

THE REAL DEAL

Former Corcoran Sunshine sales director sues brokerage

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By Adam Pincus



Former Corcoran sales director suing for commissions from Five Franklin, the Avery and Linden78

A former sales director for Corcoran Sunshine Marketing Group says she has been stiffed for more than a quarter million dollars in residential brokerage commissions for sales in high-profile developments including Five Franklin, the Avery and Linden78, a court filing says.

Broker Nancy Reese accuses Corcoran Sunshine and other Corcoran entities of withholding at least \$200,000 in commissions on closed sales and says the developer of Linden78 owes her \$70,000 in commissions on canceled contracts, the court papers say.

The lawsuit was filed at a time when experts believe more contracts will be canceled as the condominium market continues to deteriorate. But real estate lawyers said most contracts between brokerages and developers include clauses that state that commissions are not due until the title is passed to the buyer, so brokers are generally not paid when a contract is canceled, attorney **Adam Leitman Bailey**, who was not involved in the case, said.

Reese, who left Corcoran Sunshine Marketing Group at the end of April after working at the firm for about four years, accused the company of not paying her a total of \$200,000 at Five Franklin Place, the Avery at 100 Riverside Boulevard, the Orion at 350 West 42nd Street and three other locations after the sales closed.

Reese also alleges in her lawsuit brought in New York State Supreme Court May 18 that the sponsor of the struggling development Linden78, at 230 West 78th Street, owes her \$70,000 in commission fees

even though the sponsor offered rescission rights to all buyers in mid-April.

The developer of the project is Urban Residential, but the lawsuit does not name that company, but instead the entities listed on the condo offering plan, including Amsterdam 78 and Metropolitan Housing Partners, with the state Attorney General's office, Reese's attorney, Debra Guzov, said.

Urban Residential did not immediately respond to a request for comment. Corcoran Sunshine declined to comment.

With the declining economy, the number of rescinded contracts has increased, impacting projects such as Linden78 and the Jasper at 114 East 32nd Street. But experts said they do not expect to see a flood of brokers suing their firms as Reese did.

Guzov, a partner with the law firm Guzov Ofsink, said that Reese was owed the commission after she presented ready, willing and able buyers, despite a rescinded contract.

"As we set forth in the complaint the commission has been earned and it comports with the language in the contract for earning the commissions," she said.