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ROSENBERG & ESTIS, P.C. SECURES DISMISSAL OF CLAIMS AGAINST CLIENT BY TWO FORMER EMPLOYEES

Rosenberg & Estis, P.C., a premier New York City real estate law firm with an award-winning Litigation Department, secured a victory for its client, Safeguard Realty Management, Inc., before the Supreme Court of the State of New York, Kings County.

The decision, issued on July 11, 2018 by Honorable Dawn Jimenez-Salta, dismissed a complaint by two former employees of buildings managed by Safeguard alleging negligent retention and intentional infliction of emotional distress.

Adam J. Lindenbaum, Member, and Kumail Mirza, Associate, of Rosenberg & Estis, P.C. represented Safeguard in the action that also included the property owners and principals as co-defendants.

The plaintiffs, a former superintendent and porter at the building, alleged that they were instructed by the defendants to achieve buyouts of rent-stabilized apartments through allegedly coercive and harassing methods. The complaint generally alleged that had the plaintiffs not continued the purported harassment of the building's rent stabilized tenants, the plaintiffs would have been fired and evicted from their apartments at the premises.

Rosenberg & Estis, P.C. successfully dismissed the complaint pursuant to Civil Practice Law & Rules (CPLR) 3211(a)(7), demonstrating that the plaintiffs failed to state a cause of action. Rosenberg & Estis, P.C. argued that Safeguard, functioning solely as the managing agent of the properties, had no ownership interest in the buildings and that the principals of such buildings were not only disclosed but named as co-defendants in the action. Rosenberg & Estis, P.C. also successfully argued that the plaintiffs alleged nothing more than bare legal conclusions against Safeguard in connection with its causes of action for negligent retention claims and intentional infliction of emotional injury, both of which were dismissed by the Court against all defendants as a matter of law.

“This was a case in which two former employees of the landlord sought to bootstrap a concluded investigation by the New York State Attorney General into a payday for themselves,” Lindenbaum said. “While the plaintiffs raised some novel arguments seeking to impose financial liability against the Defendants, the Court found both causes of action to be legally without merit and dismissed the action in its entirety with prejudice. With respect Safeguard, the Court also properly followed well-settled precedent that states that no liability can be imposed against an agent where the principals are disclosed.”

An aggressive litigation strategy by Rosenberg & Estis, P.C. allowed its managing agent client to continue to maintain and service its properties without risk of liability or the expense of protracted litigation concerning claims made by disgruntled building employees.

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, land use and zoning matters, 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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