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SPRING PREVIEW

Firm's long-time client absolved of any liability FRKB obtains significant jury verdict in favor of property owner/manager in lead paint case

WEST ORANGE, NJ — Gary Gordon, Esquire and Tracey Goldstein, Esquire, partners of the West Orange, NJ based law firm Feinstein, Raiss, Kelin & Booker, L.L.C. (FRKB), recently secured a significant “no-cause” jury decision on behalf of one of the firm’s long-time clients, who owns and manages properties in East Orange, N.J.

The plaintiffs in this case alleged that a child who resided in an East Orange multi-family apartment building was lead poisoned in the apartment and suffered brain damage, learning disabilities and cognitive impairment as a result of the lead poisoning. The plaintiffs named the property owner, management company and a member of the ownership group, individually, as defendants.

Despite forming a limited liability corporation (LLC) and a corporation, which typically are established to insulate an in



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dividual from being held personally liable, the ownership group’s principal was included as a defendant in this case. The plaintiffs named the owner as an individual defendant because he had assigned the task of painting the apartment prior to the tenant’s move-in, inspected the apartment prior to the move-in, and signed the lead-based paint disclosure statement given to the tenant when the lease was signed. The named defendants did not have insurance coverage for such claims, so FRKB provided the defense.

After a four week jury trial, the Essex County jury returned a verdict in favor of all of the

defendants and absolved all parties of any liability. “Regardless of the existence of an LLC and a corporation, this case highlights that a property owner’s individual principals may still be at potential risk for personal exposure, depending on their level of involvement,” said Gordon. “By failing to dismiss the case against the individual principal and allowing the issue to proceed to a jury verdict, the judge acknowledged that individuals could be held personally liable based on their level of participation in the alleged wrongful act.”

FRKB’s diverse clientele includes individuals, owners, property managers, builders and developers. In addition to its distinguished reputation for handling commercial real estate transactions, the firm’s Litigation Department focuses on commercial litigation matters and landlord tenant law. ■