

THE WHEATLEY COMPANIES (SA



Project Profile Collapse of Apartment Building

17 September 2007

CLIENT Duling Properties LLC, et al.

LOCATION Philadelphia, PA

Description

Attorneys for a developer and its contractors undertook the construction of an apartment building in an "antique" section of Philadelphia. During



excavation for the project, an adjacent apartment building collapsed. The owner of the collapsed building filed suit against the developer and its contractors, alleging that the collapse was caused by the excavation work. The owner of the collapsed building demanded damages consisting of the alleged reconstruction costs, several times the market value of the property prior to its collapse, claiming that it was an historic building and had to be reconstructed with the materials and technology used originally in its construction about the turn of the 20th century. The defendants made an offer to settle based on their estimate of the cost of rebuilding the collapsed building using current materials and technology, but the plaintiff rejected the offer and filed suit for the full amount of its claim.

Counsel for the developer and the contractors retained WHEATLEY to evaluate claims against them, and in particular to evaluate the reconstruction costs claimed.

WHEATLEY produced an expert report that compared the plaintiff's claimed costs with the costs to reconstruct the building using current technology and materials, but matching the appearance of the original building. Based on WHEATLEY's report, the parties were able to reach settlement after the trial had begun.

CLIENT REFERENCES

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