TRAUB LIEBERMAN

NEWS & EVENTS

October 21, 2025

Traub Lieberman Partner Jessica Kull Obtains Favorable Arbitration Award In Year-Long High-Stakes Construction Defect Case

Related Attorneys: Jessica N. Kull

Traub Lieberman Partner Jessica Kull and the Traub Lieberman litigation team obtained an extremely favorable outcome in a highly contentious construction defect arbitration hearing on behalf of their client, a well-known general contractor, LG Construction Group LLC ("LG"). The litigation lasted a total of 6 years, with the arbitration evidentiary hearing portion continuing for 12 months.

In 2019, the Claimant, a wealthy homeowner, filed an arbitration demand against both LG and the luxury brand architecture firm that she hired to construct a multi-million-dollar lakefront home in Wilmette, Illinois. The Claimant alleged construction defects totaling approximately $13 million in damages. Her claims included alleged defects to the exterior and interior of the home. In turn, Jessica filed third-party claims against approximately 20 subcontractors involved in performing the work.

To prosecute her claims, the Claimant retained an AMLAW 50 law firm along with a team of liability and damages expert witnesses. Jessica and LG contested the Claimant's allegations of construction defects through vigorous cross examinations of witnesses and presented critical evidence and testimony by their own witnesses.

Specifically, Jessica asserted various defenses—including but not limited to, that the alleged defects were the result of normal wear and tear and lack of maintenance after 9 years of living in the home, that the alleged defects were the result of conditions that were constructed as designed or otherwise the result of improper designs by the architect, that the Claimant failed to present evidence as to the cause of the alleged conditions, that the alleged defects were within the relevant industry tolerance levels and that the Claimant attempted to impose an improper standard of perfection in construction due to the expensive stature of her home. Jessica also argued various contractual defenses, including that the architect failed to reject the work and that the Claimant failed to notify LG and its subcontractors of the alleged conditions, refused to allow them to perform repairs, and instead, chose to file the arbitration demand seeking roughly the same amount that it cost to build the home. They also argued that the architect retained its own vendors to perform certain work and the Claimant and her experts improperly blamed LG for work by the architect's vendors. To demonstrate these defenses, Jessica relied heavily upon both the testimony of both LG as well as the testimony by subcontractors responsible for performing the work.

After considering more than 12,000 pages of oral testimony and thousands of exhibits, the arbitration Panel largely found in favor of LG. With regard to the exterior claims, the Panel awarded the Claimant a mere 12% of the damages she claimed against LG and its subcontractors. The Panel also allocated significantly more fault to the architect than the general contractor with regard to the exterior claims. Jessica and her team were able to recover enough through settlements of the third-party claims to shield their client from paying any amount of the award out of pocket. With regard to the interior claims, which consisted of 1,583 punch list items and totaled approximately $8 million in alleged repair costs, the Panel found that the evidence presented by the Claimant was insufficient to prove that any of the alleged interior issues were in fact the result of alleged construction defects. Therefore, the Panel denied the interior portion of the claim in its entirety.

© Traub Lieberman Straus & Shrewsberry LLP