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WELL-KNOWN MANHATTAN LANDLORD STEVE CROMAN ARRESTED

by Alex Ozols (<https://www.thesandiegocriminallawyer.com/author/rldqqa>) | May 10, 2016
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A prominent landlord in the Manhattan area has been taken in on criminal charges for mortgage fraud on Friday May 9th, 2016. Steve Croman was the one taken into custody and rumors today are out making the claims that in the past he would harass tenants to evict them. However, those claims are nowhere near the charges he is facing. Law enforcement has said that Croman has been charged with 20 felonies most of them related to fraud. The claims are basically that Steve Croman who owns over 100 buildings in Manhattan, falsified documents in order to inflate his profits which in turn was able to get him over 40 million dollars in loans. The charges are just the beginning though it seems for prosecutors. There are now claims that Mr. Croman would try his best to pay off people who were in rent controlled apartments and he would also give managers who worked for him bonuses if they were able to pay these people to leave. A lot of individuals are now coming forward and saying that Croman pressured them to leave their apartments.

Is this really fraud?

Fraud is generally defined as false and intentional defrauding or a misstatement, misrepresentation or omission during the mortgage process with the intent for it to be relied on by the lender. The actual allegations here are that Croman essentially told mortgage lenders that he was more profitable than he was. The police say that he was a socialite in Manhattan keeping up the social perception and going to all of the black-tie events. However, this case is not an open shut case because Croman has the defense that he believed his buildings were more profitable than they were and that he was relying on data that he was given by someone else. For example, if Croman had a business manager that managed 10 of the buildings that he ran and the business manager was inflating the numbers a little bit or relying on projected future numbers according to the number of people leaving the building that they expected. If Croman relied on that data and gave that data to a lender then his actions may have not been intentional. If Croman knew the true numbers in this situation and relayed incorrect numbers to the lender then there is a good chance that he will be held legally responsible.

What is a realistic sentence for Croman?

Economic crimes are not seen the same the same as violent crimes in the eyes of prosecutors. As Criminal Defense Attorneys, we often see these types of crimes being overlooked when it comes to the sentencing portion. For these crimes Croman faces a maximum of 20 years in prison but the fact is, if he is able to pay back the amount they claim he fraudulently took then there is a good chance he could have a very small prison sentence or even probation.

Fraud is very serious, if you are charged with fraud or in this situation feel free to reach out to a local criminal defense attorney in your area.
