

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

PRESENT: Hon. Sherry Klein Heitler
Administrative Order

BALLAGHADERREEN CORP. and D.D.F.
CORPORATION,

Plaintiffs,

- v -

INDEX NO. 650637/14

JOSEPH KANNER, QUANTUM PROPERTY
MANAGEMENT, LTD., 4402 LLC, 154-7TH
AVE. CHELSEA, INC., EVAN
PLAXSUN and ALEX KANNER,

Defendants.

Administrative Order:

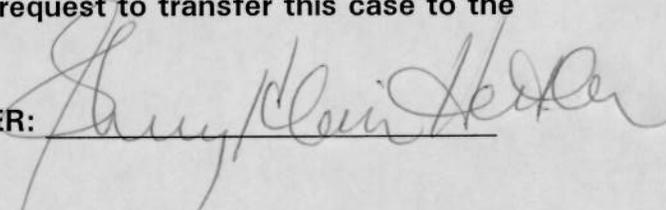
By letter dated April 29, 2014, plaintiffs' counsel timely applies for a transfer of this action to the Commercial Division. There is no opposition to the request.

Plaintiffs contend that this action meets the standards for assignment to the Commercial Division, because the complaint seeks damages in excess of \$5 million, an accounting, a constructive trust, rescission, and declaratory relief arising from the allegedly fraudulent, deceitful and bad-faith management of four Manhattan buildings by defendants Joseph Kanner and Quantum Property Management, Ltd.

Uniform Rule 202.70 (b) (1) and (3) provide that actions in which the principal claims involve or consist of breach of contract or fiduciary duty or fraud where the breach or tort is alleged to arise out of business dealings, or transactions involving commercial real property not involving the payment of rent, will be heard in the Commercial Division. However, Uniform Rule 202.70 (c) (3) specifically provides that cases involving residential real estate disputes are non-commercial. This action involves the management of four buildings that are predominantly residential (see Cmplt., ¶¶ 19-25), concerns the application of state and local rent protection laws, and one of the claims seeks rescission of a residential lease agreement. Therefore, this action does not qualify for assignment to the Commercial Division.

For the foregoing reasons, the request to transfer this case to the Commercial Division is denied.

Dated: May 6, 2014

ENTER: 

Check one: FINAL DISPOSITION

NON-FINAL DISPOSITION