Palace Intrigue On East 72nd: Two Pools, 16 Bathrooms and a Million Rumors

By Kim Velsey • 02/12/13 9:26pm





Some people have heard that the

The exteriors of the two townhouses, under wraps.

townhouse at 12 East 72nd Street is being renovated for a Russian oligarch. Others say the man behind the massive construction project is the emir of Qatar. Or is it the Qatari prime minister? He was rumored to be the buyer of Aby Rosen's \$50 million mansion on East 71st Street, but really, who knows? The sale has yet to close, and the Middle Eastern mogul has been desperate to lay his hands on something in the neighborhood ever since the board of 907 Fifth Avenue rejected his bid to combine two co-ops belonging to the late copper heiress Huguette Clark.

As for the building itself, sheathed in construction scaffolding and plastic sheeting, they say that there will be a basketball court on the roof and three swimming pools, one for each of the emir's wives. That the elevator shaft for the building is 10 stories high, far in excess of the six-story structure approved by the Landmarks Commission. That the townhouse will be the largest private residence in Manhattan and will cost \$100 million. That workers are drilling down 40 feet into the bedrock for unknown, possibly nefarious purposes. That there are a lot of highly suspicious goings-on that might be stopped if a shady billionaire were not "greasing the palms of city officials."

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The notion that the building is being constructed by and for Steven Croman, the man whose name is actually on the deed and the DOB documents plastered all over the sidewalk shed, seems to be the only theory that is roundly dismissed as highly improbable. In their minds, the 46-year-old founder of Croman Real Estate and 9300 Realty, who owns a sizable but undistinguished portfolio of downtown rental buildings, is not the kind of real estate titan who builds himself an enormous uptown mansion.

"It just doesn't seem true that [he] is building this mansion for himself," said one neighbor, who referred to Mr.

Croman using a pejorative for a bad landlord. "This seems like a project for someone with billions of dollars." The neighbor conceded that the emir might not be behind the construction. Maybe it was being renovated to house "multiple Qatari families."

Harriet and Steven Croman at the 92nd St. Y Gala last spring. (Patrick McMullen)

Whether it is deserved or not, there are few landlords who inspire such intense dislike as Mr. Croman. The first Google hit that comes up when you search his name is a one-star Yelp review for Croman Real Estate that begins "SCUM of the earth." Still, in the eyes of many of the neighbors, it seems that Mr. Croman's most objectionable real estate practices have nothing to do with how he manages his large portfolio of Manhattan properties, but rather, with the fact that he bought two townhouses on their block and had the gall to try and combine them into an opulent mansion for himself and his family.

Rather of a ceremonial plate of cookies, Mr. Croman's introduction to the neighborhood was marked by a bitter legal battle with the tenants living in the two townhouses slated to become his mansion. In 2002, he paid \$5.5 million for 12 and 14 East 72nd Street, which had a

total of 23 apartments between them, and quickly started proceedings to evict their rent-stabilized residents.

Mr. Croman invoked a clause in the city's rent-stabilization law that allows the owner of a rental building to claim "one or more dwelling units for his or her own personal use." He said that he intended to build a quadruplex for himself and a duplex for his sister-in-law. It was a gambit that left many incredulous, not only because of the buildings' combined size—more than 18,000 square feet—but because of Mr. Croman's real estate background and reputation: in 1998, *The Village Voice* named him one of the city's 10 worst landlords.

The tenants challenged Mr. Croman in court; the case was eventually settled. Samuel Himmelstein, the lawyer who represented the tenants, declined to discuss any specifics of the case because of a confidentiality agreement. He said that the owner-occupation law stipulates that an owner must move in within a year and stay for at least three, although "a loophole so big you could drive a truck through it" allows the owner to skirt these requirements by citing changed circumstances. In any event, Mr. Croman's subsequent adherence to the terms is irrelevant in the case of 12 East 72nd, as the settlement precluded further lawsuits.