

**Board of Mgrs. of the Walton Condominium v  
Coleman 264 Water St. LLC**

2025 NY Slip Op 33755(U)

October 6, 2025

Supreme Court, New York County

Docket Number: Index No. 152645/2024

Judge: Leslie A. Stroth

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This opinion is uncorrected and not selected for official publication.

SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. LESLIE A. STROTH PART 12M

Justice

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INDEX NO. 152645/2024

THE BOARD OF MANAGERS OF THE WALTON CONDOMINIUM,

MOTION DATE 03/21/2025

Plaintiff,

MOTION SEQ. NO. 001

- v -

COLEMAN 264 WATER STREET LLC, JOHN DOES

DECISION + ORDER ON MOTION

Defendant.

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The following e-filed documents, listed by NYSCEF document number (Motion 001) 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47

were read on this motion to/for PREL INJUNCTION/TEMP REST ORDR

FACTUAL AND PROCEDURAL BACKGROUND

Plaintiff, The Board of Managers of the Walton Condominium ("Board" or "Plaintiff"), commenced this action to foreclose upon its lien for unpaid common charges and special assessments against Defendant, Coleman 264 Water Street LLC ("Defendant"), the owner of Unit PHC at the condominium premises located at 264 Water Street, New York, New York. Plaintiff also seeks recovery of arrears, late fees, interest, and attorneys' fees.

Plaintiff moves for the appointment of a temporary receiver to collect rents and profits from Unit PHC pursuant to CPLR 6401 and Real Property Law §339-aa, and to enjoin Defendant from entering into new lease agreements unless rental income is directed to the Board

Defendant opposes and cross-moves, pursuant to CPLR 602(a), to consolidate this lien foreclosure action with Dhindsa, et al. v. The Board of Managers of the Walton Condominium, et al., Index No. 156243/2017 (the "Dhindsa Action").

## LEGAL STANDARD

### *Appointment of a Temporary Receiver*

CPLR 6401(a) authorizes the appointment of a temporary receiver “where there is danger that the property will be removed from the state, or lost, materially injured or destroyed.”

Appointment of a receiver is a drastic remedy resting in the Court’s discretion, to be exercised sparingly. (see *Vardaris Tech, Inc. v Paleros Inc.*, 49 AD3d 631 [2d Dept 2008]).

Real Property Law §339-aa authorizes condominium boards to file liens for unpaid common charges and to seek the appointment of a receiver to collect rents from a defaulting unit owner. Nonetheless, the Court must consider whether such relief is necessary and proportionate.

### *Consolidation*

CPLR 602(a) permits consolidation of actions involving common questions of law or fact, where it will avoid unnecessary costs or delay. Consolidation is not appropriate where the cases involve distinct issues, or where consolidation would prejudice a party or impede timely resolution (See *Amtorg Trading Co. v Broadway & 56th St. Assoc.*, 191 AD2d 212, 213 [1st Dept 1993]; see also *HSBC Bank USA, N.A. v Francis*, 214 AD3d 58, 62 [2d Dept 2023]).

## DISCUSSION

### *Plaintiff’s Motion for Appointment of a Temporary Receiver*

The Court acknowledges that Defendant’s arrears currently exceed \$170,000 in unpaid assessments. The Walton Condominium By-Laws expressly require all unit owners to pay monthly common charges and special assessments, and authorize the Board to enforce collection through liens and foreclosure (NYSCEF Doc No. 13, 6.1–6.5). Section 6.5 further grants the Board the right and obligation to file liens and pursue foreclosure when payments are not made.

Additionally, under the Standard Form Condominium Apartment Lease executed by Defendant with tenants Kevin Klein and Hanna Grahn-Klein (dated February 27, 2025), Defendant expressly covenanted that the lease remained subject to the Condominium Documents, including the By-Laws, and that rent could not be collected or occupancy permitted in violation of those obligations. (NYSCEF Doc No. 18, § 4).

These documents, together with Real Property Law §§339-z and 339-aa, establish beyond dispute Defendant's ongoing obligation to remit common charges and assessments, regardless of disputes or alleged offsets.

However, the appointment of a temporary receiver is not warranted at this time. The Condominium By-Laws, already provide the Board with specific enforcement rights, including the right to file liens for unpaid charges and to foreclose upon such liens (NYSCEF Doc No. 13 §§ 6.1–6.5). Plaintiff has, in fact, commenced the instant foreclosure action to enforce its lien

Thus, Plaintiff's ability to enforce its rights through lien foreclosure, direct collection of arrears, and other statutory remedies remains intact.

Accordingly, Plaintiff has not shown that the property is in danger of being lost or destroyed or that its rights cannot be adequately protected through foreclosure proceedings, direct payment orders, and enforcement remedies authorized under the By-Laws and the Condominium Act. The request for the appointment of a temporary receiver is therefore denied.

Nonetheless, Defendant remains directed to continue paying all common charges and special assessments monthly to Plaintiff during the pendency of this action, and to apply any rental income from Unit PHC toward arrears and ongoing obligations.

*Defendant's Cross-Motion to Consolidate*

The cross-motion to consolidate with the *Dhindsa Action* is denied. That case concerned separate disputes between other unit owners and the Board, and has since been settled and disposed. With the *Dhindsa* action no longer active, consolidation is not only inappropriate but impossible. Even if it remained pending, the issues in that case are unrelated to the lien foreclosure and arrears at issue here.

The court has considered the remaining arguments of the parties and finds such unavailing. Accordingly; it is hereby

ORDERED that Plaintiff's motion to appoint a temporary receiver is denied; and it is further

ORDERED that Defendant's cross-motion to consolidate this action with *Dhindsa, et al. v. The Board of Managers of the Walton Condominium, et al.*, Index No. 156243/2017 is denied; and it is further

ORDERED that Defendant remains directed to continue paying all common charges and special assessments monthly to Plaintiff during the pendency of this action, and to apply any rental income from Unit PHC toward arrears and ongoing obligations.

The foregoing constitutes the decision and order of the court.


10/6/2025  
DATE

CHECK ONE:  CASE DISPOSED  DENIED  NON-FINAL DISPOSITION

APPLICATION:  GRANTED  GRANTED IN PART  OTHER

CHECK IF APPROPRIATE:  SETTLE ORDER  SUBMIT ORDER

INCLUDES TRANSFER/REASSIGN  FIDUCIARY APPOINTMENT  REFERENCE

  
HON. LESLIE A. STROTH  
J.S.C.