
Newsletters

Residential Real Estate

Landlords sue over alleged \$11,500-a-month squatter at North Center six-bedroom

By Dennis Rodkin

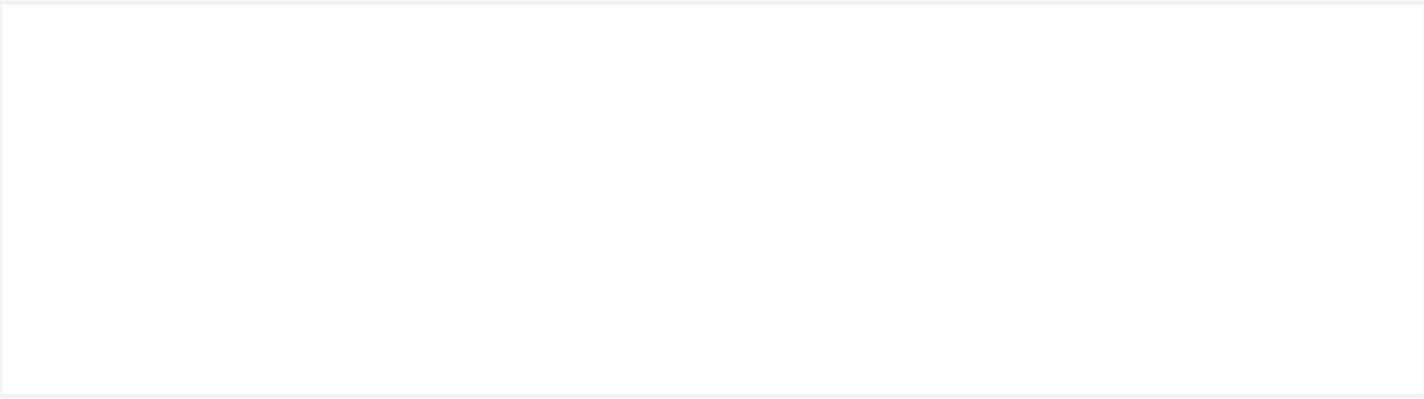


Credit: Apartments.com

The home as seen in a listing on apartments.com.

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The owners of a six-bedroom house in North Center are suing the real estate agents who brought them an \$11,500-a-month renter, alleging the agents intentionally overlooked his track record of evictions, non-payment of rent and bankruptcies — and now he’s stiffing them too.

After signing a lease on the Grace Street house in late May with a June 1 move-in date, the homeowners allege, Morrell Neely paid only the first month’s rent, which was collected as commission by the agents, members of the Leigh Marcus Team at @properties Christie’s International Real Estate, according to the lawsuit filed Sept. 9 in Cook County Circuit Court. Neely has paid no rent to the homeowners, Bijal Shah, Uma Bansal and their legal entity called Bumal Properties, the lawsuit alleges. **(Read the complaint below).**

The first three months’ unpaid rent totals \$34,500. That’s on top of over \$700,000 in court judgments against Neely on unpaid rent at two other Chicago homes since 2019.

The Marcus team, whose agents represented both the landlords and the tenant, “had access to information that (Neely) was a bad tenant, and they had a duty to tell” the

homeowners, their attorney, Blake Horwitz of the West Loop law firm that bears his name, told Crain's in an interview.

Neely, who also uses the first name Steve, has been evicted three times, with court orders against him in the past year for over \$640,000 at one home and \$75,000 at another, and has declared bankruptcy five times, three of them in California and two, including the latest in 2019, in Illinois, according to the homeowners' lawsuit.

"The information was there for them to find," Horwitz said. Because the agents were representing both sides in the deal, he believes, they had an obligation under dual agency regulations to search for and disclose any blemishes on the potential renter's financial background.

Neely, whom the lawsuit accuses of one count of fraud, did not respond to Crain's request for comment posted on his personal website.

The suit brings four claims against the agents and real estate company: consumer fraud, violation of the state's real estate licensing act and misrepresentation, both intentionally and out of negligence. Three of the agents — Leigh Marcus, Gabriel Rendon and Rick Sobin — did not reply to a request for comment, and Crain's could not reach the fourth, Katie Gonzalez.

Peter Olesker, a spokesman for @properties Christie's International Real Estate, said the brokerage would not comment on the case.

In September 2023, an Illinois appellate court [upheld a judgment of over \\$640,000](#) against Neely related to unpaid rent on a property on Oakdale Avenue in Lakeview, at \$11,000 a month, going back to 2019. And on May 23, one day before the parties signed the lease on Grace Street, according to the homeowners' suit, Neely was hit with a \$75,000 judgment for non-payment on another property. Crain's could not determine details on that one, as the eviction action is sealed.

How a big-ticket renter can evade payment on a series of \$10,000-and-up rentals may seem puzzling, but "if you're an expert, you can just keep playing the game," Horwitz told Crain's.

Homeowners Shah and Bansal bought the Grace Street house newly built in 2021, paying a little more than \$1.86 million, according to the Cook County Clerk. Using

public records about the house, Crain's calculated the basic carrying costs — monthly mortgage plus property taxes — come to about \$12,700 a month.

The Cook County Assessor estimates the property's present value as \$2.15 million.

The couple also own a house in Streamwood, according to public records. Horwitz did not give an explanation for why they rent out the Grace Street house.

In April, the homeowners signed a contract with the Marcus Group agents to find a tenant for the house. The suit alleges the agents were representing only the homeowners, but when they signed to represent Neely, they didn't inform the homeowners.

"Dual agency is super-complicated," Horwitz told Crain's, "so complicated that many lawyers will tell agents not to do it. If you're going to do it, you have to go above and beyond in being careful."

In the lawsuit, Horwitz writes that the real estate agents falsely implied to the homeowners that Neely had a separate agent, which made them inclined to expect the agents to serve only their interests. But the agents "intentionally withheld that they were also the agents of Neely, with the intention of securing a \$11,500 commission for renting the home," the suit says.

The agents' work included everything from determining what types of dogs were allowed for the \$250-a-month addition to the basic \$11,250 rent, to explaining to the landlords that the applicant didn't have pay stubs because he is self-employed, to running a credit check.

Neely is the CEO of Noil, a Chicago-based petroleum delivery company, according to [his personal webpage](#), which was last updated in late June. Noil's listed phone number does not answer.

Along with the eviction judgments against Neely, there's a federal indictment against him on charges of wire fraud, [filed in December in the U.S. District Court for the Northern District of Indiana](#). In June, the attorney representing Neely, Steven Greenberg of the Chicago firm Greenberg Trial Lawyers, filed a motion to withdraw from the case, writing that Neely "has never paid the initial agreed upon retainer, nor the additional fees that have accrued." The motion did not specify the amount.

Greenberg's notice that Neely wasn't paying came after Neely took possession of the Grace Street rental.

Horwitz argues there was enough information available on Neely's financial track record that if the agents "didn't find it, they didn't pay proper attention."



Hearing Date: <<CmsHearingStart>>
Location: <<CmsHearingResource="Location">>
Judge: <<CmsHearingResource="JudicialOfficer">>

12-Person Jury

FILED
9/9/2024 4:30 PM
IRIS Y. MARTINEZ
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COOK COUNTY, IL
2024CH08460
Calendar, 10
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FILED DATE: 9/9/2024 4:30 PM 2024CH08460

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

BIJAL SHAH, UMA BANSAL, BUMAL)
PROPERTIES, LLC,)
)
PLAINTIFFS,)
)
v.) Case No. 2024CH08460
)
@PROPERTIES, AT WORLD PROPERTIES,) JURY DEMANDED
LLC d/b/a @PROPERTIES| CHRISTIE'S)
INTERNATIONAL REAL ESTATE, LEIGH)
MARCUS, KATIE GONZALEZ, GABRIEL)
RENDON, LEIGH MARCUS TEAM, RICK)
SOBIN, and MORRELL NEELY,)
)

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By Dennis Rodkin

Dennis Rodkin is a senior reporter covering residential real estate for Crain's Chicago Business. He joined Crain's in 2014 and has been covering real estate in Chicago since 1991.

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