



ZACH KLEIN
COLUMBUS CITY ATTORNEY

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Contact: Pete Shipley, 614.965.0203
Email: pjshipley@columbus.gov

Latitude Five25 Owners Held in Contempt, Fined more than \$4.3 Million as Court Green Lights Takeover of Property

Columbus City Attorney Zach Klein says City committed to doing everything within its power to ensure residents get relief they deserve after years of mismanagement by property owners

COLUMBUS, OH— Columbus City Attorney Zach Klein today announced that Paxe Latitude, the owners of the Latitude Five25 Apartments, have been held in contempt of court and fined more than \$4.3 million for violating numerous provisions of a January 2023 court order, and that a court-appointed receiver will be stepping in to take over management of the property.

Paxe failed to sell the property by the required date and obtain necessary permits to begin interior demolition work, which has led to airborne asbestos contamination throughout the building. Additionally, Paxe failed to reimburse hundreds of displaced tenants and keep up with utility payments. Because of Paxe's failures, the towers remain unsafe for human occupancy and nearly 200 residents remain in temporary housing at local hotels.

"The ownership group at Latitude Five25 is unfit to continue operation and must be removed," said Columbus City Attorney Zach Klein. **"The City will do everything in its power to ensure these owners pay this judgement, including holding each of them personally liable if we need to. They spent years ruining the lives of tenants. They need to be held accountable. Pay up and get out."**

"The court's decision reinforces the actions taken by Code Enforcement to help these members of our community against a landlord that has failed them and failed our city," said Scott Messer, Director of Building and Zoning Services Department. **"The City is committed to seeing this through until all tenants are made whole."**

According to court documents, Paxe Latitude violated multiple provisions of the January 2023 agreement, including failing to sell the property by the required date and keep up with utility payments. Franklin County Municipal Court Environmental Division Judge Stephanie Mingo imposed a \$2.5 million fine to be paid by March 3, 2023, to refund any paid January rent, reimburse out of pocket expenses incurred by tenants as a result of displacement, and compensate Legal Aid attorney fees. Paxe has also been ordered to pay \$1.13 million to the City of Columbus and \$750,000 to Franklin County by March 13, 2023, to reimburse costs associated with temporarily housing displaced tenants.

“I want to thank our City and County departments that stepped up to respond to this crisis and have continued to provide critical resources to tenants every step of the way,” added City Attorney Klein.

In addition, Paxe still has large outstanding balances to multiple utility providers, which must be paid in full by April 13, 2023.

Judge Mingo also ordered that the property’s lender, Lument, be allowed to exercise its option to request that a receiver be appointed to take over the property.

City Attorney Klein noted that any future receiver or property owner will still be subject to the City’s nuisance case as long as it remains active, which requires any ownership or management group to keep the property in compliance with all applicable city and state codes, maintain security, and ensure safe, sanitary living conditions for tenants.

[The Court’s contempt finding is attached.](#)

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