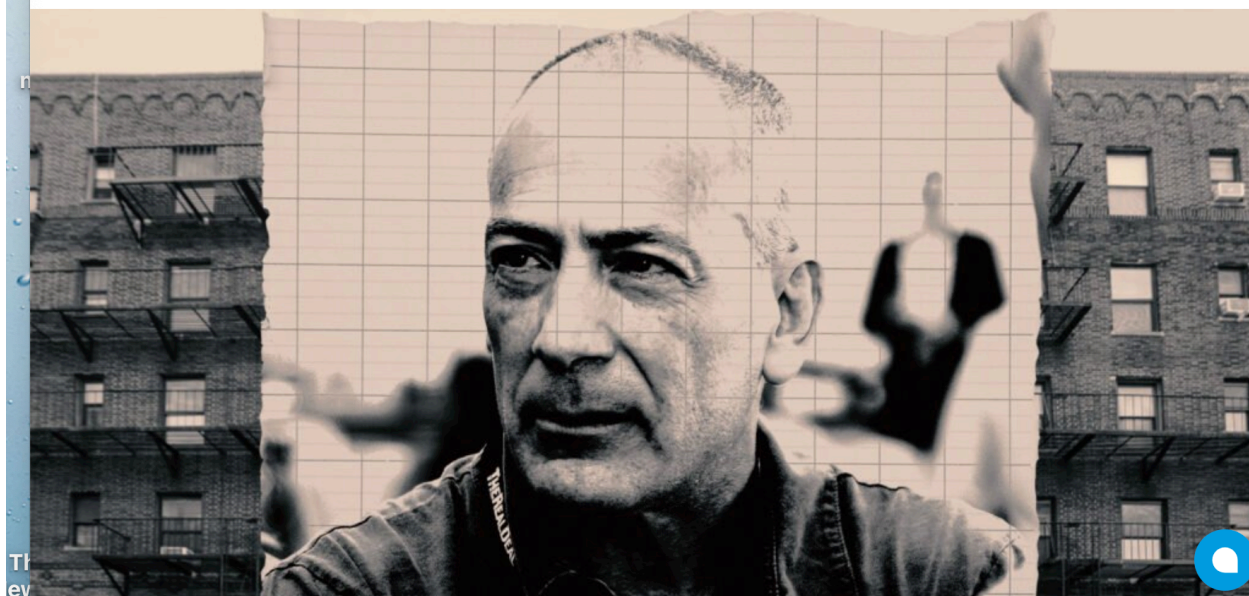


NEW YORK

A 🔗 📌

# Croman facing seventh active foreclosure case as legal assault continues

Flagstar Bank pursuing \$29.5M from the infamous landlord



By Lilah Burke

Research by Matthew Elo

JUL 25, 2025, 10:00 AM EDT



Listen to this article

03:51

1x

## Key Points ✨



Steve Croman continues to get squeezed.

The notorious New York landlord was hit with a new foreclosure suit Thursday. It's at least the seventh active case targeting buildings he is connected to.

The new suit is the largest of the group. Flagstar Bank claims the property owner owes \$29.6 million related to three properties on Stanton Street on the Lower East Side.

Taken together, the seven foreclosure suits are seeking about \$51.4 million in principal from Croman and his companies. A temporary receiver has been appointed in five of the cases.

In other matters, Croman is facing legal action from his former office landlord, who claims the property owner failed to pay more than \$1 million in rent on a Noho office space.

Last but not least, Croman is being sued by his father, who has called him a “fraudster” and is seeking to dissolve their partnerships.

Steve Croman is no stranger to hot water. Once named one of the city’s worst landlords, he served eight months in prison in 2018 after being convicted of mortgage and tax fraud related to his multifamily buildings. After a settlement with the New York State attorney general’s office, Croman was made to pay \$8 million into a restitution fund for tenants he allegedly harassed.

Neither he nor his lawyers responded to requests for comment.

The most recent foreclosure case from Flagstar Bank involves 159, 161 and 193-195 Stanton streets. Together, the buildings contain 89 units, according to StreetEasy. Forty-three of those are rent-stabilized, according to city records.

Croman Realty bought the properties for \$28.6 million across two deals in 2013. In April 2019, the borrower took out \$29.5 million with New York Community Bank, the predecessor to Flagstar. Croman’s wife Harriet also guaranteed the loan.

But this past December, the borrower failed to make payments for two months and then failed to pay late fees.

The six other foreclosure cases involve multiple Manhattan properties: 439 West 50th Street, a six-story in Hell’s Kitchen; 411 East 12th Street, a four-story in the East Village; 321 East 10th Street, a five-story in the East Village; 343-345 East Fifth Street, a six-story in the East Village; 493 Second Avenue, a five-story in Kips Bay; and 309 East Eighth Street, a six-story in Alphabet City.

The lender in those cases claimed Croman failed to pay water and insurance bills on the properties.

In the case involving back rent, the office owner is seeking to enforce a judgment against Croman. That would usually involve levying on a bank account. But Croman doesn’t appear to have any accounts under his own name, said Stephen Lasser, an attorney for the petitioner. So the landlord is requesting Croman turn over his interest in the shell companies that technically own his properties.

READ MORE



NEW YORK

Steve Croman facing six foreclosure suits for stiffing insurance and water



NEW YORK

Croman feud erupts: Steve's father looks to dismantle family partnership



NEW YORK

Steve Croman continues to stiff his own landlord, new suit claims