*, 701 N.W.2d 815, 821 (Minn. 2005) (stating that “mootness can be described as the doctrine of standing set in a time frame: the requisite personal interest that must exist at the commencement of the litigation (standing) must continue throughout its existence (mootness)” (quotation omitted)).

This court will dismiss an appeal as moot if an event occurs that makes a decision on the merits unnecessary or an award of effective relief impossible. *In re Application of Minnegasco*, 565 N.W.2d 706, 710 (Minn. 1997). Whether an issue is moot is a question of law, which this court reviews de novo. *Isaacs v. Am. Iron & Steel Co.*, 690 N.W.2d 373, 376 (Minn. App. 2004), *review denied* (Minn. Apr. 4, 2005).

Lakeland II correctly asserts that, absent the district court’s order reducing the mortgagor’s assignee’s redemption period to five weeks, that redemption period would have expired on September 2, 2011, and BAC’s redemption period would have expired seven days later, on September 9, 2011. *See* Minn. Stat. §§ 580.23, subd. 1 (providing that a debtor has six months from a foreclosure sale to redeem property), .24(a) (providing that the most senior creditor with a lien on mortgaged property may redeem

within seven days after expiration of the redemption period) (2010). And Lakeland II correctly argues that, because statutory redemption provisions are strictly construed, the district court cannot expand the redemption period. But a district court also has no authority, other than provided by statute, to reduce a redemption period. *See Kerr*, 51 Minn. at 420, 53 N.W. at 719 (“As a general rule, it may be said that when a valid legislative act has determined conditions on which rights shall vest or be forfeited, and no fraud has been practiced, no court can interpose conditions or qualifications in violation of the statute.”). If BAC is otherwise entitled to vacation of the redemption-period-reduction order, reinstatement of the redemption period remaining at the time the order was issued will not have the effect of expanding or extending any statutorily provided redemption period but will merely reinstate the redemption periods provided by statute.

Lakeland II also argues that, because BAC did not take effective action to obtain a determination of its motion to vacate the redemption-period-reduction order prior to September 9, 2011, BAC is not entitled to equitable relief.¹ Equity “functions as a supplement to the rest of the law where its remedies are inadequate to do complete justice.” *Swogger v. Taylor*, 243 Minn. 458, 464, 68 N.W.2d 376, 382 (1955). Equitable relief is intended to remedy inequity, unjust enrichment, and bad-faith conduct.

Minneapolis Grand, LLC v. Galt Funding LLC, 791 N.W.2d 549, 558 (Minn. App. 2010). But equitable relief rests in the sound discretion of the district court. *See City of*

¹ BAC originally sought reinstatement of the original redemption periods but, in an amended motion, asserted equitable grounds for an extension of the redemption period for two months from an order vacating the redemption-period-reduction order. On appeal, BAC asks this court to vacate the order and remand to the district court with instructions to reinstate the redemption period for a reasonable time.

N. Oaks v. Sarpal, 797 N.W.2d 18, 23 (Minn. 2011). We conclude that Lakeland II’s argument that BAC is not entitled to equitable relief is premature because the district court has not yet considered whether BAC is entitled to equitable relief. BAC’s appeal is not moot.

II. Lakeland II’s failure to name the proper defendant and the fact that the hearing was not held within timelines mandated by statute did not deprive the district court of subject-matter jurisdiction over this section 582.032 action.

BAC argues that the district court lacked subject-matter jurisdiction to proceed under Minn. Stat. § 582.032 because Lakeland II did not follow the statutory requirements to bring the action. Because the district court plainly has subject-matter jurisdiction over redemption-period-reduction actions, we find no merit in this claim.

Whether a district court has subject-matter jurisdiction is reviewed de novo. *In re Comm’r of Pub. Safety*, 735 N.W.2d 706, 710 (Minn. 2007). This court has held that a district court’s action that is outside of its authority was void as “tantamount to one rendered despite a lack of subject matter jurisdiction.” *Park Elm Homeowners Ass’n v. Mooney*, 398 N.W.2d 643, 647 (Minn. App. 1987).

BAC insists that the district court was deprived of subject-matter jurisdiction because Lakeland II failed to name Lakeland (the mortgagor’s assignee) as a defendant and because the hearing on the action was held outside the timeframe prescribed in the statute. *See* Minn. Stat. § 582.032, subd. 4 (providing that “[t]he proceeding must be initiated by the filing of a complaint, naming the mortgagor, or the mortgagor’s . . . assigns of record, as defendant The appearance data shall be not less than 15 nor more than 25 days from the date of the [summons issued by the district court]”).

Lakeland II concedes that it did not name Lakeland as a defendant in the action but argues that the Junkers were proper defendants because the quitclaim deed only transferred their interest in the property and not their status as mortgagors. We disagree. A quitclaim deed passes “all the estate which the grantor could convey by a deed of bargain and sale.” Minn. Stat. § 507.06 (2010). Plainly, Lakeland is the assignee of the Junkers (mortgagors), who conveyed to Lakeland every interest in the property, including their rights to redeem the property arising out of their status as mortgagors. Lakeland was the assignee of mortgagors for purposes of Minn. Stat. § 582.032, and was, therefore, required to be named as the defendant in Lakeland II’s action.

Because Lakeland was not named as a defendant, Lakeland was not served; the district court therefore never obtained personal jurisdiction over Lakeland and the judgment was voidable as to Lakeland. But this does not deprive the district court of subject-matter jurisdiction because, unlike subject-matter jurisdiction, personal jurisdiction can be waived. *Ins. Corp. of Ireland Ltd. v. Compagnie des Bauxites de Guinee*, 456 U.S. 694, 702-04, 103 S. Ct. 2099, 2104-05 (1982).

Likewise, although the timing of the appearance date on an action to reduce a redemption period is prescribed by Minn. Stat. § 582.032, subd. 5, BAC has failed to provide any authority that an unchallenged deviation from the prescribed timelines deprives the district court of subject-matter jurisdiction. We conclude that the district court did not err by denying BAC’s motion to vacate the redemption-period-reduction order for lack of subject-matter jurisdiction.

III. The district court abused its discretion by denying BAC’s motion to vacate the redemption-period-reduction order under Minn. R. 60.02.

The district court may relieve a party from a final judgment, order, or proceeding for (1) mistake, inadvertence, surprise, or excusable neglect; (2) newly discovered evidence; (3) fraud, misrepresentation, or other misconduct of an adverse party; (4) the judgment is void; (5) the judgment has been satisfied, released, or discharged; or (6) any other reason justifying relief from the operation of the judgment. Minn. R. Civ. P. 60.02. Whether to grant a motion under rule 60.02 is within the discretion of the district court, and the district court’s decision will not be reversed absent a clear abuse of discretion. *Riemer v. Zahn*, 420 N.W.2d 659, 661 (Minn. App. 1988) (addressing prior version of rule 60.02 that is identical, in relevant part, to current version).

BAC contends that, even if the redemption-period-reduction order is not void for claim-processing violations, the district court abused its discretion by declining to vacate the redemption-period-reduction order.² A party moving to vacate a judgment under rule

² Lakeland II suggests that BAC cannot move to vacate the redemption-period-reduction order under rule 60.02 because BAC was not a party to the June 20, 2011 action. “Rule 60.02 is available to *parties* A party is one who has the right to control the proceedings, to examine and cross-examine the witnesses, and to appeal.” *In re Bowers*, 456 N.W.2d 734, 736 (Minn. App. 1990); *see* Minn. R. Civ. P. 60.02 (“On motion and upon such terms as are just, the court may relieve *a party* . . . from a final judgment[,] . . . order, or proceeding and may order a new trial or grant such other relief as may be just” (emphasis added)). BAC was named in Lakeland II’s complaint, but Lakeland II asserts that BAC was removed as a party before the district court reduced the redemption period. The record on appeal contains neither a transcript of the June 20, 2011 hearing nor an order dismissing BAC from the action. The district court treated BAC as a party throughout the proceedings on BAC’s motion to vacate. Lakeland II did not argue to the district court that BAC was not a party that could properly move to vacate the redemption-period-reduction order under rule 60.02 and raises the issue on appeal only to argue that BAC did not fail to answer because BAC was not a party to the action to

60.02 bears the burden of proving (1) a reasonable defense on the merits, (2) a reasonable excuse for failing to act, (3) the exercise of due diligence after notice of entry of judgment, and (4) lack of substantial prejudice to the opposing party. *Finden v. Klaas*, 268 Minn. 268, 271, 128 N.W.2d 748, 750 (1964). All four factors must be established to obtain relief, but a strong showing on one factor may offset a weaker showing on another factor. *Imperial Premium Fin., Inc. v. GK Cab Co.*, 603 N.W.2d 853, 857 (Minn. App. 2000). We conclude that BAC has met the burden of clearly demonstrating the existence of the four elements of the *Finden* analysis.

A. Reasonable defense on the merits

“A reasonable defense on the merits is one that, if established, provides a defense to the plaintiff’s claim.” *Palladium Holdings, LLC v. Zuni Mortg. Loan Trust 2006-OA1*, 775 N.W.2d 168, 174 (2009) (quotation omitted). Specific information that clearly demonstrates the existence of a meritorious defense satisfies this factor. *Id.* Here, Lakeland II failed to name the proper party defendant, misrepresented to the district court the ownership of the property, failed to tell the district court that the Junkers had assigned all of their interests in the property to an entity not named in the action, and failed to make a prima facie case that the property was abandoned as prescribed by Minn. Stat. § 582.032, subd. 7, or by any other factual assertion concerning abandonment. The district court did not expressly address this *Finden* factor except to reject the

reduce the redemption period. Accordingly, any challenge to BAC’s right to proceed under rule 60.02 is waived. *See Thiele v. Stich*, 425 N.W.2d 580, 582 (Minn. 1988) (stating that generally, an appellate court will not consider matters not argued to and considered by the district court); *Melina v. Chaplin*, 327 N.W.2d 19, 20 (Minn. 1982) (stating that issues not briefed on appeal are waived).

jurisdictional claim and find that the issue of abandonment had been determined at the hearing on Lakeland II's complaint, which BAC did not attend.³

We have already addressed the failure to name the proper party defendant and the failure to hold the hearing within the mandatory statutory time limits. Although not dispositive, these claims are reasonable defenses on the merits to the validity of the order, as is the failure to make a prima facie case that the property was abandoned at the time of the hearing. A prima facie case of abandonment can be made under the statute by affidavit of the party foreclosing the mortgage or holding the sheriff's certificate, or one of their agents or contractors, stating any of the following facts:

- (1) windows or entrances to the premises are boarded up or closed off, or multiple window panes are broken and unrepaired;
- (2) doors to the premises are smashed through, broken off, unhinged, or continuously unlocked;
- (3) gas, electric, or water services to the premises has been terminated;
- (4) rubbish, trash, or debris has accumulated on the mortgaged premises;
- (5) the police or sheriff's office has received at least two reports of trespassing on the premises, or of vandalism or other illegal acts being committed on the premises; or
- (6) the premises are deteriorating and are either below or are in imminent danger of falling below minimum community standards for public safety and sanitation [,] . . . and that the affiant has changed locks on the mortgaged premises under section 582.031 and that for a period of ten days no party having a legal possessory right has requested entrance to the premises

³ The record establishes that the district court clearly erred by finding that BAC had notice of the initial hearing. In an affidavit, BAC's counsel stated that the court administrator advised him that, contrary to the district court's finding, the court administrator did not serve BAC with notice of the hearing.

Minn. Stat. § 582.032, subd. 7. The affidavit submitted by Lakeland II to support abandonment did not meet the statutory requirements for establishing abandonment by affidavit. In *Palladium Holdings*, 775 N.W.2d at 175-76, we held that Palladium failed to make a prima facie case of abandonment in a section 582.032 action because the affidavit of its authorized officer did not state that the locks had been changed. The affidavit submitted by Lakeland failed to allege any of the indicia of abandonment and did not state that the locks had been changed as required by the statute. Just as in *Palladium*, Lakeland II's affidavit of its authorized agent, on its face, failed to make a prima facie case of abandonment and did not support the district court's finding that the property was abandoned.

Lakeland II argues that the affidavit of its chief manager is not the exclusive means of establishing abandonment. "Written statements of the mortgagor, the mortgagor's personal representatives or assigns, including documents of conveyance, *which indicate a clear intent to abandon the premises*, are conclusive evidence of abandonment." Minn. Stat. § 582.032, subd. 7 (emphasis added). Lakeland II asserts that the quitclaim deed and an affidavit by Elizabeth Junker, submitted in response to BAC's motion to vacate, establish abandonment. Elizabeth Junker's affidavit states that the Junkers *intended* to abandon the property and conveyed the property by quitclaim deed to Lakeland *as evidence of their intent to abandon the property*. But the Junkers were not the record owners at the time of the June 20, 2011 hearing, neither of these documents were submitted to the district court in support of Lakeland II's action to reduce the redemption period, and the quitclaim deed does not, on its face, indicate the

Junkers' clear intent to abandon the premises—the quitclaim deed only establishes that the Junkers sold their interest in the property to Lakeland.

Failure of a party to appear at the hearing after receiving notice is also “conclusive evidence of abandonment by the defendant, subject to vacation under Rule 60.02”

Id. But the Junkers' failure to appear at the hearing on Lakeland II's complaint is irrelevant because, although they were served, they were not the proper party defendant, and Lakeland was not served with the summons and complaint, so its failure to appear at the hearing does not conclusively demonstrate abandonment.

Lakeland II's failure to establish abandonment at the time of the initial hearing is a reasonable defense supporting BAC's motion to vacate the order. At the time of the hearing, Lakeland II did not make a prima facie case of abandonment under any alternative to the affidavit of its chief manager, and that affidavit was not sufficient to establish a prima facie case. Plainly BAC has a reasonable defense on the merits.⁴

B. Reasonable excuse for failing to act

Lakeland II concedes that BAC, though named as a defendant, was not served with the summons and complaint in its action to reduce the mortgagor's redemption period. And BAC does not assert that it was entitled to such service, despite being named

⁴ The record also supports BAC's contention that Lakeland II made material misrepresentations to the district court by stating in its complaint and supporting affidavit that the Junkers were the record owners of the property. The Junkers conveyed the property by quitclaim deed to Lakeland on March 23, 2011, and were not the record owners of the property when Lakeland II initiated the redemption-period-reduction action. BAC also asserts that Lakeland II misrepresented that the property was vacant, unoccupied, and abandoned. BAC persuasively argues that the fact that the complaint, summons, and exhibits were served on the Junkers at the mortgaged property demonstrates that the property was not abandoned.

as a defendant, because BAC does not dispute that it was not a proper party to the action. But because BAC was not served and had no responsibility to answer the complaint, it has a reasonable excuse for failing to answer the complaint.

BAC also does not dispute that, at the time the action was initiated, it had not recorded a request for notice with the county recorder or registrar of titles, which would have entitled BAC to notice of the reduction of the redemption period. *See id.*, subd. 3 (providing that within ten days of entry of an order reducing a redemption period, “a copy of the order must be sent . . . to any party holding a lien or interest of record junior to the foreclosed mortgage who has filed with the county recorder or registrar of titles a certificate . . . requesting notice of any postforeclosure sale reduction of the mortgagor’s redemption period for any superior lien”). Lakeland II argues that, because BAC did not record such notice until July 28, 2011, BAC failed to protect itself by ensuring that it would receive notice of any action affecting the property and therefore has no reasonable excuse for failing to act on the action reducing the redemption period. Failure to file the request for notice before Lakeland II initiated its action may weaken BAC’s argument on this factor, but BAC had no reason to suspect that Lakeland II would seek a reduction of the redemption period by failing to name the Junkers’ assigns and by misrepresenting to the district court the ownership of the property and that the property was abandoned. We conclude that BAC’s strong showing of defense on the merits offsets any weakness in BAC’s diligence argument caused by its failure to file a request for notice prior to initiation of the redemption-period-reduction action. *See Imperial Premium Fin., Inc.*,

603 N.W.2d at 857 (noting that a strong showing on one factor may offset a weaker showing on another factor).

C. Due diligence after notice

“Due diligence is measured by asking if a party was diligent after notice of entry of judgment.” *Palladium Holdings*, 775 N.W.2d at 177. BAC was not given notice of Lakeland II’s complaint or entry of the district court’s order reducing the redemption period. BAC learned of the redemption-period-reduction order on August 17, 2011. BAC filed an expedited motion to vacate on August 20. Because BAC acted quickly to protect its interest, this factor weighs in favor of vacating the redemption-period-reduction order.

D. Substantial prejudice

The district court rejected BAC’s rule 60.02 motion based solely on its finding that Lakeland II would be substantially prejudiced by vacation of the order because it incurred \$8,260 in costs in reliance on the order. And the district court did not alter this conclusion even after it amended the order to correctly reflect that the amount of costs incurred by Lakeland II was actually \$3,760. On this record, we conclude that, even if the originally found amount of costs incurred by Lakeland II could support the district court’s conclusion of “substantial prejudice” to Lakeland II, the corrected amount, as a matter of law, does not. On remand, should the district court conclude that BAC is entitled to an opportunity to redeem, Lakeland II, the holder of the sheriff’s certificate, would receive all amounts to which it is entitled under the law. *See* Minn. Stat. §§ 580.23, subd. 1, 24(c) (providing that junior creditor may redeem from the holder of the

sheriff's certificate of sale "by paying the sum of money for which the [lands sold in conformity with Chapter 580] were sold, with interest"); *Palladium Holdings*, 775 N.W.2d at 177 (affirming district court's conclusion of no prejudice to nonmoving party because, if moving party is permitted to redeem, nonmoving party would "receive all amounts to which it is entitled under Minnesota law").

Because the *Finden* factors support vacation of the redemption-period-reduction order under rule 60.02, the district court abused its discretion by denying BAC's motion to vacate. See *Charson v. Temple Israel*, 419 N.W.2d 488, 492 (Minn. 1988) (concluding that the district court abused its discretion by denying a motion to vacate when all four elements of the *Finden* analysis were met by the party seeking to vacate an order). We reverse and remand to the district court with instructions to vacate the order reducing the redemption period and to consider of whether BAC is entitled to equitable relief reinstating the portion of the redemption period that was eliminated by the order.

Reversed and remanded.