

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,
THIRD DEPARTMENT

Blue Casa LLC v. Menn

2026 NY Slip Op 03713 · No. CV-24-2042 · Decided June 11, 2026

SUMMARY

The Appellate Division, Third Department dismissed as moot an appeal concerning a dismissed action for specific performance of a real-property sale contract. The court held that the property had been sold to a nonparty, making specific performance impossible, and declined to sanction the plaintiff for filing a frivolous appeal.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, Third Department
WRITING FOR THE COURT	Fisher, J.; Pritzker, J.P.; Ceresia, J.; McShan, J.; Corcoran, J.
JURISDICTION	Supreme Court of the State of New York, Appellate Division, Third Department
DECIDED	June 11, 2026
DOCKET	CV-24-2042
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff appealed from an order of Supreme Court that granted defendants' motion to dismiss the complaint in an action seeking specific performance of a real-estate sale contract. Before the appeal was perfected, defendants sold the property to a nonparty. The Appellate Division dismissed the appeal as moot and denied defendants' request for sanctions.
STANDARD OF REVIEW	An appeal is moot unless adjudication on the merits would result in immediate and practical consequences to the parties. The court also applied the standard governing sanctions for frivolous conduct under 22 NYCRR 130-1.1.
PRECEDENTIAL VALUE	Published New York Appellate Division opinion
PARTIES	Blue Casa LLC v. Jeffrey Menn, et al.

TOPICS

mootness

appellate procedure

specific performance remedy

contracts

sanctions

PRACTICE AREAS

Appellate procedure

Civil procedure

Real estate contracts

Specific performance

Mootness

Sanctions

QUESTIONS PRESENTED

1. Whether the appeal from dismissal of an action seeking specific performance became moot after the subject property was sold to a nonparty and no stay preserved plaintiff's claim.
2. Whether defendants were entitled to sanctions on the ground that plaintiff's appeal was frivolous.

HOLDINGS

1. The appeal was moot because defendants no longer had title to convey and specific performance of the real-property sale contract was no longer possible; no exception to the mootness doctrine applied.
2. Sanctions were denied because defendants did not meet their burden of showing that plaintiff's appeal was completely without merit in law, undertaken to delay or prolong litigation, or based on false material facts.

KEY QUOTATIONS

“[T]he jurisdiction of this Court extends only to live controversies and, as such, an appeal will be considered moot unless an adjudication of the merits will result in immediate and practical consequences to the parties”
(*1)

“Defendants thus have no title to convey and specific performance of the contract for sale of the subject property is no longer possible” (*1)

FACTUAL BACKGROUND

In December 2023, the parties contracted for the sale of real property in Troy, New York, subject to a mortgage contingency clause permitting plaintiff to cancel by written notice if it could not obtain financing on specified terms. Plaintiff timely canceled after failing to obtain the required mortgage, later attempted to rescind the cancellation and proposed new financial terms, and sought specific performance when defendants refused to proceed with the sale. Before the appeal from dismissal of that action was perfected, defendants sold the property to a nonparty, and plaintiff's notice of pendency had already been canceled without a stay.

PROCEDURAL HISTORY

The parties entered into a contract for the sale of real property. After plaintiff was unable to obtain financing under the contract's mortgage contingency clause, plaintiff canceled the contract, later attempted to rescind the cancellation and proposed new financial terms, and then commenced an action for specific performance. Supreme Court granted defendants' motion to dismiss. While the appeal was pending, defendants sold the property to a third party, and the Appellate Division dismissed the appeal as moot.

DISPOSITION

dismissed

CASES CITED

- Matter of Sullivan Farms II, Inc. v. Town of Mamakating Planning Bd., 165 AD3d 1447, 1449 [3d Dept 2018]
- Govel v. Trustco Bank, 182 AD3d 838, 839-840 [3d Dept 2020]
- Hulett v. Korb, 243 AD3d 1136, 1138 [3d Dept 2025]
- Chateau Rive Corp. v. Enclave Dev. Assoc., 22 AD3d 445, 447 [2d Dept 2005]
- Chester Green Estates, LLC v. Arlington Chester, LLC, 211 AD3d 801, 804 [2d Dept 2022]
- Drake v. Friedenthal, 108 AD3d 910, 911 [3d Dept 2013]
- Gabriel v. Prime, 30 AD3d 955, 957 [3d Dept 2006]
- Real-X Realty, LLC v. Crest Bellport, LLC, 247 AD3d 944, 946 [2d Dept 2026]
- Deutsche Bank Natl. Trust Co. v. LeTennier, ___ AD3d ___, ___, 250 NYS3d 260, 266 [3d Dept 2026]
- LaBoy v. Diven, 244 AD3d 1201, 1204 [2d Dept 2025]
- Cancilla v. O'Rourke, 232 AD3d 1175, 1179 [2d Dept 2024]
- Wells v. Hodgkins, 150 AD3d 1449, 1452 [3d Dept 2017]

Retrieved from lawtools.ai · <https://lawtools.ai/cases/state/supreme-court-of-the-state-of-new-york-appellate-division-third-department-supreme-court-of-the-stat/2026/blue-casa-llc-v-menn-hawhdzyp>