

Panagios MEP Corp. v Reda Water St., LLC

2025 NY Slip Op 34700(U)

December 8, 2025

Supreme Court, New York County

Docket Number: Index No. 155963/2023

Judge: Lyle E. Frank

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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. LYLE E. FRANK PART 11M

Justice

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INDEX NO. 155963/2023

PANAGIOS MEP CORP.,

MOTION DATE 11/03/2025

Plaintiff,

MOTION SEQ. NO. 002

- v -

REDA WATER STREET, LLC, REDA NEW YORK HOLDINGS, LLC

DECISION + ORDER ON MOTION

Defendant.

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The following e-filed documents, listed by NYSCEF document number (Motion 002) 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44

were read on this motion to/for PARTIAL SUMMARY JUDGMENT.

Upon the foregoing documents, the motion is granted unopposed.

Background

The Renovation Project

Defendant Reda Water Street LLC (“Reda”) owns the real property located at 257 Water Street, New York, New York. Reda New York Holdings, LLC (“Holdings”, collectively with Reda “Defendants”) is a non-member manager for Reda. In 2022, Reda and Plaintiff entered into a series of lump sum agreements (the “Agreements”) related to a renovation project. Defendants allege that Plaintiff performed the outlined work in a defective and incomplete manner, necessitating the employment of other contractors to finish the project. They also allege that Plaintiff attempted to retroactively increase the price of the work partway through the project, after realizing that they had underbid the project.

In September of 2022, Plaintiff filed a lien (the “First Lien”) for the amount of \$47,434.64, ostensibly for work performed and materials provided for the project. The First Lien

was based on the Agreements. Then in May of 2023, Plaintiff filed another lien (the “Second Lien”), this time for \$175,449.07. The Second Lien was not based on the Agreements, but rather on a proposed fourth agreement that was never entered into by the parties. It sought recovery for all costs Plaintiff alleged to have incurred over the course of the project. Both liens gave the last day of work as September 19, 2022.

Procedural Background

Plaintiff filed this underlying proceeding in July of 2023, with causes of action for foreclosure of mechanic’s lien (for the Second Lien), breach of contract, quantum meruit, and account stated pled against Defendants. Defendants answered and pled counterclaims for breach of contract, negligence, and willful exaggeration of mechanic’s lien. Plaintiff answered the counterclaims. The parties engaged in discovery, and in February of 2025 Plaintiff’s counsel moved to withdraw as counsel. This motion was granted, and no new counsel has appeared on behalf of Plaintiff.

Discussion

Defendants now move for partial summary judgment, dismissing the complaint and granting them judgment on their counterclaims. Plaintiff has failed to oppose the motion. Under CPLR § 3212, a party may move for summary judgment and the motion “shall be granted if, upon all the papers and proof submitted, the cause of action or defense shall be established sufficiently to warrant the court as a matter of law in directing judgment in favor of any party.” CPLR § 3212(b). Once the movant makes a showing of a prima facie entitlement to judgment as a matter of law, the burden then shifts to the opponent to “produce evidentiary proof in admissible form sufficient to establish the existence of material issues of fact which require a trial of the action.” *Stonehill Capital Mgt. LLC v. Bank of the W.*, 28 N.Y.3d 439, 448 [2016].

The facts must be viewed in the light most favorable to the non-moving party, but conclusory statements are insufficient to defeat summary judgment. *Id.*

Defendants Have Established a Prima Facie Case for Summary Judgment in Their Favor

Dismissing the Complaint

Defendants have provided sufficient evidence showing that the Second Lien was willfully exaggerated, as it seeks recovery of an amount greater than that specified in the Agreements. *See, e.g., Gui's Lumber & Home Ctr., Inc. v. Mader Constr. Co.*, 13 A.D.3d 1096, 1097 [4th Dept. 2004]. Such a willfully exaggerated lien is unenforceable and should properly be dismissed. *See, e.g., Lapenna Contr., Ltd. v. Mullen*, 187 A.D.3d 1451, 1455 [3rd Dept. 2020]. Therefore, the first cause of action in the complaint should be dismissed and Defendants should be granted summary judgment on their third counterclaim for willful exaggeration.

Plaintiff's remaining claims are for breach of the Agreements and for quasi-contract relief related to the breach of contract claim. Defendants have argued that because Plaintiff breached the Agreements themselves, they cannot succeed on the breach of contract claim. Furthermore, Plaintiff pleads this claim solely against Holdings, but only Reda and not Holdings was a party to the Agreements. For both these reasons, Defendants have established a prima facie entitlement to have the breach of contract claim dismissed. The claim for quantum meruit is for payment in excess of the lump sum provided for in the Agreements. Because this subject matter is based upon a written agreement between the parties, the claim for quantum meruit cannot stand. *See, e.g., H.B.L.R., Inc. v. Command Broadcast Assoc., Inc.*, 156 A.D.2d 151, 152 [1st Dept. 1989].

Finally, Plaintiff pled a claim for account stated as against Holdings. Defendants argue that there was never an agreement between Holdings and Plaintiff. As a general rule for account stated claims, they "cannot be made an instrument to create liability when none otherwise exists

but assumes the existence of some indebtedness between the parties or an express agreement to treat the statement in question as an account stated.” *Martin H. Bauman Assoc., Inc. v. H&M Int’l Transport, Inc.*, 171 A.D.2d 479, 485 [1st Dept. 1991]. Because there was no agreement or understanding between Plaintiff and Holdings, the account stated claim cannot stand and should therefore be dismissed.

Defendants Have Established a Prima Facie Case for Summary Judgment on Liability as to Their Counterclaims

Defendants have also moved for summary judgment in their favor on their first and third counterclaims, for breach of contract and for willful exaggeration of the mechanic’s lien. As discussed above, Defendants have adequately shown that the lien in question was willfully exaggerated. Defendants allege, and have submitted sworn affidavits towards this contention, that Plaintiff breached the contract by failing to complete specific aspects of the project such as failing to waterproof the roof. They state that Plaintiff has been paid all monies owed under the Agreements, and therefore they have not breached the contract on their part. Defendants have made a prima facie showing of entitlement to a liability judgment in their favor on the first and third counterclaims, and Plaintiff has failed to rebut it. Because there is still an outstanding counterclaim for negligence, damages on the first and third counterclaims would properly be determined when this matter resolves. Accordingly, it is hereby

ADJUDGED that the motion is granted unopposed; and it is further

ADJUDGED that the complaint is dismissed; and it is further

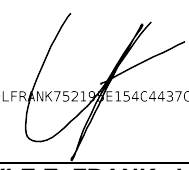
ORDERED that the Notice of Pendency that Plaintiff Panagios MEP Corp.’s filed against defendants Reda Water Street LLC and Reda New York Holdings LLC for \$175,449.07, the subject of a mechanic’s lien filed on May 18, 2023, with the New York County Clerk’s Office

against the real property at 23 Peck Slip and 257 Water Street, New York, New York, Block No. 107, Lot No. 42, is vacated and canceled; and it is further

ORDERED that the Mechanic’s Lien described above is vacated and canceled; and it is further

ADJUDGED that defendants Reda Water Street, LLC and Reda New York Holdings LLC are granted summary judgment on liability in their favor on the first and third counterclaims as against plaintiff Panagios MEP Corp.; and it is further

ORDERED that an assessment of damages as against plaintiff Panagios MEP Corp. on the first and third counterclaims is directed which shall occur at the time of trial or other such resolution of the matter.


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LYLE E. FRANK, J.S.C.

12/8/2025
DATE

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE