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New Mandatory Reporting Requirement for All-Cash Residential Transactions

BY JOSHUA A. SYCOFF AND ZACHARY C. ROZYCKI

The United States Department of the Treasury has introduced new mandatory reporting requirements for certain non-financed residential transactions. Effective December 1, 2025, most non-financed residential real estate transactions where the purchaser (transferee) is a legal entity (like an LLC, corporation or trust) will need to be electronically reported to the Financial Crimes Enforcement Network ("FinCEN") via a Real Estate Report ("Report"). It is estimated that approximately 800,000 residential real estate transfers will need to be reported annually. The new rule can be accessed here.

Under What Circumstances Must a Report be Filed?

The regulations define "residential real property" that would need to be reported as: (1) real property located in the U.S. containing a structure designed principally for occupancy by one to four families; (2) land located in the U.S. on which the transferee intends to build a structure designed principally for occupancy by one to four families; (3) a unit designed principally for occupancy by one to four families within a structure on land located in the U.S.; or (4) shares in a cooperative housing corporation for which the underlying property is located in the U.S.

A number of exceptions and exclusions are carved out in the final rule, which include transfers resulting from the death of an owner, or incident to a divorce, and a number of other situations.

Who Must File a Report?

The required reporter for the Report is determined by a "reporting cascade" in which the reporting person is determined by the roles played by parties involved in the transaction. The reporting cascade provides seven tiers of involvement, and the party performing the function in the highest tier is deemed to be the reporting person. The tiers range from (i) the person listed as the closing or settlement agent on the closing or settlement statement for the transfer, to (vii) the person that prepares the deed or, if no deed is involved, any other legal instrument that transfers ownership of the residential real property, including, with respect to shares in a cooperative housing corporation, the person who prepares the stock certificate.

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For purposes of illustration, if there is a party involved in tier (i) of the transfer, and another party involved in tier (ii) of the transfer, the party involved in tier (i) would be the reporting person because they are involved in a higher tier.

It is important to note that, despite the reporting cascade, a reporting person may enter into a designation agreement that designates a different party as the reporting person. Provided that the agreement meets the requirements set out in the final rule, the designation agreement will trump the reporting cascade.

What Must the Report Include?

Generally, information on the reporting person, the purchaser/transferee and its beneficial owners, the transferor, the property being transferred, and certain payment information must be included in the Report. The required information for these items includes names, addresses, dates of birth, unique identifying numbers (i.e., IRS Taxpayer Identification Number), citizenship, and various trust information.

How and When Should the Report be Filed? Are There Penalties for Failure to File?

Reporting persons of reportable transfers are required to file a Report electronically with FinCEN. The Report must be filed by the later of (i) the final day of the month following the month in which the closing took place, or (ii) 30 calendar days after the date of closing.

In terms of penalties for noncompliance, (i) negligent violations could result in civil penalties (as of the date hereof) of up to $1,394 for each violation, and an additional civil money penalty of up to $108,498 for a pattern of negligent activity; (ii) willful violations could result in a term of imprisonment of not more than five years or a criminal fine of not more than $250,000, or both.

Conclusion

Parties to all-cash residential real estate transactions should keep these reporting requirements in mind, especially as the December 1, 2025 effective date approaches. BBG is equipped to assist and counsel parties in transactions that fall under the purview of these regulations.

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Cool Runnings

New Bill Would Impose Fines on Landlords Who Fail to Keep Their Tenants Cool

BY PAUL ALESSANDRI

In response to multiple heat waves this summer, the City has proposed legislation to require landlords to provide air conditioning to tenants--an update to the existing housing code.

Proposed bill Int. 0994-2024 would require landlords to keep their apartments at 78 degrees or lower when outside temperatures exceed 82 degrees, from June 15th to September 15th. The law would apply to high-rises, walk-ups, and multi-family buildings, including City owned properties.

Under the proposed bill, landlords would be required to install a "cooling and dehumidifying system" in the living room of every apartment to keep the entire apartment cool and dry during the applicable months (unless the building already has central cooling). Landlords would have two years to notify the Department of Housing Preservation and Development ("HPD") about their cooling plans. They would also have the option to apply for a delay if they face financial hardships. After four years, landlords would have to make all necessary upgrades to bring their buildings into compliance.

Landlords would be required to notify tenants of the cooling requirements in leases. Under the bill, a tenant could report cooling inadequacies to HPD. HPD would then conduct an inspection and issue a violation against the landlord, if the landlord is not in compliance. The proposed fine structure would be as follows:

- Landlords who fail to provide a "device capable of displaying ambient temperature and relative humidity" in each dwelling unit would incur a fine of $250 per violation;
- Landlords who fail to provide a lease notice which advises tenants of the landlord's obligations would incur a fine of $250 per violation;
- Landlords who fail to maintain the required cooled air temperature or relative humidity would incur a fine of up to **$1,250 per day**. This amount would increase to up to **$5,000 per day** for each subsequent violation occurring within either: (a) two consecutive calendar years if no central air-conditioning exists in the building; or (b) two consecutive periods of June 15 to September 15 if central air-conditioning does exist in the building.

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Please note that the proposed bill is just that—it has not yet been signed into law, and may never be. However, it is certainly a cloud on the horizon for landlords, and could potentially impose significant additional obligations, costs and risks on building owners.

The attorneys at BBG are available to assist with all of your questions regarding the proposed bill and its potential impact on your property.

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Spooked by the Deal: Navigating the Mandatory Disclosure Requirements of the Property Condition Disclosure Act in the Context of Haunted Houses

BY CRAIG L. PRICE AND LAUREN K. TOBIN

You've signed your name and handed over your contract deposit to later find out that your dream home is more of a "Nightmare on Elm Street". Apparently, the home inspector forgot to check for ghosts and goblins beneath the floorboards.

In New York real estate, where surprises always abound, is there any way out of your contract if it turns out that your new home is haunted? Are sellers required to disclose poltergeists and other transient houseguests to their buyers?

In New York, disclosure requirements for sellers are set forth in the Property Condition Disclosure Act (PCDA), established by Article 14 of the New York Real Property Law which applies to most sales of one-to-four-family residential properties in New York. The PCDA includes a form called the Property Condition Disclosure Statement (PCDS), which contains various questions about the property for the seller to answer to the best of his/her knowledge.

Prior to a recent amendment to the PCDA that become effective in March, 2024, most downstate sellers would forego completing the PCDS, and instead, credit their buyer $500 at the closing. Unfortunately, much to the chagrin of sellers, the March, 2024 amendment to the PCDA eliminated the option for sellers to provide a $500 closing credit in lieu of completing the PCDS. Therefore, all sellers of residential property covered by the PCDA must now complete the PCDS and deliver the form to a buyer or buyer's agent prior to contract signing. The form must be countersigned by the buyer and attached to the contract of sale.

Liability pursuant to the amended PCDA only extends to the seller's willful failure to comply with the PCDA. The PCDA does not address liability where a seller initially fails to provide a fully completed PCDS.

While the amendment to the PCDA expanded the number of required disclosures in the PCDS (including several new questions about flood hazard areas), none of the additions to the PCDS included disclosures regarding phantom residents. Despite the absence of questions pertaining to unknown houseguests, there might still be a way for a buyer to avoid closing on a haunted house.

Buyers of New York real estate generally purchase at their own risk--the doctrine of caveat emptor, ("let the buyer beware") is well recognized by New York courts and requires that a buyer act prudently to assess the fitness and value of his/her purchase. Notwithstanding the longstanding doctrine, in the famous case, *Stambovsky v. Ackley*, the First Department allowed a buyer to rescind a contract to purchase a house on the grounds that the house was found to be haunted. In rendering its decision, the *Stambovsky* Court recognized that the buyer could not have reasonably discovered the house's paranormal residents through ordinary inspection and due diligence.

Having said that, we do not believe that the PCDA is intended to address the issue of ghosts, and we do not believe that failure to disclose such presence in the PCDS would permit a buyer to rescind its purchase agreement. While the PCDS might provide buyers with some useful information based on the seller's knowledge of the property, as purchaser's attorneys, we still strongly urge all buyers to complete physical and legal due diligence of any property before signing a contract. And if you are still concerned about ghosts as a buyer, you know who to call . . . Ghostbusters.

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Real Estate Contract Defaults: The Double-Edged Sword of Enforcement and Risk

BY ISRAEL A. KATZ

Whether you are on the buying or selling side of a real estate contract, it is crucial to understand the mechanisms available to enforce the default provisions in the contract and protect your interests. This article discusses three critical components needed to enforce such default provisions: (1) Time of the essence ("TOE") closing deadlines; (2) The specificity requirement of notices setting a TOE closing deadline; and (3) the requirement that a party be ready, willing, and able to close in order to declare the other party in default under the agreement. Each of these components is tricky legal territory and, if not fully complied with, could backfire and result in the unintended anticipatory repudiation and breach of the contract sought to be enforced, and the consequent excusing of performance by the other party. The incongruous potential result to be guarded against? The party that performed is declared in breach and the non-performing party entitled to enforce the default provisions in the contract.

I. Time of the Essence

In the absence of an express "time of the essence" clause in a contract, for example where the contract states that closing shall occur "on or about" the date chosen, closing dates are typically considered flexible, allowing either party to request a reasonable extension to the closing date.

However, when "time of the essence" is invoked either in the contract itself or by notice from one of the parties, strict adherence to the closing deadline is required. If one party is not ready to close on the designated date, it may forfeit certain rights, including a buyer's potential loss of its downpayment, or a seller's exposure to a claim for specific performance or for the return of the downpayment to the buyer.

II. Specificity in a Time of the Essence Closing Notice

Even if a contract does not initially designate TOE, a party may still impose it by providing the other side with a clear, unambiguous "time of the essence" notice. Under New York law, such a notice must be sufficiently specific to be enforceable.

The notice must:

- Explicitly state that time is of the essence.
- Specify a firm closing date, giving reasonable notice to the other party to prepare. Courts have typically found 30 days' notice to be reasonable, but this is not a hard and fast rule and may vary depending on the complexity of the transaction and other relevant factors, which include: (1) the nature and object of the contract; (2) the previous conduct of the parties; (3) the presence or absence of good faith; (4) the experience of the parties; (5) the possibility of prejudice or hardship to either party; and (6) the actual number of days provided in the notice. See *184 Joralemon v. Brklyn Hts. Condos*, 117 A.D.3d 699, 985 N.Y.2d 588 (2d Dept. 2014). For example, in *2626 Bway v. Broadway Metro Associates*, 85 A.D. 3d 456, 925 N.Y.S. 2d 437 (1st Dept. 2011), the Appellate Division, First Department held that three weeks' notice was a reasonable time to set a time of the essence closing where the original closing date was scheduled to occur six months after contract execution. In sum, a fact-specific analysis must be conducted on a case-by-case basis to determine the reasonableness of the time of the essence closing deadline set; and
- Provide the time and location of the closing, as well as any other necessary details (e.g., place of payment, delivery of documents). In this regard, it is imperative that the notice specify the closing location stated in the contract.

III. Ready, Willing, and Able to Close

In addition to scheduling a time of the essence closing, a party seeking to successfully enforce the default remedies available to it in a contract must demonstrate that it was ready, willing, and able to close on the date specified in the time of the essence closing notice. This applies to both buyers and sellers and is a crucial factor when determining who is at fault in the event of a breach.

For buyers, being "ready, willing, and able" typically means having the necessary financing in place, providing proof of funds, and being prepared to complete all required paperwork. A buyer that fails to secure financing or does not have funds readily available will not meet this threshold and may be held in breach of contract.

For sellers, the requirement usually means having clear title to the property, providing all required closing documents, and being present or represented at the closing. If the seller is unable to transfer title or fails to appear at the closing, it may be considered in breach.

In litigation, Courts will carefully examine whether the party claiming breach was indeed ready, willing, and able to close at the time of the essence closing deadline.

Crucially, a party that terminates an agreement or takes other actions inconsistent with the agreement based on the other party's purported default--but did so either without properly setting a TOE closing, or, even if notice was properly served, was not itself ready willing and able to close on the TOE closing date--risks being declared in anticipatory breach of the agreement for repudiating the agreement without a valid basis. In that event, the tables may be turned, with the Court finding the performing party in anticipatory breach of the agreement, which repudiation excuses the non-performing party from having to perform its contractual obligations.

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Given these risks, it is advisable to take extreme caution to satisfy the most demanding and stringent of potential judges when issuing a TOE closing notice; once issued, all closing documents, including the deed, completed tax forms, and other documentation, should be prepared as if the closing was definitely going to occur. Additionally, on the day of the TOE closing, a Court reporter or videographer should be present at the closing, and the party that sent the TOE closing notice should do a real run-through of the closing, in order to demonstrate unequivocally that it was ready, willing, and able to close. Even the slightest misstep or error can trigger grave consequences. Accordingly, it remains critically important that when issues arise, in addition to transactional counsel, buyers and sellers consult with experienced litigation counsel when entering into a contract and when communicating with the other party between signing and closing.

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The Curious Case of Common-Law Ejectment and Its Application to Monthly Tenancies

BY MARK N. ANTAR

Most landlord-tenant litigators are familiar with the procedure for terminating a month-to-month tenancy and commencing a summary holdover proceeding in civil or district court to evict a tenant that refuses to make like a tree (and leave). But a summary holdover proceeding, which is grounded in Article 7 of the Real Property Actions and Proceedings Law ("RPAPL"), is not the only remedy for recovering possession from a pesky holdover tenant. A landlord can also file an ejectment action in Supreme Court pursuant to RPAPL Article 6. While far less common, a landlord might prefer Supreme Court for a number of case-specific reasons, such as the fact that New York City Civil Court does not have jurisdiction to award most forms of injunctive relief. But while Article 7 clearly sets forth the requirements for serving a predicate notice before commencing a summary proceeding, the predicate notice requirements for an Article 6 ejectment action against a month-to-month tenant are much less precise. This article explores the type of notice required for Article 6 ejectment actions against monthly tenants, and the possible modification prescribed by the Housing Stability and Tenant Protection Act of 2019 (the "HSTPA").[1]

In *Kosa v. Legg*, 12 Misc.3d 369 (Sup. Ct. Kings Co. 2006), a well-researched and persuasive decision, the Supreme Court (Hon. Wayne P. Saitta) found that New York common law traditionally required a landlord to serve a six (6) month notice before commencing an ejectment action to remove a tenant of an "indefinite term," such as a month-to-month tenant.

The defendant-tenant in *Kosa* initially entered into possession pursuant to a written lease. After the lease expired, the tenant remained in possession and continued to pay rent, which the plaintiff-landlord accepted, thereby creating a month-to-month tenancy pursuant to Real Property Law ("RPL") §232-c. The tenant eventually stopped paying rent, and the landlord served a 30-day termination notice pursuant to RPL §232-a. When the tenant refused to vacate after the 30-day deadline, the landlord commenced an ejectment action in Supreme Court—as opposed to an Article 7 summary holdover proceeding.

The Court held that the landlord was wrong to serve a 30-day notice under RPL §232-a, because that statute "by its express terms applies only to summary proceedings" under RPAPL Article 7. Since the ejection action was not a summary proceeding under RPAPL Article 7, the landlord could not rely on the shorter notice period prescribed in RPL §232-a.[2]

The Court held that RPAPL Article 6, in turn, "partially codified" the common-law action of ejectment, but did not replace it.[3] Quoting a 1985 Appellate Division decision, the Court stated that the "common-law principles governing the ejectment action are unchanged, unless explicitly modified by statute."[4] Notably, RPAPL Article 6 includes no such modification with respect to the predicate notice requirements for an ejectment action: "RPAPL Article 6 did not add any notice requirements, but neither did it abolish those notices required under the common law."[5]

[1] This article focuses on non-rent regulated apartments, as the Rent Stabilization Code prescribes its own notices that apply only to rent-stabilized apartments (e.g., 9 NYCRR §§ 2524.2 and 2524.3(c)). Nor does this article discuss loft units, as the Loft Law is interpreted "in pari materia" with the Rent Stabilization Code. *BLF Realty Holding Corp. v. Kasher*, 299 A.D.2d 87, 93-94 (1st Dep't. 2002).

[2] Id., 12 Misc.3d at 379-380.

[3] Id., at 371, 372.

[4] Id., at 371, quoting Alleyne v. Townsley, 110 A.D.2d 674, 675 (2d Dep't. 1985).

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In finding that New York common law required a 6-month notice for an ejectment action against a tenant of an indefinite term (including month-to-month tenants), the Court reviewed more than 200 years of legal history, starting with Blackstone's Commentaries.[6] The Court also cogently distinguished cases which had erroneously concluded that the common law did not require a predicate notice for an ejectment action at all.[7] The Court observed that confusion on this issue might stem from the fact that New York has provided a statutory summary proceeding as an alternative to common-law ejectment since 1820,[8] and the common-law ejectment action was rarely used after that. However, as we all remember, the COVID-19 pandemic effectively shut down the New York City Civil Court and other local Courts for many months, and the local Courts are the exclusive venues for summary proceedings. As a result, many landlord-tenant litigants started exploring Supreme Court alternatives to Article 7 summary proceedings, and the old common-law ejectment action was dusted off and revived.

Kosa seemed to stand as the best statement of the law on the notice issue for more than a decade, despite its terribly inconvenient result for landlords who would have preferred ejectment actions as opposed to summary proceedings, but who were purportedly stuck with an almost impossible 6-month predicate notice requirement.

Then, in 2019, New York passed the HSTPA, which added a new section 226-c to the RPL, which states in pertinent part as follows:

> Whenever a landlord…does not intend to renew the tenancy [of an occupant in a residential dwelling unit], the landlord shall provide written notice as required in subdivision two of this section…

Subdivision two states that the required notice "shall be based on the cumulative amount of time the tenant has occupied the residence," with a 30-day notice required for when the tenant occupied the unit for less than one year, a 60-day notice for when the tenant occupied the unit for more than one but less than two years, and a 90-day notice for when the tenant occupied the unit for at least two years.

Although RPL §226-c does not expressly refer to month-to-month tenancies, some Courts have applied it to month-to-month tenancies in place of the common-law 6-month notice described in Kosa. That is, while Kosa and the Appellate Division recognized that the common law rules for ejectment actions remain binding "unless explicitly modified by statute," some recent Supreme Court cases after the HSTPA have found RPL §226-c to, in fact, be such a modifying statute.[9]

These cases argue that the express terms of RPL §226-c "do not limit its application to actions brought as summary proceedings pursuant to Article 7 of the [RPAPL]."[10] As one New York County case found:

> This Court concludes that RPL §226-c applies to all tenancies, and is applicable to both common-law ejectment actions and RPAPL holdover proceedings. There is nothing in this mandatory directive, or in any part of the HSTPA, that suggests that its application is somehow limited only to landlords who elect to commence special proceedings pursuant to the RPAPL.[11]

Other Courts do not read RPL §226-c as modifying the common law 6-month notice requirement for ejectment actions. For instance, in a 2021 decision on a motion to amend a complaint to allege common law ejectment, the Supreme Court (Kings County) held that the "time requirements of [RPL] sections 226-c, 232-a and 232-c do not apply here because plaintiff, in its proposed pleading, has pleaded a common-law ejectment cause of action that is not subject to those requirements."[12] Three weeks after that decision, another judge in the same Court more dramatically rejected the notion that RPL §226-c modifies the common law 6-month requirement for ejectment actions against month-to-month tenants:

> At present, under the common law, the proper notice to terminate a month to month tenancy prior to commencing an ejectment action is six months. The Legislature has not adopted any notice requirements for removing month-to-month tenants in ejectment actions, nor has it specifically abolished the common-law six-month notice requirement for ejectment actions in cases involving month to month tenants.[13]

[5] Id., at 371.

[6] Id., at 374-379.

[7] Id., at 372-374.

[8] For all you civil procedure history buffs, this started with the 1820 Summary Proceeding Act, as amended by sections 28 and 31 of part III, chapter VIII, title X, article 2 of the Revised Statutes, as replaced by sections 2231 through 2265 of the 1876 Code of Civil Procedure, then by article 83, sections 1420 through 1447 of the Civil Practice Act, and, finally, by RPAPL Article 7.

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Thus, there remains disagreement in the lower Courts, and even among individual judges in the same lower Court. No appellate Court has ruled on this issue, and it is not immediately clear how the issue will ultimately be resolved. While RPL §226-c could theoretically be read to apply to "all tenancies," as one Court found,[14] it can also be argued that RPL §226-c does not "explicitly" modify the common law 6-month notice requirement because it does not specifically mention month-to-month tenancies, as may be required by the Appellate Division, Second Department.[15]

So, to borrow a phrase from the newly commenced NFL season, this is a toss-up. Practitioners should know the case law on both sides and be ready to argue why the facts of their case might merit the application of the common law--or not. As always, we will watch for any appellate ruling which might tip the scales in one direction, and will discuss any such holding in a future edition.

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[9] See e.g. 100 Metro. Ave. Realty Corp. v. Light RE LLC, 2023 NY Slip Op 34569(U), 2023 N.Y. Misc. LEXIS 23378 (Sup. Ct. Kings Co. 2023); 1641 Park Ave. Assoc. v. Parker, 2022 NYLJ LEXIS 225 (Sup. Ct. N.Y. Co. 2022); Kaycee Props., LLC v. Colon, 2023 NY Slip Op 30951(U), 2023 N.Y. Misc. LEXIS 1371 (Sup. Ct. Monroe Co. 2023).

[10] 100 Metro. Ave. Realty Corp., 2023 N.Y. Misc. LEXIS 23378, at *3-4

[11] 1641 Park Ave. Assoc., 2022 NYLJ LEXIS 225, at *6.

[12] Armstrong Realty, Inc. v. Roche, 2021 NY Slip Op 30640(U), 2021 N.Y. Misc. LEXIS 867, *10 (Sup. Ct. Kings Co. 2021).

[13] Paz Rentals Llc v. Bryer, 2021 NY Slip Op 30916(U), 2021 N.Y. Misc. LEXIS 1276, *6 (Sup. Ct. Kings Co. 2021).

[14] 1641 Park Ave. Assoc., 2022 NYLJ LEXIS 225, at *6.

Important Rent Regulation Issues Pending Before the Court of Appeals

BY MAGDA L. CRUZ AND ARIS E. L. DUTKA

In 2023, the Appellate Division, First Department issued a decision in *Burrows v. 75-25 153rd St., LLC* that impacted New York rent regulated properties receiving Real Property Tax Law § 421-a benefits. Standards for fraud claims predicated on alleged rent overcharges that arose in such buildings, as well as in other rent regulated apartments generally, were clarified. The Court of Appeals thereafter granted permission to the unsuccessful tenant-plaintiffs to further review the Appellate Division's decision. That appeal is currently pending and expected to be heard early next year.

Burrows concerned a building in Queens built in 2004, and acquired by the current landlord in 2015. The apartments occupied by the three tenants who brought suit in November, 2020 were originally rented by predecessor tenants in 2005, and the initial rents were registered with DHCR in 2007. The tenant-plaintiffs did not take occupancy until 2017 or later, and sought to challenge rents in place for over thirteen years.

Under the RPTL §421-a program, the prior landlord was required to register with DHCR the rents that were charged to the initial tenants. It was undisputed that the registration history showed, on its face, both a higher "Legal Regulated Rent" and a lower "Actual Rent Paid", commonly referred to as a preferential rent. It was also undisputed that under the RPAPL §421-a program, the initial legal rent should have been the initial monthly rent "charged and paid." Because the prior landlord did not register the preferential rent (which was the actual rent "charged and paid") as the "Legal Regulated Rent," the tenant-plaintiffs alleged that the initial Legal Regulated Rent was inflated. And, because the rents registered in subsequent years were based on those reported on the initial registration statements, the tenant-plaintiffs alleged that all subsequent legal regulated rents were unlawfully inflated.

One of the tenant-plaintiffs also received a temporary rent concession amounting to two free months. The tenant-plaintiff alleged that this concession should also have been incorporated into the "Legal Regulated Rent."

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The Appellate Division made two salient determinations. The first was that the tenant-plaintiffs cannot establish an actionable fraud claim when "neither plaintiffs nor their predecessors in interest could have reasonably relied upon the inflated legal regulated rents on the registration statements." The prior landlord was fully transparent when registering, both a higher "Legal Regulated Rent" and a lower "Actual Rent Paid" in 2007. Moreover, the Legal Regulated Rent may no longer be challenged, as it is now time-barred under the applicable statute of limitations for rent overcharge claims.

This determination drew a furious response from the legislature, which subsequently passed a bill somewhat tamed by chapter amendments (L. 2023 ch. 760, as amended by L. 2024, ch. 95). During the Assembly debate held on February 13, 2024, Assembly Member Linda B. Rosenthal specifically called out *Burrows* by name: "These amendments make clear that *Burrows* is no longer good law." The Court of Appeals will decide whether that assessment is correct.

The Appellate Division in *Burrows*, following Court of Appeals precedents, held that a tenant alleging fraud must establish five elements generally required in every legal context – misrepresentation of a material fact, falsity, scienter, reliance and injury. The new legislation, however, modified the evidentiary burden in the rent regulatory arena. The new legislation created a "totality of the circumstances" standard, requiring the tenant to show that under the "totality of the circumstances," the landlord knowingly engaged in a fraudulent scheme to deregulate. Here, it would seem that the rent overcharge claim would not meet that weakened standard even assuming it applied because neither the prior landlord nor the current landlord ever sought to deregulate any apartment--all apartments always remained rent stabilized.

The Appellate Division held that the tenant-plaintiffs' complaint should be dismissed. The rent overcharge claims were untimely, having been interposed more than four years after the initial registrations. The Appellate Division further held that there was no legal basis for going beyond the four-year lookback period. There was no evidence of any fraudulent scheme to deregulate. The initial leases fully disclosed the discrepancy between the legal regulated rent and the actual rent paid. The one-time rent concession to one of the tenant-plaintiffs was also fully disclosed in his lease.

The second salient determination involved the contents of the rent concession rider. The concession was for a specific number of months (two), and was given for no particular reason. In that scenario, the Appellate Division determined that the concession did not extend to renewal terms. The legal rent did not require averaging paid months with months of free rent.

In assessing the rent concession rider, the Appellate Division found persuasive that "there was no deception." Tenant-plaintiffs' argument that further discovery was needed to assess the legal effect of the concession relied upon a fact scenario in which a landlord continued providing construction concession riders for more than one year after receiving a final certificate of occupancy. Here, no such representation was made.

At the time of this writing, the parties are in the process of submitting their appellate briefs to the Court of Appeals. Tenant-plaintiffs argue that the Court of Appeals must, in light of the recent legislation, reverse the Appellate Division because the "totality of the circumstances" establishes a viable fraud claim. With respect to the rent concession rider, tenant-plaintiffs claim that appellate case law, other than *Burrows*, holds that rent concessions must be renewed and apply to the entirety of the tenancy unless: (1) the concession is expressly limited to a given term; and (2) the landlord has given a rent rider specifically establishing the reason for the rent concession, and the reason provided is not contradicted by any evidence.

Although the landlord's brief has not yet been submitted, landlord has maintained throughout the litigation that: (1) the initial legal rents were challenged over 13 years after registration, which is barred by the applicable statute of limitations; (2) there was no fraud because the actual rents were expressly disclosed in the leases, registered with DHCR, and ascertainable by the public, and therefore no one could have reasonably relied on any misrepresentations; (3) regardless of the legal standard applied to scrutinize conduct, there was no fraudulent scheme to deregulate, because none of the apartments has ever been deregulated; and (4) no rent overcharge has ever occurred because all increases throughout the rental history of various tenancies were consistent with rent guidelines, therefore no injury has ever occurred.

Because the lower Court decision was made before the passage of the recent legislation, the Court of Appeals will confront questions regarding its retroactive application. But regardless of the new legislation, the Court will hopefully provide some clarity in the continued muddled universe of rent regulation. And that alone bears watching.

Magda L. Cruz *(mcruz@bbgllp.com) is a partner in the Firm's Litigation Department specializing in appeals, and can be reached at 212-867-4466 ext. 326.* ***Aris E. L. Dutka*** *(adutka@bbgllp.com) is a Litigation associate who also works on appeals, and can be reached at 212-867-4466 ext. 412.*

BBG Continues to Expand and Welcomes New Hires

The Firm has recently added the following attorneys and professional support staff:

RYAN MATTHEWS,

Associate, Administrative Law: Ryan Matthews is an Associate in the firm's Administrative Law Department where he advises building owners and property managers on the evolving landscape of rent-regulation and affordable housing in New York City. Prior to joining the firm, Mr. Matthews spent years litigating residential and commercial landlord-tenant proceedings before the courts of New York. He now uses that experience to practice before administrative agencies such as the State of New York Division of Housing and Community Renewal on rent-regulatory issues, and to conduct due diligence analysis of rent regulated buildings for current and potential owners. Mr. Matthews earned his Juris Doctorate from St. John's University School of Law, where he was a member of the Journal of Civil Rights and Economic Development.

JOSEPH VERGA,

Associate, Transactional Law: Mr. Verga is an Associate in the firm's Construction Transactional Practice Group. He represents real estate owners and developers in the acquisition, disposition, financing, construction, and leasing of commercial, residential, and mixed-use projects. He advises developers, owners, contractors, architects, and other design professionals in all stages of a project including drafting and negotiating design and construction agreements, as well as crafting license and access agreements with neighboring property owners. As a litigator, Mr. Verga advocates on behalf of his clients in a myriad of construction disputes that arise. Leveraging this perspective, he counsels on risk assessment for various complex issues, including construction defect claims, payment disputes, delay and inefficiency claims, terminations for default, and performance and payment bond claims. Mr. Verga has particular experience in drafting project specific insurance and indemnity riders to protect the owner's interests during construction. He received his law degree cum laude from Pace University School of Law, where he was in the top 20% of his class and involved in various activities and honors, including the PACE International Law Review and the Dean's List. He was admitted to the New Jersey Bar and the New York Bar in 2014.

New Hires - Professional Support Staff

The following individuals joined as professional support staff:

STACY SOOKNARINE, Legal Secretary

BBG Anniversaries

BBG would like to acknowledge and congratulate the following members of the BBG team who have been with the Firm for over 5 years and whose work anniversary dates fall in the months of July - September. As we reflect on these significant milestones, we express our sincere appreciation for their support, hard work, and unwavering commitment.

David Skaller, Partner & Co-Chair of Litigation Dept. – 35 Years

Martin Heistein,
Partner & Co-Chair of Administrative Law Dept. – 32 Years

Melvin Esser, Paralegal – 28 Years

Paul Kazanecki, Legal Assistant – 24 Years

Charleuan McDonald, Legal Secretary – 24 Years

Jaime Orellana-Borjas, Office Services Clerk – 20 Years

Timothy Sanabria, Office Services Clerk – 20 Years

Levonia White, Legal Assistant – 20 Years

Allison Lissner, Partner – 11 Years

Javon Lawrence, Jr., Office Services Clerk – 9 Years

Logan O'Connor, Partner – 6 Years

Ron Mandel, Partner – 5 Years

Awards & Accolades

Congratulations to the following attorneys for being recognized as The Best Lawyers in America® for 2025 in Real Estate Law, by the Best Lawyers publication: Jeffrey Goldman, Magda Cruz, Kara Rakowski, and Aaron Shmulewitz.

We also extend our congratulations to the attorneys recognized as the Best Lawyers: Ones to Watch, Benjamin Margolin and Michael Nesheiwat.

Popular Social Media Posts

Sherwin Belkin • 1st
Founding Partner at Belkin Burden Goldman, LLP
1w •

Something for NY property owners to consider:

Between the HSTPA destroying most avenues for meaningful rent increases of rent stabilized apartments, the elimination of the first rent when combining or splitting apartments and good cause eviction limiting flexibility regarding free market units, many owners rightfully feel stymied regarding the value of their residential properties.

Perhaps it's time to reconsider demolition as a viable vehicle to start over. There is an administrative process whereby you can obtain permission from DHCR to non renew rent stabilized leases based upon an intention to demolish. And an intention to demolish creates an exception to the mandatory renewals created by good cause eviction.

Although the process can be complex and protracted (absent a negotiated resolution with the tenants), the negative changes in law have made demolition a legal route worthy of exploration.

@belkinburdengoldman LLP
#demolition
#housing

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Recent Transactions of Note

Members of BBG's Transactional Department recently handled the following:

Leases

Partner **Daniel T. Altman** and associate **Michael A. Mulia** represented the tenant in a lease of 4,500 square feet in the Empire State Building.

Mr. Altman and partner **Allison R. Lissner** represented the owner of a large Brooklyn office complex on the office space expansion of a well-known national retailer. Mr. Altman and Ms. Lissner also represented the owner of a recently refurbished South Bronx office building on a lease to a non-profit organization assisting the homeless.

Partners **Craig L. Price** and **Michael J. Shampan** represented the owner in the lease of a house in Water Mill, New York for $75,000 per month.

Mr. Shampan also represented an owner in a lease of a children's indoor recreation center in Long Island City, and another owner in a lease of a restaurant space in the Bronx.

Messrs. Price and **Shampan** also represented a tenant in a lease of an Upper East Side townhouse for $52,000 per month.

Partner **Allison R. Lissner** and associate **Michael A. Mulia** represented a tenant in a lease of 11,288 square feet of office space in Culver City, California

Ms. Lissner and **Mr. Mulia** also represented a tenant in a lease of 6,217 square feet of office space in East Midtown.

Buy/Sell and Refinance Transactions

Partners **Daniel T. Altman** and **Lawrence T. Shepps** represented the seller of a $69 million dormitory building to New York University.

Partner Craig L. Price and **Mr. Shepps** represented developers Leslie Feder and Dominic Casamento in connection with the acquisition of three properties in Sunnyside, Queens. The transaction included senior and building financing issued by Fairbridge Credit LLC and White Oak Assets LLC totaling $10.25 million. The developers are now exploring multiple options for the redevelopment of the properties with the assistance of BBG.

Mr. Price, partner **Stephen M. Tretola** and associate **Lauren K. Tobin** represented the purchaser of a mixed-use building in Greenwich Village.

Mr. Altman and **Ms. Tobin also** represented the purchaser of a $17 million Fifth Avenue penthouse.

Partner Michael J. Shampan represented an owner in the refinance of four residential buildings in Manhattan with JPMorgan Chase Bank.

Mr. Price and associate **Joshua A. Sycoff** represented the seller of a $10.5 million Upper East Side townhouse.

Messrs. Altman and **Shampan** represented the seller of a $7 million condo apartment in downtown Manhattan.

Associate Michael A. Mulia represented the purchaser of two multi-family buildings in Yorkville for $15.3 million.

Mr. Mulia also represented the purchaser of a mixed-use building in Kips Bay, and another purchaser of a multi-family building in Chelsea.

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Recent Notable Matters Handled by Our Land Use/Zoning Team

Partner **Ron Mandel** and associate **Frank Noriega**:

- Served as special zoning counsel regarding transfer of development rights (air rights) and development assemblage related issues for a $75 million transaction in downtown Brooklyn
- Successfully obtained community support in connection with Department of City Planning application to permit bank use in the Special Enhanced Commercial District on the Upper West Side
- Conducted zoning due diligence and negotiated development rights, cantilever, easement and construction agreements related to development of condo project in Tribeca
- Represented client on land use issues, including easement and development rights issues, in connection with $144 million sale of development site in Greenpoint
- Obtained approval from Board of Standards and Appeals related to variance to authorize banquet hall in residential zoning district, which would not be otherwise permitted as of right
- Effectively assisted client with subdivision of property and transfer of development rights (air rights) in Williamsburgh
- Counseled property owners and developers on currently-proposed zoning text and zoning map amendment (rezoning called “One LIC”) in Long Island City
- Advised several developer clients on impact of current and proposed “City of Yes” zoning text amendments on proposed conversion and ground-up development projects throughout New York City (to take advantage of Housing Opportunity text amendment)
- Prepared and filed application materials with Department of City Planning seeking zoning map change and zoning text amendment to authorize 150-unit residential and commercial building in Long Island City

BBG In The News

Founding partner **Sherwin Belkin** was quoted in a July 31 article in The Real Deal, decrying the track record of just-announced mayoral candidate Brad Lander regarding real estate development in the City. **Mr. Belkin** was also quoted in the Daily Dirt feature of The Real Deal on July 31, commenting on the relationship of former Comptroller Scott Stringer with developers, and in the same feature on August 20, noting the need for owners to begin using an appropriate notice required for disclosure under the Good Cause Eviction law. **Mr. Belkin** was also quoted on the unintended consequences of the Good Cause Eviction law, in an August 23 article in The City, and in a September 5 article in NextCity.org.

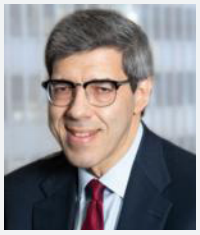
Mr. Belkin will be a featured speaker at the Manhattan Building Owners Strategy Seminar sponsored by Investment Property Realty Group on November 7, 2024 at The Penn Club (30 West 44th Street). Ticket information can be accessed at info@iprg.com.

Martin Heistein, co-head of the Firm's Administrative Law Department, was quoted in an August 29 article in The Real Deal on developers who are failing to apply for the 485-x (formerly 421-a) real estate tax abatement by the looming deadline.

Scott Loffredo, a partner in the Firm's Litigation Department, was quoted in a July 25 article in The Real Deal on evictions being conducted by the Firm against prominent commercial tenants on behalf of a Firm client.

The granting to the Firm of leave to appeal to the New York State Court of Appeals on a challenge by Firm client property owners to the city of Kingston's adoption of rent stabilization and imposition of a large rent rollback was reported in law360.com on August 22: https://www.law360.com/real-estate-authority/articles/1872650.

A transaction in which associate Mike Mulia represented the purchaser of two Yorkville apartment buildings was reported in Pincusco.com on August 26: https://www.pincusco.com/japanese-firm-pays-15-3m-to-gpg-properties-for-2-walkup-with-28-units-in-yorkville/?post_id=323381&email=daltman@bbgllp.com&redirect_to=https://www.pincusco.com/japanese-firm-pays-15-3m-to-gpg-properties-for-2-walkup-with-28-units-in-yorkville/.



Co-Op/Condo Corner

BY AARON SHMULEWITZ

***Aaron Shmulewitz** heads the Firm's co-op/condo practice, consisting of more than 300 co-op and condo Boards throughout the City, as well as sponsors of condominium conversions, and numerous purchasers and sellers of co-op and condo apartments, buildings, residences and other properties. If you would like to discuss any of the cases in this article or other related matter, you can reach Aaron at 212-867-4466 ext. 390, or **ashmulewitz@bbgllp.com**.*

SURVIVING CO-SHAREHOLDER DEEMED A JOINT TENANT WITH RIGHT OF SURVIVORSHIP, GETS DECEDENT'S INTEREST EVEN THOUGH THEY WERE NOT MARRIED

Brunwasser v. Estate of Scharf Supreme Court, New York County,

COMMENT | The stock and lease mistakenly referred to them as tenants by the entirety, which the Court used to convert their ownership to joint tenants. Get that ring, paramours!

NON-RESIDENT SHAREHOLDER CAN'T SUE NEIGHBOR OVER BARKING DOG NUISANCE

Zelmanovich v. Eastmore Owners Corp. Supreme Court, New York County

COMMENT | The Court found no permanent injury to plaintiff's ability to use her apartment.

NYC PET LAW ALLOWS CO-OP SHAREHOLDER TO KEEP PITBULL DESPITE HOUSE RULE BAN ON THE BREED

360 East 72nd Street Owners Inc. v. Wolkoff Supreme Court, New York County

COMMENT | The nuisance/danger exception in the Pet Law was held not to apply, since there was no evidence that a nuisance/danger ever occurred.

DISGRUNTLED SHAREHOLDER WHO LOST CO-OP ELECTION CAN'T OVERTURN RESULTS OR VACATE ACTIONS OF ELECTED BOARD

Queiroga v. 340 East 93rd Street Corporation Supreme Court, New York County

COMMENT | An untimely petition, no evidence of impropriety, and the business judgment rule.

CONDO CAN SUE UNIT OWNER FOR UNPAID COMMON CHARGES

Board of Managers of The Club at Turtle Bay v. McGown Appellate Division, 1st Dept.

CONDO UNIT OWNER WINS SMALL CLAIMS COURT CASE AGAINST BOARD OVER ITS FAILURE TO ADDRESS VIOLATIONS AND FINES ARISING FROM NEIGHBOR'S NON-CONFORMING USE

Carpenter v. Shore Towers Condominium Board of Managers Civil Court, Queens County

COMMENT | The business judgment rule was held to be unavailable to protect the Board, since the Board was found to have acted outside the scope of its authority.

DEVELOPER GRANTED ACCESS LICENSE TO ENTER CONDO'S PROPERTY IN CONNECTION WITH NEW BUILDING CONSTRUCTION

Jefferson Unique Development LLC v. The Board of Managers of The Jefferson Condominium Supreme Court, Kings County

CONDO AWARDED SUMMARY JUDGMENT AGAINST NON-PAYING UNIT OWNER

Board of Managers of St. Nicholas Court Condominium v. Jackson Supreme Court, New York County

CO-OP SHAREHOLDER A HOLDER OF UNSOLD SHARES

Voorhies Terrace Owners Corp. v. State Realty LLC Supreme Court, Kings County

COMMENT | On a technicality—-the co-op's suit to declare the shareholder to not enjoy that status was deemed filed too late.

ROOFTOP SHAREHOLDER CAN SUE CO-OP AND BOARD MEMBERS FOR FAILURE TO STOP LEAKS, EVEN IF PLAINTIFF CANNOT PROVE EXCLUSIVE ROOF RIGHTS

Schnitzler v. 39 West 87th Street Housing Corp. Supreme Court, New York County

HDFC SHAREHOLDERS' CHALLENGE TO BOARD ELECTION MOOTED BY HOLDING OF SUBSEQUENT ELECTION

Jackson v. Wang Supreme Court, New York County

COMMENT | The elected Board's decisions were also held to be protected by the business judgment rule.

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INDIVIDUAL UNIT OWNERS NOT LIABLE FOR CONDO BUILDING'S WATER & SEWER CHARGES
Department of Environmental Protection v. Board of Managers of The Cassa NY Condominium Supreme Court, New York County

CO-OP SHAREHOLDER CAN SUE BOARD MEMBERS FOR DEFAMATION OVER STATEMENT TO CONSTITUENTS THAT SHAREHOLDER WAS IN ARREARS
Real World Holdings LLC v. 393 West Broadway Corporation Supreme Court, New York County

COMMENT | Boards often consider outing delinquent apartment owners in an effort to shame them into paying. This case is a cautionary tale. FYI, the case was filed in 2015.

COMMERCIAL CONDO UNIT PURCHASER FAILED TO DO DUE DILIGENCE RE EASEMENTS FOR ADJACENT UNITS' DEMISING WALLS, SO CANNOT DEFEAT EASEMENTS NOW
DLK, LLC v. Kireland-B, LLC Appellate Division, 1st Dept.

HOLDER OF UNSOLD SHARES MUST COMPLY WITH RENT STABILIZATION REQUIREMENTS IN TRYING TO EVICT TENANT
Calix Realty Holdings LLC v. Ramos Civil Court, Queens County

COMMENT | Holders of Unsold Shares are subject to the Martin Act.

SECOND WIFE OF DECEASED SHAREHOLDER WINS ADVERSE POSSESSION CLAIM AGAINST DIVORCED FIRST WIFE
Cedeno v. Quinones Supreme Court, New York County

COMMENT | The co-op was directed to issue a new stock and lease in the name of the second wife.

SHAREHOLDER CANNOT SUE CO-OP TO PREVENT IT FROM PROCEEDING WITH NON-PAYMENT PROCEEDING
Elias v. 36 East 69 Corp. Supreme Court, New York County

CO-OP BOARD MEMBERS CAN BE SUED FOR FAILURE TO ENFORCE PRE-EXISTING AGREEMENT WITH SHAREHOLDER REQUIRING SEALING OF OPENINGS BETWEEN BUILDINGS
Fraiture v. Board of Directors of 44 King Street, Inc. Supreme Court, New York County

COMMENT | Very unusual facts—-one apartment had been created by physically joining apartments in two separate buildings, owned by two separate co-ops.

PROPERTY OWNER MUST PERMIT NEIGHBORING CO-OP TO ENTER TO INSTALL ROOFTOP PROTECTION FOR CO-OP'S FACADE WORK, PER RPAPL §881
54 Riverside Drive Corp. v. Appel Supreme Court, New York County

COMMENT | Why was litigation even necessary?

CONDO BOARD MUST HOLD ELECTION, AND MUST TURN OVER BOOKS AND RECORDS
Anay Holdings, LLC v. Board of Managers of Decora Condominium Supreme Court, Kings County

COMMENT | There had not been an annual meeting for over two years. Not uncommon in small condos like this.

CONDO BOARD'S CLAIMS DISMISSED AGAINST SPONSOR, PRINCIPALS AND ARCHITECT FOR DEFECTIVE CONSTRUCTION
The Board of Managers of The Marcy Villa Condominium v. 594 Marcy Villa LLC Supreme Court, Kings County

CONDO UNIT OWNER CAN SUE BOARD FOR DEFAMATION
Dolcimascolo v. Board of Managers of Dorchester Towers Condominium Appellate Division, 1st Dept.

COMMENT | A typical ongoing neighbors' dispute, but here involving an arrest.

REJECTED TENANT OF DISPUTED OFFICE/APARTMENT IN CONDO CAN SUE BOARD AND MANAGING AGENT FOR RACIAL DISCRIMINATION
Elango Medical PLLC v. Trump Palace Condominium Supreme Court, New York County

COMMENT | The Court held that the Board had permitted non-conforming office use for 20+ years, and that insisting now on residential-only use for this black tenant applicant could create an inference of discrimination.

QUESTIONS OF FACT PRECLUDE SUMMARY JUDGMENT TO CO-OP ON PROPRIETY OF 2003 TRANSFER OF GARAGE SPACES TO SPONSOR PRINCIPALS
Park Knoll Associates v. Conover Appellate Division, 2nd Dept.

SHAREHOLDER ENJOINS CO-OP TO ABATE ROOF FAN NOISE AND VIBRATIONS, BUT HOW AND WHEN ARE WITHIN THE BOARD'S BUSINESS JUDGMENT RULE DISCRETION
Saucier v. Board of Managers of 9 Barrow Condominium Supreme Court, New York County

COMMENT | The Court held that, even though such an injunction was the ultimate relief sought (and, thus, typically not granted), the egregious conditions and harm to the shareholder warranted it.

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CONDO CAN BE SUED FOR INJURY ARISING FROM SIDEWALK DEFECT
Richard v. 1550 Realty LLC Appellate Division, 1st Dept.

COMMENT | The Court held that the condo had had actual knowledge of the defect, and had failed to remedy it.

COMMERCIAL UNIT OWNER CANNOT SUE CONDO FOR OBJECTING AT DEPARTMENT OF BUILDINGS TO HIS PROPOSED CONVERSION OF MEDICAL OFFICE TO DAYCARE CENTER
Golden Ox Realty LLC v. The Board of Managers of Golden Gardens Condominium Supreme Court, New York County

COMMENT | The condo's bylaws and the building's certificate of occupancy barred such a change. This case was filed in 2014.

UNIT OWNER CANNOT SUE CONDO BOARD OR MANAGING AGENT FOR BREACH OF FIDUCIARY DUTY FOR FAILING TO NEGOTIATE A LARGE ENOUGH INSURANCE SETTLEMENT FOR HER 2016 LEAK DAMAGES
Nemeroff v. Hamptons Little Neck, LLC Appellate Division, 2nd Dept.

CO-OP SHAREHOLDER CANNOT PRELIMINARILY ENJOIN BOARD TO ABATE NOISE AND VIBRATIONS COMPLAINED OF IN APARTMENT
Bilgrei v. North Shore Tower Apartments, Inc. Appellate Division, 2nd Dept.

COMMENT | Because that was the ultimate relief sought, and there were questions as to the degree and source of the noise. Contrast to another decision above with a different outcome.

QUESTIONS OF FACT PRECLUDE SUMMARY JUDGMENT ON CO-OP'S SUIT AGAINST NEIGHBORING BUILDING OWNER OVER CAUSE OF CO-OP BUILDING SINKING
318 West 15th Street Apartment Corp. v. 320 W 15 LLC Appellate Division, 1st Dept.

CONDO LIABLE TO CONTRACTOR'S EMPLOYEE FOR SOME LABOR LAW CLAIMS, BUT NOT OTHERS
Hernandez v. Board of Managers of The Noma Condominium Supreme Court, Kings County

COMMENT | "No supervision or control" is a defense under one Labor Law section, but not others.

CONDO CAN SUE SPONSOR FOR FRAUDULENT CONVEYANCES OF APARTMENTS FOR INADEQUATE CONSIDERATION
Board of Managers of The 443 Greenwich Street Condominium v. SGN 443 Greenwich Street Owner LLC Appellate Division, 1st Dept.

COMMENT | The Court held that the sponsor was under-capitalized, and had failed to meet its obligations to the condo.

MOST CLAIMS AGAINST CONDO FOR WATER SEEPING FROM BROKEN WATER MAIN INTO NEIGHBOR'S PROPERTY DISMISSED
Huang v. Fort Greene Partnership Homes Condominium Appellate Division, 2nd Dept.

COMMENT | The condo was held not liable for the 2014 leak, but could be sued for slowness of repairs.

RESIDENTIAL CONDO BOARD CANNOT SUE OVERALL BOARD FOR MISBILLING OF UTILITY CHARGES
Board of Managers of The Residential Section of the Plaza Condominium v. Franzese Appellate Division, 1st Dept.

COMMENT | On a technicality—-the Court held that the suit should have been brought for breach of contract, not as a tort claim.

CO-OP SHAREHOLDER, AND SUCCESSORS, CAN INSTALL A/C UNIT, AND REPLACEMENT UNITS, ON BUILDING ROOF PER LICENSE AGREEMENT
Stolzman v. 210 Riverside Tenants, Inc. Appellate Division, 1st Dept.

SPONSOR CAN SUE CO-OP TO COMPEL SALE OF STOCK TO SPONSOR AT PRESCRIBED PRICE
Cord Meyer Development Company v. Forest Hills Owners Corp. Appellate Division, 2nd Dept.

CONDO CAN COMPEL REMOVAL OF ILLEGAL APARTMENT EXTENSION
Board of Managers of Oceanview Condominium v. Riccardi Appellate Division, 2nd Dept.

COMMENT | But the Court held that the condo had acted improperly in unilaterally increasing the Unit Owner's common charges and common interest percentage.

CO-OP NOT LIABLE TO SHAREHOLDER FOR DAMAGES ARISING FROM HER OWN ALTERATIONS
Mandracchia v. Renovate-Create Sourcing and Procurement Corp. Appellate Division, 1st Dept.

COMMENT | BBG represented the victorious co-op.

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