

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

STEVEN D. SLADKUS,

Plaintiff,

Index No. 151712/2016

-against-

MELANIE ENGLESE a/k/a
MELANIE SISSKIND,

Defendant.

COMPLAINT

Plaintiff Steven D. Sladkus (“Sladkus” or “Plaintiff”), by his attorneys, Schwartz Sladkus Reich Greenberg Atlas LLP, as and for his complaint against defendant Melanie Englese a/k/a Melanie Sisskind (“Englese” or “Defendant”), alleges as follows:

Nature of the Action

1. This action arises from the calculated, malicious, and false statements made by Englese to third parties with the sole purpose of harming Sladkus, his stellar reputation, and his business interests and relationships.

2. As former legal counsel to Englese and her husband, Sladkus achieved remarkable results on their behalf.

3. Nevertheless, years later, it came to Sladkus’s attention that Englese has been defaming him in a malicious attempt to harm him and his professional and business relationships and interests.

4. This action seeks redress for the damages Sladkus has suffered as a result of Englese’s unlawful conduct.

The Parties

5. Plaintiff Steven D. Sladkus is an individual residing in the County and State of New York, and is an attorney duly admitted to the bar of the State of New York.

6. Sladkus is a former partner of Wolf Haldenstein Adler Freeman & Herz LLP (“WHAFH”), where he headed its real estate litigation practice.

7. In May 2015, Sladkus, along with numerous other WHAFH partners, founded the law firm of Schwartz Sladkus Reich Greenberg Atlas LLP (“SSRGA”), where he leads the firm’s prominent, highly-regarded real estate litigation practice.

8. Sladkus’s practice focuses primarily on representing clients in real estate-related litigation with a concentration on cooperatives and condominiums. He regularly handles a wide variety of construction defect and general commercial and corporate-law cases, including for and against cooperative and condominium boards. He also provides general counseling to the boards and managing agents of the firm’s cooperative and condominium clients and is a frequent and much sought-after lecturer on many of these topics.

9. His reported cases are numerous, and his successes have rightly earned him the highest regard in the real estate litigation and cooperative/condominium law communities. He serves as an arbitrator in the Civil Court of the City of New York, is a member of the Cooperative and Condominium Committee of the Association of the Bar of the City of New York, and is the Co-Chairman of the Cooperative and Condominium Committee of the Real Property Law Section of the New York State Bar Association.

10. Sladkus also regularly is featured in articles concerning cooperatives and condominiums and real estate-related matters in The New York Times, The New York Post, Crain’s, The Real Deal, Habitat Magazine, and the Cooperator, and he is called upon regularly to

contribute to The New York Times Real Estate Section's Q&A column.

11. In addition to his professional activities, Sladkus also engages in significant activities on behalf of charitable and communal causes, including as a dedicated member of the Board of Directors of Make-A-Wish Metro New York and Western New York, and he recently was honored by the Real Estate Board of New York with its Residential Management Community Award.

12. Englese is an individual residing at 400 East 84th Street, New York, New York.

Facts Common to All Claims

Sladkus's Wildly Successful Representation of Englese

13. Sladkus is former legal counsel to Englese and her husband, having represented them in their construction defects litigation against the developer/sponsor of their newly-constructed condominium apartment at 205-207 East 57th Street, New York, New York (the "Building").

14. In a nutshell, Englese and her husband alleged that, shortly after purchasing their apartment from the Building's sponsor for \$1.725 million, they discovered construction defects, which, they alleged, required them to move to a new apartment.

15. In August 2009, Englese and her husband, through the law firm of Himmelstein, McConnell, Gribben, Donoghue & Joseph, filed a complaint against the sponsor alleging various construction defect claims.

16. Apparently unsatisfied with their choice of counsel, in the summer of 2010, Englese and her husband approached Sladkus, then a partner of WHAFH, and retained Sladkus and WHAFH to take over their case.

17. Thereafter, Sladkus worked in close coordination with Englese and her husband to

pursue their claims vigorously.

18. After Sladkus's successful assumption of the litigation and pursuit of their claims against the sponsor, Englese and her husband voluntarily opted to pursue mediation.

19. The parties thereafter appeared on March 6, 2012 at a mediation session conducted by mediator Shelly Olsen under the auspices of JAMS.

20. At mediation, even Ms. Olsen, the neutral arbiter, could not help but acknowledge that Sladkus's representation had made a "strong case" for Englese and her husband.

21. At the JAMS mediation, Sladkus achieved a total lopsided victory for Englese and her husband, resulting in the following extraordinary settlement: *complete* rescission of their purchase agreement for the apartment; the return of their *entire* \$1.725 million purchase price; the *sponsor's* payment of *all* associated transfer taxes and conveyance fees; the *sponsor's* payment of mortgage and other carrying costs; and an additional \$150,000 cash payment, to boot. The results achieved by Sladkus for Englese and her husband truly were remarkable.

22. Not surprisingly, Englese and her husband were eager to conclude this outstanding settlement, and they pressed Sladkus and his associate repeatedly to close the deal as soon as possible.

23. On June 4, 2012, Sladkus and his associate wrote to Englese and her husband to provide a final invoice and bring the successful representation to a close:

On a less formal note, it has been a pleasure to work with you... we wish you all the best with your new child and a life where this lawsuit is not overshadowing everything. Good luck with your new business venture, we hope you find much success and happiness...

24. Englese and her husband responded by thanking Sladkus and confirming payment of their outstanding balance of WHAFH's legal fees.

25. The settlement transaction closed on June 5, 2012.

Englese's Campaign To Defame, Slander, And Harm Sladkus

26. In what can only be described as the epitome of the truism that “no good deed goes unpunished,” it has come to Sladkus’s attention that Englese has and is embarked on a campaign to defame, malign, and disparage Sladkus with the sole intention of harming him, his stellar reputation, and his professional and business interests and relationships. This, despite Sladkus’s tireless, skilled, and undeniably successful representation of Englese and her husband.

27. On or around August 22, 2015, non-party William Suk, a key business relation of Sladkus, was leaving his apartment together with his wife (a successful banker) and children on the third floor of 1725 York Avenue, New York, New York, when they met Englese and her husband in the elevator bank.

28. Mr. Suk and Englese recognized one another, and, exiting the elevator on the ground floor, they recalled that Sladkus had introduced them to each other when he referred Mr. Suk, an architect, to Englese and her husband to assist in the their above-referenced litigation.

29. Immediately upon hearing Mr. Suk’s mention of Sladkus, Englese launched into a vicious diatribe against Sladkus, including, but not limited to, making the false and slanderous statements that Sladkus (i) is a lawyer who “gives poor advice”; (ii) is “a shitty lawyer”; (iii) caused them to lose “a ton of money” in their settlement with the sponsor; (iv) “took advantage of [her and her husband] because [her own husband] was not effectual in the negotiations and because [she] was in [her] final term of pregnancy”; and (v) “threatened [her and her husband] into settling” the litigation against the sponsor.

30. Upon information and belief, this slanderous and defamatory tirade against Sladkus was not the only time Englese has defamed Sladkus, but is part of an ongoing campaign to defame and slander Sladkus.

31. Upon information and belief, at any mention of Sladkus's name to her or in her presence, Englese makes similar unfounded, untrue, and defamatory attacks against Sladkus, each time with the sole aim of harming Sladkus and injuring his otherwise stellar professional reputation and business relationships and interests.

First Cause of Action
(Defamation/Slander)

32. Plaintiff repeats and re-alleges the allegations contained in paragraphs 1 through 31 as if set forth fully herein.

33. Englese's statements, as alleged hereinabove, were false and defamatory, and, were intended to, and did, cause substantial harm and special damage to Sladkus, including, upon information and belief, lost business opportunities.

34. At the time she made those statements, Englese knew they were false, and, despite such knowledge, she made and repeated them with reckless and wanton disregard of their falsity.

35. Furthermore, inasmuch as they were intended to and did disparage Sladkus in his office, profession, trade, and business, Englese's statements were also slanderous and defamatory *per se*.

36. As a result of the aforesaid statements, Sladkus has been injured in his personal and professional reputation.

37. By reason of the foregoing, Englese is liable to Sladkus for defamation and slander in an amount to be determined at trial but not less than \$500,000.

38. In addition, Englese is also liable for, and Sladkus is entitled to recover, punitive damages in a minimum amount of \$500,000 because Englese made the aforesaid statements willfully, maliciously, and with the intent to defame and damage Sladkus's good name and reputation, and, at the time she made those statements, Englese knew they were false, and,

despite such knowledge, she made and repeated them with reckless and wanton disregard of their falsity.

Second Cause of Action
(Prima Facie Tort)

39. Plaintiff repeats and re-alleges the allegations contained in paragraphs 1 through 38 as if set forth fully herein.

40. Englese's statements and actions, as described above, were made and done without any countervailing excuse or justification; on the contrary, they were willful, outrageous, and motivated solely by disinterested malevolence and an intent to harm Sladkus.

41. As a result of Englese's statements and actions, Sladkus has suffered significant damages, including the diminution of his personal and professional reputation, loss of business opportunities, and lost profits.

42. By reason of the foregoing, Englese is liable to Sladkus for damages for prima facie tort in an amount to be determined at trial but not less than \$500,000.

43. In addition, Englese is also liable for, and Sladkus is entitled to recover, punitive damages in a minimum amount of \$500,000 because Englese engaged in the above-described conduct willfully, maliciously, and with the intent to damage Sladkus and his good name and reputation, and, at the time she made the above-described statements, Englese knew they were false, and, despite such knowledge, she made and repeated them with reckless and wanton disregard of their falsity.

Third Cause of Action
(Tortious Interference with Prospective Economic Advantage)

44. Plaintiffs repeat and re-allege the allegations contained in paragraphs 1 through 43 as if set forth fully herein.

45. In the large but close-knit real estate litigation and cooperative/condominium law communities, professional reputation is of paramount importance in maintaining ongoing business relationships and in seeking out and securing new business opportunities.

46. To succeed in the real estate litigation and cooperative/condominium law fields, it is crucial to maintain a positive reputation and good relationships with, among others, lawyers, architects, engineers, developers, property owners, and cooperative/condominium boards.

47. Indeed, such relationships are a key determinative factor in a lawyer's ability to generate new business opportunities and strengthen existing business relationships.

48. As alleged hereinabove, Sladkus enjoys an unparalleled stellar reputation in these close-knit communities, and he maintains countless vital business relationships, including with non-party William Suk.

49. Englese made the above-described slanderous and defamatory statements about Sladkus to Mr. Suk, a critical business relation of Sladkus.

50. In so doing, Englese deliberately interfered with and can only have injured Sladkus's relationship with Mr. Suk, his wife, and, upon information and belief, others.

51. As alleged hereinabove, upon information and belief, Englese has made and continues to make similar false, malicious, slanderous, and defamatory statements to other critical business relations of Sladkus, as well as to anyone who even mentions the name Sladkus to or in the presence of Englese.

52. Englese made and, upon information and belief, continues to make the slanderous

and defamatory statements alleged hereinabove solely to harm Sladkus, his professional activities, and his critical business relationships.

53. As such, Englese knowingly engaged in conduct designed to diminish and interfere with Sladkus's rights to economic advantage.

54. Moreover, Englese's interference with Sladkus's business relationships, including with Mr. Suk, was and is perpetrated by wrongful means, *i.e.*, the defamatory and slanderous statements alleged hereinabove.

55. By reason of the foregoing, Englese is liable to Sladkus for tortious interference with prospective economic advantage in an amount to be determined at trial but not less than \$500,000.

56. In addition, Englese is also liable for, and Sladkus is entitled to recover, punitive damages in a minimum amount of \$500,000 because Englese engaged in the above-described conduct willfully, maliciously, and with the intent to damage Sladkus and his good name and reputation, and, at the time she made the above-described statements, Englese knew they were false, and, despite such knowledge, she made and repeated them with reckless and wanton disregard of their falsity.

WHEREFORE, Plaintiffs demand judgment against Defendant as follows:

- On the First Cause of Action for defamation/slander *per se* in an amount to be determined at trial but not less than \$500,000, as well as an award of punitive damages in an amount to be determined at trial but not less than \$500,000;
- On the Second Cause of Action for prima face tort in an amount to be determined at trial but not less than \$500,000, as well as an award of punitive damages in an amount to be determined at trial but not less than \$500,000;
- On the Third Cause of Action for tortious interference with prospective economic advantage in an amount to be determined at trial but not less than \$500,000, as well as an award of punitive damages in an amount to be determined at trial but not less than \$500,000; and

