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Archdiocese, Katy Perry prevail in legal battle with nuns

Jury awards \$5 million for interfering in the sale of a convent to the singer, punitive damages loom.



DILLMAN

With a trial for damages looming, a \$5 million jury verdict for interfering in the sale of a convent to singer Katy Perry could be the tip of the iceberg for a Los Angeles real estate developer.

A jury ordered Friday that Dana Hollister, a restaurant owner and real estate developer active in the Silver Lake area of Los Angeles, pay \$3.5 million to the Roman Catholic Archbishop of Los Angeles and \$1.5 million to Perry for legal fees stemming from their dispute, which began in 2014. The jury found that Hollister colluded with The California Institute of the Sisters of The Most Holy and Immaculate Heart of the Blessed Virgin Mary, an order of nuns, to block Perry's purchase of the property.

The trial loss over legal fees is the latest defeat for Hollister. In March, Los Angeles County Superior Court Judge Stephanie Bowick ruled that only the church, not the nuns, had the authority to sell the property. The pope did not authorize the sale to Hollister, Bowick noted, as was required. Roman Catholic

Archbishop of Los Angeles et al. v. Dana Hollister, BC585604 (L.A. Super. Ct., filed June 19, 2015)

Perry's attorneys noted in court documents that the pope had declared, in response to the issue, that "no sister, or group of sisters, can be involved in the management of the institute."

Hollister's attorney, Michael Geibelson of Robins Kaplan LLP, said the verdict is "disappointing but not surprising."

"The jury only heard half the story," Geibelson said. "It was highly prejudicial to exclude our experts."

Geibelson said the court had chosen to exclude testimony from four of the defense team's expert witnesses and "large swaths" of relevant evidence. There's an appeal pending in a related lawsuit filed by the nuns, Geibelson said, and his client "will await judgment" on punitive damages before deciding whether to appeal in this case.

Brian Kabateck, a partner at Kabateck, Brown & Kellner LLP not involved in the case, said that given how hotly contested the litigation has been, the high dollar amount attached to the plaintiffs' legal fees isn't surprising.

"It's quite a story how much work they've put into this case, with all the trips up to the court of appeals," Kabateck said, noting that Hollister had been aggressively litigating the case. "This is certainly the risk the defendants took in defending this case the way they did; this could have been the ultimate outcome."

A trial for damages will begin Dec. 1. Kabateck said that while Friday's victory may bode well for Perry, the jury might ultimately find it's given her enough.

"It's really hard to predict what's going to happen. I've had juries award a substantial amount of money in compensatory damages and make a finding that brings me to punitive," Kabateck said. "But then, the jurors will explain, 'Well, we gave you such a large number for compensatory, we didn't think we should give you an even bigger number.'"

Kirk Dillman, a McKool Smith Hennigan LLP attorney and counsel for the archdiocese, said in a statement Monday that he was pleased with the jury's decision. "As we maintained throughout the trial, the actions of the defendants forced our clients into court, and fueled this two-and-a-half-year legal dispute," Dillman said.

. Eric Rowen of Greenberg Traurig LLP represented Perry.