

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ELI Realty Investments, LLC, a Nevada limited liability company; Exclusive Lifestyles SoCal, LLC, a California limited liability company; Exclusive Lifestyles San Francisco, Inc., a California corporation; Exclusive Lifestyles Ohio, LLC, an Ohio limited liability company; and Exclusive Lifestyles Las Vegas, LLC, a Nevada limited Liability company,

Plaintiff,

v.

Corcoran Group LLC, a Delaware limited liability company; DOES 1 through 10,

Defendant.

Corcoran Group LLC

Counterclaimant and
Third-Party Plaintiff,

v.

ELI Realty Investments, LLC; Michael Mahon; Pamela Mahon; MRM Investments, LLC; AIM High Capital Partners, LLC; Libertas Funding LLC; Matek LLC; Exclusive Lifestyles SoCal, LLC; Exclusive Lifestyles San Francisco, Inc.; Exclusive Lifestyles Ohio, LLC;

Case No. 8:22-cv-01195-JWH-ADS

ORDER GRANTING MOTION TO DISMISS AND FOR PARTIAL SUMMARY JUDGMENT; AND JUDGMENT

Hon. John W. Holcomb

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exclusive Lifestyles Las Vegas, LLC;
Exclusive Lifestyles Tahoe, LLC; and
DOES 1 - 10

Counterclaim and Third-
Party Defendants.

Libertas Funding LLC; Michael Mahon
Pamela Mahon, and MRM Investments,
LLC,

Third-Party
Counterclaimants,

v.

Corcoran Group, LLC,

Third-Party
Counterdefendant.

1 This matter having been presented to the Court upon the Motion of Corcoran
2 Group LLC (“Corcoran”) for, among other things, (i) dismissal of the claims of
3 Exclusive Lifestyles SoCal, LLC, Exclusive Lifestyles San Francisco, Inc., Exclusive
4 Lifestyles Ohio, LLC, and Exclusive Lifestyles Las Vegas, LLC, against Corcoran
5 pursuant to Fed. R. Civ. P. 41(b) and L.R. 41-1; and (ii) partial summary judgment
6 against Exclusive Lifestyles SoCal, LLC, Exclusive Lifestyles San Francisco, Inc.,
7 Exclusive Lifestyles Ohio, LLC, Exclusive Lifestyles Las Vegas, LLC and Exclusive
8 Lifestyles Tahoe, LLC (collectively, the “JV Franchisees”) pursuant to Rule 56 of
9 the Federal Rules of Civil Procedure and L.R. 56-1 (the “Motion”); sufficient notice
10 of the Motion having been provided; the Court having reviewed Corcoran’s Motion
11 and reply papers, if any, and any opposition filed to the Motion; the Court having
12 considered the arguments of counsel; for the reasons set forth on the record in this
13 action on May 31, 2024; and for good cause shown;

14 It is hereby **ORDERED, ADJUDGED, and DECREED** as follows:

15 1. The Motion is **GRANTED**.

16 2. All claims and counterclaims of any nature that are or that could have
17 been raised in this action by JV Franchisees against Corcoran are hereby
18 **DISMISSED with prejudice**, including but not limited to all claims raised by or
19 on behalf of JV Franchisees in counts Twenty-Four, Twenty-Five, Twenty-Seven,
20 Twenty-Nine, Thirty, Thirty-Two, Thirty-Four, Thirty-Five, Thirty-Seven, Thirty-
21 Nine, Forty, Forty-Two, Forty-Four, and Forty-Five of the Complaint.

22 3. **JUDGMENT** is hereby **ENTERED** in **FAVOR** of Corcoran Group
23 LLC and **AGAINST** Exclusive Lifestyles SoCal, LLC on Count Thirty of the
24 Amended Third-Party Complaint (as defined in the R. 56 Statement) in the amount of:

25 (a) **\$1,298,066** for outstanding Royalty Fees, Brand Marketing
26 Fund contributions, and other amounts due under the applicable franchise
27 agreement as of October 31, 2022, plus interest on the foregoing amount at
28

1 the annual rate of 18% from December 2, 2022, through and including the
2 date of this judgment;

3 (b) **\$6,310,686** for liquidated damages due under the applicable
4 franchise agreement;

5 (c) attorney fees, if any, awarded by subsequent order of this Court;
6 and

7 (d) lawful interest from the date hereof.

8 4. **JUDGMENT** is hereby **ENTERED** in **FAVOR** of Corcoran Group
9 LLC and **AGAINST** Exclusive Lifestyles San Francisco, Inc. on Count Twenty-Five
10 of the Amended Third-Party Complaint (as defined in the R. 56 Statement) in the
11 amount of:

12 (a) **\$1,703,699** for outstanding Royalty Fees, Brand Marketing
13 Fund contributions, and other amounts due under the applicable franchise
14 agreement as of October 31, 2022, plus interest on the foregoing amount at
15 the annual rate of 18% from December 2, 2022, through and including the
16 date of this judgment;

17 (b) **\$976,185** for liquidated damages due under the applicable
18 franchise agreement;

19 (c) attorney fees, if any, awarded by subsequent order of this Court;
20 and

21 (d) lawful interest from the date hereof.

22 5. Judgment is hereby **ENTERED** in **FAVOR** of Corcoran Group LLC
23 and **AGAINST** Exclusive Lifestyles Ohio, LLC on Count Thirty-Five of the
24 Amended Third-Party Complaint (as defined in the R. 56 Statement) in the amount of:

25 (a) **\$383,993** for outstanding Royalty Fees, Brand Marketing Fund
26 contributions, and other amounts due under the applicable franchise
27 agreement as of October 31, 2022, plus interest on the foregoing amount at
28

1 the annual rate of 18% from December 2, 2022, through and including the
2 date of this judgment;

3 (b) **\$1,631,189** for liquidated damages due under the applicable
4 franchise agreement;

5 (c) attorney fees, if any, awarded by subsequent order of this Court;
6 and

7 (d) lawful interest from the date hereof.

8 6. Judgment is hereby **ENTERED** in **FAVOR** of Corcoran Group LLC
9 and **AGAINST** Exclusive Lifestyles Las Vegas, LLC on Count Forty of the
10 Amended Third-Party Complaint (as defined in the R. 56 Statement) in the amount of:

11 (a) **\$447,270** for outstanding Royalty Fees, Brand Marketing Fund
12 contributions, and other amounts due under the applicable franchise
13 agreement as of October 31, 2022, plus interest on the foregoing amount at
14 the annual rate of 18% from December 2, 2022, through and including the
15 date of this judgment;

16 (b) **\$1,255,108** for liquidated damages due under the applicable
17 franchise agreement;

18 (c) attorney fees, if any, awarded by subsequent order of this Court;
19 and

20 (d) lawful interest from the date hereof.

21 7. Judgment is hereby **ENTERED** in **FAVOR** of Corcoran Group LLC
22 and **AGAINST** Exclusive Lifestyles Tahoe, LLC on Count Forty-Five of the
23 Amended Third-Party Complaint (as defined in the R. 56 Statement) in the amount of:

24 (a) **\$3,834,426** for liquidated damages due under the applicable
25 franchise agreement;

26 (b) attorney fees, if any, awarded by subsequent order of this Court;
27 and

28 (c) lawful interest from the date hereof.

1 8. On or before June 20, 2024, each of the JV Franchisees shall provide
2 Corcoran, in care of its counsel in this action, with separate written accountings
3 including the following:

4 (a) a complete inventory of all listings and pending transactions of
5 the Joint Venture Franchisee as of November 21, 2022 (each a “Listing and
6 Pending Report”); and

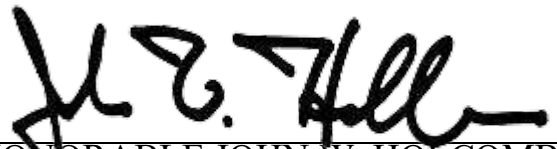
7 (b) the identity, location, and/or disposition of the items listed in the
8 Listing and Pending Report, as well as any other Corcoran-Exclusive San
9 Francisco Collateral, Corcoran-Exclusive SoCal Collateral, Corcoran-
10 Exclusive Las Vegas Collateral, Corcoran-Exclusive Tahoe Collateral, and
11 Corcoran-Exclusive Ohio Collateral (all as defined in the Motion), as of and
12 subsequent to November 21, 2022.

13 9. Corcoran may file a motion and accompanying evidence supporting its
14 request for reasonable attorneys’ fees and costs on or before July 5, 2024.

15 10. Except for the claims that are the subject of the judgments reflected
16 above, all other claims and counterclaims raised in this action by Corcoran against
17 the JV Franchisees are hereby **DISMISSED without prejudice and without an**
18 **award of costs.**

19 **IT IS SO ORDERED.**

20
21 Dated: June 4, 2024

22 
23 HONORABLE JOHN W. HOLCOMB
24 UNITED STATES DISTRICT JUDGE
25
26
27
28