

**Hunters Key LLC v Bluestone Lane 90 Water LLC**

2026 NY Slip Op 30123(U)

January 5, 2026

Supreme Court, New York County

Docket Number: Index No. 151452/2021

Judge: Alexander M. Tisch

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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. ALEXANDER M. TISCH PART 18**

*Justice*

-----X INDEX NO. 151452/2021

HUNTERS KEY LLC, MOTION DATE 02/14/2024

Plaintiff,

MOTION SEQ. NO. 002

- v -

BLUESTONE LANE 90 WATER LLC, BLUESTONE LANE HOLDINGS LLC

**DECISION + ORDER ON MOTION**

Defendant.

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The following e-filed documents, listed by NYSCEF document number (Motion 002) 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48

were read on this motion to/for VACATE - DECISION/ORDER/JUDGMENT/AWARD.

This case is a real estate dispute about a lease agreement for commercial space at 90 Water Street, New York, New York (the Premises). Plaintiff claims defendant Bluestone Land 90 Water LLC (Tenant) was the tenant under the lease and defendant Bluestone Lane Holdings LLC (Guarantor) was the guarantor for Tenant. According to the complaint, Tenant failed to pay plaintiff any rent or additional rent after March of 2020. Plaintiff then brought suit. Defendants defaulted, failing to appear, answer, or otherwise plead. The Court ordered an inquest (NYSCEF Doc. No. 9). The Decision and Order after Inquest awarded plaintiff a total of \$412,768.21 for rent and late charges, \$6,725,00 for attorneys' fees, and \$684.98 in costs (NYSCEF Doc. No 18). Now, defendants move to vacate the Decision and Order after Inquest (NYSCEF Doc. No. 18) in this matter and seek leave to answer or otherwise move in response to plaintiff's summons and complaint.

Defendants move pursuant to CPLR §§ 317 and 5015 on the grounds defendants did not receive the Summons and Complaint or any other notice of the action until the Decision and Order after Inquest arrived at a Bluestone Lane Cafe at 55 Prospect Street in Brooklyn. They claim the service on the Secretary of State resulted in the papers being sent to old addresses, and that their failure to correct the address on file with the Secretary of State was an innocent oversight. Defendants note there is nothing on the docket reflecting any attempt to serve them with notice of the inquest. Defendants also claim to have a meritorious defense to the underlying action because a guarantor is only responsible for rent obligations while the tenant is in possession of the premises and another tenant moved to the premises before August 2023, so plaintiff may be receiving a double recovery.

CPLR 5015 allows this Court to “relieve a party from [that Court’s judgment or order] upon such terms as may be just, . . . upon the ground of . . .excusable default, if such motion is made within one year after service of a copy of the judgment or order with written notice of its entry upon the moving party, or, if the moving party has entered the judgment or order, within one year after such entry.” As far as defendants move pursuant to CPLR 317, that Rule states that “a person [served as defendants were served], who does not appear may be allowed to defend the action within one year after he obtains knowledge of entry of the judgment, but in no event more than five years after such entry, upon a finding of the court that he did not personally receive notice of the summons in time to defend and has a meritorious defense.” Plaintiff does not dispute defendants failed to receive notice of the summons in time to appear. As to a meritorious defense, defendants argue Guarantor should not be held liable for amounts owed for the period after the lease was terminated and Tenant was no longer in possession of the Premises, pursuant to the terms of the guarantee. As to Tenant, defendants argue Tenant’s obligation was

to be reduced by the amount of rent paid by a subsequent tenant, if landlord relet the premises. Defendants provide an advertisement showing an art exhibit at that address (Flyer for Anastasia Vasilakis, attached as Exhibit F to Aff of Bradley P. Pollina, Esq., NYSCEF Doc. No. 33) as purported evidence the landlord had another tenant paying rent for the premises during the period plaintiff claimed damages from defendants, giving defendants a defense against a claim for those amounts. Plaintiff submits a party affidavit denying there was another tenant and explaining the art exhibit was not a paying tenant, but a favor for a friend while the space was empty (Aff of Michael Fahey, NYSCEF Doc. No. 41). Tenant has met its burden to establish a meritorious defense.

As to the claimed meritorious defense of the guarantor, a guaranty “is subject to the ordinary principles of contract construction” (*1995 CAM LLC v W. Side Advisors, LLC*, 72, 2025 WL 2955889, at \*1 [Ct App Oct. 21, 2025], internal quotations omitted, citing *Cooperatieve Centrale Raiffeisen-Boerenleenbank, B.A. v Navarro*, 25 NY3d 485, 492 [2015], *Compagnie Financiere de CIC et de L'Union Europeenne v Merrill Lynch, Pierce, Fenner & Smith Inc.*, 188 F3d 31, 34 [2d Cir 1999]). Contracts are “to be interpreted so as to give effect to the intention of the parties as expressed in the unequivocal language employed” (*1995 CAM LLC v W. Side Advisors, LLC*, 72, 2025 WL 2955889, at \*1, quoting *Matter of Wallace v 600 Partners Co.*, 86 NY2d 543, 548 [1995], quoting *Breed v Insurance Co. of N. Am.*, 46 NY2d 351, 355 [1978]).

Neither party here claims that the lease is ambiguous or incomplete. “In the absence of any ambiguity, we look solely to the language used by the parties to discern the contract's meaning” (*Vermont Teddy Bear Co., Inc. v 538 Madison Realty Co.*, 1 NY3d 470, 475 [2004]). “This rule is applied with special force in the context of real property transactions, where commercial certainty is a paramount concern, and where the instrument was negotiated between

sophisticated, counseled business people negotiating at arm's length" (*Riverside S. Planning Corp. v CRP/Extell Riverside, L.P.*, 13 NY3d 398, 403 [2009], internal quotation omitted).

"A guaranty is to be interpreted in the strictest manner" (*White Rose Food v Saleh*, 99 NY2d 589, 591 [2003]). Importantly, an interpretation that renders language in the guaranty superfluous is "a view unsupportable under standard principles of contract interpretation" (*Lawyers' Fund for Client Protection of State of N.Y. v Bank Leumi Tr. Co. of New York*, 94 NY2d 398, 404 [2000]). Accordingly, "[p]articular words should be considered, not as if isolated from the context, but in the light of the obligation as a whole and the intention of the parties as manifested thereby. Form should not prevail over substance and a sensible meaning of words should be sought" (*William C. Atwater & Co. v Panama R. Co.*, 246 NY 519, 524 [1927]).

The defendants provide the August 18, 2016, personal guaranty of Nicholas Stone (Attached as Exhibit D to Paullino Aff., NYSCEF Doc. No. 31) which obligated Stone to provide the landlord with:

"the full and timely payment when due of all Fixed Annual Rent, additional rent and other payments due to the Landlord pursuant to the Lease through and including the date (the "Outside Guarantee Date") which shall be the later to occur of (i) the date that Tenant vacates the Demised Premises and delivers vacant possession thereof to Landlord, in the condition required under the Lease, or (ii) the date which is ninety [90] days after the date that Landlord receives written notice from Tenant of Tenant's intention to so vacate the Demised Premises."

(Guarantee, attached as Exhibit D to Pollina Aff., NYSCEF Doc. No. 31).

However, plaintiff points out Guarantor was not a party to that guaranty, and Stone is not a defendant in this matter. Plaintiff relies on the December 1, 2019, Amendment to the Lease (NYSCEF Doc. No. 15) which includes a guaranty by Guarantor, which has no such limitations. The Court has considered defendants' other arguments and found them without merit.

Defendants have not stated a meritorious defense to the complaint or to the Decision and Order after Inquest.

Accordingly, defendants' motion to vacate is hereby DENIED and this case shall be marked DISPOSED.

1/5/2026

DATE



ALEXANDER M. TISCH, J.S.C.

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