



Sampling of Environmental Losses in Buildings

- **Long Island apartment tenants forced out – mold remediation expected to cost millions for Archstone-Smith**

A resident of a water-damaged apartment complex filed a lawsuit Wednesday against the property owner, saying that the Archstone Westbury's "water intrusion problems" and reported mold and mildew made her sick and damaged her property, according to court documents. Andrea Sorrentino, a business executive, had signed a 26-month lease for a \$3,000-a-month, two-bedroom, two-bathroom apartment at the mixed-income complex at 1299 Corporate Dr. and moved there in June 2005, said her attorney, Richard Cohen, of White Plains. Sorrentino learned of the water problems when parent company Archstone-Smith of Colorado sent letters on Tuesday to each tenant of the 400-unit complex, asking that they move out by March 31 so that renovation may begin. *Newsday 11/28/07*

- **Apartment complex owner settles toxic mold class action for an estimated \$25M - in addition to \$38M for remediation**

Archstone-Smith has agreed to settle a mold class action suit filed on behalf of over 1,000 current and former tenants of Harbor House in Bal Harbour, Florida. While the total costs of the settlement remain unclear, Archstone estimates the cost will be \$25 million. The settlement calls for Archstone to pay 100% of each class member's personal property damages, 65% of each tenants rent obligation, \$3,000 for aggravated damages for each class member and 2.5 times actual medical expenses for certain medical conditions. Class members do not have to prove that mold caused their ailments. Under the settlement, class members preserve their right to pursue personal injury claims in court if they don't settle their individual claims in mediation. The estimated \$25 million settlement is in addition to the \$38 million, Archstone paid to remediate mold contamination from the 452 unit building. Plaintiffs alleged that an improperly executed renovation of the building's heating ventilation and air conditioning system caused the mold contamination. Mold at levels up to 100 times outdoor levels were found in 450 of the 452 units. Archstone "expects to recover a 'significant' portion of the settlement costs from its insurance carriers." The company has also filed a lawsuit seeking over \$30 million against architect Bernard Zyscovich, engineering firm Tiden Lobnitz & Cooper and Penn Refrigeration and Air Conditioning. *Miami Daily Business Review, The Miami Herald on 11/26/2003*

- **Apartment building with water leaks and mold contamination cost \$10.1M to remediate**

Mold contamination caused by water intrusion in the Gaia building cost \$10,079,000 to remediate. The seven story building houses apartments and retail space. The building owners have filed suit against the contractor, Kimes Morris and many other contractors. The suit specifically names seven defendants plus another 100 "Does" i.e. yet to be named defendants. The contractor has filed suit against the subcontractor who installed the EIFS and interior dry wall.

Berkeley Daily Planet on 07/20/2004

- **Mold contaminated buildings at university to cost \$58M to remediate**

The most recent estimate of the cost to remediate about 12 North Carolina Central University buildings contaminated with mold is \$58 million.

Newsobserver.com on 04/29/2004

- **Apartment building owner settles toxic mold suit for \$3.8M**

The owner of the Park Hill Apartments in Hayward, California has reached a settlement with some 124 current and former tenants who were alleging that exposure to toxic mold and other substandard living conditions caused their illnesses. The apartment complex, built in the 1960s, includes nine buildings with 106 units. The plaintiffs alleged that exposure to mold in their apartments caused a variety of illnesses including asthma, upper respiratory and sinus ailments, headaches and skin rashes. The building owner's four liability insurers made the settlement offer before trial was to begin. The suit was settled for \$3.83 million. Individual payouts remain confidential.

San Francisco Chronicle, The Argus on 06/22/2004

- **Jury orders apartment owner to pay renters \$2M for mold contamination**

A Texas jury ordered defendants to pay 26 residents of an apartment complex contaminated with mold \$1,238,000 for damages to personal property that had to be disposed of (Auzston v. Elder), plus \$208,000 for mental anguish, \$150,000 in attorney fees and \$650,000 (\$25,000 each) in additional damages. Defendants in the lawsuit included building owner Vestcor Development Corp., Alpha-Barnes Real Estate Services, Vestcor Companies Inc. d/b/a Bay Colony Apartments, and Bay Colony LP.

HarrisMartin Columns, Mealey's Litigation Report Mold on 07/28/2004

- **University seeks to recover \$10M in mold remediation costs from dorm builders**

Southern Illinois University Edwardsville has filed a lawsuit against companies involved in the design and construction of three campus dormitories. The university seeks to recover some \$10 million spent on mold remediation. Defendants include Kane Mechanical; Solomon Cordwell Buenze & Associates; S.M. Wilson & Co.; WMA Consulting Engineers; Kennedy Associates/Architects; Fru-Con Construction. The suit also names insurers as defendants.

Belleville News-Democrat on 07/25/2004

- **California jury orders Property manager & apartment complex owner to pay \$1.3M in mold-related suit**

A California jury ordered property management firm, Molln Properties Inc. and the owners of an 18 unit apartment complex to pay a family \$1,337,985 in damages (Rogers v. Molln Properties Inc.). The plaintiffs filed suit after being threatened by the property manager with eviction for complaining of mold contamination in their apartment. The award included \$450,000 for past pain and suffering and \$200,000 for future pain and suffering as well as \$44,550 in property damages and storage expenses. The jury ordered the Molln to pay \$694,550 for its malicious actions.

HarrisMartin Columns on 09/27/2005

- **68 California tenants sue apartment owner for toxic mold exposure**

Sixty-eight tenants of the Coventry apartment complex in Bakersfield, California have filed a lawsuit alleging exposure to mold in their apartments resulted in illnesses including the death of a two year old. According to the plaintiffs' attorney, "elevated levels of toxinogenic molds" have been found in 16 of 18 apartments tested and mold growth has been documented in the apartments since 1999.

cbsnews.com on 03/04/2005

- **Michigan jury awards apartment resident \$925K for illness caused by mold exposure**

A Michigan jury has awarded an apartment resident \$925,000 for the development of permanent severe asthma allegedly caused by mold in her apartment. The plaintiff, Elizabeth Mahaffy, complained to the owner of the apartment complex for years about mold growth on her walls and ceiling after a 2001 flood from a toilet in the apartment above hers. She was subsequently hospitalized three times for severe asthma attacks. Although the building owner hired a handyman to rip out wet and damp drywall, the jury found the landlord had not done enough to stop and prevent mold growth. This is the highest personal injury damages award resulting from mold exposure in Michigan. The trial, in the Wayne County Circuit Court, lasted seven days.

Business Wire on 06/02/2005

- **Apartment owner settles mold damage suit for \$149,100**

A California apartment owner settled a mold bodily injury and property damage lawsuit for \$149,100 (Lynch v. Al E. Saroyan). The plaintiff alleged that mold contamination in her apartment, which the landlord left unremediated for over a year, caused cardiopulmonary disease and damaged her personal property.

Mealey's Litigation Report Mold on 10/01/2004

- **New Mexico jury awards plaintiff \$562,000 in mold exposure suit**

A New Mexico jury ordered an apartment building owner to pay \$562,000 to a tenant alleging his illness was caused by exposure to mold in his apartment (Gianardi v. Simpson Property Group). The plaintiff alleged that his respiratory ailments, neurological difficulties and lesions began three months after he moved into the apartment complex where he lived from 1996 to 2001. The plaintiff reportedly spent over \$100,000 in medical costs to determine the cause of his illness.

The Santa Fe New Mexican on 04/12/2006

- **Landlord settles toxic mold suit with tenant for \$550,000**

Landlords of an Orange County, California apartment have agreed to pay \$550,000 to settle a toxic mold lawsuit. The suit, filed in Superior Court in Orange County, was filed by the tenant alleging respiratory ailments, including asthma as a result of exposure to toxic mold. Water intrusion and septic leaks in the apartment resulted in mold contamination. The landlord failed to adequately remediate the mold contamination and had been cited by the City of Huntington Beach for various code violations.

PR Newswire on 01/18/2005

- **Legionnaire's Scare at Chicago Hotel**

Illinois' State Public Health Department has confirmed three cases of Legionnaires' disease linked to a northwest suburban hotel. Agency Spokeswoman Melaney Arnold says three guests of the Hampton Inn in McHenry contracted the disease last month. She says the hotel's pool and hot tub also tested positive for the disease - which can be fatal. The disease is like pneumonia and is transmitted by breathing contaminated mist or vapor. Arnold says the three guests were hospitalized. The state has ordered the pool and hot tub closed until test results come back clean. A hotel manager says they've already had a professional come in to clean both facilities. Tina Valdivia says they are now working on the ventilation system. The state is trying to contact hotel guests who stayed at the hotel between May 8th and June 6th.

WBBM 780 Chicago 6/9/08

- **Apartment owner settles mold bodily injuries suit for \$392,500**

The owners of a California apartment building have settled a mold bodily injury suit for \$392,500 (Miller v. The Palm Garden Apartments Ltd Partnership). The plaintiffs had alleged that water intrusion caused by leaking plumbing in the unit above theirs caused mold growth and exposure to the mold caused asthma and allergies.

Mealey's Litigation Report Mold on 10/01/2004

- **Mold class action filed against apartment complex owners & managers**

Residents of a 325 unit apartment complex in Florida have filed a class action suit against VCP Gate Parkway, GAtE Parkway Joint Ventures d/b/a Portfolino, and Northwestern Mutual Life Ins. Co., the owners of the 20 building complex, for failing to prevent or properly remediate mold contamination (Petzel v. VCP Gate Parkway). Calex Realty Group, the property manager, has also been named as a defendant in the suit.

HarrisMartin Columns, Mealey's Litigation Report Mold on 03/01/2004

- **Residents of apartment complex file class action suit over mold exposure and damage**

Twenty-eight residents of Portofino Apartments in Jacksonville, Florida have filed a class action suit seeking compensation for illnesses and property damages allegedly caused by mold contamination in the complex. Hundreds more may join the suit. Plaintiffs' attorneys reportedly believe that the mold contamination began with the heating and cooling system.

First Coast News on 02/12/2004

- **Mold contamination hits two apartment complexes in Colorado**

Mold contamination has been found in two apartment complexes in Vail, Colorado. Earlier this week some 300 residents were evacuated after mold contamination was found in 17 buildings in the Breckenridge housing complex. Most of those residents were employees of Vail Resorts. Visible mold and/or elevated mold spores were subsequently discovered in the 198 unit Timber Ridge Village Apartments. Only about 30 units were occupied, but leases have been suspended until further testing and remediation is complete. The apartments usually hold some 600 residents over the winter.

Associated Press on 11/20/2003

- **Property insurer pays \$766,000 to settle mold coverage dispute**

A property insurer settled a mold coverage action by agreeing to pay \$766,000 (Allianz Ins. Co. v. SSR Realtor Advisors and Westtown Apartments). The insured was seeking coverage for mold contamination which appeared after a lightning strike caused a fire in a large luxury apartment complex. The insured was seeking half of \$1.5 million it allegedly spent on mold remediation. Allianz, which provided 50% of \$10 million in primary limits, originally disputed the costs associated for mold remediation.

Mealey's Litigation Report Mold on 11/10/2003

- **Apartment complex undergoes massive mold remediation**

A Delaware apartment complex is undergoing a massive mold remediation project. Thirty-nine buildings of the Fenwick Park Apartments are involved. Some 650 people were evicted from their homes due to the mold contamination about one year ago.

CBS KYW-TV on 10/17/2003

- **Massachusetts tenant files toxic mold suit against property managers and owner**

A single mother of four children has filed a toxic mold suit against the owner of her rented town home and the property manager alleging her children's illnesses have been caused by exposure to mold contamination. A sewer backup flooded the town home in March 2001. Subsequently there was mold contamination and her children began to experience ailments including asthma, sinus and ear infections, chest pains, vomiting, bloody noses, severe headaches, and memory loss. Independent testing found several types of mold in the home. *Isanti County News on 10/15/2003*

- **Legionnaire's Closes Orlando Hotel**

Two people who stayed in an Orlando hotel in were hospitalized Friday in the Tampa area with a respiratory illness that can be fatal, health officials said. The two people were staying at the Quality Inn in the tourist corridor earlier this month, but have since left the area, Orange County Health Department spokesman Dane Weister said. The department was contacted by health officials in Pinellas County, where the patients were reportedly being treated. The hotel has voluntarily shut down. Guests were being relocated to other hotels while health officials test water samples taken from the pool, spa, air conditioning units and other areas. The disease is caused by an organism that occurs naturally in water. Symptoms include headaches, loss of appetite, aches, pains, fever and coughing. It is treated with antibiotics.

Fort Mill Times 3/14/08

- **Toxic Fumes Kill Guest in Double Tree Grand Key Resort (carbon monoxide)**

Fire officials said an Iowa family was treated for carbon monoxide exposure six days before the toxic fumes contributed to the death of a 26-year-old tourist who stayed in the same room at the upscale resort. Thomas Lueders, 26, and his father Richard, 53, both of Grosse Pointe Park, Mich., were found unconscious in room 416 of the hotel. Thomas Lueders died of carbon monoxide poisoning at a local hospital, authorities said. His father survived emergency treatment. An investigation found a boiler room next to the fourth floor room created an "abnormally high level of carbon monoxide" in the room. Carbon monoxide is odorless, colorless and tasteless. Authorities shut down the 216-room resort on Friday.

Key West, FL 2/2/2007

- **Former Player Sues NY College over Staph (MRSA)**

A former college football player has sued Iona College over an antibiotic-resistant staph infection he says nearly cost him his leg two years ago. Nick Zaffarese accused team trainers of initially brushing off his burgeoning methicillin-resistant Staphylococcus aureus, or MRSA, infection in September 2005. Zaffarese's lawsuit, filed this week in state Supreme Court in Westchester County. The college recently disinfected a weight room and went over hygiene advice after 10 members of an athletic team were diagnosed with MRSA in September. The lawsuit seeks more than \$250,000 in damages. A government report last month found that more than 90,000 Americans get potentially deadly staph infections each year. The bacteria is blamed in the deaths of a New York City middle school student and a Virginia high school senior last month.

The Associated Press 11/1/2007

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