

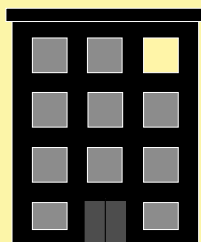
# Apartment Warehousing: Separating Myth from Fact

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A report with case studies showing landlords have adequate funds to maintain their buildings and put warehoused homes back on the market.

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Coalition to End Apartment Warehousing  
September 3, 2025



Coalition to  
**end**  
**apartment**  
**warehousing**

## Introduction

As landlords seek ever more money to put warehoused affordable apartments back on the market, this report provides an overview of the situation, highlighting neglected buildings with warehoused units; dispels the myths that landlords created about warehousing and individual apartment improvement costs; and makes policy recommendations. We hope this will be a resource for elected officials and journalists.



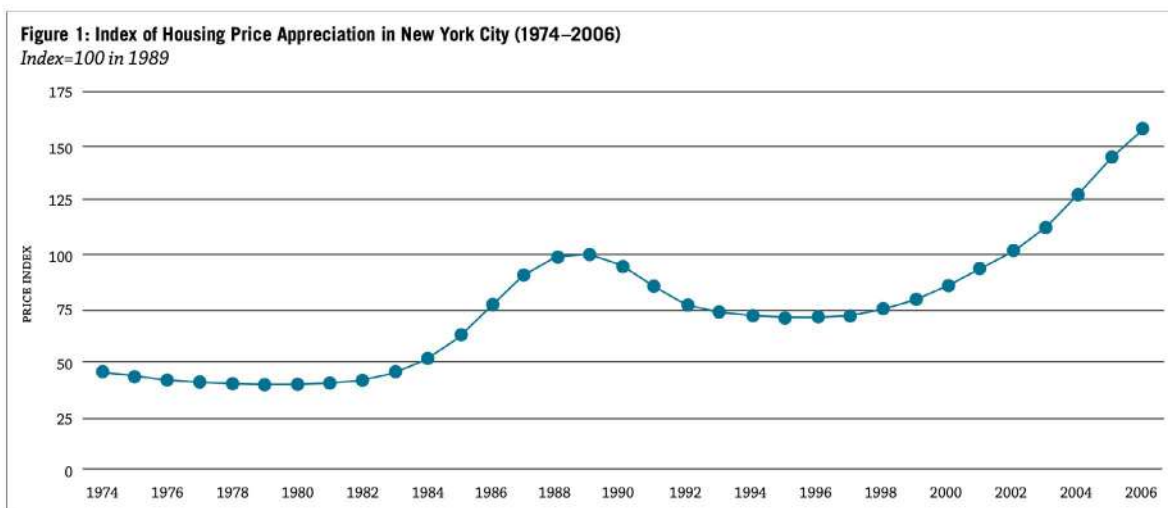
Cooper Square Committee organizers and tenants protesting the "Frankenstein" loophole that allowed landlords to hike rents by combining units.

## Background

Housing (adequate shelter) is a human right, as the United States government agreed as far back as 1948. Nevertheless, through landlord-friendly policies in New York City and beyond, a lot of housing has instead become a means of generating wealth for a select few.

### Warehousing as a strategy historically

New York City landlords have often held apartments off the market as a tactic to create a housing market more favorable to their aims. (Morocco Jewish Times, citing landlord Yossef Azour: "[T]he median rent price in New York City is down 8.7% year over year, and some landlords are going so far as to withhold listings in an effort to not drive prices down even further.")



Source: New York City Department of Finance, Furman Center

This was not useful in the early 2000s, as the New York City real estate market heated to epic proportions. Weak rent laws ensured that landlords could buy old buildings and quickly make massive profits by displacing lower-paying tenants through harassment and construction, hiking rents with Individual Apartment Improvement increases (IAs) and deregulating apartments. The Stand for Tenant Safety coalition was formed to address these problems, and the New York City Council passed — and Mayor de Blasio signed — 12 “construction as harassment” bills.



2020 guide by the Center for Urban Pedagogy, Stand for Tenant Safety Coalition, and designers L+L.

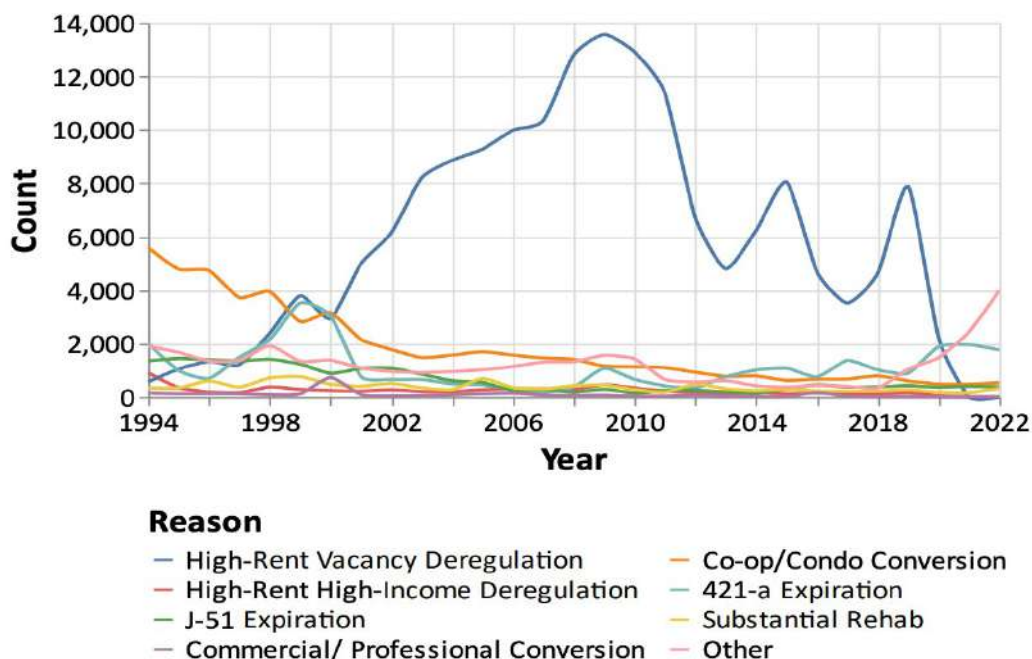
Meanwhile, the real estate industry plied legislators with money:

For decades, REBNY had it good. In Albany, thanks to tight relationships with successive governors and heavy campaign spending to prop up state Senate Republicans, the industry could stifle bills it opposed without worrying much about persuasion.

“Their view was, literally, you buy legislators to vote ‘no’ on stuff or you buy legislators to put in bills for you,” said Manhattan state Sen. Liz Krueger, a Democrat in office since 2002. Krueger recalled asking one Republican colleague if he even knew the contents of the industry-friendly legislation he was sponsoring.

Real estate prices continued to skyrocket. Few apartments were held off the market since landlords could often get double-digit vacancy increases on regulated apartments, break the tenancies out of the protections of rent stabilization, and make the huge returns on their investments that they’d come to expect. From 1994 to 2019, New York City lost over 170,000 affordable rent-stabilized homes through vacancy deregulation.

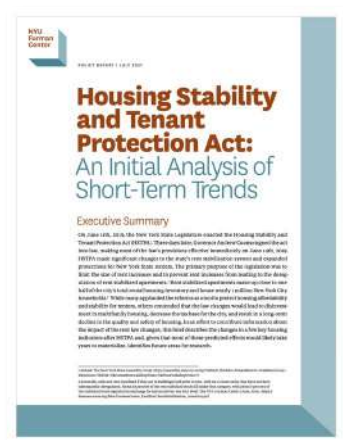
## Subtractions from Stabilized Housing by Reason



Data: Rent Guidelines Board.<sup>5</sup>

## As tenants gain power in Albany, landlords gamed the system with Frankensteined apartments

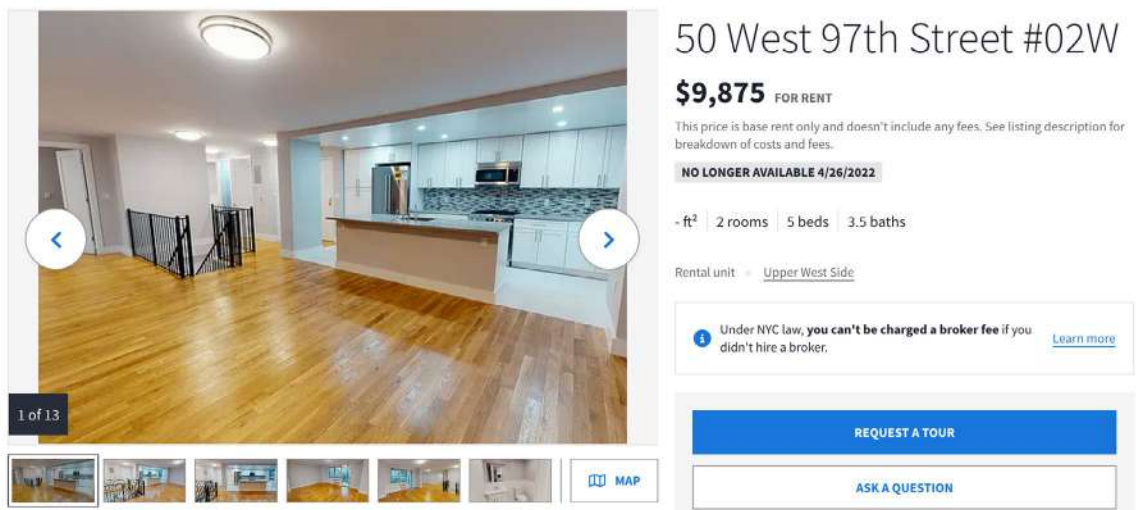
In 2019, fueled in part by populist anger about housing and an ascendent state-wide tenant movement — Housing Justice for All, Albany pushed the most consequential tenant protections in generations into law. Landlords and developers were shocked that their unremitting lobbying and glad-handing failed when many elected officials refused to take their money. The balance seemed to be shifting toward tenants. The new Housing Stability and Tenant Protection Act of 2019 (HSTPA) barred most apartment deregulation, capped rent hikes in rent-stabilized apartments, took away the high-rent clause that took apartments out of regulation, and got rid of vacancy bonuses worth 20% of the rent.



2021 policy report by the NYU Furman Center

A few loopholes remained in the new law, including “Frankensteining.” To get around the limits on increases, landlords began combining adjacent vacant apartments to set new, unlimited “first rents.” To have apartments available to Frankenstein, landlords warehoused empty rent-stabilized units. Newly-combined units sometimes rented for \$9,000 per month or more, so even if they remained rent stabilized, these apartments became completely unaffordable. Sometimes landlords contended the newly-created unit was not stabilized, even if one of its components had been.





50 West 97th Street #02W

**\$9,875** FOR RENT

This price is base rent only and doesn't include any fees. See listing description for breakdown of costs and fees.

**NO LONGER AVAILABLE 4/26/2022**

- ft² | 2 rooms | 5 beds | 3.5 baths

Rental unit: Upper West Side

Under NYC law, you can't be charged a broker fee if you didn't hire a broker. [Learn more](#)

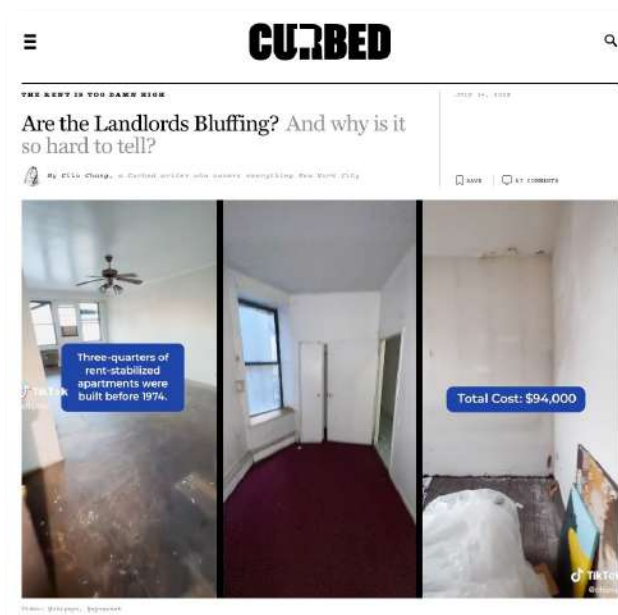
[REQUEST A TOUR](#)

[ASK A QUESTION](#)

Streeteasy listing for a Frankensteined apartment

Despite the “construction as harassment” city laws, the Frankensteining renovations often exposed neighbors to unsafe construction practices at a time when most people were told to stay home because of the COVID-19 pandemic, and were often used to harass rent regulated tenants out of their homes.

Landlords again cried that they were going broke, even after reporting 20 straight years of increasing profits with only a slight dip during the worst of COVID-19. The State responded by helping both tenants and landlords, guaranteeing rent payments with the Emergency Rent Assistance Program.



**CURBED**

THE BEST IS TOO DAMN HIGH

Are the Landlords Bluffing? And why is it so hard to tell?

By Ella Chung, a Curbed writer who covers everything New York City

APR 14, 2019

Three-quarters of rent-stabilized apartments were built before 1974.

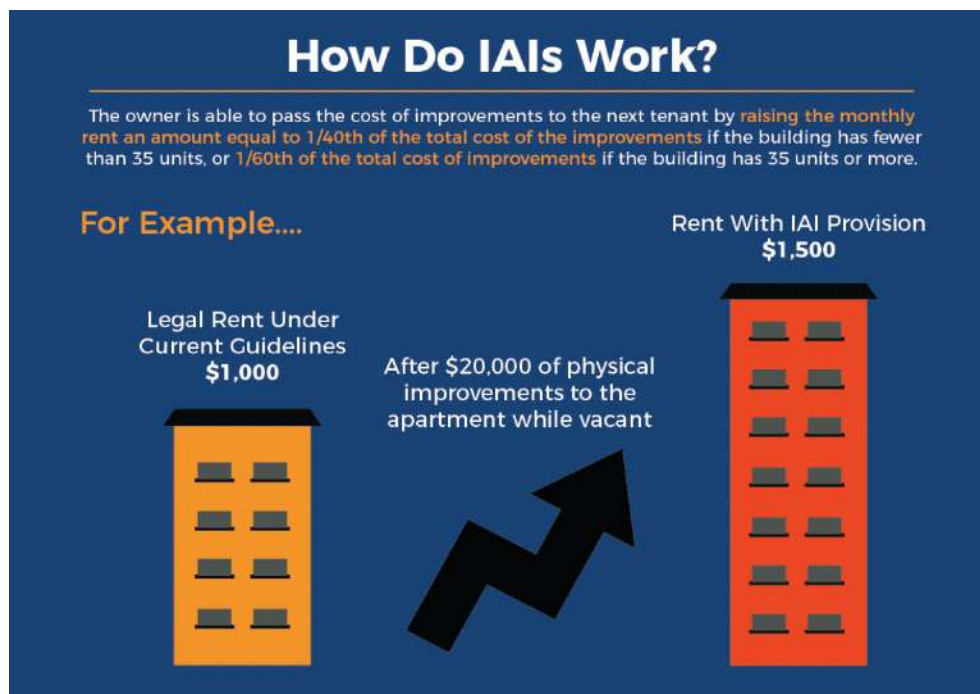
Total Cost: \$94,000

## Warehousing tactic to pressure Albany

Landlords played the long game, betting they could regain the power they had lost in the state legislature in 2019. Rather than risk renting to long-term tenants at affordable rents, some landlords began holding apartments with lower rents off the market. This exacerbated the existing affordable housing crisis. Owners now claimed it wasn't worth their while to rent out the warehoused apartments or that landlords simply didn't have the money to do so because the units were too dilapidated.

According to Curbed, “In exchange for a one-time rent reset, they would put what they said were 20,000 apartments back on the market. To drive the point home, CHIP launched its horror-show reel of empty units.” So in 2019, the Stand for Tenant Safety expanded to include the Coalition to End Apartment Warehousing.

Neatly ignoring both the owners' duty to keep those apartments habitable and the inclusion of maintenance costs in annual Rent Guidelines Board calculations, the landlord lobby blamed tens of thousands of former long-term tenants for the dilapidation that was suddenly so costly to repair. One notorious landlord gave away the game by flagrantly advertising his building for sale as warehoused, saying that a new buyer "could warehouse these units in anticipation of future policy changes as the city's housing crisis continues to expand."



From a 2019 report on Individual Apartment Improvements (IAIs) by ANHD

In 2024, lawmakers were only too receptive to the millions of dollars the real estate lobby spent in public relations. Finalizing the state budget, Albany rewarded landlords by quadrupling the 2019 caps on IAI's to rent increases of over \$320 or \$347 (depending on the building size), where the apartment had been occupied for 25 years or more, and even made the resulting rent increases permanent — the very tactic that had exacerbated a great loss of affordability and rent-stabilization protections in the first place. Having permanent IAIs means that all subsequent tenants will be paying, month after month after month, for what realistically should be a *one-time* charge, to the landlords for a new refrigerator long after it is paid off. It also makes "affordable housing" a lot more expensive.

A couple of bright spots in 2023–24 were the new Good Cause Eviction protections for unregulated tenants and the end of the "Frankensteining" loophole — after hundreds and perhaps thousands of affordable, rent-stabilized apartments had been lost to exorbitant reset rents in Frankensteined units.

## Warehousing declines, but owners cry “More money!”

Since the lucrative Frankensteining loophole has been closed, the number of warehoused apartments has dropped as expected. Although the numbers vary by source, according to the March 2024 NYC Comptroller report, “Accurately Assessing and Effectively Addressing Vacancies in NYC’s Rent Stabilized Housing Stock”:

- The number of rent stabilized units in NYC that are vacant but not available for rent for any reason declined from 42,860 in 2021 to 26,310 in 2023.
- The number of rent stabilized units deemed dilapidated or otherwise uninhabitable declined from 11,500 in 2021 to just over 3,000 units in 2023.

But 26,310 warehoused units — if that figure is correct — means 26,310 New York City families and individuals who need them can’t access them, just as homelessness, poverty, and unaffordable rents have risen starkly.

**“Landlords are profiting even with empty apartments. The latest stats prove it. Warehousing is done to manipulate housing supply. It has an ulterior motive.”**

—Huey Chang, STS-EAW Coalition member

Meanwhile, landlords are enjoying a 12% increase in their income, according to the March 27, 2025 Income and Expense Study by the New York City Rent Guidelines Board. As BisNow put it, “The latest study from the board — which determines annual rent increases for rent-stabilized residences in NYC — flies in the face of landlords’ arguments that many of their buildings are losing money or are insolvent.” Nevertheless, landlords assert they need yet another two financial incentives to return warehoused rent-stabilized apartments to the rental market.

## Debunking common landlord myths

With landlords claiming that raising Individual Apartment Improvement monthly rent increases of \$83 or \$89 to \$320 or \$347 is not enough, it's time for some fact checking.

### **Myth 1: Most warehoused affordable apartments are badly dilapidated and require too great an investment for landlords to fix — unless they get a big rent increase.**

(See [City Limits](#) and [The Real Deal](#))

The March 2024 New York City Comptroller report points out that most warehoused apartments just need minor repairs and a coat of paint. That report is not alone. “I’ve been in vacant apartments that all they needed was a paint job and new appliances,” Linda Rosenthal, Chair of the NYS Assembly Housing Committee, who has a bill that would tax landlords who keep their units vacant, told Curbed. “Are there apartments that need massive overhauls? Yes. But they’re presenting this as a crisis of decrepitude that’s not accurate.” That is consistent with the observations of members of this Coalition in their own buildings.

### **While “too great an investment” is subjective, there is plenty of money for needed improvements available already:**

- The New York City Rent Guidelines Board establishes yearly rent adjustments to include maintenance and required upgrades as well as a fair return on investment for the owners of rent stabilized apartments. This year the RGB’s Income and Expense study showed that landlords’ net operating income increased 12%. (A Crain’s New York Business headline noted this was “complicating” landlords’ push for a rent hike.)
- Landlords often mortgage one building to buy additional property, as the Community Service Society has noted. Since the RGB considers debt service when calculating rent adjustments, this may result in a higher RGB rent increase for owners who mortgaged their rent-stabilized building to buy unregulated property.
- New York City is providing funds to help rehabilitate “chronically vacant” apartments.
- Where an apartment is extremely dilapidated through no fault of the landlord, New York State lets owners apply for a “hardship” rent increase to get at least a 5% return on their investment (DHCR Fact Sheet #39). The application process is



comparable to that for tenants claiming the landlord overcharged them. According to The Real Deal, only 11 landlords applied between 2019 and 2024. Possibly this was since landlords must open their accounts for state examination and show that the failure to maintain services is *not* due to landlord negligence. (See DHCR Fact Sheet #39's restrictions on page 2.)

Unsurprisingly, landlords are lobbying for ever-higher increases, and the right to collect full housing voucher amounts (that's our tax dollars) even if the legal rent is lower. **Given the low percentage of warehoused apartments that are seriously dilapidated through no fault of the landlord, this smacks of greed, not need.**

## **Myth 2: Long-occupied apartments require more investment to be habitable once the tenant leaves.**

(See Gotham Gazette)

The duration of a tenancy should not affect maintenance *during* the tenancy. Where an apartment is seriously dilapidated after the tenant moves out, it appears the landlord neglected its legal duty to keep the unit habitable and perform needed maintenance.

That is because landlords have the legal right to enter an apartment to make repairs. But landlords — particularly it seems those who have been jailed — claim they just don't have access to the apartments. Felon landlord Steve Croman's agent said, "If the tenants are genuinely motivated to get these repairs done and grant us access to these apartments, we are happy to assess and fix these issues as soon as possible." Another jailed landlord, Daniel Ohebshalom, similarly said he could not repair problems because tenants denied his workers access.

Since denying access can lead to eviction, their statements don't hold water. Most tenants are eager to allow maintenance staff into their apartments for needed repairs. Claims of "no access" are especially toxic when tenants take time off from work to coordinate with staff who say door knocks weren't answered. It's unreasonable, and frankly shameful, to claim that tens of thousands of people willingly choose to live in squalor.

Yet landlords are asking for higher rents for apartments vacated after tenancies of ten years or more. **Landlord neglect should not be rewarded with rent increases.**

### Myth 3: Lead laws would require \$100,000 or more per apartment to make them lead free.

Local Law 1 of 2004 has been in effect for decades, requiring abatement of lead-based hazards upon turnover. Many landlords simply chose not to comply with its requirements, leading to thousands of New York’s children facing lead poisoning every year. While landlords bewail the costs of making an apartment lead-free, the law requires only that apartments be “lead-safe.” That means ensuring old paint is intact and free of cracks and chipping that could expose children to lead dust. New laws coming into effect require landlords to make *friction surfaces* free of lead, but those are primarily windows and doors. At no time have landlords been required to make apartments completely free of all lead.

Ironically, landlords lobbied against such stringent requirements in 2004, arguing that they could maintain the apartments in good condition without removing all lead. In 2024, they attempted to turn their own intransigence into an excuse for a rent hike.

### Myth 4: Landlords should be protected when they speculate on property.

Before 2019, many landlords bought buildings as a gamble, planning to replace the lower-paying tenants whose rents might not support the investment, with higher-paying, unregulated residents. See Curbed: “But with a more permanent stabilization regime in place, the entire business proposition of rent stabilization had changed. Suddenly the landlords who could wait out their tenants were left with what they saw as a bad bet. But that’s just the risk you take in business, says [Linda] Rosenthal, the state assemblymember who wants to tax landlords with vacant units. ‘Landlords portray themselves as victims of the system,’ Rosenthal said. ‘But the fact is they’re in the business of renting out their units. It’s not being foisted on you.’”



“Out of Luck,” *New York World*, April 20, 1921.

When that business model of speculative investment failed due to the Housing Stability & Tenant Protection Act, some landlords tried to recoup by Frankensteining apartments — combining units to create

new apartments with new base rents. Their eye was on the profits of full deregulation, however: in December 2023, building owners (unsuccessfully) sued (again) to abolish rent regulation. As their cases made their way to the U.S. Supreme Court and the state legislature closed the Frankensteining loophole, landlords asked state lawmakers for a lot more money to put the warehoused units back on the market.

Of course, speculation need not mean a loss for landlords. In its March 27, 2025 report, the NYC Rent Guidelines Board states that the net operating income (after expenses) for New York City landlords is \$626 per unit every month. That is only insufficient for landlords hoping for a windfall. Landlords can always apply for a hardship increase under both City (NYC Administrative Code § 26-511(6-a)) and State law if they're not making what the state considers a reasonable profit.

**Even if speculation does mean a loss, New Yorkers should not have to pay for landlords' poor business investment. As the U.S. Court of Appeals for the 2nd Circuit noted, landlords know that rental laws change and that the Rent Guidelines Board figures in their income and expenses in determining rent adjustments.**

## Case Studies

**Poor conditions and warehoused apartments are not for lack of landlord funds.** In every case study we're presenting, warehousing and dilapidation appear to have been a means of driving low-paying tenants out. There was no lack of funds for the needed work if the owners had chosen to resolve the housing violations and respond to tenant pleas for repairs.

So **overall**, this is not a crisis of decrepitude, as pointed out by Assemblymember Linda Rosenthal and Comptroller Lander. Decrepit, empty units exist, but not for the reasons landlords are touting. Many apartments in the buildings cited below are in varying states of disrepair despite tenant efforts, and violations issued by the City's Department of Housing Preservation and Development (HPD), the Department of Buildings (DOB), or the Department of Environmental Protection (DEP). Several apartments in these buildings have been intentionally kept vacant.

But big expenditures on other items — buying up other properties and enjoying their own million-dollar homes, for example — suggest that the reason for not returning warehoused apartments to the market is not a lack of landlord funds. That is particularly true with the recent 10% increase in landlord income for rent-stabilized Brooklyn buildings, 11% in Queens, 23% in Manhattan below 96th Street and 11% in upper Manhattan, and 0.8% in the Bronx.

**Thanks to tenant activism, many of the landlords named below are on the "Worst Landlords List" that the NYC Public Advocate puts out each year.** The 19 buildings below are just a small sample. This data comes from Los Sures, the Cooper Square Committee, and public online sources.

## BUILDING 1

### 183 South 2nd Street, Brooklyn



#### WAREHOUSED

3 out of 4 units

#### RENT-STABILIZED

Unclear

#### CONDITIONS

A roof leaking into the rooms below, pervasive mold, broken electrical outlets and cabinets, no hot or cold water, broken plaster, and more are some of the currently open HPD violations.

#### TENANTS

Tenants worked with Communities Resist, Inc. to get repairs and an end to harassment. This included filing at least one lawsuit, Tezca v. Chery. The court found that the landlord had harassed Mr. Tezca and awarded him damages.

Mr. Tezca, a rent-stabilized tenant, was paying \$1,400 for an apartment without heat and hot water when the owner began construction work on a nearby vacant apartment. That work blocked one of Mr. Tezca's apartment exits and resulted in ongoing ceiling leaks, vermin infestation, mold and more. In 2022, the landlord successfully convinced DOB to place a vacate order on the building, which has resulted in Mr. Tezca's displacement. He and his family of five remain displaced and are fighting to return home.

Another case was filed on Feb. 29, 2024, and continues.

#### OWNER

Abraham Heby and Yossef Azour of A2Z Capital, LLC.

Heby evidently had money in December 2020, when he paid \$10 million for property in mid-Manhattan. He has been involved in at least nine NY lawsuits since 2014.

As of 2017, Yossef Azour had 67 property records (some purchases, some sales) and has been involved in some 17 NY lawsuits since 2013. His company, A2Z, is described in a 2021 newspaper heading: "just started multi-million dollar project @ 1698 Lex-



ington [Avenue], New York. Azour says that the work is going to start very soon and will include complete[ly] renovated apartments that will make better living and value for future renting.”

He continues to rent out apartments.

### **OTHER PROPERTIES**

Heby owned 15 buildings in NYC in 2007. It is not clear whether he owns more than two now. Azour has a portfolio of at least 20 buildings.

### **BUILDING 2**

## **365 South 4th Street, Brooklyn**



Photo from Google Maps

### **WAREHOUSED**

3 out of 6 units

### **RENT-STABILIZED**

6 units

### **CONDITIONS**

95 open violations, and 32 immediately hazardous violations (5 in November 2024)

### **TENANTS**

Working with Southside United HDFC-Los Sures, tenants have called 311, rallied, and reached out to local elected officials. Tenants filed a case in Housing Court seeking repairs and will soon file an Article 7A case, seeking the appointment of an administrator for the building. The previous landlord was found in contempt of court for failure to make repairs, and a hearing for penalties is coming soon.

### **OWNER**

BH New 365 LLC, which is one of the many Limited Liability Corporations set up by the owners, who have a portfolio of at least 16 buildings according to JustFix. So they apparently have a great deal of money, although they remain unresponsive to tenant complaints.



## BUILDING 3

# 45 Cabrini Boulevard, Washington Heights



### WAREHOUSED

Of 42 units, an unknown number are warehoused

### RENT-STABILIZED

6 units

### CONDITIONS

200 open violations, including peeling lead-based paint, lack of window guards, and roach infestation

— all immediately hazardous, and several for the less severe defective flooring, fire escapes, wiring, mold, doors and windows that don't open and shut properly.

### TENANTS

Called 311 repeatedly. Many have now sought the help of State Senator Robert Jackson to get repairs and stop hazards from vacant apartments.

### OWNER

Seems to be owned by RockBridge PM.

The company's laudable goals are: "Our founders believe that property management should be about more than just collecting rent and handling maintenance requests. They understand that their clients are entrusting them with one of their most valuable assets, and that the success of their investment depends on much more than just the basics. That's why they have made it their mission to go above and beyond what is expected of a typical property management company. By taking a proactive approach and anticipating the needs of their clients, they are able to save landlords time and money, while providing tenants with a better rental experience."

RockBridge PM and others are located at 40 Exchange Place, Manhattan.

One of the owners, Lawrence Movtady, posted a December 2024, \$19 million deal on Instagram.

### OTHER PROPERTIES

44 additional properties, so they are not "mom-and-pop" landlords and do not lack funds.

## BUILDING 4

### 156 South 9th Street / 891 Driggs, Brooklyn



#### WAREHOUSED

24 out of 56 units

#### RENT-STABILIZED

56 units

#### CONDITIONS

425 open violations

#### TENANTS

In August 2024, after the gas was shut off in the building, leaving tenants without cooking gas, heat or hot water, the tenants, together with Los Sures, organized a

tenant association and commenced an HP case against the landlord for repairs, lack of services and harassment. They suffered without heat and hot water until well into the winter—with HPD’s ERP program stepping in to restore heat and hot water fully by February 2025.

As of September 1, 2025, there is still no cooking gas, and the vacant units remain untouched. Other issues included leaking ceilings, defective fire retardant, roach infestations, visible mold, defective waste pipe under the sink, garbage in the public hall, and lack of cooking gas. Over the past couple of years, HPD has issued hundreds of violations, but no repair work has been done to date, according to Los Sures and the legal services group Communities Resist.

#### OWNER

Yaakov (Jacob) Yosef Meislick (also “Meislik” or “Meizlik”) of South Nine Realty Corp.

The owner has two current cases pending against them for harassment, and a history of prior cases going back at least to 2012 for false certification that there was no lead and other problems.

The owner has a Rockland County home currently estimated at a value of \$1,518,413.

#### OTHER PROPERTIES

None

## BUILDING 5

### 273 Lee Avenue, Brooklyn



#### WAREHOUSED

8 out of 8 units

It appears the owner warehoused 4 apartments and then tried to empty the rest of the building rather than make any needed repairs.

#### RENT-STABILIZED

0 units

#### CONDITIONS

46 open violations

#### TENANTS

The former landlord, Naftali Steinmetz, claimed he needed the two ground-floor apartments for his daughter, but he never repaired nor used them after evicting tenants of 30+ years from them. When David Landau bought the building, 4 units were already being warehoused, including the first floor.

There are currently no tenants living there, but the landlord.

Before being vacated, tenants complained of the lack of heat, hot water, and electricity. The landlord dug huge trenches in the basement. The trenches filled with groundwater and undermined the foundation, causing the remaining tenants to be vacated. **That suggests that failing to keep the building habitable was a business plan, not an omission caused by lack of funds for repairs.**

#### OWNER

David Landau

A [RealtyHop property search](#) reported: "There are currently 70 property records for David Landau in New York, NY. The most recent property transaction occurred on July 11th, 2023, and the oldest on May 2nd, 1975... The average price of the property is \$1,605,769 with an average mortgage of \$902,563." So Landau and his company are neither novices nor under-funded when it comes to apartment acquisition.

#### OTHER PROPERTIES

119



## BUILDING 6

### 219 East 5th Street, Lower East Side



#### WAREHOUSED

2 out of 14 units (Apt 2R warehoused since Feb. 2021; Apt 8 warehoused for 1.5 years)

#### RENT-STABILIZED

9 units (renovated units are apparently being shown at rents exceeding allowable IAs)

#### CONDITIONS

42 open violations, including vermin, broken doors and windows, and outside bricks falling apart. The NY Post reported, “Tran properties average 467 open Housing and Preservation Department violations per building.” However, 12 apartments are now rented at almost \$5,000 each.

Photo shows unsafe work practices with loose, flapping plastic sheeting with a hole

in it and debris outside of the work area.

#### TENANTS

After the landlord ignored their complaints, tenants went directly to HPD, which issued hundreds of violations. With the support of Cooper Square Committee, tenants are now appealing to the banks that financed the owner.

#### OWNER

Son (“Sonny”) Tran and Anh Do.

The owner paid HPD fines but did not correct the problems.

#### OTHER PROPERTIES

31, most with several violations.

## BUILDING 7

# Riverside Studios, 342 West 71st Street, Upper West Side



## WAREHOUSED

Unknown (single-room occupancy)

## RENT-STABILIZED

250 RS units in 2022, current number unknown.

## CONDITIONS

106 open violations including vermin, broken doors and windows, and outside bricks falling apart. The NY Post reported, “Tran properties average 467 open Housing and Preservation Department violations per building.”

Tran refused to address complaints, including “a non-secure front door, non-working security cameras, a broken intercom system, common areas littered with garbage, the loss of their super and front desk attendant, illegal short-term rentals to tourists, unreliable mail delivery, garbage piling up in front of the building, mice and roach infestations, missing fire alarms, and more” as reported in the West Side Rag. Tenants also reported a broken elevator.

“Apart from the city’s reports of construction without a permit, lead dust, structural concerns, asbestos, and more, tenants’ observations range from the kooky to disgusting,” reported the NY Post, which added, “[the owners] left a discarded toilet in the lobby.” (Photo from another Tran building lobby)

## TENANTS

After the landlord ignored their complaints, tenants went directly to HPD, which issued hundreds of violations. Tenants went on a rent strike in November 2023 and then filed a lawsuit in April 2024 concerning the “dangerous living conditions and serious loss of services within the building.” A judge ordered the violations to be corrected or be subject to a \$50 to \$150 fine per day for each violation.

## OWNER

Son (“Sonny”) Tran and Anh Do.

The owner paid HPD fines but did not correct the problems.

## OTHER PROPERTIES

31, most with several violations.



## BUILDING 8

### 159 Stanton Street, Lower East Side



#### WAREHOUSED

13 out of 19 units

#### RENT-STABILIZED

19 units

#### CONDITIONS

The NYC Department of Buildings issued a partial vacate order for 159 Stanton Street, temporarily forcing two families out, [DNAinfo reported](#). A DOB inspector deemed the building to be “imminently

perilous to life” after finding that the ceiling was partially collapsed on the building’s second floor due to construction on the floor above.

Eight months later, Steve Croman paid a multimillion-dollar fine and went to jail for bank fraud related to his real estate dealings. Nonetheless, he blamed the tenants for the ongoing dilapidation: “If the tenants are genuinely motivated to get these repairs done and grant us access to these apartments, we are happy to assess and fix these issues as soon as possible,” a spokesperson for Croman told DNAinfo.

#### TENANTS

Tenants in several Croman-owned buildings united after years of landlord neglect. The Croman Tenants got the NYS Attorney General involved, whose office installed a third-party management company and monitor. Tenants continue to fight harassment and have brought in elected officials and the media.

#### OWNER

Steve Croman paid a multimillion-dollar fine and was sentenced to a year in jail for bank fraud. He claimed lack of access to fix the long-neglected apartments — even though refusing access to the landlord is a ground for eviction and tenants were crying out for repairs.

Croman’s notoriety did not leave him poor. The Real Deal reported: “Steve Croman, a Manhattan landlord known for harassing tenants but also for rarely selling, parted with seven East Village walk-ups and one on the Lower East Side for about \$61 mil-

lion.” According to Westview News, “American Greed reported Croman’s net worth to be \$640 million dollars with an annual income of \$63 million dollars and that he is well on his way to becoming a billionaire.”

NYS Assembly Housing Committee member (now chair) Linda Rosenthal wrote in a March 24, 2024, email to her constituents: “Later on, I wrote to HCR requesting another audit of Croman’s portfolio after he finagled his way out of paying the final installment into the court-ordered tenant restitution fund. Croman claimed that because of numerous vacancies (because he refused to rent out apartments) within his housing portfolio he would not be able to afford his quarterly payment.”

## OTHER PROPERTIES

131

### BUILDING 9

## 410 West 46th Street, Manhattan



Tenants demand action against negligent landlord outside court

### WAREHOUSED

5 out of 15 units

### RENT-STABILIZED

10 units

### CONDITIONS

460 open violations, including trash throughout the public areas, unsafe fire doors, falling paint, broken floors, broken and ill-fitting windows and doors,

defective electrical outlets and hanging wires, among other problems.

### TENANTS

The tenants formed the Shalom Tenants Alliance for Neighbors Defense (STAND), seeking prosecution of Daniel Ohebshalom (who has used the name “Shalom”) for neglect of his buildings. See The New York Times, AMNY, Gothamist, Hell Gate, and News 12 Long Island.

Their work is not finished, however, since neglect continues at this and other buildings.

## **OWNER**

Daniel Ohebshalom

The New York Times reported:

In May, Mr. Ohebshalom was indicted in a separate criminal case ‘for harassing rent-regulated tenants with horrific living conditions in order to induce them to vacate their apartments and enable him to sell the buildings for significant profit,’ the Manhattan district attorney said.

None of those measures, however, appeared to lead Mr. Ohebshalom to fix his buildings, according to housing officials.

Mr. Ohebshalom has said in court papers that in some cases, he has actually fixed many of the problems. In others, he said he was not able to get into the apartments.

Since a tenant may be evicted for failing to let the landlord in to make needed repairs, this last statement is not credible.

The Ohebshaloms are among the “Kingpins of Kings Point,” a wealthy Long Island enclave. However, some members of the Ohebshalom family are losing their properties to foreclosure.

## **OTHER PROPERTIES**

Over 100 buildings, according to the Shalom Tenants Alliance for Neighborhood Defense

## BUILDING 10

### 705 & 709 West 170th Street, Washington Heights



#### WAREHOUSED

Some, but exact number unknown

#### RENT-STABILIZED

8 out of 20 units

#### CONDITIONS

190 open violations, including mold, breaking walls, no lock on the building's front door, no hot water, vermin infestation, no access to the boiler room, lack of smoke detectors, and more.

#### TENANTS

Tenants have been very active organizing with Met Council on Housing, making repairs themselves, and now trying to buy the building under the proposed state Tenant Opportunity to Purchase Act (TOPA).

Tenants note that "it's an asset that won't yield a profit: there are too many stipulations and financial traps left over from the Ohebshalom years for anyone who wants to purchase and flip it."

#### OWNER

Belmont Ventures, also known as Daniel Ohebshalom

The Ohebshaloms are among the "Kingpins of Kings Point," a wealthy Long Island enclave. However, some members of the Ohebshalom family are losing their properties to foreclosure.

#### OTHER PROPERTIES

Over 100 buildings, according to the Shalom Tenants Alliance for Neighborhood Defense



## BUILDING 11

# 515 Cathedral Parkway, Morningside Heights



Photo from Google Maps

### WAREHOUSED

Some, but exact number unknown

### RENT-STABILIZED

30 out of 83 units

### CONDITIONS

Current open HPD violations include lack of hot water, a water leak causing ceiling damage, and mold.

In May 2024, the [NY Post reported](#): “Severe flooding that trashed numerous apartments, the 12-story building’s elevator being regularly broken for eight months, and a 15-month stretch when the gas didn’t work in half the building and residents were left to cook with camp stoves purchased on their own dime.”

Tenants allege they have been terrorized with poor living conditions until they moved out — so he could convert their apartments into multi-bedroom units and jack up the rent, according to reports. “The Defendants have allowed their buildings to deteriorate to the point where they pose an imminent threat to the health and safety of the tenants and the public,” the lawsuit read.

Reporting on the suit, the [NY Post wrote](#): “These buildings and conditions therein constitute public nuisances and violate City laws enacted to protect tenants and safeguard buildings.... That case was settled in October for nearly \$1.25 million, with management agreeing to carry out repairs to resolve outstanding violations under close supervision of the city.”

### TENANTS

Tenants organized and got the attention of elected officials and the City, which hit Fred Ohebshalom with a lawsuit for over 300 violations. [NY Post](#): “That case was settled in October for nearly \$1.25 million, with management agreeing to carry out repairs to resolve outstanding violations under close supervision of the city.”

### OWNER

Fred Ohebshalom, CEO and manager of Empire Management

Although facing commercial space foreclosure on some commercial property, he lives in Kings Point in a home valued at \$11,816,300 with 7.5 bathrooms and 12,876



square feet of living space. His co-owner of 515 Cathedral Parkway is David Kurlander, who lives in a more modest \$2,114,100 home in Fairfield, Connecticut.

Fred Ohebshalom's Wikipedia page says as of 2014 he owned over 100 apartment buildings in Manhattan, and is a philanthropist: "Ohebshalom sits on the boards of the Iranian American Jewish Committee and of the Bet Hadassah Iranian Jewish Center. He has also served as president of the Sephardic Heritage Alliance and represents the Iranian community on the board of the Hebrew Immigrant Aid Society. He is a benefactor of the Parviz Ohebshalom Cancer Pain and Palliative Medicine Clinic at Shaare Zedek Medical Center in Jerusalem (named in honor of his brother) and Meir Panim, which is dedicated to feeding hungry Israelis. He was an early founder of the Beth Hadassah Synagogue in Great Neck, New York."

While the Ohebshalom family is neglecting tenants, they are busy suing each other for millions of dollars.

They have the experience, the funds, and the access to meet the warranty of habitability in the building.

### **OTHER PROPERTIES**

According to The Real Deal, Empire manages 2,000 apartments and 1 million square feet of commercial space.

### **BUILDING 12**

## **5000 Broadway, Washington Heights**



Photo from Google Maps

### **WAREHOUSED**

Unknown number

### **RENT-STABILIZED**

8 out of 85 units

### **CONDITIONS**

There are 40 Class C (immediately hazardous) open violations for rodents, mold, lack of heat and hot water, and other defective building parts, as well as another 64 for lesser problems.

## TENANTS

When Grenville Owners' Corp. and Ronald Edelstein did not respond to tenants, they went to State Senator Robert Jackson for assistance with hazards stemming from warehoused apartments.

## OWNER

Grenville Owners' Corp. and Ronald Edelstein

Ronald Edelstein's buildings in Washington Heights and the Bronx have:

- 95 open HPD violations (55 Nagle Avenue)
- 286 open HPD violations (867 West 181st Street), and
- 116 open HPD violations (2875 Sedgwick Ave., Bronx).

In a suit against the Edelstein family by the Attorney General about Rockview Apartment Corporation (a co-op), the court found it necessary to order the Edelsteins not to tamper with or destroy existing records. See also this report.

In a 2016 amNY article, "Poor Little Rich Man's Defiant Fortress," which concerned an illegal hotel he was running, Ronald Edelstein is quoted as saying: "We're billionaires and we can afford to keep this building empty for the rest of my grandchildren's life... And it will not affect our financial lifestyle one bit."

## OTHER PROPERTIES

5

## BUILDING 13

### 227 Haven Avenue, Washington Heights



Photo from Google Maps

HPD violations, mainly for mold, lack of heat and hot water, and vermin.

## WAREHOUSED

Unknown number

## RENT-STABILIZED

48 out of 49 units

## CONDITIONS

Several of the stabilized apartments are being warehoused and creating hazards for nearby tenants.

There are 90 open

## TENANTS

Tenants have asked State Senator Robert Jackson to intervene with HPD and to help form a tenant association.

## OWNER

Margaret Brunn, also known as Margaret or Maggie McCormick, is president of A&E Real Estate Holdings. Her 180 buildings have an average of 146 open HPD violations. She is on the 100 worst landlords list of 2024 for four of her buildings in Queens: 80 Woodruff Avenue, 37-06 81st Street, Kew Gardens Hills at 75-06 15 Street and 150-45 73rd Avenue.

The A&E real estate holdings NYC portfolio is valued at \$5.3 billion. The same site reports that on March 17, 2025, A&E bought 1656 York Avenue in Manhattan for \$116.5 million.

## OTHER PROPERTIES

180

## BUILDING 14

### 90 Pinehurst Avenue, Washington Heights



Photo from Google Maps

## WAREHOUSED

Unknown number

## RENT-STABILIZED

9 out of 48 units

## CONDITIONS

44 open HPD violations for broken entrance doors, broken floor tiles, broken windows, broken fire doors, and other problems.

## TENANTS

Tenants have gone to State Senator Robert Jackson for help, including for hazards stemming from warehoused apartments.

## OWNER

Apparently, Citadel Realty Services LLC owns the building. Citadel brags of its role in the construction of Lincoln Center, Peter Cooper Village, Stuyvesant Town, and portions of Columbia University, and boasts of its strategic services. Citadel's website's homepage says, "We Solve Real Estate Problems," followed by "From problem to



profit.” Evidently the problems they solve are financial for landlords:

Unlike our competitors, we do not simply manage and broker residential and commercial real estate broker in NYC properties. We are the problem solvers upon whom our clients rely to resolve complicated problems and eliminate obstacles. We do this by performing a thorough analysis of each property’s operations and profit potential, along with a full understanding of the marketplace. A strategic plan is then developed to optimize value and return on each client’s investment. Because we respect our clients’ concerns and value their input, we meet and consult with our clients on a regular basis. Above all, we maintain our clients’ confidentiality throughout the process.

But co-owner Nathan Silverstein made it to number 8 on the Public Advocate’s annual List of Worst Landlords in 2018, 2019 and 2021.

Citadel’s chief Steve Shapiro is quoted in The Real Deal:

Take The Beaumont. It was part of a \$1.1 billion portfolio purchased by investment bank Hudson Advisors from the Allied Irish Bank.

The problem: 35 of its 65 units were vacant, and it wasn’t earning enough to cover the cost of operating the building — let alone the money needed to fix it up.

Their ultimate goal was to sell it at the highest price... We were brought on to figure out a way to make the building pay for its own repairs while keeping the 25 units vacant.

## OTHER PROPERTIES

5

### BUILDING 15

## 1 Cabrini Boulevard, Washington Heights



Photo from Google Maps

### WAREHOUSED

Unknown number

### RENT-STABILIZED

9 out of 35 units

### CONDITIONS

No gas for cooking and 63 other open HPD violations, including a roof leaking directly into the apartment below it, and peeling lead paint.

## TENANTS

Tenants have gone to State Senator Robert Jackson for assistance, including for hazards coming from nearby vacant apartments.

## OWNER

Stephen Shapiro of Citadel Realty Services, LLC and Nathan Silverstein (see Building 14 for more details)

## OTHER PROPERTIES

5

## BUILDING 16

# 9 Cabrini Boulevard, Washington Heights



Photo from Google Maps

including for hazards coming from nearby vacant apartments.

## OWNER

Stephen Shapiro of Citadel Realty Services, LLC and Nathan Silverstein (see Building 14 for more details)

## OTHER PROPERTIES

5

## WAREHOUSED

6 out of 60 units

## RENT-STABILIZED

13 units

## CONDITIONS

No heat or hot water, dangling electrical appliances, mold, and more.

## TENANTS

Tenants have gone to State Senator Robert Jackson for assistance,



## BUILDING 17

### 207 Avenue B, Lower East Side



Photo from Google Maps

#### WAREHOUSED

17 out of 20 units

#### RENT-STABILIZED

8 units

#### CONDITIONS

273 open HPD violations, including mold, lack of gas, lack of heat and hot water, poorly-lit public areas, and more.

A former tenant posted on Yelp (after her security deposit return cleared) that she had no heat for a month in January, and her texts, emails, and other pleas went unanswered. Her refrigerator broke and was not replaced for three weeks. The apartment was infested with roaches, and the courtyard with rats. The building was

crumbling around them, and there was black mold in the bathroom. Security was poor since the window locks didn't work.

HPD is suing the owner.

#### TENANTS

Since the owner has not responded to requests for repairs, tenants called HPD repeatedly. HPD designated the building "severely distressed" and put it into the Alternative Enforcement Program to make it easier for tenants to report problems.

#### OWNER

The owner's address and website are not clear. Oscar Asher, Rosa Bruni, and Sandra Bruni are listed as owners with a portfolio of 5 buildings. While "Crisari Realty Inc" appears as the owner of this building and 512 East 13th Street, with an office address at 97-20 156th Avenue, Howard Beach, Crisari itself has no website. Crisari's founder was Aristide Bruni, 51 Seventh Avenue, New York, NY 10011.

HPD is suing Crisari Realty, seeking correction of code violations and abatement of public nuisances at four rent-regulated buildings in the East Village with a history of neglect and mismanagement. In 2022, the court was dealing with civil contempt against Crisari for "failure to repair facade at 207 Avenue B."

As a managing agent, Aristide Bruni (for “Bruni & Bruni”) collected tax abatement credits in 2016 and 2017 for tenants with the Disability Rent Increase Exemption (DRIE). Otherwise, the finances are unknown.

## OTHER PROPERTIES

5

## BUILDING 18

### 63 Tiffany Place, Brooklyn



## WAREHOUSED

8 out of 70 units even before the March 2025 expiration of the Low Income Housing Tax Credit federal contract that barred warehousing in that building.

## RENT-STABILIZED

Roughly 30 units; 40 were stabilized under the Low-Income Housing Tax Credit until

March 2025 and are now unregulated

## CONDITIONS

This building was constructed as a warehouse in 1917, then completely renovated in 1990 as apartments meant to be sold as condos. When that fell through, the then-owner got the Low-Income Housing Tax Credit (LIHTC) and sold the building to E&M \$5.3 million in 2009. It appears that there were 30 rent-stabilized units in November 2024 and the remaining 40 were covered by LIHTC. Despite that LIHTC, E&M seems to have deregulated all the apartments and has been warehousing several (now down to 8). The LIHTC bars any warehousing.

There are 10 open violations including for defective kitchen and bathroom plumbing, broken floor tiles, broken refrigerator, defective air vent, and an unlockable lobby vestibule door.

## TENANTS

Tenants seek to buy the building with the help of a nonprofit, and negotiated with one potential buyer to withdraw. E&M is now refusing to communicate with the tenants and is apparently negotiating with another (unknown) buyer.

Tenants have complained to HPD and HCR about warehousing, which is not permitted under the terms of the LIHTC (a credit which apparently ended in March 2025). Tenants rallied against the landlord selling the building at the end of the LIHTC credit, resulting in higher rents.

## **OWNER**

Irving Langer (E&M)

Langer has been in the top ten of the Public Advocate's Worst Landlords list. The NY Times lists him as an example of landlords using "the eviction machine" as harassment to get tenants out. E&M brought over 500 cases against tenants in one building (the Dunbar in Harlem): "A third of those cases were discontinued, indicating that the case had been filed by mistake, or that the tenant had paid after being sued or had simply moved. That raises questions about whether such suits are aimed at harassing tenants."

In 2018 and 2019, the Right to Counsel NYC organization named E&M the second worst evictor in New York City.

Langer describes his company as "committed to tenant satisfaction" and himself as involved in several real estate, solar energy, technology, and other businesses as well as a philanthropist. So the ongoing warehousing is not because he lacks money to bring the apartments to habitability.

## **OTHER PROPERTIES**

In 2022, E&M was selling off over 90 properties when one of its Harlem buildings caught fire, killing three people and displacing the surviving tenants. After seven months of delays, the company agreed to pay for repairs — but four months after the agreement, nothing had been done. The tenants sued E&M.

According to a recent court decision, E&M doesn't only stiff its tenants. In 2024, The Real Deal reported: "Irving Langer's E & M Associates must fork over a \$3.4 million broker's commission the company had refused to pay. E&M, its principals and 52 affiliated LLCs, owe brokerage Georgia Malone & Company a commission for the 2013 purchase of an 87-building portfolio in Harlem, a jury ruled."

In 2018, in an effort to oust rent-stabilized tenants, E&M took 250 of them to Housing Court — all from its Harlem building, "the Dunbar" — some multiple times. While only 6 were legally evicted, many of the others left to avoid ongoing lawsuits, including having to go to Housing Court to get repairs.

## BUILDING 19

# 296-298 North 8th Street, Brooklyn



Photo from Google Maps

## WAREHOUSED

16 out of 29 units

## RENT-STABILIZED

7 units

## CONDITIONS

As of August 2025, there are 37 open violations in 296 N 8th, including 3 Class A violations, 12 Class B violations and 16 Class C violations. There are 42 open violations in 298 N 8th, including

14 Class A violations, 10 Class B violations and 14 Class C violations. Violations consist of vermin infestations, mold, defective intercom and electrical systems, chipping paint, broken tiles and appliances; as well as defective windows and smoke detectors. The long-term warehoused units remain derelict and tenants say they have seen an overall reduction of building wide services. In 2022, the Attorney General's office and Ink Property Group signed a settlement that included the hiring of an independent Monitoring Agent and a third-party property manager. However, conditions remain the same or worse

## TENANTS

The remaining tenants have called 311 repeatedly. Tenants in both buildings came together and organized a tenant association, with the support of St Nicks Alliance, United Neighbors Organization (UNO) and legal representation from TakeRoot Justice. DHCR has ordered rent reductions for certain tenants for lack of services and repairs. Despite this, management continues to charge late fees.

## OWNER

Eden Ashourzadeh is the owner under Ink Property Group.

A 2022 settlement between the NYS Attorney General's office, Ink Property Group and its principals Eden Ashourzadeh, Alex Kahen and Robert Kaydanian, exposed Ink Property Group's practices: "[T]he developers then launched an aggressive campaign to remove the rent-stabilized tenants and capitalize on illegally deregulated units. Ink's business practices included a commission for employees of up to \$5,000 for each tenant they succeeded in buying out." Part of the settlement required Ink Property Group to retain a third-party property management company.



Meanwhile, Eden Ashourzadeh does not lack for funds. As of April 2025, he is listed as a landlord for “30 deals, \$106.2M volume” on [Traded.co](#), and on August 27, 2025, [PincusCo reports](#) that he paid \$2.5 million for a mixed-used building in Crown Heights.

### **OTHER PROPERTIES**

At least 49 across NYC

## **Conclusions**

As shown above, landlords do not need more money from IAs, vacancy bonuses after long-term tenants leave, or anything else to put warehoused apartments back on the market. Our elected representatives and the New York City Rent Guidelines Board should insist that the landlord lobby provide proof of profits and losses before granting any increase that tenants — or our tax dollars — must pay.

- Landlords are using their ample funds for other purposes instead of keeping their buildings habitable.
- Dilapidation is primarily from landlord neglect. Landlords should make required upgrades while tenants are in their homes, and Albany should not legislate rent increases to reward owner negligence during long tenancies.
- Tenants need reliable public information from DHCR and HPD about who owns their building and is responsible for maintaining it.
- Individual Apartment Improvements should go back to being temporary as under the 2019 law. Subsequent generations of tenants should not be paying for the same appliance.

**Housing is a public need, and government regulation should promote housing that is more, not less, affordable. Rather than increasing rental income to landlords, New York City and State lawmakers should use our tax money to create more stable, affordable homes for all.**