

SUPREME COURT OF THE CITY OF NEW YORK
COUNTY OF NEW YORK

LUCIA ISABEL ALONSO ESPINOSA,

Plaintiff,

-against-

THE SHERRY-NETHERLAND, INC.,

Defendant.

Index No.

Date Index Number

Purchased: 10/9/26

SUMMONS

Plaintiff designates New York County as the place of trial. The basis for such venue is Plaintiff's residence at 781 Fifth Avenue, Apt. 24T, New York, New York

TO THE ABOVE-NAMED DEFENDANT:

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 plaintiff's attorneys within twenty (20) days after the service of this summons, exclusive of the day of service (or within thirty (30) days after the service is complete if the 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
October 9, 2026

SCHWARTZ SLADKUS REICH
GREENBERG ATLAS LLP
Attorneys for Plaintiff

By: /s/ Jared E. Paioff
Jared E. Paioff
444 Madison Avenue, 6th Floor
New York, New York 10022
(212) 743-7000

To: The Sherry-Netherland, Inc.
781 Fifth Avenue
New York, New York 10022

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

LUCIA ISABEL ALONSO ESPINOSA,

Plaintiff,

- against -

THE SHERRY-NETHERLAND, INC.,

Defendant.

Index No.

COMPLAINT

Plaintiff Lucia Isabel Alonso Espinosa (“Plaintiff”), by her attorneys Schwartz Sladkus Reich Greenberg Atlas LLP, as and for her complaint against defendant The Sherry-Netherland, Inc. (“Defendant” or the “Coop”), alleges as follows:

NATURE OF THIS ACTION

1. This action arises from Defendant’s extraordinary, years-long occupation and effective taking of Plaintiff’s expansive terrace appurtenant to Apartment 24T (the “Apartment” or “Apartment 24T”) at The Sherry-Netherland, a cooperative apartment corporation that owns the building at 781 Fifth Avenue, New York, New York (the “Building”), under the guise of a façade restoration/FISP/Local Law 11 project that Defendant repeatedly represented would be finite, controlled, and temporary.

2. Instead, *for approximately six years*, Defendant has treated Plaintiff’s terrace as its private construction platform and contractor staging yard—filling it with scaffolding, netting, equipment, materials, contractor access routes, worker activity (including a de facto cafeteria/breakroom), and construction storage—and has thereby stripped Plaintiff of the ordinary use, privacy, light, air, views, comfort, and residential enjoyment of one of the Apartment’s

defining components.

3. Defendant's project was not supposed to become a six-year occupation of Plaintiff's home. Defendant's own records show that the work was originally projected to take approximately one year to eighteen months and cost approximately \$6 million to \$7 million. Through Defendant's negligent planning, budgeting, sequencing, supervision, and execution, the project has metastasized into a massive, still-unfinished undertaking now approaching approximately \$35 million.

4. All the while, Defendant has demanded that Plaintiff continue paying full maintenance and substantial assessments even though the terrace is part of the Apartment's bargain, value, marketability, and maintenance burden—and despite Defendant denying Plaintiff the very use and benefit for which she pays.

5. Defendant's conduct has not been limited to the outdoor space. The scaffolding and terrace takeover have invaded the Apartment itself by reducing light, air, privacy, and views; positioning workers directly outside interior rooms; restricting the opening of windows and terrace doors; introducing dust, debris, insects, noise, and construction particles; and repeatedly disrupting the Apartment through contractor access.

6. Defendant may have been required to perform façade work, but it was not entitled to perform that work negligently, indefinitely, or at Plaintiff's uncompensated expense. Compliance with Local Law 11 is not a license to convert a tenant-shareholder's appurtenant terrace into a years-long construction staging area while charging that shareholder as though nothing has been taken.

7. In sum, Defendant completely deprived Plaintiff of an appurtenant outdoor area that is part of the Apartment, used that area as a construction staging location for an extraordinary

duration, imposed scaffolding-related impacts on the Apartment's interior, and required Plaintiff to continue paying full maintenance and assessments while receiving materially less than the leasehold benefit for which she paid.

8. Plaintiff therefore brings this action for breach of her proprietary lease, breach of the covenant of quiet enjoyment, partial constructive eviction, and breach of the warranty of habitability, and seeks a retroactive and prospective abatement of maintenance and assessments, monetary damages, and all other appropriate relief.

PARTIES

9. Plaintiff Lucia Isabel Alonso Espinosa is an individual shareholder and proprietary lessee of Apartment 24T at The Sherry-Netherland, located at 781 Fifth Avenue, New York, New York 10022.

10. Defendant The Sherry-Netherland, Inc. is a New York cooperative apartment corporation that owns, operates, and manages the cooperative building known as The Sherry-Netherland, located at 781 Fifth Avenue, New York, New York.

FACTS COMMON TO ALL CLAIMS

11. Plaintiff occupies the Apartment pursuant to a proprietary lease with Defendant dated April 7, 2009 (the "Lease").

12. Plaintiff's family has owned the Apartment since approximately May 1986, it being first occupied by Plaintiff's grandfather, then her mother, and now her.

13. Defendant is the lessor under Plaintiff's Lease and is responsible for complying with its contractual obligations under that Lease, including, without limitation, maintaining the Building in good repair, complying with applicable law, and managing Building projects in a manner that does not unlawfully deprive Plaintiff of her leasehold rights.

A. The Apartment and Terrace Layout

14. Apartment 24T is a substantial residential apartment with an expansive terrace providing direct Central Park views and forming an integral part of the Apartment's layout, value, and intended residential use. In fact, the terrace is one of the Apartment's defining features: a large outdoor living area directly integrated with the Apartment's principal rooms and central to the Apartment's light, air, privacy, views, entertaining capacity, value, marketability, and overall desirability.



Figure 1: Northerly-facing views of terrace from interior (pre-scaffolding)



Figure 2: Westerly-facing views of terrace (pre-scaffolding)



Figure 3: North-westerly facing views of terrace (pre-scaffolding)



Figure 4: Northerly-facing views of terrace from interior (pre-scaffolding)

15. The Apartment's floor plan confirms that the terrace spans a substantial frontage along the Apartment's principal entertaining rooms, including the living room, formal dining room, and sunroom, and is part of the unit's overall configuration and residential utility.



Figure 5: Apartment Floor Plan

16. Plaintiff pays maintenance attributable to Apartment 24T and the shares allocated to it, including the unique value and use associated with the terrace. Plaintiff has paid maintenance charges and assessments throughout the relevant period, despite Defendant's deprivation of that central component of the leasehold.

B. Defendant's Taking of Plaintiff's Terrace and Misrepresentations

17. On or about August 3, 2020, Defendant, through its managing agent, Michael J. Ullman, notified Plaintiff that scaffolding would be installed on her terrace in connection with Local Law 11 façade work, represented that the work affecting Plaintiff's terrace was anticipated to run only from September 2020 through November 2021, and that, during the work, Plaintiff would not be permitted to use the terrace.

18. Plaintiff immediately objected and asked whether she would receive a maintenance discount, given that she would be unable to use the terrace while still paying substantial monthly maintenance and assessments. In response, Defendant refused any discount on the ground that, in a cooperative structure, a reduction to Plaintiff's maintenance payments would require other shareholders to pay more.

19. Defendant's refusal ignored the leasehold reality that Plaintiff was being charged as though she retained the full benefit of Apartment 24T while Defendant was taking away a substantial and valuable portion of it.

20. What is worse, Defendant knew that the terrace closure would materially affect Plaintiff's use and enjoyment of Apartment 24T. Indeed, the scaffolding does not merely close off the terrace from the rest of the apartment and deprive Plaintiff from using it. It also restricts light and air into the apartment, obstructs views, results in construction dust, particles, and insects to enter the Apartment, has materially damaged or demolished terrace pavers, furniture, and fixtures, and has eliminated all privacy since workers use the terrace to fraternize and stage equipment, materials, tools and personal items.

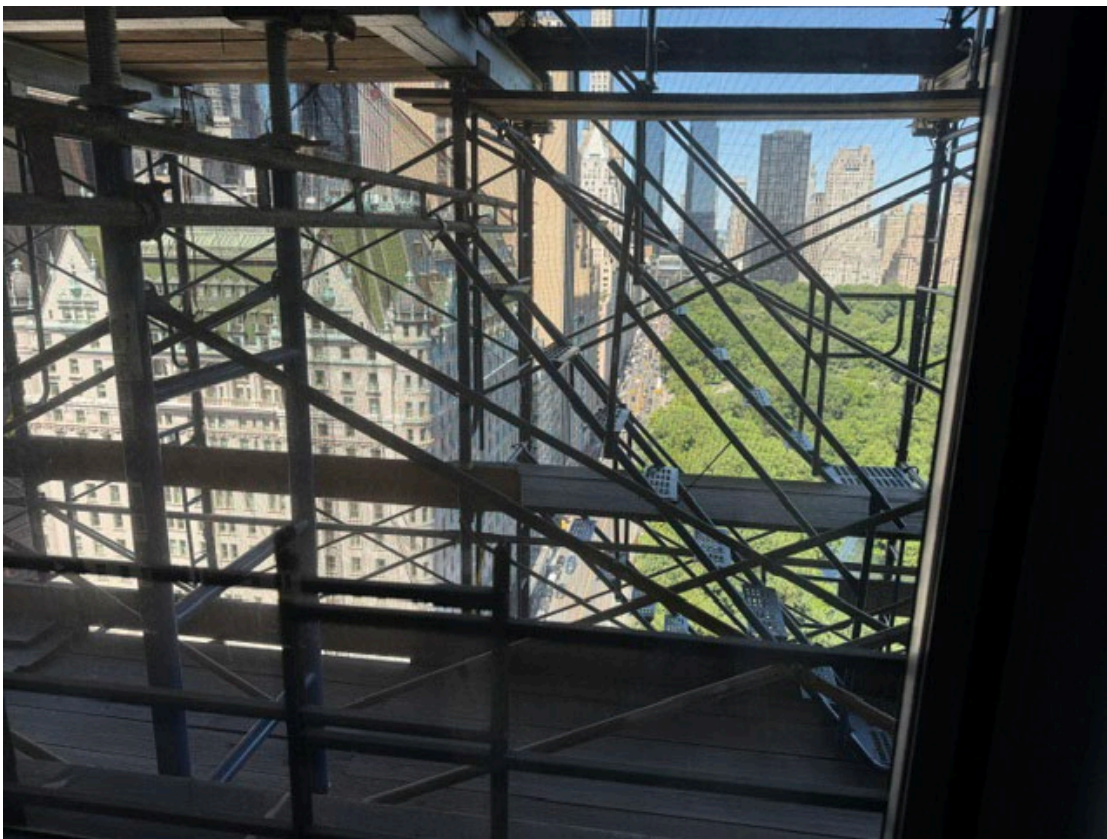


Figure 6: Westerly-facing views from the Apartment (June 2026)

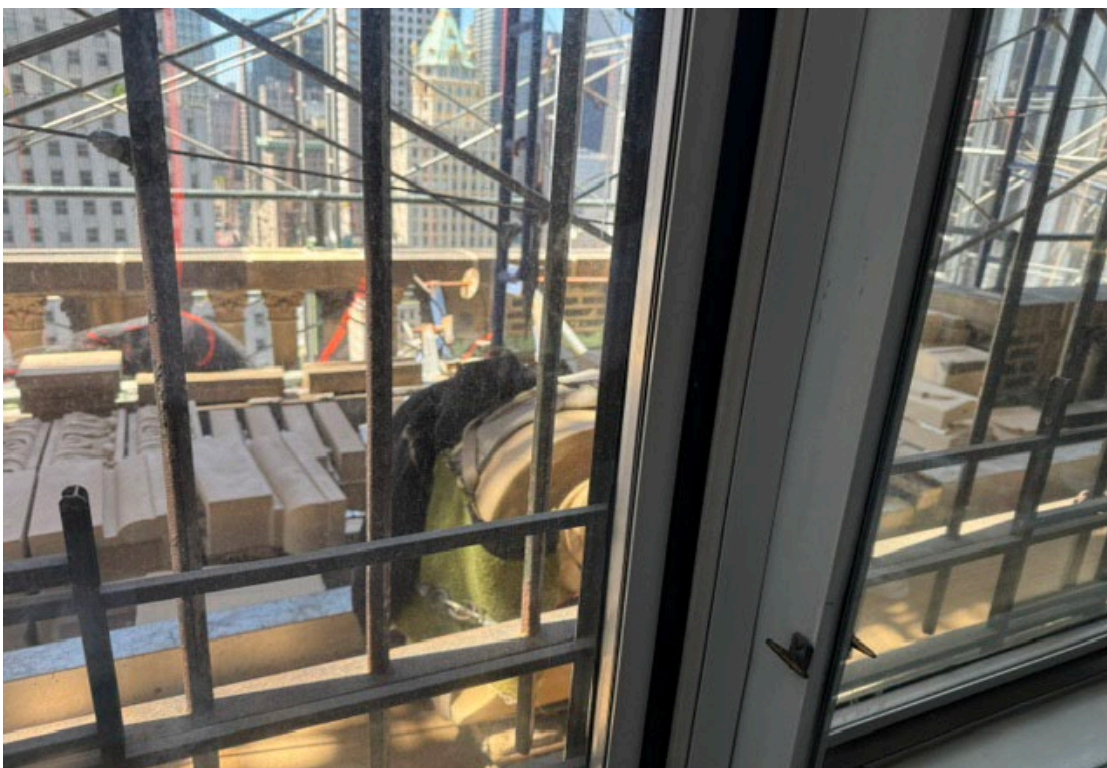


Figure 7: Southerly-facing views from the Apartment (June 2026)

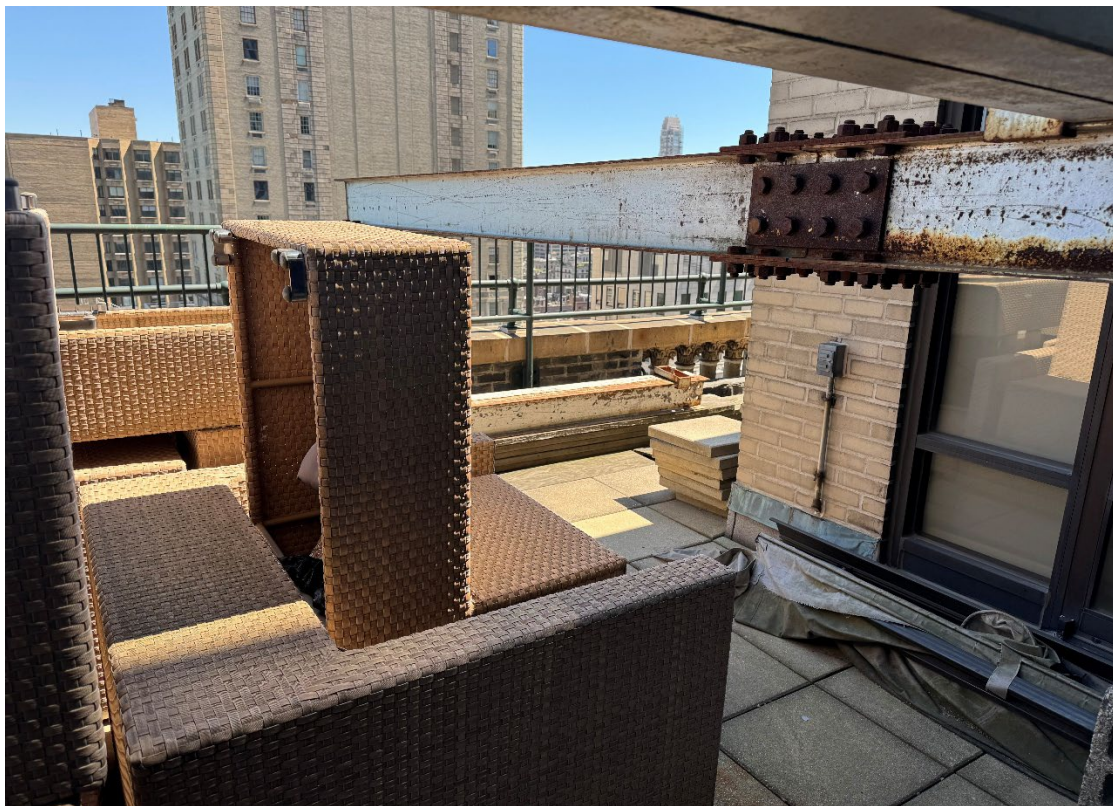


Figure 8: Northerly-facing views from the Apartment (June 2026)

21. Unfortunately, Defendant's original timeline proved grossly inaccurate. What Defendant presented as a one-year to eighteen-month inconvenience became an approximately six-year deprivation, with work extending *years* beyond every material projection Defendant gave to Plaintiff and the Coop's shareholders.

22. Indeed, Defendant initially told shareholders, including Plaintiff, that the Local Law 11/FISP project would cost in the range of approximately \$6 million to \$7 million and be completed in approximately 12 to 18 months. However, both the completion date and cost continue to be moving targets, and each time Defendant has updated Plaintiff, those updates quickly prove to be false and unrealistic.

23. For instance, in 2021 and 2022, Mr. Ullman repeatedly represented to Plaintiff that

despite the inability to meet the 12 to 18-month timeline, the work was moving forward and now expected to be completed by the end of 2022 or early 2023. Those deadlines were missed, however, and by December 2022 and March 2023, Defendant had shifted the projected completion date to the end of 2023.

24. In February 2023, Plaintiff asked whether the scaffolding would be removed by summer 2023, as she had been told the scaffolding would be removed by then and had been noticing that, despite the ongoing deprivation, there appeared to be little active work being performed. In response, Mr. Ullman advised that it would not be removed by that summer and completion by December 2023 was now only a goal and not an absolute.

25. In July 2024, Plaintiff again asked Mr. Ullman when the scaffolding would end, noting that Defendant had originally represented that the condition would last only approximately one year, that Plaintiff has been deprived of a considerable portion of her apartment, without compensation, for over three years (including the summer months), and it is causing and has caused a material adverse impact on her use and enjoyment of her apartment and its livability. Plaintiff emphasized how extraordinary the delay was, her Apartment was surrounded by scaffolding, and that she continued paying the same or increased maintenance while living with reduced space, reduced privacy, and a cage-like condition.

26. While Mr. Ullman acknowledged that the project was “taking far too long,” he attempted to excuse the delay by claiming that far greater-than-anticipated damage had been discovered after bricks and terra cotta were removed. He also refused, on Defendant’s behalf, to abate or otherwise adjust her maintenance payments to account for her loss of use of the portion of her Apartment commandeered by the scaffolding, equipment, and workers of the general contractor for the project.

27. The longer the scaffolding remained on Plaintiff's terrace, the worse the conditions became. What is more, the consequences of the prolonged use of Plaintiff's terrace and haphazardly installed scaffolding have extended well beyond the loss of use of or safe access to outdoor space, encompassing, without limitation, the following:

- a. The Apartment has suffered from cockroaches and ants emanating from the window and terrace door areas abutting the scaffolding, including an ant infestation in the bedroom and bathroom of which Plaintiff promptly notified Building management. The insect problem has persisted regularly, and Defendant's extermination efforts have merely reduced the extent of the infestation for short periods, but not permanently.
- b. Since the project began, Plaintiff and her guests have been subjected to insufferable and constant construction noise, from equipment and machinery, not only from the repair work itself, but also from workers cutting/sawing materials (e.g., stone, plywood, piping, etc.), and erecting, relocating, and demobilizing scaffolding, drops and platforms. The noise extends beyond just construction. It also includes workers fraternizing and playing loud music during their breaks at the expense of Plaintiff. As a result, Plaintiff is unable to peacefully use and enjoy her apartment, for her own use or to entertain guests, during the 8-10 hours per day the workers are on site.
- c. Plaintiff's expansive views for which she paid handsomely are completely obstructed. But the impact does not end there, as the scaffolding, piping, and plywood boards have substantially diminished light and air into the Apartment. In fact, due to noise, dust particles, and debris entering the Apartment and posing health problems if the windows or terrace doors are open, they must be closed at all times, reducing fresh air to ventilate the Apartment or cool it during warmer months when Plaintiff's air conditioning unit is not working properly (which the Coop has allowed to happen on multiple occasions).
- d. Plaintiff is completely deprived of her privacy. The workers are constantly fraternizing on the terrace playing loud music, eating food (sometimes not cleaning up after themselves), taking naps, and, on more than one occasion, peering into the Apartment, including once into the bathroom while a family member used the shower and was not fully clothed.
- e. To prevent these privacy violations, Plaintiff must keep her window drapes closed at all times, eliminating even the limited natural light that otherwise reaches the Apartment. In addition, workers have repeatedly entered the Apartment without Plaintiff's knowledge or consent, often damaging Ms. Espinosa's furnishings or moving furniture. They also have access to an Apartment ingress and egress point that is sometimes left unlocked, and they separately leave a connecting door ajar in violation of applicable Code requirements, giving unchecked access to individuals

for whom the Coop has not performed even a cursory background check.

- f. Defendant's negligent installation and maintenance of the scaffolding on and other misuse/abuse of Plaintiff's terrace not only has substantially damaged it and caused it to deteriorate but also has led to pooling of water on the terrace floor during heavy rains due to, upon information and belief, damage to the pitch and obstructions to drainage that creates the risk of water seeping into the Apartment.

28. These conditions have materially affected the interior of the Apartment, its habitability, and the ordinary residential use for which the Apartment and terrace were leased and intended.

29. Although Defendant has tried to excuse the delays by citing unexpected structural steel deterioration, delays in obtaining Landmarks approval and fabricating additional terra cotta and limestone replacements, and heightened regulatory requirements, the DOB records, project documents, and Building financials tell a different story. Those materials show not merely unfortunate complications, but Defendant's failure to plan, investigate, budget, sequence, supervise, and administer the project with reasonable care. Indeed, among other neglectful acts and omissions:

- a. Defendant failed to reasonably anticipate the project's true scope before taking Plaintiff's terrace out of service by failing to account for the Building's age, accurately assess the stone and other façade components requiring replacement, timely source those replacement materials, and obtain necessary Landmarks approvals before mobilization or, at minimum, seek all required approvals concurrently. Instead, Defendant repeatedly returned to Landmarks for piecemeal approvals of terra cotta, brickwork, and other restoration items, causing avoidable delays.
- b. Defendant failed to reasonably phase or sequence the work to minimize the duration of private terrace occupation by deferring the design, bidding process, and erection of the pipe scaffolding system supporting the Tower repairs until after the project was underway and scaffolding already was situated on Plaintiff's terrace, adding 1.5 years to the project timeline that could have been avoided.
- c. Defendant failed to use available means to mitigate the impact on Plaintiff by, among other things, delaying the installation of the scaffolding on her terrace until it was absolutely necessary, sequencing the repairs to minimize the duration that scaffolding must be on her terrace, utilizing other building areas for staging, and

increasing the number of workers on the project on a given day to expedite the completion timeframe.

- d. DOB records and project documents reflect violations, agency comments, controlled-access-zone issues, adjacent-property and adjoining-roof complications, stop-work conditions, safety and compliance issues, site incidents, disputes with neighboring property owners and professionals, and other circumstances that delayed or complicated the project, including:
- (i) April 8, 2022 — Violation No. 35647197H: Failure to take required safety measures for an unsafe façade; no safety measures on the roofs of 781 Fifth Avenue and 785 Fifth Avenue beneath broken masonry balusters of the arch wind-brace structure.
 - (ii) April 15, 2022 – Violation Nos. LLFA02AK and LLFA01AK: Vacate and emergency order due to unstable masonry arch on the 18th floor, presenting hazardous conditions below -- remedy immediately vacate all roof areas below. Provide and maintain safety measures to prevent access to the roof area below. Not dismissed until July 17, 2025.
 - (iii) June 2, 2022 — Violation No. 35651460H: Failure to comply with a Commissioner's Order directing repair of cracked/damaged balusters and severely cracked concrete at the base of the 18th-floor arch structure -- had not been removed or repaired as required by the emergency work order.
 - (iv) August 4, 2022 — Violation No. 35664037N: Failure to comply with Commissioner's Order; same cracked/damaged balusters remained unrepaired/uncovered at the 18th-floor north elevation, and broken window glass was observed without safety protection.
 - (v) April 13, 2023 – Violation Nos. VIO23-00967 and VIO23-00968: **Partial Stop-Work Order issued from April 12, 2023 through March 21, 2024 due to contractor withdrawal.**
 - (vi) April 3, 2024 — Violation No. 039527062J: Pedestrian protection did not meet code specifications because the sidewalk shed failed to maintain the minimum 8-foot clearance at the crosswalk/secondary restaurant exit and had unprotected bolts in the walkway.
 - (vii) April 3, 2024 — Violation No. 039527067Z: Unlawful signage was posted on sidewalk-shed protective structures.
 - (viii) April 3, 2024 — Violation No. 039527070J: Project information/parapet signage was not compliant.
 - (ix) **December 18, 2024 — Violation No. 039535232N: Failure to safeguard persons and property after a pedestrian was struck by a drill bit that fell from façade operations; DOB found the scaffold was not code-compliant**

and issued a full stop-work order. Standard penalty: \$25,000 penalty.

- (x) **December 18, 2024 — Violation No. 039535233P: Failure to comply with manufacturer specifications where a hammer drill used for façade work lacked required components, including a side handle for maximum control, creating a potential hazard; full stop-work order issued. Standard penalty: \$2,500.**
- (xi) **January 14, 2025 — Violation No. 039535964Z: Failure to timely notify DOB of the December 18, 2024 incident involving pedestrian injury/fatality and to submit the required incident report information within three business days. Standard penalty: \$10,000. Stop-work order due to incident ran from December 18, 2024 through January 31, 2025.**
- (xii) July 10, 2025 — Partial Stop Work Order: Suspended scaffolds at Exposure 3 without safety measures or a clearly established controlled access zone while adjacent work was active below; work on the roof was stopped for extended period pending safety measures.
- (xiii) **October 15, 2025 — Stop Work Reinspection Failure: Reinspection failed because the contractor was not ready for the appointment.**
- (xiv) **October 27, 2025 — Stop Work Reinspection Failure: Reinspection failed because Coop did not obtain authorization from neighboring property to use controlled access zone in lieu of roof protection, plus an amended Site Safety Plan reflecting the CAZ.**
- (xv) May 6, 2026 — Violation No. 039553874Y: Failure to notify DOB before installing/removing suspended scaffolds and related outrigger/counterweight systems at Exposures 1–4.
- (xvi) May 6, 2026 — Violation No. 039553876H: Work did not conform to approved construction documents because suspended scaffolds, needle beams, rigging, and supports were installed/in use but not shown on the approved SSP or drawings.
- (xvii) May 6, 2026 — Violation No. 039553877J: Supported/pipe scaffold at the 18th floor did not conform to approved plans, with incomplete planking, open sides, missing guardrails/midrails/toeboards, and loose/inadequately secured debris netting.
- (xviii) May 6, 2026 — Violation No. 039553875X: Welding/hot work was performed from a suspended scaffold without proper fire-resistant protection/containment, with suspension wire ropes not insulated/grounded and no grounding conductor connected to the scaffold/structure.
- (xix) **All May 6, 2026 violations resulted in partial stop-work order.**

(xx) May 28, 2026 — Stop Work Order Partially Rescinded: DOB partially rescinded the stop-work order but continued to bar work at Exposure 3 pending an amended SSP and adjacent-property authorization.

(xxi) Upon information and belief, although the original contractor agreement capped the base price and permitted change orders, those change orders were tied to completion deadlines. Upon further information and belief, Defendant thereafter agreed to and executed several contract amendments that, inexplicably, failed to condition the contractor's entitlement to change-order payments on adherence to those deadlines. As a result, upon information and belief, the contractor has substantially delayed performance without facing any meaningful financial penalty.

30. Defendant's negligence, as described above, therefore caused most of the delays from the original projections, not unanticipated conditions.

31. Defendant has not only grievously understated how long the scaffolding would occupy Plaintiff's entire terrace; it has also allowed the project's cost to balloon to nearly 600% of the original \$6.22 million budget. Mirroring Defendant's repeated failure to provide reliable completion dates, its budget projections have been revised sharply upward with little disclosure and no meaningful explanation of why Defendant has not sought to hold accountable the design and construction professionals responsible for those failures.

32. Indeed, by December 2025, Defendant revealed that its revised project budget estimates had risen to approximately \$29.5 million. By March 2026, the revised project budget had risen again to approximately \$33.97 million. And according to Defendant's most recent statement at the June 3, 2026 annual shareholders' meeting, the project is now approaching approximately \$35 million.

33. By May 2026, Defendant advised shareholders that nearly \$20 million had already been spent and that Defendant would be imposing or approving a new \$20 million special assessment. That special assessment amounts to approximately 80% of each shareholder's annual maintenance (roughly \$300,000 for Plaintiff's share) and is intended to replenish reserves and fund

remaining exterior restoration costs.

34. Adding insult to injury, Defendant recognized project-related economic harm to commercial tenants while refusing any maintenance abatement to Plaintiff.

35. Defendant's financial statements show that, because of the ongoing façade restoration project, management negotiated modifications of certain commercial leases in 2021 resulting in temporary rent reductions. Defendant also recognized substantial straight-line rent adjustments reflecting rent decreases connected to the façade restoration project. Defendant therefore granted economic concessions to commercial tenants affected by the project while refusing any meaningful adjustment to Plaintiff, whose home and appurtenant terrace have borne an extreme, prolonged, and direct burden.

36. Defendant's decision to grant financial accommodations to commercial tenants, while denying Plaintiff any comparable relief despite the Lease and the warranty of habitability, was especially improper given Defendant's stated rationale for refusing an abatement. Defendant did not contend that Plaintiff was legally or factually undeserving of relief; instead, it claimed that granting her an abatement would require similar relief for all affected shareholders, including terrace owners, thereby imposing a greater financial burden on the Coop: "Offering a maintenance abatement to all those shareholders would effectively make the work impossible to perform or to pay for, which would be to everyone's collective detriment."

37. Even if that consequence were inconvenient for the Coop, it does not excuse Defendant's obligation to abate Plaintiff's rent for its breach of the Lease and statutory warranty.

38. Nor should Plaintiff be forced to subsidize Defendant's mismanagement by paying full maintenance and assessments for a home whose terrace Defendant has commandeered and whose interior has been materially impaired.

39. On July 13, 2026, Plaintiff, through counsel, wrote Defendant demanding it provide a maintenance abatement and assessment credit or offset for the extraordinary and continuing impairment of Apartment 24T. The letter noted, among other things, (i) Defendant had used Plaintiff's expansive terrace as a staging area for scaffolding, equipment, netting, and construction access for years, while substantially diminishing Plaintiff's use, privacy, comfort, light, air, views, and the condition of the Apartment itself; (ii) Plaintiff had experienced construction noise, obstructed views, diminished light and air, loss of privacy from workers stationed directly outside the Apartment, water pooling, insect infestation, dust and debris, limitations on opening windows, and the constant visual and physical intrusion of scaffolding and construction materials; and (iii) workers had used the terrace as a hangout, including by congregating, playing music, resting, and peering into the Apartment, including bathroom areas, while Plaintiff and her family were entitled to privacy inside their home.

40. By letter dated July 21, 2026, Defendant's counsel acknowledged that no one anticipated the scale of the work required or the expense incurred when the project began. Nonetheless, Defendant denied Plaintiff's abatement request.

41. The terrace has not merely been temporarily restricted. For six years (and continuing), it has been occupied, obstructed, and rendered unusable as a staging and worker-access area, while the Apartment's light, air, privacy, views, cleanliness, comfort, and residential enjoyment and habitability have been materially impaired.

42. Upon information and belief, the indefinite placement of scaffolding on the terrace, its use as a staging area, and the resulting impact on the Apartment have substantially reduced the Apartment's value, and to a far greater extent than apartments not used as construction staging platform.

43. Apartments in the Building listed or sold after the scaffolding was erected generally experienced prolonged listing periods and price reductions, but the 18th floor unit, which is the only apartment other than Plaintiff's that has an expansive terrace with scaffolding, performed worse. In September 2024, when the 18th floor unit was listed for sale for the first time after the scaffolding was installed, its asking price was \$24 million. By April 2025, less than a year later, the asking price had dropped to \$12 million—a 50% reduction. By comparison, non-terrace apartments that sold during the project, including Apartments 27, 1409/1411, 2001, and 911, went for between 22% and 27% below their listing prices.

44. Requiring Plaintiff to pay full maintenance and full façade-related assessments under these circumstances would force Plaintiff to pay twice: first through the loss of a material portion of her home, and again through charges imposed to finance the project responsible for that loss. And since Plaintiff pays higher monthly maintenance and assessments to account for the terrace portion of her Apartment, and the Coop has benefited, in the form of cost savings, from its use of the terrace to stage materials and equipment and supply workers with a break area, Plaintiff is footing the bill so that all other shareholders without terraces save on the overall cost of the project. That result is both inequitable and contrary to law.

45. Accordingly, Plaintiff is entitled to remuneration from Defendant for its various wrongdoings and the resulting financial and other impact they have caused to Plaintiff.

FIRST CAUSE OF ACTION
(Breach of Contract)

46. Plaintiff repeats and realleges all prior paragraphs as if fully set forth herein.

A. The Lease and its Terms

47. Plaintiff and Defendant are all parties to the Lease, which is valid and enforceable and governs the parties' respective obligations concerning the Building and the Apartment.

48. The Lease, on page 1, states that 1,130 shares of the Coop are allocated to the Apartment and owned by Plaintiff, and Plaintiff is to have and to hold the Apartment and its “appurtenances,” which include the wrap-around terrace appurtenant to the interior of the Apartment. The 1,130 shares allocated to the Apartment are based upon both the interior and exterior (i.e., terrace) portions of the unit.¹

49. Article 1.2 of the Lease, governing Rent, provides that the rent payable by Plaintiff is based on the ratio of the number of shares she owns and the aggregate number of shares of all proprietary lessees in the Building.

50. Under Articles 1.2, 1.3, and 2.6 of the Lease, capital assessments, including the ones to fund the façade restoration project, are charged to Plaintiff like regular maintenance.

51. Article 2.5, entitled Terraces, provides, in relevant part, that:

A Lessee of an apartment having a direct access to a terrace or a portion of the roof adjoining an apartment (the “Terrace”) shall have and enjoy the exclusive use of the portion of such Terrace which immediately adjoins the apartment, subject to: (i) the provisions of this paragraph, (ii) all other applicable provisions of this lease, (iii) the use of such Terrace by the Lessor to enable it to fulfill its obligations under this or any other proprietary lease entered into by the Lessor, including, but not limited to, its obligations to maintain and repair, (iv) such rules and regulations as the board of directors may, from time to time, enact, and (v) the rules and regulations of the Board of Fire Underwriters and of all governmental authorities having jurisdiction over the Building.

It shall be the Lessee’s duty, at the Lessee’s own cost and expense, to keep the Terrace clean and free from debris and to maintain all screens and drain boxes in good condition. It shall be the Lessor’s duty to keep the Terrace in good repair, subject to reasonable wear and tear and the provisions contained in this paragraph. The Lessor shall not be obligated, however, to maintain or repair the tiles and

¹ The Coop’s List of Shareholders confirms that for apartments of similar size and similar layouts, the higher the floor, the more shares that are allocated to the apartment, and thus the greater the annual maintenance payments attendant to those shares. Although Apartment 24T is comparable in size and maintains a nearly identical internal floor plan as several higher up apartments in the Building, given that Plaintiff’s terrace is incorporated into the Apartment, it has been allocated more shares than all those apartments except for a full floor apartment on 18 with 6 bedrooms and the top floor apartments on 33 (also allocated 1,130 shares), 24, 35, and 36.

brick work on the Terrace.

52. Article 2.1 of the Lease obligates Defendant, as Lessor, to keep the Building and its apartments in good repair “at the expense of the Lessor” (unless caused by the neglect of the Lessee or the Lessee’s duty under the Lessee’s Repairs section of the Lease), as follows:

The Lessor shall keep in good repair the Building’s foundations, sidewalks, walls (except interior walls of apartments, floors and ceilings, unless repairs thereto are necessitated by the failure of Lessor to make repairs for which it is by this paragraph 2.1 responsible), supports, beams, roofs, gutters, fences, cellars, chimneys, restaurants, bars and all lobbies, public; spaces, entrances, street and court doorways, main halls, main stairways, elevators, pumps, tanks and all main and principal pipes for carrying water, gas or steam through the Building and all main drain pipes and electrical conduits, together with all plumbing, heating and other apparatus intended for the general service of the Building ...

53. Article 2.3 of the Lease provides for Plaintiff’s rent to be “proportionately abated” where fire or other cause renders the apartment “partly or wholly untenable” until the Apartment shall “again be wholly tenantable.”

54. In addition, Article 2.8 of the Lease, entitled Quiet Enjoyment, provides, in relevant part, that Plaintiff shall, “at all times during the term hereby granted, quietly have, hold and enjoy the apartment without any suit, trouble or hinderance from the Lessor...”

55. Finally, Article 3.23 of the Lease contains an attorneys’ fee provision in favor of Defendant in actions or proceedings arising out of the Lease.

If the Lessee shall at any time be in default hereunder, and the Lessor shall incur any expense (whether paid or not) in connection with such default or in performing acts which the Lessee is required to perform, or in instituting an action or proceeding based upon such default, or defending, or asserting a counterclaim in, any action or proceeding brought by the Lessee, the expense thereof to the Lessor, including reasonable attorney’s fees and disbursements, shall be paid by the Lessee to the Lessor, on demand as additional rent.

56. Pursuant to Article 3.23, as made reciprocal by New York’s Real Property Law

(“RPL”) § 234, Plaintiff is entitled to recover reasonable attorneys’ fees and disbursements she incurs in successfully prosecuting this action and enforcing Defendant’s Lease obligations.

B. Defendant’s Breaches of the Lease

57. The Terrace is substantial in size and function, directly connected to the Apartment’s principal rooms, and integral to the Apartment’s privacy, light, air, views, entertaining space, value, and marketability.

58. Plaintiff pays maintenance and assessments for Apartment 24T, including the shares and value associated with the Terrace, but Defendant has demanded those charges while depriving Plaintiff of the Terrace’s use.

59. Defendant’s deprivation was not a short-term inconvenience attendant to ordinary repair work. It was and continues to be a years-long occupation and obstruction of a material part of Plaintiff’s leasehold.

60. The terrace was and is used not merely for access, but also as a staging area, scaffold platform, equipment location, material-storage area, and worker-access and congregation point.

61. The deprivation of the terrace materially affected the Apartment’s interior by reducing light, air, privacy, ventilation, and views; by placing workers directly outside the Apartment; by limiting Plaintiff’s ability to open windows and doors; and by introducing dust, debris, insects, noise, and construction residue.

62. Accordingly, Defendant breached the proprietary lease by failing to keep the Building and Apartment in good repair, by rendering the terrace unusable and untenable for approximately six years (and continuing) and depriving Plaintiff of the exclusive use and enjoyment of the terrace, and by subjecting Plaintiff to years of trouble, hindrance, and interference arising from Defendant’s negligence in failing to administer the façade restoration project with

reasonable care and diligence and declining to pursue alternative means for performing the work so as to minimize its impact on the Apartment and shorten the duration of time that Defendant has evicted Plaintiff from her Terrace.

63. In addition, Defendant breached the covenant of quiet enjoyment by substantially and materially interfering with Plaintiff's possession, beneficial use, and peaceful enjoyment of Apartment 24T and the appurtenant terrace.

64. Plaintiff has fully performed all her obligations under the Lease, including payment of maintenance and assessments demanded by Defendant, and is not in breach of the Lease. On or about September 30, 2026, Plaintiff paid the Coop \$149,725, representing the first half of the most recent assessment to fund the remainder of the project (the second half is due later this year).

65. By reason of Defendant's breaches, Plaintiff has been damaged in an amount to be determined at trial, together with interest thereon, and/or is entitled to an abatement of her maintenance, and, pursuant to New York RPL § 234, is entitled to recover her reasonable attorneys' fees and expenses as a result of the failure of Defendant to perform the aforementioned covenants and agreements on its part to be performed under the Lease.

66. An assessment abatement or offset, in an amount to be determined at trial, is separately warranted because the assessments at issue are tied directly to the façade restoration project that caused the deprivation, and Defendant seeks to compel Plaintiff to fund the very project that has occupied her Terrace, impaired her Apartment, exceeded every material cost and time projection, and deprived her of a substantial part of the leasehold.

SECOND CAUSE OF ACTION
(Negligence)

67. Plaintiff repeats and realleges all prior paragraphs as if fully set forth herein.

68. Defendant, as Plaintiff's landlord/lessor, owes a duty to all shareholders in the

Building, including Plaintiff, to keep the Building in a state of good repair and not cause, create, or fail to correct a condition for which Defendant is responsible that could (and did) cause damage to the Building, and apartments therein, such as Plaintiff's Apartment.

69. Defendant breached its duty to Plaintiff by allowing the façade repairs to the Building to damage Plaintiff's Terrace and cause objectionable conditions to the interior of the Apartment, and by failing to correct any of the conditions that have allowed dust, debris, and insects to migrate from the Terrace and into the interior, causing damage to Plaintiff's property contained therein.

70. The foregoing damages to the Apartment and Plaintiff's property are the proximate and foreseeable results of Defendant's breach of its duties, without any negligence on Plaintiff's part contributing thereto.

71. By reason of Defendant's negligence, Plaintiff has been damaged in an amount to be determined at trial, together with interest thereon.

72. In addition, as the condition or conditions causing the damage in Plaintiff's Apartment are located in areas of the Building and due to causes for which Plaintiff is not responsible, Plaintiff is entitled to a mandatory injunction compelling Defendant to repair the conditions and damage caused to the terrace by the scaffolding, failing of which has caused and will continue to cause irreparable injury to Plaintiff, including to her health and well-being.

THIRD CAUSE OF ACTION
(Breach of Warranty of Habitability)

73. Plaintiff repeats and realleges all prior paragraphs as if fully set forth herein.

74. Pursuant to New York Real Property Law § 235-b(1), Defendant covenanted and warranted under Plaintiff's Lease that Plaintiff's Apartment was fit for human habitation and for the uses reasonably intended by the parties, and that Plaintiff shall not be subjected to any

conditions that are dangerous, hazardous, or detrimental to her life, health, or safety.

75. The warranty applies to cooperative proprietary leases and extends to appurtenant areas and building conditions that materially affect the residential use of the premises, including the terrace.

76. Defendant breached the warranty by rendering the terrace unfit for its intended use for approximately six years.

77. Defendant further breached the warranty by causing and permitting construction-related conditions that materially impaired the Apartment's habitability, comfort, safety, privacy, light, air, ventilation, cleanliness, quiet, and ordinary residential use.

78. Those conditions include, without limitation, scaffolding and equipment on the terrace, workers immediately outside the Apartment, dust and debris, insects, construction residue, limitations on opening windows and doors, reduced light and air, obstructed views, loss of privacy, noise, water-pooling creating the real risk of leaks into the interior, and repeated contractor access through the Apartment.

79. In reducing light and air, in particular, Defendant violated, among other provisions of New York's Multiple Dwelling Law, Section 20 requiring a landlord of a Multiple Dwelling to ensure that adequate light and ventilation are provided to the Apartment and not diminished, as they have been by the scaffolding on Plaintiff's Terrace.

80. All these conditions frustrated the uses reasonably intended by the parties when Plaintiff acquired and maintained Apartment 24T.

81. The conditions were not de minimis, cosmetic, or merely inconvenient. They have lasted for years, involve a substantial appurtenant portion of the premises, and materially impair the quality and diminish the value and residential utility of the Apartment.

82. By reason of Defendant's breach of the warranty of habitability, Plaintiff is entitled to a retroactive and prospective abatement of maintenance and an abatement, credit, or offset against façade-related assessments, in an amount to be determined at trial, together with interest, attorneys' fees, and disbursements.

FOURTH CAUSE OF ACTION
(Constructive Eviction)

83. Plaintiff repeats and realleges all prior paragraphs as if fully set forth herein.

84. Defendant's conduct has partially constructively evicted Plaintiff from a substantial and valuable portion of Apartment 24T, namely the terrace, as well as interior areas impacted by the scaffolding and the nuisance it is causing to those portions of the Apartment.

85. For approximately six years, Defendant has excluded Plaintiff from the terrace's ordinary and intended use by filling and surrounding it with scaffolding, netting, equipment, materials, construction staging, contractor access routes, and worker activity.

86. Defendant's occupation of the terrace has substantially and materially deprived Plaintiff of the beneficial use and enjoyment of that portion of the leasehold for which she has paid maintenance and assessments to the Coop without abatement, as well as other carrying charges on the Apartment.

87. Defendant's conduct has also materially diminished the use and enjoyment of the remaining interior portions of the Apartment by impairing privacy, light, air, ventilation, views, cleanliness, quiet, and comfort.

88. As such, the Apartment is presently partially or wholly untenable and uninhabitable.

89. Plaintiff need not abandon the entire Apartment to preserve a partial constructive eviction claim based on Defendant's deprivation of a discrete, substantial, and appurtenant portion

of the leasehold.

90. By reason of Defendant's partial constructive eviction, Plaintiff has been damaged in an amount to be determined at trial, including the fair value of the terrace deprivation, proportional abatements of maintenance and assessments, offsets against façade-related assessments, and consequential damages.

WHEREFORE, Plaintiff respectfully requests Judgment against Defendant as follows:

- A. On the First Cause of Action for breach of contract, awarding Plaintiff monetary damages against Defendant in an amount to be determined at trial, together with interest thereon, plus reasonable attorneys' fees and disbursements, or, in the alternative, an appropriate retroactive and prospective abatement of Plaintiff's maintenance and assessment payments arising from the breach of contract;
- B. On the Second Cause of Action for negligence, awarding Plaintiff monetary damages against Defendant in an amount to be determined at trial, together with interest thereon, and a mandatory injunction compelling Defendant to repair the conditions and damage caused to the terrace by the scaffolding;
- C. On the Third Cause of Action for breach of the warranty of habitability, awarding Plaintiff a retroactive and prospective abatement of maintenance and an abatement, credit, or offset against façade-related assessments, in an amount to be determined at trial, together with interest, attorneys' fees, and disbursements;
- D. On the Fourth Cause of Action for constructive eviction, awarding Plaintiff monetary damages against Defendant in an amount to be determined at trial, together with interest thereon; and
- E. Awarding to Plaintiff such other and further relief as the Court deems just, proper, and equitable.

Dated: New York, New York
October 9, 2026

SCHWARTZ SLADKUS REICH
GREENBERG ATLAS LLP
Attorneys for Plaintiff

By: /s/ Jared E. Paioff
Jared E. Paioff
444 Madison Avenue, 6th Floor
New York, New York 10022
(212) 743-7000