INDEX NO. UNASSIGNED

RECEIVED NYSCEF: 08/31/2015

NYSCEF DOC. NO. 1

COUNTY OF NEW YORK	
X	
DANIEL ABRAMS,	Index No.:
	Date Purchased:
Plaintiff,	
	Plaintiff designates NEW YORK
-against-	COUNTY as the place of trial
WAVERLY MEWS CONDOMINIUM,	The basis of venue is
RONNIE HIRSH, and ADAM HEMLOCK,	Defendants' residences
Defendants.	SUMMONS
X	
To the above named Defendants:	

CLIDDEME COLDT OF THE CTATE OF NEW YORK

You are hereby summoned to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance on the plaintiff's attorney within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

Dated: New York, New York August 31, 2015

Yours, etc.,

SCHWARTZ SLADKUS REICH GREENBERG ATLAS LLP

Attorneys for Rlaintiff

By:

Steven D. Sladkus

270 Madison Avenue

New York, New York 10016

(212) 743-7000

<u>Defendants' Addresses:</u>

WAVERLY MEWS CONDOMINIUM 148-150 Waverly Place New York, New York 10014

AND

RONNIE HIRSH 148-150 Waverly Place, Apt. B New York, New York 10014

AND

ADAM HEMLOCK 148-150 Waverly Place, Apt. D New York, New York 10014

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GLIDDE) (F		
COUNTY	E COURT OF THE STATE OF NI OF NEW YORK 	
DANIEL A		Index No.:
	Plaintiff,	
	-against-	VERIFIED COMPLAINT
	Y MEWS CONDOMINIUM, HIRSH, and ADAM HEMLOCK,	
	Defendants.	
		X
Plai	ntiff DANIEL ABRAMS ("Mr. A	brams"), complaining of the defendants through his
attorney, So	CHWARTZ SLADKUS REICH C	GREENBERG ATLAS LLP, respectfully alleges
upon inform	nation and belief:	
1.	Mr. Abrams resides in the Cou	anty of New York, and State of New York.
2.	The Defendant, WAVERLY N	MEWS CONDOMINIUM (the "Condominium"), is

- 2. The Defendant, WAVERLY MEWS CONDOMINIUM (the "Condominium"), is an unincorporated association of the unit owners of the condominium buildings located at 148-150 Waverly Place, New York, New York.
- 3. The Condominium was formed pursuant to a Declaration of Condominium filed and recorded, pursuant to Article 9-B of the Real Property Law, in the New York County Office of the Register of the City of New York on September 10, 1991.
- 4. The Condominium maintains an office at 148-150 Waverly Place, New York, New York.
- 5. The Defendant, RONNIE HIRSH ("Dr. Hirsh"), resides at 148-150 Waverly Place, Apt. B, New York, New York.

6. The Defendant, ADAM HEMLOCK ("Mr. Hemlock"), resides at 148-150 Waverly Place, Apt. D, New York, New York.

Background Facts

- 7. Following almost two years of self-dealing, repudiation of the Condominium By-Laws, refusal to allow the renovation of a space in the Condominium buildings that this very Board of Managers of the Condominium (the "Board") required Mr. Abrams to maintain at his own cost, and intimidation through improper and illegal conduct, Mr. Abrams is forced to bring this action against the Condominium, Dr. Hirsh, and Mr. Hemlock ("Defendants") to vindicate his rights and obtain compensation for his damages.
- 8. The Condominium consists of two buildings, located respectively at 148 Waverly Place and 150 Waverly Place, between Avenue of the Americas and Grove Street in Greenwich Village. Each building has five floors.
- 9. The Condominium consists of eight units which are owned by a total of seven unit owners.
- 10. Mr. Abrams is the owner in fee of Units A and C (collectively, the "Units") of the Condominium. Unit A is located directly below and adjacent to Unit C, and together make up the entire first three floors of the 150 Waverly Place building, with private entrances at both the ground floor and up the stairs to Unit C.
- 11. Mr. Abrams rented Unit C from its prior owner between 2004 and 2006, purchased Unit C in 2006, and later purchased Unit A in 2009.
- 12. Mr. Abrams owns an approximately 31.1% interest in the Condominium's Common Elements.
 - 13. Dr. Hirsh owns Unit B of the Condominium.

- 14. Mr. Hemlock owns Unit D of the Condominium.
- 15. Dr. Hirsh and Mr. Hemlock serve on the three-member Board, along with Tabatha Goloborodko (who rents out her unit). Dr. Hirsh has served as President of the Condominium since Mr. Abrams began residing there in 2004.
- 16. Sadly, Dr. Hirsh began expressing personal animus towards Mr. Abrams as early as 2004, shortly after Mr. Abrams began renting in the Condominium. This sort of behavior is not surprising for Dr. Hirsh, who is well known in the community after having engaged in acrimonious battles with residents of his office building at 61 W. 9th Street as well.

 Nevertheless, all of the Condominium's unit owners had acted civilly toward one another, and Mr. Abrams assisted Dr. Hirsh and other Board members with various projects including finding vendors, making repairs, etc.
- 17. Beginning in August 2013, Mr. Abrams approached the Board about certain improvements, repairs, and alterations he wished to make to the Units and about combining the Units into a single unit. About this there can be no dispute. As far as Mr. Abrams knows, the Board has never denied a renovation request, or even an improvement request, by any unit owner of the Condominium. Mr. Abrams therefore believed the process would be simple, casual and pro forma -- as it had been for all other residents.
- 18. Throughout the process, Mr. Abrams continually made good faith efforts to compromise and significantly limit the scope of his work to assuage any concerns, no matter how irrational, improper, or baseless those alleged concerns became. Most importantly, never once did an architect or engineer retained by the Board or by Mr. Abrams express a single structural or safety concern with any of the proposed alterations to the Units.

- 19. Unfortunately, Mr. Abrams' good faith efforts were not reciprocated by the Board. On the contrary, his efforts were consistently met with disdain, harassment, and disparate treatment by the Board, resulting in the significant delay and ultimate rejection of many of Mr. Abrams' proposed improvements, repairs, and alterations that he is legally entitled to do.
- 20. In fact, the Board even went as far as to refuse to hold an annual meeting of unit owners in 2014, as required by the By-Laws, in an effort to prevent Mr. Abrams from discussing his concerns openly with other unit owners and to exclude him from the process. Mr. Abrams later learned the Board had done so in part to afford itself additional time to gather support from new residents to install its own candidate for the Board when Tabatha Goloborodko stepped down. When the Condominium finally held an annual meeting, in 2015, a new Board member had already been pre-determined by the Board before there could be any debate or discussion about the matter. (There were also certain references by the Board at the 2015 annual meeting to other meetings that been held during the previous year without Mr. Abrams' knowledge or participation.)
- 21. Currently, Dr. Hirsh, the Board president, refuses to even send Mr. Abrams notices and information about the activities of the building, proposed dates for visits from service professionals and any other information about the condominium of which he owns 31.1%.

Proposed Repair to and Use of the Cellar Space Beneath Unit A

22. One of Mr. Abrams' proposed alterations involved the repair and use of a cellar space beneath Unit A (the "Cellar"). Unit A contains a four-foot high, decrepit Cellar below its foundation, which can only be accessed from Unit A. It is currently not in use by the Condominium or by any unit owner and has become a haven for rodents and other vermin.

- 23. In 2009, Mr. Abrams noticed structural defects in the Cellar that were causing the floors of Unit A to push up. After consulting with three firms, all of which came to the conclusion that the insulation in the Cellar had completely deteriorated and that it needed to be replaced, he hired one of them to repair the Cellar defect. Mr. Abrams inquired of the Board if the Condominium was responsible for this repair because, at that time, he was unclear about who was accountable for maintaining the Cellar. The Cellar was a Common Element of the Condominium even though Mr. Abrams, as owner of Unit A, had exclusive access to it.
- 24. On August 5, 2009, Dr. Hirsh, in his capacity as President of the Condominium, informed Mr. Abrams via email that Mr. Abrams was responsible for maintenance of the Cellar, including repairs to the insulation. There had been no leak, negligence, or other specific incident that led to this issue.
- 25. Thereafter, Mr. Abrams repaired the Cellar, which included repairs to the insulation, at his sole cost and expense.
- 26. Four years after making the necessary repairs to the insulation in the Cellar, Mr. Abrams submitted a request to the Board in 2013 to make additional improvements to the Cellar, in part as an effort to prevent future issues with the space. At the advice of his architect, he proposed to install a service slab or "rat slab" after an exterminator had found rodent carcasses in the Cellar. His architect advised that such slabs were necessary to prevent future rodent infestation in the Cellar. Another function of these slabs was to reduce or eliminate the moisture of the soil coming through the Cellar to the lower level of Unit A, creating damage to the floors and finishes there, including potentially mold. It also would reduce or eliminate subsoil odors coming into the lower level of Unit A from the Cellar.

- 27. Mr. Abrams proposed to pay for all these repairs himself. Mr. Abrams additionally requested to excavate the Cellar space so that he could use it as a storage cellar, laundry room, and pantry. Surprisingly, even though his proposed alterations would prevent rodents from accessing the Cellar and the building as a whole, Mr. Abrams received significant pushback from the Board.
- 28. The Board hired its own expert architect/engineer consultant, Lawless & Mangione ("L&M") (for which it billed Mr. Abrams), to review the scope of the proposed alteration work, including drawings and photographs submitted by Mr. Abrams' architect for the proposed alterations to the Cellar.
- 29. L&M did not raise a single objection to any aspect of Mr. Abrams' proposed Cellar work.
- 30. On September 27, 2013, L&M submitted a check-list of work items that Mr. Abrams' architect and contractors would have to comply with during the proposed Cellar alterations, which Mr. Abrams agreed to without hesitation.
- 31. Once the Board realized that no structural, safety, or other issues had been raised by the proposed Cellar alterations, it attempted to manufacture new issues. The Board demanded that Mr. Abrams engage a geologist to examine the soil in the Cellar to ensure that any excavation would be safe with respect to geological issues and beyond ordinary engineering concerns. Mr. Abrams found a top geologist and negotiated to retain him, at Mr. Abrams' sole cost and expense.
- 32. Before formally engaging the geologist, however, Mr. Abrams -- now fearing that the Board was not acting in good faith -- asked for a written assurance from the Board that he would finally be permitted to begin his work (which was already significantly delayed) if the

geologist found no issues. In response, he received a letter from the Board stating that, in essence, the geologist's findings would be irrelevant to its consideration of Mr. Abrams' proposed use of and improvements to the Cellar, and that his request would be rejected.

- 33. Following this bad faith bait-and-switch, Mr. Abrams decided not to bother engaging the geologist, since his findings would be futile in obtaining approval from the Board. Instead, he offered to forego any excavation of the Cellar and simply renovate and improve the four-foot high Cellar space. In a further effort to resolve this matter and obtain the Board's approval, Mr. Abrams offered a variety of possible solutions for the Cellar including collapsible walls (as suggested by Mr. Hemlock himself) and paying a substantial fee to the Board for use of the Cellar, even though he had no legal obligation to do so.
- 34. In or about October 2013, the Board denied Mr. Abrams' Cellar proposal on the grounds that it was purportedly in violation of the Condominium By-Laws. After requiring Mr. Abrams to pay for repairs to the Cellar, the Board was now asserting that Mr. Abrams had no right to use the Cellar.
- 35. Putting aside Mr. Abrams' efforts to resolve this dispute with the Condominium amicably, Mr. Abrams was then forced to explain to the Board that the relevant section of the By-Laws (discussed below) expressly allows a unit owner to use a Common Element if the Common Element is adjacent and appurtenant to two units owned by the unit owner and located on contiguous floors. Nonetheless, the Board still refused the request.

Proposed Garden Repairs

36. Another alteration Mr. Abrams proposed to the Board involved a garden area to the rear of Unit A. Mr. Abrams has exclusive access to the garden, which is a Limited Common Element.

- 37. Mr. Abrams proposed to renovate at his own expense this garden area, which required significant stone work and other major repairs. The stone was coming up from the ground and there was substantial deterioration, creating a potentially dangerous condition there.
- 38. Mr. Abrams initially offered to pay the full cost for all of these garden-area repairs, even though he was not legally required to do so as per the Condominium By-Laws. The By-Laws state that the Board shall be responsible for any structural or extraordinary repairs to the courtyard areas. In fact, Dr. Hirsh had completely renovated his own garden area with no interference from the Board (and, upon information and belief, partially or entirely at the Condominium's expense). Upon the Board's improper and illegal conduct in regard to his other proposed alterations and its pushback even on the garden repairs, however, Mr. Abrams withdrew his offer to pay for those garden repairs and simply requested that the Condominium pay for these substantial repairs as required under the By-Laws.
- 39. Shortly thereafter, the Board refused to pay for the garden repairs, claiming that the Condominium was not responsible because, regardless of how structural or extraordinary the current repairs may be, they were purportedly necessitated by the negligence of the prior owner of Unit A.

Proposed Balcony/Window Renovations

- 40. Mr. Abrams also proposed alterations involving his balcony and rear windows. Mr. Abrams submitted a proposal to replace the windows in front of the balcony with French doors and expand the width and length of the balcony.
- 41. The balcony is adjacent to the building's fire escape and to Dr. Hirsh's apartment. There is no egress from the balcony to the ground level. Anyone on the balcony currently needs to step onto the adjacent fire escape to exit to the ground level (or to re-enter the Units).

- 42. In his request to the Board, Mr. Abrams asserted that his proposed alterations made an escape safer in the event of a fire, since the balcony is currently in a state of disrepair and offers no separate egress from the Units. The new French doors leading onto the balcony would provide a second means of egress that Mr. Abrams and his guests could use to access the fire escape from the Units. Mr. Abrams also brought this proposed renovation to the attention of L&M, which again raised no concerns.
- 43. In the past, all other unit owners of the Condominium, including Dr. Hirsh, had made renovations, some significant, to their windows, without any objection by or interference from the Board. Mr. Hemlock and Ms. Goloborodko had also completely remodeled their apartments without any Board interference. There should have been no reason as to why Mr. Abrams' alterations would be treated any differently. Only after the completion of Mr. Hemlock's and Ms. Goloborodko's renovations, and with Mr. Abrams threatening to litigate over the Board's refusal to approve his proposed changes, did the Board propose a new policy making the approval process more onerous and giving Board members more power to control renovations in the Condominium.
- 44. On October 21, 2013, Dr. Hirsh and the rest of the Board rejected Mr. Abrams' alteration proposal to the balcony and windows, on the fabricated grounds that it presumably involved alterations to the fire escape that were potentially hazardous -- even though these proposed alterations had nothing at all to do with the fire escape, would in fact make any escape from the building in the event of a fire safer, and raised no safety concerns of any kind.
- 45. Mr. Abrams then offered to keep the balcony the exact same size as it is now and only renovate and enhance it. Stunningly, that too was rejected.

- 46. The reason for these rejections became clear when Mr. Hemlock confided to Mr. Abrams in a separate conversation that the real reason the Board rejected the proposed window and balcony alterations was that Dr. Hirsh insisted Mr. Abrams not be able to see into his garden next door. Dr. Hirsh simply does not want any opportunity for the balcony to be repaired or even accessed for fear that it will actually be used. The irony, of course, is that Dr. Hirsh can currently see into Mr. Abrams' garden from his own balcony.
- 47. Additionally, Mr. Hemlock has expressed interest for years in purchasing Dr. Hirsh's apartment, which is directly below his own apartment. This helps explain his duplications, often bizarre and seemingly irrational behavior. As a result of this bad faith collusion, Mr. Abrams has spent many hours and many thousands of dollars on revised plans and potential compromises only then to have the Board reject every one suggested.

Proposed Gate Replacement

- 48. After Mr. Abrams withdrew all his proposed plans based on the Board's (including Dr. Hirsh's and Mr. Hemlock's) improper and illegal conduct, Mr. Abrams submitted a request to the Board to replace his front gate to Unit A because it was in a state of decay and deterioration.
 - 49. Dr. Hirsh has almost the exact same gate configuration in front of his unit.
 - 50. The front gates are Limited Common Elements under the Condominium By-Laws.
- 51. When Dr. Hirsh had his own gate completely replaced, he had the Condominium cover the entire expense. It is now beautiful and of much higher quality than that of Mr. Abrams.
- 52. Even with such precedent, however, Dr. Hirsh and the rest of the Board rejected Mr. Abrams' request to replace his front gate.

53. In the past few months, under pressure from another unit owner, the Board claims to have repaired (but not replaced) the gate in front of Unit A. It is still far inferior, both in appearance and functionality, to Dr. Hirsh's gate, further demonstrating the Board's disparate treatment of unit owners.

The Condominium's Demand for Legal Fees

- 54. As a result of its dispute with Mr. Abrams, the Board decided to further illegally punish Mr. Abrams by billing him for all of the Condominium's legal fees throughout the course of Mr. Abrams' battles with the Board as he repeatedly threatened this litigation.
- 55. The Condominium By-Laws are silent on the issue of legal fees associated with reviewing alteration plans or in anticipation of litigation. Even so, Mr. Abrams was always willing to pay the reasonable legal fees incurred by the Condominium in connection with the review of his proposed alterations -- but not for fees incurred as the Board caused the process to become acrimonious and in anticipation of possible litigation.
- 56. The conduct of Mr. Hemlock and Dr. Hirsh regarding these fees is telling. At Mr. Hemlock's request, Mr. Abrams had drafted a compromise letter to the Board offering specific assurances that Mr. Hemlock claimed would resolve the matter to the Board's satisfaction. Mr. Hemlock even significantly edited the letter. Before Mr. Abrams sent it, Mr. Hemlock, at Mr. Abrams request, checked with Dr. Hirsh to determine the specific amount of legal fees the Condominium had claimed to incur so that they could be negotiated as part of this letter.
- 57. Thereafter, Mr. Hemlock informed Mr. Abrams that the Condominium's law firm, Brill & Meisel LLP, had just informed the Board that the total amount of legal fees would be "\$10,000 give or take a few hundred dollars." Mr. Hemlock inserted that amount in his edits to Mr. Abrams' letter and that these fees could be resolved with the other matters.

- 58. Just a day after Mr. Abrams sent the compromise letter to the Board, the Board promptly rejected the proposal that Mr. Hemlock himself helped create and that he assured Mr. Abrams would be acceptable to the Board.
- 59. A few months after the Board's response letter rejecting Mr. Abrams' proposed compromise, the Board sent an itemized bill with legal fees amounting to \$13,975.50, nearly forty percent more than what Mr. Hemlock had said the Board's fees had been, "give or take a few hundred dollars." The vast majority of these fees by Brill & Meisel LLP involved responding to threats of litigation by Mr. Abrams and Mr. Abrams' then-attorney.
- 60. Mr. Abrams refused to pay the fees incurred working against Mr. Abrams in anticipation of possible litigation.
- 61. On April 30, 2014, Mr. Hemlock intentionally sent an email to Mr. Abrams from an email address associated with his employer, Weil, Gotshal & Manges LLP, a law firm that boasts "1,100 lawyers in 20 offices around the world." The Weil Gotshal logo was prominently displayed in the email, along with Mr. Hemlock's full name and the firm's address and telephone number. Up to this point, all correspondence had either been from Brill & Meisel LLP or Dr. Hirsh. In the email, Mr. Hemlock -- attempting to use the influence of his law firm to pressure and threaten Mr. Abrams -- attached the \$13,975.50 bill for the disputed legal work.
- 62. In or about August 2014, Mr. Hemlock sent another email to Mr. Abrams from his Weil Gotshal email address, with the firm logo again prominently displayed, demanding payment of the legal fees and threatening litigation against Mr. Abrams.
- 63. Mr. Abrams continued to refuse to pay these legal fees on the grounds they were clearly incurred in anticipation of possible litigation.

- 64. In the fall of 2014, Mr. Abrams notified the Board of his plan to rent Unit A to a potential tenant. Under the Condominium By-Laws, the Board has only a right of first refusal with respect to unit rentals, not any approval right. Since Mr. Abrams had rented Unit A to a tenant from 2009 to 2013 and other residents had rented their units to tenants, all without any interference from the Board, Mr. Abrams naively expected the same treatment this time. Mr. Abrams underestimated the personal animus and corruption of the Board.
- 65. Instead, the Board reclassified its demanded legal fees as an "assessment" (even though it was against only one single unit owner of the Condominium) and informed Mr. Abrams that under the Condominium By-Laws he could not rent the Unit until any outstanding "assessment" was satisfied. As part of this extortionate demand, the Board also threatened to target Mr. Abrams' new renters in seeking to collect this "assessment." Because of this unfounded demand and delay, Mr. Abrams risked losing further substantial income every month from his vacant unit.
- 66. Mr. Abrams had no choice but to pay the legal fees demanded by the Board, otherwise he would have lost substantial rental revenue by leaving Unit A vacant. He had already lost almost a year's worth of rent due to the improper and illegal delays by the Board in the approval process.
- 67. On September 20, 2014, the Board presented Mr. Abrams with two options. The first option was to pay \$10,000 and waive any future legal claims against them. The second option was to pay the full \$13,975.50 demanded by the Board and thereby retain all legal rights.
- 68. Thereafter, Mr. Abrams paid the full amount of \$13,975.50 and retained all his legal rights, so that he could rent his unit without further harassment and file this action.

FIRST CAUSE OF ACTION (Breach of Contract against the Condominium)

- 69. Mr. Abrams re-alleges and incorporates here by reference the allegations of paragraphs 1 through 68 of this Complaint.
- 70. The Condominium By-Laws are a valid and enforceable agreement between the Condominium and each of the Condominium's unit owners.
 - 71. Article VI, Section 16(e) of the Condominium By-Laws states that:

The owner or owners of any two (2) or more Units, which Units are the only Units serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, those portions of a hallway and stairway which are directly adjacent to any such Units located on contiguous floors) shall, with the consent of the Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of portions or a hallway and stairway, to enclose such portions) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner or owners agree, at his or their sole cost and expenses to (i) be responsible for the operation, maintenance and repair of such Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use and provided, further that the use of said Units is consistent with the standards of a distinguished luxury residence. * * * *

(Emphasis added.)

- 72. The Condominium Declaration identifies the Cellar as a Common Element.
- 73. The Cellar is adjacent and appurtenant to the Units.
- 74. Unit A (and Unit C when the apartments are combined) is/are the only unit(s) of the Condominium serviced or benefited by the Cellar.
- 75. The Units are located on contiguous floors, and Mr. Abrams' proposed work would have led to the Units being combined.

- 76. Much to the frustration of Dr. Hirsh and Mr. Hemlock, the Condominium By-Laws afford this special right to anyone who owns two or more contiguous units, and Mr. Abrams was simply attempting to exercise that right.
- 77. The Board unreasonably delayed and withheld consent to Mr. Abrams' proposed Cellar work.
- 78. By reason of the foregoing, Mr. Abrams is entitled to exclusive access to the Cellar pursuant to Article VI, Section 16(e) of the Condominium By-Laws, subject to the applicable conditions set forth in that section.
- 79. Maybe most troubling, the Board's current position on Mr. Abrams' right to use the Cellar is directly contrary to Dr. Hirsh's 2009 email stating that Mr. Abrams was responsible to pay for repairs to the Cellar. This email is effectively an acknowledgement by the Board that it has no reasonable basis to withhold its consent to Mr. Abrams' exclusive use of the Cellar space (including Mr. Abrams' proposed Cellar work), in which event Mr. Abrams would be responsible for the operation, maintenance and repair of that space.
- 80. Additionally, in regard to the garden repair and gate replacement, Article VI, Section 10(b)(2) of the Condominium By-Laws states that:

All normal maintenance, repairs and replacements in and to any terrace and courtyard or other Limited Common Element shall be made by the Unit Owner having access thereto at his cost and expense, but any structural or extraordinary repairs or replacements thereto (including, without limitation, such as are necessitated by any leaks which are not caused by the acts or negligence of the Unit Owner having access thereto) shall be made by the Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense.

(Emphasis added.)

- 81. The garden area and gate appurtenant to the Units require significant structural and extraordinary repairs which are not necessitated by any negligence of Mr. Abrams. Even if arguendo, the current repairs were necessitated by the prior owner's negligence, the Condominium By-Laws make the prior owner -- not the current owner, Mr. Abrams -- responsible for the costs of such repairs.
- 82. Consequently, the Board has improperly and illegally shirked its obligation to pay for Mr. Abrams' proposed garden repairs and Mr. Abrams' requested gate replacement.
- 83. The Condominium has thus breached its obligations under Article VI, Section 10(b)(2) of the Condominium By-Laws.
- 84. In addition, the Condominium has no right under its By-Laws to demand, charge, and collect from Mr. Abrams legal fees it incurred in anticipation of litigation and/or in reviewing Mr. Abrams' proposed alterations
- 85. By demanding, charging, and collecting from Mr. Abrams the legal fees incurred by the Condominium in anticipation of litigation and/or in reviewing Mr. Abrams' proposed alterations, the Condominium thus breached its By-Laws.
- 86. In a further breach of the Condominium By-Laws by the Condominium, and in an effort to prevent Mr. Abrams from exercising his rights as a unit owner of the Condominium, the Board for the first time intentionally failed and refused to hold an annual meeting of the Condominium's unit owners in 2014, as required in Article III, Section 1 of the By-Laws, which provides:

Annual Meetings. Within sixty (60) days after the earlier of (i) the closing of title to Units whose aggregate Common Interest is at least fifty (50) percent (excluding Units purchased by sponsor or its designee), or ii) two (2) years from the First Unit Closing, or such earlier time as Sponsor or its designee deems to be in the interest of the Condominium, the first annual meeting of

the Unit Owners shall be held. At such meeting the Initial Board shall resign and a new Board shall be elected as provided herein, consisting of three (3) members. Thereafter, annual meetings shall be held each succeeding year on or about the anniversary of such date. At such meetings, the Unit Owners shall elect a Board in accordance with the requirements of Article II of these By-Laws and shall also transact such other business of the Condominium as may properly come before them.

(Emphasis added.)

- 87. The Condominium did not hold the 2014 annual meeting because the Board wanted to continue to operate the Condominium in secrecy and to do so without interference from Mr. Abrams, who owns more than a thirty percent interest in the Condominium's Common Elements. Mr. Abrams has been clearly and improperly singled out while Board members have been permitted to make extensive renovations to their own units without any substantial Board review or objection.
- 88. To this end, the Board has operated behind closed doors in large part as an effort to obstruct Mr. Abrams' reasonable requests with respect to the renovations. It, and Dr. Hirsh and Mr. Hemlock in particular, have neglected and failed to uphold its legal obligations, including its obligations to comply with the Condominium By-Laws.
- 89. Mr. Abrams has no adequate remedy at law with respect to the Condominium's aforedescribed breaches of contract regarding the proposed Cellar work, garden repairs, and gate replacement.
- 90. By reason of the Condominium's foregoing breaches of contract, Mr. Abrams is entitled to (a) preliminary and permanent injunctive relief enjoining the Board to consent to, and restraining the Board from interfering with, Mr. Abrams' proposed repairs and improvements to and uses of the Cellar; (b) preliminary and permanent injunctive relief enjoining the Board to repair, at the Condominium's sole cost and expense, the garden area to the rear of and

appurtenant to Unit A, in accordance with Mr. Abrams' proposal therefor; (c) preliminary and permanent injunctive relief enjoining the Board to replace, at the Condominium's sole cost and expense, the front gate to Unit A, in accordance with Mr. Abrams' proposal therefor; and (d) an award of money damages, in an amount to be determined by the Court, together with interest thereon.

SECOND CAUSE OF ACTION

(Breach of Fiduciary Duty for Discriminatory Treatment of Unit Owners against Dr. Hirsh and Mr. Hemlock)

- 91. Mr. Abrams re-alleges and incorporates here by reference the allegations of paragraphs 1 through 90 of this Complaint.
- 92. Mr. Abrams, Dr. Hirsh and Mr. Hemlock are each unit owners of the Condominium, and Dr. Hirsh and Mr. Hemlock are officers of the Condominium and members of the Board.
- 93. As officers of the Condominium and members of the Board, Dr. Hirsh and Mr. Hemlock owed fiduciary duties to Mr. Abrams and to the other unit owners of the Condominium to (among other things) act with the utmost good faith, honesty, and loyalty, and not favor their own interests at the expense of the interests of the other unit owners, including Mr. Abrams.
- 94. Dr. Hirsh and Mr. Hemlock egregiously and maliciously breached their fiduciary duties owed to Mr. Abrams by their discriminatory treatment of him and by placing their personal interests ahead of Mr. Abrams'. Among other things, they rejected Mr. Abrams' alteration proposals regarding the windows and balcony because Dr. Hirsh wanted to protect his "privacy;" Dr. Hirsh had the Board pay for his own gate replacement but not that of Mr. Abrams'; and Mr. Hemlock improperly used his Weil Gotshal email address in an attempt to

threaten and coerce Mr. Abrams into paying the Condominium's attorneys' fees and then effectively extorted Mr. Abrams by blocking the rental of his Unit unless he paid these fees.

- 95. Dr. Hirsh and Mr. Hemlock acted with bad faith and self-dealing toward Mr. Abrams, and treated him in a manner disparate, different, and discriminatory vis-à-vis other unit owners of the Condominium.
- 96. Mr. Abrams has been damaged by Dr. Hirsh's and Mr. Hemlock's breaches of their fiduciary duties. In addition, the actions of Dr. Hirsh and Mr. Hemlock are vindictive, personal, contrary to law and shocking to the conscience, warranting the imposition of punitive damages against each of them in the amount of at least \$1 million.
- 97. By reason of the foregoing, Mr. Abrams is entitled to Judgment against Dr. Hirsh and Mr. Hemlock in an amount to be determined by the Court, together with interest thereon, and together with an award of punitive damages against each of them in the amount of at least \$1 million.

THIRD CAUSE OF ACTION (Declaratory Judgment against the Condominium)

- 98. Mr. Abrams re-alleges and incorporates here by reference the allegations of paragraphs 1 through 97 of this Complaint.
- 99. Actual controversies have arisen and now exist between the Condominium and Mr. Abrams concerning the Condominium's right and entitlement pursuant to its By-Laws to demand, charge, and collect from Mr. Abrams the legal fees it incurred in anticipation of litigation and/or in reviewing Mr. Abrams' proposed alterations.
- 100. Judicial declarations regarding these parties' respective rights and duties regarding these issues are necessary and appropriate at this time.

WHEREFORE, Mr. Abrams demands Judgment against the Defendants as

follows:

- 1. Against the Condominium on the First Cause of Action, awarding preliminary and permanent injunctive relief enjoining the Board to consent to, and restraining the Board from interfering with, Mr. Abrams' proposed repairs and improvements to and uses of the Cellar; (b) preliminary and permanent injunctive relief enjoining the Board to repair, at the Condominium's sole cost and expense, the garden area to the rear of and appurtenant to Unit A, in accordance with Mr. Abrams' proposal therefor; (c) preliminary and permanent injunctive relief enjoining the Board to replace, at the Condominium's sole cost and expense, the front gate to Unit A, in accordance with Mr. Abrams' proposal therefor; and (d) an award of money damages, in an amount to be determined by the Court, together with interest thereon;
- 2. Against Dr. Hirsh and Mr. Hemlock on the Second Cause of Action, an award of money damages, in an amount to be determined by the Court, together with interest thereon, and together with an award of punitive damages against each of them in the amount of at least \$1 million;
- 3. Against the Condominium on the Third Cause of Action, a declaratory judgment of the Condominium's right and entitlement pursuant to its By-Laws to demand, charge, and collect from Mr. Abrams the legal fees it incurred in anticipation of litigation and/or in reviewing Mr. Abrams' proposed alterations; and
- 4. Against the Defendants, an award of such other, further and different relief, including but not limited to the costs and disbursements of this action (including reasonable attorneys' fees), as this Court shall deem just and proper.

Dated: New York, New York August 31, 2015

Yours, etc.

SCHWARTZ SLADKUS REICH GREENBERG ATLAS LLP

Attorneys for Plaintiff

By: Steven D. Sladkus

270 Madison Avenue New York, New York 10016

(212) 743-7000

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VERIFICATION

STATE OF NEW YORK)	
) ss	š.
COUNTY OF NEW YORK)	

DANIEL ABRAMS, being duly sworn, deposes and says:

- 1. I am the plaintiff in this action.
- 2. I have read the foregoing Complaint, and know the contents thereof. The Complaint is true to my own knowledge, except as to matters therein stated to be alleged upon information and belief; as to those matters, I believe it to be true.

Sworn to before me this

31st day of August, 2015

Notary Public

STEVEN D. SLADKUS ary Public State of New York No. 02SL5051636 Qualified in New York County

Commission Expires February 16, 20

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