

**Greenway Mews Realty, L.L.C. v Liberty Ins.
Underwriters, Inc.**

2026 NY Slip Op 31599(U)

April 13, 2026

Supreme Court, New York County

Docket Number: Index No. 652364/2018

Judge: Matthew V. Grieco

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This opinion is uncorrected and not selected for official publication.

SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. MATTHEW V. GRIECO PART 30M

Justice

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GREENWAY MEWS REALTY, L.L.C. (INTERPLEADER DEFENDANT),

Plaintiff,

- v -

LIBERTY INSURANCE UNDERWRITERS, INC. AND, ILLINOIS NATIONAL INSURANCE COMPANY (INTERPLEADER PLAINTIFF), SENECA INSURANCE COMPANY, FEDERAL INSURANCE COMPANY, LITTLE REST TWELVE, INC.

Defendants.

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The following e-filed documents, listed by NYSCEF document number (Motion 008) 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 538, 539, 540

were read on this motion to/for MISCELLANEOUS

DECISION + ORDER ON MOTION

Upon the foregoing documents, and for the reasons stated infra, the motion is denied.

This long-running litigation arises out of a construction site accident as a result of which Jian-Guo Yu was injured while working for contractor UAD Group ("UAD"), which had been retained by tenant Little Rest Twelve, Inc. ("LRT"), for a project in a building owned by Greenway Mews Realty, L.L.C. ("Greenway"). Yu and his wife brought an action against Greenway and LRT, against both of which they were granted summary judgment on Labor Law § 240(1) liability (Index. No. 116885/2005). Greenway was granted summary judgment on its cross-claim against LRT for contractual indemnification. Greenway and LRT commenced a third-party action against UAD, in which the First Department granted LRT summary judgment against UAD for contractual indemnification (Yu v Greenway Mews Realty LLC, 99 AD3d 619

[1st Dept 2012]).

In June 2013, LRT, Greenway, and Greenway's primary insurer, Seneca Insurance Company ("Seneca"), entered into an assignment agreement, under which, as relevant here, and as more fully set forth *infra*: (1) LRT assigned to Greenway and Seneca all its rights against UAD, including contractual indemnification; and (2) Greenway and Seneca agreed to pay to LRT its expenses, calculated according to a formula, out of monies Greenway and Seneca recovered from UAD and its insurers (NYSCEF Doc. No. 530).

In August 2013, Greenway and the Yus settled for \$3.3 million, of which Seneca contributed \$1 million, and Greenway's excess insurer, Federal Insurance Company ("Federal") contributed \$2.3 million.

Judgment was entered in August 2017 in favor of Greenway, as assignee of LRT's contractual indemnification claims, and against UAD, in the amount of \$4,639,504.82, representing the settlement paid to the Yus plus interest and attorneys' fees (NYSCEF Doc. No. 40; see *Yu v Greenway Mews Realty LLC*, 134 AD3d 446 [1st Dept 2015] [affirming underlying order granting Greenway summary judgment against UAD], *lv denied* 30 NY3d 905 [2017]).

In 2018, Greenway commenced this action against UAD's insurers, Liberty Insurance Underwriters, Inc. ("Liberty") and Illinois National Insurance Company ("INIC"), for payment of its judgment against UAD, plus post-judgment interest and attorneys' fees (NYSCEF Doc. No. 1).

Liberty brought interpleader claims against Seneca, Federal, LRT, and Greenway, and INIC brought interpleader claims against Seneca, Federal, and LRT, seeking to deposit funds into escrow and be relieved of further liability (NYSCEF Doc. Nos. 29-31,

44-47).

Federal asserted cross-claims against Seneca to recover the \$2.3 million it had paid in settlement of the Yu action (NYSCEF Doc. No. 192, 194).

Liberty has deposited \$125,000 into a non-interest bearing escrow account with DLA Piper LLP (US) (“DLA”) and paid another \$1,500,344.69 into Court (upon which it was discharged from any further obligations with regard to the UAD judgment [*see Greenway Mews Realty, L.L.C. v Liberty Ins. Underwriters, Inc.*, 214 AD3d 411, 413 [1st Dept 2023]]); INIC has deposited \$2.7 million into a non-interest bearing escrow account.

LRT moves for the release of the \$125,000 held in the DLA account and \$621,713.62 from the amounts deposited with the Court, for a total of \$746,713.62, contending that it is entitled to the monies under the assignment agreement (NYSCEF Doc. Nos. 527-535, 540). Greenway and Seneca oppose, asserting that disbursement now would be premature under the terms of the assignment agreement (NYSCEF Doc. Nos. 538-539).

The parties’ arguments derive from their conflicting interpretations of the assignment agreement. However, “a written agreement that is complete, clear and unambiguous on its face must be enforced according to the plain meaning of its terms” (*Greenfield v Philles Records, Inc.*, 98 NY2d 562, 569 [1990]).

The governing language is in paragraph 7 of the assignment agreement:

In the event that Greenway and/or Seneca recover(s) any monies from UAD and/or UAD’s Insurers with respect to the Assigned Claims, the Greenway Claims Against UAD and/or UAD’s Insurers, and/or the Yu Action, including the Third-Party Action, LRT shall not have any right to such monies except that LRT shall be entitled to payment in respect of the LRT Expenses, which shall be paid to LRT solely from any monies recovered from UAD and/or UAD’s Insurers in respect of the Assigned

Claims. The amount paid to LRT in respect of the LRT Expenses shall be (a) not more than the total LRT Expenses of \$354,630, plus any accrued statutory interest, (b) computed on the net sum recovered after deducting all costs and expenses, including attorneys' fees, incurred by Greenway and/or Seneca in recovering such monies from UAD and/or UAD's Insurers (the "Net UAD Recovery"), and (c) the product of forty percent (40%) of the Net UAD Recovery up to two hundred and fifty thousand dollars (\$250,000), and the remaining LRT Expenses in excess of \$250,000 calculated as the product of the amount of the Net UAD Recovery and the percentage that the amount of the LRT Expenses bears to the amount of the Total Claim [NYSCEF Doc. No. 530].

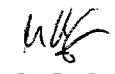
LRT argues that the \$4,325,344.69 Liberty and INIC have deposited into escrow and the Court are "monies recovered from UAD and/or UAD's Insurers" (*id.*), and therefore LRT should be paid its expenses from those funds. Greenway and Seneca emphasize the language that LRT's expenses are to be "computed on the net sum recovered after deducting all costs and expenses, including attorneys' fees, incurred by Greenway and/or Seneca in recovering such monies from UAD and/or UAD's Insurers" (*id.*), and note that Greenway's and Seneca's expenses have not yet been determined. In reply, LRT maintains that Greenway and Seneca have incurred \$1,636,071.71 in costs and expenses, and thus plenty of money will be left over if LRT is paid its claimed \$746,713.62. Most recently, however, the First Department reinstated Federal's unjust enrichment cross-claim against Seneca in the interpleader actions (*see Greenway Mews Realty, L.L.C. v Liberty Ins. Underwriters, Inc.*, 244 AD3d 483 [1st Dept 2025]).

In the absence of a resolution of Federal's cross-claim against Seneca and a final calculation of Greenway's and Seneca's costs and expenses, LRT, under the plain language of the assignment agreement, is not yet entitled to its own expenses (*see Greenfield*, 98 NY2d at 569).

It is therefore

ORDERED that LRT's motion is denied.

This constitutes the decision and order of the Court.

<u>4/13/2026</u>		
DATE		MATTHEW V. GRIECO, J.S.C.
CHECK ONE:	<input type="checkbox"/> CASE DISPOSED	<input checked="" type="checkbox"/> NON-FINAL DISPOSITION
APPLICATION:	<input type="checkbox"/> GRANTED	<input checked="" type="checkbox"/> DENIED
CHECK IF APPROPRIATE:	<input type="checkbox"/> SETTLE ORDER	<input type="checkbox"/> GRANTED IN PART
	<input type="checkbox"/> INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/> SUBMIT ORDER
		<input type="checkbox"/> FIDUCIARY APPOINTMENT
		<input type="checkbox"/> OTHER
		<input type="checkbox"/> REFERENCE