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Exclusive: State reaches \$500K settlement with notorious Manhattan landlord

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The state has reached a roughly \$500,000 settlement with notorious landlord Steve Croman after an investigation found that he had overcharged his tenants and violated New York rent laws.

The investigation from government agency New York State Homes and Community Renewal found that Croman, who runs the Manhattan-based real estate firm Centennial Properties, had illegally advertised regulated apartments as short-term rentals for terms of less than one or two years. The \$514,000 settlement includes rent overcharge damages that Croman will pay back to his tenants. He has already returned more than \$74,000 to them.

"With New Yorkers facing the most **dire housing shortage in six decades**, any attempt to take regulated units off the market is not just unlawful— it's contributing to our housing crisis," Gov. Kathy Hochul said in a statement.

Homes and Community Renewal's tenant protection unit began investigating Croman after receiving complaints over the summer that some of his units were being advertised on Blueground, a rental platform that lists furnished apartments for people looking for a place to stay for 30 days or longer. Prospective renters assumed the units were market-rate, but their listed rents and fees were higher than their legal rents registered with the state, the investigation found. Croman overcharged tenants in nine rent-regulated units across five buildings over the course of about 11 months, according to the state.

Croman's attorneys, Alex Fotopoulos of Kourkoumelis & Fotopoulos and Ken Fisher of Cozen O'Connor, stressed that the agreement did not include an admission of lawbreaking or impact Centennial Properties' market-rate apartments.

"Blueground provides an important service, and we are glad to be able to continue to work with them, despite this unfortunate situation affecting just nine of our apartments," Centennial Properties Vice President Jake Croman, who is Steve Croman's son, said in a statement.

Croman is infamously one of the few New York landlords who have actually spent time behind bars. He pleaded guilty in **June 2017** to charges from the New York attorney general's office of grand larceny, tax fraud and falsifying records and was sentenced to a year in Rikers Island, along with millions of dollars in fines that went to a **tenant restitution fund** . His firm still manages more than 100 properties, largely market-rate multifamily buildings in Manhattan.