

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

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| THE PEOPLE OF THE STATE OF NEW YORK, by LETITIA JAMES, Attorney General of the State of New York, | Index No. |
| Plaintiff, | |
| -against- | <u>CONSENT AND STIPULATION</u> |
| RAPHAEL TOLEDANO, et al., | |
| Defendants. | |

WHEREAS, Plaintiff the People of the State of New York, by its attorney LETITIA JAMES, Attorney General of the State of New York ("OAG"), are filing the complaint beginning the Action on June 19, 2019 in the Supreme Court of the State of New York, New York County (the "Complaint"), alleging defendants Raphael Toledano, Brookhill Properties, Adele Realty LLC, and Regal Property Group LLC(together, the "Toledano Defendants" or "Defendants") engaged in illegal, fraudulent and deceptive conduct in violation of the New York General Business Law ("GBL") Article 22-A (§ 349), the New York Executive Law § 63(12) and the New York housing and tenant protection laws in connection with their practices in managing and investing in rent-regulated apartment buildings in New York City;

WHEREAS, Defendants have waived their Answer and admit to the facts and claims set forth in the Complaint;

WHEREAS, the OAG and Defendants (together the "Parties") have entered into a Consent Order and Judgment ("Consent Order"). The Consent Order is incorporated by reference into this Consent and Stipulation ("Stipulation");

WHEREAS, the Parties wish to resolve all outstanding issues amongst the parties in order to avoid prolonged and costly litigation, and in furtherance of the public interest;

WHEREAS, the Parties desire to have the Court issue the Consent Order;

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth between the Parties, and based on good and other valuable consideration, the reciprocal receipt of which is acknowledged, it is stipulated and agreed as follows:

1. Defendants admit to the facts set forth in the Complaint, and enter into this Stipulation agreeing to entry of the Consent Order without seeking judicial resolution of the claims in the Complaint.

2. Defendants acknowledge receipt of a copy of the Consent Order.

3. Defendants attest that they have disclosed to the OAG an accurate list which identifies all residential buildings that are currently owned by the Toledano Defendants or that are the subject of any proposed Real Estate Transaction involving the Toledano Defendants (as those terms are defined in the Consent Order).

4. Defendants attest that after giving effect to the terms for payment of the Settlement Amount as described in the Consent Order, Defendants: (a) will not be insolvent (either because the Defendants' financial condition is such that the sum of the Defendants' debts is greater than the fair market value of the Defendants' assets or because the fair saleable value of the Defendants' assets is less than the amount required to pay the Defendants' probable liabilities on the Defendants' existing debts as they mature); (b) do not have unreasonably small capital with which to engage in the Defendants' business; or (c) have not incurred debts beyond the Defendants' ability to pay them as they become due.

5. The Defendants agree that they will accept service of the Complaint by their Counsel, Jacob Kaplan, by email at jkaplan@braflaw.com.

6. The OAG and Defendants consent to the entry of the attached Consent Order without further notice. The OAG will serve Defendants' counsel with notice of entry of the

Consent Order promptly after its entry, if and when it may be entered.

7. This Stipulation is entered into by Defendants of their own free and voluntary act, after consulting with their counsel, with full knowledge and understanding of this proceeding and the obligations imposed upon them by the Consent Order.

8. Defendants enter into this Stipulation consenting to the entry of the attached Consent Order to resolve this proceeding brought against them by the OAG.

9. The OAG has agreed to the terms of the Consent Order based on, among other things, the representations made to the OAG by Defendants and their counsel. To the extent that any material representations are later found to be inaccurate or misleading, the Consent Order is voidable by the OAG in their sole discretion.

10. The OAG agrees that it will not commence or initiate any action or proceeding against Defendants, their principals, directors, officers, shareholders, employees or assignees based upon Defendants' management or conduct of real property in New York City to the extent those actions or proceedings could have been commenced or initiated prior to the date of the filing of this fully executed Stipulation. The OAG may commence or initiate any action or proceeding to address violations of any laws or regulations within its jurisdiction that Defendants engage in on or after the date of the filing of this fully executed Stipulation.

11. Nothing in this Stipulation or the corresponding Consent Order shall be construed to deprive any person of any private right or cause of action including a tenant's ability to file a complaint with DHCR. This Stipulation is not intended for use, and may not be used in any other action or proceeding.


12. The Parties represent and warrant, through the signatures below, that the terms and conditions of this Stipulation and the Consent Order are duly approved and their execution duly authorized.

13. This Stipulation may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together shall constitute one and the same agreement.

Dated: New York, New York
June 19, 2019

LETTITIA JAMES
Attorney General of the
State of New York
28 Liberty Street
New York, New York 10005

Date: June 19, 2019

By: 

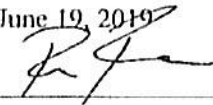
JANE M. AZIA
Bureau Chief
Consumer Frauds and Protection Bureau

MARK LADOV
Assistant Attorney General
Consumer Frauds and Protection Bureau
212-416-8622

ELENA GONZÁLEZ
Assistant Attorney General
Consumer Frauds and Protection Bureau
212-416-8349

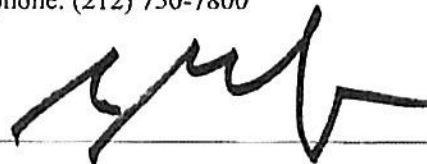
TOLEDANO DEFENDANTS

Date: June 19, 2019

By: 

Raphael Toledano

BRAFMAN & ASSOCIATES
767 Third Avenue
New York, New York, 10017
Telephone: (212) 750-7800

By: 

BENJAMIN BRAFMAN, ESQ.
JACOB KAPLAN, ESQ.