

Maverick takes Croman's Kips Bay rentals in foreclosure

43M judgment against four properties resolved after years

Maverick Real Estate Partners bought four Steve Croman buildings in a foreclosure auction last week, but the battle for the rentals is not quite over.

Maverick acquired the properties at [208-214 East 25th Street](#) in Kips Bay last week, PincusCo [reported](#). Maverick's credit bid was uncontested, Croman told *The Real Deal*, adding that the buildings remain in receivership while he appeals a court ruling.

At the start of the year, a court-appointed referee determined Croman was on the hook for [\\$35 million](#) following a default on a \$23 million loan backed by the properties. The judgment ballooned to \$43.4 million thanks to 24 percent default interest Maverick imposed when it acquired the loan from the original lender, Miami-based BankUnited.

In the past, Croman has referred to Maverick as a "bully in the schoolyard."

Croman's own reputation is not exactly pristine: He made a fortune in rent-stabilized housing, in part by pushing tenants out so he could raise rents, and served time [in prison](#). But since the 2019 rent law overhaul and the pandemic, Croman has often found himself on the defensive, fighting to keep his properties above water.

The dispute between him and Maverick began in 2021, when Croman defaulted twice on the debt collateralized by the properties. Maverick bought the note and immediately sued to foreclose.

Croman paused the foreclosure by filing for Chapter 11 bankruptcy in December 2022, arguing he was a victim of predatory lending. Months later, a judge tossed the bankruptcy case, claiming it was filed in "bad faith."

In July 2023, a judge ruled Maverick could [move ahead](#) with the foreclosure. Croman's legal team filed an appeal, which remains ongoing.

A judge gave Croman a chance to postpone the auction by posting a special type of bond, an undertaking, which would have cost Croman \$30 million. He protested the amount, but the judge was unmoved and the auction went through.

The landlord said the Nov. 13 auction was [not very publicized](#) and was a "technical, legal procedure" that took nobody by surprise. Maverick did not immediately respond to a request for comment.

Maverick recently [bought a \\$7 million loan](#) on a Lincoln Square townhouse, looking for its next distressed debt opportunity. The brownstone is linked to a company run by Sandra Piedrabuena, wife of hedge funder Russell Abrams.

— [Holden Walter-Warner](#)