

Steve Croman hit with yet another foreclosure suit by Dalan Real Estate

by C.J. Hughes
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Investor Daniel Wrublin continues to tighten the screws against landlord Steve Croman.

The CEO of Dalan Real Estate, which owns the debt for many sites in the embattled landlord's portfolio, has sued Croman yet again to possibly foreclose on him, this time over [340 E. 58th St.](#), an apartment building in Midtown, according to a new lawsuit.

The suit, filed Tuesday in Manhattan Supreme Court, claims Croman hasn't made a mortgage payment for the building since February and allegedly owes \$7.5 million including interest and late fees.

Wrublin, whose name appears on the filing, is asking the court to allow the 7-story, 37-unit building to be sold by auction to help recover what's supposedly owed, according to the suit.

Croman has not yet filed a response to the suit, which has yet to be assigned to a judge. And a phone message left for him at Croman Realty's NoHo office was not immediately returned.

But the landlord, who has notably been to prison for mortgage fraud and also paid millions of dollars in fines to settle a tenant harassment case, may have struggled to stay afloat at 340 E. 58th for the same reason as with other owners of multifamily buildings: rent-stabilization.

Historically many investors have snapped up the sites with the intention of converting their rent-stabilized units to market-rate versions. But a list of recent pro-tenant laws now makes that almost impossible.

No. 340 had at least some rent-stabilized units as recently as last year, according to its state housing registration.

Croman has become a frequent target of Dalan. In about the last year, the firm has aggressively launched at least 12 foreclosure cases against Croman and his companies to possibly seize apartment buildings located on the Lower East Side, the Upper West Side and in Harlem, based on a review of court records.

Croman has denied the allegations in many of the cases. But others appear complicated by the fact that Croman owns some of properties with his father, Edward, whom he has been separately battling for control of their portfolio.

Among Dalan's targets is Croman's own home, a double-wide townhouse on East 72nd Street. Dalan claims Croman is in default on a \$31 million loan backed by the residential property. The case is still before a judge.

Croman, who denies the charges, also says Dalan should not be able to take the site in a commercial loan proceeding because the property is where he lives.

No. 340 E. 58th, a midblock prewar site between First and Second avenues, was acquired by Croman in 2019 for \$12.3 million, according to the city register. To finance the acquisition, Axos Bank lent Croman \$8.2 million, the loan at the heart of the current dispute. Dalan purchased the debt in 2024, the register shows.

A request to Dalan to interview Wrublin was not returned by press time. And Michael Kwiatkowski, the lawyer with Moritt Hock & Hamroff who filed the suit, did not immediately return an email for comment.