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# Corrupt landlord sued for breaking rent regulation laws

BY STEPHEN REX BROWN

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A new lawsuit accuses crooked landlord Steve Croman of openly breaking rent stabilization laws. (ALEC TABAK/FOR NEW YORK DAILY NEWS)

The city's most notorious landlord openly flouted rent regulation laws, according to a new lawsuit that makes an urgent plea for a state regulator to protect tenants.

Landlord Steve Croman — who agreed to pay \$8 million in restitution for systematically ripping off tenants and is serving one year behind bars — should be further scrutinized for flouting rent stabilization laws, according to the Housing Rights Initiative.

The advocacy group charges in a Manhattan Supreme Court suit filed Monday that Croman illegally destabilized nearly 70% of apartments at 326-340 E. 100th St. while accepting tax breaks in return for the building being fully stabilized. Croman illegally deregulated one apartment and hiked the rent to \$3,745 from \$1,211, papers allege. The fraud laid bare the 92-unit buildings' rent histories, the suit charges, noting Croman stopped receiving the tax break in 2016.

"Landlords like Croman should reap what they sow, not keep what they stole," Aaron Carr, the executive director of the Housing Rights Initiative, said.

More than 100 tenants could be eligible for rent refunds, rent reductions and rent-stabilized leases.

Croman owns more than 140 buildings, many of which will be run by an independent monitor for five years. He is behind bars for tax and mortgage fraud.

"We have not seen a copy of the lawsuit; however, we disagree with the allegations," a spokeswoman for Croman's 9300 Realty said.

Carr's group has filed dozens of similar lawsuits against other landlords, including Jared Kushner's real estate firm. It called on Gov. Cuomo and the state's Homes and Community Renewal agency to quickly crack down on Croman.

"None of the class actions that we have orchestrated to date provide a clearer picture of just how broken the state housing enforcement agency is than today's class action," said Carr.

A Homes and Community Renewal spokeswoman said that audits of Croman's portfolio were underway. The agency played a critical role in state Attorney General Eric Schneiderman's criminal and civil cases against the landlord.

"New York State has zero tolerance for landlords who harass, intimidate or unlawfully overcharge tenants," the spokeswoman said.

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