

## Fla. Court Affirms Spa Owner's Win Against Trump Resort

By [Carolina Bolado](#)

Law360 (August 2, 2018, 7:19 PM EDT) -- A Florida appeals court on Wednesday affirmed a loss for the Donald Trump-owned National Doral Miami resort in a dispute with a spa owner that claimed the resort violated a contract by demanding large room rate increases as part of negotiations to extend a group room agreement.

In a per curiam affirmance issued without an opinion, the Third District Court of Appeal upheld Judge Jose M. Rodriguez's [summary judgment order](#) in favor of Florida Pritikin Center LLC, which operates as the Pritikin Longeview Center & Spa at the golf resort west of Miami.

In a separate short order, the appeals court also said the resort must pay Pritikin's appellate legal fees. Judge Rodriguez had previously ruled that Pritikin could recover its trial court fees, which Pritikin's attorney Philippe Lieberman of [Kluger Kaplan Silverman Katzen & Levine PL](#) estimated at about \$2.4 million, not including fees for the appeal.

As a per curiam affirmance, the Third District's decision cannot be appealed to the Florida Supreme Court.

"My client feels vindicated and thanks the court for all of its fine work," Lieberman said. "The court found overwhelmingly in our favor and didn't feel the need to render an opinion."

An attorney for the Trump resort could not immediately be reached for comment Thursday.

Pritikin sued in May 2014 seeking declaratory and injunctive relief based on its claim that Trump's stance that it can raise room rates for the spa's guests by 226 percent to 583 percent goes against the language of its contract.

Under the spa's existing lease and accompanying group room agreement, which both started in 2009 under the resort's previous owner, Pritikin was to pay a maximum rent of \$1.3 million minus \$76.47 for each paid room night used by one of its guests. Through the group room agreement, the spa had a right to reserve at least 100 standard guest rooms and 10 spa suites in two lodges close to its facility,

according to the suit.

By this formula, if Pritikin booked 17,000 room nights in a year, it would pay no rent under the lease because of the offset credits.

Both agreements included three five-year extension options held by Pritikin upon completion of its first five-year term, which was due to expire Dec. 9, 2014. When Trump purchased the resort in 2012, he expressly assumed all of Pritikin's agreements, the complaint says.

In a Dec. 19, 2013, letter, Trump informed Pritikin that because of major redevelopment of the resort, it planned to adjust room rates and held that the rates Pritikin had been paying were fixed only through the initial five-year term of its contract, and for any extensions would be adjusted to the prevailing daily rates plus further adjustments to reflect changes in the consumer price index or revenue per available room.

In the suit, Pritikin said the plan would raise the standard rooms to a range of \$475 to \$625 per night from a low of \$210 and suites to \$750 to \$4,000 from the current range of \$310 to \$686, which would result in an increase in Pritikin's payments by about \$18.5 million to \$29 million for the least expensive rooms alone.

After a bench trial, Judge Rodriguez entered final judgment in favor of Pritikin in March 2015, but on appeal, the Third District chided the judge for failing to make the findings of fact and conclusions of law necessary for the appeals court to consider it. The appeals court reversed the judgment and ordered the trial court to beef up the record, which Judge Rodriguez did in June 2017 with a 38-page judgment that detailed the evidence presented at trial.

“The overwhelming credible and substantial evidence reflects that Trump Endeavor undertook a series of pretextual maneuvers in an effort to force Pritikin to vacate the leased premises,” Judge Rodriguez said in the order.

Judges Barbara Lagoa, Thomas Logue and Edwin A. Scales III sat for the Third District.

Trump is represented by Herman J. Russomanno, Herman J. Russomanno III and Robert J. Borrello of Russomanno & Borrello and Bruce S. Rogow and Tara A. Champion of Bruce S. Rogow PA.

Pritikin is represented by Alan J. Kluger, Philippe Lieberman and Richard I. Segal of Kluger Kaplan Silverman Katzen & Levine PL.

The case is Trump Endeavor 12 LLC v. Florida Pritikin Center LLC, case number 3D17-1548, in the Third District Court of Appeal of Florida.

--Additional reporting by Nathan Hale. Editing by Orlando Lorenzo.