

**OFFICE OF THE ATTORNEY GENERAL OF THE STATE OF NEW YORK  
REAL ESTATE FINANCE BUREAU**

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In the Matter of the

Investigation by LETITIA JAMES,  
Attorney General of the State of New York, of

AOD No. 26-024

135 CARLTON VENTURES LLC, and  
CRAIG NASSI,

Respondents.  
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**ASSURANCE OF DISCONTINUANCE**

The Office of the Attorney General of the State of New York (“OAG”) commenced an investigation pursuant to Executive Law § 63(12), New York General Business Law (“GBL” or “Martin Act”) § 352 *et seq.*, and GBL § 777 in connection with the offer of real estate securities in the 135 Carlton Avenue Condominium (“Condominium”). This Assurance of Discontinuance (“Assurance”) contains the findings of OAG’s investigation, and the relief agreed to by OAG and Respondents 135 Carlton Ventures LLC (“135 Carlton LLC”) and Craig Nassi (“Nassi”) (each a “Respondent,” collectively, “Respondents,” and together with OAG, the “Parties”).

**OAG’s FINDINGS**

**I. Respondents**

1. 135 Carlton LLC is a New York limited liability company having an office at 315 Park Avenue South, 18<sup>th</sup> Floor, New York, New York, and is the sponsor (“Sponsor”) of the Condominium.

2. Nassi has a business address at 315 Park Avenue South, 18<sup>th</sup> Floor, New York, New York, and was the principal of Sponsor at all relevant times.

## II. Legal Standard

3. The Martin Act protects the public from fraudulent practices in the public offer and sale of securities, including the sale of condominium units. GBL § 352 *et seq.*

4. The Martin Act makes illegal and prohibits any person, partnership, corporation, company, trust or association, or any agent or employee thereof, to use or employ certain acts or practices in the offering of real estate securities, such as condominium units, to the public. Prohibited acts or practices include making “[a]ny representation or statement which is false, where the person who made such representation or statement: (i) knew the truth; or (ii) with reasonable effort could have known the truth; or (iii) made no reasonable effort to ascertain the truth; or (iv) did not have knowledge concerning the representation or statement made . . . .” GBL § 352-c(1).

5. Before a sponsor of a condominium may offer or sell units in the condominium, the sponsor must submit an offering plan to OAG, and OAG must accept it for filing. The offering plan must describe in detail the offering of condominium units to the public and the sponsor must provide it to purchasers prior to the sale of any unit. GBL § 352-e(2).

6. A sponsor may make sales of such condominium units based only on the information, statements, literature, or representations in the offering plan. GBL § 352-e(5).

7. A sponsor cannot omit any material fact from the offering plan or include any untrue statement. GBL § 352-e(1)(b).

8. If the sponsor is offering units in a vacant building, the sponsor must file an offering plan pursuant to Title 13, Part 20 (“Part 20”) of the New York Code of Rules and Regulations of the State of New York (“NYCRR”).

9. Part 20 mandates that a sponsor incorporate detailed terms of the transaction that are “complete, current and accurate” in the offering plan, and further mandates that a

sponsor and its principals certify the truthfulness of the representations made in the offering plan. 13 NYCRR § 20.1(b)(1); 13 NYCRR § 20.4(b).

10. Pursuant to Part 20, a sponsor, among other things, is required to construct the condominium units “in accordance with all applicable zoning and building laws.” 13 NYCRR § 20.3(e)(3).

11. In the offering plan, a sponsor must provide a complete and accurate description of the condominium’s structural system, including the type of foundation(s) and method of installation, and thereafter deliver a set of “as-built” plans to the condominium’s board of managers. 13 NYCRR§ 20.3(e)(1); 13 NYCRR§ 20.7(h); 13 NYCRR § 20.3(t)(17).

12. When an offering plan describes a condominium building as new construction, “the condition of all items is presumed to be new and need not be stated; if the condition is other than new, [sponsor must] so state.” 13 NYCRR § 20.7.

13. Section 777-A of the GBL, commonly referred to as Article 36-B, mandates that a housing merchant implied warranty is implied in the contract or agreement for the sale of a new condominium. “A housing merchant implied warranty shall mean that . . . six years from and after the warranty date the home will be free from material defects.” GBL § 777-A(c).

14. Pursuant to GBL § 777(4), a “material defect means actual physical damage” to certain load-bearing sections of the home, to the extent that the physical damage causes the load-bearing section to become unsafe, including such sections as “foundation systems and footings [and] beams ....”

15. The Condominium offering plan, which Sponsor submitted to OAG and provided to purchasers, states explicitly in Section A “Special Risks,” page 8, paragraph (AC) that “The Housing Merchant Implied Warranty applies to this offering.”

16. Executive Law § 63(12) defends the public against repeated acts of fraud in the carrying on, conducting, or transaction of business. The Executive Law defines fraud as, *inter alia*, any “misrepresentation, concealment, suppression, [or] false pretense.” Executive Law § 63(12).

### **III. Respondent’s Violations**

17. On November 13, 2017, Sponsor submitted to OAG an offering plan (“Offering Plan”) for the property located at 135 Carlton Avenue, Brooklyn New York (“135 Carlton Avenue” or “Building”) pursuant to Part 20 for the offer and sale of real estate securities in a condominium. OAG accepted the Offering Plan for filing on February 23, 2018. The underlying investigation (“Investigation”) was opened following a complaint filed by the Condominium’s Board of Managers (“Board”) dated May 18, 2021.

18. As detailed below, OAG’s Investigation revealed that Respondents violated the Martin Act, 13 NYCRR Part 20, GBL § 777-A, and Executive Law § 63(12), and breached their obligations under the Offering Plan, in that Respondents (a) misrepresented that 135 Carlton Avenue was brand new construction and failed to disclose existing conditions of the Building or deliver to the Board a set of as-built plans; (b) failed to disclose structural work completed on 135 Carlton Avenue and obtain the necessary professional drawings and certifications for such work; (c) failed to construct the Building in accordance with applicable city code and regulations; and (d) failed to make necessary repairs to 135 Carlton Avenue’s defective foundation upon notice that New York City Department of Buildings’ (“DOB”) had determined the Building’s foundation to be structurally unsound and required all residents to vacate the Building until repairs could be made.

**a. Misrepresentations in the Offering Plan Regarding New Construction, Failure to Disclose Existing Conditions, and Failure to Deliver a Set of As-Built Plans**

19. Respondents represent in the Offering Plan, several times, that the Condominium is “new construction.”<sup>1</sup> In Section B, “Introduction,” under the “The Purpose of the Offering Plan,” the Offering Plan states that the Building “is new construction.” Exhibit 1 at pg. 10. In describing the property and improvements, the Offering Plan explicitly provides that “There will be one (1) building on the site which is newly constructed . . . .” Exhibit 1 at pg. 19. The notes to the budget, included within the Offering Plan, state that “[i]nasmuch as this is a new construction, repairs and maintenance should be minimal.” Exhibit 1 at pg. 30.

20. Despite Respondents’ representations within the Offering Plan, the Building was not all new construction. In fact, a substantial portion of the Building’s foundation existed prior to Respondents’ renovations and was incorporated into the Building’s reconstructions.

21. Nassi admitted in sworn testimony taken during the Investigation that the Building was not “a brand-new building where you’re recreating all these new footings and a foundation and everything . . . . There was existing footing.” Nassi’s transcript is annexed hereto as Exhibit 2. *See* Ex. 2 at pg. 25.

22. Respondents had an obligation to disclose any portion of the Building that was not newly constructed in the “Description of Property” section of the Offering Plan (attached as Exhibit 3, *see* Footnote 1), which is an integral part of any offering plan. Here, despite Respondents incorporating existing conditions into 135 Carlton Avenue’s renovations, including

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<sup>1</sup>Relevant excerpts from the Offering Plan are annexed hereto as Exhibit 1. The Offering Plan identifies the Building as both new and renovated in various places. Specifically, in Part I of the Offering Plan, the Building is identified as new. *See* Exhibit 1 at pgs. 10, 19, 30, 67, and 68. Attached to and incorporated in Part II of the Offering Plan is Document Number 1, titled “Description of Property and Specifications” (“Description of Property”). The Description of Property is attached hereto as Exhibit 3 and identifies the Building as both renovated and new. *See* Exhibit 3 at Sections B, G, and H.

the majority of its foundation, Respondents failed to disclose the Building's existing conditions anywhere in the Offering Plan. *See* Exhibit 3, Sections G and H; *cf.* Exhibit 2 at pgs. 10, 19, 30, 65, 66, 67, and 68.

23. Furthermore, in breach of its obligations under the Offering Plan, Respondents failed to deliver a set of as-built plans to the Board, despite the Board's repeated requests for such documents.

**b. Failure to Disclose Structural Work**

24. Respondents failed to disclose material information regarding the structural work performed on 135 Carlton Avenue to OAG, purchasers, and DOB, and materially misrepresented to OAG and purchasers that 135 Carlton Avenue, and any work performed on the Building, comported with all applicable law, code, and regulations.

25. In connection with Respondents' renovations to 135 Carlton Avenue, Respondents filed with DOB architectural plans, including Drawing Number A-101.02, depicting the Building's cellar and first floor plan. Drawing Number A-101.02 cites to structural drawings, providing specifically "project underpinning in this area, see structural drawings." This citation to purported structural drawings (when no such drawings existed) indicates that structural work was required on the Building, and Respondents either intended to or did complete certain identified structural work. Drawing Number A-501.00, which is a drawing of the foundation's details, also refers to structural drawings. Copies of Drawings A-101.02 and A0501.00 are annexed hereto as Exhibit 4.

26. The Investigation revealed that Respondents did perform structural work on the Building. During the Investigation, OAG took the testimony of the architect of record, Brent Porter ("Porter"), who stamped the drawings described in Paragraph 25, *supra*. Porter testified that underpinning was "done at the time with knowledge of [137 Carlton Avenue, the building

next door] because we wanted to make sure that that wall --- we thought that wall might have been questionable structurally, and we wanted to underpin it, to make sure it would meet the additional heights of stories.” Porter’s testimony is annexed hereto as Exhibit 5. *See* Ex. 5 at pg. 32.

27. When questioned further as to whether he had relied on structural drawings, Porter testified that he had, stating “Jorje and I went over the structural engineer’s requirements for that new foundation wall.” Ex. 5 at pg. 37. Despite claiming to have relied on structural plans, Porter could not produce any plans that had been stamped and certified by a structural engineer or filed with the DOB. When asked if structural plans were required, he stated “They were required.” Ex. 5 at pg. 42.

28. Not only did Respondents fail to disclose structural work completed on the foundation of 135 Carlton Avenue, Nassi misrepresented to OAG that Respondents had hired a structural engineer for such work. Nassi testified that Zaki J. Albanna (“Albanna”) of Albanna Engineers “designed 135 [Carlton Avenue],” preparing plans for the expansion of the foundation, and “was verifying all the calculations and stamping it with his engineer --- New York State license engineer stamp.” Ex. 2 at pgs. 23-25; 175.

29. In fact, Respondents did not hire Albanna as the structural engineer to design and oversee the construction of 135 Carlton Avenue’s foundation (instead, Albanna was hired for the limited purpose of preparing temporary support). OAG’s Investigation revealed that Respondents initially hired Nouredine Benabdelhak (“Benabdelhak”) of Alnour Consulting Engineering, P.C., to prepare structural plans for the Building, which included, *inter alia*, a new Building foundation. Respondents later dismissed Benabdelhak before he could coordinate with the architect, finalize and stamp his plans, or file his plans with the DOB.

30. Benabdelhak stated in sworn testimony that any purported reliance on his plans, which were not stamped or filed with the DOB, would be “illegal.” Specifically, Benabdelhak testified that “They may have used the architect and they, just, used my plans . . . – which is illegal . . . .” Benabdelhak’s testimony is annexed hereto as Exhibit 6. *See* Ex. 6 at pgs. 28-29. He further testified that any drawings relied upon by an architect, a sponsor, a contractor, or any other party, must be approved by the DOB. *See* Ex. 6 at pg. 43.

31. As to the underpinning referenced on Drawing Number A-101.02 (Exhibit 4 at pg. 1), Benabdelhak testified that “Underpinning designs should have been provided if there is underpinning to be done on that area.” Ex. 6 at pg. 60.

32. Albanna testified that he played no role in designing or constructing 135 Carlton Avenue’s foundation. Rather, Albanna’s role on 135 Carlton Avenue was limited to that of preparing and filing with the DOB plans for temporary support of the Building as it underwent renovation, to keep the structure safe.

33. Albanna testified that Respondents “had a stop work order, they were doing renovation, removing walls without shoring so they got a stop work order and [Nassi] asked me to help him respond to the building inspector’s request of providing shoring plans, and I helped him and I prepared the shoring plans for him.” Albanna’s testimony is annexed hereto as Exhibit 7. *See* Ex. 7 at pg. 30-31. When asked if he was the project engineer for the Building, Albanna stated “No, that’s not true.” Ex. 7 at pg. 34. Albanna further testified that “The foundation was not my concern.” Ex. 7 at pg. 37.

**c. Failure to Construct Building in Accordance with All Applicable Laws, Codes, and Regulations**

34. Not only did Respondents fail to adequately disclose the structural work, but such work performed on the Building failed to comply with all applicable law, code, and regulations,

a finding evidenced by the two violations the DOB issued related to the Building's defective foundations.

35. Pursuant to the Offering Plan and 13 NYCRR § 20.3(e)(3), Respondents certified that the Condominium units were “constructed in accordance with all applicable zoning and building laws, regulations, codes, and other government requirements . . . [and] governed by New York City zoning laws and the Building Code.” Ex. 1 at pg.19. Respondents further certified that the Condominium units and common elements were “constructed in accordance with this [Offering] Plan and with the Plan and Specifications filed with the [DOB].” *Id.*

36. In or about August of 2020, the city of New York (the “City”) hired a contractor to perform demolition work on the building located at 133 Carlton Avenue, Brooklyn, New York (“133 Carlton Avenue”). 133 Carlton Avenue sits adjacent to 135 Carlton Avenue, on the Building's north side. During its demolition of 133 Carlton Avenue, the city's contractor discovered that a large portion of 135 Carlton Avenue's foundation lacked adequate structural support.

37. Thereafter, on August 25, 2020, the DOB issued two violations relating to 135 Carlton Avenue's foundation. A copy of the DOB violations is annexed hereto as Exhibit 8.

38. The first violation (violation number FEU30201XC), found that the foundational supports of 135 Carlton Avenue's north property wall had collapsed, leaving the first-floor framing and load-bearing wall above without adequate support, and issued an emergency work order. Ex. 8 at pg. 1. The DOB further determined that the waterproofing of 135 Carlton Avenue's foundation, and a newly constructed concrete foundation wall (“CMU Wall”), were inadequate. The DOB ordered the immediate installation of temporary shoring until permanent repairs could be made. *Id.*

39. The second DOB violation (violation number FEU3020XC) determined that 135 Carlton Avenue was not safe for occupancy and ordered that the residents immediately vacate the Building until the temporary shoring, called for in the first violation, could be installed. Ex. 8 at pg. 2.

**d. Failure to Repair**

40. Pursuant to the DOB violations, repairs to 135 Carlton Avenue’s foundation were required to begin by October 1, 2020. Ex. 8 at pg. 2.

41. Both of the DOB violations mandated that a licensed professional engineer oversee the necessary work. Ex 8.

42. Nassi claimed that Respondents attempted to make the DOB mandated repairs, as they were required to do. Under oath, he stated that Respondents “instantaneously [got] involved with the structural design, bringing the structural engineer in, submitting [plans] to the DOB, coming with the shoring material the wood the next few days. Doing everything.” Ex. 2 at pgs. 118-119. Nassi further testified that “I had my contractor come with the materials we paid for . . .” Ex. 3 at pg. 120.

43. Notwithstanding Nassi’s testimony, OAG discovered that Respondents failed to take the necessary steps to cure the DOB’s violations. First, Respondents failed to hire a professional engineer to oversee the work, and second, the “contractor” Nassi had sent to 135 Carlton Avenue “with the materials” did not have the requisite skill or experience to effectuate the repairs. *See* Ex. 3 at pg. 120.

44. OAG discovered the aforementioned findings not during the Investigation, but during the litigation OAG filed in New York County Supreme Court against Respondents alleging violations of the Martin Act, G.B.L. § 777-A, and Executive Law § 63(12) (“Litigation”). *See The People of the State of New York by Letitia James, Attorney Gener of the*

*State of New York v. 135 Carlton Ventures, LLC, et al.*, Index Number 453016/2024. OAG filed this Litigation on November 12, 2024.

45. During the Litigation, OAG took the deposition of Alexander B. Kogan, professional engineer.

46. Kogan's deposition revealed that on September 1, 2020, the DOB conducted an on-site meeting to inspect the structural condition of the Building, and Kogan was in attendance at Nassi's request.

47. Following the on-site meeting, Kogan prepared temporary shoring plans for 135 Carlton Avenue, the first step in curing the violations. Kogan worked with a DOB engineer to ensure the temporary shoring plans were adequate but never filed his plans with the DOB.

48. When asked why he did not file the temporary shoring plans, Kogan testified that it was because Nassi had failed to retain him. A copy of Kogan's deposition is annexed hereto as Exhibit 9. *See Ex. 9* at pgs. 124-125.

49. Although Nassi had requested that Kogan attend the September 1, 2020 meeting and prepare plans, he never paid Kogan for his time, or hired Kogan as the professional engineer to oversee the repairs.

50. Furthermore, Nassi testified he sent shoring materials to 135 Carlton Avenue with his purported contractor, Emiljano Shabi ("Shabi"). However, when OAG took the deposition of Shabi and asked him whether Respondents had hired him to install temporary shoring at 135 Carlton Avenue, Shabi replied, "I don't know anything about that." Shabi's transcript is annexed hereto as Exhibit 10. *See Ex. 10* at pgs. 11-12. When OAG inquired further about whether Nassi had hired Shabi to perform repairs to the foundation of 135 Carlton Avenue, Shabi responded "No. Because I do only painting." *Ex. 10* at pg. 14.

51. As evidenced by Kogan's and Shabi's testimony, Respondents failed to make a good faith effort to repair 135 Carlton Avenue's defective foundation upon notice of the DOB's violations and furthermore misrepresented to OAG their efforts to make such repairs.

52. As a result of Respondents' failures to take the necessary and adequate steps to effectuate repairs, the Board was obligated to hire (and pay) the DOB required professional engineer and other essential professionals to make the repairs within a reasonable time frame.

53. Respondents admit to the factual findings of OAG, except that Respondents neither admit nor deny the factual allegations contained in paragraphs 32, 47, and 48, and neither admit nor deny the OAG's legal conclusions, including those contained in paragraphs 18 and 51.

54. OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, OAG is willing to accept this Assurance pursuant to Executive Law § 63(15), in lieu of continuing the Litigation, for violations of GBL § 352-e and Executive Law § 63(15) based on the conduct described above.

## **RELIEF**

### **I. General Injunction**

55. Respondents shall not engage, or attempt to engage, in conduct that violates any applicable laws, including but not limited to Executive Law § 63(12) and GBL § 352-e, and expressly agree and acknowledge that any such conduct is a violation of this Assurance, and that OAG thereafter may file the executed Confession of Judgment, annexed hereto as Exhibit 11, or take any in addition to any other appropriate investigation, action, or proceeding.

### **II. Restitution to The Board of Managers**

56. Respondents shall pay restitution to the Board of Managers a total sum of \$200,000.00 as follows: upon execution of this Assurance, Respondents shall pay to the Board \$50,000.00. Thereafter, Respondents shall pay to the Board the balance of \$150,000.00 in eight

equal payments over the period of twenty-four months as detailed below:

- (1) \$18,750.00 to be paid on or before July 5, 2026
- (2) \$18,750.00 to be paid on or before October 5, 2026
- (3) \$18,750.00 to be paid on or before December 4, 2026
- (4) \$18,750.00 to be paid on or before March 5, 2027
- (5) \$18,750.00 to be paid on or before July 5, 2027
- (6) \$18,750.00 to be paid on or before October 5, 2027
- (7) \$18,750.00 to be paid on or before December 4, 2027
- (8) \$18,750.00 to be paid on or before March 5, 2028

Such payments shall be made by wire, or by attorney check, corporate or certified check, or bank draft made payable to the 135 Carlton Avenue Condominium. If by wire, Respondents shall obtain the necessary wiring information from the current Board Treasurer. Simultaneously upon the payment of each sum described above, Respondents shall submit proof of payment to OAG pursuant to paragraph sixty-nine (69), *infra*.

### **III. Investigation and Litigation Costs**

57. Respondents shall pay \$10,000.00 for investigation costs and \$2,734.45 for Veritext Invoices to the State of New York to be held in reserve and distributed to the Affordable Housing-AG Settlement Fund established by the City of New York Department of Housing Preservation and Development (“HPD”). This Fund is used by HPD to fund housing related initiatives, programs and projects for “persons of low income” and “families of low income,” as those terms are defined by New York Private Housing Finance Law § 2(19). Respondents shall make this payment in full within thirty (30) days after execution of this Assurance. Payment instructions will be sent to Respondents’ counsel by OAG. Respondents shall make this payment in full simultaneously with the return of this executed Assurance to OAG.

#### **IV. Penalties**

58. Respondents shall also pay \$18,000.00 in penalties to the State of New York to be held in reserve and distributed to the Affordable Housing-AG Settlement Fund established by the City of New York Department of Housing Preservation and Development (“HPD”). This Fund is used by HPD to fund housing related initiatives, programs and projects for “persons of low income” and “families of low income,” as those terms are defined by New York Private Housing Finance Law § 2(19). Respondents shall make this payment in full within thirty (30) days after execution of this Assurance. Payment instructions will be sent to Respondents’ counsel by OAG. Respondents shall make this payment in full simultaneously with the return of this executed Assurance to OAG.

59. Pursuant to Executive Law § 63(15), evidence of any violation of this Assurance, in the sole discretion of OAG, shall constitute prima facie proof of violation of the applicable law in any action or proceeding thereafter commenced by OAG.

#### **MISCELLANEOUS**

##### **I. Subsequent Proceedings**

60. Simultaneously upon execution of this Assurance, Respondents shall execute the Confession of Judgment annexed hereto as Exhibit 11. Respondents expressly agree and acknowledge that OAG may file the executed Confession of Judgment within any court of competent jurisdiction upon default of any payment required in Paragraphs fifty-six (56) through fifty-eight (58) above, upon written notice as described in Paragraph sixty-nine (69) below, and a ten (10) day opportunity to cure.

61. OAG’s right to enter the annexed Confession of Judgment upon a breach and failure to cure does not limit OAG’s right to initiate a subsequent investigation, civil action, or proceeding to enforce this Assurance, for violations of the Assurance, or if the Assurance is

voided pursuant to paragraph fifty-four (54), *supra*, and agrees and acknowledges that in such event:

- a. that any statute of limitations or other time-related defenses are tolled from and after the effective date of this Assurance;
- b. OAG may use statements, documents, or other materials produced or provided by Respondents prior to or after the effective date of this Assurance;
- c. any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Respondents irrevocably and unconditionally waive any objection based upon personal jurisdiction, inconvenient forum, or venue; and
- d. evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the applicable law pursuant to Executive Law § 63(15).

62. If a court of competent jurisdiction determines that Respondents have violated the Assurance, Respondents shall pay to OAG the additional reasonable costs, if any, of obtaining such determination and of enforcing this Assurance, including without limitation legal fees, expenses, and court costs.

## **II. Effects of Assurance**

63. This Assurance is not intended for use by any third party in any other proceeding.

64. Respondents agree to waive and shall not raise any statutes of limitation or other time-related defenses pertaining to the facts and circumstances involved in OAG's investigation of the Respondents including, but not limited to, any violations of GBL § 352-e and Executive Law § 63(12).

65. Upon execution of this Assurance and receipt of proof of Respondents' first as required in Paragraph fifty-six (56) above, OAG shall file a Motion to Dismiss with Prejudice the

pending action *The People of the State of New York by Letitia James, Attorney General of the State of New York v. 135 Carlton Ventures, LLC, et al.*, Index Number 453016/2024.

66. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of Respondents. Respondents shall cause this Assurance to be adopted in any such transfer agreement. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of OAG.

67. Nothing contained herein shall be construed as to deprive any person of any private right under the law.

68. Any failure by OAG to insist upon the strict performance by Respondents of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and OAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by Respondents.

### **III. Communications**

69. All notices, reports, requests, and other communications pursuant to this Assurance must be in writing, via electronic mail, reference Assurance No. 24-015, and be addressed as follows:

**If to Respondents to:**

Richard J. Shore, Esq.  
Nixon Peabody LLP  
Tower 46, 55 West 46<sup>th</sup> Street  
New York, New York 10036  
(917) 435-7997  
[RShore@nixonpeabody.com](mailto:RShore@nixonpeabody.com)

**If to OAG, to:**

Kelsey O'Donnell, Esq.  
Assistant Attorney General  
Office of the Attorney General  
of the State of New York  
Real Estate Finance Bureau  
28 Liberty Street, 21st Floor  
New York, New York 10005  
[Kelsey.O'Donnell@ag.ny.gov](mailto:Kelsey.O'Donnell@ag.ny.gov)  
or, in her absence to the Bureau Chief  
of the Real Estate Finance Bureau

#### **IV. Representations and Warranties**

70. OAG has agreed to the terms of this Assurance based on, among other things, the representations made to OAG by Respondents and OAG's own factual investigation as set forth above. Respondents represent and warrants that they have made any material representations to OAG that are inaccurate or misleading, to the best of their knowledge. If any material representations by Respondents are later found to be inaccurate or misleading, this Assurance is voidable by OAG at its sole discretion.

71. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by Respondents in agreeing to this Assurance.

72. Respondents represent and warrants, through the authorized signature below, that the terms and conditions of this Assurance are duly approved, and execution of this Assurance is duly authorized.

#### **V. General Principles**

73. Unless a term limit for compliance is otherwise specified within this Assurance, the Respondents' obligations under this Assurance are enduring. Nothing in this Agreement shall relieve Respondents of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

74. Respondents agree not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in the Assurance or creating the impression that the Assurance is without legal or factual basis.

75. Nothing contained herein shall be construed to limit the remedies available to OAG if Respondents violate the Assurance after its effective date.

76. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.

77. If any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

78. Respondents acknowledge that they have entered this Assurance freely and voluntarily, and upon due deliberation with the advice of counsel or had the opportunity to review and duly deliberate with counsel, if they so chose.

79. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

80. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

81. This Assurance may be executed in multiple counterparts by the Parties. All counterparts so executed shall constitute one agreement binding upon all Parties, notwithstanding that all Parties are not signatories to the original or the same counterpart. Each counterpart shall be deemed an original to this Assurance, all of which shall constitute one agreement to be valid as of the effective date of this Assurance. For purposes of this Assurance copies of signature shall be treated the same as originals. Documents executed, scanned, and transmitted electronically, and electronic signatures shall be deemed original signatures for purposes of this Assurance and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

82. Respondents agree to execute such other and further documents as may be necessary to effectuate the terms and purposes of this Assurance.

83. The effective date of this Assurance shall be the date indicated below when counter-signed by OAG.

**Dated: New York, New York**  
**May 11, 2025, 2026**

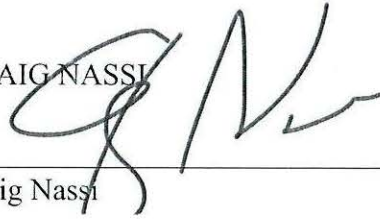
**LETITIA JAMES**  
Attorney General of the  
State of New York

By: *Kelsey O'Donnell*  
Kelsey O'Donnell  
Assistant Attorney General  
Real Estate Finance Bureau



CRAIG NASSI

Craig Nassi



STATE OF NEW YORK )

COUNTY OF NEW YORK )

ss.:

On the 24<sup>th</sup> day of April in the year 2026, before me personally came Craig Nassi, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, appeared before the undersigned and acknowledged to me that he/she executed the within instrument by his/her signature on the instrument.

Sworn to before me this 24<sup>th</sup> day of April, 2026



NOTARY PUBLIC

EDMOND S. BEROOKHIM  
NOTARY PUBLIC, STATE OF NEW YORK  
Registration No. 02BE6400779  
Qualified in Nassau County  
Commission Expires November 25, 2027