FILED
MAR 29 1978
CLERK SUPREME COURT

IN THE COURT OF APPEALS OF

ROGER FAUGHT,)
Appellee,) Filed March 29, 1978
vs.) 432
2-60237
RICHLAND BUILDING SYSTEMS, INC.,)
Appellant.)

Appeal from Worth District Court -- J. W. Frye, Judge.

Defendant appeals from amount of damages awarded plaintiff in action for faulty construction of a farm building. Plaintiff cross-appeals seeking increased damages. - Affirmed on both appeals.

B. Michael Dunn, Mason City, for Appellant.

Phillip N. Norland, Northwood, for Appellee.

Submitted to Allbee, C.J., and Donielson, Snell, Oxberger and Carter, JJ.

PER CURIAM

Defendant appeals from the amount of damages awarded plaintiff in an action to recover damages sustained as a result of faulty construction of a farm building. Plaintiff cross-appeals seeking increased damages. We affirm the trial court on both appeals.

I. Defendant's Appeal. The trial court, in determining the amount of damages to be awarded, applied the rule of Hansen v. Anderson, 246 Iowa 1310, 1316, 71 N.W.2d 921, 924 (1955) that such damages should be the "difference between the value of the building as is and the value as it would have been if made under the provisions of the claimed agreement." Defendant concedes that such is the proper measure of damages but urges that the evidence fails to support the trial court's finding that the value of the performance received by plaintiff was zero. Defendant's contention in this regard is based upon the assertion that plaintiff enjoyed some use of the defective building for purposes of storing his farm machinery.

Assuming that plaintiff did have some use of the defective building for storage, such circumstance does not necessarily establish that the structure had value for purposes of applying the proper measure of damages. The trial court was properly seeking to establish "the exchange value" of the building. See Restatement, Contracts § 346, comment (b) at 574. The evidence, viewed in the light most favorable to the judgment, is sufficient to make a prima facie case that because of its defects the building had no exchange value as a building, and, because of a substantial cost of demolition, no net salvage value. Such being the case we may not disturb the trial court's findings. Rule 4, Rules of Appellate Procedure. We must affirm on defendant's appeal.

II. Plaintiff's Appeal. Plaintiff urges on his cross-appeal that the trial court's judgment "be corrected" so as to reflect his costs of demolishing the defective building and constructing a new one at present day prices. Based upon authority cited in Division I of this opinion, we are satisfied the measure of damages employed by the trial court was correct and does not permit damages of the type sought by plaintiff. We therefore affirm on plaintiff's appeal.

AFFIRMED ON BOTH APPEALS.