

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

LOUIS BERMAN, : CIVIL ACTION NO. 24-17 (RMB-SAK)  
 :  
 Plaintiff(s), :  
 :  
 v. :  
 :  
 STATE FARM FIRE & CASUALTY  
 COMPANY :  
 :  
 Defendant(s), :

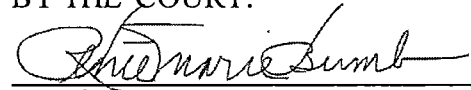
CIVIL JUDGMENT

IT APPEARING that an Arbitration Award was filed on July 24, 2025, and  
that 30 days have elapsed from the entry of the award without any party demanding a trial  
de novo;

IT IS on this 24<sup>th</sup> day of August, 2025,

ORDERED that in accordance with the Arbitration Award and Local Civil Rule  
201.1(g), the Arbitration Award is UNSEALED and JUDGMENT is entered.

BY THE COURT:

  
RENÉE MARIE BUMB  
UNITED STATES DISTRICT JUDGE

ATTEST:

BY: s/Karen Ferguson, Arbitration Clerk

DNJ-Arb-003

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

LOUIS BERMAN

CIVIL NO. 1:24-CV-00017-RMB-SAK

Plaintiff(s),

v.

STATE FARM FIRE &  
CASUALTY COMPANYARBITRATION AWARD  
PURSUANT TO LOCAL CIVIL  
RULE 201.1

Defendant(s).

AND NOW, this 30<sup>th</sup> day of July, 2025, the undersigned arbitrator having beenduly certified and sworn and having heard the above-captioned civil action on July 17, 2025,in the presence of and on notice to MARVIN HABER, ESQ. counsel for theplaintiff, LOUIS BERMAN, and CLAIREGOTTILLA, ESQ. counsel for the defendant, STATE FARM FIRE & CASUALTY CO.

and \_\_\_\_\_, counsel for \_\_\_\_\_;

And the parties having presented such testimony and submitted such pleadings, discovery,  
reports and other documents as counsel deemed necessary for the Arbitrator's consideration;The Arbitrator does hereby make the following <sup>No Cause of Action Ruling</sup> Arbitration Award pursuant to Local Civil Rule  
201.1 in favor of Defendant State Farm, and against Plaintiff Louis Berman.

\_\_\_\_\_ in the amount of \_\_\_\_\_.

Richard J. Sexton  
RICHARD J. SEXTON, 7/24/25  
ARBITRATORNOTICE

This award will become a final judgment of the court, without the right of appeal, unless a party files with the court a Demand for a Trial De Novo within (30) days (60 days for all parties in actions in which the United States or any employee or agency thereof is a party) after the entry of the arbitration award pursuant to Local Civil Rule 201.1(h).

Louis Berman v. State Farm Fire & Casualty Company, Civil Action No. 1:24-cv-00017-RMB-SAK

Arbitrator's Statement of Reasons for Arbitration Ruling

Ruling: No cause of action in favor of defendant and against plaintiff

This is an insurance coverage dispute in which plaintiff is suing his homeowners insurer for damage to his home in South Harrison, located in Gloucester County NJ, which he claims was caused by a tornado on September 1, 2021. Defendant State Farm did pay plaintiff \$19,511.87 for exterior damage to the home, but plaintiff claims there was additional damage to the interior of his home, in the way of cracks and other damages to interior walls and ceilings when the tornado winds allegedly caused the frame of the house to shift. Plaintiff is suing for Replacement Cost Value of the damage in the amount of \$52,666.12.

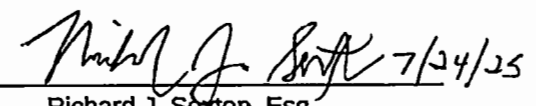
There is no dispute that a destructive tornado did pass through plaintiff's neighborhood on 9/1/21, and the parties do not dispute that the tornado passed within 700 feet of plaintiff's home. This is where the parties' views of this case diverge. Both parties submitted expert reports on the question of whether this tornado could have caused the damages alleged by plaintiff.

My ruling against plaintiff is based on two reasons. First, the defense expert report is more convincing than the plaintiff's expert report. The defense report was detailed regarding the storm track not directly impacting the home, and evidence that the winds were less damaging than claimed by plaintiff. The plaintiff's report hardly addressed these issues. It is common knowledge that tornadoes are unpredictable, and that a tornado can completely destroy one home, while leaving other homes in the immediate vicinity, even next door, relatively unscathed. In this case, there were two rows of homes and a stand of trees situated between plaintiff's home and the tornado track, 700 feet away. The fact that the exterior of plaintiff's home suffered relatively moderate damage, which was paid by defendant, while other exterior fixtures, such as security cameras, light fixtures and a satellite dish remained unharmed, indicates that the tornado winds were not as destructive as opined by plaintiff's expert. The fact that plaintiff did not report the interior damage for several months, and that plaintiff's own public adjuster failed to note interior damage, saying he didn't see any, also indicates that the interior damage was either non-existent, or not caused by the tornado.

The second reason for this ruling is based on the fact that plaintiff submitted his damages claim for Replacement Cost Value ("RCV"), but no repairs have been made. Under the defendant's policy, RCV damages can only be claimed if the repairs have been made. Otherwise, a plaintiff is limited to Actual Cost Value ("ACV"). However, plaintiff did not submit an expert report on ACV, and as Judge Williams recently ruled in a similar case, Johnson v. Hanover, 1:23-cv-1294, (U.S. District Court for New Jersey), a plaintiff must produce evidence of ACV if repairs have not been made.

The defendant presented a third defense, namely that plaintiff did not file suit within one year of the date of loss, a requirement stated in its policy. Defendant concedes that New Jersey case law requires that this time period be tolled while the insurer is investigating the claim, but argues that more than one year passed between date of loss and filing of suit, even taking into account the defendant's claim investigation time period. There is some dispute between the parties about the timing and communications regarding the interior damage claim, and the aforesaid New Jersey case law states that allowing the insured sufficient time to file suit is an issue of fairness. Accordingly, considering the equities in this case, my ruling is against the defendant on this issue.

Taking all of the above into account, while the plaintiff likely filed suit within the time period required by defendant's policy, the claim fails substantively for the reasons stated.

  
Richard J. Sexton, Esq.