

GLASSMAN AFFIDAVIT

EXHIBIT 10

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

-----x
THE PARAMOUNT REALTY
GROUP OF AMERICA CORP.

16102383

Index No.

Plaintiff,

-against-

VERIFIED COMPLAINT

INGIBJORG STEFANIA
PALMADOTTIR and JON
ASGEIR JOHANESSON

Defendants.
-----x

Plaintiff, The Paramount Realty Group of America Corp. ("Plaintiff"), by its undersigned attorneys, REINHARDT LLP, complaining of the Defendants respectfully allege as follows:

PARTIES

1. Plaintiff is a New York corporation and the sublessee of the premises known as 50 Gramercy Park North, Unit 16A, County of New York, in the City and State of New York, 10010 (hereinafter the "Premises").
2. Upon information and belief, Defendants Ingibjorg Stefania Palmadottir ("ISP") and Jon Asgeir Johanesson ("JAJ") reside at 50 Gramercy Park North, Unit PH 17th Floor, New York, New York, County of New York, the City and State of New York, 10010 and are sublessors of the Premises.
3. Plaintiff is sublessee having Plaintiff and Defendants entered into the Sublease Agreement (as defined below).

FILED

FEB 23 2010

COUNTY CLERK'S OFFICE

NEW YORK, NEW YORK

FACTS

4. On or about May 12, 2010, Plaintiff, as sublessee, and Defendants, as sublessors, entered into an agreement of sublease, a copy of which is annexed hereto as Exhibit A (the "Sublease Agreement"), wherein and whereby Plaintiff leased the Premises from Defendants.
5. The Premises was rented for residential use pursuant to the terms and subject to the conditions set forth in the Sublease Agreement.
6. In and by said Sublease Agreement it was provided, *inter alia*, that the term thereof would commence on June 15, 2009 and end on June 14, 2010, and that Plaintiff, as sublessee, would pay Defendants, as sublessors, annual rental in the sum of Three Hundred Twelve Thousand Dollars and 00/100 (\$312,000.00).
7. Pursuant to Section 2 of the Sublease Agreement, Defendants were required to deliver possession of the Premises by June 15, 2009 subject the provisions of, *inter alia*, the Warranty of Habitability Law and the express representations and warranties made by Defendants.
8. Upon information and belief, Defendants refused to deliver possession of the Premises until June 22, 2009 forcing Plaintiff to extend its previous lease and pay additional rent. The Premises remained untenable until after July 4, 2009 due to undue delay by the Defendants in commencing necessary renovation work (See photographs attached hereto as Exhibit B).
9. Due to the delayed renovations, Plaintiff was forced to use a bathroom as a kitchen (See photographs attached hereto as Exhibit C).
10. Pursuant to Section 46 of the Sublease Agreement, Defendants were required

to use their best efforts to install a suitable kitchen, reasonably acceptable to Plaintiff, by June 15, 2009.

11. Defendants did not use their best efforts to complete installation by June 15, 2009. Upon information and belief, Defendants did not submit the alteration agreement and work plans for the kitchen to the Apartment Corporation's Managing Agent until June 4, 2009 and work in the unit did not start until after June 11, 2009.

12. Defendants did not use their best efforts to provide a suitable kitchen for the Premises. Defendants willfully installed what JAJ defined as an "ugly" kitchen in his communication to Plaintiff dated June 17, 2009 (See Exhibit D). The kitchen installed is manufactured by IKEA (See Exhibit E), which is generally known to offer low budget furniture.

13. The kitchen installed was not reasonably satisfactory to Plaintiff as it did not rise to the level of a kitchen suitable for a property located at 50 Gramercy Park North. The standard kitchen installed in 50 Gramercy Park North units, when they were sold, was of significantly higher quality than the kitchen substituted by Defendants in the Premises. Less than a year after installation, the kitchen has already deteriorated to an unacceptable condition given the rent being paid by Plaintiff (See Exhibit F). The kitchen has also been a source of embarrassment for Plaintiff and the subject of remarks by guests.

14. Upon information and belief, Defendants refused to allow Plaintiff to inspect the Premises until the evening of June 21, 2009. Upon information and belief, when Plaintiff was finally allowed access to the Premises, the inspection revealed that the Premises were a work site (See photographs attached hereto as Exhibit G) and far from

being ready for possession. Plaintiff compiled a long list of punch-list items including, without limitation, faulty air conditioning/heating, a cracked window, missing shower parts, missing towel rack, a leaky shower unit, non functioning power outlets, faulty door handle, missing appliances and broken roof flashing (See photographs attached hereto as Exhibit H).

15. Upon information and belief, the promised refrigerator was only delivered in September 2009 and, despite multiple requests by Plaintiff and promises to repair by Defendants, the other items listed in Paragraph 14 above have still not been fixed to date.

16. Plaintiff was required to purchase a portable heater, a new lock and keys for the bedroom door and was required to spend Five Hundred Dollars and 00/100 (\$500.00) to have the building's superintendent service the air condition/heating units (See photographs attached hereto as Exhibit I).

17. Upon information and belief, on or about November 2009 a water leak from Defendants' unit damaged the Premises (See photographs attached hereto as Exhibit J). Despite Plaintiff's complaints and the fact that a pregnant woman is living on the Premises, the damage was not repaired until the end of January 2010.

18. On or about July 9, 2009, the occupants of the Defendant's unit directly above the Premises trespassed onto the Premises by throwing approximately thirty (30) chewed chicken wings onto the terrace of the Premises while Plaintiff's guests were in the Premises.

19. Since June 2009, Plaintiff has been trying to have Defendants either resolve the above-mentioned issues or grant Plaintiff a rent abatement so that Plaintiff can resolve the issues itself. Defendants have refused.

AS AND FOR A FIRST CAUSE OF ACTION

20. Plaintiff repeats, repleads and alleges each and every allegation contained in paragraphs 1 through 19 of the complaint as if more fully set forth herein.

21. Defendants were required by the Sublease Agreement to deliver possession of the Premises to Plaintiff on June 15, 2009, in a habitable condition and failed to do so.

22. Defendants were required by the Sublease Agreement to use their best efforts to install a suitable kitchen, reasonably acceptable to Plaintiff and consistent with that promised to Plaintiff, by June 15, 2009, and failed to do so.

23. Defendants were required by the Sublease to make certain agreed repairs to the Premises and failed to do so.

24. Defendants induced Plaintiff into signing the Sublease Agreement based on the representation that they would deliver a high quality kitchen, and failed to do so.

25. Defendants are in breach of the Lease Agreement.

26. Based on the foregoing, Plaintiff has had to endure living in sub-standard conditions despite a Twenty Six Thousand Dollars and 00/100 (\$26,000.00) per month rent and has incurred costs and expenses.

27. By virtue of the foregoing, Plaintiff has been damaged in an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).

AS AND FOR A SECOND CAUSE OF ACTION

28. Plaintiff repeats, repleads and alleges each and every allegation contained in paragraphs 1 through 27 of the complaint as if more fully set forth herein.

29. Under the terms of the Sublease Agreement, Defendants were required to deliver possession of the Premises by June 15, 2009, subject to the Warranty of Habitability Law.

30. The Premises remained a construction site without any kitchen until after July 4, 2009, forcing Plaintiff to use a bathroom as a kitchen.

31. One of the bathrooms in the Premises is still not fully functioning and the shower in another bathroom chronically leaks.

32. The kitchen ceiling was leaking for several weeks before it was eventually repaired.

33. By virtue of the foregoing, Defendants are in breach of the warranty of habitability.

34. Plaintiff has been damaged in an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).

AS AND FOR A THIRD CAUSE OF ACTION

35. Plaintiff repeats, repleads and alleges each and every allegation contained in paragraphs 1 through 34 of the complaint as if more fully set forth herein.

36. By allowing the Premises to be invaded by approximately thirty (30) chewed chicken wings while Plaintiff's guests were in the Premises, Defendants are in breach of the covenant of quiet enjoyment set forth in the Sublease Agreement.

37. By virtue of the foregoing, Plaintiff has been damaged in an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).

AS AND FOR A FOURTH CAUSE OF ACTION

38. Plaintiff repeats, repleads and alleges each and every allegation contained in paragraphs 1 through 37 of the complaint as if more fully set forth herein.

39. By allowing the Premises to be invaded by approximately thirty (30) chewed chicken wings while Plaintiff's guests were in the Premises, Defendants trespassed onto the Premises causing damage to Plaintiff, the Premises and Plaintiff's reputation.

40. By causing water to leak from Defendants' unit above, Defendants trespassed onto the Premises causing damage to Plaintiff, the Premises and causing a health hazard.

41. By virtue of the foregoing, Plaintiff has been damaged in an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).

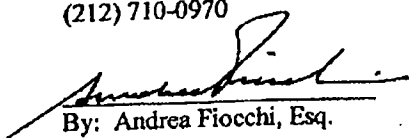
WHEREFORE, Plaintiff demands judgment against the Defendants as follows:

- a. On the first cause of action: an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).
- b. On the second cause of action: an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).
- c. On the third cause of action: an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).
- d. On the fourth cause of action: an amount to be determined by the Court, but in no event less than Fifty Two Thousand Dollars and 00/100 (\$52,000.00).
- d. Granting Plaintiff's costs and disbursements in this action, including, without limitations, attorneys' fees.

- e. Granting Plaintiff such other and further relief as this Court shall deem just and proper.

Dated: New York, New York
February 23, 2009

REINHARDT LLP
Attorneys for Plaintiff
44 Wall Street, 10th Fl
New York, NY 10005
(212) 710-0970


By: Andrea Fiocchi, Esq.

VERIFICATION

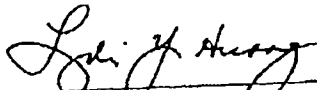
STATE OF NEW YORK)
)ss:
COUNTY OF NEW YORK)

The undersigned, being duly sworn, says as follows:

I am a duly authorized officer of The Paramount Realty Group of America Corp., the plaintiff herein. I have read the foregoing complaint and know the contents thereof and the same is true to my own knowledge except as to those matters therein stated to be upon information and belief and as to those matters I believe it to be true. The grounds of my belief as to all matters not stated upon my own knowledge are records of plaintiff corporation and information that I have received in my capacity as officer of plaintiff corporation.


Paolo Zampolli

Sworn to before me this
23rd day of February, 2010


Notary Public

Notary Public, State of New York
No. 01-UG49444
Qualified in New York County
Commission Expires April 24, 2010