

EQUIPMENT FINANCING
EXPERTISE

LEARN MORE

Commercial Real Estate

Lawsuit: Block Real Estate claims it was duped in Kmart key exchange

[Email](#) [Share](#) [in Share](#) [Tweet](#) [Save](#) [Print](#) [Order Reprints](#)By Brianne Pfannenstiel - Reporter, Kansas City Business Journal
Jul 3, 2014, 2:33pm EDT

IN THIS ARTICLE

Commercial Real Estate
Industry**Daniel Zmijewski**
Person**Food & Lifestyle**
Industry**Greg Wolf**
Person**Michael Hughes**
Person**Professional Services**
Industry

Call it a bait and switch.

K-Mart Corp. was vacating its building at 5615 E. Bannister Road in Kansas City following the expiration of its lease on March 31. When a representative for Block Real Estate Services LLC went to go pick up the keys, he signed a document he was told simply identified that he'd received the keys.

But Kmart allegedly slipped a line into the contract absolving it from performing any of the necessary repairs that the building's owner, McBannister Associates Ltd., was requiring.

That's all according to a lawsuit filed in Jackson County Circuit Court by McBannister, which said Kmart's lease required it to perform basic maintenance which an engineer said amounted to nearly \$1 million.

After that document was signed, Kmart informed McBannister that it was withdrawing any prior offers to make payments for the condition of the property, claiming the transfer document was a complete release of Kmart's obligations, the petition said.

McBannister is suing Kmart for breach of contract, unjust enrichment, fraud, statutory waste as well as breach of good faith and fair dealing.

Greg Wolf of Dentons US LLP, who is representing Kmart, could not be reached for comment.

McBannister is also suing Block, which it hired to manage and market the property. It is suing for negligence and breach of contract, because Block was not authorized to modify or cancel any existing leases without prior consent.

Michael Hughes of Sanders Warren & Russell LLP in Overland Park is representing Block. He said the representative who picked up the keys from Kmart that day was not even an employee of Block Real Estate - he's a member of the company's maintenance division.

"We're hopeful that once this gets pushed around a little bit we'll be able to resolve it (ahead of trial)," Hughes said.

Block has filed counterclaims against Kmart alleging it had a duty to disclose the true intent of the document. Block also alleges fraud and negligent misrepresentation.

Daniel Zmijewski of DRZ Law LLC in Kansas City is representing McBannister. He said he's optimistic that the companies will be able to reach a resolution to the case ahead of trial.

Sprint Business
Get the secure, business-ready Samsung Galaxy S9 for \$9/mo.
with Sprint Flex lease.
Or the Samsung Galaxy S9+ for \$14/mo.
Come and get it
See other details
SAMSUNG

ChamberCHOICE
by Kansas City
ChamberCHOICE
MAKES SMALL BUSINESS A PRIORITY.
LEARN MORE
© Blue Cross and Blue Shield of Kansas City is an independent member of the Blue Cross and Blue Shield Association.

MORE IN COMMERCIAL REAL ESTATE

More >

Plan would raze Plaza church and build a 12-story mixed-use tower
BY MIRANDA DAVIS

Report: Kansas City's trendiest neighborhoods have the highest vacancy
BY MIRANDA DAVIS

\$135M mixed-use project coming to prime location in Leawood
BY MIRANDA DAVIS

AMERICAN EXPRESS
WE PAY YOUR VENDORS. YOU PAY US BACK IN UP TO 90 DAYS FOR A LOW FIXED FEE.
Terms Apply.
LEARN MORE >

Top of the List: Subdividing KC's biggest commercial property managers
BY ANDREW VAUFEL

KC logistics company will open its first North Texas facility
BY CLAIRE BALLOR

MARCH 28
Capstone Awards 2019
The Kansas City Business Journal will showcase the real estate developmen...

Leawood approves 'bold' plans for Ranch Mart

With augmented and virtual reality, tour your office before it's built
THE NEW YORK TIMES

First Hyatt House wins incentives; construction could start in spring
BY ANDREW VAUFEL

Coming events

More >

FEB. 7
Entrepreneur LIVE 2019
Please join the Kansas City Business Journal for a rec...

FEB. 15
Healthiest Employers Awards 2019
We will honor all of our Healthiest Employers and ...

FEB. 25
Bizwomen Mentoring Monday 2019
Meet your mentor at Bizwomen Mentoring Mon...

MARCH 28
Capstone Awards 2019
The Kansas City Business Journal will showcase the ...

mb means business
Equipment Finance
LEARN MORE
Equipment financing for today's market

AMERICAN EXPRESS
DON'T do business WITHOUT IT
BUSINESS LOANS UP TO \$50K. DECIDED IN AS LITTLE AS 60 SECONDS.
Terms Apply.
LEARN MORE >

Back to Top

KANSAS CITY BUSINESS JOURNAL

Home News Lists & Awards People Companies Events Jobs Store

SUBSCRIBERS

Start a Subscription
Subscriber-Only Content
Digital Edition
Access the Book of Lists
Purchase the Book of Lists
Manage your Account

ABOUT & CONTACT

About Us
About The Business Journals
Advertise
Help & FAQs
Contact Us
Call Center Directory

APPS & SYNDICATION

Mobile Apps
Syndication/RSS

FOLLOW US



ACBJ

American City Business Journals
AmericanInno
Bizwomen
Hemmings
Inside Lacrosse
Sports Business Journal