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**Real estate players allegedly got \$50M kickback**

*U.S. says an investor in the Woolworth Building and others were part of a sham deal involving the country's largest pharmacy service for nursing homes.*

The U.S. Department of Justice filed a complaint against a New York real estate investor and real estate attorney Wednesday, accusing them of accepting \$50 million in kickbacks from a pharmaceutical vendor that served nursing home companies in which they are principals.

Rubin Schron, an owner of the Woolworth Building, and real estate attorney Leonard Grunstein, a partner at Troutman Sanders, participated in the scheme, the government alleges. The complaint says the two men were part of a trio who received a \$50 million payment from Omnicare Inc., the nation's largest nursing home pharmacy, so it could continue to provide services to their nursing home companies, Mariner Health Care and Sava Senior Care.

The government alleges the trio attempted to disguise the \$50 million from Omnicare as a payment to acquire a business unit from Mariner that in fact only had two employees and was worth far less than \$50 million.

The lawsuit was revealed as the Justice Department announced Wednesday that Omnicare will pay the federal government and several states a total of \$98 million to settle Medicare and Medicaid fraud charges.

The suit also dovetails with the news that Mr. Schron and other owners of the Woolworth Building, including prominent real estate investor Steve Witkoff, are considering selling a 51% stake in the building to the Sorgente Group, an Italian firm that also owns a stake in New York's Flat Iron Building.

Messrs. Schron and Grunstein couldn't be reached for comment late Wednesday.