

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

FEDERAL NATIONAL MORTGAGE  
ASSOCIATION,

Plaintiff,

-vs.-

245 SULLIVAN AVE LLC, MOSES NEUMAN,  
SOLOMON STEINMETZ, the NEW YORK CITY  
ENVIRONMENTAL CONTROL BOARD and  
JOHN DOE #1 THROUGH JOHN DOE #40,  
inclusive, the names of the last 40 defendants being  
fictitious, the true names of said defendants being  
unknown to plaintiff, it being intended to designate  
any occupants or tenants of the mortgaged premises  
who are in default in the payment of rent for which  
a proceeding is now pending by the mortgagor  
and/or other persons or parties having or claiming  
an interest in or lien upon the mortgaged premises  
subordinate to that of the mortgagee, if the  
aforesaid individual defendants are living, and if  
any or all of said individual defendants be dead,  
their heirs at law, next of kin, distributees, executors,  
administrators, trustees, committees, devisees,  
legatees and the assignees, lienors, creditors,  
successors in interest of them, and generally all  
persons having or claiming under, by, through or  
against the said defendants named as a class, any  
right, title or interest in or lien upon the premises  
described in the complaint herein,

Defendants.

No. \_\_\_\_\_

**COMPLAINT**

## **COMPLAINT**

Plaintiff Federal National Mortgage Association (“Plaintiff” or “Fannie Mae”), by and through its undersigned counsel, Akin Gump Strauss Hauer & Feld LLP, for its complaint against Defendants 245 Sullivan Ave LLC, Moses Neuman, Solomon Steinmetz, the New York City Environmental Control Board, and John Doe #1 through John Doe #40 (the “Complaint”) alleges as follows:

### **NATURE OF THE ACTION**

1. This is a mortgage foreclosure action on property located at 245 Sullivan Place, Brooklyn, New York 11225 (the “Property”). Plaintiff’s mortgage on the Property secures a loan in the principal amount of \$10,725,000.00, which has been in default since December 1, 2023. With this action, Plaintiff seeks foreclosure of the Property as its lawful remedy under the governing loan documents as well as a money judgment against 245 Sullivan Ave LLC, Moses Neuman, and Solomon Steinmetz.

### **PARTIES**

2. Plaintiff is a federally chartered corporation organized and existing under the laws of the United States, 12 U.S.C. §1716 *et seq.*, with its principal place of business in Washington, D.C, with offices located at Midtown Center, 1100 15th Street NW, Washington, DC 20005.

3. Plaintiff is the current owner and holder of the Loan Documents (as such term is defined herein). Fannie Mae is a government-sponsored enterprise and a federally chartered entity that Congress created to enhance the nation’s housing-finance market. Under its federal statutory charter, Fannie Mae has a public mission to provide liquidity, stability, and affordability to the U.S. housing market, including the market for quality, affordable rental housing. Fannie Mae is operating under the conservatorship of the Federal Housing Finance Agency (“FHFA”), which is

an independent agency of the United States created in 2008 to supervise certain Government Sponsored Enterprises including Fannie Mae. *See* 12 U.S.C. § 4511 *et seq.* Among other powers, Congress granted the Director of FHFA the authority to place Fannie Mae into conservatorship under certain, statutorily defined conditions, which the Director did in 2008. As Conservator, FHFA has broad statutory powers, including the powers to preserve and conserve Fannie Mae's assets and property, and to collect obligations due Fannie Mae. FHFA's ability to exercise its statutory powers and functions as Conservator is protected by federal law. *See, e.g.*, 12 U.S.C. § 4617(f).

4. Defendant 245 Sullivan Ave LLC is a New York limited liability company located at 199 Lee Avenue, Suite 233, Brooklyn, New York 11211. The members of 245 Sullivan Ave LLC are Moses Neuman, Solomon Steinmetz, and Usher Steinmetz, each of whom are citizens of the State of New York.

5. Defendant Moses Neuman is an individual and a United States citizen domiciled in the State of New York with an address of 547 Flushing Avenue, Brooklyn, New York 11206.

6. Defendant Solomon Steinmetz is an individual and a United States citizen domiciled in the State of New York with an address of 352 Marcy Avenue, Brooklyn, New York 11206.

7. Defendant New York City Environmental Control Board, also known as the Office of Administrative Trials and Hearings, is a New York City agency with an office located at 9 Bond Street, 7th Floor, Brooklyn, New York 11201.

8. Defendants "JOHN DOES #1-40" are unknown persons or entities joined as party defendants because they may be tenants and persons in possession of the Property or have some interest in and to the Property (including that of judgment creditors) inferior and subordinate to

that of Plaintiff or may be persons who hold or have collected the rents, issues and profits relating to or arising from the Property.

### **JURISDICTION AND VENUE**

9. This Court has jurisdiction over the claims asserted in this action under 28 U.S.C. § 1332 because the matter in controversy exceeds \$75,000 in value, exclusive of interests and costs, and is between citizens of different states.

10. For purposes of diversity jurisdiction, Plaintiff is a citizen of Washington, D.C. 12 U.S.C. § 1717(a)(2)(B).

11. For purposes of diversity jurisdiction, Defendant 245 Sullivan Ave LLC, Defendant Moses Neuman, Defendant Solomon Steinmetz, and Defendant New York City Environmental Control Board are citizens of the state of New York.

12. Defendant 245 Sullivan Ave LLC has three members: Defendant Moses Neuman, Defendant Solomon Steinmetz, and non-party Usher Steinmetz. Usher Steinmetz is a citizen of the state of New York residing at 471 Bedford Avenue, Brooklyn, New York 11211.

13. This Court has personal jurisdiction over Defendant 245 Sullivan Ave LLC, Defendant Moses Neuman, and Defendant Solomon Steinmetz because, *inter alia*, they agreed to submit to personal jurisdiction in New York State according to the terms of the Note, Loan Agreement, and Consolidated Mortgage Agreement (defined *infra*).

14. This Court has personal jurisdiction over Defendant Moses Neuman and Defendant Solomon Steinmetz because, *inter alia*, they agreed to submit to personal jurisdiction in New York State according to the terms of the Guaranty (defined *infra*).

15. This Court has personal jurisdiction over Defendant New York City Environmental Control Board, also known as the Office of Administrative Trials and Hearings, because it is a New York City agency with a principal place of business in New York State.

16. Venue is proper in this district pursuant to 28 U.S.C. § 1391, because the property that is the subject of this action is located in the Eastern District of New York, in Kings County, New York.

17. Venue is also proper pursuant to 28 U.S.C. § 1391, because this dispute arises out of the terms of agreements signed by the parties that are governed by New York law and contain forum selection clauses designating this Court as a proper venue.

## **FACTUAL ALLEGATIONS**

### **I. The Mortgage and the Loan Documents**

18. On or about January 28, 2021, 245 Sullivan Ave LLC (the “Borrower”) executed an Amended and Restated Multifamily Note (the “Note”) for the benefit of Greystone Servicing Company LLC (“Greystone”), the original lender under the Note. Under the terms of the Note, the Borrower agreed to pay to the holder of the Note (the “Lender”) the sum of \$10,725,000.00 plus interest. A true and correct copy of the Note is annexed as **Exhibit A** and incorporated herein.

19. On or about January 28, 2021, the Borrower and Greystone entered into a Multifamily Loan and Security Agreement (the “Loan Agreement”). A true and correct copy of the Loan Agreement is annexed as **Exhibit B** and incorporated herein. Under Schedule 2 of the Loan Agreement, the Borrower was required to make monthly payments on the loan to the Lender on the first day of each month from March 1, 2021 through February 1, 2031 (the “Monthly Payments”).

20. In order to secure its indebtedness under the Note, on or about January 28, 2021, the Borrower executed a Consolidation, Extension and Modification Agreement (the “Consolidation Agreement”). A true and correct copy of the Consolidation Agreement, with proof of recording in the New York City Department of Finance Office of the City Register on February 12, 2021, File No. 2021000054179, is annexed as **Exhibit C** and incorporated herein. Pursuant to the Consolidation Agreement, the Borrower and Greystone entered into a Multifamily Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (the “Consolidated Mortgage Agreement”), which is included as Exhibit C to the Consolidation Agreement. Under the Consolidated Mortgage Agreement, the Borrower mortgaged to Greystone the Property, including, among other things, the structures and buildings upon it, the leases on the property, and the rents and income received on the property (the “Mortgage”). The Consolidated Mortgage Agreement consolidates prior mortgages recorded against the Property dating back to October 23, 2015.

21. On January 28, 2021, Moses Neuman and Solomon Steinmetz executed a Guaranty of Non-Recourse Obligations to and for the benefit of Greystone (the “Guaranty”). A true and correct copy of the Guaranty is annexed as **Exhibit D** and incorporated herein.

22. Collectively, the Note, the Loan Agreement, the Consolidated Mortgage Agreement, the Guaranty, and all attachments thereto and assignments thereof are referred to as the “Loan Documents.”

23. Under Section 3 of the Consolidated Mortgage Agreement, the Borrower executed an Assignment of Leases and Rents (the “Assignment of Rents”) to Lender. Under the Assignment of Rents, the Borrower absolutely and unconditionally assigned and transferred to Lender all “Rents,” as that term is defined in the Consolidated Mortgage Agreement. In return, the Lender

granted the Borrower a revocable license to collect and receive all Rents, to hold all Rents in trust for the benefit of Lender, to apply all Rents to pay the installments of interest and principal due and payable under the Note and the other amounts due and payable under the Loan Documents, and to pay the costs and expenses of managing and maintaining the Property. The Borrower was further authorized to retain any remaining Rents.

24. Upon the occurrence of an Event of Default (*see* Section 14.01 of the Loan Agreement) under the Loan Documents, the Borrower's license to collect rents automatically terminates, and Lender is entitled to receive all Rents as they become due and payable. To that end, under Section 3(c) of the Consolidated Mortgage Agreement, the Borrower agreed to pay any such Rents over to Lender.

## **II. The Property**

25. The Property is located at 245 Sullivan Place, Brooklyn, New York 11225 and is more particularly described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of Sullivan Place, distant 404 feet 5-1/8 inches westerly from the corner formed by the intersection of the northerly side of Sullivan Place with the westerly side of Nostrand Avenue;

RUNNING THENCE northerly parallel with Nostrand Avenue, 135 feet 7-3/8 inches;

THENCE westerly parallel with Montgomery Street, 85 feet 11-1/4 inches more or less, to land now or late of George S. Howland:

THENCE southeasterly along the said land, 37 feet 2-1/2 inches to the intersection of a line drawn parallel with Sullivan Place and distant 110 feet northerly therefrom:

THENCE westerly parallel with Sullivan Place, 21 feet 5-3/4 inches:

THENCE southerly at right angles to Sullivan Place, 110 feet to the northerly side of Sullivan Place:

THENCE easterly along the northerly side of Sullivan Place, 82 feet 10-3/4 inches, more or less, to the point or place of BEGINNING.

**III. Personal Liability of Borrower, Neuman, and Steinmetz**

26. Under Section 3.02(a) of the Loan Agreement, the Borrower agreed to be held personally liable to Lender “for the repayment of the portion of the Indebtedness equal to any loss or damage suffered by Lender as a result of” certain enumerated items listed therein. *See* Exhibit B.

27. Among the items for which the Borrower agreed to accept personal liability was its failure to pay Lender, upon demand after an Event of Default, all Rents (*see* Section 3.02(a)(1) of the Loan Agreement) to which Lender is entitled under Section 3(a) of the Consolidated Mortgage Agreement and the amount of all security deposits collected by the Borrower from tenants. Exhibit B.

28. Under Section 3.02(b) of the Loan Agreement, the Borrower agreed to be liable to Lender for the repayment of all the indebtedness due under the Loan Documents, and that the mortgage loan would be fully recourse to the Borrower, upon the occurrence of certain events, including among other things, a bankruptcy filing by the Borrower.

29. Under Section 3.03 of the Loan Agreement, the Borrower agreed to be “personally and fully liable to Lender” for its “indemnity obligations under Section 13.01(e) of [the] Loan Agreement, the Environmental Indemnity Agreement, and any other express indemnity obligations provided by Borrower under any Loan Document.” Exhibit B.

30. Under the Guaranty, Neuman and Steinmetz “guarantee[] to Lender the full and prompt payment and performance when due” of “all amounts, obligations, and liabilities owed to Lender under Article 3 . . . of the Loan Agreement” and “all costs and expenses, including

reasonable fees and out-of-pocket expenses of attorneys and expert witnesses, incurred by Lender in enforcing its rights under th[e] Guaranty.” Exhibit D.

**IV. Assignment of the Loan Documents to Plaintiff**

31. On January 28, 2021, Greystone assigned the Mortgage and Note to Plaintiff via an Assignment of Mortgages as Consolidated (the “Mortgage Assignment”). A true and correct copy of the Mortgage Assignment, with proof of recording in the New York City Department of Finance Office of the City Register on February 12, 2021, File No. 2021000054180, is annexed as **Exhibit E** and incorporated herein.

32. Plaintiff is in possession of the original Note, indorsed to Plaintiff by Greystone, which is attached hereto as Exhibit A. By virtue of Plaintiff’s possession of the original Note and Greystone’s endorsement of the Note to Plaintiff, as well as the Mortgage Assignment, Plaintiff became and is still the mortgagee on, and owner and holder of, the Note and Mortgage.

33. On or about January 28, 2021, Greystone executed an Assignment of Collateral Agreements and Other Loan Documents to Plaintiff (the “Collateral Agreements Assignment”), which assigned agreements including the Loan Agreement, the Guaranty, and all other Loan Documents “executed in connection with the Mortgage Loan.” A true and correct copy of the Collateral Agreements Assignment is annexed as **Exhibit F** and incorporated herein.

**V. Defaults, Fees, and Remedies, Including Foreclosure, Under the Loan Documents**

34. Under Section 14.01(a)(1) of the Loan Agreement, any failure by the Borrower to pay or deposit when due any amount required by the Note, the Consolidated Mortgage Agreement, or any other Loan Document is deemed an automatic “Event of Default.” Exhibit B. This includes failure to pay the Monthly Payments.

35. Under Section 5 of the Consolidated Mortgage Agreement, following an Event of Default, the Lender may declare the entire amount of the indebtedness immediately due and payable, may institute judicial foreclosure proceedings, is entitled to the *ex parte* appointment of a receiver, and may invoke any other remedies permitted by the Loan Documents and New York law. Exhibit C. Lender is also entitled to

all expenditures and expenses authorized by applicable law and all other expenditures and expenses which may be paid or incurred by or on behalf of Lender for reasonable legal fees, appraisal fees, outlays for documentary and expert evidence, stenographic charges and publication costs; . . . and [] all additional advances made pursuant to Section 8303 of the Civil Practice Law and Rules of the State of New York and costs . . . of procuring all abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as Lender may deem reasonably necessary either to prosecute any suit or to evidence the true conditions of the title to or the value of the Mortgaged Property to bidders at any sale which may be held in connection with the exercise of Lender's rights and remedies under the Loan Documents. All expenditures and expenses of the nature mentioned in this Section 5, and such other expenses and fees as may be incurred in the protection of the Mortgaged Property and rents and income therefrom and the maintenance of the lien of this Security Instrument, including the fees of any attorney employed by Lender in any litigation or proceedings affecting this Security Instrument, the Note, the other Loan Documents, or the Mortgaged Property, including bankruptcy proceedings, [or] any Foreclosure Event . . . shall be additional Indebtedness and shall be immediately due and payable by Borrower, with interest thereon at the Default Rate until paid.

Exhibit C.

36. Under Section 2.02(d)(1)(A) of the Loan Agreement, if any principal, interest, or other indebtedness due under the Loan Documents remains past due for thirty (30) days or more, then interest on such unpaid amount(s) shall accrue from the date payment is due at the "Default Rate." *See* Exhibit B. The Default Rate is defined in the Loan Agreement to be the lesser of "the sum of the Interest Rate plus four (4) percentage points" or "the maximum interest rate which may be collected from Borrower under applicable law." *See id.*, Schedule 1.

37. Additionally, under Section 2.02(c) of the Loan Agreement, if any amount payable under the Loan Agreement is not received by Lender within ten days of the due date, the Borrower

is required to pay Lender a late charge. Exhibit B. The late charge is payable in addition to, and not in lieu of, any interest payable at the Default Rate.

38. Furthermore, pursuant to the Consolidated Mortgage Agreement, the Borrower agreed to pay all Indebtedness, including all Enforcement Costs, which include, among other things:

All expenses and costs, including reasonable attorneys' fees and expenses, fees and out-of-pocket expenses of expert witnesses and costs of investigation, incurred by Lender as a result of any Event of Default under the Loan Agreement or in connection with efforts to collect any amount due under the Loan Documents, or to enforce the provisions of the Loan Agreement or any of the other Loan Documents, including those incurred in post-judgment collection efforts and in any bankruptcy or insolvency proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding or Foreclosure Event) or judicial or non-judicial foreclosure proceeding, to the extent permitted by law.

Exhibit C.

39. Finally, under Section 3(g) of the Consolidated Mortgage Agreement, if the Rents are not sufficient to meet the Lender's costs of taking control and managing the Property, Lender is entitled to have any additional funds it expends to operate the Property added to the indebtedness due under the Loan Documents. *See* Exhibit C.

#### **VI. Failure to Make Monthly Payments Due and Events of Default**

40. On December 1, 2023, the Borrower failed to pay the Monthly Payment due as required under the Loan Documents. Such failure to pay the amounts due constituted an Event of Default under the Loan Documents, entitling Plaintiff to exercise all its rights and remedies under the Loan Documents.

41. On January 1, 2024, the Borrower failed to pay the Monthly Payment due as required under the Loan Documents. Such failure to pay the amounts due constituted an Event of Default under the Loan Documents, entitling Plaintiff to exercise all its rights and remedies under the Loan Documents.

42. On February 1, 2024, the Borrower failed to pay the Monthly Payment due as required under the Loan Documents. Such failure to pay the amounts due constituted an Event of Default under the Loan Documents, entitling Plaintiff to exercise all its rights and remedies under the Loan Documents.

43. On March 1, 2024, the Borrower failed to pay the Monthly Payment due as required under the Loan Documents. Such failure to pay the amounts due constituted an Event of Default under the Loan Documents, entitling Plaintiff to exercise all its rights and remedies under the Loan Documents.

44. On April 1, 2024, the Borrower failed to pay the Monthly Payment due as required under the Loan Documents. Such failure to pay the amounts due constituted an Event of Default under the Loan Documents, entitling Plaintiff to exercise all its rights and remedies under the Loan Documents.

**VII. Demand for Payment of Loan and Termination of License to Collect Rents**

45. As of the filing of this Complaint, the Borrower still has not paid the Monthly Payments, as required under the Loan Documents, that have been due and owing since December 1, 2023.

46. On February 26, 2024, Plaintiff sent a letter to the Borrower notifying it that it was in default of its obligations under the Loan Documents by virtue of its failure to pay the Monthly Payments due since December 1, 2023 (the “Demand Letter”). A true and correct copy of the Demand Letter is annexed as **Exhibit G** and incorporated herein.

47. In the Demand Letter, Plaintiff demanded that the Borrower pay immediately all of the outstanding principal and accrued and unpaid interest under the Note, in its entirety, together with all applicable charges and all costs, expenses, and attorneys’ fees incurred by Plaintiff. *See*

Exhibit G. Plaintiff notified the Borrower that, by reason of the defaults, Plaintiff may immediately institute foreclosure proceedings under the Mortgage and may otherwise exercise any and all other rights and remedies enumerated in the Loan Documents or otherwise available at law or in equity. *See id.* These rights and remedies included, without limitation, the appointment of a receiver over the Property. *See id.*

48. Additionally, in the Demand Letter, Plaintiff gave notice that the Borrower's license to collect Rents at the Property was terminated, and that Plaintiff is now entitled to all Rents as they become due and payable. *See id.* The Demand Letter went on to demand that any Rents collected by the Borrower after the occurrence of the Event of Default on December 1, 2023 be received and held by the Borrower in trust for the benefit of Plaintiff, and only applied to "bona fide current operating expenses to third parties in connection with the operation of the property with excess paid to Fannie Mae, to be applied in accordance with the Loan Documents." *Id.*

49. As of the filing of this Complaint, the Borrower has not turned over any Rents or security deposits to Plaintiff.

### **VIII. Liens on the Property**

50. Under Section 11.02(a) of the Loan Agreement, the Borrower "shall not permit the grant, creation, or existence of any Lien, whether voluntary, involuntary, or by operation of law, on all or any portion of the Mortgaged Property (including any voluntary, elective, or non-compulsory tax lien or assessment pursuant to a voluntary, elective, or non-compulsory special tax district or similar regime)." Exhibit B.

51. According to recently-issued title reports for the Property, the New York City Environmental Control Board ("NYCECB") has multiple liens against the Property, each of which is junior to the Mortgage.

52. On December 31, 2023, the NYCECB docketed a default judgment against the Property for \$300 for a dirty sidewalk violation (ticket number 047816374J). That judgment remains unpaid.

53. On March 31, 2024, the NYCECB docketed a judgment against the Property for \$1,250 for multiple infractions issued by the New York City Fire Department (ticket number 014070132L). That judgment remains unpaid.

54. On February 7, 2024, the NYCECB conducted a hearing concerning a violation against the Property for \$2,500 for failure to maintain a façade (ticket number 039098101K). The Borrower was found “in violation” and Plaintiff expects a judgment will be docketed soon.

55. On February 7, 2024, the NYCECB conducted a hearing concerning a violation against the Property for \$1,250 for obstructions to a fire escape (ticket number 039098100Z). The Borrower was found “in violation” and Plaintiff expects a judgment will be docketed soon.

56. The title report also shows a host of other violations and judgments, including five open violations issued by the New York City Department of Buildings; 11 violations issued by the New York City Department of Housing Preservation and Development, three of which are classified as “hazardous” and eight of which are classified as “immediately hazardous”; three open violations issued by the New York City Fire Department; six violations issued by the New York City Department of Health; and a total of 131 building charges and 79 associated fees issued by the New York City Department of Housing Preservation and Development Emergency Repair Unit.

**IX. Receivership**

57. Upon the occurrence of an Event of Default, the Borrower acknowledged repeatedly in the Loan Documents that Plaintiff is entitled to the *ex parte* appointment of a receiver to oversee the Property.

58. Section 7.02(a)(2) of the Loan Agreement states that the Borrower shall “surrender possession of the Mortgaged Property, including all Leases and all security deposits and prepaid Rents, immediately upon appointment of a receiver or Lender’s entry upon and taking of possession and control of the Mortgaged Property.” Exhibit B.

59. Under Section 3(e) of the Consolidated Mortgage Agreement, “if an Event of Default has occurred. . . Lender may apply to any court having jurisdiction for the appointment of a receiver for the Mortgaged Property to take any or all of the actions set forth in Section 3 . . . [and] Borrower, by its execution of this Security Instrument, expressly consents to the appointment of such receiver, including the appointment of a receiver *ex parte*, if permitted by applicable law.” Exhibit C.

60. Under Section 3(e) of the Consolidated Mortgage Agreement, the Borrower further agreed to “shortened time consideration of a motion to appoint a receiver.” *Id.*

61. Finally, under Section 3(e) of the Consolidated Mortgage Agreement, the Borrower further agreed that, “[i]mmediately upon appointment of a receiver . . . possession of the Mortgaged Property and all documents, records (including records on electronic or magnetic media), accounts, surveys, plans, and specifications relating to the Mortgaged Property, and all security deposits and prepaid Rents, shall be surrendered to Lender or the receiver, as applicable.” *Id.*

**FIRST CAUSE OF ACTION**  
**(Foreclosure of the Mortgage and Deficiency Judgment)**

62. Plaintiff repeats and realleges the allegations set forth in paragraphs 1-[] above as though fully set forth herein.

63. The Borrower has committed multiple Events of Default under the Loan Documents. As a result of the Events of Default, Plaintiff is entitled to exercise all rights and remedies under the Loan Documents, including foreclosure of the Property.

64. The following amounts are due and owing under the Loan Documents, no part of which has been paid by the Borrower, although duly demanded: (a) the outstanding principal sum of \$10,725,000.00; (b) accrued but unpaid interest thereon, including interest accruing at the Default Rate since December 1, 2023; (c) late charges; and (d) rental payments and security deposits owed under the Note and Assignment of Rents to be determined. These sums are exclusive of other costs and expenses Plaintiff has incurred and will incur in connection with exercising its rights under the Loan Documents during the pendency of this action, including tax payments, insurance premiums, advances to a receiver to protect and maintain the Property, attorneys' fees, expert witness fees, costs of investigations (including property condition assessments and environmental inspections), appraisals, costs of documentary evidence, abstracts, title reports, statutory costs, allowances made pursuant to Section 8303 of the Civil Practice Law and Rules, and any additional funds Plaintiff expends to operate the Property.

65. Plaintiff has fulfilled all of its obligations under the Loan Documents.

66. Greystone has fulfilled all of its obligations under the Loan Documents.

67. No other action or proceeding has been brought at law or otherwise for the recovery of said sum secured by the Loan Documents, or any part thereof.

68. The New York City Environmental Control Board has been made a defendant by virtue of its outstanding judgments against the Property described at greater length herein.

69. The Defendants John Doe # 1 through John Doe # 40 have been made defendants because they are or may be tenants or may be in possession of the Property, or may be corporations or other entities or person who claim, or may claim, a lien against the Property.

70. Any claim that any of the defendants in this action have on the Property is subject and subordinate to the lien of Plaintiff evidenced by and described in the Loan Documents.

71. Plaintiff seeks a judgment, as more fully set forth below, (i) foreclosing the Mortgage on the Property and (ii) awarding Plaintiff a money judgment against the Borrower, Moses Neuman, and Solomon Steinmetz for the portion of the total indebtedness due under the Loan Documents equal to any loss or damages suffered by Plaintiff as a result of the items enumerated in Article 3 of the Loan Agreement, including Rents and security deposits as described therein. *See Exhibit B.*

72. Plaintiff requests that in the event that this action will proceed to judgment of foreclosure and sale, the Property should be sold subject to the following:

- (a) any state of facts that an inspection of the premises would disclose;
- (b) any state of facts that an accurate survey of the premises would show;
- (c) covenants, restrictions, easements, and public utility agreements of record, if any;
- (d) building and zoning ordinances of the municipality in which the Property is located and possible violations of same;
- (e) any rights of tenants or persons in possession of the Property;
- (f) any equity of redemption of the United States of America to redeem the premises within 120 days from the date of sale; and
- (g) prior lien(s) of record, if any.

73. Plaintiff shall not be deemed to have waived, altered, released, or changed any demand made in this Complaint, as a result of any payment made by the Borrower after the commencement of this action, or any of the defaults mentioned herein, and such demands shall continue and remain effective.

### **PRAYER FOR RELIEF**

Wherefore, Plaintiff demands judgment as follows:

(a) That the defendants, and each of them, and all persons claiming under defendants, or any of them, subsequent to the commencement of this action and the filing of a notice of pendency thereof, be barred and foreclosed of and from all estate, right, title, interest, claim, lien and equity of redemption of, in and to the Property and each and every part and parcel thereof.;

(b) That a receiver possessing such powers as those granted to him/her under the Consolidated Mortgage Agreement and applicable law be appointed for the Property;

(c) That the Property may be decreed to be sold in one or more parcels according to law;

(d) That the monies arising from the sale of Property may be brought into Court;

(e) That the amount due Plaintiff under the Loan Documents be adjudged, and that from the monies arising from the foregoing sale, Plaintiff be paid the amount due it under the Loan Documents with interest to the time of such payment, the expenses of sale, and the costs and expenses of this action, including reasonable attorneys' fees and expenses, together with any monies which may be paid by Plaintiff for taxes, water and sewer charges and assessments, insurance premiums, and all other charges and liens thereon to be paid, with interest at the Default Rate upon such amounts from the dates of the respective payments and advances thereof, so far as the amounts of monies properly allocable thereto will pay the same;

(f) That the Borrower, Moses Neuman, and Solomon Steinmetz may be adjudged to pay all amounts due under Article 3 of the Loan Agreement for which they agreed to be held personally liable; and

(g) That Plaintiff be awarded such other and further relief as shall be just and equitable.

New York, New York  
Dated: April 17, 2024

Respectfully submitted,

**AKIN GUMP STRAUSS HAUER & FELD**

By: /s/ Dean L. Chapman, Jr.  
Dean L. Chapman Jr.  
One Bryant Park  
New York, New York 10036  
Telephone: (212) 872-8095  
Facsimile: (212) 872-1002

*Attorney for Plaintiff Federal National Mortgage Association*