

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

pay \$84.5 million in damages to former partners they defrauded in a decades-old real estate deal.

Sep. 24, 2013

Sept. 24— A New Jersey judge slapped the Minnesota Vikings owners Monday with an order to pay \$84.5 million in damages to former partners they defrauded in a decades-old real estate deal.

New Jersey Superior Court Judge Deanne Wilson ordered about \$52 million in compensatory damages, interest and punitive damages to plaintiff Ada Reichmann and about \$33 million to Josef Halpern stemming from an apartment complex deal in the 1980s.

Lawyers for the Wilf family said they will appeal and added that the order will have no impact on financing for the new Vikings stadium.

Halpern, of Brooklyn, N.Y., and his sister Reichmann, of Toronto, had said the Wilfs cheated them out of their share of profits from a 764-unit apartment complex in Montville, N.J. Halpern had been the complex's longtime manager.

Wilson did not reveal any details of the Wilfs' personal financial situation in court Monday, nor did she rule on whether they'll owe attorneys fees. Those issues are scheduled for further arguments later.

Wilson said last month that the Wilf family violated racketeering laws and committed fraud in connection with the apartment project. The potential for a large damage award in New Jersey caused concern in Minnesota about the Wilfs' ability to pay their share of the new \$975 million stadium.

But an audit released this month by the Minnesota Sports Facilities Authority found

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

The appeals process will take “easily two to three years. So the stadium will be built and there will be an opening kickoff long before this case is ultimately decided by the appellate division and ultimately, if necessary, the New Jersey Supreme Court,” Harvey said.

Alan Lebensfeld, attorney for Halpern, said he and his client were pleased with the order but that the punitive damage award could have been higher under New Jersey law.

“We thought it could have been higher, but we understand the judge’s reasoning,” he said.

Zygi Wilf was assigned to pay 60 percent of the punitive damages and his brother Mark and cousin Leonard 20 percent each “because the judge found that Zygi directed and orchestrated the wrongful conduct,” Lebensfeld said.

Under New Jersey law, any action where punitive damages are awarded must be referred to prosecutors for investigation into potential criminal acts. But Harvey, a former New Jersey attorney general, said that at least in the past 15 years, the attorney general has brought no criminal cases resulting from such referrals. “It just doesn’t happen,” he said.

The team is putting up \$477 million for the new stadium. Another \$348 million is coming from the state and \$150 million from the city of Minneapolis.

Sports Business Journal quoted “finance sources” Monday saying the Vikings plan to borrow up to \$250 million from lead lenders Goldman Sachs, U.S. Bank and Bank of America. Those are the same three banks that financed the San Francisco 49ers stadium, the sources said. A Vikings spokesman declined to comment on the report.

The NFL has said it will provide the Vikings with a \$200 million loan for the new

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

The plan has been for the Vikings to close on their financing Nov. 1 and for the state to sell bonds in November.

The Vikings and the stadium authority were meeting Monday on final use and development agreements for the stadium, which the authority is planning to vote on Friday.

Meanwhile, officials at Meet Minneapolis, the convention and visitors association for the city, said they are looking into submitting a bid for the 2017 college football championship game to be played at the new stadium, which is scheduled to open for the 2016 season.

The Associated Press contributed to this report.

---

Copyright 2013 – Pioneer Press, St. Paul, Minn.

Accounting • Auditing • Income Tax

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved