

Pop star, LA archdiocese win another \$10M in convent case

By Steven Crighton

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LOS ANGELES — Between legal fees and damages, a real estate developer must pay \$15 million for allegedly interfering in the sale of a hilltop convent to pop star Katy Perry.

Superior Court Judge Stephanie Bowick found in March that Dana Hollister, a restaurant owner who said she'd tried to purchase the convent to convert it into a boutique hotel, had no claim to the property. The nuns who worked out a deal with Hollister for the purchase of the convent had no authority to sell the property, Bowick said, nor had the pope authorized the sale as required.

Bowick's ruling was followed by a string of legal defeats for Hollister, most recently on Monday, when a jury found Hollister liable for \$10 million in punitive damages. The Roman Catholic Archbishop of Los Angeles would receive \$6.7 million under the ruling, while Perry's company, The Bird Nest LLC, would receive \$3.3 million.

Last month, the jury found that Hollister must pay \$3.5 million in legal fees for the archdiocese and \$1.5 million to Perry's company, bringing the total owed by Hollister to Perry and the church up to \$15 million. *Roman Catholic Archbishop of Los Angeles et al. v. Hollister*, BC585604 (L.A. Super. Ct., filed June 19, 2015).

"Katy is extremely pleased with the jury's insight and understanding, and is hopeful that the jury's decision will pave the way for her to complete the purchase of the Wa-



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verly property without further interference," commented the singer's counsel, Eric Rowen, a shareholder at Greenberg Traurig LLP. "For my part, I am very satisfied with the jury's decision and believe that justice has been well served."

The high legal fees were the result of an intense legal battle, which began in 2015, after Hollister purchased the convent from two nuns who'd lived there. Hollister agreed to pay \$44,000, with delayed payments beginning in 2018 that would bring the purchase total up to about \$10 million.

A judge found in July 2015 that Hollister's purchase of the property was "a bad deal" and improper, as the sale would need approval from the archdiocese, even though the nuns owned the property.

According to a declaration from one of the nuns filed in 2015, they were told that the property would



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be sold to a "Katheryn Hudson." After figuring out that Hudson was the real name of Perry, and after doing some research on Perry, the nuns objected to selling the convent to Perry "for what should be obvious reasons coming from Catholic nuns," the declaration said.

Kirk Dillman, a principal at McKool Smith Hennigan LLP and counsel for the archdiocese, said Tuesday, "Our client is very pleased with the result."

"The jury worked diligently over the past month to understand the facts of the case and weigh the evidence appropriately," Dillman said.

Perry paid \$14.5 million for the convent. Dillman said Tuesday that the sale of the convent has been "proceeding at pace" and was in no way affected by the ongoing litigation.

Brian Kabateck, a partner at Ka-

bateck, Brown & Kellner LLP and not involved in the case, said the punitive damages result was "surprising" given the high amount paid by Hollister for legal fees.

But given how closely the total amount owed by Hollister for the case compares to the amount Perry had offered to pay for the property — \$15 million and \$14.5 million respectively — it's possible the jury was "trying to send a message," Kabateck said.

"That's something juries will sometimes do, send a message that's not just monetary," Kabateck said. "They must've been angry, because that's an awful lot

of money in punitive damages to award."

Though he doesn't find any fault in the jury's verdict, Kabateck said punitive damages are typically the most closely scrutinized by appeals courts, which could be good news for Hollister should she decide to appeal.

Michael Geibelson, a partner at Robins Kaplan LLP and counsel for Hollister, did not respond to requests for comment Tuesday. He said at the time of the jury verdict for legal fees last month that his client would likely appeal after the jury ruled on punitive damages.

Kirkman said he couldn't comment on the likelihood of an appeal, though he noted that the defendants have not been hesitant in filing legal challenges previously.

Glen Rothstein, an attorney at Rothstein Law APC who has been tracking the case, said it would be interesting to see if the punitive damage figure holds up on appeal.

"This case may be ripe for a pre-negotiated, pre-appellate settlement, so everyone can avoid further business and life disruption and move on with their lives," Rothstein said.

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