

Lawsuit against Zuckerberg collapses

By Banks Albach
Daily Journal Staff Writer

A lengthy court battle between Mark Zuckerberg and a small-time real estate player who alleged the Facebook Inc. founder defrauded him and breached contract in a property deal ended in a no-cash settlement Tuesday after falsified bank statements from the plaintiff came into evidence.

The only term came from Zuckerberg and his financial advisers, co-defendants in the case, who agreed to not sue plaintiff Mircea Voskerician. A trial date had been set for April 25. *Voskerician v. Zuckerberg et al*, 14-CV264667 (S.C. Super. Ct. filed May 2, 2014).

Cooley LLP partner Patrick P. Gunn in San Francisco led the defense team for Zuckerberg and said in an email that Voskerician's choice to abandon his suit proves lack of merit and his case was nothing more an attempt to "extort millions" from Zuckerberg.

The dispute started in late 2012 when Voskerician entered into a \$4.8 million contract to buy a home behind Zuckerberg's property in Palo Alto. Voskerician told Zuckerberg that he planned to more than double the house size — an irritation to Zuckerberg's privacy — and then of-

fered to sell him the contract for \$1.7 million.

Zuckerberg picked up the deal, bought the property and things went quiet for more than a year until Voskerician noticed that Zuckerberg was buying up additional surrounding homes.

He filed suit in Santa Clara County Superior Court against Zuckerberg and his financial advisers, Iconiq Capital LLP and Divesh Makan, alleging that Zuckerberg broke an oral agreement to promote Voskerician's real estate business and sought damages based on projections of what he could have sold the property for after completing his renovations.

Vincent I. Parrett, a partner with Bergeson LLP in San Jose and counsel to Zuckerberg's advisers, said the case began to unravel last September when the defense focused on a \$3.8 million discrepancy between two of Voskerician's bank statements under the same account and with the same date, suggesting that he likely lacked the finances to buy and renovate the property.

"There were multiple versions of the same bank statement — millions of dollars apart — and Voskerician had based his damages case on that fraudulent bank statement," Parrett said.

Voskerician's first attorney, David

B. Draper of Terra Law LLP, said he left the case in early October due to a conflict with Voskerician. He said the bank statements are a distraction from the main claims in the case.

"The bank statement they're talking about had nothing to do with the contract claims that Zuckerberg promised," Draper said.

The case went into a holding pattern until solo attorney Guyton N. Jinkerson picked up the case in January. He could not be reached for comment.

The case slid further after Voskerician asserted the Fifth Amendment in February when faced with the bank statements and died when his primary damages expert retracted his opinion after seeing the statements during a March 7 deposition.

Parrett said Jinkerson called within hours to discuss settlement.

"The case was a shakedown, fiction upon fiction," Parrett said. "We're very pleased that the case was dismissed with prejudice. None of the defendants will pay him a dime."

Bergeson partner Sara P. Graves in San Jose and Cooley associate Nathaniel R. Cooper in San Francisco aided the defense effort.

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