

Freeman v Harmonia Holdings LLC
2026 NY Slip Op 31817(U)
April 27, 2026
Supreme Court, New York County
Docket Number: Index No. 161866/2019
Judge: Hasa A. Kingo
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**SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY**

PRESENT: HON. HASA A. KINGO **PART 65M**

Justice

-----X

BENJAMIN FREEMAN,

INDEX NO. 161866/2019

Plaintiff,

- v -

**DECISION AND ORDER
FOLLOWING TRIAL**

HARMONIA HOLDINGS LLC, TODD SCHUSTER

Defendants.

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Plaintiff Benjamin Freeman (“Plaintiff”) commenced this action to recover unpaid rent, contractual interest, brokerage expenses, and attorneys’ fees arising from defendants’ early vacatur of the condominium apartment located at 250 West Street, Unit 4C, New York, New York. Defendants Harmonia Holdings LLC and Todd Schuster (“Schuster”)(collectively “defendants”) oppose recovery and contend, among other things, that plaintiff failed to establish a prima facie case, failed to mitigate damages under Real Property Law § 227-e, and breached Rider R-22 of the lease by allegedly misrepresenting his knowledge of “major construction projects to the Building.”

After trial, and upon the court’s assessment of the testimony, exhibits, prior orders, and the parties’ post-trial submissions, the court finds that plaintiff sustained his burden by a preponderance of the credible evidence. Defendants’ application to dismiss for failure to establish a prima facie case is denied. Judgment is awarded to plaintiff in the amount of \$187,718.89, consisting of \$120,214.28 in unpaid rent, \$54,504.61 in contractual prejudgment interest through April 22, 2026, and \$13,000.00 in brokerage expenses, together with reasonable attorneys’ fees to be determined upon further submission.

BACKGROUND AND PROCEDURAL HISTORY

Plaintiff is the owner of the condominium apartment located at 250 West Street, Unit 4C, New York, New York. On or about August 1, 2019, plaintiff entered into a one-year lease with defendant Harmonia Holdings LLC for a monthly rent of \$25,500.00. Defendant Todd Schuster personally guaranteed Harmonia’s obligations under the lease. Defendants took possession in August 2019, remained only briefly, vacated the apartment, and stopped paying rent after September 2019.

The lease included a standard provision preserving the tenant’s rent obligations notwithstanding construction or demolition “in or near” the building. Rider R-22 further provided that the landlord was “unaware of any major construction projects to the Building.” Defendants relied on that rider at trial to argue that plaintiff had misrepresented his knowledge of work in

another unit and that defendants were therefore excused from further performance. Plaintiff denied any misrepresentation and testified that he understood Rider R-22 to refer to major building-wide or structural construction, not interior work in a privately owned neighboring unit.

The remaining issues tried before the court concerned plaintiff's entitlement to damages, defendants' claim that plaintiff breached Rider R-22 or fraudulently induced the lease, and defendants' argument that plaintiff failed to satisfy any mitigation obligation under Real Property Law § 227-e.

TRIAL RECORD

Plaintiff testified credibly and consistently. His testimony was supported by the lease, guaranty, rent ledger, brokerage agreement, replacement lease, and documentary proof concerning the efforts undertaken to relet the apartment. Plaintiff established that defendants agreed to pay \$25,500.00 per month through July 31, 2020, that Schuster guaranteed those obligations, that defendants vacated early, and that no rent was paid after September 2019.

Plaintiff further established that, after defendants indicated that they were leaving, he acted promptly to mitigate any loss. He retained a licensed broker, listed the apartment through ordinary market channels, made the apartment available for showings, pursued a prospective replacement tenant who proceeded through the condominium board process, and ultimately relet the apartment in February 2020 at \$26,000.00 per month. Plaintiff's testimony on these points was direct, internally consistent, corroborated by documents, and commercially sensible.

Defendant Schuster's testimony was materially less persuasive. The court does not credit his attempt to portray the apartment as so intolerable that defendants were justified in abandoning the lease. Most notably, notwithstanding his testimony concerning allegedly severe noise, Schuster permitted other individuals, including persons he described as needing to be in New York for hospital appointments, to stay in the apartment after defendants vacated. That conduct is irreconcilable with the claim that the apartment was unfit for occupancy or that the alleged noise conditions were so severe as to excuse defendants' rent obligations. A party's conduct may speak more reliably than after-the-fact testimony, and here defendants' willingness to allow vulnerable guests to use the apartment substantially undermines Schuster's credibility.

Schuster's credibility was further diminished by inconsistencies concerning Rider R-22. At deposition, he acknowledged that the rider language was included because defendants wanted it; at trial, he attempted to distance himself and his counsel from the drafting of the provision. That inconsistency bears directly on the origin, purpose, and reasonable understanding of the rider. It also undermines defendants' attempt to construe any ambiguity against plaintiff as though plaintiff unilaterally drafted the provision.

DISCUSSION

This matter was tried before the court without a jury. The court has carefully considered the testimony of the witnesses, the documentary evidence admitted into the record, the prior procedural history of the case, and the post-trial submissions of the parties. In resolving the issues

presented, the court has fulfilled its obligation as trier of fact to assess credibility, weigh competing evidence, and render findings supported by a fair preponderance of the credible proof.

It bears emphasis at the outset that the court's determination rests not on isolated pieces of testimony, but on the totality of the record. The Court of Appeals has long instructed that, in a nonjury trial, the trial court's factual findings are entitled to great deference where they are supported by the record and grounded in credibility determinations (*Northern Westchester Professional Park Assoc. v Town of Bedford*, 60 NY2d 492, 499 [1983]). The Court of Appeals has repeatedly reiterated that such findings will not be disturbed on appeal unless they lack evidentiary support or are contrary to the weight of the credible evidence (*Thoreson v Penthouse Intl.*, 80 NY2d 490, 495 [1992]; *Lolik v Big V Supermarkets*, 86 NY2d 744, 746 [1995]).

The court is therefore mindful that its role is not merely to recount testimony, but to make reasoned findings based upon credibility, logic, and the objective record. Applying those principles, the court finds that plaintiff established his entitlement to relief by a preponderance of the credible evidence, that defendants' defenses lack factual and legal support, and that the damages awarded are reasonable, equitable, and firmly grounded in the record.

I. Plaintiff Established a Prima Facie Case for Breach of Contract

To recover for breach of contract under New York law, a plaintiff must demonstrate the existence of a valid contract, plaintiff's performance under that contract, defendant's breach, and resulting damages (*Harris v Seward Park Hous. Corp.*, 79 AD3d 425, 426 [1st Dept 2010]; *Second Source Funding, LLC v Yellowstone Capital, LLC*, 144 AD3d 445, 445-446 [1st Dept 2016]). The trial record here satisfies each of these elements.

The existence of the lease and guaranty is undisputed. Plaintiff established that defendants entered into a one-year lease for the subject apartment at a monthly rent of \$25,500.00 and that defendant Schuster personally guaranteed the tenant's obligations. Plaintiff further established that defendants took possession of the apartment and thereafter vacated within days, ceasing payment of rent while the lease remained in full force and effect.

The evidence demonstrates that plaintiff performed all obligations required of him under the lease. The apartment was available for occupancy, no act of plaintiff interfered with defendants' use of the premises, and no condition existed that legally excused defendants' performance. The Court of Appeals has made clear that a tenant who abandons premises without legal justification remains liable for rent due under the lease (*Holy Props. v Cole Prods.*, 87 NY2d 130, 133-134 [1995]).

Defendants' abandonment of the lease and cessation of rent payments therefore constituted a clear breach of contract as a matter of law.

II. Credibility Determinations and the Weight of the Evidence

The court's findings are grounded in a careful evaluation of credibility. Plaintiff testified in a manner that was direct, measured, and internally consistent. His testimony was corroborated by documentary evidence and by his own conduct following defendants' departure.

Defendant Schuster's testimony, by contrast, was marked by significant inconsistencies and conduct incompatible with the defenses asserted at trial. Most notably, defendant testified that the apartment was rendered intolerable due to noise conditions. Yet the record demonstrates that, notwithstanding those alleged conditions, defendants permitted other individuals—including persons requiring medical treatment in New York—to periodically use the apartment after defendants vacated. That conduct is incompatible with the assertion that the apartment was uninhabitable or unsuitable for occupancy.

Courts have long recognized that credibility determinations may properly rest upon the inherent plausibility of testimony and the consistency of a party's conduct with asserted claims (*People v Garafolo*, 44 AD2d 86, 88 [2d Dept 1974]). Here, defendants' conduct undermines their own narrative and supports the court's finding that their testimony concerning noise conditions was not credible.

The court further notes that defendant's testimony concerning Rider R-22 shifted materially over time. At deposition, defendant acknowledged that the language of the rider was included at defendants' request. At trial, he disclaimed responsibility for the provision's drafting. Such inconsistent statements diminish the reliability of his testimony and reinforce the court's conclusion that defendants' version of events lacks credibility.

By contrast, plaintiff's testimony was consistent with the documentary record and with his subsequent actions. That consistency supports the court's finding that plaintiff testified truthfully and that his account of events accurately reflects the facts established at trial.

III. Plaintiff Did Not Breach Rider R-22 and Defendants Failed to Establish Fraud

Defendants' reliance on Rider R-22 is legally and factually unpersuasive. To establish fraud, defendants were required to prove, by clear and convincing evidence, a material misrepresentation, falsity, scienter, justifiable reliance, and damages (*Simcuski v Saeli*, 44 NY2d 442, 452 [1978]; *Jo Ann Homes at Bellmore, Inc. v Dworetz*, 25 NY2d 112, 119 [1969]). They failed to establish any of those elements.

The phrase "major construction projects to the Building" reasonably refers to building-wide or structural construction, not interior renovation work within a neighboring unit. The evidence established that the work referenced by defendants consisted of interior alterations in a separate condominium unit and did not constitute building-level construction.

Moreover, defendants failed to demonstrate justifiable reliance. The Court of Appeals has held that a sophisticated party may not claim reliance on alleged misrepresentations where the relevant information could have been obtained through ordinary diligence (*Danann Realty Corp. v Harris*, 5 NY2d 317, 322 [1959]). Here, defendants had access to public information concerning

building permits and construction activity and were represented by counsel throughout the transaction.

The record therefore establishes that plaintiff did not breach Rider R-22 and that defendants' fraud defense lacks evidentiary support.

IV. Plaintiff Fully Satisfied Any Duty to Mitigate Damages Under Real Property Law § 227-e

The court next addresses defendants' contention that plaintiff failed to mitigate damages. Even assuming the applicability of Real Property Law § 227-e, the credible trial evidence demonstrates that plaintiff satisfied any statutory mitigation obligation.

The Appellate Division, First Department, has held that a landlord satisfies the duty to mitigate by demonstrating reasonable and customary efforts to relet the premises in good faith (*14 E. 4th St. Unit 509 LLC v Toporek*, 203 AD3d 17, 23 [1st Dept 2022]). The statute does not require perfection, immediate success, or the selection of a particular pricing strategy. Rather, the inquiry focuses on whether the landlord acted reasonably under the circumstances.

The trial record establishes that plaintiff undertook prompt and sustained efforts to relet the apartment. Plaintiff testified that he engaged a licensed broker, listed the apartment on widely used rental platforms, and conducted showings while defendants still possessed the unit. Those efforts commenced in late August 2019 and continued without interruption until a replacement tenant was secured.

The evidence further established that plaintiff successfully relet the apartment in February 2020 at a monthly rent of \$26,000.00. That outcome confirms that the apartment was properly marketed and priced in accordance with prevailing market conditions.

Defendants offered no evidence of an alternative tenant who was ready, willing, and able to rent the apartment on more favorable terms. Nor did they identify any period during which the apartment was withdrawn from the market. Their mitigation argument rests entirely on speculation and hindsight critique, which is insufficient as a matter of law.

Indeed, defendants' argument that Real Property Law § 227-e required plaintiff to relet the apartment at a lower rent is unpersuasive and rests on an unduly rigid reading of the statute. The statute does not impose a mechanical rule that a landlord must automatically reduce the rent whenever a tenant vacates before the expiration of a residential lease. Rather, Real Property Law § 227-e requires a landlord, "in good faith and according to the landlord's resources and abilities," to take "reasonable and customary actions to rent the premises at fair market value or at the rate agreed to during the term of the tenancy, whichever is lower" (Real Property Law § 227-e). The statutory inquiry is therefore one of reasonableness, good faith, market exposure, and causation. It is not a hindsight-based pricing audit.

The Appellate Division, First Department's decision in *14 E. 4th St. Unit 509 LLC v Toporek* confirms that Real Property Law § 227-e requires reasonable and customary mitigation efforts, not perfection and not guaranteed success (203 AD3d at 23-24).

A landlord need not demonstrate that it selected the single best possible pricing strategy, nor must it prove that no lower price could theoretically have produced an earlier rental. The landlord must demonstrate that it made reasonable, good-faith efforts to return the premises to the rental market. That is precisely what plaintiff proved here.

The trial record establishes that plaintiff began marketing the apartment in August 2019, before defendants vacated, engaged a licensed broker, authorized showings while defendants were still in possession, and pursued prospective tenants through ordinary market channels. Plaintiff's post-trial memorandum cites the trial transcript at pages 27 through 32, 55 through 60, 78, and 79 for those mitigation efforts, and further notes that the apartment was ultimately relet at \$26,000 per month, with the new tenant's rent obligation commencing on or about February 21, 2020. The later affidavit submitted in support of reopening the record similarly recites that plaintiff took immediate steps in August 2019 to re-rent the apartment, including engaging a licensed broker, listing the apartment, and authorizing showings while defendants remained in possession. Although the court need not reopen the record to rely on new proof, those materials are consistent with, and corroborative of, the evidence already adduced at trial.

Defendants' pricing argument is particularly weak because the relevant contractual and factual context demonstrates that the \$26,000 figure was not inflated or commercially unreasonable. The lease itself provided defendants with an option to renew at \$26,000 per month, thereby establishing that figure as an agreed contractual benchmark for the apartment's rental value. Plaintiff's post-trial submission correctly notes that the reletting at \$26,000 reflected the furnished condition of the apartment and was consistent with market rates for similarly furnished units. Where the parties themselves agreed that \$26,000 was an appropriate renewal rent, defendants cannot credibly maintain that plaintiff failed to mitigate merely because the apartment was relet at that same figure. The point is not that the renewal option conclusively determines fair market value for all purposes, but that it is powerful record evidence that the rental amount was commercially reasonable and within the range contemplated by the parties.

Nor does Real Property Law § 227-e require a landlord to list at a lower rent simply because a tenant claims, after the fact, that a lower price might have produced an earlier rental. The statute speaks of "fair market value or the rate agreed to during the term of the tenancy, whichever is lower." Where, as here, plaintiff's proof showed active market exposure and an actual replacement lease at \$26,000, the resulting transaction is persuasive objective evidence of market value. The rent previously agreed to during defendants' tenancy was \$25,500, and the replacement rent was \$26,000 only because the replacement tenancy included furnishings and related arrangements.

The record also shows that plaintiff did not stubbornly insist upon an excessive rent. The affirmation submitted in connection with plaintiff's proposed application to reopen states that, after a prospective tenant's board application was rejected on November 19, 2019, plaintiff immediately relisted the apartment that same day at \$23,000 per month, unfurnished, which was below defendants' \$25,500 rent. Again, the court need not reopen the record to consider that new

submission as evidence, but it demonstrates why defendants' argument is not persuasive as a matter of logic. The broader record shows flexibility, active marketing, board-review delay outside plaintiff's control, and eventual successful reletting. That is the opposite of a landlord sitting idle while damages accumulate.

Sheridan One Co., LLC v Chowdhury, 2026 NY Slip Op 50439(U) (Civ Ct, NY County 2026), does not compel a different result. There, the Civil Court disallowed three months of rent because the landlord failed to substantiate why the apartment remained off the market for three months after the tenant vacated; the landlord's witness lacked personal knowledge of the alleged renovation work, did not explain the nature or scope of repairs, and offered vague testimony based on conversations with a leasing department. The court found no evidentiary basis to conclude that it reasonably took three months to complete \$750 worth of repairs before relisting the unit.

That is not this case. Here, the record does not present an unexplained three-month delay before the apartment was returned to market. Plaintiff began marketing before defendants vacated. He engaged a broker, authorized showings, pursued a prospective tenant through condominium board review, and ultimately relet the apartment. The delay in reletting was not caused by inertia or unexplained repairs; it was caused in material part by the ordinary process of marketing a luxury furnished condominium apartment, a condominium board review process outside plaintiff's unilateral control, and the later securing of a replacement tenant. Unlike the landlord in *Sheridan One*, plaintiff did not wait months to list the apartment, rely on conclusory hearsay about renovations, or leave the court without a factual basis to evaluate mitigation.

Indeed, *Sheridan One* supports rather than undermines the court's conclusion when properly understood. That court recognized that mitigation need not be perfect, that a landlord need not succeed in reletting before the prior lease expires so long as reasonable and customary efforts were made, and that a failure to mitigate for one period does not categorically bar recovery for a later period once reasonable efforts begin.

Here, plaintiff's reasonable efforts began at the outset, before defendants' vacatur, and continued until the apartment was relet. Thus, even under *Sheridan One's* practical, period-by-period approach, plaintiff's proof satisfies the statute.

Defendants' reading would effectively transform Real Property Law § 227-e into a punitive rule requiring a landlord to discount immediately, irrespective of the apartment's characteristics, furnishings, agreed rental history, market positioning, and actual leasing activity. That is not what the Legislature enacted and not what the Appellate Division, First Department, has required. The statutory text requires good faith and reasonable customary efforts. The First Department in *Toporek* requires reasonable mitigation, not the cheapest possible listing price. The Court of Appeals' general mitigation jurisprudence likewise requires reasonable exertions to reduce loss, not self-sacrifice or commercially irrational conduct (*see Wilmot v State of New York*, 32 NY2d 164, 168 [1973]; *Holy Props. v Cole Prods.*, 87 NY2d at 133-134).

Accordingly, defendants' Real Property Law § 227-e argument is rejected. Plaintiff's conduct satisfied the statutory standard because he acted promptly, in good faith, and through customary market channels to relet the apartment. The record does not support defendants'

contention that plaintiff was required to lower the rent further, nor does it establish that any different pricing strategy would have reduced the damages. The court therefore finds that plaintiff satisfied his burden under Real Property Law § 227-e, and that defendants remain liable for unpaid rent from October 2019 through February 21, 2020, together with recoverable contractual charges and expenses.

V. Damages

The court's damages determination is grounded in explicit testimony and documentary proof admitted at trial, including the lease, rent ledger, brokerage documentation, and the sworn testimony of the witnesses. Each component of the award is supported by the record and is consistent with well-settled principles governing contract damages under New York law. In reaching its determination, the court has carefully considered not only the mathematical calculations presented, but also the chronology of events established through testimony and the legal consequences flowing from defendants' conduct following their departure from the premises.

Under New York law, damages for breach of contract must be proven with reasonable certainty and must reflect the natural and probable consequence of the breach (*Kenford Co. v County of Erie*, 67 NY2d 257, 261 [1986]). Absolute mathematical precision is not required; rather, the evidence need only provide a rational basis for computation sufficient to permit a fair and reasonable approximation of loss (*Ashland Mgt. v Janien*, 82 NY2d 395, 403 [1993]). The Court of Appeals has repeatedly emphasized that damages may be sustained where the record demonstrates a logical and evidentiary foundation for the amount awarded, even if the calculation requires reasonable inference from the proof presented (*see id.*; *see also Matter of Rothko*, 43 NY2d 305, 323 [1977]).

Applying these principles, the court finds that the damages awarded herein are supported by the credible evidence, reflect the actual losses sustained by plaintiff as a direct consequence of defendants' breach, and are fair and equitable under the circumstances.

A. Unpaid Rent

The court first addresses the principal component of damages: unpaid rent arising from defendants' abandonment of the lease prior to the expiration of its term.

The credible evidence established that defendants vacated the apartment shortly after taking possession but did not immediately cease payment of rent. Rather, the testimony adduced at trial demonstrated that defendants continued to pay rent for a brief period after their departure. Specifically, the trial transcript reflects that defendants paid the rent for the month of September 2019 notwithstanding their dissatisfaction with alleged conditions in the building. The record confirms that defendants "kept paying" and specifically "paid the month of September."

That payment is legally significant. Continued payment of rent after knowledge of an alleged defect constitutes ratification of the lease and is inconsistent with any claim of rescission or constructive eviction (*Barash v Pennsylvania Term. Real Estate Corp.*, 26 NY2d 77, 83 [1970]; *Holy Props. v Cole Prods.*, 87 NY2d at 134). By continuing to tender rent after vacating the

premises, defendants confirmed their ongoing contractual obligations and undermined the assertion that the lease had been terminated or rendered void by alleged conditions in the building.

Having carefully reviewed the testimony and documentary evidence, the court finds that the following payment chronology was established by a preponderance of the credible evidence:

- August 2019 — rent paid upon commencement of the tenancy
- September 2019 — rent paid notwithstanding defendants' complaints
- October 2019 — first month of nonpayment
- November 2019 — nonpayment
- December 2019 — nonpayment
- January 2020 — nonpayment
- February 1–21, 2020 — prorated rent owed until commencement of the replacement tenancy

The evidence further established that plaintiff undertook prompt and sustained efforts to relet the apartment following defendants' departure. Those efforts ultimately resulted in the successful execution of a new lease, and the replacement tenant began paying rent on or about February 20, 2020, thereby terminating defendants' ongoing rent liability as of that date.

Based upon this testimony and the rent ledger admitted into evidence, the court finds that defendants are liable for unpaid rent beginning October 2019 and continuing through February 21, 2020. The lease established a monthly rent of \$25,500.00, and the calculation of unpaid rent for that period resulted in a total of \$120,214.28.

That figure was derived directly from the rent ledger and lease provisions admitted into evidence and reflects the exact period during which defendants remained contractually obligated to pay rent but failed to do so. The calculation consists of four full months of rent (October 2019 through January 2020) together with a prorated portion of February 2020 corresponding to the period preceding the commencement of the replacement tenancy.

Courts routinely award unpaid rent calculated in accordance with lease terms where the tenant abandons the premises prior to expiration of the lease term (*Holy Props. v Cole Prods.*, 87 NY2d at 133). The damages awarded here are therefore fully consistent with controlling precedent and reflect a straightforward application of the contractual obligations voluntarily undertaken by defendants.

The court further finds that the amount awarded represents a fair and reasonable measure of damages under the governing legal standards. The calculation is supported by documentary proof, corroborated by sworn testimony, and tied directly to the period during which defendants remained legally responsible for rent. Accordingly, the award satisfies the requirement that damages be proven with reasonable certainty and grounded in a rational evidentiary basis (*Kenford Co. v County of Erie*, 67 NY2d at 261; *Ashland Mgt. v Janien*, 82 NY2d at 403)

B. Brokerage Commission

The court next addresses plaintiff's claim for reimbursement of the brokerage commission incurred in securing a replacement tenant.

The credible testimony established that, following defendants' abandonment of the apartment, plaintiff retained the services of a licensed real estate broker to market the premises and identify a new tenant. Plaintiff testified that he paid approximately \$13,000.00 in brokerage fees after the apartment was successfully re-rented, and that testimony was corroborated by documentary evidence admitted at trial, including the brokerage agreement and payment records.

The court credits plaintiff's testimony in this regard. The testimony was clear, internally consistent, and supported by contemporaneous documentation. No credible evidence was presented to contradict the amount paid or the necessity of the expense.

Such expenses are recoverable where the lease expressly authorizes reimbursement of re-letting costs and where the expense is a foreseeable consequence of the tenant's breach. New York courts have consistently held that brokerage commissions incurred as a result of a tenant's abandonment constitute recoverable damages because they arise directly from the landlord's efforts to mitigate losses and restore the premises to productive use (*Graham Ct. Owner's Corp. v. Taylor*, 115 AD3d 50 [1st Dept 2014]).

Here, the brokerage expense was both foreseeable and necessary. It was incurred solely because defendants vacated the premises before the expiration of the lease term, thereby requiring plaintiff to secure a replacement tenant. The court therefore finds that the brokerage commission in the amount of \$13,000.00 was reasonably incurred, directly attributable to defendants' breach, and properly recoverable as damages.

C. Contractual Interest

The court also awards contractual prejudgment interest calculated in accordance with the lease provisions.

Plaintiff testified that interest accrued on each unpaid rent installment beginning five days after the due date and continuing until payment. The total interest through April 22, 2026, was calculated at \$54,504.61, consistent with the lease's specified rate and subject to the statutory cap where applicable.

The Court of Appeals has held that contractual interest provisions are enforceable according to their terms where the calculation is supported by the record (*Spodek v Park Prop. Dev. Assoc.*, 96 NY2d 577, 581 [2001]). The interest award here is therefore legally appropriate.

D. Reasonableness of the Damages Award

The court has carefully considered whether the damages awarded are proportionate, reasonable, and supported by the record. In doing so, the court has taken into account not only the mathematical calculations presented, but also the credibility of the witnesses, the documentary evidence admitted at trial, and the chronology of events established through sworn testimony.

The damages awarded do not include speculative losses, penalties, or windfalls. Rather, they reflect only those losses that were actually sustained and proven through competent evidence. Each component of the award is tied directly to the contractual obligations assumed by defendants and to the period during which those obligations remained in force.

The Court of Appeals has made clear that damages will be sustained on appellate review where the record provides a rational basis for the amount awarded and where the award corresponds to the actual loss suffered (*Matter of Rothko*, 43 NY2d at 323).

The court is satisfied that the damages awarded herein meet those standards. Accordingly, the court finds that the damages awarded are fair, equitable, and fully supported by the credible evidence, and that the determination is well founded in both law and fact.

E. The Total Monetary Award

The court has carefully considered whether the damages awarded are proportionate, reasonable, and supported by the evidence.

The total award of \$187,718.89 represents the sum of unpaid rent, contractual interest, and brokerage expenses directly attributable to defendants' breach. The award does not include speculative damages or penalties. It reflects only those losses proven by credible testimony and supported by documentary evidence.

Appellate courts consistently uphold damages awards where the trial record provides a rational basis for computation and the award corresponds to actual losses sustained (*Matter of Rothko*, 43 NY2d at 323).

The damages awarded here meet that standard. Each component of the award is grounded in specific testimony, corroborated by documentary proof, and authorized by the lease. The award therefore falls squarely within the range of reasonableness recognized by the Court of Appeals and the Appellate Division, First Department.

VI. Attorneys' Fees

Finally, the court finds that plaintiff is entitled to recover reasonable attorneys' fees pursuant to the lease. Contractual fee-shifting provisions are enforceable where clearly expressed, and courts routinely award attorneys' fees to the prevailing party in lease enforcement actions (*Hooper Assoc. v AGS Computers*, 74 NY2d 487, 491 [1989]). The determination of the reasonable amount of fees will be made upon submission of appropriate billing records.

VII. Closing

Based upon the credible testimony presented at trial, the documentary evidence admitted into the record, and the governing principles of New York law, the court finds that plaintiff

sustained his burden of proof, that defendants' defenses lack factual and legal merit, and that the damages awarded are fair, reasonable, and fully supported by the record.

Accordingly, it is hereby

ORDERED that defendants' application to dismiss the complaint for failure to establish a prima facie case is denied; and it is further;

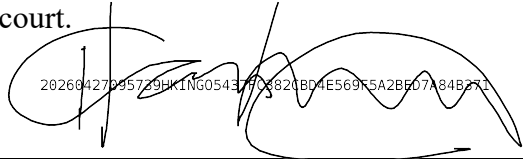
ORDERED that, after trial, judgment is awarded in favor of plaintiff Benjamin Freeman and against defendants Harmonia Holdings LLC and Todd Schuster, jointly and severally, in the amount of \$187,718.89, consisting of \$120,214.28 in unpaid rent, \$54,504.61 in contractual interest through April 22, 2026, and \$13,000.00 in brokerage expenses; and it is further

ORDERED that plaintiff is entitled to reasonable attorneys' fees pursuant to the lease; and it is further

ORDERED that plaintiff shall submit an affirmation of services, billing records, and any supporting documentation within thirty days of service of this decision and order with notice of entry, and defendants may submit opposition within twenty days thereafter; and it is further

ORDERED that the Clerk shall enter judgment accordingly, with statutory interest continuing from April 22, 2026, as appropriate, together with costs and disbursements as taxed by the Clerk.

This constitutes the decision and order of the court.



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HASA A. KINGO, JSC

DATE: 4/27/2026

Check One: Case Disposed

Non-Final Disposition

Check if Appropriate: Other (Specify DECISION AND ORDER FOLLOWING TRIAL)