

New York Court Rules Litigation Brought By Developer Fortis Can Proceed Against Lenders

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Selendy & Gay, on behalf of real estate developer Fortis Property Group and related parties, successfully obtained rulings from the New York State Supreme Court, Commercial Division permitting Fortis's claims to proceed in their entirety against a group of lenders, including Bank Leumi USA, Bank Leumi le-Israel BM, and others.

Fortis's claims arise out of the lenders' alleged fraud and breaches of contract and good faith in connection with their failure to fund a loan to build Fortis's unfinished skyscraper at 161 Maiden Lane in downtown Manhattan. Fortis asserted that the lenders' alleged misconduct has indefinitely forestalled completion of the property, costing Fortis millions of dollars.

Represented by Selendy & Gay, Fortis brought its suit against the lenders in August 2020. The lenders then moved to dismiss the claims, arguing they were foreclosed by waiver, release, and other provisions in the loan agreements, and that New York lacked jurisdiction over certain defendants based in Israel.

On March 3, 2021, the Commercial Division rejected the lenders' arguments and permitted discovery to proceed against them.

The Selendy & Gay team representing Fortis includes Jordan Goldstein, Caitlin Halligan, Greg Wolfe, and Michelle Foxman.

Attorney

- Jordan A. Goldstein

Practice

- Complex Commercial Disputes