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# Manhattan slumlord Steve Croman gets one year at Rikers

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Steven Croman at his sentencing in State Supreme Court on Oct. 3. (ALEC TABAK/FOR NEW YORK DAILY NEWS)

For years notorious Manhattan landlord Steve Croman has dodged accusations that he engaged in aggressive harassment campaigns to force rent-regulated tenants out so he could charge higher rents.

Early Tuesday Croman finally faced the music when he was sentenced by a judge to one year behind bars on Rikers Island for [multiple tax and mortgage fraud charges](#) related to many of his 140 Manhattan buildings.

“Rikers ain’t the Ritz,” declared Justice Jill Konviser, who last month [agreed to delay Croman’s sentencing](#) during the High Holy Days of Rosh Hashanah and Yom Kippur, the Day of Atonement.

“I hope that you spend your days thinking about the religious principles that this case was postponed for.”

Prison time for landlords is extremely rare, so the two dozen tenants who attended the sentencing in Konviser’s courtroom were elated when Croman was taken into custody to begin serving his sentence.

“I think it’s too little because he’s been doing this for a long time, but maybe others will stop operating with impunity and he will learn something,” said Croman tenant Carmen Guzman Lombert outside court. “We punish people because we want them to change their behavior, so maybe that will happen.”



Croman was sentenced to one year behind bars on Rikers Island. (ALEC TABAK/FOR NEW YORK DAILY NEWS)

Lombert, 55, endured two months without electricity after Croman bought her Hell’s Kitchen building three years ago. Her scenario is similar to dozens of other tenants who have complained about Croman’s heartless tactics for years.



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Much of the complaints have come from those who live in gentrifying neighborhoods like the Lower East Side and East Harlem, where Croman was hoping to charge much higher rents.

To force tenants to leave, Croman hired what he called his “secret weapon” — an ex-cop, Anthony Falconite, who entered apartments, poked through mail, and followed tenants to their jobs in an effort to prove they weren’t eligible for rent regulation.

New York Attorney General Eric Schneiderman’s prosecutors have been investigating Croman for more than a year, and in May 2016 hit him with multiple counts of mortgage fraud and tax evasion.

Schneiderman's Real Estate Enforcement Unit, led by prosecutor Travis Hill, found Croman would purchase buildings with rent-stabilized tenants and immediately begin pressuring these tenants to get out while simultaneously refinancing the mortgages.

Croman ultimately admitted obtaining \$45 million in bogus loans by inflating the amount of rental income he was taking in by claiming market-rate apartments that actually were rent-stabilized.

In June, Croman pleaded guilty to the mortgage fraud charges and agreed to pay a \$5 million tax settlement. He also agreed to accept some jail time.

"Steve Croman thought he was above the law," Schneiderman said. "Today he begins a sentence in Rikers Island for perpetrating an elaborate scheme that was intended to push out rent-stabilized tenants."

A separate civil suit filed by Schneiderman against Croman and Falconite remains pending.