

**Greyhawk Hawthorne Lender, LLC v Vella**

2026 NY Slip Op 30499(U)

February 9, 2026

Supreme Court, New York County

Docket Number: Index No. 650508/2025

Judge: Anar Rathod Patel

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SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 45

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Greyhawk Hawthorne Lender, LLC

Plaintiff,

- v -

Zachary Vella

Defendant

**INDEX NO.** 650508/2025

**MOTION DATE** 07/02/2025

**MOTION SEQ. NO.** 002

**SUPPLEMENTAL DECISION + ORDER ON MOTION**

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**HON ANAR RATHOD PATEL:**

The following e-filed documents, listed by NYSCEF document number (Motion 002) 77, 80–90, 92, 94–95, 97–107 were read on this motion for JUDGMENT - SUMMARY IN LIEU OF COMPLAINT (ATTORNEYS’ FEES).

**Relevant Factual and Procedural History**

On September 17, 2025, this Court granted Plaintiff Greyhawk Hawthorne Lender LLC’s (“Greyhawk”) Motion for Summary Judgment in Lieu of Complaint (NYSCEF Doc. No. 94, Mot. Seq. 002, Decision and Order). Additionally, the Court granted judgment in favor of Plaintiff, and against Defendant Zachary A. Vella (“Vella”) for attorneys’ fees and costs, and ordered Plaintiff’s counsel to file an affirmation setting forth claimed attorneys’ fees and costs, explaining why the amounts are reasonable and appropriate pursuant to Section 1.4 of the Recourse Guaranty, and attaching documentary proof thereof. *Id.*

Plaintiff timely filed attorney affirmations by David I. Zalman, a partner at Kelly Drye & Warren LLP (“Kelly Drye”) (NYSCEF Doc. No. 100, David I. Zalman Affirmation, “Zalman Aff.”), and Matthew G. Bouslog, a partner at Allen Matkins Leck Gamble Mallory & Natsis LLP (“Allen Matkins”) (NYSCEF Doc. No. 103, Matthew G. Bouslog Affirmation, “Bouslog Aff.”), in support of the requested fees and costs. Defendant subsequently filed an affirmation by Damian L. Albergro, the managing member of Albergro, Shmaruk & Kofman LLC, (“Albergro Shmaruk”) in opposition. NYSCEF Doc. No. 107 (Damian L. Albergro Affirmation, “Albergro Aff.”).

Plaintiff seeks attorneys’ fees, as invoiced by Kelley Drye in the amount of \$150,588.05, and disbursements in the amount of \$7,733.65 in connection with legal services performed between January 1, 2025, and September 24, 2025, with respect to the CPLR § 3213 Motion for Summary Judgment in Lieu of Complaint filed in this Court against Defendant Vella. Zalman Aff. at ¶ 2. In addition to the aforementioned attorney affirmations, Plaintiff submitted partially redacted invoices from Kelly Drye (NYSCEF Doc. No. 101), and attorney biographies for the

Kelly Drye attorneys (NYSCEF Doc. No. 102) in further support of their fee application. As directed by this Court, Plaintiff submitted unredacted copies of the Kelly Drye invoices *via* e-mail on January 26, 2026 for *in camera* review. Plaintiff does not seek fees in connection with the removal of this action to the United States District Court for the Southern District of New York (“S.D.N.Y.”) on April 1, 2025 (NYSCEF Doc. No. 5), nor the remand back to this Court on June 23, 2025. NYSCEF Doc. No. 52.

Plaintiff also requests fees invoiced by Allen Matkins in the amount of \$516,129.65, and their disbursements in the amount of \$13,787.69. The fees relate to legal services performed between December 23, 2024 and September 23, 2025, for work performed to enforce the loan documents, preserve Greyhawk’s rights in the California bankruptcy cases of borrower entities, and the subsequent foreclosure sale of subject-properties (collectively, the “California Actions”). Bouslog Aff. at ¶¶ 5–11.

Defendant Vella opposes the fees requested by both Kelly Drye and Allen Matkins, as well as the disbursements requested by Allen Matkins. Defendant does not oppose the amount of \$7,733.65 in disbursements requested by Kelly Drye. *See* Albergo Aff.

### Legal Discussion

It is well settled that the reasonableness of legal fees “can be determined only after consideration of the difficulty of the issues and the skill required to resolve them; the lawyers’ experience, ability and reputation; the time and labor required; the amount involved and benefit resulting to the client from the services; the customary fee charges for similar services; the contingency or certainty of compensation; the results obtained and the responsibility involved.” *Morgan & Finnegan v. Howe Chemical Co., Inc.*, 210 A.D.2d 62, 63 (1st Dept. 1994) (citations omitted); *see Matter of Freeman*, 34 N.Y.2d 1 (1974). An award of reasonable attorneys’ fees is within the sound discretion of the court. *See O’Mahony v. Whiston*, 224 A.D.3d 609 (1st Dept. 2024); *Diakrousis v. Maganga*, 61 A.D.3d 469 (1st Dept. 2009).

Furthermore, “[t]he Court may also apply a reduction for the practice of ‘block billing,’ or ‘the aggregation of multiple tasks into a single billing entry,’ which ‘mak[es] it difficult for the Court to isolate areas of excess.’” *Penzo v. Consol. Edison Co. of New York, Inc.*, 2024 WL 3966694, at \*6 (S.D.N.Y. Aug. 28, 2024) (quoting *Marchuk v. Faruqi & Faruqi LLP*, 104 F. Supp. 3d 363 (S.D.N.Y. 2015)).

The Court declines to consider the Allen Matkins fees and disbursements for the loan borrower litigation in the California Actions involving non-parties to this action. As argued by Defendant, this Court cannot “rule on the reasonableness of the services rendered in the California bankruptcy court and state court pre-petition. A full record of those litigations are [*sic*] not before this Court and no proceedings were held in this Court.” Albergo Aff. at ¶ 13. The legal work performed by Allen Matkins on non-party borrower bankruptcies, and related foreclosure property sales is distinct from this recourse guaranty action against Defendant Vella. Therefore, fees and disbursements thereto are not suitable for consideration in this action.

The Court recognizes that although some communication between Allen Matkins and Kelly Drye is required for purposes of litigating this case, a loan default alone is sufficient to trigger the obligation of Defendant Vella as guarantor. Therefore, minimal time and research performed by Kelly Drye with respect to the California Actions should be allocated to this action. Some of the time invoiced by Kelly Drye, as viewed by the Court during the *in camera* review, relates to research and communication with Allen Matkins regarding the bankruptcy, bankrupt entities, and foreclosure sales that the Court determines was excessive for the prosecution of this narrow motion related only to Defendant Vella.

Although most of the billing entries are detailed and provide the Court sufficient information to identify the tasks performed by each individual attorney, there are certain entries that involve block billing. The entries in question are for multiple billable hours; the Court is unable to specifically identify the amount of time spent on each task. For instance:

- On January 27, 2025, R. Morrison billed 2.20 hours to “Edit, finalize, and proofread all suit papers in advance of filing and commencing new action; confer with N. Verrilli regarding cite checking and proofreading of all suit papers; review and finalize exhibits to Dornin Affirmation; analyze and evaluate service of process issues to ensure that guarantor is provided enough notice and time to respond to the MSJ motion; coordinate filing of all suit papers and confer with D. Zalman regarding same; emails with client regarding [redacted].” NYSCEF Doc. No. 101 at 6.
- On that same date, N. Verrilli billed 5.00 hours to “Proofread and edit memorandum of law supporting motion for summary judgment in lieu of complaint; perform citation check of memorandum of law supporting motion for summary judgment to ensure accuracy of case law citations and record cites; compile and prepare Exhibits attached to Affirmation of C. Dornin in preparation for filing; edit and finalize Affirmation of C. Dornin and send to C. Dornin for signature; make updates to Summons to reflect address of defendant; edit and update Notice of Motion to list correct filing papers and exhibits accompanying motion; coordinate with Managing Attorney’s Office to prepare motion papers for filing; compile Request for Judicial Intervention Form 840 and Commercial Division Addendum Form 840C with filing papers to prepare for filing; strategize with R. Morrison on final steps for filing; draft filing instructions and send to Managing Attorney to file; verify accuracy of filed motion papers on New York State Courts Electronic Filing system.” *Id.*

The Court also questions the number of attorneys assigned, and their respective level of seniority, to litigate a straightforward enforcement of a loan guaranty. Staffing on this matter included a partner with over twenty-years of experience, a retired partner with over fifty years of experience, a senior counsel promoted to partner during the pendency of this action with over ten years of experience, and a junior litigation associate with one year of experience. Zalman Aff. at ¶¶ 8–10. As the Hon. Lewis J. Liman found in his award of fees on the removal and remand actions, a significant amount of “internal communication” between the parties became necessary, solely due to the number of lawyers staffed on the matter. NYSCEF Doc. No. 107 at 17, Mem. and Order of Hon. Lewis J. Liman, S.D.N.Y. 25-cv-2709. For example, two partners and an associate billed 15.4 hours in total to prepare for oral argument on a cross-motion for a limited stay. NYSCEF Doc. No. 101 at 37–39; Albergo Aff. at ¶ 10. Additionally, the use of three

attorneys to review and edit a cross-motion for the limited stay is another example of redundant billable hours. NYSCEF Doc. No. 101 at 26; Albergo Aff. at ¶ 12.

Therefore, the Court declines to award Plaintiff the full amount requested and exercises its discretion to reduce the requested amount of fees (\$150,588.05) by 30% to account for the following: block billing, duplication of work, and attorney staffing. As such, the Court awards Plaintiff attorneys' fees in the amount of \$105,411.64 and disbursements in the amount of \$7,733.65.

Accordingly, it is hereby

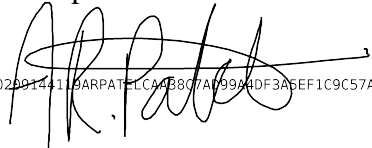
**ORDERED** that Plaintiff's request for attorneys' fees as invoiced by Kelly Drye & Warren LLP is **GRANTED** in the amount of \$105,411.64; and it is further

**ORDERED** that Plaintiff's request for costs and disbursements as invoiced by Kelly Drye & Warren LLP is **GRANTED** in the amount of \$7,733.65; and it is further

**ORDERED** that Plaintiff's request for attorneys' fees and disbursements from Allen Matkins Leck Gamble Mallory & Natsis LLP is **DENIED**; and it is further

**ORDERED** that the Clerk is directed to enter a supplemental judgment in favor of the Plaintiff, Greyhawk Hawthorne Lender LLC, and against Defendant, Zachary A. Vella in the amount of \$113,145.29; and it is further

**ORDERED** that the Clerk of the Court mark this case as disposed.

  
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ANAR RATHOD PATEL, A.J.S.C.

February 9, 2026  
DATE

CHECK ONE:	<input checked="" type="checkbox"/>	CASE DISPOSED	<input type="checkbox"/>	NON-FINAL DISPOSITION
	<input type="checkbox"/>	GRANTED	<input type="checkbox"/> DENIED	<input checked="" type="checkbox"/> GRANTED IN PART
APPLICATION:	<input type="checkbox"/>	SETTLE ORDER		<input type="checkbox"/> OTHER
CHECK IF APPROPRIATE:	<input type="checkbox"/>	INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/>	FIDUCIARY APPOINTMENT
				<input type="checkbox"/> REFERENCE