

SMC 526 Seventh LLC v Now Trending, LLC
2026 NY Slip Op 31164(U)
March 23, 2026
Supreme Court, Kings County
Docket Number: Index No. 524757/2023
Judge: Anne J. Swern
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At an IAS Trial Term, Part 75 of the Supreme Court of the State of New York, Kings County, at the Courthouse located at 360 Adams Street, Brooklyn, New York on the 23rd day of March 2026

P R E S E N T: HON. ANNE J. SWERN, J.S.C.

SMC 526 SEVENTH LLC,

Plaintiff(s),

-against-

NOW TRENDING, LLC, YOUSEFF SAADIA, 934 AVENUE S TRUST, 936 AVENUE S TRUST, SARA SAADIA, individually and as trustee of 934 AVENUE S TRUST and 936 AVENUE S TRUST, and CITIZENS BANK NA, as mortgagee of real property located at 934 Ave. S. Brooklyn, NY 11223,

Defendant(s).

DECISION & ORDER

Index No.: 524757/2023

Calendar No.: 40

Motion Seq.: 003

Return Date: 12/11/2025

Recitation of the following papers as required by CPLR 2219(a):

**NYSCEF
Papers Numbered**

Notice of Motion and Supporting Documents	53-69
Affirmation in Opposition and Supporting Documents	71-72
Reply Affirmation and Supporting Documents	73-74

Upon the foregoing papers, the decision and order of the Court is as follows:

This is an action seeking to void the transfers of 934 Avenue S, Brooklyn, New York 11223 Block 7091 and Lot 14 from Youseef Saadia to the 936 Avenue S Trust 936 Avenue S, Brooklyn, New York 11223 Block 7091 and Lot 15 from Youseef Saadia to the 936 Avenue S Trust in violation of Debtor Creditor Law § 273 [a] and § 276. The complaint also seeks attorneys' fees and expenses per Debtor Creditor Law § 276-a, and damages for breach of contract under a Lease and Guaranty.

Plaintiff is the owner and landlord of 526 Seventh Avenue, 8th Floor, New York, New York (“leased property”). Mr. Saadia is the sole owner of Now Trending LLC and executed a lease with plaintiff for the leased property on 2/25/2022. A commercial landlord/tenant proceeding was commenced on 8/18/2022 in Civil Court, New York County for unpaid rent. On 1/9/2023, the parties executed a settlement agreement, secured by a confession of judgment. Per the terms of the agreement, an action would be commenced in Kings County Supreme Court on the confession of judgment in the event of Mr. Saadia’s default. Mr. Saadia defaulted on this agreement.

On 4/14/2023, plaintiff filed the confession of judgment in Kings County Supreme Court, and judgment was entered by the Clerk of the Court against Now Trending LLC and Youssef Saadia in the amount of \$110,225.00. Under the terms of the agreement, Mr. Saadia and Now Trending LLC were responsible for the amount due under the remaining term of the lease upon default. Therefore, as of the date of the motion, \$192,974.45 was due and owing to plaintiff.

During plaintiff’s efforts to collect this judgment, plaintiff learned that on 1/16/2023 immediately after signing the settlement agreement on 1/9/2023, Mr. and Mrs. Saadia filed and recorded the deed transfers to the Trusts that were dated 6/20/2019 and 8/1/2019. Additionally, on 1/24/2023, Mr. Saadia also filed and recorded deed transfers from 13 years earlier dated 5/25/2010. All the deed transfers were for \$10.00. Essentially, the properties were transferred in and out of the Trust without any explanation during Mr. and Mrs. Saadia’s depositions. (*See* NYSCEF #54, ¶¶38-42). Further, despite claiming that the 934 Trust owned the 934 Avenue S property, Mr. Saadia admitted in his deposition that he fraudulently obtained a \$250,000.00 home equity line of credit on 12/28/2022 in his individual capacity. Mr. Saadia used the entire \$250,000.00 for cash living expenses.

Accordingly, plaintiff argues that defendants knowingly violated the Debtor Creditor to render themselves insolvent and avoid payment of the judgments owed to plaintiff. Based on these violations, the deed transfers dated in 2019 but not recorded until 1/16/2023 and 1/24/2023 are voidable. Plaintiff also points out the Court that by an order dated 3/5/2025, defendants were precluded from offering evidence at trial concerning plaintiff's claims under the Debtor Creditor Law.

In opposition to the motion Mr. Saadia submits a three-paragraph affidavit in opposition. He states that 1) Plaintiff has no way of knowing his actual intent and had no intent to defraud anybody, 2) He executed the deed some 13 years before any debt arose and recorded it so he could refinance credit card debt and first mortgage arrears owed since 2022, and 3) He is claiming a homestead exemption.

In reply, plaintiff once again points to Mr. Saadia's deposition testimony that when asked about the \$250,000.00, he did not testify that it was used to pay credit card debts or mortgage arrears and even if true, defendants are precluded from opposing plaintiff's claims under the Debtor Creditor Law based on their failure to comply with plaintiff's discovery demands. Therefore, plaintiff is entitled to summary judgment.

Summary judgment may be granted only when no triable issue of fact exists (*Alvarez v Prospect Hospital*, 68 NY2d 320 [1986]). "A party moving for summary judgment must make a prima facie showing of entitlement to judgment as a matter of law, producing sufficient evidence to demonstrate the absence of any material issue of fact. However, a failure to demonstrate a prima facie entitlement to summary judgment motion, requires a denial of the motion regardless of the adequacy of the opposing papers" (*Ayotte v Gervasio*, 81 NY2d 1062, 1063 [1993], citing *Alvarez v Prospect Hospital*, 68 NY2d 324). "Once this showing has been made, the burden

shifts to the nonmoving party to produce evidentiary proof in admissible form sufficient to establish the existence of material issues of fact that require a trial for resolution” (*Giuffrida v Citibank*, 100 NY2d 72, 81 [2003] and *Alvarez v. Prospect Hospital*, 68 NY2d 324).

The Court’s only role upon a motion for summary judgment is to identify the existence of triable issues, and not to determine the merits of any such issues (*Vega v Restani Construction Corp.*, 18 NY3d 499, 505 [2012]) or the credibility of the movant’s version of events (see *Xiang Fu He v Troon Management, Inc.*, 34 NY3d 167, 175 [2019] [internal citations omitted]). The Court must view the evidence in the light most favorable to the nonmoving party, affording them the benefit of all reasonable inferences that can be drawn from the evidence (see *Negri v Shop & Stop, Inc.*, 65 NY2d 625, 626 [1985]).

Here, plaintiff has established a *prima facie* entitlement to summary judgment under the Debtor Credit Law. There is only one inference that can be drawn from plaintiff’s evidence, *i.e.*, that defendants were making a concerted effort to render themselves insolvent or judgment proof as evidenced by the \$250,000.00 home equity line of credit applied for while the Landlord/Tenant proceeding was pending but before it was settled on 1/9/2023. This concerted effort continued as of 1/16/2023 and 1/24/2023 when Mr. Saadia recorded the backdated deeds. (*Negri v Shop & Stop, Inc.*, 65 NY2d 626).

It is noted that any purported homestead exemption is not applicable at this juncture because this is not a collection proceeding; plaintiff is only seeking to undo the transfers from Mr. and Mrs. Saadia to the Trusts. The homestead exemption only applies in enforcement proceedings once the property is sold either by a receiver or sheriff (*Matter of Lew v Sobel*, 192 AD3d 797, 798-799 [2d Dept 2021]; (*Citibank, N.A. v Cambel*, 119 AD2d 720, 720 [2d Dept 1986] [The homestead exemption under CPLR 5206 “is applicable in proceedings involving the

satisfaction of a money judgment, and to no other proceedings.]; *See also* CPLR § 5206 [d] and [e]).

The Court has considered the defendants' remaining arguments and finds same to be without merit.

Accordingly, it is hereby

ORDERED that plaintiff's motion for summary judgment is GRANTED, and it is further ORDERED that plaintiff shall settle the order on notice within 45 days of the date of entry of this order in NYSCEF, together with an affirmation of attorneys' fees and expenses, and a bill of costs.

This constitutes the decision and order of the Court.

ENTER:



Hon. Anne J. Swern, J.S.C.

Dated: 3/23/2026