



New York City landlord Steve Croman settled a lawsuit over his housing practices for a record \$8 million on Wednesday, Dec. 20, 2017, Attorney General Eric Schneiderman said. *(Credit: New York Attorney General's office)*

NEWS

Landlord Steve Croman, accused in tenant harassment lawsuit, to pay \$8M settlement

By Lauren Cook lauren.cook@amny.com December 21, 2017

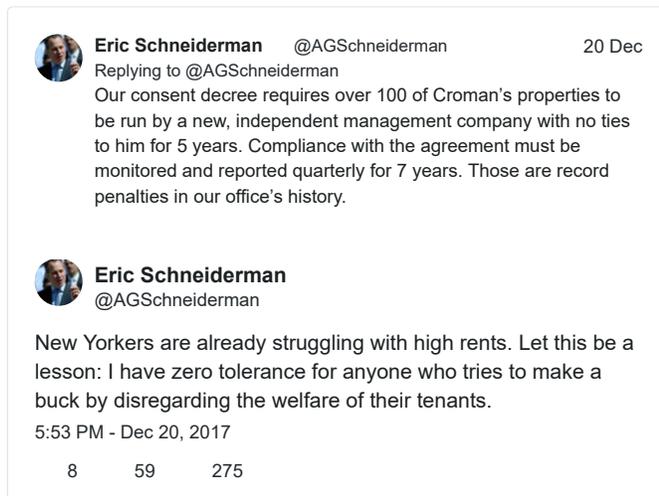
A New York City landlord already serving time for a scheme to push rent-regulated tenants out of their apartments has settled a separate lawsuit over similar allegations for an unprecedented \$8 million, Attorney General Eric Schneiderman's office said.

Steve Croman, who owns more than 100 apartment buildings across the city and was once described as “the Bernie Madoff of landlords,” was sued by the attorney general over allegations of harassment, coercion and fraud — all in an attempt to force rent-regulated tenants from their homes so that he could convert the units into market-rate apartments.

Croman is currently [serving a year in jail](#) and has paid a separate \$5 million as a result of criminal charges over his housing practices, the attorney general's office said.

Under the consent decree settlement, Croman agreed to pay the \$8 million into the state Tenant Restitution Fund but did not have to admit liability in doing so. It's the largest-ever monetary settlement with an individual landlord, according to Schneiderman's office.

“Over and over again, Steven Croman acted as though he was above the law, putting profits before his tenants’ safety and wellbeing,” Schneiderman said in an emailed statement Wednesday. “New Yorkers are already struggling with high rents. We have zero tolerance for those who try to boost their bottom line by disregarding the welfare of their tenants.”



Tenants who are eligible can apply for restitution out of the fund. The attorney general’s office intends to offer details of the claims process early next year. In order to qualify tenants must meet the following criteria:

If they are or were a tenant in a rent-stabilized or rent-controlled apartment owned by Croman between July 1, 2011, and Dec. 20, 2017.

If they received a buyout of less than \$20,000, not including money that claimed to cover rent or arrears.

If no other tenant in the apartment received money from the restitution fund.

Schneiderman’s office will be appointing an independent monitoring company to oversee operations at Croman’s buildings for the next five years and a monitor will make sure he complies

with the settlement terms over the next seven years.

The settlement also guarantees that co-defendant Anthony Falconite — whom Croman allegedly referred to as his “secret weapon” to intimidate tenants — is barred from interacting with anyone

The independent management company will be tasked with posting a list of “Tenants’ Rights” in each building and instituting new policies to ensure that they are complying with the law and no longer have outstanding violations. Croman will cover the costs accrued by the management company and monitor as part of the agreement, Schneiderman’s office said.



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Comments
