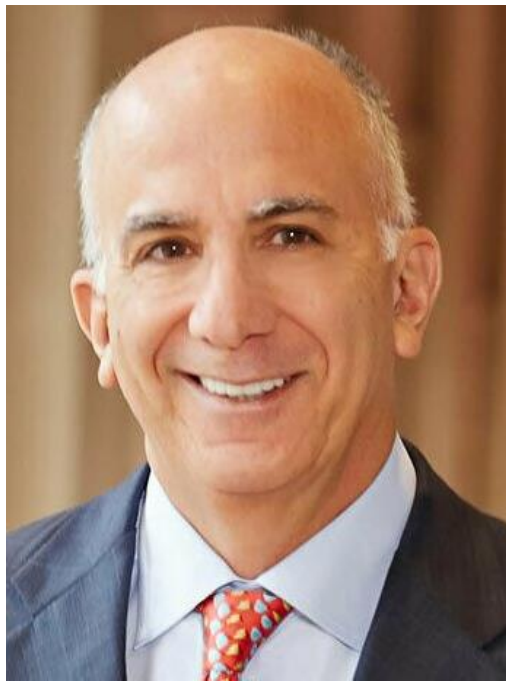




Condo Collapse Litigation Leaders Talk Of Coming Challenges

*By Carolina Bolado
July 23, 2021*



Harley Tropin

As leaders of the team representing victims of the Surfside, Florida, condominium collapse, Harley Tropin of Kozyak Tropin Throckmorton and Rachel Furst of Grossman Roth Yaffa Cohen PA will have their hands full trying to maximize recovery for the victims and balancing what will sometimes be competing interests between those who lost their apartments and the 97 who lost their lives.

Tropin and Furst, who were appointed by Miami-Dade Circuit Judge Michael Hanzman to oversee the plaintiffs' attorneys in the consolidated litigation, bring a wealth of experience litigating complex class actions that they intend to use as they guide the effort to get victims of the Champlain Towers South collapse some economic relief. The plaintiffs' attorneys have all agreed to forgo fees to maximize recovery for the victims.

Tropin has been at the center of a number of high-stakes cases, such as the litigation surrounding the \$1.2 billion Ponzi scheme run by former attorney Scott Rothstein, where Tropin helped a group of investors recover more than 95% of the \$190 million they had lost.

Furst, meanwhile, is also coordinating lead plaintiffs' counsel in multidistrict litigation against stock-trading app Robinhood and other broker-dealers for blocking investors from buying shares of GameStop and other volatile stocks.

Law360 spoke to Tropin and Furst about the Surfside case and how they plan to lead the attorneys in the effort to get victims compensation for their losses.

This interview has been edited for length and clarity.

When Judge Hanzman suggested doing this pro bono, what was your reaction, and had there been any discussion among the attorneys regarding this?

Tropin: I don't know that there was any organized discussion when he suggested it. The immediate reaction was, let's do it. I think there was a collective drawing in of breath and then, good idea, let's get this done. This is unique, it's a tragedy and I think that the bar and the people on the steering committee wanted to do their best for these people.

Furst: We've seen in Judge Hanzman that he has a hands-on approach and that his concern for the victims of this tragedy is clear at every stage. I think it was particularly evident in this decision to ask the attorneys to come to the victims' aid and agree to provide services without any assurance of a fee.

This seems like such a unique case. I was wondering if either of you has ever handled anything quite like this.

Tropin: This case is unique because of just the sheer scope of the tragedy. Rachel's and our mission is to bring some measure of compensation to these people. Obviously we can never replace what they've lost. What Rachel and I are charged with doing is getting the best out of the talents of these lawyers that Judge Hanzman has assembled, and that is something that both she and I have done before.

An experience we had was the [Premium Sales Corp. Ponzi scheme], which was a financial tragedy where people lost money. Judge Hanzman was a lawyer in that case, and I was the receiver and the trustee. You needed to get all the various communities working together: the lawyers, the victims. Some of the people that are both defendants — here, the [condo] association — but they may also have claims, you need to get them working together. And so one of the tasks that Rachel and I will be doing is getting our lawyers working together along with the experts so that we can — in short order, because the judge clearly wants this done on an expedited basis — make this an orderly process instead of what could be a long, drawn-out affair.

Furst: In addition to the experience that Harley and his firm bring in leading teams of attorneys in complex cases in class actions and recovering substantial amounts of money for victims, this team of attorneys also has deep experience in collapse cases. There are a number of attorneys on the team — my own firm, Bob Mongeluzzi [of Saltz Mongeluzzi & Bendesky PC], Shannon del Prado [of Pita Weber & Del Prado], Jorge Silva [of Silva & Silva PA] and many others — who have handled collapse cases throughout the South Florida community, and that includes buildings, bridges, garages. So we do bring, as a team, that experience to bear.

Had the two of you in particular worked together before?

Tropin: No, we know each other by reputation. [U.S. District Judge Cecilia Altonaga] had appointed her as liaison counsel in the Robinhood litigation in federal court, which I am familiar with, and also her reputation as an advocate, especially in class actions. Our firms have worked together, like on the [Florida International University] bridge collapse case, but Rachel and I have never worked together.

Furst: The pairing presents an opportunity for me especially to learn from somebody with far more experience, and I really welcome it.

Tropin: It has been already, and it's going to be a pleasure and an honor. I think both Rachel and I feel it's a huge responsibility to the victims and also to the court to discharge that responsibility.

Everyone's been really cooperative so far. The attorneys are working for free, other professionals are stepping up, and the insurers have agreed to tender their policy limits. But also 97 people have died, and there's a lot of pain and a lot of anger. Do you think the tone might change at some point?

Tropin: Certainly when we find third-party defendants in addition to the association, they're not going to be pleased to be named, and they'll vigorously defend the case. And there are going to be difficult allocation issues among various groups. You've seen Judge Hanzman already handle some of the competing desires among the victims, I think, with grace and patience. The best Rachel and I can do is not add fuel to that fire but recognize that there are legitimate competing demands, and just sort of handle them, let them be channeled, let everybody have their say and then ultimately decisively litigate this.

Furst: As attorneys we're charged really with digging through the legal rubble and trying to piece together what happened and make those responsible pay. And certainly third parties and unnamed parties so far will be identified. And that's going to be part of the process.

Judge Hanzman is pushing this forward very quickly and between the property insurance money and the potential sale of the property, it seems the economic loss plaintiffs might get relief within a few months. How much longer do you think the personal injury claims against third parties are going to take?

Tropin: I'm not sure we have a precise answer. The judge is determined to get out payments to everybody as quickly as we responsibly can. And that may include some sort of allocation formula in the near future, but that's to be hammered out. I think he's going to try and figure out a way of getting some measure of compensation to a broad swath of victims as responsibly as he can, but exactly the shape that's going to take, neither Rachel nor I can responsibly answer that.

How do you anticipate managing potential competing interests, in particular the personal injury/wrongful death class and economic loss class? Obviously there is a lot of overlap, but there are a lot of people who just suffered economic losses, and there are some victims who were visiting the building and died but have no economic claims.

Furst: Certainly there are going to be competing interests among the claimants and victims here who experienced losses in different ways. Some lost property and some lost their lives, and they're all entitled to a measure of compensation that's fair, or as fair as can be. But initially the tasks for the lawyers are largely the same and their interests are aligned. We view that as determining who the responsible parties are so that we can make the pot as large as possible to alleviate some of that conflict.

What do you think the biggest challenges in this case will be?

Tropin: You've identified the biggest challenge, and that is to responsibly find sources of recovery so that we can get as much compensation for the victims of this tragedy as we possibly can. And to meet the challenge that the court has given us and to manage the competing demands.

How well do all of you on the leadership team know each other, and how well do you work together?

Tropin: We know these lawyers well. Judge Hanzman said that these are the best of the best, and they are. They all have healthy egos, and they're putting those egos aside, as well as their financial interests, because they recognize that this is a unique tragedy and they want to get those results. It has been a pleasure so far for Rachel and me getting them working together. They've stepped up to the plate and they're working hard.

We've seen former residents calling in on Zoom, listening in court. It seems there are a number who are actively engaged in this litigation, and I was curious if you've gotten any feedback on how things are going and what they're hoping for from this litigation.

Furst: Judge Hanzman has done a really wonderful job of including the victims at the court hearings. At every hearing he gives victims an opportunity to share their concerns. And through that process, we are hearing feedback,

and of course we're hearing from our own clients. The last hearing ended with one of the victims sharing his gratitude to the judge in his handling of the case thus far, and I think that's reflective of how many of the victims feel about how quickly this process has been moving in the court system.

Tropin: These people have been devastated, but there are two things that they recognize about this process: Judge Hanzman's intelligence and concern, but also the empathy that he's shown. Even when he can't give them what they want, they recognize that he is trying to give them literally their day in court so that they are heard. I think that's important in this process.

Read more at: <https://www.law360.com/articles/1405833/condo-collapse-litigation-leaders-talk-of-coming-challenges?copied=1>