

**DMF NYC LLC v Farmhand Supply LLC**

2026 NY Slip Op 30260(U)

January 16, 2026

Supreme Court, New York County

Docket Number: Index No. 652249/2020

Judge: Arlene P. Bluth

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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. ARLENE P. BLUTH PART 14**

*Justice*

-----X

DMF NYC LLC,

Plaintiff,

- v -

FARMHAND SUPPLY LLC, JOHN D MURPHY

Defendant.

-----X

INDEX NO. 652249/2020

MOTION DATE N/A

MOTION SEQ. NO. 001

**DECISION + ORDER ON  
MOTION**

The following e-filed documents, listed by NYSCEF document number (Motion 001) 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 20, 21<sup>1</sup>

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

Plaintiff’s motion for summary judgment is granted.

**Background**

Plaintiff brings this case to recover based on defendants’ failure to remit accounts receivables pursuant to a contract entered into between plaintiff and defendant Farmhand Supply LLC. The individual defendant Murphy signed a personal guaranty in connection with this contract.

Plaintiff alleges that the original agreement was for the purchase and sale of \$27,000 in future accounts receivable and that plaintiff paid the initial purchase price under the contract of \$20,000. It contends that defendants then terminated plaintiff’s access to the dedicated bank

<sup>1</sup> This case was transferred to the undersigned in December 2025 and this Court discovered, much to the undersigned’s horror, this motion was pending for five years before the judge previously assigned to this case. The Court apologizes for this inexcusable delay.

The Court also noticed that although there was a reply uploaded for this motion, no opposition was on NYSCEF. Plaintiff’s counsel forwarded its copy of defendants’ opposition to the Court and the Court has uploaded that document as NYSCEF Doc. No. 21.

account and withheld plaintiff's share of the receivables. Plaintiff claims that it is owed \$22,386.95.

In opposition, defendants contend that the agreement is actually a usurious loan and that defendants tried to amicably resolve the dispute to no avail. They admit they signed the aforementioned agreement and the guaranty but were allegedly told that no personal liability was necessary. Defendants contend that the contract was full of misrepresentations and that their efforts to reach out to plaintiff were ignored. They contend that they only received about 97% of the funds plaintiff promised to send and defendants argue that this was a misrepresentation about the nature of the agreement. Defendants contend that the structure of the agreements were designed to ensure absolute payments, which makes it a loan and subject to usury laws.

In reply, plaintiff emphasizes that defendants admitted to signing both agreements and that they intentionally interfered with plaintiff's access to the receivables. It adds that it was not under any obligation to renegotiate, which is how it characterizes defendants' communications concerning the decline in defendants' sales. With respect to the advance amount—the \$20,000—plaintiff observes that the agreement that defendants signed obligated defendants to pay an origination fee of \$600 and an ACH funding fee of \$35 which accounts for the slightly reduced amount defendants claim they received.

### **Discussion**

As an initial matter, the Court grants the motion as against the corporate defendant as this defendant was not represented by counsel and so, the individual defendant was not permitted to raise argument on its behalf (*see* CPLR 321[a]).

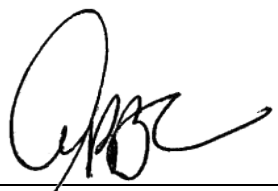
“The rudimentary element of usury is the existence of a loan or forbearance of money, and where there is no loan, there can be no usury, however unconscionable the contract may be. To determine whether a transaction constitutes a usurious loan, it “must be ‘considered in its totality and judged by its real character, rather than by the name, color, or form which the parties have seen fit to give it. The court must examine whether the plaintiff is absolutely entitled to repayment under all circumstances. Unless a principal sum advanced is repayable absolutely, the transaction is not a loan” (*LG Funding, LLC v United Senior Properties of Olathe, LLC*, 181 AD3d 664 [2d Dept 2020] [internal quotations and citations omitted]).

A review of the agreement demonstrates that it is not a loan. It provides that “deposit Account (hereinafter defined) maintained by Merchant acceptable to Funder. On or before the 5th day of each month, the Merchant shall provide the Funder with bank statements for the prior month's transactions, and, promptly thereafter, Funder shall reconcile the Merchant's account by either crediting or debiting the difference from or back to the Account (hereinafter defined) so that the amount debited per month equals the Specified Percentage” (NYSCEF Doc. No. 10 at 1). The presence of the reconciliation provision and the fact that the agreement had an indefinite term (*LG Funding, LLC*, 181 AD3d 664 at 664) compels the Court to grant plaintiff's motion.

Moreover, defendants admit to signing both the agreement and the guaranty. That they were allegedly promises certain things orally, such as there would not be personal liability, is not a basis to vitiate the agreement. And defendants agreed to pay the fees in the agreement (NYSCEF Doc. No. 10 at 9 of 12), which explains the slightly reduced amount received from plaintiff.

Accordingly, it is hereby

ORDERED that plaintiff's motion for summary judgment is granted and the Clerk is directed to enter judgment in favor of plaintiff and against defendants, jointly and severally, in the amount of \$22,386.95 plus statutory interest from June 4, 2020 along with costs and disbursements upon presentation of proper papers therefor.



1/16/2026  
DATE

ARLENE P. BLUTH, 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