

Boymelgreen faces lawsuit over 20 Pine loan

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By David Jones

Developer Shaya Boymelgreen is facing a lawsuit from Aristone Capital Funding after allegedly defaulting on a \$3.2 million loan for Boymelgreen's former condominium project at 20 Pine Street in the Financial District.



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Aristone, in a suit filed June 4 in New York State Supreme Court, alleges that Brooklyn-based Boymelgreen failed to repay the loan, missed a number of construction deadlines and failed to confirm whether he repaid the building's mortgage loan to Bank of America by October 2008.

The suit names Boymelgreen Family LLC as the borrower and Boymelgreen as the personal guarantor of the loan.

Records from the city Department of Finance show that in 2005, Bank of America lent \$140 million to Boymelgreen and his investment partner Lev Leviev for the building.

In addition, Aristone alleges that Boymelgreen extended the maturity date of a mezzanine loan from Apollo Real Estate to April 1, 2009, without prior consent. City records show that Boymelgreen borrowed a \$105 million mezzanine loan from Apollo.

Aristone is asking for repayment of the \$3.2 million loan, unpaid interest of more than \$471,000, nearly \$204,000 in late charges, plus legal fees.

Richard Newman, an outside attorney for Boymelgreen, declined to comment. Boymelgreen company officials were not immediately available for comment.

The lawsuit comes four months after Africa Israel, led by Leviev, took control of the 409-unit property from Boymelgreen amid an uprising from condo owners.

At the time, about 50 owners hired attorney Adam Leitman Bailey to represent them and threatened litigation if common area construction was not completed. Bailey told The Real Deal yesterday that significant progress has been made at the building.

Africa Israel appointed a new managing director of sales and leasing and promised to finish construction of the building's common areas by June 1. Michael Shvo is the building's exclusive broker.

Africa Israel officials declined to comment.