

Winston Wins Arbitration Agreement Over Rights to More Than \$50M Worth of Undeveloped Property

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Winston & Strawn won an arbitration over the rights to \$50 million worth of undeveloped property in California's Inland Empire known as the "Norco Egg Ranch." In 2010, Winston real estate attorney James Lukas represented our client Alere Property Group in the purchase of the Norco Egg Ranch from H&H Properties. Alere bought the property for a highly favorable price and intended to rezone the Egg Ranch for development as an industrial commerce park.

Massive resistance by Norco citizens during zoning proceedings eventually put an end to Alere's plans. However, as California's real estate market began to recover, so did the value of the Egg Ranch. Alere subsequently formed a new plan to zone the property for residential development, and then sell it for tens of millions of dollars more than the original purchase price.

Alere, however, was not the only one to notice how much the property had increased in value. Upon the death of the Egg Ranch's former owner, his heirs filed for arbitration in an attempt to regain control over the property. According to them, Alere's right to purchase the property terminated when its request for industrial zoning was denied. Winston was confident that the purchase agreement it drafted could withstand this challenge, and brought a litigator to defend Alere in the arbitration proceedings before a former federal district court judge in Los Angeles.

The arbitrator imposed an extremely challenging pre-hearing discovery schedule that required the case to be tried less than three months from the commencement of discovery. Winston used the discovery process to obtain dozens of helpful admissions from, among others, the real estate attorney representing H&H Properties. Winston was so successful in deposing H&H's expert, that H&H was forced to withdraw him as a witness on the eve of trial.

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