

Town & Village

Stuyvesant Town, Peter Cooper Village, Gramercy, Waterside

[Around & About](#) [Cutting Corners](#) [Health & Fitness](#)
[Religion](#) [Contact Us](#)



June 7, 2018

Hoylman and Epstein call for more transparency in real estate lending

[3 Comments](#)



Privacy & Cookies: This site uses cookies. By continuing to use this website, you agree to their use. To find out more, including how to control cookies, see here: [Cookie Policy](#)

Close and accept

Street (photo by Maria Reina-Basener)

By Maria Rocha-Buschel

State Senator Brad Hoylman and Assembly Member Harvey Epstein hosted a rally in the East Village on Sunday to slam local predatory landlords and to announce a bill calling for more transparency in real estate lending.

The rally was held in front of a building owned by presidential son-in-law and **accused slumlord Jared Kushner**, Westminster City Living at 504 East 12th Street.

At the event, the elected officials announced the joint legislation that will direct the New York State Department of Financial Services to collect data on financial institutions lending to landlords acquiring property that include rent-stabilized tenants and investigate the role financial institutions play in encouraging anti-tenant practices.

The legislation argues that predatory equity has destabilized rent regulation and the affordable housing market in the city. The practice of predatory equity involves landlords acquiring rent-regulated properties with low to moderate-income tenants through highly speculative loans and then attempting to harass those tenants out to replace them with those who'll pay market rent.

Predatory equity, Epstein and Hoylman said, is similar to subprime lending that led to the 2008 financial crisis and millions of foreclosures across the country.

While much of the attention in predatory equity cases has focused on the landlords, Epstein said that it is also important to hold financial institutions responsible as well.

"It is Kushner and (Steven) Croman but it's also the banks," he said. "They have a responsibility to act. We need to raise the standards so these banks don't lend to these slumlords. We want to investigate these lending practices to stamp out these predatory landlords once and for all."

While the rally was held in front of Kushner's property, news had broken earlier last week that **Croman** was released from prison after serving only eight months of a one-year sentence. Croman, who owns properties in the East Village, had pleaded guilty to fraud after he

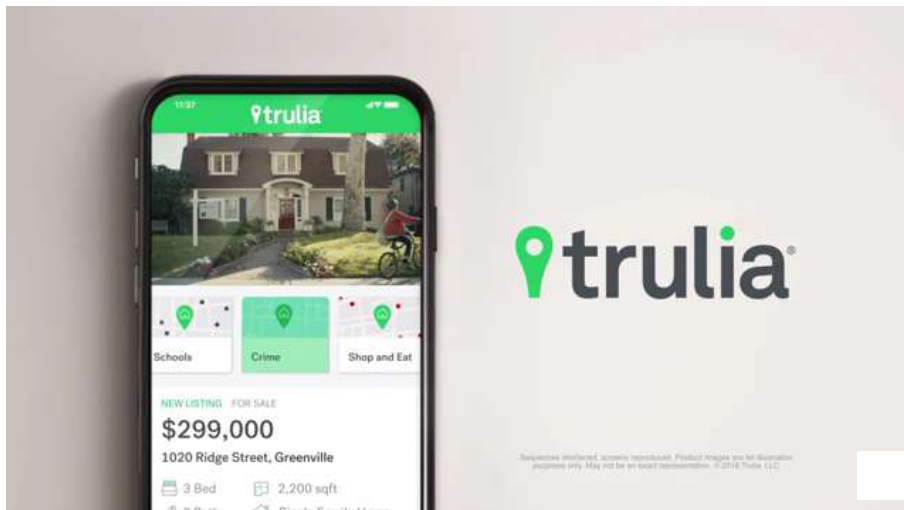
Privacy & Cookies: This site uses cookies. By continuing to use this website, you agree to their use.
To find out more, including how to control cookies, see here: [Cookie Policy](#)

Close and accept

“Predatory equity is wrong,” Hoylman said. “It’s wrong for landlords to buy buildings on spec and force tenants out for a quick buck. It’s wrong for financial institutions to loan to these landlords in the first place. This has to stop and New York has to do something about it. Banks have to have higher standards when they give out these loans.”

Epstein said that since the legislative session will be going on recess soon, the rally was more about raising awareness on the bill so when the Albany legislative session begins again in December, the issue will, he hopes, have gained some traction and move forward in committee.

“This is the beginning of identifying a problem,” Epstein said. “We need DHCR (Department of Homes and Community Renewal, the state agency that oversees rent stabilization) to do more about it and we need to push the government to do more about it.”



Privacy & Cookies: This site uses cookies. By continuing to use this website, you agree to their use.
To find out more, including how to control cookies, see here: [Cookie Policy](#)

Close and accept