

## NEWS

# Croman vs Croman: Infamous Landlord Sued by His Father Over “Rampant Fraud” and Secret Sales



by Phil O'Brien

24 hours ago

Steve Croman, long reviled by Hell’s Kitchen tenants and dubbed the “Bernie Madoff of Landlords,” is now facing allegations from perhaps the one person who knows him best — his father.



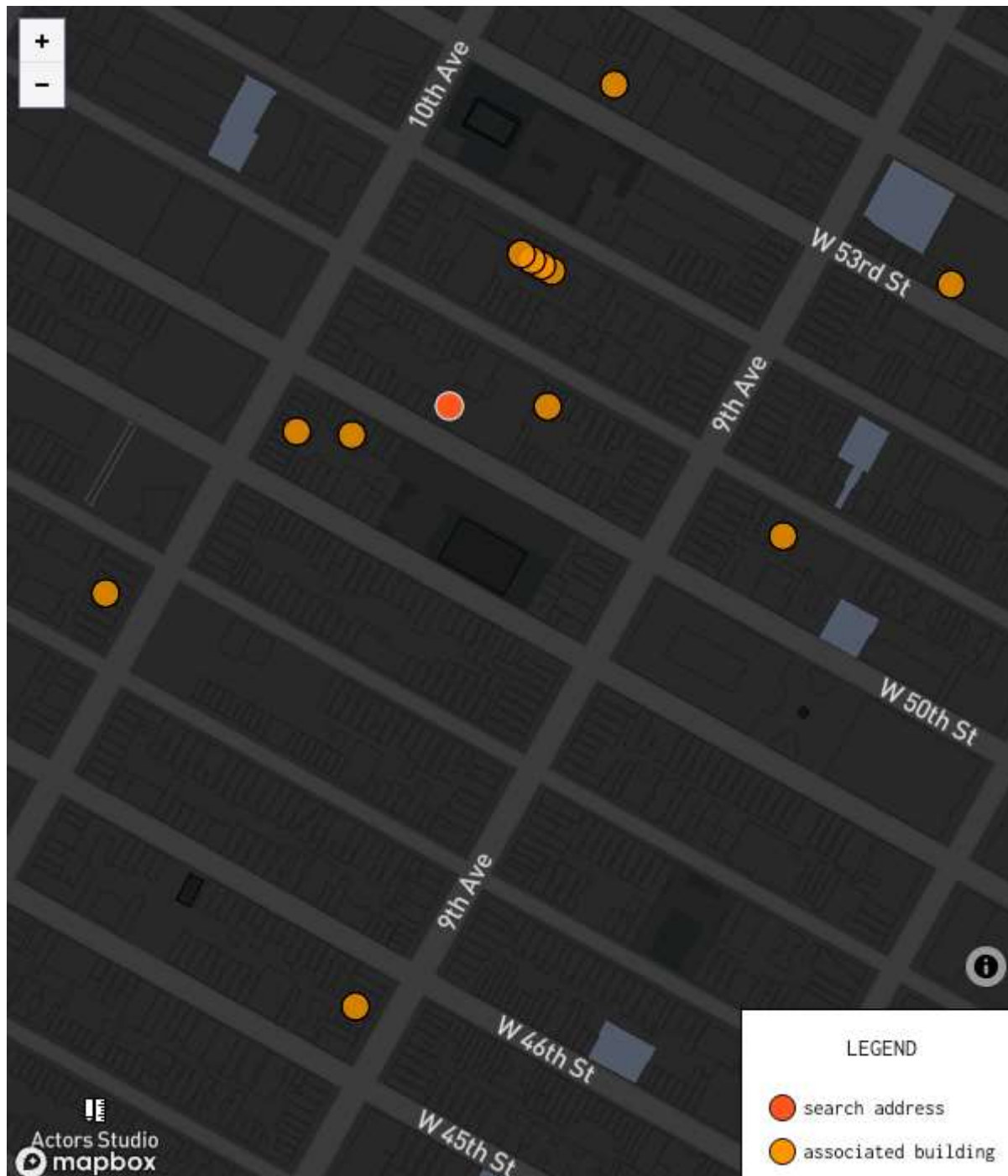
Steve Croman exiting his former properties on W45th Street between 8th and 9th Avenues. Photo: Phil O'Brien

In a lawsuit filed Monday in New York Supreme Court, Edward Croman accuses his son, Steven, of “rampant fraudulent mismanagement” of the family’s vast real estate portfolio, which includes more than a dozen



properties in Hell’s Kitchen.

Edward claims the relationship with his son has “completely and totally broken down” and seeks judicial dissolution of 64 LLCs they co-own — entities that hold apartment buildings across Manhattan. Many of these were managed solely by Steve, whom Edward now accuses of keeping millions in rental income and proceeds from property sales for himself, including several buildings in Hell’s Kitchen. The litigation was first reported by The Real Deal.



Map of properties in Hell's Kitchen owned by Steve Croman. Image: Who Owns What NYC



"Unfortunately, Edward cannot choose his children and Steven happens to be a known fraudster who has turned his illegality against his father," states the legal filing.

The court petition lays out a litany of alleged financial abuses: withholding more than \$5.6 million from the sale of six buildings (including 459 W50th Street), dodging repayment of over \$6 million in loans from Edward and secretly attempting to push through refinancing on debt.

"Edward refused to blindly comply with Steven's bullying," the lawsuit reads. "It was a good thing he did."



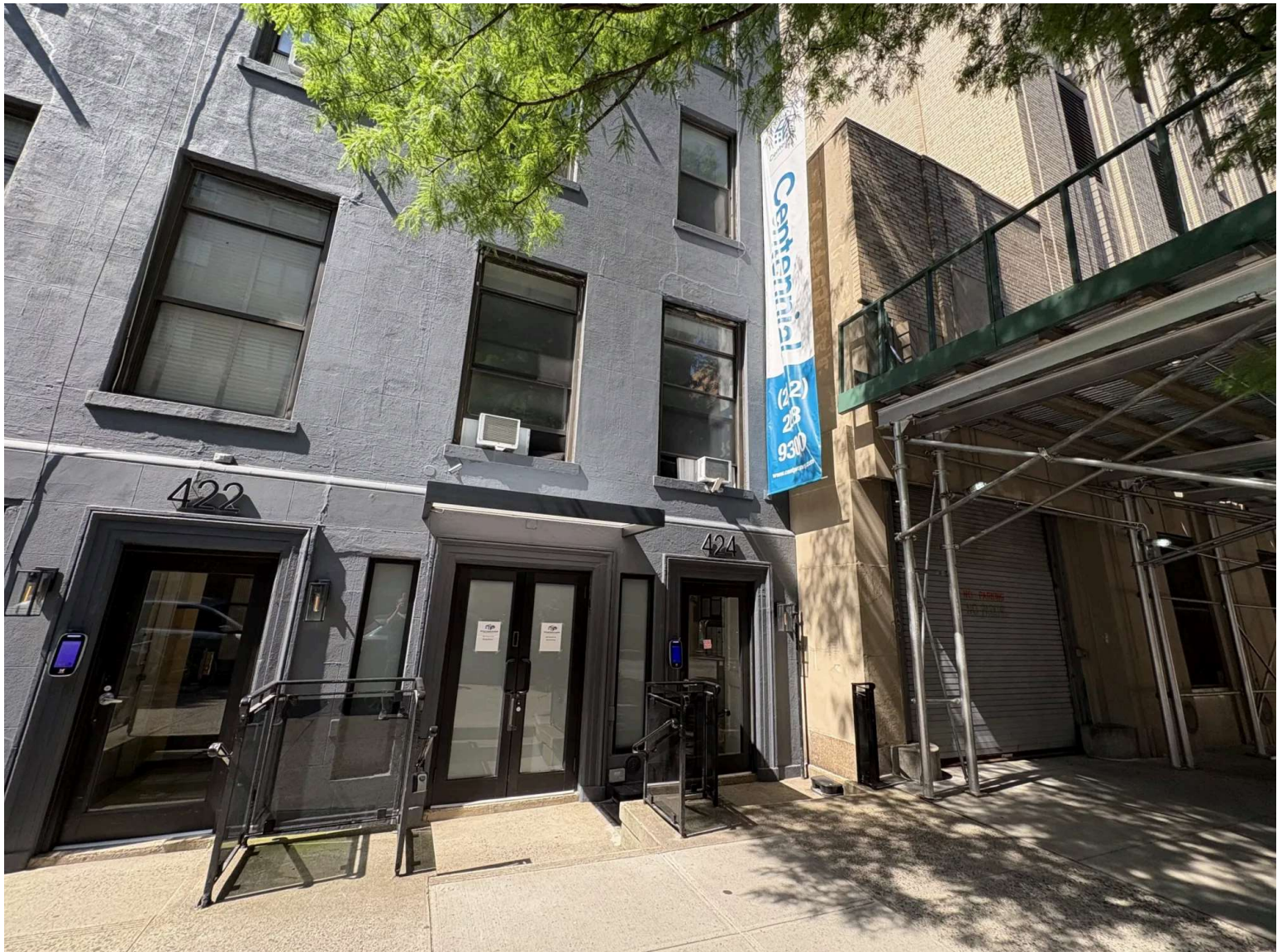
459 W50th Street at the corner of 10th Avenue was sold by Steve Croman without his father's knowledge. Photo: Catie Savage

The lawsuit is only the latest entry in a rap sheet of controversy surrounding Steve Croman, who served eight months on Rikers Island in 2017 for mortgage and tax fraud and paid an \$8 million tenant restitution settlement after being labeled one of the city's worst landlords.



At the time, **Senator Brad Hoylman-Sigal said**: “Steven Croman built a criminal enterprise dedicated to making life miserable for tenants in my district and across Manhattan. After years of Croman’s systematic harassment of tenants, I’m elated to see justice finally served. This sends a clear message to landlords: Respect rent-regulated tenants or face the consequences — including jail time.”

Croman recently relocated his business operations for **Centennial Properties** to a building he owns at 424 W51st Street in Hell’s Kitchen after being **sued by his former NoHo landlord for \$900,000 in unpaid rent**, as reported by The Real Deal. Meanwhile, a building he owns at 439 W50th Street is one of six Croman properties now facing foreclosure, according to court records.



Croman’s management company, Centennial Properties, recently moved their offices to the ground floor of 424 W51st Street. Photo: Catie Savage

In 2023, tenants and community leaders led by the HK45/46 Block Association called for a multi-agency investigation into **squalid conditions at 351-357 W45th Street** — then still owned by Croman. The



buildings, plagued by drug activity and human waste, were eventually sold to nonprofit Services for the UnderServed (S:US), who are now transforming them into supportive housing for families.

According to court papers, Steve never paid Edward distributions from the properties’ rental income — despite some generating tens of millions annually — nor proceeds from the 2022 sales. When Edward discovered six buildings had been sold without his knowledge, including 459 W50th Street in Hell’s Kitchen, he was reportedly sent IRS forms showing he owed tax on the gains — but never received a cent.

“Steven siphoned off all of the sales proceeds to himself... while passing along the tax liabilities to Petitioners,” the lawsuit claims.



The properties at 351-357 W45th Street were sold by Croman to Services for the UnderServed (S:US) in 2024. Photo: Phil O'Brien

In February 2025, Steve allegedly attempted to force Edward’s signature on over 350 pages of documents, which would have refinanced \$130 million in debt and overhauled operating agreements to sideline his



father’s rights entirely.

“These proposed operating agreements would have given Steven carte blanche over the Entities,” the filing states.



439 W50th Street, another Croman-owned property in Hell's Kitchen. Photo: Catie Savage

In response to the lawsuit, Steve Croman’s attorneys, Terrence and Darren Oved of Oved & Oved, told W42ST: “Steven is saddened by his ailing 87-year-old father’s false and painful allegations. For years, Steven has devoted himself to preserving and growing the family’s real estate portfolio for everyone’s benefit and believes his father is being shamelessly manipulated by people seeking to isolate his father, divide the family and exploit his father’s substantial wealth for their personal gain. Steven is determined to resolve this unfortunate dispute with dignity, compassion and respect.”



But the elder Croman insists he had no other choice. “Edward takes this action as a reluctant final step to remedy a situation that cannot be allowed to continue,” the petition says.