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NEW YORK

Notorious criminal landlord Steve Croman faces claims from more than 100 tenants in East Harlem building

By STEPHEN REX BROWN

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Landlord Steve Croman (Alec Tabak/for New York Daily News)

A loathed landlord who spent nearly a year behind bars for fraud is facing new legal trouble, the Daily News has learned.

stabilized apartments in his building, according to court papers. ADVERTISEMENT inRead invented by Teads ADVERTISEMENT ADVERTISEMENT. The suit over the 92-unit building on E. 100 St. charges that Croman illegally leased apartments at marketrents, never gave leases to tenants and failed to register the apartments with the state as required by law. Croman collected tax benefits from the state for fully rent-regulated buildings when in fact he deregulated 70% of the units, the suit charges. In a new decision granting the suit class action status, Manhattan Supreme Court Justice Franc Perry

estimated Croman's alleged trickery affected more than 100 current and former tenants



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"Class members share a common goal in ensuring they are charged the legal maximum rent," Perry wrote.

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The watchdog group Housing Rights Initiative, which filed the suit, said rent refunds could be in the hundreds of thousands of dollars, in addition to offers of new rent stabilized leases.

Housing Rights Initiative has filed 56 other lawsuits seeking class action status. Aaron Carr, the organization's executive director proclaimed "the floodgates have been opened" for claims against unscrupulous landlords. The group has also sued Kushner Companies, among other major landlords.



Manhattan, NY. 07/19/2019: The exterior of 326 E. 100th St. in Manhattan. (Gregg Vigliotti/for New York Daily News)

Croman has long faced allegations that he waged coordinated harassment campaigns on rent-regulated tenants. He was sentenced to one year in jail in 2017 for multiple tax and mortgage fraud charges related to many of his 140 Manhattan buildings.

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Nicole Sosnowski, an attorney for Croman, did not respond to a request for comment.

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In court papers she argued, "Allegations regarding 'Croman's past conduct' are more prejudicial than probative."

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She also said that the state Division of Homes and Community Renewal should handle the rent overcharge claims, rather than the court.

Carr said the alleged scheme he uncovered at the Croman property was proof the state wasn't doing enough to police landlords.

"If Gov. Cuomo isn't willing to enforce the law against a convicted criminal like Steven Croman, then what on earth is he willing to do?" Carr said.

An HCR spokesman took issue with the criticism.

"It was the hard work of Gov. Cuomo's Tenant Protection Unit that first initiated the investigation and uncovered wrongdoing by this individual, and that made the criminal referral to the Attorney General that led to his indictment and conviction," the spokesman said.

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Stephen Rex Brown is a reporter covering New York City courts for the New York Daily News.

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