



# HEADLINES

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## ECG Successfully Defends Major Wall Street Lender

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After two weeks of trial, an operating partnership owned by the Ezralow Companies, a prominent Beverly Hills real estate investment firm, abandoned its multi-million dollar lawsuit against a major Wall Street lender. The Ezralow partnership previously sought “in excess of \$25 MM” in consequential and punitive damages for fraud and bad faith in connection with the lender’s alleged breach of a restructured mortgage agreement. A key issue in the case was whether the restructured promissory note was fully secured by 12 parcels of industrial property located in Fullerton, California. Relying upon an apparent mistake in the drafting of the recorded loan documents, for nearly two years the Ezralow partnership argued that the note was secured by only two of these 12 parcels – valued at a fraction of the total debt.

In its ensuing settlement with the lender, the Ezralow partnership conceded total indebtedness of \$7,767,779.40 under the restructured note, liability for default interest, late fees and 100 percent of the lender’s attorneys’ fees. The partnership likewise stipulated that all this indebtedness was fully secured by the 12 parcels of real property in question.

According to David A. Robinson of the Enterprise Counsel Group, co-counsel for the successful lender: “The borrower was attempting to get something for nothing. What everyone else recognized as a typographical error, the borrower attempted to use as a multi-million dollar extortion claim. I am obviously pleased that our client’s position was soundly vindicated and that, after a two year battle, our client was made 100 percent whole.”



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