

<b>Household Fin. Realty Corp. of N.Y. v Ceglia</b>
2014 NY Slip Op 31171(U)
April 24, 2014
Supreme Court, Suffolk County
Docket Number: 33216-10
Judge: Jr., Andrew G. Tarantino
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SUPREME COURT - STATE OF NEW YORK  
IAS PART 50 - SUFFOLK COUNTYPRESENT: Hon. ANDREW G. TARANTINO, Jr.  
Justice of the Supreme CourtHOUSEHOLD FINANCE REALTY  
CORPORATION OF NEW YORK,

Plaintiff,

-against-

GEORGE M. CEGLIA, CLEMENTINE  
CEGLIA, HOUSEHOLD FINANCE REALTY  
CORPORATION OF NEW YORK, "JOHN  
DOE" and "MARY ROE" (Said names being  
fictitious, it being the intention of the  
Plaintiff to designate any and all occupants  
of the premises being foreclosed herein),

Defendants.

Motion Date: 5-21-13  
Adj. Date: \_\_\_\_\_  
Mot. Seq. #002-MotDJONATHAN D. PINCUS, ESQ.  
Attorney for Plaintiff  
1387 Fairport Road  
Building 700, Suite 710  
Fairport, NY 14450ADAM C. GOMERMAN, ESQ.  
Attorney for Defendants  
807 East Jericho Tpke.  
Huntington Station, N. Y. 11746Upon the following papers numbered 1 to 17 read on this motion for summary judgment; Notice of Motion/Order to Show Cause and supporting papers 17; Notice of Cross Motion and supporting papers   ; Answering Affidavits and supporting papers   ; Replying Affidavits and supporting papers   ; Other   ; (and after hearing counsel in support and opposed to the motion) it is,**ORDERED** that this unopposed motion by the plaintiff for, inter alia, an order awarding summary judgment in its favor, fixing the defaults of the non-answering defendants, appointing a referee and amending the caption is determined as indicated below; and it is**ORDERED** that the branch of the motion wherein the plaintiff requests an order awarding it the costs of this motion is denied without prejudice, leave to renew upon proper documentation for costs at the time of submission of the judgment; and it is**ORDERED** that the plaintiff is directed to file proof of filing of an additional or a successive notice of pendency with the proposed judgment of foreclosure (see, CPLR 6513; 6516[a]; *Aames Funding Corp. v Houston*, 57 AD3d 808, 872 NYS2d 134 [2d Dept 2008]; *EMC Mtge. Corp. v Stewart*, 2 AD3d 772, 769 NYS2d 408 [2d Dept 2003]; *Horowitz v Griggs*, 2 AD3d 404, 767 NYS2d 860 [2d Dept 2003]); and it is further

**ORDERED** that the plaintiff is directed to serve a copy of this Order with notice of entry upon all parties who have appeared herein and not waived further notice pursuant to CPLR 2103(b)(1), (2) or (3) within thirty (30) days of the date herein, and to promptly file the affidavits of service with the Clerk of the Court.

This is an action to foreclose a mortgage on residential real property known as 19 Champlain Street, Port Jefferson Station, New York 11776. On August 16, 2006, the defendants George M. Ceglia and Clementine Ceglia (the defendant mortgagors) executed a fixed-rate Loan Agreement/note (the note) in favor of Household Finance Realty Corporation of New York (the plaintiff) in the principal sum of \$353,283.25. To secure said note, the defendant mortgagors gave the plaintiff a mortgage also dated August 16, 2006 on the property.

The defendant mortgagors allegedly defaulted on the note and mortgage by failing to make the monthly payment of principal and interest due on or about January 21, 2010, and each month thereafter. After the defendant mortgagors allegedly failed to cure their default, the plaintiff commenced the instant action by the filing of a lis pendens, summons and verified complaint on September 9, 2010. Parenthetically, the lis pendens has now expired.

Issue was joined by the interposition of the defendant mortgagors' joint verified answer sworn to on October 11, 2010. By their answer, the defendant mortgagors admit some of the allegations in the complaint, including the execution of the note and mortgage by them, and generally deny other allegations therein. In their answer, the defendant mortgagors also assert five affirmative defenses, alleging, among other things, the lack of personal jurisdiction, the failure to state a cause of action, a fatally defective complaint, payment, and breach of contract. The remaining defendants have not answered the complaint or appeared herein.

According to the records maintained by the Court's computerized database, a settlement conference was scheduled for March 30, 2012 in this Court's specialized mortgage foreclosure part. On that date, this action was dismissed from the conference program as the defendant mortgagors failed to appear or otherwise participate. Accordingly, no further conference is required pursuant to CPLR 3408.

By Order dated March 8, 2013 (LaSalle, J.), a prior motion by the plaintiff for, *inter alia*, summary judgment and an order of reference was denied, without prejudice, for failure to submit an affidavit of service of the motion. The plaintiff now moves again for, *inter alia*, an order: (1) pursuant to CPLR 3212 awarding summary judgment in its favor and against the defendant mortgagors, striking their answer and dismissing the affirmative defenses set forth therein; (2) pursuant to CPLR 3215 fixing the defaults of the non-answering defendants; (3) pursuant to RPAPL § 1321 appointing a referee to (a) compute amounts due under the subject mortgage; and (b) examine and report whether the subject premises should be sold in one parcel or multiple parcels; (4) amending the caption; and (5) awarding it the costs and disbursements of this motion. No opposition has been filed in response to the motion.

A plaintiff in a mortgage foreclosure action establishes a *prima facie* case for summary judgment by submission of the mortgage, the note, bond or obligation, and evidence of default (see, *Valley Natl. Bank v Deutsch*, 88 AD3d 691, 930 NYS2d 477 [2d Dept 2011]; *Wells Fargo Bank v Das Karla*, 71 AD3d 1006, 896 NYS2d 681 [2d Dept 2010]; *Washington Mut. Bank, F.A. v O'Connor*, 63 AD3d 832, 880 NYS2d 696 [2d Dept 2009]). The burden then shifts to the defendant to demonstrate "the existence of a triable issue of fact as to a bona fide defense to the action, such as waiver, estoppel, bad faith, fraud, or oppressive or unconscionable conduct on the part of the plaintiff" (*Capstone Bus. Credit, LLC v Imperia Family Realty, LLC*, 70 AD3d 882, 883, 895 NYS2d 199 [2d Dept 2010], quoting *Mahopac Natl. Bank v Baisley*, 244 AD2d 466, 467, 644 NYS2d 345 [2d Dept 1997]).

By its submissions, the plaintiff established its *prima facie* entitlement to summary judgment on the complaint (see, CPLR 3212; RPAPL § 1321; *Wachovia Bank, N.A. v Carcano*, 106 AD3d 724, 965 NYS2d 516 [2d Dept 2013]; *U.S. Bank, N.A. v Denaro*, 98 AD3d 964, 950 NYS2d 581 [2d Dept 2012]; *Capital One, N.A. v Knollwood Props. II, LLC*, 98 AD3d 707, 950 NYS2d 482 [2d Dept 2012]). In the instant case, the plaintiff produced the note, the mortgage and evidence of nonpayment (see, *Federal Home Loan Mtge. Corp. v Karastathis*, 237 AD2d 558, 655 NYS2d 631 [2d Dept 1997]; *First Trust Natl. Assn. v Meisels*, 234 AD2d 414, 651 NYS2d 121 [2d Dept 1996]). Under these circumstances, the plaintiff demonstrated its *prima facie* burden as to the merits of this foreclosure action.

The plaintiff also submitted sufficient proof to establish, *prima facie*, that the affirmative defenses set forth in the defendant mortgagors' answer are subject to dismissal due to their unmeritorious nature (see, *Becher v Feller*, 64 AD3d 672, 884 NYS2d 83 [2d Dept 2009]; *Wells Fargo Bank Minn., N.A. v Perez*, 41 AD3d 590, 837 NYS2d 877 [2d Dept 2007]; see also, *Bank of N.Y. Mellon v Scura*, 102 AD3d 714, 961 NYS2d 185 [2d Dept 2013]; *Scarano v Scarano*, 63 AD3d 716, 716, 880 NYS2d 682 [2d Dept 2009] [process server's sworn affidavit of service is *prima facie* evidence of proper service]; *Shufelt v Bulfamante*, 92 AD3d 936, 940 NYS2d 108 [2d Dept 2012]; *Long Is. Sav. Bank of Centereach, F.S.B. v Denkensohn*, 222 AD2d 659, 635 NYS2d 683 [2d Dept 1995] [dispute as to amount owed by the mortgagor is not a defense to a foreclosure action]; *Charter One Bank, FSB v Leone*, 45 AD3d 958, 845 NYS2d 513 [3d Dept 2007] [no competent evidence of an accord and satisfaction]).

As the plaintiff duly demonstrated its entitlement to judgment as a matter of law, the burden of proof shifted to the defendant mortgagors (see, *HSBC Bank USA v Merrill*, 37 AD3d 899, 830 NYS2d 598 [3d Dept 2007]). Accordingly, it was incumbent upon the defendant mortgagors to produce evidentiary proof in admissible form sufficient to demonstrate the existence of a triable issue of fact as to a bona fide defense to the action (see, *Baron Assoc., LLC v Garcia Group Enters., Inc.*, 96 AD3d 793, 946 NYS2d 611 [2d Dept 2012]; *Washington Mut. Bank v Valencia*, 92 AD3d 774, 939 NYS2d 73 [2d Dept 2012]).

Self-serving and conclusory allegations do not raise issues of fact, and do not require the plaintiff to respond to alleged affirmative defenses which are based on such allegations (see, *Charter One Bank, FSB v Leone*, 45 AD3d 958, *supra*; *Rosen Auto Leasing, Inc. v Jacobs*, 9 AD3d 798, 780

NYS2d 438 [3d Dept 2004]). In instances where a defendant fails to oppose a motion for summary judgment, the facts, as alleged in the moving papers, may be deemed admitted and there is, in effect, a concession that no question of fact exists (see, *Kuehne & Nagel, Inc. v Baiden*, 36 NY2d 539, 369 NYS2d 667 [1975]; see also, *Madeline D'Anthony Enters., Inc. v Sokolowsky*, 101 AD3d 606, 957 NYS2d 88 [1<sup>st</sup> Dept 2012]; *Argent Mtge. Co., LLC v Mentesana*, 79 AD3d 1079, 915 NYS2d 591 [2d Dept 2010]). Additionally, “uncontradicted facts are deemed admitted” (*Tortorello v Carlin*, 260 AD2d 201, 206, 688 NYS2d 64 [1<sup>st</sup> Dept 1999] [internal quotation marks and citations omitted]).

The defendant mortgagors’ answer is insufficient, as a matter of law, to defeat the plaintiff’s unopposed motion (see, *Flagstar Bank v Bellafiore*, 94 AD3d 1044, 943 NYS2d 551 [2d Dept 2012]; *Argent Mtge. Co., LLC v Mentesana*, 79 AD3d 1079, *supra*). Here, the affirmative defenses asserted by the defendant mortgagors are factually unsupported and without apparent merit (see, *Becher v Feller*, 64 AD3d 672, *supra*). In any event, the failure by the defendant mortgagors to raise and/or assert their pleaded defenses in opposition to the plaintiff’s motion warrants the dismissal of the same as abandoned under the case authorities cited above (see, *Kuehne & Nagel, Inc. v Baiden*, 36 NY2d 539, *supra*; see also, *Madeline D'Anthony Enters., Inc. v Sokolowsky*, 101 AD3d 606, *supra*).

The branch of the instant motion wherein the plaintiff seeks an order pursuant to CPLR 1024 amending the caption by substituting, Adam Ceglia, for the fictitious named defendant John Doe and substituting Tara Ceglia for the fictitious defendant, Mary Roe, is granted (see, *Flagstar Bank v Bellafiore*, 94 AD3d 1044, *supra*; *Neighborhood Hous. Servs. of N.Y. City, Inc. v Meltzer*, 67 AD3d 872, 889 NYS2d 627 [2d Dept 2009]). By its submissions, the plaintiff established the basis for this relief. Signed on April 24, 2014 is a separate order amending the caption in the action to substitute U.S. Bank Trust, N.A., as Trustee For LSF8 Master Participation Trust as the named plaintiff for Household Finance Realty Corporation of New York. All future proceedings shall be captioned accordingly.

By its moving papers, the plaintiff further established the default in answering on the part of the defendant Household Finance Realty Corporation of New York (as a subordinate lienholder) as well as the newly substituted defendants (see, RPAPL § 1321; *HSBC Bank USA, N.A. v Roldan*, 80 AD3d 566, 914 NYS2d 647 [2d Dept 2011]). Accordingly, the defaults of all of the non-answering defendants are fixed and determined. Since the plaintiff has been awarded summary judgment against the defendant mortgagors and has established the default in answering by the non-answering defendants, the plaintiff is entitled to an order appointing a referee to compute amounts due under the subject note and mortgage (see, RPAPL § 1321; *Ocwen Fed. Bank FSB v Miller*, 18 AD3d 527, 794 NYS2d 650 [2d Dept 2005]; *Vermont Fed. Bank v Chase*, 226 AD2d 1034, 641 NYS2d 440 [3d Dept 1996]; *Bank of E. Asia v Smith*, 201 AD2d 522, 607 NYS2d 431 [2d Dept 1994]).

Accordingly, this motion for, inter alia, summary judgment and an order of reference is determined as indicated above. The proposed long form order appointing a referee to compute pursuant to RPAPL § 1321, as modified by the Court, has been signed concurrently herewith.

[\* 5]

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Dated: 24 April 2014

  
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**Hon. ANDREW G. TARANTINO, Jr.,**  
**A.J.S.C.**

FINAL DISPOSITION     NON-FINAL DISPOSITION