

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF KINGS

ARTHUR GALLINARO

Plaintiff(s),

*-against-*

HENRY F. CAMUSO, MADELINE CAMUSO,  
and REGENT ASSOCIATES, a New York Partnership

Defendant(s).

Index No.

**Summons**

Date Index No. Purchased: April 9, 2012

To the above named Defendant(s)

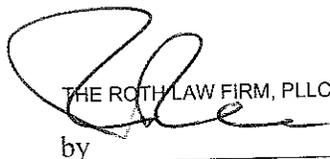
Henry F. Camuso, Madeline Camuso, and Regent Associates, a New York Partnership

You are hereby summoned to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiff's attorney within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

The basis of venue is the location of the partnership's properties  
which is in Kings County

Dated: New York, New York

April 9, 2012



THE ROTH LAW FIRM, PLLC

by \_\_\_\_\_

Richard Roth

Attorneys for Plaintiff

ARTHUR GALLINARO

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF KINGS

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ARTHUR GALLINARO, :  
 :  
 Plaintiff, : **Index No.**  
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 :  
 HENRY CAMUSO, MADELINE CAMUSO, : **VERIFIED COMPLAINT**  
 and REGENT ASSOCIATES, a New York Partnership, :  
 :  
 Defendants. :  
-----X

Plaintiff Arthur Gallinaro (“Plaintiff” or “Gallinaro”), by his attorneys The Roth Law Firm, PLLC, files this Complaint against Defendants Henry Camuso (“Camuso), Madeline Camuso (“Madeline”), and Regent Associates (“Regent Associates”) (collectively, “Defendants”) and states as follows:

**THE PARTIES**

1. Gallinaro is an individual who resides in Pembroke Pines, Florida.
2. Upon information and belief, Camuso is an individual who resides in Fort Lauderdale, Florida.
3. Upon information and belief, Madeline is an individual who resides in Staten Island, New York.
4. Upon information and belief, Regent Associates is a business with its principal place of business in Brooklyn, New York.

**JURISDICTION AND VENUE**

5. This court has personal jurisdiction over the Defendants because Defendants conduct business in Kings County, transact business in Kings County and the events giving rise to the claim herein occurred in Kings County.

6. Venue is proper in this court because the events giving rise to the claim herein occurred in Kings County.

### FACTS

7. Gallinaro and Camuso first became partners in or about January, 1988 when they signed a limited partnership agreement (the "Agreement") with two other individuals, Jack Freeman and Jonathan Poole. The limited partnership was named Regent Associates. A copy of the Agreement is annexed hereto as "Exhibit A."

8. Pursuant to the Agreement, Gallinaro and Camuso were both general partners and limited partners each owning forty percent (40%) interest of the partnership.

9. Pursuant to the Agreement, the purpose of Regent Associates is "to acquire title to the Property and to develop, rent, sell and otherwise dispose of the Property."

10. The Agreement states that the partners "shall acquire or cause the Property to be acquired for their benefit and on their behalf." Section 6.2 of the Agreement also states the following: "The Partnership shall be managed by the General Partners as follows: (b)...the General Partners shall have the authority and power:...(iv) to do and perform all such other things as may be in furtherance of the Partnership's purposes and necessary or appropriate to the conduct of its business."

11. The Agreement lists nine properties for which "Regent Associates has entered into an agreement with the City of New York dated January 6, 1988 to purchase and obtain financing." The properties, which are located in Brooklyn, New York, are the following: 25 East 21st Street; 90 East 18th Street; 2102 Regent Place; 2108 Regent Place; 2112 Regent Place; 2116 Regent Place; 369 East 21st Street; 2322 Bedford Avenue; and 600 East 22nd Street.

12. The properties were purchased in or about 1989 from the City of New York for

approximately nine dollars (\$9) with construction financing. Currently, nine buildings comprised of seventy-one residential units stand on those properties.

13. In or about November, 1990, Gallinaro and Camuso executed an indemnification agreement and purchase agreement with Jack Freeman and Jonathan Poole wherein Gallinaro and Camuso became the two remaining partners of Regent Associates. A copy of the indemnification agreement and purchase agreement are annexed hereto as "Exhibit B."

14. As a result, Gallinaro and Camuso each owned a fifty percent (50%) interest in Regent Associates.

15. Prior to and/or after Gallinaro and Camuso executed the Agreement, they also entered into one other partnership and two corporations together. All those entities, with the exception of Regent Associates, are now defunct.

16. In or about February, 1992, Gallinaro and Camuso executed an agreement intended to "supplement, amend and set forth the various responsibilities of GALLINARO and CAMUSO and should be read in conjunction with the terms and conditions of the individual agreements [of the entities]." A copy of that agreement is annexed hereto as "Exhibit C."

17. During this time, Camuso and Madeline were married. Madeline was not a partner of Regent Associates.

18. In or about 1998, Madeline filed for divorce from Camuso.

19. Upon information and belief, during the pendency of court proceedings related to the divorce, Camuso was found in contempt of court. As a result, Camuso was, among other things, appointed a guardian to oversee his financial and business matters.

20. Upon information and belief, as a result of the court's decision in the divorce matter, Madeline became a limited partner of Regent Associates, owning a twenty-five percent

(25%) interest, and making Camuso's interest twenty-five percent (25%) as well.

21. The buildings owned by Regent Associates (the "buildings") have been managed by a company owned by Camuso's daughter. Residential units have been rented out to individuals, from whom Camuso's daughter would receive rent payments. However, it was not until 2006 that Gallinaro started receiving any rent proceeds. From 2006 through 2011, Gallinaro has received an approximate yearly average of forty-four thousand dollars (\$44,000) in rent proceeds. From 1988 until 2006, Gallinaro did not receive one dime in rent proceeds.

22. The buildings, upon which Regent Associates has a \$1,700,000 mortgage, are currently in complete disrepair.

23. Remarkably, upon review of the New York Department of Housing Preservation and Development's website ([www.nyc.gov/hpd](http://www.nyc.gov/hpd)), there are currently approximately **435** violations listed for the buildings! There are approximately 120 violations for 2112 Regent Place; approximately 77 violations for 2116 Regent Place; approximately 74 violations for 25 East 21st Street; approximately 54 violations for 90 East 18th Street; approximately 37 violations for 369 East 21st Street; approximately 36 violations for 2322 Bedford Avenue; approximately 21 violations for 2102 Regent Place; approximately 15 violations for 2108 Regent Place; and approximately 1 violation for 600 East 22nd Street. These violations are for various infractions, including, but not limited to: inadequate lighting in front entranceways and public hallways; missing or broken smoke detectors; missing or broken carbon monoxide detectors; obstructed fire escapes; missing or defective locks on front doors; missing or broken baseboard radiator covers; no hot water; no cold water; scalding water; no access to building heating systems; no access to roofs; broken or defective fire retardant material; peeling lead paint; mold; and exposed wires. A copy of the reports from the Department of Housing Preservation and Development website is

annexed hereto as "Exhibit D."

24. Gallinaro has attempted on multiple occasions to discuss with Camuso the needed repairs to the buildings. Camuso has consistently refused to make any repairs or to put any money into the buildings. Regent Associates is, therefore, at a stalemate and nothing is being accomplished, to the detriment of the buildings.

25. In or about 2011, Regent Associates received three fair market value offers to purchase its properties. Most notably, the last offer received, which was in or about January, 2012, was for \$5,900,000 less one hundred seventy-five thousand dollars (\$175,000) in realty fees.

26. Camuso had at first communicated to Gallinaro that he was interested in selling the partnership. However, Camuso then refused all offers outright. To paraphrase, Camuso told Gallinaro that he would rather have Regent Associates go bankrupt than to sell the properties or put any money into them.

27. On a different occasion, when the sale of Regent Associates was being discussed, Camuso told Gallinaro that he (Camuso) does not accept Madeline as a partner and does not care what percentage of sale proceeds Gallinaro or Madeline were to receive as long as Camuso got fifty percent (50%).

28. Gallinaro has been unable to reasonably communicate with Camuso and there has been a total breakdown in the relationship. In the meantime, Camuso continues to refuse to consent to necessary maintenance or appropriate repairs, resulting in a state of not only a diminution in value of the property but safety and health concerns as well.

29. Gallinaro has had no communications with Madeline. She is not involved at all with the management of Regent Associates or of its properties. However, upon information and

belief, Madeline will support Camuso in all his decisions, thereby making it a true stalemate in Regent Associates.

**AS AND FOR A FIRST CAUSE OF ACTION  
FOR DECLARATORY JUDGMENT**

30. Plaintiff repeats and realleges paragraphs 1 through 29 as if fully set forth herein.

31. There exists a justiciable and triable dispute between the parties that is ripe for adjudication.

32. A judgment declaring Regent Associates dissolved and a receiver appointed to wind up the partnership's affairs will resolve expeditiously and with finality the present controversy.

33. Without such a declaratory judgment, Gallinaro is and will continue to be irreparably harmed by Defendants' actions.

**AS AND FOR A SECOND CAUSE OF ACTION  
FOR BREACH OF COVENANT OF GOOD FAITH AND FAIR DEALING**

34. Plaintiff repeats and realleges paragraphs 1 through 33 as if fully set forth herein.

35. The Agreement that Gallinaro and Camuso entered into to become partners implied a covenant of good faith and fair dealing.

36. By virtue of the foregoing conduct, Camuso has acted in bad faith in performing and/or not performing his duties under the Agreement. Accordingly, Camuso has breached the implied covenant of good faith and fair dealing.

37. As a result of the foregoing, Gallinaro has incurred damages of no less than \$2,500,000 including interest, costs, and attorneys' fees.

**AS AND FOR A THIRD CAUSE OF ACTION  
FOR BREACH OF CONTRACT**

38. Plaintiff repeats and realleges paragraphs 1 through 37 as if fully set forth herein.

39. Camuso entered into the Agreement with Gallinaro in or about January, 1988.

40. Camuso was required, in part, by the Agreement to “to do and perform all such other things as may be in furtherance of the Partnership’s purposes and necessary or appropriate to the conduct of its business.”

41. Camuso violated this requirement by failing to reasonably communicate with Gallinaro, not agreeing to put money toward necessary repairs, and refusing fair market value offers to purchase.

42. As a result of the foregoing, Gallinaro has incurred damages of no less than \$2,500,000 including interest, costs, and attorneys’ fees.

**WHEREFORE**, Plaintiff respectfully seeks Judgment in this matter as indicated in the First, Second, and Third Causes of Action herein, together with any further relief that the Court deems just and proper.

Dated: New York, New York  
April 9, 2012

THE ROTH LAW FIRM, PLLC



By: \_\_\_\_\_

Richard A. Roth  
295 Madison Avenue, 22<sup>nd</sup> Floor  
New York, New York 10017  
(212) 542-8882  
*Attorneys for Plaintiff*

VERIFICATION

STATE OF FLORIDA        )  
                                  ) ss.:  
COUNTY OF BROWARD    )

I am the Plaintiff in this action.

I have read the foregoing Verified Complaint, know the contents thereof, and know that the contents are true to my own knowledge, except as to matters stated therein to be alleged upon information and belief, which matters I believe to be true.



Arthur Gallinaro

Sworn to before me this  
\_\_\_ day of April, 2012

State of New York)  
County of Queens: I ss.  
Sworn to and subscribed before me this

6 day of April, 2012



\_\_\_\_\_  
Notary Public

SUSAN RINA BRACCI  
NOTARY PUBLIC, State of New York  
No. 01BR6242665  
Qualified in Queens County  
Commission Expires June 6, 2015