

ROSENBERG & ESTIS, P.C.

733 THIRD AVENUE NEW YORK, NY 10017

PRESS CONTACT: Shea Communications, LLC
George Shea, Mark Faris (212) 627-5766

FOR IMMEDIATE RELEASE:

‘NOWHERE TO PARK’ FOR QUIK PARK AS ROSENBERG & ESTIS, P.C. SECURES JUDGMENT REGAINING CONTROL OF FOUR PREMIER GARAGES

Legal Victory Follows Eviction of Quik Park from Carlyle Hotel Garage in 2014

[Rosenberg & Estis, P.C.](#) has secured a judgment against Quik Park in New York State Supreme Court, regaining control of four garages in high-profile properties in Manhattan. Warren Estis and Norman Flitt, members of Rosenberg & Estis, represented Bridgewater Operating Corporation in the action before Justice Eileen Bransten of Supreme Court, New York County.

Justice Bransten ruled in favor of Rosenberg & Estis’ client, Bridgewater, restoring control of four garages operated by Quik Park under a management agreement with the company. The garages are located at 9 West 57th Street, one of the premier commercial buildings in Manhattan, and at 501 East 87th Street, 525 East 72nd Street and 265 East 66th Street in Manhattan. It is expected that Quik Park will vacate the garages by Wednesday, June 10, 2015.

Justice Bransten found that the management agreement was a license and not a lease, and that “the agreement did not convey any right in the property itself which a court of equity will protect by injunction.”

Estis and Flitt had previously been successful in evicting Quik Park from the garage at the Carlyle Hotel at 35 East 76th Street, and are presently pursuing a substantial monetary claim against Quik Park on behalf of the Hotel to recover the value of Quik Park’s use and occupancy of the garage following the termination of its lease.

Commenting on the case before Justice Bransten, Estis said: “This was complex and hard-fought litigation, but at the end of the day, the court recognized that the management agreement did not give Quik Park rights or property interest in the garages. An aggressive and creative legal strategy enabled us to protect our client’s rights and to swiftly secure control of the garages despite numerous obstacles in the case.”

Quik Park had been operating the four garages under the terms of the management agreement entered into in August 2009. The management agreement contained strict controls over the cash and revenues receipts, and required that separate, segregated accounts be maintained for each of the four garages.

-more-

Rosenberg & Estis, P.C. Secures Summary Judgment Against Quik Park

Page 2

Bridgewater subsequently discovered that Quik Park was commingling funds from the four accounts into a single “sweep account” and using that “sweep account” to fund personal expenses and expenses for other Quik Park garages that had no connection to the Bridgewater garages. Bridgewater then terminated the management agreement.

Quik Park immediately commenced suit, and sought to obtain an injunction enjoining the termination. Quik Park claimed that the management agreement was actually a lease, and that Quik Park could not be evicted from the garages without first being allowed to cure the violations at issue.

Justice Bransten denied the motion, finding specifically that the management agreement was not a lease and that Quik Park would not be irreparably injured if it were forced to vacate. Quik Park then moved for reconsideration on the issue of whether the management agreement was actually a lease, but Justice Bransten adhered to her prior determination that the management agreement was not a lease.

Despite these determinations in Bridgewater’s favor, further action was required to remove Quik Park from the garages as soon as possible. Estis and Flitt developed a strategy to regain control without having to wait for the conclusion of lengthy disclosure proceedings.

Specifically, Rosenberg & Estis moved for partial summary judgment on its counterclaim for a declaration that with the termination of the management agreement Quik Park no longer had any right or ability to enter upon, use, operate and/or manage the garages, and to dismiss Quik Park’s claims for declaratory and injunctive relief. Rosenberg & Estis relied on Justice Bransten’s prior determinations that the management agreement was not a lease, and advanced several different theories to support the desired result.

The strategy worked and Justice Bransten ordered Quik Park to vacate and surrender the garages to Bridgewater within five days after notice of entry of her order.

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. represents clients in all aspects of real estate development, transactions, financing, litigation, rent regulation and governmental affairs.

###