

## Toledano to pay \$1M-plus in settlement of EV tenant harassment suit

AG still investigating rent-stabilized renters' claims they were pressured to vacate

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By [Mark Maurer](#)

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Raphael Toledano agreed to pay north of \$1 million to settle claims that he harassed tenants at one of his East Village buildings, sources told *The Real Deal*.

The settlement between Toledano, a broker-turned-multifamily investor who runs Brookhill Properties, and several rent-stabilized tenants at the six-story, 16-unit walk-up at 444 East 13th Street was finalized May 6, court records show.

Stephanie Rudolph, a lawyer at the Urban Justice Center who represented the tenants, called the settlement "very satisfactory." She declined to comment on the terms of the agreement.

In May 2015, the tenants filed a suit in New York City's Housing Court against Toledano and independent property manager Goldmark Property Management for allegedly taking illegal measures to pressure them to move out.



444 East 13th Street and Raphael Toledano

Tenants in eight of the apartments [secretly recorded conversations](#) with the landlord, building agents and the property manager, the New York Times reported in October. The tenants claimed the landlord's agent told them police were investigating drug use and prostitution at the building, said rents would soon soar, and the upcoming demolition of a building next door would make living at the property difficult. All these conversations, the tenants claimed, were meant to scare them into vacating.

Last year, the judge ordered Toledano to halt construction work inside the building.

The New York Attorney General's office and the state Homes and Community Renewal's tenant protection unit launched a joint investigation into the harassment claims in August. That investigation is ongoing.

Amid the allegations last year, Toledano blamed — and subsequently fired — Goldmark, reportedly telling the firm to "stay the f— away from my building." Sources said Goldmark is also negotiating a settlement with tenants, but that could not be confirmed.

Brookhill is currently managing the property, sources said. Paulius Skema, the former head of Goldmark who has said he is no longer affiliated with the firm, is now running real estate investment firm Trifecta Equities.

Toledano, 26, who declined to comment on the settlement, paid \$6.1 million for the building in January 2015, records show. At the time, he was running Midwood-based brokerage Truman Realty Group. He founded multifamily investment firm Brookhill Properties in fall 2015 just prior to closing on the \$97 million purchase of a 17-building East Village portfolio from the Tabak family.

The portfolio was at the center of a [legal dispute](#) between Toledano and his uncle Aaron Jungreis of Rosewood Realty Group. Jungreis claimed Toledano cut of him out of a deal to jointly buy the buildings. The two [later settled](#).

Separately, an investigation by *The Real Deal* found potential links between Toledano and a fake law firm, [Truman & Wildes LLP](#). Toledano denied any connection with the firm.

[Steven Croman](#), the largest landlord in the East Village, was recently arrested and hit with a 20-count felony indictment from the state Attorney General's office. Charges included threatening and suing rent-stabilized tenants to force them out.

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