

ATTORNEY GENERAL OF THE STATE OF NEW YORK
HOUSING PROTECTION UNIT

In the Matter of

Assurance No. 23-018

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

Catherine Realty LLC and Yehuda Kohn,

Respondents.

ASSURANCE OF DISCONTINUANCE

The Office of the Attorney General of the State of New York (“OAG”) commenced an investigation pursuant to N.Y. Real Property Actions and Proceedings Law §768, N.Y. Executive Law §63(12) and N.Y. General Business Law §349 into the attempted unlawful eviction of a tenant by Respondents, the rent regulatory status of 181 Palmetto Street and the rental practices of Respondents. This Assurance of Discontinuance (“Assurance”) contains the findings of the OAG’s investigation, and the relief agreed to by the OAG and Respondents (collectively, the “Parties”).

OAG’s FINDINGS

1. Catherine Realty LLC [“Catherine”] purchased 181 Palmetto Street, Brooklyn, NY [“Palmetto”], a 6 unit building, on November 24, 2015.
2. Yehuda Kohn [“Kohn”] is one of two members of Catherine, who has a 50% interest in the company, and he controlled the day-to-day management of Palmetto. In addition, Kohn is also the sole member and owner of Park Remodeling LLC [“Park”].

Unlawful eviction of Tasha Oschmann

3. On April 1, 2018, Tasha Oschmann rented the cellar room in apartment 1L at Palmetto. She found the apartment through B-Way Realtors.

4. Shortly after moving in, Kohn received complaints from Oschmann's roommates related to her hoarding and possessions blocking the cellar hallway and living area, including access to egress. Kohn had multiple phone calls with Oschmann where he pled with her to clean up her belongings that were outside her room and that were a mess because other tenants were complaining. Oschmann began to complain to Respondents about air quality and damage to her room. On June 20, 2018, Kohn and Oschmann had a telephone conversation where Kohn threatened to move his employees into the apartment. During that call, Kohn told Oschmann "If you want to work with me, I'll work with you. Otherwise I will do what I have to do." When Oschmann refused to give Kohn a deadline by which she would clean up her belongings, Kohn responded "I am going to call your roommates and I am going to relocate them. You are going to have to deal with all my supers. They are going to live together with you. You are going to have good company. Deal?" Oschmann suggested that with three superintendents, she would not have any maintenance issues, to which Kohn replied "There are going to be more than three maintenance guys, don't worry. They will have quite a few friends that will come with them. Alright?" Oschmann then reminded Kohn that as a landlord, it was his responsibility to make sure all tenants feel safe, secure and not harassed. Kohn responded "Ah...[laugh] these are your roommates and I cannot get involved with that. It is their apartment as well. It's going to be their apartment and I am going to assign them the lease." The OAG believes Kohn made these statements in order to harass Oschmann to leave, which foreshadowed his later actions.

5. When COVID-19 hit, Oschmann had difficulty paying rent but remained in occupancy. Amanda Koscik, another tenant/roommate also continued to live in the apartment. However, the third tenant/roommate, Benjamin Staker, moved out while the fourth tenant/roommate, Paula Crea (“Paula”), retained her tenancy despite physically moving to her parent’s home.

6. On June 26, 2020, Koscik notified Kohn that she was moving to Florida and was vacating the apartment on July 20, 2020. Koscik also notified Oschmann and Crea that she was moving out. Subsequently, Oschmann and Koscik had disagreements about a variety of issues, including the internet router. Koscik moved out early on July 14, 2020 and notified Kohn via text message that same day. At that time, there were only the two roommates.

7. Immediately after Koscik notified Kohn that she moved out, Kohn moved an employee named Charles Clemente into Koscik’s room. The OAG believes this was done to unlawfully evict Oschmann based on the following facts.

8. Clemente was an employee of Kohn’s and was identified as “Charles Super” in his phone. Text messages and video recordings of conversations between Charles and Kohn that evening evidenced that Kohn was rushing to move Clemente into the apartment. Indeed, Clemente showed up at the apartment at 7 pm with his young child, less than 4 hours after Koscik notified Kohn that she had vacated. Clemente had no belongings with him when he initially showed up and the OAG has seen no evidence that belongings were ever moved into the apartment subsequently. Kohn states that he witnessed Clemente moving belongings into the apartment.

9. Several days later, Oschmann refused to let Clemente into the apartment at which point he pushed through the door, and as alleged by Oschmann to the OAG, causing bruising on

Oschmanns lower body. In conversations with the police, Kohn informed the police that Clemente was a new tenant with a new lease. That lease was never produced to the OAG.

10. Subsequently, Kohn claimed that Koscik sublet her apartment to Clemente. However, Koscik did not know Clemente nor sublet to him when she moved out.

11. Instead, on August 4, 2020, Catherine's agent sent Koscik a sublet agreement for Clemente and asked her to back date to July 20, 2020, the date she initially said she was vacating. Koscik first learned of the sublet when she was approached by Catherine's agent on August 4, and denies that any agreement had been made until that time.

12. Oschmann sued Kohn for harassment and Kohn counter-sued to evict Oschmann. A settlement was reached where Kohn agreed to pay Oschmann \$21,000 and waived approximately \$14,000 in alleged arrears. In exchange, Oschmann agreed to move out of the apartment. The OAG did not intervene in the settlement negotiations between Respondents and Oschmann but informed Respondents that a term of settlement with the OAG was that a settlement be made with Oschmann.

13. The OAG represents that Respondents moving Clemente into the apartment in order to harass and remove Oschmann violates Real Property Actions and Proceedings Law §768 and N.Y.C. Admin. Code §27-2005(d).

Respondents leasing activities

14. Park Management managed the properties for Catherine.

15. While tenants signed joint leases for each apartment, Park Management in practice rented out and collected rent for individual rooms for each tenant. Respondents set the price for each room and tenants paid that set price directly to Respondents. Vacant rooms were filled either by Catherine using a broker or by the current tenants finding a new tenant for the

room. However, the current tenants were told the price for the room and the incoming tenant had to meet Catherine's qualifications.

16. In addition, in at least one instance, Respondents rented out the cellar room in one of the main floor apartments. These apartments had an internal staircase that led to the cellar. It was illegal to use these rooms for sleeping, but Respondents rented them out to individuals as a bedroom. In at least one lease, Respondents condoned the use of the cellar space as a bedroom.

17. On January 27, 2022, the Office of Administrative Trials and Hearings Appeals Unit issued a decision that the use of the cellar space for sleeping violated the N.Y.C. Code §28-118.3.2 by using a portion of the building inconsistent with the last issued certificate of completion. Specifically, while the creation of the cellar space was legal, its use for sleeping purposes was not.

18. Until Respondents allowed the use of the cellar for sleeping purposes, Palmetto was not required to have a certificate of occupancy for the entire building due to the building having been occupied prior to January 1, 1938. § 28-118.3.4. OAG asserts that the use of the cellar for sleeping purposes changed the existing use of a portion of the building which then required Respondent to obtain a certificate of occupancy since the building was no longer exempt from not needing a certificate of occupancy. Id.

19. Kohn was fully aware of these practices and participated in them.

20. Respondents' practice of renting out rooms violates N.Y.C. Admin. Code §27-2077. Respondents' advertising, leasing and collecting rent for units in a building that is required to have a valid certificate of occupancy violates N.Y. Multiple Dwelling Law §§301 and 302, and General Business Law §§ 349 and 350.

21. Respondent admits the OAG's Findings, paragraphs 1 - 20 above, except that Respondent neither admits nor denies the OAG's legal conclusions in paragraph 20.

22. The OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, the OAG is willing to accept this Assurance pursuant to Executive Law § 63(15), in lieu of commencing a statutory proceeding for violations of N.Y. Real Property Actions and Proceedings Law §768, N.Y. Executive Law §63(12) and N.Y. Multiple Dwelling Law §§301 and 302, General Business Law §§ 349 and 350, and N.Y.C. Admin. Code §27-2077 based on the conduct described above during November 24, 2015 to August 20, 2023.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Parties:

RELIEF

23. General Injunction: Respondent shall not engage, or attempt to engage, in conduct in violation of any applicable laws, including but not limited to N.Y. Real Property Actions and Proceedings Law §768, N.Y. Executive Law §63(12) and N.Y. Multiple Dwelling Law §§301 and 302, General Business Law §§ 349 and 350, and N.Y.C. Admin. Code §27-2077, and expressly agrees and acknowledges that any such conduct is a violation of the Assurance, and that the OAG thereafter may commence the civil action or proceeding contemplated in paragraph 27, *supra*, in addition to any other appropriate investigation, action, or proceeding.

24. Programmatic Relief:

- a. *Homeless Placement*: As a term of and in anticipation of this Assurance, Respondents have accepted referrals from the New York City Human Resource Administration (HRA) and/or Department of Homeless Services (DHS), and have rented apartments to six (6) families referred by HRA/DHS ("Referral Family"):

three (3) in 435 Wilson Avenue, Brooklyn, New York and three (3) in 2114 Fulton Street, Brooklyn, New York (the “Homeless Placement Buildings”). Respondent represents that by October 2023 all 6 of the Homeless Placement units were occupied by Referral Families. Respondent further represents that since the Effective Date the 6 Homeless Placement units have been continuously occupied by Referral Families. In implementing the requirements of this paragraph:

- i. None of the Referral Families have been placed in any unit where Respondent is otherwise required to set aside the unit for homeless families, including pursuant to N.Y.C Admin. Code §26-2802, or otherwise where Respondents would use the family to count towards any other obligation to rent to homeless families;
- ii. Respondents have placed each Referral Family in a rent stabilized apartment;
- iii. Respondents shall comply with program requirements set by HRA and/or DHS for acceptance of their rent voucher.
- iv. Respondents shall not accept the landlord bonus or any broker’s fees that are offered by HRA.
- v. Respondent shall ensure that their tenant application practices fully comply with the New York State Human Rights Law and all other applicable housing and civil rights laws.
- vi. Respondents shall provide Referral Families who pay rent with vouchers the same services and rights as other tenants.

- vii. In the event a Referral Family vacates the unit, Respondents will place another Referral Family into the unit. Respondents' obligation to place a new Referral Family will terminate upon the earlier of six (6) years from the Effective Date of the Agreement or the date the CITYPHEPS program is terminated where no equivalent program is put in its place. For clarity, if Respondents' obligation to place new Referral Families terminated, current Referral Families shall be allowed to remain in occupancy.
 - viii. If at any time hereafter Respondent sells one or both of the Homeless Placement Buildings, no continuing obligations set forth in this Agreement shall run with the Homeless Placement Buildings, including the obligation set forth in subsection 24(a)(vii). For clarity, if the Homeless Placement Buildings are sold current Referral Families shall be allowed to remain in occupancy.
- b. *Certificate of Occupancy*: Prior to the Effective Date of this Assurance, as an anticipated obligation of this Assurance, Respondents, on July 26, 2023, obtained a Temporary Certificate of Occupancy ("TCO") from NYC Department of Buildings (the "DOB") for Palmetto. In further anticipation of an obligation in this Assurance, on or about August 20, 2023, Respondents obtained a Permanent Certificate of Occupancy with DOB.
- c. *Rental Policies*: Respondents will only advertise and rent entire apartments to tenants. They will charge tenants the collective rent and will not rent rooms to individuals within an apartment, whether in form, substance or appearance.

- d. Acceptance of this Assurance by the OAG is not an approval or endorsement by OAG of any of Respondent's policies practices or procedures, and the Respondent shall make no representation to the contrary.
 - e. The Parties agree that it would be difficult to value the damages caused by default in the performance of any obligation under this paragraph, and therefore agree that Respondent shall pay to the State of New York a stipulated penalty in the below schedule for each and every such default in the performance of each obligation under this paragraph occurring after the effective date of the Assurance.
 - i. *Rental Policies*: \$500.00 for each violation.
 - f. Respondent expressly agrees and acknowledges that a default in the performance of any obligation under this paragraph is a violation of the Assurance, and that the OAG thereafter may commence the civil action or proceeding contemplated in paragraph 27, *supra*, in addition to any other remedy, appropriate investigation, action, or proceeding, and that evidence that the Assurance has been violated shall constitute prima facie proof of the statutory violations described in paragraphs 13 and 20, pursuant to Executive Law § 63(15).
25. Oversight/Monitoring:
- a. *Compliance Report or Certification on Demand*: Upon written notice from the OAG, Respondent shall provide the OAG with a report detailing its compliance with the requirements set forth in this Assurance, paragraph 24(c).

26. Monetary Relief

- a. *Monetary Relief Amount:* Respondent shall pay to the State of New York \$35,000.00 in penalties (the “Monetary Relief Amount”). Payment of the Monetary Relief Amount shall be made in full upon execution of this Assurance.
- b. Payments shall be made by attorney check, corporate or certified check, or bank draft, which shall be made payable to the “State of New York”, and shall reference Assurance No. 23-018; payments shall be addressed to the attention of Brent Meltzer, State of New York, Office of the Attorney General, Housing Protection Unit, 28 Liberty Street, 21st Floor, New York, NY 10005.

MISCELLANEOUS

Subsequent Proceedings.

27. Respondent expressly agrees and acknowledges that the OAG may 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 33, and agrees and acknowledges that in such event:

- a. any statute of limitations or other time-related defenses are tolled from and after the effective date of this Assurance;
- b. the OAG may use statements, documents or other materials produced or provided by the Respondent 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 Respondent irrevocably and unconditionally waives any objection based upon personal jurisdiction, inconvenient forum, or venue.

- 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).

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

Effects of Assurance:

29. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of the Respondent. Respondent shall include any such successor, assignment or transfer agreement a provision that binds the successor, assignee or transferee to the terms of the Assurance. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the OAG.

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

31. Any failure by the OAG to insist upon the strict performance by Respondent of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the 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 the Respondent.

Communications:

32. All notices, reports, requests, and other communications pursuant to this Assurance must reference Assurance No. 23-018, and shall be in writing and shall, unless expressly

provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

If to the Respondent, to: Erica Buckley of Nixon Peabody LLP, 55 West 46th Street, 25th Floor, New York, NY 10036, ebuckley@nixonpeabody.com or in her absence, to Yehuda Kohn.

If to the OAG, to: Brent Meltzer, Chief, Housing Protection Unit, 28 Liberty Street, 21st Floor, New York, NY 10005, brent.meltzer@ag.ny.gov, or in his absence, to the person holding the title of Chief, Housing Protection Unit.

Representations and Warranties:

33. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG by the Respondent and their counsel and the OAG's own factual investigation as set forth in Findings, paragraphs 1 - 20 above. The Respondent represents and warrants that neither it nor its counsel has made any material representations to the OAG that are inaccurate or misleading. If any material representations by Respondent or its counsel are later found to be inaccurate or misleading, this Assurance is voidable by the OAG in its sole discretion.

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

35. The Respondent represents and warrants, through the signatures below, that the terms and conditions of this Assurance are duly approved. Respondent further represents and

warrants that Catherine Realty LLC, by Yehuda Kohn , as the signatory to this AOD, is a duly authorized officer acting at the direction of the Board of Directors of Catherine.

General Principles:

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

37. Respondent agrees 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.

38. Nothing contained herein shall be construed to limit the remedies available to the OAG in the event that the Respondent violates the Assurance after its effective date.

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

40. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

41. Respondent acknowledges that they have entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.

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

43. 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.

44. This Assurance may be executed in multiple counterparts by the parties hereto. 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 signatures 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.

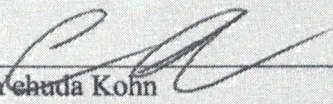
45. The effective date of this Assurance shall be September 10, 2025.

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

By: 

Brent Meltzer, Esq.
Chief, Housing Protection Unit

YEHUDA KOHN



Yehuda Kohn

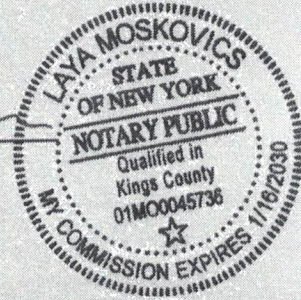
STATE OF New York)

COUNTY OF Kings)
ss.:

On this 25 day of March, 2026, Yehuda Kohn, 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
25 day of March, 2026

Laya Moskovic
NOTARY PUBLIC



CATHERINE REALTY LLC

By: [Signature]
[Officer Name] Yehuda Kohn
[Title] member

STATE OF New York)
COUNTY OF Kings)
ss.:

On the 31 day of March in the year 2026 before me personally came [Officer Name] to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) in [if the place of residence is in a city, include the street and street number, if any, thereof]; that he/she/they is (are) the [president or other officer or director or attorney in fact duly appointed] of the [Respondent], the corporation described in and which executed the above instrument; that he/she/they know(s) the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the board of directors of said corporation, and that he/she/they signed his/her/their names(s) thereto by like authority.

Sworn to before me this
31 day of March, 2025

Laya Moskovic
NOTARY PUBLIC

