

CROMAN TO FORFEIT \$585,000

Sep 19, 2019

Immediately after New York State recently passed laws that made it exceedingly difficult to remove apartments from rent regulation, a company controlled by notorious NYC landlord Steve Croman backed out of a contract to purchase a five-story apartment building in Greenwich Village.



The deal, which was scheduled to close on June 27, never reached fruition allegedly because Croman and his people believed that the seller -- North Hudson -- had misrepresented the rent-stabilization status of a unit and unilaterally demanded copies of additional documentation (despite

After some delay, Croman and his people eventually decided to back out of the deal “despite not citing any provision in the contract that entitled it to additional records,” as The Real Deal reports.

In response to the default, Croman was hit with a lawsuit, as the seller is now seeking to keep the \$585,000 contract deposit.

“Croman’s ill repute is beyond cavil,” noted Newman Ferrara partner, Lucas A Ferrara, who is representing North Hudson. “But if a guy like that is backing out of deals, that certainly doesn’t bode well for the regulated housing market in general.”

Croman is no stranger to litigation or controversy; having been imprisoned for some eight months after pleading guilty to tax and mortgage fraud, and after having been fined some \$8 million for harassing his tenants. In fact, this is the second case that our firm filed against Croman in under a week.