

Deal reached in Reggie Bush family case; ex-landlord drops suit

by Brent Schrotenboer

SAN DIEGO - The former landlord for Reggie Bush's parents in Spring Valley has reached an undisclosed settlement agreement with the Bush family for alleged unpaid rent and other losses in a case still under investigation by the NCAA.

Michael Michaels alleged last year that Bush's parents lived rent-free in his house for a year while Bush was at USC, with the understanding that Bush would be a centerpiece in Michaels' fledgling marketing agency after he turned pro.

Asked Thursday about the settlement with Michaels, Bush's attorney, David Cornwell, said he would call the reporter back. He did not immediately return the call.

Jordan Cohen, Michaels' attorney, said Thursday they have decided not to proceed with the lawsuit planned against Bush's family. He said he could not comment beyond that.

Michaels and partner Lloyd Lake were investors in New Era Sports & Entertainment, a marketing company they said Bush and his stepfather conceived as a way for Bush to own the company that represented him after he entered the NFL.

Bush instead decided to sign with another marketing representative, Mike Ornstein, and another agent, Joel Segal. Michaels and Lake claimed to be out \$300,000 in out-of-pocket expenses, including \$100,000 in cash disbursements to the Bush family, and threatened a lawsuit to recover those damages.

Lake's attorney, Brian Watkins, said Thursday the settlement between Michaels and the Bush family will not keep him from proceeding with his lawsuit as planned. He said he hoped to file it soon after he finished another unrelated case.

The NCAA has been investigating the case on grounds that Bush and his family might have received improper benefits from the investors. If the NCAA determines he did, it could jeopardize USC victories in games in which Bush played, as well as Bush's Heisman Trophy.

Because of the threat of lawsuits, the NCAA's investigation has been held back and hasn't received full cooperation from all parties in the case, including Bush. It is not known whether settlement terms could further hinder the NCAA case or allow it to move forward more openly.

Without the cooperation of Bush's family and others, the NCAA and Pac-10 Conference have had to develop other sources in the case. But the NCAA lacks subpoena power.

"I've never had it where both sides agreed not to talk (as part of a settlement agreement)," said Ron Barker, the Pac-10's associate commissioner for governance and enforcement. "I think they probably could do that. That's one of the problems we're having in this matter. There's no way we can force people to talk to us."

Michaels bought the 3,002-square-foot, three-bedroom home for \$757,237 in April 2005, according to San Diego County records. Bush's parents moved out a year later. Michaels said then they owed him \$54,000 in rent.

Deal reached in Reggie Bush family case; ex-landlord drops suit by Brent Schrotenboer