

Haynes Boone and Withers Secure \$17 Million Judgment for Elder Investors and Limited Partnership in Silicon Valley Real Estate Fraud Case

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PRACTICES Litigation

Haynes Boone and Withers secured a sweeping victory for a group of financially abused senior investors and their limited partnership, Central Investments LP, culminating in more than \$17 million in total damages. This follows a two-phase trial over a decade-long scheme involving self-dealing and fiduciary breaches by Silicon Valley apartment owner Richard Gregersen.

A Santa Clara County jury previously awarded \$9.7 million in December—including \$8 million in punitive damages—to five limited partners, four of whom are elderly, after finding Gregersen committed financial elder abuse, fraud and breached fiduciary duties. On May 6, Superior Court Judge Daniel Nishigaya ruled in the second phase that Central Investments itself was entitled to \$7.36 million in derivative damages and disgorgement, bringing the total recovery to over \$17 million. The court also granted attorneys' fees and ordered transformative governance changes, including the removal of Gregersen's affiliated entity, ADA Management, as general partner, and prohibiting Gregersen and his entities from exercising any future voting rights within the partnership.

Haynes Boone Senior Counsel [Steve Wilson](#) led Haynes Boone's litigation team, partnering with Kimberly Pallen, Dean Nicyper and Tyler Goss of Withers in representing the plaintiffs, who were longtime limited partners in Central Investments—a limited partnership holding a 45 percent interest in the 173-unit Highlander Apartments complex in Sunnyvale, California.

"This was about standing up for vulnerable investors who were denied transparency and respect," Wilson said. "The result sends a strong message: Fiduciaries will be held accountable when they abuse their position and misappropriate funds for personal gain."

The evidence demonstrated Gregersen funneled partnership money into personal projects, including private real estate ventures and luxury purchases, while neglecting the apartment complex and refusing to disclose financial information to investors, including the son of a deceased partner who had been stonewalled for nearly a decade.

Judge Nishigaya's ruling not only confirmed Gregersen's breach of fiduciary duties and the Central Investments limited partnership agreement, but it also removed the general partner from office and forbade him and his affiliates from voting on partnership matters moving forward. The non-Gregersen-controlled limited partners have been empowered to elect new leadership to complete the wind-down process of the partnership.

Haynes Boone's [Litigation Practice](#) handles disputes of all sizes with a focus on achieving results that align with clients' business objectives. The team represents industry leaders, including Halliburton, AT&T and the National Football League, as well as a range of other businesses in contract disputes, class actions and regulatory matters. The firm's skilled trial and appellate teams have secured numerous jury and bench verdicts, ensuring efficient, client-centered strategies that drive successful outcomes.