



Condo Can't-Do

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Sponsors of the massive, \$1 billion Sky View Parc complex in Flushing will refund 75 percent of \$5 million in down payments to buyers who backed out of contracts on \$50 million worth of luxury apartments -- a settlement likely to send shivers through the ranks of the city's condo developers.

The agreement will recoup \$3.69 million plus interest for 118 buyers represented by **Adam Leitman Bailey**, a lawyer who has filed suits for plaintiffs in numerous similar cases.

All the buyers sued under the once-obscure federal Interstate Land Sales Full Disclosure Act, which requires condo sponsors to register their project with the Housing and Urban Development department and to provide buyers with "disclosure" reports. As at many other condo projects, that was not done at Sky View Parc, located on College Point Boulevard.



Sponsors of the Sky View Parc complex in Flushing, Queens will refund 75 percent of \$5M in down payments to apartment hunters — the largest refund in history for NYC condo development.

The suit also cited alleged failure by Onex Real Estate Partners to disclose "substantial problems" at the project to the buyers. Those issues, reported in The Post last August, included at the time a \$160 million cost overrun and loan restructurings.

"This is the largest ILSA settlement on record in New York," **Bailey** said.

But a lawyer for Onex, Mark Walfish, said, "There was no merit whatsoever to the allegation that any major changes had occurred which had an adverse effect on the project, and, in fact, all the changes . . . have only made the project stronger."

In a statement, Onex President Michael Dana said, "As the new sponsor we wanted to do the right thing for the project and move on." Onex took control from the original developer, Brooklyn-based Muss, last year.

Sky View Parc is a three-tower complex with 1,000 apartments, retail stores and a private park. Project reps would not disclose how many have been sold.

The lawsuit has been watched as a bellwether for similar cases where prospective condo buyers weren't able to obtain financing and sought to get out of their contracts under the ILSA rules.

