

La Playastar Uno LLC v Coco Hotel 1 LLC

2025 NY Slip Op 35033(U)

December 23, 2025

Supreme Court, New York County

Docket Number: Index No. 654129/2025

Judge: Andrea Masley

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 48

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LA PLAYASTAR UNO LLC, LA PLAYASTAR DOS LLC,
and LA PLAYASTAR TRES LLC,

Plaintiffs,

- v -

COCO HOTEL 1 LLC and COCO CONDOMINIUM 1 LLC,

Defendants,

FIDELITY NATIONAL TITLE INSURANCE COMPANY,

Nominal Defendant.

INDEX NO. 654129/2025

MOTION DATE -

MOTION SEQ. NO. 005

**DECISION + ORDER ON
MOTION**

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The following e-filed documents, listed by NYSCEF document number (Motion 005) 59, 60, 61, 62, 63, 64, 65, 70, 71, 73

were read on this motion to/for SEAL.

In motion sequence 005, defendants Coco Hotel 1 LLC and Coco Condominium 1 LLC move pursuant to pursuant to the Uniform Rules of the New York State Trial Courts (22 NYCRR) § 216.1 to seal/redact the March 25, 2025 Purchase and Sale Agreement (PSA) entered into by the parties. (NYSCEF 23, 33, & 62.)

Specifically, defendants argue that the PSA contains competitively sensitive and propriety business information regarding the property at issue and the purchase transaction's structure, which disclosed could harm defendants' interest, including any future sale of the property. Plaintiffs take no position as to the proposed redactions. (NYSCEF 73, Plaintiffs' MOL.) There is no indication that the press or public have an interest in this matter.

Legal Standard

“Under New York law, there is a broad presumption that the public is entitled to access to judicial proceedings and court records.” (*Mosallem v Berenson*, 76 AD3d 345, 348 [1st Dept 2010] [citations omitted].) The public’s right to access is, however, not absolute, and under certain circumstances, “public inspection of court records has been limited by numerous statutes.” (*Id.* at 349.) For example, § 216.1(a) of the Uniform Rules for Trial Courts, empowers courts to seal documents only upon a written finding of good cause. It provides:

“Except where otherwise provided by statute or rule, a court shall not enter an order in any action or proceeding sealing the court records, whether in whole or in part, except upon a written finding of good cause, which shall specify the grounds thereof. In determining whether good cause has been shown, the court shall consider the interests of the public as well as of the parties. Where it appears necessary or desirable, the court may prescribe appropriate notice and opportunity to be heard.” (Uniform Rules for Trial Cts [22 NYCRR] § 216.1 [a].)

The “party seeking to seal court records has the burden to demonstrate compelling circumstances to justify restricting public access” to the documents. (*Mosallem*, 76 AD3d at 349 [citations omitted].) Good cause must “rest on a sound basis or legitimate need to take judicial action.” (*Danco Lab Ltd. v Chemical Works of Gedeon Richter, Ltd.*, 274 AD2d 1, 8 [1st Dept 2000] [internal quotation marks and citation omitted].)

Discussion

Here, defendants seek to permanently redact commercially sensitive terms that were negotiated by the parties in connection with the sale of the property, which if disclosed, could hinder future sale negotiations of the property with potential buyers. Further, the defendants also seek to redact provisions relating to the boundaries of the

property. They argue that there exists good cause to redact such provisions because they reveal future business plans and strategies. Further, they seek to redact provisions related to how the deal was structured.

Courts have sealed records where the disclosure of documents “could threaten a business’s competitive advantage.” (*Mosallem*, 76 AD3d at 350-351 [citations omitted].) Similarly, courts have recognized a compelling interest in sealing records that contain “proprietary financial information because disclosure could harm the private corporation’s competitive standing.” (*Mancheski v Gabrielli Group Capital Partners*, 39 AD3d 499, 502 [2d Dept 2007] [citation omitted].) Here, the proposed redactions/sealings are warranted to protect defendants from competitive harm in future sales negotiations, especially since there is no public interest in these documents. (See *Mosallem*, 76 AD3d at 350-351.)

Accordingly, it is

ORDERED that the motion is granted; and it is further

ORDERED that the County Clerk, upon service of this order, is directed to seal NYSCEF 23, 33, and 62; and it is further

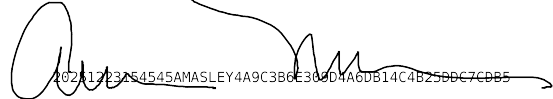
ORDERED that the County Clerk shall restrict access to the sealed documents with access to be granted only to authorized court personnel and designees, the parties and counsel of record in this action, and any representative of a party or of counsel of record upon presentation to the County Clerk of written authorization from counsel; and it is further

ORDERED that defendants shall serve a copy of this order on the County Clerk in accordance with the procedures set forth in the Protocol on Courthouse County Clerk

Procedures for Electronically Filed Cases (accessible at the “E-Filing” page on the court’s website at the address www.nycourts.gov/supctmanh); and it is further

ORDERED that if any party seeks to redact identical information in future filings that the court is permitting to be redacted here, that party shall submit a proposed sealing order to the court (via sfc-part48@nycourts.gov and NYSCEF) instead of filing another seal motion; and it is further

ORDERED that this order does not authorize sealing or redacting for the purposes of trial or other court proceedings on the record, e.g. arguments on motions.



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12/23/2025
DATE

ANDREA MASLEY, J.S.C.

CHECK ONE:

CASE DISPOSED

GRANTED

DENIED

NON-FINAL DISPOSITION

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE