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RONI, LLC, ESHEL PROPERTIES, LLC, GILI HOLDINGS LLC, KRR INVESTMENTS, LLC, Assignees, and A.G. DOR INVESTMENTS LLC, BANAGA LLC, MORDECHAI GOLDENBERG, ELORY LLC, ELUNGER, INC., HOD INTERNATIONAL EQUITIES LLC, JOSSIFOFF LLC, KALINA & SONS LLC, KARSH N DYAZ LLC, LYDGAT, LLC, MAZELDIK LLC, RISING STAR, LLC, ROKCOM LLC, S.I. DAR LLC, SBGR LLC, SINTRA REAL-ESTATE LLC, TAMR LLC, TATIVA FINANCE LTD., WASTED DREAMS, LLC, YALI, LLC, YORAM BAUMANN LLC, ELI UNGER, JEOSHUA DOR, EREZ ZENOV, NIR KRIEL, EYAL SCHIFF, OVED SASON, AZARIA JOSSIFOFF, URI KALINA, ZVI KARSH, RON BAHAT, YEHUDA KEREN, JACOB PERRY, SHALOM PAPIR, RAFI RACHMAN, AMOS LASKER, ELI MOR, YORAM DAR, SHLOMO MASHAIACH, EYTAN STIBBE, RON GUTTMAN, PNINA GOLDBERG, SHUKI WEISS, ILAN CALIC, and YORAM BAUMANN,
as Assignors,

Plaintiffs,

- against -

RACHEL L. ARFA, ALEXANDER SHPIGEL, GADI ZAMIR, LAWRENCE A MANDELKER, in his Official capacity as Court-Appointed Temporary Receiver pursuant to CPLR Art. 64 of HARLEM HOLDINGS, LLC, HARLEM ACQUISITION LLC, AMERICAN ELITE PROPERTIES, INC., MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO, P.C., JEFFREY A. MOERDLER, EDWARD LUKASHOK, AUBREY REALTY CO., AUBREY REALTY, LLC, 42nd STREET REALTY, LLC, TAMMAZ REALTY, LLC and ELUL ACQUISITION, LLC.

Defendants.
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Index No. 601224/07

AMENDED COMPLAINT

Plaintiffs, by their attorneys, Balber Pickard Maldonado & Van Der Tuin, PC, for their Complaint against Defendants, allege as follows:

Parties

1. Roni, LLC (“Roni”) is a limited liability company organized pursuant to the laws of Delaware and qualified to do business in New York. It owns¹:

- (a) by original acquisition,
 - (i) a 4.7619% membership interest in West 162nd Street and Academy Street LLC (“162 LLC”);
 - (ii) a 3.75% membership interest in 546-552 West 146th Street LLC (“146 LLC”);
 - (iii) a 6.25% interest in 2000 Davidson Ave. LLC (“Davidson LLC”);
 - (iv) a 2.6600% interest in 522-536 West 147th Street LLC (“147 LLC”);
 - (v) a 1.8993% interest in 100-102 East 124th Street Package LLC (“124 LLC”);
 - (vi) a 25% interest in Harlem I LLC;
 - (vii) a 25% interest in Harlem II LLC; and
- (b) by assignment
 - (i) the claims of A.G. Dor Investments LLC, as an investor in and owner of a 12.5% membership interest in Harlem I LLC, against these defendants;
 - (ii) the claims of Jossifoff LLC, as an investor in and owner of a 12.5% membership interest in Harlem I LLC, against these defendants;

¹ The membership percentages enumerated below do not reflect the effect of the “put” later exercised by certain holders of the membership interests in the LLCs.

- (iii) the claims of Lydgat, LLC, as an investor in and owner of a 25% membership interest in Harlem I LLC, against these defendants; and
- (c) by assignment
 - (i) the claims of A.G. Dor Investments LLC, as an investor in and owner of a 12.5% membership interest in Harlem II LLC, against these defendants;
 - (ii) the claims of Jossifoff LLC, as an investor in and owner of a 12.5% membership interest in Harlem II LLC, against these defendants;
 - (iii) the claims of Lydgat, LLC, as an investor in and owner of a 25% membership interest in Harlem II LLC, against these defendants.

2. Eshel Properties, LLC (“Eshel”) is a limited liability company organized pursuant to the laws of Delaware and qualified to do business in New York. It owns:

- (a) by original acquisition,
 - (i) a 12.5% interest in 146 LLC;
 - (ii) a 10.640% interest in 147 LLC;
- (b) by assignment,
 - (i) the claims of Lydgat, LLC as an investor in and owner of a 3.750% interest in 146 LLC;
 - (ii) the claims of Rising Star, LLC as an investor in and owner of a 25% interest in 146 LLC;
 - (iii) the claims of SBGR LLC as an investor in and owner of a 12.5% interest in 146 LLC; and
 - (iv) the claims of Yoram Baumann LLC as an investor in and owner of a 12.5% interest in 146 LLC.

3. Gili Holdings LLC ("Gili") is a limited liability company organized pursuant to the laws of Delaware and qualified to do business in New York. It owns:

- (a) by original acquisition,
 - (i) a 23.8096% interest in 162 LLC;
 - (ii) a 10% interest in 146 LLC;
 - (iii) a 10% interest in Davidson LLC;
 - (iv) a 12.750% interest in 147 LLC; and
- (b) by assignment,
 - (i) the claims of Kalina & Sons LLC as an investor in and owner of a 12.5% interest in Davidson LLC;
 - (ii) the claims of Karsh N Dyaz LLC as an investor in and owner of a 5% interest in Davidson LLC;
 - (iii) the claims of Lydgat, LLC as an investor in and owner of a 6.25% interest in Davidson LLC;
 - (iv) the claims of Mazeldik LLC as an investor in and owner of a 6.25% interest in Davidson LLC;
 - (v) the claims of Rising Star, LLC as an investor in and owner of a 25% interest in Davidson LLC;
 - (vi) the claims of SBGR LLC as an investor in and owner of a 10% interest in Davidson LLC;
 - (vii) the claims of Wasted Dreams, LLC, as an investor in and owner of a 12.5% interest in Davidson LLC;
- (c) by assignment,

- (i) the claims of A.G. Dor Investments LLC as an investor in and owner of a 11.9048% interest in 162 LLC;
- (ii) the claims of Dr. Mordechai Goldenberger as an investor in and owner of a 11.9048% interest in 162 LLC;
- (iii) the claims of Lydgat, LLC as an investor in and owner of a 16.6667% interest in 162 LLC;
- (iv) the claims of Rising Star, LLC as an investor in and owner of a 14.2857% interest in 162 LLC; and
- (v) the claims of Tativa Finance Ltd., as an investor in and owner of a 9.5238% interest in 162 LLC.

4. KRR Investments, LLC ("KRR") is a limited liability company organized pursuant to the laws of Delaware and qualified to do business in New York. It owns:

- (a) by original acquisition,
 - (i) a 19.130% interest in 147 LLC;
 - (ii) a 14.2450% interest in 124 LLC;
- (b) by assignment,
 - (i) the claims of Banaga LLC as an investor in and owner of a 6.38% interest in 147 LLC;
 - (ii) the claims of Lydgat, LLC as an investor in and owner of a 2.66% interest in 147 LLC;
 - (iii) the claims of Rising Star, LLC as an investor in and owner of a 21.28% interest in 147 LLC;

- (iv) the claims of Wasted Dreams, LLC, as an investor in and owner of a 10.64% interest in 147 LLC;
 - (v) the claims of Yali, LLC as an investor in and owner of a 4.26% interest in 147 LLC; and
- (c) by assignment,
- (i) the claims of Elunger, Inc. as an investor in and owner of a 5.6980% interest in 124 LLC;
 - (ii) the claims of Elory LLC as an investor in and owner of a 4.7483% interest in 124 LLC;
 - (iii) the claims of HOD International Equities LLC as an investor in and owner of a 9.4967% interest in 124 LLC;
 - (iv) the claims of Lydgat, LLC as an investor in and owner of a 1.8993% interest in 124 LLC;
 - (v) the claims of Rising Star, LLC as an investor in and owner of a 13.2953% interest in 124 LLC;
 - (vi) the claims of Rokcom LLC as an investor in and owner of a 9.4967% interest in 124 LLC;
 - (vii) the claims of SBGR LLC as an investor in and owner of a 4.7483% interest in 124 LLC;
 - (viii) the claims of S.I. Dar LLC as an investor in and owner of a 4.7483% interest in 124 LLC;
 - (ix) the claims of Sintra Real-Estate LLC as an investor in and owner of a 18.9934% interest in 124 LLC; and

(x) the claims of TAMR LLC as an investor in and owner of a 4.7483% interest in 124 LLC.

5. Roni, Eshel, Gili and KRR are hereinafter collectively the "Plaintiffs."

6. The following parties, the "Assignor Plaintiffs," have assigned all of their claims arising from their investments in the Property LLCs and the Properties, as defined below, including the causes of action asserted in this action, to Plaintiffs Roni, LLC, Eshel Properties, LLC, Gili Holdings, LLC, and KRR Investments, LLC, but appear herein pursuant to the Court's order dated August 4, 2008:

Eli Mor, principal of Roni, LLC,

Nir Kriel principal of Eshel Properties, LLC,

Eyal Schiff as principal of Gili Holdings, LLC,

Yehuda Keren as principal of KRR Investments, LLC,

A.G. Dor Investments LLC, and its principal Jeoshua Dor,

Banaga LLC, and its principal Ron Bahat,

Mordechai Goldenberg,

Elory LLC and its principal Erez Zenov,

Elunger, Inc. and its principal Eli Unger,

HOD International Equities LLC, and its principal Oved Sason,

Jossifoff LLC, and its principal Azaria Jossifoff,

Kalina & Sons LLC, and its principals Uri Kalina and Matan Kalina,

Karsh N Dyaz LLC, and its principal Zvi Karsh,

Lydgat, LLC, and its principal Jacob Perry,

Mazeldik LLC, and its principal Shalom Papir,

Rising Star, LLC and its principal Rafi Rachman,
Rokcom LLC, and its principal Amos Lasker,
S.I. Dar LLC, and its principal Yoram Dar,
SBGR LLC, and its principal Shlomo Mashaiach,
Sintra Real-Estate LLC, and its principal Eytan Stibbe,
TAMR LLC and its principal Ron Guttman,
Tativa Finance Ltd., and its principal Pnina Goldberg,
Wasted Dreams, LLC, and its principal Shuki Weiss,
Yali, LLC, and its principal Ilan Calic,
Yoram Baumann LLC, and its principal Yoram Baumann.

7. 146 LLC, West 162 LLC, Davidson LLC, West 147 LLC, East 124 LLC, Harlem I LLC and Harlem II LLC are collectively the "Property LLCs". The real property owned by each of the Property LLCs is a "Property" or collectively "the Properties."

8. Plaintiffs own, by original acquisition or by assignment², 100% of the membership interests in 162 LLC, 87.5% of the membership interests in 146 LLC, 93.75% of the membership interests in Davidson LLC, 95.74% of the membership interests in 147 LLC, 98.1007% of the membership interests in 124 LLC, 75% of the membership interests in Harlem I LLC and 75% of the membership interests in Harlem II LLC.

9. Plaintiffs are also equitably entitled, for the reasons set forth below, to the 7.1425% membership interest in 162 LLC, the 7.5% membership interest in 146 LLC, the 6.25% membership interest in Davidson LLC, the 5.3% membership interest in 147 LLC, the 4.0838%

² This calculation of percentage ownership interests includes the effect of the "Put" by Harlem Holdings of its membership interests back to all Property LLCs except Davidson LLC, Harlem I LLC, and Harlem II, LLC.

membership interest in 124 LLC, the 25% membership interest in Harlem I LLC, and the 25% membership interest in Harlem II LLC, claimed by defendant Harlem Holdings, LLC.

10. Defendant Rachel L. Arfa (“Arfa”) is a natural person, the wife of Defendant Alexander Shpigel, an organizer of each of the Property LLCs and a promoter of the Property LLCs (and the Property acquisitions described below) to the investors who formed the “Investor LLCs” (defined below) that now own the Property LLCs. Arfa is, upon information and belief, a resident of the City and State of New York. Arfa, upon information and belief, has a financial or ownership interest in one or more of defendants “Harlem Holdings,” “Harlem Acquisition,” “AmElite,” “42nd Street Realty,” “Tammaz,” and “Elul” (as each term is hereinafter defined.)

11. Defendant Alexander Shpigel (“Shpigel”) is a natural person, the husband of Defendant Arfa, an organizer of each of the Property LLCs and a promoter of the Property LLCs (and the Property acquisitions described below) to the investors who formed the Investor LLCs that now own the Property LLCs. Shpigel was also a co-manager of each of the Property LLCs, together with Defendants Gadi Zamir and Harlem Holdings, LLC, from the time of their formation until in or about November 2005. Shpigel is, upon information and belief, a resident of the City and State of New York. Shpigel, upon information and belief, has a financial or ownership interest in one or more of defendants Harlem Holdings, Harlem Acquisition, AmElite, 42nd Street Realty, Tammaz, and Elul.

12. Defendant Gadi Zamir (“Zamir”) is a natural person, an organizer of each of the LLCs and a promoter of the Property LLCs (and the Property acquisitions described below) to the investors who formed the Investor LLCs that now own the Property LLCs. Zamir was also a co-manager of each of the Property LLCs, together with Defendants Shpigel and

Harlem Holdings, LLC, from the time of their formation until in or about November 2005, and the sole manager of each of the Property LLCs from in or about November 2005, through and including August 2006. Zamir is, upon information and belief, a resident of the City and State of New York. Zamir, upon information and belief, has a financial or ownership interest in one or more of defendants Harlem Holdings, Harlem Acquisition, AmElite, 42nd Street Realty, Tammaz, and Elul.

13. Defendant Harlem Holdings LLC (“Harlem Holdings”) is, upon information and belief, a limited liability company organized pursuant to the laws of the State of New York, for whom Lawrence A. Mandelker, Esq. was appointed temporary receiver pursuant to CPLR Art. 64 by order of this Court dated February 22, 2006. Harlem Holdings is wholly owned, directly or indirectly, by Defendants Arfa, Shpigel and Zamir. Harlem Holdings was a co-manager of the Property LLCs, together with Defendants Shpigel and Zamir, from the time of their formation until in or about November 2005.

14. Defendant Harlem Acquisition LLC (“Harlem Acquisition”) is, upon information and belief, a limited liability company organized on or about November 30, 2004 pursuant to the laws of the State of New York. Harlem Acquisition, upon information and belief, is wholly owned, directly or indirectly, by Defendants Arfa, Shpigel and Zamir. Harlem Acquisition was purported to be used by Defendants to acquire the 124 LLC and 162 LLC Properties.

15. Defendant American Elite Properties Inc. (“AmElite”) is, upon information and belief, a corporation organized pursuant to the laws of the State of New York. AmElite is, upon information and belief, wholly owned, directly or indirectly by defendants Arfa, Shpigel and Zamir. AmElite acted as a disclosed promoter and undisclosed real estate

broker in one or more of the Property acquisitions, for which AmElite received, directly or indirectly, substantial disclosed promotional payments and undisclosed brokerage payments.

16. Defendant Mintz, Levin, Cohn, Ferris, Glovsky & Popeo, P.C. (“Mintz Levin”) is, upon information and belief, a professional corporation organized pursuant to the laws of the State of Massachusetts and qualified to do business in the State of New York for the practice of law, with a principal office in Boston, Massachusetts. Mintz Levin has purported to represent the Property LLCs, the member investors, Defendants Arfa, Shpigel, Zamir, Harlem Holdings and Harlem Acquisition and other entities owned or controlled by Defendants in transactions and disputes related to the business and investments of the Property LLCs. Mintz Levin, upon information and belief, organized and has a financial interest in one or more of defendants 42nd Street Realty, Tammaz and Elul.

17. Defendant Jeffrey A. Moerdler (“Moerdler”) is a natural person and, upon information and belief, has at all relevant times been licensed to practice law in the State of New York. Moerdler is, upon information and belief, a member of Mintz Levin and was the attorney at Mintz Levin principally involved in and responsible for the representation of the Property LLCs, the member investors, Defendants Arfa, Shpigel, Zamir, Harlem Holdings and Harlem Acquisition, and other entities owned or controlled by Defendants in transactions and disputes related to the business and investments of the Property LLCs.

18. Defendant Edward Lukashok (“Lukashok”) is a natural person and, upon information and belief, has at all relevant times been licensed to practice law in the State of New York. Lukashok has purported to represent the Property LLCs, the member investors, Defendants Arfa, Shpigel, Zamir and Harlem Holdings and other entities owned or controlled by Defendants in transactions and disputes related to the business and investments of the Property

LLCs. Lukashok, upon information and belief, organized and has a financial interest in one or more of defendants Aubrey Realty, 42nd Street Realty, Tammaz Realty and Elul.

19. Defendants Aubrey Realty Co. and Aubrey Realty LLC (collectively, “Aubrey”) are, upon information and belief, a “d/b/a” for Defendant Lukashok and are owned and controlled by Lukashok. Aubrey has purported to act as a real estate broker in one or more of the transactions by which Property LLCs acquired Properties, for which Aubrey received, directly or indirectly, substantial payments.

20. Defendant 42nd Street Realty, LLC (“42nd Street Realty”) is, upon information and belief, a limited liability company organized pursuant to the laws of the State of New York. 42nd Street Realty, upon information and belief, is wholly owned, directly or indirectly, by Defendants Arfa, Shpigel, Zamir, Mintz Levin and/or Lukashok. 42nd Street Realty, although it was not licensed to do so, purported to act as a real estate broker of the transactions by which Property LLCs acquired Properties, for which 42nd Street Realty received, directly or indirectly, substantial payments.

21. Defendant Tammaz Realty, LLC (“Tammaz”) is, upon information and belief, a limited liability company organized pursuant to the laws of the State of New York. Tammaz, upon information and belief, is wholly owned, directly or indirectly, by Defendants Arfa, Shpigel, Zamir, Mintz Levin and/or Lukashok. Tammaz, although it was not licensed to do so, purported to act as a real estate broker in one or more of the transactions by which Property LLCs acquired Properties, for which Tammaz received, directly or indirectly, substantial payments.

22. Defendant Elul Acquisition, LLC (“Elul”) is, upon information and belief, a limited liability company organized pursuant to the laws of the State of New York. Elul, upon