

THE REAL DEAL

NEW YORK REAL ESTATE NEWS

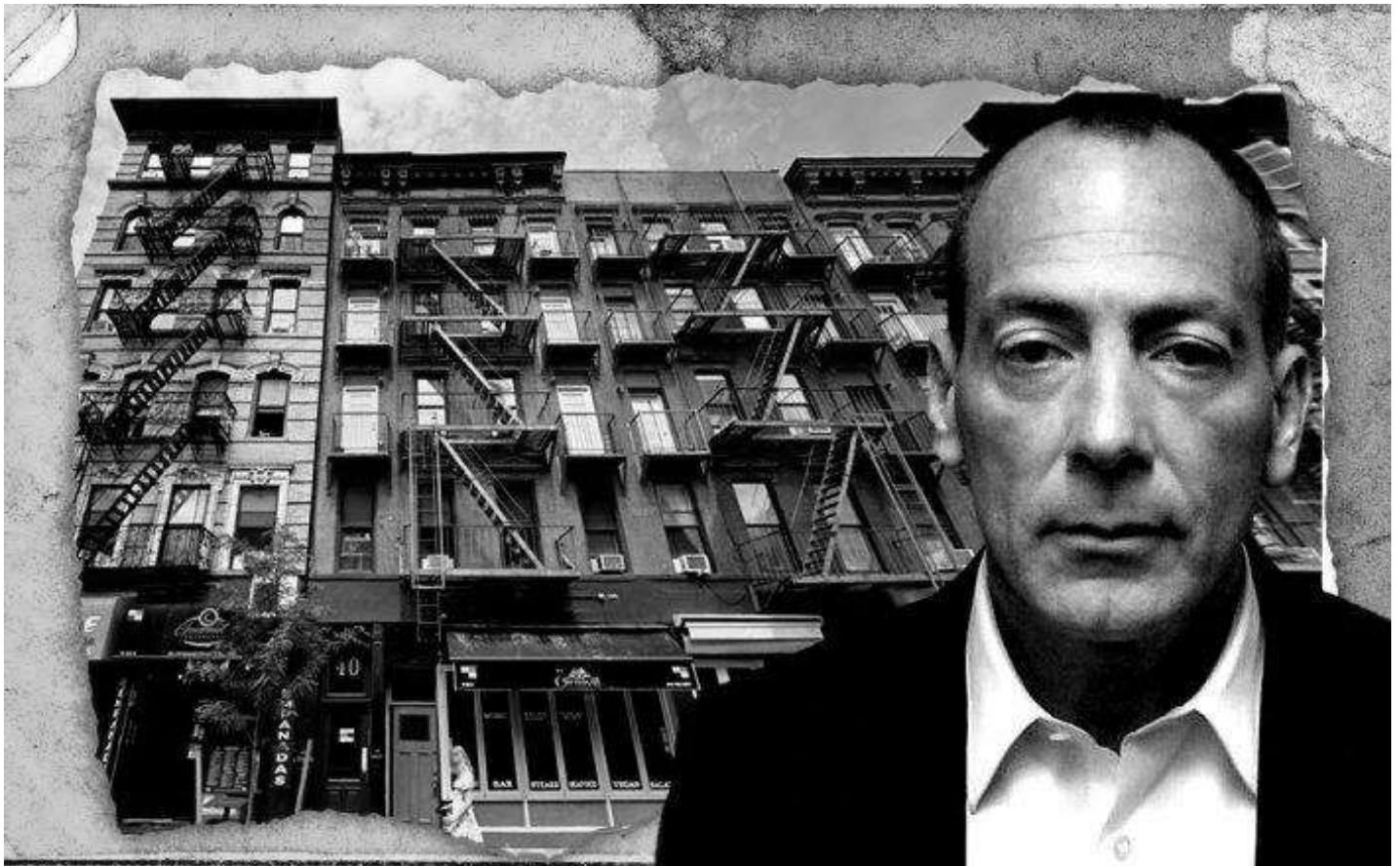
Steve Croman seeks \$2.6 million from restaurant he evicted

El Carnaval was kicked out of 40 Avenue B space in September, according to lawsuit

New York

Dec. 06, 2022 12:15 PM

By [Pat Ralph](#) | Research By [Jay Young](#)



Steve Croman with 40 Avenue B (Getty, Google Maps)

Steve Croman (<https://therealdeal.com/tag/steve-croman/>) has sent a Latin restaurant packing, and he wants to make sure the eatery doesn't skip out on its tab.

An entity connected to the New York City landlord filed a complaint

(<https://iapps.courts.state.ny.us/nyscef/ViewDocument?docIndex=93eQdCXOlkqA54QV4zeq3A==>) last Thursday in Manhattan against El Carnaval and its guarantor Karla Deleon, accusing

the evicted restaurant of owing more than \$2.6 million plus interest in unpaid rent, fees and reserved rent for its former space at 40 Avenue B in Alphabet City.

El Carnaval and Croman agreed in February 2021 to a 10-year lease that would last through January 2031. Along with rent, the restaurant was required to pay monthly water charges, 35 percent in real estate tax increases, 5 percent in late fees if rent was not paid within five days of its due date and 1.25 percent in monthly interest if a rent payment was more than 30 days late, according to the agreement. Deleon personally guaranteed that all rent payments would be made in full and on time, according to the complaint.

But El Carnaval allegedly failed to pay rent and make its payments, putting the restaurant into default. The restaurant allegedly owes more than \$1.3 million in unpaid rent, fees and rent reserved from June 2021 through January 2031. The eatery was kicked out of the Croman-owned retail space in September, according to the lawsuit.

Croman claims that none of the money has been repaid, and the restaurant remains on the hook for all rent reserved through January 2031 or until the vacant property is contracted by another tenant, according to the lease.

Deleon is also on the hook for more than \$1.3 million in unpaid rent, charges and rent reserved spanning July 2021 through January 2031, according to the lawsuit.

Attorneys representing Croman had yet to respond when reached for comment. Neither the restaurant nor Deleon could be reached for comment. Legal representation for both parties could not be identified.

Read more

- Steve Croman: I was duped by predatory lender
(<https://therealdeal.com/2022/12/01/steve-croman-i-was-duped-by-predatory-lender/>)
- Hold Croman in contempt over Kips Bay rentals: receiver
(<https://therealdeal.com/2022/08/24/hold-steve-croman-in-contempt-over-kips-bay-rentals-receiver/>)
- Croman sues White Horse Tavern owner for \$650K back rent
(<https://therealdeal.com/2022/09/23/croman-sues-white-horse-tavern-owner-for-650k-back-rent/>)

Contact Pat Ralph