SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION, SECOND JUDICIAL DEPARTMENT

Benjamin v. LaSalle Bank, N.A.

2026 NY Slip Op 02094 · No. 2019-09843 · Decided April 8, 2026

SUMMARY

The Appellate Division, Second Department, reversed in part an order dismissing an RPAPL 1501(4) action seeking cancellation and discharge of a mortgage. The court held that U.S. Bank was not entitled to the six-month savings provision under CPLR 205-a because it was not the original foreclosure plaintiff and had not shown that it was acting on the original plaintiff's behalf; it also held that LaSalle Bank remained a proper party and that the plaintiffs were entitled to seek a default judgment against it. The court affirmed the portion of the order denying dismissal of claims asserted by the decedent.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, Second Judicial Department
WRITING FOR THE COURT	Mark C. Dillon, J.P.; Cheryl E. Chambers; Lillian Wan; James P. Mccormack
JURISDICTION	Supreme Court of the State of New York, Appellate Division, Second Department
DECIDED	April 8, 2026
DOCKET	2019-09843
DISPOSITION	reversed
PROCEDURAL POSTURE	Plaintiff appealed, and U.S. Bank cross-appealed, from an order granting in part motions to dismiss an RPAPL 1501(4) mortgage-cancellation action and denying leave to enter a default judgment against LaSalle Bank.
STANDARD OF REVIEW	On a CPLR 3211(a)(7) motion, the complaint is liberally construed, its factual allegations are presumed true, and the plaintiff receives the benefit of every favorable inference; the issue is whether the alleged facts fit within any cognizable legal theory. Where evidentiary material is considered without converting the motion to summary judgment, the issue is whether the plaintiff has a cause of action. A motion for leave

	to enter a default judgment under CPLR 3215 requires proof of service, facts constituting a viable claim, and the defendant's default.
PRECEDENTIAL VALUE	Published and precedential Appellate Division decision
PARTIES	Chittra Benjamin, as administrator of the estate of David Benjamin v. LaSalle Bank, N.A., U.S. Bank, National Association

TOPICS

foreclosure · mortgages · statute of limitations · motions to dismiss · default judgment

PRACTICE AREAS

real estate · mortgage foreclosure · civil procedure · appellate procedure · remedies

QUESTIONS PRESENTED

1. Whether the Benjamins stated an RPAPL 1501(4) cause of action to cancel and discharge the mortgage after more than six years had elapsed since acceleration of the mortgage debt.
2. Whether U.S. Bank, as successor in interest to LaSalle, was entitled to the six-month savings provision under CPLR 205-a for a new foreclosure action.
3. Whether the retroactive application of the Foreclosure Abuse Prevention Act and CPLR 205-a violated due process.
4. Whether LaSalle was entitled to dismissal on the ground that it was no longer a proper party.
5. Whether the Benjamins established entitlement to leave to enter a default judgment against LaSalle under CPLR 3215.

HOLDINGS

1. The Benjamins stated a viable RPAPL 1501(4) cause of action because the mortgage debt was accelerated when LaSalle commenced the 2009 foreclosure action and demanded payment of the full balance, and more than six years had elapsed before the present action was commenced.
2. U.S. Bank was not entitled to invoke CPLR 205-a's six-month savings provision because it was not the original plaintiff in the 2009 action and did not plead or prove that it was acting on behalf of the original plaintiff.
3. U.S. Bank could not invoke CPLR 205-a for Chittra's claim because the foreclosure complaint against her had been dismissed pursuant to CPLR 3215, and the retroactive application of FAPA and CPLR 205-a did not violate federal or state due process.
4. LaSalle was not entitled to dismissal because the record, including LaSalle's prosecution of the 2009 foreclosure and its answer in the present action, contradicted its contention that it no longer existed or was not a proper party.

5. The Benjamins were entitled to leave to enter a default judgment against LaSalle because they submitted proof of service, facts establishing a viable cause of action, and LaSalle's default, while LaSalle failed to show either that it was not in default or that it had a reasonable excuse and potentially meritorious defense.

KEY QUOTATIONS

> *“Pursuant to RPAPL 1501(4), a person having an estate or interest in real property subject to a mortgage may maintain an action to secure the cancellation and discharge of the encumbrance, and to adjudge the estate or interest free of it, if the applicable statute of limitations for commencing a foreclosure action has expired”* (at 2)

> *“On a motion to dismiss a complaint pursuant to CPLR 3211(a)(7) for failure to state a cause of action, the complaint is to be afforded a liberal construction, the facts alleged are presumed to be true, the plaintiff is afforded the benefit of every favorable inference, and the court is to determine only whether the facts as alleged fit within any cognizable legal theory”* (at 3)

> *“To demonstrate 'the facts constituting the claim' the movant need only submit sufficient proof to enable a court to determine that 'a viable cause of action exists'”* (at 4)

FACTUAL BACKGROUND

David and Chittra Benjamin executed a $594,000 note and mortgage on residential property in South Ozone Park. LaSalle acquired the mortgage and commenced a foreclosure action in 2009, expressly declaring the full principal balance immediately due and payable. That foreclosure action was dismissed after the claim against Chittra was dismissed as abandoned, and the dismissal was affirmed in 2018. The Benjamins subsequently sought cancellation and discharge of the mortgage, while U.S. Bank, a successor assignee, argued that it could use the six-month savings provision to commence a new foreclosure action.

PROCEDURAL HISTORY

LaSalle commenced a mortgage-foreclosure action in 2009 and accelerated the debt by demanding the full balance. The foreclosure action was ultimately dismissed after the complaint against Chittra was dismissed as abandoned, and the dismissal was affirmed in 2018. The Benjamins then commenced this RPAPL 1501(4) action to cancel and discharge the mortgage. Supreme Court dismissed the claims against U.S. Bank insofar as asserted by Chittra, dismissed the claims against LaSalle, and denied the request for a default judgment against LaSalle. The Appellate Division reversed those portions and affirmed the portion denying dismissal of David Benjamin's claim against U.S. Bank.

DISPOSITION

reversed

CASES CITED

- 97 Lyman Ave., LLC v MTGLQ Invs., L.P., 233 AD3d 1038, 1041-1042

- Collins v Bank of N.Y. Mellon, 227 AD3d 948, 950-951
- Citibank, N.A. v Horan, 230 AD3d 1216, 1217
- Milone v US Bank N.A., 164 AD3d 145, 152
- Martinez v NYC Health & Hosps. Corp., 223 AD3d 731, 732
- Weill v East Sunset Park Realty, LLC, 101 AD3d 859, 859
- Nyari v Onefater, 171 AD3d 936, 937
- Truesource, LLC v Niemeyer, 223 AD3d 694, 695
- U.S. Bank N.A. v Coleman, 215 AD3d 780, 782
- Wells Fargo Bank, N.A. v Brandt, 230 AD3d 623, 625
- Deutsche Bank Natl. Trust Co. v Vista Holding, LLC, 239 AD3d 830
- Deutsche Bank Natl. Trust Co. v Feurtado, 241 AD3d 499, 501
- Deutsche Bank Natl. Trust Co. v Dagrin, 233 AD3d 1065, 1069
- U.S. Bank Trust, N.A. v Giangrande, 229 AD3d 834, 836
- Johnson v Cascade Funding Mtge. Trust 2017-1, 220 AD3d 929, 932
- LaSalle Bank N.A. v Benjamin, 164 AD3d 1223
- Pemberton v Montoya, 216 AD3d 988, 989-990
- Roy v 81E98th KH Gym, LLC, 142 AD3d 985, 985
- Fried v Jacob Holding, Inc., 110 AD3d 56, 59-60
- Atlantic Cas. Ins. Co. v RJNJ Servs., Inc., 89 AD3d 649, 651
- Guggenheimer v Ginzburg, 43 NY2d 268, 275