

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

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GRAND PACIFIC FINANCE CORP.,

Plaintiff,

-against-

Index No.  
601164-09

97-111 HALE, LLC, 100-114 HALE, LLC,  
HALE CLUB, LLC, ELI BOBKER, BEN BOBKER  
and JOE BOBKER,

Defendants.  
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June 18, 2015  
60 Centre Street  
New York, New York

BEFORE: HON. IRA GAMMERMAN  
Judicial Hearing Officer

APPEARANCES:

Attorney for Plaintiff  
HERRICK, FEINSTEIN LLP  
2 Park Avenue  
New York, NY 10016  
BY: Paul H. Schafhauser, Esq.  
Janice Goldberg, Esq.

Attorney For Defendant  
WARNER & SCHEUERMAN  
6 West 18th Street, 10th floor  
New York, New York 10011  
BY: Jonathon D. Warner, Esq.

JACQUELINE GLASS  
Senior Court Reporter

1 Proceeding

2 THE COURT: For the plaintiff who do we  
3 have.

4 MR. SCHAFHAUSER: Good morning, your  
5 Honor. Paul Schafalhauser and with me Janice  
6 Goldberg from Herrick, Feinstein for the  
7 plaintiff.

8 THE COURT: And Mr. Warner you represent  
9 the defendant, right?

10 MR. WARNER: I do, your Honor.

11 THE COURT: Okay. Jonathon D. Warner.  
12 All right. This case is 1050. It's before me  
13 pursuant to an order of Justice Jaffe. Her order  
14 is dated January 8th of this year. And the order  
15 in part refers the matter to hear and determine.  
16 I can't make a determination. Obviously I could  
17 only make a recommendation the reasonable value of  
18 defendant's services and requirements.

19 A motion was made by the plaintiff to  
20 returnable before Justice Jaffe for an order  
21 directing installment payments with respect to the  
22 defendants Ben Bobker, Eli Bobker, and Joe Bobker.

23 The underlying facts in this case as set  
24 forth in substantial detail by Justice Jaffe and I  
25 assume that the parties and their lawyers are  
26 familiar with the underlying facts. We had three

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2 days of hearings on March 2, March 31st and April  
3 1st. And I heard testimony from the three Bobker  
4 defendants, and at least one spouse. I don't  
5 recall if there was another spouse at the moment.  
6 And from an expert witness called by the plaintiff  
7 a man named Sam Rosenfarb who had many degrees and  
8 who was in my opinion an expert in both giving  
9 testimony on the issue of what would be  
10 appropriate compensation and on many other things.  
11 He's an expert appraiser and he submitted a report  
12 and testified at some length regarding the value  
13 of the services that the three defendants had  
14 rendered or were rendering. He testified, I'm  
15 talking about Mr. Rosenfarb now, that the value  
16 the fair value of the services rendered by Joe  
17 Bobker totalled approximately \$500,000 a year.  
18 While the fair value of the services rendered by  
19 the two other defendant's brother and the sons of  
20 Joe Bobker totalled \$950,000 each. No expert  
21 testimony was offered by the defendants to rebut  
22 any of the testimony offered by the plaintiff.  
23 The case involves a judgment. The case involves a  
24 judgment against Eli Bobker and Ben Bobker as well  
25 as some limited liability company defendants  
26 jointly and separately. That judgment is, I



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Proceeding

attorney I assume an associate at Cadwalader, Wickersham & Taft. It seems to me based on all that evidence that the Bobkers all three have substantial experience in real estate development and management. The two brothers the sons are trained lawyers and certainly could obtain employment in the legal field. All of the Bobkers claim a relatively meager income which in my view is clearly at odds with their education and their business interests which are detailed at length in the decision of Justice Jaffe. He maintained rather lavish lifestyles in multi million dollar homes in rather affluent neighborhoods. The two sons have twelve children between them all of whom attend private schools. It's interesting and this was pointed out by the expert witness that although the Bobkers are seriously in debt owing substantial money to the judgment creditors in this case and many millions of other dollars to other creditors, none of them have applied for individual bankruptcy protection and it seems to me that this wouldn't ordinarily be difficult to understand in view of the fact that their monthly expenses for years have exceeded substantially exceeded their purported incomes. It seems to me



Now, the order of Justice Jaffe asks that I not only make a recommendation with respect to the reasonable value of the services, but offer a recommendation with respect to the comments, the requirements. It's very difficult to deal with requirements here because although there are very substantial expenses both with respect to the children, the upkeep of the houses that they live in, most of the -- all of the bills if they are ever paid for Joe are paid presumably by his sons and a substantial number of the bills incurred in connection with the living expenses of the two families, the two sons families are apparently not paid or deferred. It's not really clear when if ever they will be paid. So that I would estimate that the requirements as best I can because the manner in which the finances of Joe are handled are somewhat unique, I would estimate that his requirements are \$296,000 a year and therefore would recommend that the -- although I don't think





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much.

MR. WARNER: I was trying to hear the last thing that you said. The monthly amount for each of the two sons would be \$13,833; is that correct?

THE COURT: That's right.

Certified to be a true and accurate transcript of the original stenographic notes.



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JACQUELINE GLASS  
SENIOR COURT REPORTER