

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

AYANA RUSH, GUL MAGSOOD, ANGEL
OSMANZAI, RAHIM MAQSOOD, MOHAMMED
SHUKRAN, RITA IDAVOY, REBECCA VERNA,
BRIAN VERNA, ARIEL CROSS-EDWARDS

Plaintiffs,

- against -

SAVE MY HOME CORP., SAVE MY HOME
NOW, INC., SAVE MY HOME TODAY INC.,
SAVE MY HOME U.S.A., INC., BENJAMIN
ABRAHAM, AMIT SINGH, DANIELLE DOE,
HUMA HALIMI (a/k/a HELEN HALIMI), NAVIN
MENON (a/k/a NAVIN MENIN, a/k/a NOVIN
MENON), CHRIS MARINO, THE SELIG LAW
GROUP, P C., EXPRESS MODIFICATIONS INC.,
DAVID GOTTERUP, EXPRESS HOME
SOLUTIONS, INC. (a/k/a EXPRESS HOME 411,
a/k/a EXPRESS DEBT SOLUTIONS), KENNETH
SAROSI, BRIAN MANGAN, MICHAEL
ANDERSON, SANDRA GONZALEZ, DELSY
VALASQUEZ, TANNIA GRIGO, MILADYS
DOE, RICHARD MASINI, EDWIN GARCIA,
ROBERT WEINREB, EMPIRE HOME SAVER
INCORPORATED (a/k/a EMPIRE HOME
SAVINGS),

Defendants.

ORIGINAL

Justice John A. Galasso
IAS Term Part 37
Index No 3605/2011

JUDGMENT

Plaintiffs Ayana Rush, Gul Magsood, Angel Osmanzai, Rahim Maqsood, Mohammed Shukran, Rita Idavoy, Rebecca Verna, Brian Verna, and Ariel Cross-Edwards ("collectively, Plaintiffs") commenced this action on March 9, 2011, by filing a summons and complaint. Defendants Save My Home Corp., Save My Home Now, Inc., Save My Home Today Inc., Save My Home U.S.A., Inc., Benjamin Abraham, Danielle Doe, Navin Menon (a/k/a Navin Menin,

a/k/a Novin Menon), Chris Marino, The Selig Law Group, P C., Express Modifications, Inc., David Gotterup, Express Home Solutions, Inc. (a/k/a Express Home 411, a/k/a Express Debt Solutions), Kenneth Sarosi, Michael Anderson, Sandra Gonzalez, Delsy Valasquez, Tannia Grigo, Miladys Doe, Edwin Garcia, and Empire Home Saver, Inc. (a/k/a Empire Home Savings) (collectively, the “Defaulting Defendants”) were duly served with copies of the summons and complaint pursuant to C.P.L.R. §§ 308, 311. The Defaulting Defendants failed to answer the complaint or otherwise appear in this action, and Plaintiffs moved for entry of an order of default judgment against the Defaulting Defendants pursuant to C.P.L.R. 3215 on June 17, 2010. The Honorable Steven M Jaeger, Justice of the Supreme Court of the State of New York, Nassau County, issued an Order dated July 20, 2011 (a) granting Plaintiffs a default judgment against the Defaulting Defendants, and (b) setting the matter down for an inquest to assess the appropriate amount of damages. The inquest was referred to this Court on September 14, 2011.

In addition to actual damages, it is well within the power of this Court to award exemplary and punitive damages when appropriate at an inquest. See Kessler v. Atlantic Ave. CVS, Inc., 271 A.D.2d 655, 656 (2d Dep’t 2000); Johnson v. McFadden Ford, Inc., 278 A.D.2d 907, 907-08 (4th Dep’t 2000). That is especially true when, as here, those damages are based on a multiple of actual damages provided by statute and expressly left to the court’s discretion.

Plaintiffs have obtained default judgment on multiple causes of action permitting exemplary damages. New York Real Property Law § 265-b (“Section 265-b”) provides that homcowners may recover actual and consequential damages from distressed property consultants that violate Section 265-b. N.Y. Real Prop. L. § 265-b(4)(b). Damages may be trebled if the distressed property consultant acted intentionally or recklessly. Id. New York General Business

Law §§ 350, 350-e (“Section 350”) provides that plaintiffs may recover the greater of actual damages or \$500 from defendants who violate Sections 350 or 350-a. N.Y. Gen. Bus. L. §§ 350, 350-e. If the court finds that such violations were willful or knowing, it may treble actual damages up to a total of \$10,000. *Id.* New York Banking Law § 598 provides that non-exempt, unlicensed or unregistered persons or entities that violate N.Y. Banking Law § 590 (“Section 590”) shall be liable to any person or entity affected for a sum of money not less than the amount of money paid, nor more than four times such sum. N.Y. Banking L. §§ 590, 598. Finally, Plaintiffs pled several causes of action sounding in fraud, including common law fraud, fraudulent inducement, fraudulent concealment, civil conspiracy to commit fraud, and aiding and abetting fraud, that entitle them to punitive damages. Punitive damages are available “where the defendants’ fraudulent conduct is gross, wanton, or deliberate and demonstrates a high degree of moral culpability.” *V.J.V. Transport Corp. v. Santiago*, 173 A D.2d 537, 538 (1st Dep’t 1991) (citing *Giblin v. Murphy*, 73 N.Y.2d 769 (1988); *Walker v. Sheldon*, 10 N.Y.2d 401, 404-405 (1961)).

At the inquest hearing held on September 14, 2011, the Court found that the well-pled Complaint contained allegations sufficient to establish that the Defaulting Defendants acted intentionally or recklessly within the meaning of Section 265-b; that the Defaulting Defendants willfully or knowingly violated Section 350; and the Defaulting Defendants disregarded their obligations under Section 590. These statutes permit recovery above and beyond a plaintiff’s actual damages as a way to punish and deter particularly egregious conduct, which includes the type of consumer-oriented scam operated by the Defaulting Defendants. The purpose of these exemplary damages is not just to make a plaintiff whole, but also to protect the community at

large from similar injury in the future. Accordingly, this Court determined here that exemplary damages were proper. Furthermore, due to the Defaulting Defendants' flagrant disregard for the law, the Court awarded Plaintiffs punitive damages.

AND SO on reading and filing (1) Plaintiffs' Summons and Complaint as filed on March 9, 2011, and the exhibits attached thereto, (2) Plaintiffs' Memorandum of Law in Support of Plaintiffs' Motion for an Order Granting Default Judgment dated June 17, 2011, and the affidavits and exhibits submitted in support thereof; (3) the Order granting Plaintiffs' Motion for an Order Granting Default Judgment against the Defaulting Defendants dated July 20, 2011 (the "July 20 Order"); (4) the Short Form Order amending the July 20 Order dated August 22, 2011; (5) the affidavits of plaintiffs in Osmanzai v. Save My Home, Index. No. 9471/11 (Sup. Ct., Nassau Cty. filed June 26, 2011) submitted in support of their application for a temporary restraining order, attachment, expedited discovery, and a preliminary injunction, and the exhibits attached thereto, (6) the Order granting a preliminary injunction in Osmanzai v. Save My Home, Index. No. 9471/11, dated August 23, 2011, (7) the Memorandum of Law in Support of Plaintiffs' Damage Assessment at Inquest dated September 14, 2011, (8) the record of the inquest hearing held on September 14, 2011, and the decision and order entered on that record, and (9) the Affirmation of Joseph Gallagher dated September 26, 2011,

NOW upon the application of the Lawyers' Committee for Civil Rights Under Law and Davis Polk & Wardwell LLP, attorneys for Plaintiffs, it is hereby

ADJUDGED that Plaintiffs shall recover damages from the Defaulting Defendants as described below and as summarized on Appendix A to this Judgment; the names and identifying information for Plaintiffs and the Defaulting Defendants are included as Appendix B to this Judgment; and it is hereby

Recovery #1

ADJUDGED that Plaintiff Ayana Rush shall recover from the Defaulting Defendants \$3,000.00 plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, \$1,000.00 of which shall constitute compensatory damages and \$2,000.00 of which shall constitute exemplary damages under Section 265-b, Section 350, and Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud; and it is further

Recovery #2

ADJUDGED that Plaintiff Gul Magsood shall recover from the Defaulting Defendants the amount of \$11,292.30 plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, \$3,764.10 of which shall constitute compensatory damages and \$7,528.20 of which shall constitute exemplary damages under Section 265-b, Section 350, and Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud; and it is further

Ac #3

ADJUDGED that Plaintiffs Angel Osmanzai and Rahim Maqsood shall recover from the Defaulting Defendants the amount of \$15,300.00 plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, \$5,100.00 of which shall constitute compensatory damages and \$10,200.00 of which shall constitute exemplary damages under Section 350 and Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud; and it is further

Memory #4

ADJUDGED that Plaintiff Mohammed Shukran shall recover from the Defaulting Defendants the amount of **\$9,250.38** plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, **\$3,083.46** of which shall constitute compensatory damages and **\$6,166.92** of which shall constitute exemplary damages under Section 265-b, Section 350, Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud; and it is further

Memory #5

ADJUDGED that Plaintiff Rita Idavoy shall recover from the Defaulting Defendants the amount of **\$12,200.79** plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, **\$4,066.93** of which shall constitute compensatory damages and **\$8,133.86** of which shall constitute exemplary damages under Section 265-b, Section 350, Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud; and it is further

Memory #6

ADJUDGED that Plaintiffs Rebecca Verna and Brian Verna shall recover from the Defaulting Defendants the amount of **\$8,250.00** plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, **\$2,750.00** of which shall constitute compensatory damages and **\$5,500.00** of which shall constitute exemplary damages under Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud; and it is further *and a further \$2,750.00 in exemplary damages against Defaulting Defendants Express Home Solutions, Nouin Menon, and Milady's Doe, and it is further*

Memory #7

ADJUDGED that Plaintiff Ariel Cross-Edwards shall recover from the Defaulting Defendants the amount of **\$6,000.00** plus interest thereon at the statutory rate of 9% per annum for the period subsequent to the date of the entry of this Judgment, **\$2,000.00** of which shall constitute compensatory damages and **\$4,000.00** of which shall constitute exemplary damages

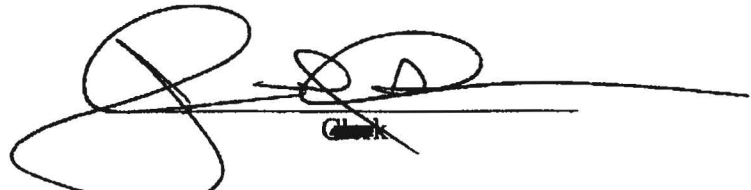
Memory #8

JMS
JSC

under Section 265-b, Section 350, Section 590, and punitive damages under the Plaintiff's causes of action sounding in fraud.

Judgment signed ~~and entered~~ this 27th day of September, 2011.

ENTERED
SEP 27 2011
NASSAU COUNTY
COUNTY CLERK'S OFFICE


Galasso
HON. JOHN M. GALASSO, J.S.C.

APPENDIX A:

PLAINTIFFS' DAMAGE AWARDS AGAINST THE DEFAULTING DEFENDANTS

Plaintiff	Cause of Action	Damage Award
Ayana Rush	Compensatory ¹	\$1,000.00
	Total Damage Award – Trebling ²	\$3,000.00
Gul Magsood	Compensatory	\$3,764.10
	Total Damage Award – Trebling	\$11,292.30
Angel Osmanza and Rahim Maqsood	Compensatory	\$5,100.00
	Total Damage Award – Trebling	\$15,300.00
Mohammed Shukran	Compensatory	\$3,083.46
	Total Damage Award – Trebling	\$9,250.38

¹Compensatory damages include all fees paid to the Defaulting Defendants and, where appropriate, any incidental damages suffered as a result of the actions of the Defaulting Defendants, including late payment fees and penalties imposed by Plaintiffs' lenders or servicers.

²Total damages are calculated by reference to several statutory causes of action that permit exemplary damages, as well as fraud-based claims that permit punitive damages as a matter of law. The Plaintiffs' statutory causes of action may be based on (i) N.Y. Real Prop. Law § 265-b(4)(b), which provides that homeowners may recover actual and consequential damages from distressed property consultants that violate § 265-b, damages may be trebled if the distressed property consultant acted intentionally or recklessly; (ii) N.Y. Gen. Bus. Law § 350-e, which provides that plaintiffs may recover the greater of actual damages or \$500 from defendants who violate §§ 350.350-a; if the court finds that such violations were willful or knowing, it may treble actual damages up to a total of \$10,000, and (iii) N.Y. Banking Law § 598, which provides that non-exempt, unlicensed or unregistered persons or entities that violate N.Y. Banking Law § 590 shall be liable to any person or entity affected for a sum of money not less than the amount of money paid, nor more than four times such sum. The fraud claims include common law fraud, fraudulent inducement, fraudulent concealment, civil conspiracy to commit fraud, and aiding and abetting fraud.

Rita Idavoy	Compensatory	\$4,066.93
	Total Damage Award – Trebling	\$12,200.79
Rebecca and Brian Verna	Compensatory	\$2,750.00
	Total Damage Award – Trebling	\$8,250.00
	Total Damage Award – Section 590 ³	\$11,000.00
Ariel Cross-Edwards	Compensatory	\$2,000.00
	Total Damage Award – Trebling	\$6,000.00

³ Plaintiffs Rebecca and Brian Verna were awarded quadruple damages under Section 590 totaling \$11,000 against Defaulting Defendants Express Home Solutions, Inc (a/k/a Express Home 411, a/k/a Express Debt Solutions), Navin Menon (a/k/a Navin Menin, a/k/a Novin Menon), and Miladys Doe (who counsel for Plaintiffs have learned is Miladys Bohorquez) While treble damages totaling \$8,250 00 may be enforced against all of the Defaulting Defendants, the additional \$2,750 00 in damages under Section 590 may only be enforced against those particular Defaulting Defendants

APPENDIX B:

NAMES AND ADDRESSES OF PLAINTIFFS AND DEFAULTING DEFENDANTS

PLAINTIFFS

Ariel Cross-Edwards

- 115-26 224 St.
Cambria Heights, NY 11411

Rita Idavoy

- 777 Union St.
Brooklyn, NY 11215

Gul Magsood

- 1651 Francis Lewis Blvd.
Whitestone, NY 11357

Angel Osmanzai and Rahim Maqsood

- 7112 Sutton Place
Fresh Meadows, NY 11365

Ayana Rush

- 907 Blake Avenue
Brooklyn, NY 11207-4902

Mohammed Shukran

- 25-60 120th Street, 2nd Floor
Flushing, New York 11354

Rebecca and Brian Verna

- 1501 Evans Ave.
Prospect Park, PA 19076

DEFAULTING DEFENDANTS

Benjamin Abraham

- 25 Hevelyn Rd.
Elmsford, NY 10523-2902

Michael Anderson, who was employed by:

- Express Home Solutions, Inc /Express Home 411/Express Debt Solutions
591 Stewart Ave, 5th Floor
Garden City, NY 11530

Danielle Doe, who was employed by:

- Save My Home Corp./Save My Home Now, Inc /Save My Home Today
Inc./Save My Home U.S A . Inc.
591 Stewart Ave
Garden City, NY 11530

Miladys Doc (aka Mildays Borohquez)

- 155 Logan St Apt D
Brooklyn, NY 11208

Empire Home Saver Incorporated (a/k/a Empire Home Savings), which was located at.

- 591 Stewart Ave, Suite 100
Garden City, NY 11530

Express Home Solutions, Inc (a/k/a Express Home 411, a/k/a Express Debt Solutions), which was located at:

- 591 Stewart Avenue, 5th Floor
Garden City, NY 11530

Edwin Garcia, who was employed by:

- Express Home Solutions, Inc./Express Home 411/Express Debt Solutions
591 Stewart Ave, 5th Floor
Garden City, NY 11530

Sandra Gonzalez, who was employed by:

- Express Home Solutions, Inc./Express Home 411/Express Debt Solutions
591 Stewart Ave, 5th Floor
Garden City, NY 11530

David Gotterup

- 3550 Riverside Dr.
Oceanside, NY 11572

Tannia Grigo, who was employed by:

- Express Home Solutions, Inc./Express Home 411/Express Debt Solutions
591 Stewart Ave, 5th Floor
Garden City, NY 11530

Chris Marino

- 2511 Lincoln Blvd.
North Bellmore, NY 11710-2621
Nassau County

Navin Menon (a/k/a Navin Menin, a/k/a Novin Menon)

- 4 Gables Road
Hicksville, NY 11801

Kenneth Sarosi

- 957 Marcel Road
Baldwin Harbor, NY 11510
- 1123 Harrison St.
North Bellmore, NY 11710

Save My Home Corp./ Save My Home Now, Inc/Save My Home Today Inc /Save My Home U.S.A., Inc., which was located at.

- 591 Stewart Ave, Suite 100
Garden City, NY 11530

The Selig Law Group

- 1035 Stewart Ave Ste 350
Garden City, NY 11530-4825

Delsy Valasquez, , who was employed by:

- Express Home Solutions, Inc./Express Home 411/Express Debt Solutions
591 Stewart Ave, 5th Floor
Garden City, NY 11530

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

Index No. 3605/2011
Date Purchased 03/09/11

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OSMANZAI, RAHIM MAQSOOD,
MOHAMMED SHUKRAN, RITA IDAVOY,
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CROSS-EDWARDS

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HUMA HALIMI (a/k/a HELEN HALIMI), NAVIN
MENON (a/k/a NAVIN MENIN, a/k/a NOVIN
MENON), CHRIS MARINO, THE SELIG LAW
GROUP, P.C., EXPRESS MODIFICATIONS
INC., DAVID GOTTERUP, EXPRESS HOME
SOLUTIONS, INC. (a/k/a EXPRESS HOME 411,
a/k/a EXPRESS DEBT SOLUTIONS), KENNETH
SAROSI, BRIAN MANGAN, MICHAEL
ANDERSON, SANDRA GONZALEZ, DELSY
VALASQUEZ, TANNIA GRIGO, MILADYS
DOE, RICHARD MASINI, EDWIN GARCIA,
ROBERT WEINREB, EMPIRE HOME SAVER
INCORPORATED (a/k/a EMPIRE HOME
SAVINGS)

Defendants.

JUDGMENT

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NASSAU COUNTY