

<b>Middlegate Factors LLC v TGI Corp.</b>
2026 NY Slip Op 31760(U)
April 20, 2026
Supreme Court, New York County
Docket Number: Index No. 155697/2025
Judge: Emily Morales-Minerva
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SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK: PART 42M

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MIDDLEGATE FACTORS LLC,

Plaintiff,

- v -

TGI CORP., LIPA DEUTSCH

Defendants.

INDEX NO. 155697/2025

MOTION DATE 08/27/2025

MOTION SEQ. NO. 001

**DECISION + ORDER ON  
MOTION**

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The following e-filed documents, listed by NYSCEF document number (Motion 001) 11, 12, 13, 14, 15, 16, 17, 18, 19, 20

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

APPEARANCES:

Richard Klass Esq., Brooklyn, NY (Richards A Klass, Esq., of counsel), for plaintiff

EMILY MORALES-MINERVA, J.S.C.

In this action sounding in breach of contract and breach of a personal guaranty, plaintiff MIDDLEGATE FACTORS LLC (plaintiff) moves, pursuant to CPLR § 3215, for an order granting it leave to enter a default judgment against defendants TGI CORP. and LIPA DEUTSCH (defendants) in the sum of \$24,079.72, together with statutory interest from February 01, 2025, costs, and disbursements. Plaintiff also moves for an award of reasonable attorneys' fees incurred in this action against defendant LIPA DEUTSCH.

Defendants do not appear or submit opposition to the motion (sequence number 01).

When a defendant fails "to appear, plead or proceed to trial of an action reached and called for trial, or when the court orders a dismissal for any other neglect to proceed, the plaintiff may seek a default judgment against [the defendant]" (CPLR § 3215 [a]). To establish entitlement to a default judgment, plaintiff must file (1) proof it served defendant with the summons and complaint, and (2) "proof of the facts constituting the claim, the default, and the amount due . . . by affidavit made by the party" (see CPLR § 3215 [f]; see also Woodson v Mendon Leasing Corp., 100 NY2d 62, 70 [2003] [providing that "an applicant for a default judgment [must] file 'proof by affidavit made by the party of the facts constituting the claim'"]; 231st Riverdale LLC v 7 Star Home Furniture Inc., 198 AD3d 524, 525 [1st Dept 2021]; Feffer v Malpeso, 210 AD2d 60 [1st Dept 1994]).

Here, plaintiff demonstrates its entitlement to entry of a default judgment against defendants by submitting, among other things, the affidavit of service on the defendant TGI CORP. (NYSCEF Doc. No. 09); the affidavit of service on the defendant LIPA DEUTSCH (NYSCEF Doc. No. 10); an attorney affidavit (NYSCEF Doc. No. 12); the affidavit of Eli Mann, the president of plaintiff (NYSCEF Doc. No. 13); the fully executed factoring

agreement (NYSCEF Doc. No. 03); the fully executed personal guaranty (NYSCEF Doc. No. 04); invoices (NYSCEF Doc. Nos. 05 and 06); and the default letter, with invoices attached and proof of service (NYSCEF Doc. No. 07) (see CPLR § 3215 [f]; see also Licurgo-Villar v Samouha, 227 AD3d 619, 620 [1st Dept 2024]; Guzetti v City of New York, 32 AD3d 234 [1st Dept 2006]).

Lastly, plaintiff seeks its reasonable attorneys' fees incurred in this action against defendant LIPA DEUTSCH, as provided for in paragraph 10 of the guaranty (see NYSCEF Doc. No. 04, guaranty, ¶ 10). Though plaintiff has shown that it is entitled to such under the guaranty, the court shall direct a hearing to determine said amount.

Accordingly, it is hereby

ORDERED that plaintiffs' motion (seq. no. 001) for a default judgment is granted; it is further

ORDERED and ADJUDGED that the Clerk of Court is directed to enter judgment in favor of plaintiff MIDDLEGATE FACTORS LLC and against defendants TGI CORP. and LIPA DEUTSCH, jointly and severally, in the amount of \$24,079.72, with interest at the statutory rate from February 01, 2025, plus costs and disbursements as calculated by the Clerk of Court; it is further

ORDERED that, within twenty days from the date of this decision and order, plaintiff shall serve a copy of this order

on defendants, as well as on the Clerk of the Court, who shall enter judgment accordingly; it is further

ORDERED that the issue of the amount of reasonable attorneys' fees that plaintiff may recover against defendant LIPA DEUTSCH is referred to a Special Referee to hear and determine; it is further

ORDERED that defendant shall, within 30 days from the date of this order, serve a copy of this order with notice of entry, together with a completed Information Sheet, upon the Special Referee Clerk in the General Clerk's Office (Room 119), who is directed to place this matter on the calendar of the Special Referee's Part for the earliest convenient date; and it is further

ORDERED that such service upon the Special Referee Clerk shall be made in accordance with the procedures set forth in the Protocol on Courthouse and 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](http://www.nycourts.gov/supctmanh)).

4/20/2026  
DATE   
EMILY MORALES-MINERVA, J.S.C.

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