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Yankwitt LLP Achieves Global Resolution of Complex Privately Held Multi-Case Intrafamily Litigation

Yankwitt LLP settled an intrafamily dispute involving two sisters' joint ownership interests in several privately held real estate companies. The parties sued each other after years of unresolved disputes over the management and operation of the jointly owned companies.

Yankwitt LLP represented a minority member of several closely held LLCs that owned and operated commercial property throughout Westchester and that she co-owned primarily with her two sister shareholders. The firm filed suit in the Westchester Commercial Division asserting derivative and direct claims against the sister who served as the managing member of the jointly owned LLCs, alleging mismanagement, lack of reporting, suppression of minority distributions, and self-dealing dating back over a decade. Shortly after the lawsuit was filed, the sister countersued, alleging breach of fiduciary duty and breach of one of the LLC's operating agreements. The sister also filed a motion to dismiss the original litigation, which Yankwitt LLP defeated. The two litigations then proceeded in tandem on a tight discovery track imposed in the Commercial Division

Yankwitt LLP pursued an aggressive strategy of pushing discovery while engaging in intense and protracted settlement negotiations. This led to a comprehensive settlement that resulted in the dismissal of all claims in both lawsuits and addressed the distribution of certain existing assets between the siblings and the future management and the potential division of additional assets.

The litigation and resolution of the two lawsuits highlight Yankwitt LLP's acumen in intrafamily, close corporation disputes. The firm understands that these disputes can be high-stakes financially and emotionally and that creative resolutions are often necessary if the parties/family members are to resolve their dispute and coexist peacefully in the future.