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ROSENBERG & ESTIS, P.C. SUCCESSFULLY VOIDS ILLEGAL 40-YEAR RENT-STABILIZED LEASE

Rosenberg & Estis, P.C. continues its successful representation of River Tower with a First Department, Appellate Division victory, affirming the trial court's order voiding an illegal rent-stabilized lease at 420 East 54th Street. On May 16, 2019 the First Department upheld R&E's arguments and terminated the possessory rights of the corporate tenant, the defendant in this case.

R&E's Joshua Kopelowitz, member, Blaine Z. Schwadel, member, and Kristen Campos, associate, represented River Tower.

In 1991, two corporate entities owned by Harry Macklowe entered into a residential lease for a rent-stabilized apartment located at the River Tower apartment building in Manhattan. The lease provided for a fixed 40-year term that would expire in 2031 and failed to name a person as an occupant of the apartment. River Tower purchased the building in 2016 and, recognizing that the lease was improper, sought counsel from R&E.

R&E commenced the action and, prior to discovery, moved for summary judgment. R&E argued the lease violates the Rent Stabilization Code and is void because, among other things, its 40-year term improperly removed the lease from the market for a generation of renters and the lease failed to name a person as an occupant.

The First Department affirmed the trial court's order granting R&E's motion which voided the lease, terminated corporate tenant's right to the apartment and awarded landlord a judgment of ejectment.

"This victory for our client, River Tower, is a win for all New York City owners and the real estate industry at large," Kopelowitz said. "With its decision, the First Department re-affirms that illegal leases will not be tolerated and are void."

About Rosenberg & Estis, P.C.

Founded in 1975, Rosenberg & Estis, P.C. is widely recognized as one of New York City's pre-eminent real estate law firms. Rosenberg & Estis, P.C. provides full service representation and

advice in every aspect of real estate, from performing due diligence and evaluating financing, to handling joint ventures, acquisitions and leasing, construction and design team agreements, property tax exemptions and abatements, land use and zoning matters, Real Property Income & Expense (RPIE) filings, co-op and condo offering plan filings, as well as the litigations and negotiations which sometimes ensue when deal making. Rosenberg & Estis' wealth of experience in New York real estate makes it the ideal thought partner for owners, developers, not-for-profit corporations, educational institutions, sponsors, equity investors and lenders in both real estate transactions and in all court venues.

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