

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,
FIRST DEPARTMENT

National Community Reinvestment Coalition, Inc. v. Midtown
Coalition Space LLC

2026 NY Slip Op 00317 (1st Dep't 2026) · No. Case No. 2024-04524; Appeal No. 5639; Index No. 652675/21 ·
Decided January 22, 2026

SUMMARY

The Appellate Division, First Department held that the defendant was collaterally estopped from disputing whether the parties’ sublease was terminated under a 2019 settlement stipulation. The court further held that the defendant ratified the stipulation by signing it, occupying the premises, and making rent payments, and directed summary judgment for the plaintiff with a remand for calculation of damages.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, First Department
WRITING FOR THE COURT	Manzanet-Daniels, J.P.; Webber, J.; Friedman, J.; González, J.; Michael, J.
JURISDICTION	New York Appellate Division, First Department
DECIDED	January 22, 2026
DOCKET	Case No. 2024-04524; Appeal No. 5639; Index No. 652675/21
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Cross-appeals from an order denying defendant's motion for summary judgment dismissing the complaint and denying plaintiff's cross-motion for summary judgment on its breach of contract claim and to dismiss defendant's affirmative defenses.
STANDARD OF REVIEW	Appellate review of the parties' summary judgment motions under the law; the opinion does not separately articulate a standard of review.
PRECEDENTIAL VALUE	Published New York Appellate Division opinion
PARTIES	National Community Reinvestment Coalition, Inc., doing business as National Community Reinvestment Coalition v. Midtown Coalition Space LLC, doing business as Micro Office and Coalition Brands

TOPICS

breach of contract

landlord tenant

summary judgment

affirmative defenses

appellate procedure

PRACTICE AREAS

contracts

real estate

civil procedure

appellate procedure

commercial litigation

QUESTIONS PRESENTED

1. Whether defendant was collaterally estopped from disputing that the parties' sublease was modified rather than terminated under the 2019 stipulation of settlement.
2. Whether the absence of the overlandlord's consent relieved defendant of its obligations under the 2019 stipulation.
3. Whether defendant's affirmative defenses were legally sufficient when they consisted of unsupported conclusions of law.
4. Whether plaintiff was entitled to summary judgment on its breach of contract claim and a remand for calculation of damages.

HOLDINGS

1. Defendant was collaterally estopped from raising whether the sublease terminated under the 2019 stipulation because that issue had been litigated and decided in the related action against defendant's guarantor, with which defendant was in privity.
2. Even assuming defendant was not collaterally estopped from raising the consent issue, the lack of overlandlord consent did not relieve defendant of its obligations because defendant ratified the stipulation by signing it, occupying the premises, and making rent payments.
3. Defendant's affirmative defenses relating to termination and landlord consent, as well as its remaining affirmative defenses pleading unsupported conclusions of law, should have been dismissed.
4. The order was modified to grant plaintiff's cross-motion for summary judgment on its breach of contract claim and to remand for calculation of damages; the order was otherwise affirmed.

KEY QUOTATIONS

*“There is no dispute that defendant signed the stipulation, occupied the premises, and made rent payments, thereby ratifying its terms” ([*1])*

FACTUAL BACKGROUND

The parties entered into a sublease and later executed a 2019 stipulation of settlement concerning the sublease. Defendant signed the stipulation, occupied the premises, and made rent payments. In related litigation against defendant's guarantor, the courts determined that the sublease had been modified rather than terminated. Defendant nevertheless asserted that the stipulation was ineffective because the overlandlord had not consented.

PROCEDURAL HISTORY

Supreme Court, New York County, denied defendant's motion for summary judgment and plaintiff's cross-motion. On cross-appeal, the Appellate Division granted plaintiff's cross-motion for summary judgment on its breach of contract claim and dismissed defendant's affirmative defenses, while otherwise affirming and remanding for calculation of damages.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remand to Supreme Court, New York County, for calculation of damages.

CASES CITED

- Epic W14 LLC v. Malter, 212 A.D.3d 575, 576 (1st Dep't 2023), leave to appeal denied, 40 N.Y.3d 904 (2023)
- National Community Reinvestment Coalition, Inc. v. Micro Off. Mgt. LLC, 209 A.D.3d 588, 589 (1st Dep't 2022)
- Moon 170 Mercer, Inc. v. Vella, 146 A.D.3d 537, 537 (1st Dep't 2017), leave to appeal denied, 29 N.Y.3d 919 (2017)
- 170 W. Vil. Assoc. v. G & E Realty, Inc., 56 A.D.3d 372, 372-373 (1st Dep't 2008)

OPINION

PER CURIAM.

National Community Reinvestment Coalition, Inc. v Midtown Coalition Space LLC (2026 NY Slip Op 00317) National Community Reinvestment Coalition, Inc. v Midtown Coalition Space LLC 2026 NY Slip Op 00317 Decided on January 22, 2026 Appellate Division, First Department Published by New York State Law Reporting Bureau pursuant to Judiciary Law § 431. This opinion is uncorrected and subject to revision before publication in the Official Reports.

Decided and Entered: January 22, 2026 Before: Manzanet-Daniels, J.P., Webber, Friedman, González, Michael, JJ. Index No. 652675/21|Appeal No. 5639|Case No. 2024-04524| [*1]National Community Reinvestment Coalition, Inc., Doing Business as National Community Reinvestment Coalition, Plaintiff-Appellant-Cross-Respondent, v Midtown Coalition Space LLC, Doing Business as Micro Office and Coalition Brands, Defendant-Respondent-Cross-Appellant.

Landy Wolf, PLLC, New York (David A. Wolf of counsel), for appellant-respondent. The Lawyer James J. DeCristofaro, P.C., New York (James J. DeCristofaro of counsel), for respondent-appellant. Order, Supreme Court, New York County (Suzanne Adams, J.), entered July 10, 2024, which denied defendant's motion for summary judgment dismissing the complaint, and denied plaintiff's cross-motion for summary judgment on its breach of contract claim and dismissing

defendant's affirmative defenses, unanimously modified, on the law, to grant plaintiff's cross-motion and remand the matter for a calculation of damages, and otherwise affirmed, without costs.

Defendant is collaterally estopped from raising the question of whether the parties' sublease terminated under a 2019 stipulation of settlement, as the matter was litigated and decided in plaintiff's related action against defendant's guarantor, with which defendant is in privity (see *Epic W14 LLC v Malter*, 212 AD3d 575, 576 [1st Dept 2023], lv denied 40 NY3d 904 [2023]).

Defendant contends that the record in the guarantor action was limited because it involved a motion for summary judgment in lieu of complaint, and that neither Supreme Court's order nor this Court's affirmance addressed whether the overlandlord's consent to the 2019 stipulation was required to revive the sublease.

However, these contentions cannot overcome the determination in the guarantor action by Supreme Court, and affirmed on appeal by this Court, that the sublease was modified rather than terminated (see *National Community Reinvestment Coalition, Inc. v Micro Off. Mgt. LLC*, 209 AD3d 588, 589 [1st Dept 2022]). Even assuming that defendant is not collaterally estopped from raising those issues, we reject its contention that plaintiff's failure to obtain the overlandlord's consent to the 2019 stipulation relieved defendant of its obligations under the stipulation.

There is no dispute that defendant signed the stipulation, occupied the premises, and made rent payments, thereby ratifying its terms (see *Moon 170 Mercer, Inc. v Vella*, 146 AD3d 537, 537 [1st Dept 2017], lv denied 29 NY3d 919 [2017]).

Accordingly, defendant's affirmative defenses relating to the termination and landlord's consent should have been dismissed. The remaining affirmative defenses plead conclusions of law without any supporting facts, warranting their dismissal as well (see e.g. *170 W. Vil. Assoc. v G & E Realty, Inc.*, 56 AD3d 372, 372-373 [1st Dept 2008]). THIS CONSTITUTES THE DECISION AND ORDER OF THE SUPREME COURT, APPELLATE DIVISION, FIRST DEPARTMENT.

ENTERED: January 22, 2026

PER CURIAM.

National Community Reinvestment Coalition, Inc. v Midtown Coalition Space LLC (2026 NY Slip Op 00317) *National Community Reinvestment Coalition, Inc. v Midtown Coalition Space LLC* 2026 NY Slip Op 00317 Decided on January 22, 2026 Appellate Division, First Department Published by New York State Law Reporting Bureau pursuant to Judiciary Law § 431. This opinion is uncorrected and subject to revision before publication in the Official Reports.

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Coalition, Plaintiff-Appellant-Cross-Respondent, v Midtown Coalition Space LLC, Doing Business as Micro Office and Coalition Brands, Defendant-Respondent-Cross-Appellant.

Landy Wolf, PLLC, New York (David A. Wolf of counsel), for appellant-respondent. The Lawyer James J. DeCristofaro, P.C., New York (James J. DeCristofaro of counsel), for respondent-appellant. Order, Supreme Court, New York County (Suzanne Adams, J.), entered July 10, 2024, which denied defendant's motion for summary judgment dismissing the complaint, and denied plaintiff's cross-motion for summary judgment on its breach of contract claim and dismissing defendant's affirmative defenses, unanimously modified, on the law, to grant plaintiff's cross-motion and remand the matter for a calculation of damages, and otherwise affirmed, without costs.

Defendant is collaterally estopped from raising the question of whether the parties' sublease terminated under a 2019 stipulation of settlement, as the matter was litigated and decided in plaintiff's related action against defendant's guarantor, with which defendant is in privity (see *Epic W14 LLC v Malter*, 212 AD3d 575, 576 [1st Dept 2023], lv denied 40 NY3d 904 [2023]).

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ENTERED: January 22, 2026