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# As Alex Rodriguez Pursues Bid To Buy New York Mets, A Years-Long Legal Battle Churns Ahead

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With Scandal's "The Warrior" blasting in the background, former Yankee Alex Rodriguez appeared on a video posted to his Twitter account May 21 announcing the day's quarantine workout.

"It is for Jennifer, Natasha ... and Rod," the star-crossed slugger said on camera, referring to singer/actress Jennifer Lopez, his fiancée; Rodriguez's oldest daughter, Natasha; and the truncated version of his nickname, "A-Rod." The three could then be seen jogging, doing push-ups and swinging kettlebells during the one-minute-40-second clip.

"Who do you think crushed this workout? The kids or adults?" Rodriguez wrote in the tweet.

But 24 hours before that social media post went live, a Florida state court judge made a ruling in a years-long civil action against Rodriguez that could prove to be a crushing blow to the three-time MVP's financial empire and rehabbed image. The order signed by Judge Maria de Jesus Santovenia could also hamper Rodriguez's latest business pursuit: to become a part-owner of the New York Mets, a venture in which he is partnered with Lopez and several other parties to try to take over one of Major League Baseball's jewel franchises.

Rodriguez's legal skirmish began more than five years ago when Constantine Scurtis, the younger brother of Rodriguez's ex-wife, Cynthia (Natasha's mother), sued the then-Yankees third baseman for breach of fiduciary duty, breach of contract and unjust enrichment, among other counts, in connection with the real estate company—ACREI (Alex Constantine Real Estate Investments)—the two men started together in 2003. The company's operating arm was called Newport Property Ventures.

Scurtis, through the partnership, was entitled to a percentage of net profits when any of the properties were sold, according to court documents. But in 2008, when Rodriguez and Cynthia were divorcing, Rodriguez's and Constantine Scurtis' business and personal relationships soured, and Scurtis was forced out of the company, according to Scurtis' claims in the lawsuit.

Among the other allegations detailed in the civil complaint are that Scurtis is owed tens of millions in management and acquisition fees; that Rodriguez sold Newport properties without Scurtis' consent, a violation of the partnership terms; and that insurance and mortgage fraud was committed by Newport employees in the aftermath of Hurricane Ike in 2008, when Newport properties in Tampa, Florida, were damaged by the natural disaster.

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According to the judge's order signed earlier this year, Rodriguez also "knowingly presented misleading K-1's to the IRS (Internal Revenue Service) that he knew falsely represented distribution of partnership income that Scurtis never received, and that consequently caused Scurtis to suffer IRS liens and penalties." K-1 documents are tax forms related to income made through a business partnership.

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Since late 2014 when Scurtis filed the original complaint, Rodriguez has unsuccessfully tried to have the lawsuit dismissed, and he more recently appealed the May 21 order regarding punitive damages, further stalling the case, Scurtis' lawyers contend.

“It’s another example of Alex trying to delay the legal process,” said Joel Denaro, one of Scurtis’ attorneys. “But justice will not be denied.”

Rodriguez’s attorney, John Lukacs Sr., did not return a call and an email seeking comment. Rodriguez could potentially reach a settlement with Scurtis, but Denaro said to date there have been no such discussions.

The judge’s order allows Scurtis to add to his complaint a claim for punitive damages.

“The court has to effectively take all of the plaintiff’s allegations as true for procedural reasons. The plaintiff can make any claims he wants; the court will accept them as true at this time and scrutinize them at trial,” said Los Angeles-based corporate attorney Chris Manderson, who has no ties to the case. “This is the same as the summary judgment standard. All of the plaintiff’s allegations could be false. That is going to be determined in litigation. They are going to litigate each and every one of these questions.”

“This court finds that the Plaintiffs’ proffered facts support a finding that defendant Rodriguez was aware of the wrongfulness of this conduct and the high probability that his behavior would result

in injury or damage to Scurtis, but despite this knowledge, continued with his egregious behavior to benefit himself,” reads part of Judge Santovenia’s signed order.

When Scurtis filed his lawsuit in late 2014, Rodriguez had just completed his historic season-long suspension from baseball, the result of his involvement in the Biogenesis performance-enhancing-drug scandal. While Major League Baseball carried out its Biogenesis investigation in 2013, Rodriguez waged a legal strategy that included lying about his PED use and then suing MLB, a Yankees team doctor and later the players’ union, of which he was a member at the time. A-Rod’s scorched earth campaign failed in his effort to overturn the 211-game doping ban (later reduced to 162 games by an arbitrator).

All of Rodriguez’s lawsuits were eventually dropped. Rodriguez had previously admitted in a 2009 press conference that he used banned substances when he played for the Texas Rangers from 2001 to 2003. The Yankees released Rodriguez in August 2016, even though he had another year and \$21 million left on his contract. Rodriguez has tried to put his damaged image in the rearview mirror since then, transitioning into a broadcast career on ESPN and Fox and maintaining a high-profile romance with Lopez, with tabloids branding the couple “J-Rod.”

Now Rodriguez, 45, and Lopez, 51, have their sights set on bidding for the Mets as part of a group that reportedly includes Florida Panthers owner Vinnie Viola and Vitaminwater cofounder Mike Repole. Hedge fund titan Steve Cohen, who has an estimated worth of \$14 billion, is viewed as the candidate most likely to win the Mets sweepstakes, although [USA Today Sports reported Sunday](#) that Rodriguez’s and Lopez’s group is the “clear-cut favorite” to own the Flushing franchise. A third group in the running is led by Josh

Harris and David Blitzer, who already own the Philadelphia 76ers and the New Jersey Devils.

Cohen has his own checkered legal past, and his SAC Capital hedge fund paid a \$1.8 billion settlement to the Justice Department in 2013 after the company pleaded guilty to insider trading.

[Sportico reported](#) that final bids for the Mets must be submitted by August 31. Whichever potential ownership group wins the bidding war still has to go through an approval process by the other 29 MLB owners, and at least 75% approval is needed for a team sale to be finalized. If the Scurtis civil case goes to trial, how would MLB owners view that matter in the context of considering Rodriguez's ownership group?

Multiple baseball sources told me that when the MLB owners are voting on a potential new owner, it likely comes down to the candidate who not only has the money to buy a team, but also has sound finances to keep it operating. Rodriguez made over \$400 million during his career, and Lopez came in at No. 56 on [this year's Forbes Celebrity 100](#), with \$47.5 million in earnings over the previous 12 months. TMZ reported last week that the couple had purchased a \$40 million home on the exclusive Star Island in Miami.

The Mets are principally owned by the Wilpon family, and Saul Katz, Fred Wilpon's brother-in-law, has an ownership stake in the team. It is the belief of numerous sources that Katz is more interested in who can bid the most money for the club, and Cohen would appear to be the frontrunner. Cohen, whose earlier bid to buy the team fell through when Fred and Jeff Wilpon wanted to maintain control for another five years, has the finances to absorb the estimated [tens of millions of dollars](#) the Mets lose each year.

One source said that in 2020, with a truncated MLB season, the Mets could hemorrhage “\$90 to \$100 million.”

“The Mets need an owner that has money. If the new owner can’t stem the losses, the team becomes a revenue-sharing recipient,” said the source.

Rodriguez seemed to be currying favor of MLB owners earlier this year when, during an interview with reporters, he implied that a salary cap should be implemented, something the union has forever opposed. MLB Players Association executive director Tony Clark issued a strong rebuke against Rodriguez: “Alex benefited as much as anybody from the battles this union fought against owners’ repeated attempts to get a salary cap. Now that he is attempting to become an owner himself, his perspective appears to be different. And that perspective does not reflect the best interests of the players.”

Constantine Scurtis claims that Rodriguez didn’t have his best interests in mind when their business partnership splintered over a decade ago. While Rodriguez continues to chart his business future, an internecine legal battle lingers in the background.

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