August 24, 2016

Discovery Rule Resurrects Fraud Claim On NJ Property Sale

Katharine Coffey and Christopher John Stracco wrote an article, "Discovery Rule Resurrects Fraud Claim On NJ Property Sale," for *Law360*. The article is about the Superior Court, Appellate Division's precedential decision in *Catena v. Raytheon Company, et al., Docket No.: A-4636-13T4*. The Appellate Division's decision here reinforces the equitable nature of the discovery rule in New Jersey jurisprudence. The court concluded that under the circumstances, the plaintiff's initial discovery of contamination to his property in Teterboro, New Jersey in 1998 did not constitute discovery and that the prior owner concealed knowledge of the contamination and the attempt at subsequent cleanup. The court emphasized that the discovery rule "is designed to avoid harsh results that otherwise would flow from mechanical application of a statute of limitations." In the context of fraud especially, "the victim's lack of awareness of the fraud is the wrongdoer's very object. The rule thus prevents the defendant from benefiting from his own deceit."

Authors



Christopher John Stracco
Of Counsel

Parsippany, NJ | (973) 966-8220

cstracco@daypitney.com



Katharine A. Coffey
Partner

Parsippany, NJ | (973) 966-8323

kcoffey@daypitney.com