

SUPREME COURT FOR THE STATE OF NEW YORK, COUNTY OF NEW YORK

IMPORTANT NOTICE

TO: EVERY CURRENT AND FORMER TENANT OF THE BUILDING LOCATED AT 41-42 24TH STREET, LONG ISLAND CITY, NEW YORK 11101 (the “QLIC”), WHO LIVED IN THEIR APARTMENT AT ANY TIME AFTER MARCH 28, 2016.

This Notice has been authorized by the Supreme Court of the State of New York, County of New York.

This Notice affects your rights. Please read it carefully.

You are not being sued. This is not a solicitation from a lawyer.

You are receiving this Notice, pursuant to Rule 904 of the New York Civil Practice Law, because records indicate that you may be a member of a plaintiff class in a lawsuit against the owner of the QLIC, 24th STREET LIC LLC (“Defendant”), which is currently pending in the New York Supreme Court, New York County.

The purpose of this Notice is to explain to you

1. what the lawsuit is about;
2. who is included in the certified Class, and your rights as a member;
3. your right to request exclusion from the Class (as defined below); and
4. how to get more information.

DESCRIPTION OF THE LAWSUIT

A class action is a lawsuit where one or more persons sue, not only on their own behalf, but also on behalf of other people who have similar claims. These other people are known as class members. In a class action, one court resolves the issues for all class members.

The Plaintiff here asserts that Defendant received 421-a tax benefits at the QLIC. Under New York State law, these benefits were only available if all the apartments at the QLIC were subject to the rent-stabilization laws. The 421-a Program requires that the first rents for apartments participating in that program are to be set utilizing the amounts the unit’s first occupant was “charged and paid.” The Plaintiff asserts that Defendant violated the law by failing to take into account rent concessions, received by the initial tenants at the QLIC, when registering the first rents for the units. Additionally, the Plaintiff asserts that Defendant utilized concessions on subsequent tenancies, which were not taken into account when setting preferential rents at the QLIC. The Plaintiff asserts that, as a result, tenants at the QLIC were charged more than the maximum legal rent for their apartments, and/or were denied the other benefits of rent-stabilization, such as mandatory lease renewals at amounts allowed under New York State law.

The Plaintiff seeks to recover alleged rent overcharges from Defendant for both themselves and the Class. Plaintiff also seeks to have the Court determine the correct legal regulated rents for the apartments at the QLIC. The Plaintiff also seeks an order that any Class Member residing in an apartment at the QLIC be offered proper lease renewals at regulated rents established as required by the rent stabilization laws.

Plaintiff is not seeking on behalf of themselves, or the members of the Class, the treble damages penalty provided for in the rent stabilization laws and regulations for willful rent overcharges.¹ In seeking class certification, and unless the law changes, Plaintiff has agreed to waive that penalty on behalf of themselves and the Class, and is requesting only injunctive relief and compensatory damages for the actual amounts of the overcharges, plus interest. If you are a Class Member and wish to pursue the statutory penalty, you may do so. However, to ensure your ability to pursue treble damages, ***you must exclude*** yourself from the Class and commence your own action pursuant to the procedures described below. You should note that any claims that you may be able to pursue individually are governed by a statute of limitations.

The Defendant has denied the allegations made by Plaintiff and has asserted affirmative defenses.

¹ In the usual course, if a court or an administrative agency were to find that the landlord’s conduct was “willful,” a penalty of treble (three times) the amount of the overcharge would be assessed for any excess funds collected by the landlord for the period immediately preceding the filing of the complaint. Penalties, such as treble damages, may NOT be sought in a class action, and by participating in this case, you would be waiving that right.

CLASS CERTIFICATION AND COMPOSITION OF THE CLASS

On December 3, 2022, the Court certified the lawsuit to proceed as a class action on behalf of all tenants at the QLIC living, or who had lived, in apartments on or after March 28, 2016 (the “Class”).

Further, the Court certified a subclass of all current QLIC residential tenants seeking injunctive relief.

The Court named Plaintiff A. B. Gilbert as Lead Plaintiff for the Class.

The Court named the law firm of Newman Ferrara LLP as counsel for the Class. Newman Ferrara LLP attorneys will represent you, as part of the Class, unless you request to be excluded as described below, in which case, you will have the opportunity to hire your own attorney, at your own expense.

This Notice is being given to you in the belief that you may be a Class Member whose rights might be affected by this lawsuit. It should not be understood to be an expression of any opinion by the Court concerning the merits of the claims and defenses in this action. The Notice is merely to advise you of the pendency of the action and your rights with respect thereto.

As described below, Class Members have the opportunity to exclude themselves from the damages aspect of the Class by filing an opt-out form with the Court. Apart from this opportunity to opt out, Class Members will be bound by the Court’s determination of the Class’ claims.

HOW TO EXCLUDE YOURSELF FROM THE CLASS

If you wish to be excluded from the Class, you must fill out the Exclusion Form available on the website 24thStreetClassAction.com. Letters requesting exclusion should be mailed First-Class Mail and postmarked on or before **December 27, 2024**, to:

Gilbert v 24th Street LIC
Class Action Administration
P.O. Box 2779
Portland, OR 97208-2779

If you do not request exclusion from the Class, or if your letter of exclusion is not postmarked on or before **December 27, 2024**, and the Court determines that you are a Class Member, you will be included in the Class and bound by any judgment ordered by the Court. In the event such judgment results from a settlement by the parties, you will have the right to object to the terms of the settlement, to participate in the settlement, or to exclude yourself from the settlement. If the case proceeds to judgment absent a settlement and you are a Class Member, you will be bound by the judgment without any further opportunity to exclude yourself or to object.

If you exclude yourself, you will not be bound by the Court’s determination of the Class’s claims—whether positive or negative to the Class—and you will remain free to pursue your own claim for damages independently.

NO RETALIATION PERMITTED

State law prohibits Defendant from terminating your lease if you are a current tenant or retaliating against you in any fashion because you have joined and/or participated in this lawsuit. The law also provides for additional monetary damages and penalties for retaliation.

GETTING MORE INFORMATION

This Notice summarizes this class action lawsuit. You can obtain more information by contacting Class Counsel (Newman Ferrara LLP) by calling (212) 619-5400 or emailing Roger Sachar at rsachar@nflp.com.

All communications and discussions with Newman Ferrara LLP, other than requests to opt out of the lawsuit, are confidential and will not be disclosed without your consent.

Please do not contact the Court with questions involving this lawsuit.

Additional information about the lawsuit is available at 24thStreetClassAction.com or by calling 1-888-850-7258.