

Doe Homeowner v. Roe Seller/Broker
CASE TYPE: Real Property -- Failure to Disclose

RESULT: \$2,150,000 Settlement; \$1,500,000 from sellers' real estate broker and agent, 2/98 and \$650,000 from sellers, 10/98 in mediation before Honorable David M. Rothman (Ret.) of Action Dispute Resolution

INJURIES: Death of an adult son.

COURT: L.A. Superior Court, Van Nuys **JUDGE:** Thomas Schneider

PLAINTIFF ATTORNEY: Knopfler & Robertson, By: Alexander Robertson, IV and Christina S. Robertson, Woodland Hills

DEFENDANT ATTORNEY: David R. Glickman, Beverly Hills; Stapke & Harris, By: Mark R. Stapke, Los Angeles; Hanger, Levine & Steinberg, By: Robert Hanger, Woodland Hills; Gibson, Dunn & Crutchen, (for cross-defendant buyer's broker), By: Kevin Rosen, Los Angeles

FACTS: Plaintiffs' Decedent, a 32 year-old executive in the entertainment industry, died when the stilt house he owned collapsed in the 1994 Northridge earthquake. In the 1992 purchase transaction, Decedent was represented by his brother, who was a real estate agent. In January 1998 Decedent's parents and his estate filed a wrongful death and survival action against the sellers and the sellers' real estate broker and agent.

PER PLAINTIFF: That the sellers and their broker failed to disclose structural defects in the foundation of the home. Plaintiffs also contended that the house had fallen out of two prior escrows within 90 days of its purchase by the decedent when pre-purchase inspections performed for the prior prospective purchases revealed structural deficiencies in the foundation of the home.

The plaintiffs contended that both the sellers and the sellers' broker had received copies of the written pre-purchase inspection reports prepared on behalf of the two prior prospective buyers, but that the defendants failed to disclose the defects identified in those reports or provide a copy of those reports to the decedent. Instead, plaintiffs contended that the sellers only delivered to decedent inspection reports which the sellers had commissioned that painted a favorable picture of the property.

DEFENSE: Denied the allegations, contending that all material facts were disclosed in geologists reports provided by the broker to the Decedent; that the Decedent was advised to obtain a structural inspection but failed to do so; that the Department of Real Estate investigation found no wrongdoing on the part of Defendant broker.

See Confidential Report For Attorneys No. 9409