



BROWARD OFFICE OF THE INSPECTOR GENERAL

MEMORANDUM

To: Honorable Richard J. Kaplan, Mayor, City of Lauderhill,
and Members, City of Lauderhill City Commission

From: John W. Scott, Inspector General *JWS*

Date: October 7, 2015

Subject: **OIG Final Report Re: *Ethical Misconduct by City of Lauderhill Employees, Ref. OIG 14-023***

Attached please find the final report of the Broward Office of the Inspector General (OIG) regarding the above-captioned matter. This office has concluded an investigation into whether Kennie Hobbs, Jr., who concurrently serves as Assistant City Manager and Finance Director for the City of Lauderhill (City) and Executive Director of the Lauderhill Housing Authority (LHA), obtained a mortgage loan to purchase a home under a loan program for City and LHA employees that he developed and managed.

In substantiating the allegation, we determined that both Mr. Hobbs and Julie Saunders, the LHA Deputy Director who concurrently serves as City Operations Manager, borrowed from their own agency via a program administered by their subordinates and over which they have directional control. The OIG found that both loans were obtained, are administered, or are being monitored in violation of the Florida law that prohibits a public employee from entering into any contractual relationship that creates a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or impedes the full and faithful discharge of his or her public duties. Thus, we are referring this matter to the Florida Commission on Ethics for its independent assessment of the application of state ethics laws.

In carrying out the investigation, the OIG uncovered the lack of internal controls that laid the foundation for Mr. Hobbs and Ms. Saunders' actions, and the report also contains recommendations for the adoption of significant corrective action to prevent future misconduct. Accordingly, the OIG requests that we are provided with a status report in 90 days, or by January 5, 2016, regarding the City's actions in response to this matter.

Attachment

cc: Charles Faranda, City Manager
Honorable Martin D. Kiar, Vice Mayor, Broward Board of County Commissioners
Honorable Dale V.C. Holness, Member, Broward Board of County Commissioners
Individuals previously provided a Preliminary Report (under separate cover)

John W. Scott, *Inspector General*

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BROWARD OFFICE OF THE INSPECTOR GENERAL



FINAL REPORT

**OIG 14-023
October 7, 2015**

Ethical Misconduct by City of Lauderhill Employees



BROWARD OFFICE OF THE INSPECTOR GENERAL

FINAL REPORT RE: *ETHICAL MISCONDUCT BY CITY OF LAUDERHILL EMPLOYEES*

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BROWARD OFFICE OF THE INSPECTOR GENERAL

FINAL REPORT RE: *ETHICAL MISCONDUCT* BY CITY OF LAUDERHILL EMPLOYEES

SUMMARY

The Broward Office of the Inspector General (OIG) has concluded an investigation into allegations that Kennie Hobbs, Jr., who concurrently serves as Assistant City Manager and Finance Director for the City of Lauderhill (City) and Executive Director of the Lauderhill Housing Authority (LHA), used his position to obtain a mortgage to purchase a new home under its loan program for City and LHA employees.

The OIG investigation substantiated the allegations. We determined that Mr. Hobbs borrowed \$375,000 from his own agency, via a program administered by his subordinates and over which he had managerial control. The investigation also revealed that Julie Saunders,¹ the LHA Deputy Director—second in command of LHA staff—who concurrently serves as City Operations Administrator, also obtained a mortgage of \$318,150 for a home she purchased for \$301,000.

Both loans were obtained in violation of Florida law that prohibits public employees from entering into contractual relationships that create a continuing or frequent conflict between their private interests and the performance of their public duties. These managers' subordinates were responsible for processing documentation of loan-worthiness, calculating maximum loan amounts, and recommending approval of the loans to their superiors. Of equal concern is that the monitoring of the performance of the loans continues to be conducted by subordinates, who may be motivated to administer the loans in a manner that favors their bosses over the public interest.

As if to illustrate the very reason for the prohibition, Mr. Hobbs and Ms. Saunders also took advantage of their public position to benefit from funds for expenses not contemplated by officially sanctioned repair programs. Rather than replace a roof, Ms. Saunders remodeled her kitchen, made other home improvements, and was directly paid over \$10,000. Mr. Hobbs used his inflated repair escrow to install travertine tile and an aquarium. These funds were released by the Board Attorney without documented approval of the Board for the specific expenses or the "program" under which they were made available.

In fact, the OIG determined that a lack of internal controls laid the foundation for the misconduct of Mr. Hobbs and Ms. Saunders. The LHA did not consistently and adequately document Board action, and there was no documented approval of the full loan criteria. In addition, there was evidence that significant parts of the process occurred without Board review and that the purported programs were not effectively communicated to all City staff.

¹ She obtained the loan under her former name, Julie Bowers.

By way of its response the LHA has denied the allegations and claimed that this report contains inaccuracies. A detailed review of the documents and information provided in the LHA's response revealed no evidence requiring any amendment of the OIG's findings and conclusions. Indeed, the response raises more questions about the potential mismanagement of the LHA and the integrity of the documents maintained and provided by the agency. We were able to obtain documents from other entities that differed from what the LHA provided, demonstrating that the LHA has misrepresented the completeness and authenticity of its document production. The LHA also provided differing versions of an executed document. Accordingly, in addition to the misrepresentations about the previous provision of documents, the agency's conduct raises significant doubts about the integrity of any of the documentation it has provided.

The LHA's response denies the need for corrective action. Nonetheless, this report contains recommendations for the adoption of significant corrective action to prevent future misconduct. We note that the LHA utilizes federal funds granted to it by the City of Lauderhill and that the employees in question work for the LHA solely by virtue of their employment with the City of Lauderhill. Thus, in the light of the LHA Board's rejection of the facts and evidence of far reaching managerial inadequacies, the OIG will also be referring this matter to the City Commission of Lauderhill. The OIG recommends that the City take independent steps to prevent future misconduct by City employees and determine if LHA management practices are sufficient to ensure proper use of the public monies entrusted to it by the City.

The OIG investigation established probable cause to believe that Mr. Hobbs and Ms. Saunders engaged in acts of ethical misconduct under the State code. Accordingly, we will be referring this matter to the Florida Commission on Ethics for its independent assessment of the application of state ethics laws.

OIG CHARTER AUTHORITY

Section 12.01 of the Charter of Broward County empowers the Broward Office of the Inspector General to investigate misconduct and gross mismanagement within the Charter Government of Broward County and all of its municipalities. This authority extends to all elected and appointed officials, employees, and all providers of goods and services to the County and the municipalities. On his own initiative, or based on a signed complaint, the Inspector General shall commence an investigation upon a finding of good cause. As part of any investigation, the Inspector General shall have the power to subpoena witnesses, administer oaths, require the production of documents and records, and audit any program, contract, and the operations of any division of the County, its municipalities and any providers.

The Broward Office of the Inspector General is also empowered to issue reports, including recommendations, and to require officials to provide reports regarding the implementation of those recommendations.

THE INDIVIDUALS COVERED IN THIS REPORT

Kennie Hobbs, Jr.

Mr. Hobbs has been an employee of the City of Lauderhill for twenty-six years. He currently serves as the Assistant City Manager and Finance Director, which includes accounting, purchasing and budgeting, and non-financial components including economic development, code enforcement, building and planning, and zoning. He assisted in founding the Lauderhill Housing Authority in 2002 and has been its only Executive Director. As a City employee, his services are included in a service agreement contract between the City and LHA, but he receives no additional compensation from the LHA.

Julie Saunders

The City has employed Ms. Saunders, formerly known as Julie Saunders-Bowers or Julie Bowers, for eleven years, and since 2004 she has worked in the City Finance Department as Operations Administrator, reporting to Mr. Hobbs. Since 2005 she has also been on the staff of the LHA, serving first as its Operations Manager and since 2012 as its Deputy Director, as part of her City duties. Since at least 2009, Ms. Saunders has been the sole employee reporting to Mr. Hobbs at the LHA, and all other LHA employees (City-provided or LHA direct hires) report to her. She estimated that she spends approximately twenty hours per week on LHA business.

Alfreda Coward

At all times relevant to this matter, Ms. Coward was the LHA Board's contracted Board Attorney. She is not associated with the City or the City Attorney.

RELEVANT GOVERNING AUTHORITY

Public Housing Authorities

Municipal public housing authorities (PHAs) are created by city resolution, and the mayor makes appointments to the PHA, with approval of the governing body. The PHA commissioners must not be employees of the municipality and must include at least one resident who rents in a PHA housing project. The PHA may employ a secretary, who shall be the Executive Director. See generally, Florida States chapter 421.

F.S. § 421.04, Creation of housing authorities, provides in pertinent part:

(1) In each city, as herein defined, there is hereby created a public body corporate and politic to be known as the "Housing Authority" of the city; provided, however, that such authority shall not transact any business or exercise its powers hereunder until or unless the governing body of the city by proper resolution shall declare that there is need for an authority to function in such city....

Lauderhill Housing Authority

The LHA is a PHA and a municipal dependent special district as defined in Florida Statutes § 189.012. According to the Florida Division of Community Development online records, the City created the LHA by City resolution 02R-08-139 on November 25, 2002. The LHA was incorporated on February 18, 2011, as a Florida nonprofit corporation. Mr. Hobbs was the incorporator, and has since been the registered agent, one of five corporate officers, and the Executive Director.

The LHA produced an “Agreement for Administrative and Management Services” between the LHA and the City to provide administrative and professional services to the LHA.² Section I.B.1. of the agreement states that the “City shall recommend and assign a City employee to serve as the Acting Executive Director of the Authority. The LHA shall approve or disapprove the recommendation according to the procedures established in the by-laws of the LHA. The City employee appointed as the Executive Director shall report to the Board of Commissioners of the LHA and have general supervision over the administration of the business and affairs of the Authority, and shall be charged with the management of the housing project and other programs of the Authority, subject to the discretion of the Authority.” Since his appointment, Mr. Hobbs has continued to serve as Executive Director at the Board’s pleasure.

The agreement outlined a number of administrative and fiscal services that the City agreed to provide the LHA, including but not limited to personnel administration, payroll, budget preparation and risk management, and the option of negotiating additional services that would be detailed in a separate written agreement.

LHA Executive Director Authority

On September 11, 2012, the LHA Board of Commissioners (Board) approved resolution 12R-09-20, adopting the LHA bylaws. Among other matters, the bylaws state that the Executive Director shall have general supervision over the administration of the LHA, subject to the Board’s direction. Further, the Executive Director shall have the care and custody of all funds and shall be a signatory on LHA checks, and perform any other duties as directed by the Board.³

LHA By-Laws Article III, Section 4, Executive Director, provides in relevant part:

The Executive Director of the Authority shall have general supervision over the administration of the business and affairs of the Authority, subject to the direction of the Authority. He/she shall be charged with the management of the housing programs of the Authority. Except as otherwise authorized by resolution of the Authority, the Executive Director shall sign all contracts, deeds and other instruments made by the Authority.

The Executive Director shall keep the record of the Authority, shall record all votes, and

² The agreement was for one year with automatic extensions for two additional one-year terms, subject to conditions for early termination. A review of the LHA minutes from March 2010 through January 2015, did not disclose any further discussion or resolutions related to extending or re-negotiating the agreement.

³ The LHA did not provide a previous or subsequent iteration of its bylaws, if any exist.

shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to his/her office. ...

The Executive Director shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such bank or banks as the Authority may select. The Executive Director shall sign all orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Authority. Except as otherwise authorized by resolution of the Authority, all such orders and checks shall be countersigned by the Chairman. He shall keep regular books of accounts showing receipts and expenditures and shall render to the Authority at each regular meeting (or more often if requested), an account of his/her transactions and also of the financial condition of the Authority.

LHA Administrative Policies & Procedures Manual No. GA-3, General Administration, Signing on Behalf of the Authority, and dated October 1, 2009, provides in whole:

All contracts, agreements or other LHA documents requiring the signature of a LHA official, on behalf of the Lauderhill Housing authority, are to be forwarded to the desk of the Executive Director. At that time, the Executive Director will make the determination as to whether the document is to be signed by the Board of Commissioners or Executive Director.

Under no circumstance should a regular full-time or part-time employee sign documentation on behalf of the Lauderhill Housing Authority, unless directed otherwise by the Executive Director. This action could place the LHA in an accountable legal situation for which they are unfamiliar with the circumstances. Also, it could hold the individual employee who signs the document, responsible in the event of litigation.

LHA Resolution No. 13R-08-15, A Resolution by the Board of Commissioners of the Lauderhill Housing Authority Acknowledging the Authority of the Executive Director; Providing for an Effective Date, and dated August 13, 2013, states in part:

Whereas, the Executive Director has the authority to sign all contracts, agreements, deeds and other instruments made by the Lauderhill Housing Authority (LHA); and whereas the Executive Director also has authority to negotiate contracts, in addition to many other duties, under the direction of the Board of Commissioners, ... The Board hereby acknowledges that as Executive Director, Kennie Hobbs, Jr. has the authority to sign agreements, memorandums of understanding and other instruments made on the behalf of the LHA. ...

State Ethics Code: Conflicting Contractual Relationship

F.S. § 112.313(7)(a), Conflicting employment or contractual relationship, states in part:

No public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he is an officer or employee...; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties. ...

F.S. § 112.322(3) grants the Florida Commission on Ethics the power to issue binding advisory opinions about the applicability and meaning of the State Ethics Code's provisions, "to establish the standard of public duty." The Commission has issued several such opinions that address public employees and officials' access to benefits they administer and oversee, including:

- Commission on Ethics Opinion (CEO) 06-10 (June 14, 2006). It held that no prohibited conflict of interest would be created under F.S. § 112.313(7)(a), if state employees were to participate in cost-share programs administered by a division of their own agency, because the employees had "absolutely no role" in evaluating their own applications or in monitoring their compliance with program requirements.
- CEO 9-76 (November 30, 1990). The Commission concluded that there would be a prohibited conflict of interest under F.S. § 112.313(7)(a) if the chairman of the Palm Beach County Solid Waste Authority applied for a county waste tire grant under a program administered by the waste authority, even where there was no competition for funds.
- CEO 88-52 (July 28, 1988) held that a prohibited conflict of interest would be created under F.S. § 112.313(7), Florida Statutes, if an employee in a city's rental rehabilitation program were to obtain a low interest or deferred principal loan from his own agency to rehabilitate rental property through the program in which he worked. The employee's involvement in the program included taking information and transposing it to an evaluation form, after which his supervisor made the evaluation whether the loan should be granted based on set criteria. Although the employee had little or no discretion in exercising this function, the Commission opined that these duties made him "directly involved in the administration of the program under which he would obtain the loan." The Commission concluded that the employee's contractual relationship with his agency would impede the full and faithful discharge of his public duties.

INVESTIGATION

Investigation Overview

This investigation was predicated on information alleging that Mr. Hobbs engaged in misconduct by using his position as LHA Executive Director to obtain a mortgage loan from the LHA that

personally benefited him and his wife. The OIG substantiated the allegations.⁴ The investigation revealed probable cause to believe that Mr. Hobbs and his subordinate, Ms. Saunders, violated state law prohibiting public employees from entering into certain contractual relationships. By obtaining a loan from a program they were responsible for overseeing, they each created a conflict between their personal interests and public duties. They further took advantage of their public position to benefit from funds, with the cooperation of the Board Attorney, for expenses not contemplated by officially sanctioned repair programs.

This investigation included the examination by OIG Special Agents of City and LHA documents, files, and correspondence; the real estate file for Ms. Saunders's property; closing agent records; and State Attorney's Office (SAO) documents. We also obtained and reviewed records of the City, the LHA, Broward County, and the Broward County Property Appraiser.⁵ OIG Special Agents also conducted interviews of Ms. Saunders, the LHA loan review committee chair, and the LHA Board clerk.

The Employee Loan Program

In an April 7, 2010, letter to the LHA Board, Mr. Hobbs proposed that the LHA establish a Neighborhood Stabilization Program (NSP), including mortgage lending, using NSP funds for residents and employees who qualify for government programs and using City pension funds for employees who do not. (Exhibit 1) Mr. Hobbs reported that LHA staff had met with the City's pension boards and requested that they invest in the LHA NSP programs, which included a loan program for employees exceeding HUD's income limits.⁶ The letter concluded by saying that a formal lending policy would be presented to the Board to address "credit scores, interest rates, debt ratios and payment methods, among other things."

On April 13, 2010, the Board's meeting packet materials included this letter as supporting documentation related to resolution 10R-04-23. The Board discussed and passed this resolution, which authorized the LHA Executive Director to execute the necessary notes with three of the four city pension boards: the Police Retirement System, the Firefighters Retirement System, and the Lauderhill Confidential and Managerial Employees Retirement Plan. On May 1, 2010, the three pension boards agreed to lend a total of \$2.4 million of their pension funds to the LHA to fund its mortgage programs, and in August 2014 the police pension board invested an additional \$1 million.

1. Mr. Hobbs and Ms. Saunders Were the Managers Who Oversaw the Program

The investigation determined that Mr. Hobbs and Ms. Saunders were, respectively, the first and second in command of all LHA functions since before either received their loan. An

⁴ The OIG also received an allegation that Mr. Hobbs wrongfully "registered" his new home under an alias, ostensibly to hide the mortgage transaction, but we determined this allegation to be unfounded when we learned that the Broward Property Appraiser's Office assigned the alias upon Mr. Hobbs's request to exempt his name from public records searches under Florida Statutes Chapter 119, which he was entitled to do because of his position.

⁵ We did not undertake a review of LHA loans that did not involve pension funding.

⁶ The subject of this report is only the pension funded employee loan program utilized for loans made to six employees through November 2014.

organizational chart published on the LHA’s website, dated September 30, 2009, included Mr. Hobbs as the Executive Director, and Ms. Saunders as the Operations Manager. (Exhibit 2) There was no position on the chart for a Deputy Director and no superior to Ms. Saunders other than Mr. Hobbs. We also located an undated organizational chart published on the LHA website under the cover of their fiscal year 2015 budget. (Exhibit 3) This chart is materially the same as the first, except that it identified Ms. Saunders as the Deputy Director. Both charts show Ms. Saunders as the sole direct subordinate of Mr. Hobbs, with all other LHA staff and employees being subordinate to Ms. Saunders.⁷

As Executive Director, Mr. Hobbs played an active and important role in the administration of the loan program. The LHA produced an undated flow chart titled, “Lauderhill Housing Authority Loan Approval Process,” that outlined whose approval was required (and when) in processing a mortgage loan application. (Exhibit 4) It specified that the Loan Review Committee—comprised of two employees who report to Mr. Hobbs—reviews the application, verifies income and credit, and then recommends approval or denial to the Executive Director or his designee. If the Executive Director accepts a recommendation to deny, the application is no longer considered. If the Executive Director accepts an approval recommendation, he may approve the loan without Board action if the loan is for less than \$200,000. If the Executive Director accepts an approval recommendation for a loan application for \$200,000 or more, the item is placed on the Board agenda for its review, discussion, and approval or denial.

Finally, it was apparent that the personnel involved in the employee loan program were subordinate to Mr. Hobbs in both their City and LHA capacities. As the Finance Director for the City, all Finance employees, including Ms. Saunders, are under Mr. Hobbs’s supervision while performing their City duties and are also subordinate to him as the LHA’s Executive Director when performing LHA duties. Other Finance employees subordinate to Mr. Hobbs include the following: the Deputy Finance Director, who also serves as the chairperson of the LHA Loan Review Committee; the City Redevelopment Analyst, who also serves on the Loan Review Committee; the City Comptroller, who receives and monitors the LHA loan payments and reports on the LHA’s financial performance; and the Administrative Manager, who serves as the LHA Board Clerk and, as of April 2015, its custodian of records.⁸

2. LHA Staff Established the Standard Loan Terms

The OIG was not provided with documentation evidencing that the LHA Board reviewed and approved any standard, general terms for the loans. Nevertheless, we did locate Conditional Approval Letters signed by LHA staff, including Mr. Hobbs and Ms. Saunders, which spelled out such requirements and terms as:

⁷ The LHA Board meeting minutes of March 16, 2010 (over one year prior to Ms. Saunders receiving her LHA mortgage), noted that the presence of “Julie Bowers, Deputy Director, Lauderdale Housing Authority.” Ms. Saunders was present at each LHA Board meeting for which we were provided minutes. In the minutes, she was titled “Deputy Director” on March 16, 2010, “Operations Administrator” between April 2010 and October 2014, and then “Deputy Director” from November 2014 to January 2015, the most recent minutes we reviewed.

⁸ The Board Clerk presented herself as the LHA records custodian pursuant to OIG subpoena 14-023-003.

- keeping all financial obligations current during the processing of the loan;
- LHA reserving the right to require updates of documentation more than 90 days old;
- any false or erroneous statement on the application rendering the loan approval null and void;
- security by way of a promissory note, lien, and title insurance;
- no subordinate financing;
- hazard insurance proof prior to closing;
- flood insurance;
- real estate tax, hazard insurance, and flood insurance escrow; and
- fee recovery by credit card previously provided.

The investigation uncovered no evidence to establish, or even to suggest, that the Board saw these letters or any other document that laid out the general terms for the loans.

The Loans to Mr. Hobbs and Ms. Saunders

Between March 7, 2011 and June 12, 2014, the LHA funded six employees under its pension-funded loan program, for a total of \$1,446,798.⁹ Mr. Hobbs received the largest loan of \$375,000, and Ms. Saunders received the second largest loan of \$318,150, which together comprised 48 percent of the funding to the six employees. They were the only employees who qualified for the lowest interest rate of 6 percent, the rate established in June 2010 upon the recommendation of staff.¹⁰

The LHA funded repair escrows for four of the borrowers—Mr. Hobbs, Ms. Saunders, employee G.C., and employee C.P.¹¹ The escrows and loans are identified in the table below:

⁹ In addition to the pension-funded employee loans, nine other employees received NSP loans totaling \$877,808. We did not review the administration of those loans.

¹⁰ The best interest rate under the original lending criteria, purportedly passed in May 2010, was 7 percent.

¹¹ On September 20, 2012, Hobbs authorized the Board Attorney to establish an escrow to receive \$24,000 in funds for the benefit of C.P. for significant property repairs on a home he purchased for \$161,000 under this loan program. Mr. Hobbs reported this escrow funding to the Board, which was noted in the minutes of the September 25, 2012 meeting. Hobbs advised the Board that C.P. had expected an NSP grant, but the funding ran out, and the \$24,000 was considered to be a loan. Although this was internally characterized as a second mortgage, it was not recorded. With this second loan, the LHA lent a total of \$185,000 to C.P., \$15,000 in excess of the appraised value of the property. See Footnote 13, below.

OIG Table 1

Date	Employee and Position	Purchase Price	Loan Amount	Appraised Value	Escrow Funding
03/07/11	G.C., Police Officer ¹²	197,700	204,648	Unknown	7,000
06/13/11	Julie Saunders, Deputy Director	301,000	318,150	320,000	19,000
12/15/11	J.C., Driver Engineer/ Paramedic	175,000	175,000	175,000	0
05/09/12	C.P., Police Officer	165,000	161,000	170,000	0
07/30/12	C.P. ¹³		24,000		(24,000)
10/02/13	W.L., Police Officer	195,000	189,000	195,000	0
06/12/14	Kennie Hobbs, Jr., Executive Director	370,000	375,000	375,000	8,920
		TOTAL	1,446,798		

Mr. Hobbs Received a Loan From the Agency He Directed and Continues to Direct, and his Repair Escrow Was Not Established in a Way to Protect the LHA’s Interests

Well before and ever since Mr. Hobbs applied for a loan from the LHA, he has held the position of Executive Director of the LHA, the top staff member of the agency that administered the loan program.

1. Mr. Hobbs’s Loan Application Was Processed by His Subordinates

On April 30, 2014, his wife and he signed a loan application and submitted supporting documents to pre-qualify for a \$390,000 mortgage for the purchase of a primary single-family residence. No property was identified in the application.

On May 7, 2014, Mr. Hobbs’s subordinate S.H., in his capacity as chair of the Loan Review Committee, signed a loan calculation worksheet that concluded that the couple qualified for a loan of \$786,034 based on gross pay and \$715,512 based on net pay. S.H. and T.D., the other member of the Loan Review Committee and also subordinate to Mr. Hobbs, recommended pre-approval of a \$390,000 loan. During an interview with the OIG, S.H. stated that, upon his own

¹² The LHA did not provide the OIG with a copy of an appraisal for G.C.’s property. G.C.’s escrow was established to assist in the repair of an estimated \$30,000 worth of roof and mold damage. The same title company used to close Mr. Hobbs’s loan was employed to close G.C.’s loan and administer his escrow. The Board Attorney informed us there were no available escrow records for this file.

¹³ We question the wisdom of investing City pension funds in this manner. C.P.’s second loan was never recorded and apparently was uncollateralized, not surprising since most of the second loan amount exceeded the value of the home. We reviewed several e-mails between Mr. Hobbs, Loan Review Committee member T.D., and the Board Attorney initially seeking to modify the \$165,000 loan to a single mortgage for the “true loan amount of \$185,000 (\$161,000 principle [sic] plus \$24,000 rehabilitation costs).” LHA ultimately gave this second loan, characterized as a second mortgage, for \$24,000 instead of correcting the first loan. The loan was funded on July 30, 2012, but apparently as an escrow; an escrow agreement was executed between LHA and the Board Attorney on September 20, 2012. We observed invoices from a construction company to Mr. and Mrs. P as “backup” to checks paid from the escrow, as well as a release of \$1,362.50 in remainder directly to the employee, with a notation in the memo line, “home improvements.”

volition, he forwarded the worksheet with his recommendation to Ms. Saunders, who was also Mr. Hobbs's subordinate. Ms. Saunders also recommended approval of the loan and signed her name over the title of Executive Director. No provision exists within the resolutions, bylaws, or policies that the LHA provided to us that authorized Ms. Saunders to execute such a document or act on behalf of the LHA in this way, except as derived from the direct authorization of Mr. Hobbs. She placed the loan request on the agenda for the May 13, 2014, LHA Board meeting.

The May 13, 2014, LHA Board agenda and minutes referenced, among other matters, the LHA's review of the Hobbs loan. The Board Attorney and Ms. Saunders were also present at the meeting. The minutes do not reflect that any person present raised the issue of a potential violation of a State law and Ms. Saunders told the OIG that she did not recall any discussion regarding Mr. Hobbs's loan. At Ms. Saunders's request, S.H. presented the \$385,000 loan application to the Board. The minutes did not identify Mr. Hobbs as the borrower, but they did reflect that the Board received and reviewed the application and that a discussion followed out of the presence of the Executive Director.¹⁴ The motion passed on a four to one vote.¹⁵ Also on that date, Ms. Saunders executed a prequalification letter to Mr. Hobbs, her superior, on behalf of the LHA. (Exhibit 5)

2. Mr. Hobbs Received a Loan from the Loan Program He Developed and Oversaw

On May 21, 2014, Mr. Hobbs signed a real estate contract for the \$370,000 purchase of a single-family primary residence, contingent on LHA financing. The cost estimate summary contained in a May 27, 2014 home inspection report recommended miscellaneous repairs estimated to cost between \$1,750 and \$2,075. (Exhibit 6)

We noted that the LHA ordered the Hobbs appraisal, which listed Ms. Saunders as the client contact. (Exhibit 7) Although the appraisal noted that the property was "currently under contract for \$375,000 based on contract provided to the appraiser," the sales contract we saw had a purchase price of \$370,000. The appraiser valued the property at \$375,000.

Mr. Hobbs received a \$375,000 loan from the LHA and purchased the property on June 12, 2014. Although Mr. Hobbs contributed \$11,100 down payment at closing, the required 3 percent of the purchase price, Mr. Hobbs benefited from an \$8,920.01 repair escrow, reducing his total contribution towards the purchase to less than 1 percent.¹⁶

¹⁴ In an internal email authored by Mr. Hobbs, he suggested that, because he met all the program requirements and stepped out during the Board's deliberation and vote, that there was no conflict of interest in his receiving the loan (Exhibit 8).

¹⁵ We sought to interview the dissenting Board member to ask him why, but he declined our request.

¹⁶ A review of the final HUD-1 settlement statement and the few supporting records provided by the Board Attorney showed that Mr. Hobbs made an initial earnest money deposit of \$5,000 and a subsequent payment of \$6,100 cash-to-close for a total of \$11,100. The Hobbs purchase was closed by attorney G.A., the sole officer and director of the title company employed for this transaction, at the Board Attorney's Lauderhill office. After we issued this title company a subpoena for the production of Mr. Hobbs's title file, we received a letter from its attorney, Veronica Robinson, that asserted an attorney-client privilege on behalf of the title company's client LHA. We asked the Board Attorney to consult her client about whether it desired to maintain the privilege and, on December 10, 2014, Ms. Robinson informed us that the Board had decided to do so.

The LHA produced a fixed rate note and a mortgage. They noted a loan of \$375,000 at 6 percent interest. Payments were to be made bi-weekly commencing August 29, 2014, and said payments would be made by automated payroll deduction. Provisions for late charges and default were included in the note. Mr. and Mrs. Hobbs signed the note and mortgage on June 12, 2014.

3. *Two Months After the Closing, Ms. Saunders Signed an Escrow Agreement That Allowed for Discretionary Disbursement of Any Remainder*

Less than two years after Mr. Hobbs authorized a \$10,135.81 check to Ms. Saunders—the remaining balance of her escrow as described below—Ms. Saunders signed an escrow agreement on behalf of the LHA to establish an \$8,920.01 escrow to benefit Mr. Hobbs. The Board Attorney provided the OIG with an August 11, 2014, “Trust Funds/Escrow Agreement” on her firm’s letterhead. (Exhibit 9) Closing documents established that this escrow was funded with the loan monies the LHA lent to Mr. Hobbs for the purchase of his home as described above.

The Board Attorney served as the escrow agent, and the escrow agreement was between her firm and the LHA as its client. It was dated approximately *two months* after the closing and one month after a public records request by the media to the LHA Board Attorney for records relating to the Hobbs mortgage. The agreement acknowledged the firm’s receipt of \$8,920.01 for the benefit of Mr. Hobbs’s repair escrow. The agreement stated, “These funds shall be used exclusively for renovations or repairs of the property....” It also said that “the funds shall be distributed directly to the vendors or any other person/entity at the Client’s discretion.” But there was no person who did not ultimately report to the borrower who could have acted for the client, LHA, in exercising such discretion.

The agreement was signed by the Board Attorney for her firm, and by Ms. Saunders over the title of Deputy Director. Again, the only authority on which Ms. Saunders could have relied to sign this document was the authority given to her by the Executive Director.

The Hobbs escrow agreement did not include protective language that was included in an escrow agreement for City employee C.P. that was executed two years *earlier*. That employee’s escrow agreement, signed by the Board Attorney (for her firm) and Mr. Hobbs (for the LHA) in September 2012 restricted the disbursement of any escrow remainder by providing, “Any funds remaining after completion of the improvements shall be returned to LHA or to the title agent conducting the refinancing as directed by LHA.” (Exhibit 10) There is no evidence in the minutes that any escrow agreement was ever presented to the Board for approval.

4. *Although Only \$2,075 in Repairs Was Recommended by the Home Inspector, Mr. Hobbs Received a Repair Escrow of \$8,920*

As a part of the investigation, OIG Special Agents compared the home inspector’s recommendation of a maximum of \$2,075 in repair and replacement costs (Exhibit 6) with the

\$8,920.01 amount of Mr. Hobbs's repair escrow (Exhibit 9). Mr. Hobbs told the State Attorney's Office (SAO)¹⁷ that there were "hollow points or whatever" affecting the structure of the home's wood flooring, which he discovered after the inspection but before closing. He said he obtained estimates to replace the floor. He did not attempt to explain (nor were we able to ascertain) exactly how the \$8,920 escrow was funded, when the amount he borrowed from the LHA was just \$5,000 over the purchase price.

The LHA provided a spreadsheet that reflected the Board Attorney's firm's disbursements from the Hobbs escrow in August and September 2014 to a tile business, a luxury aquarium business, and a painter. (Exhibit 11) Mr. Hobbs said that he agreed with an aquarium contractor to fold in the costs of moving, installing plumbing, and wiring his aquarium with the cost of replacing the floor with tile.¹⁸

As backup to the escrow payments, the LHA provided us with copies of cancelled checks and invoices that reflected payments for travertine tile (\$2,025); mortar, grout, demolition, and tile installation (\$5,789); and interior painting materials and labor (\$1,105).¹⁹ The LHA's 2011 Rehabilitation/Weatherization/Property Improvement Programs Administrative Policies and Procedures (Rehabilitation Program), addressed below, appears to be LHA's attempted justification for the disbursements from Mr. Hobbs's escrow. However, the Hobbs trust fund/escrow agreement does not refer to the 2011 Rehabilitation Program, and when we asked in August 2014 for documents "evidencing the housing program(s) under which the loans were funded, including but not limited to brochures, program requirements, funding guidelines, repayment and forgiveness conditions, ..." the LHA did not provide the 2011 Rehabilitation Program policies and procedures document. We did not receive a copy of it until we independently learned of its existence and then requested it by name.

Ms. Saunders Was Given Special Treatment in the Administration of Her Loan and Roof Replacement Escrow

At the times she applied for and received her loan, Ms. Saunders was the City's Operations Administrator, reporting to Mr. Hobbs. She also served as the LHA Operations Manager, second in command of LHA staff and also under Mr. Hobbs. She became Deputy Director of the LHA in late 2012.²⁰

¹⁷ Mr. Hobbs gave a sworn statement to the State Attorney's Office on July 16, 2015, which is summarized below.

¹⁸ He also said that the escrow did not cover all the expenses and that he paid more to the aquarium contractor and painter.

¹⁹ During the April 20, 2015, statement of the LHA "custodian of records," the Board Attorney informed us that she (the attorney) had recently placed these records into the loan files at the LHA offices, from which the custodian retrieved them.

²⁰ In a January 15, 2015, e-mail to the OIG, the Board Attorney commented on Ms. Saunders's employment history and duties. She wrote that, in 2012, when Ms. Saunders received her LHA loan, she was not the Deputy Director but was rather the Operations Manager, which did not include oversight of the loan program. The attorney further averred that, other than her review of Mr. Hobbs's loan application, Ms. Saunders did not participate in the loan review or administration process for any other loans under the loan program.

1. The 2010 Application and Approval for \$280,000 Occurred One Year Before Ms. Saunders Bought Her Home

The documents provided to the OIG by the LHA establish that Ms. Saunders applied for a loan and signed a sale-purchase contract on July 6, 2010 (unsigned by the would-be seller) for a purchase price of \$240,000 and financing of \$232,800. Staff also generated a loan calculation worksheet which was signed by Mr. Hobbs on the same day.²¹ (Exhibit 12) This was just two months after the pensions funded the loan program, and it was the first application submitted under the loan program. The LHA Board approved a loan of up to \$280,000 on July 12, 2010, but apparently this sale fell through.

2. In 2011 Staff Committed LHA to Loan Ms. Saunders Another \$40,000 Before Board Approval and Without a Second Application

Nine months later, Ms. Saunders (on April 11, 2011) and another seller (on April 19, 2011) signed a real estate sales contract for the purchase of a single family residence for \$320,000, contingent on her receiving 97 percent funding at no more than a six percent interest rate. This was \$40,000 more than the LHA Board had approved to lend her as of that date.

The LHA provided a TransUnion credit report for Ms. Saunders that was run on March 9, 2011. On April 18, 2011, Mr. Hobbs and the Loan Review Committee chair signed off on a Loan Processing Worksheet approving a loan to Ms. Saunders for up to \$320,036 based on her gross pay and \$375,203 based on her net pay, at six percent interest rate based on her credit score.²² (Exhibit 13)

On April 18, 2011, a Mortgage Loan Commitment²³ was prepared and signed by Ms. Saunders, Mr. Hobbs, and S.H., reflecting that Ms. Saunders was approved for a \$310,400 LHA loan. (Exhibit 14) A Conditional Approval Letter from the LHA to Ms. Saunders for \$320,000 was dated and signed by her on May 2, 2011,²⁴ and signed by Mr. Hobbs and by S.H. (Exhibit 15) We saw no authority for staff to author either document, as the LHA Board did not approve a loan to her for higher than \$280,000 until May 10, 2011.

The May 10, 2011, LHA Board meeting minutes reflect only that “Three applications for LHA financing were submitted to the Board for approval. The Commissioners reviewed each applicant’s employment, credit and financial history on an individual basis and verified that the applicants met the LHA established lending criteria. The loan committee recommended approval for each loan. As such, all three applications were approved for financing.” The Board Attorney informed the OIG that Ms. Saunders’s loan application was among them. There was no roll call vote recorded (all commissioners in attendance would have had to vote

²¹ The Loan Committee Chair and the Board chair also signed this document on unknown date(s).

²² The Board chair also signed this document on an unknown date.

²³ Although our requests and subpoenas called for its production, the LHA failed to provide this document to us.

²⁴ The Conditional Approval Letter in Ms. Saunders’s closing file from the title company was signed by her on June 6, 2011, and included a Conditions Addendum that was missing in the version we received from the LHA, as discussed below.

to approve to meet a majority). (Exhibit 16) The minutes did not reflect the loan amounts that were approved and, in fact, the entire record in the OIG's possession is devoid of proof of the amount the Board approved to loan Ms. Saunders in 2011.²⁵

In the documents that the LHA provided, there was no evidence that the LHA required Ms. Saunders to update the original, year-old application. In reviewing Broward County's official records, we located a mortgage foreclosure action and *lis pendens* on a condominium owned by Ms. Saunders and her then husband, which were filed on September 16, 2011. Neither this property address nor the creditor was listed in Ms. Saunders's 2010 loan application, even though she purchased and borrowed on it on or about May 19, 2006, and was not divested of it until August 27, 2013.²⁶ If a borrower discloses in a loan application unfavorable details that are material to a lender, the lender might decide not to give the loan. If a borrower hides unfavorable details material to a lender, the lender might later have recourse in case damages result from the omissions. By not requiring a borrower to complete a new application after circumstances have changed for the worse, a lender gives the borrower an opportunity to omit new, potentially unfavorable details and thereby evade the effect of disclosing or hiding such details.

3. Ms. Saunders's 2011 Loan Approval Increased Inexplicably

A comparison of the July 6, 2010, and April 18, 2011, worksheets (Exhibits 12 and 13) reveals just a 7 percent increase in annual income to \$99,108, as well as debts that also increased slightly. The 2010 worksheet resulted in a maximum loan amount of \$238,979 based on gross pay or a maximum loan amount of \$280,060 based on net pay. Yet, the later worksheet concluded that Ms. Saunders's maximum loan amount should be \$320,036 or \$375,203 (based on gross and net pay, respectively), an increase of *34 percent* under either calculation.

We also noted that there was disparate treatment of the applicants as reflected in the table below comparing the data from loan calculation worksheets:

²⁵ Because Board meeting agendas and minutes did not reflect the borrower-employee names or loan amounts sought, and because we were not provided with Board packets for the meetings at which employee loans were purportedly approved, we were required to rely on the Board Attorney's statements in determining whose loans were approved, when, and for what amounts.

²⁶ In Ms. Saunders's July 2010 application, she did include her housing costs and that she owned a residence.

OIG Table 2

Borrower	Gross Annual Income¹	Net Annual Income	Allowable Gross Monthly Housing Cost	Max Loan Based on Gross	Allowable Net Monthly Housing Cost	Max Loan Based on Net
G.C.	\$ 96,138	\$ 71,945	\$ 2,483.57	\$ 248,357	\$ 2,278.26	\$ 227,826
Julie Saunders	\$ 99,108	\$ 94,788	\$2,560.29	\$ 320,036	\$ 3,001.62	\$ 375,203
J.C.	\$ 92,919	\$ 59,166	\$ 2,400.42	\$ 240,042	\$ 1,873.62	\$ 187,362
C.P.	\$ 90,760	\$ 50,593	\$ 2,344.64	\$ 234,464	\$ 1,602.14	\$ 160,214
W.L.	\$ 101,294	\$ 65,867	\$ 2,616.76	\$ 261,676	\$ 2,085.82	\$ 208,582
Kennie Hobbs	\$ 304,271	\$ 225,951	\$ 7,860.35	\$ 786,035	\$ 7,155.12	\$ 715,512

¹ Combined household income.

The OIG found that Ms. Saunders’s maximum loan was calculated differently than for the other five loan recipients. For all other recipients, the calculation of maximum loan appears to be a mere multiplication by 100 of the maximum allowable monthly housing cost; for Ms. Saunders the multiplier is 125. Despite having a lower income, Ms. Saunders was granted a higher maximum loan amount than employee W.L., whose higher income only qualified him for a maximum loan amount of \$261,676 based on gross income. (Exhibit 17) No additional income information is documented on the worksheet to explain the variation in loan amounts. We note that the home Ms. Saunders sought to purchase for her second application was priced at \$320,000 at the time of her application. Had the loan amount calculation remained consistent with all other applicants, she would have only qualified for a \$300,155 maximum loan, not enough to make the purchase.

4. A Roof Replacement Escrow, Without an Escrow Agreement, Was Established Despite the Fact that a New Roof Was Not Needed or Obtained

On May 4, 2011, Ms. Saunders’s sales contract was amended to include a price reduction from \$320,000 to \$301,000. The addendum stated, “Buyer and seller agree that due to the roof needing to be replaced, the seller will reduce the purchase price by \$19,000. The new purchase price will be \$301,000 and the lender will place the \$19,000 seller reduction in escrow toward roof replacement.” The addendum (the last page of the contract) was signed by Ms. Saunders and the seller. (Exhibit 18)

The HUD-1 settlement statement executed on June 13, 2011, reflected a sales price of \$301,000 and an LHA loan in the principal amount of \$318,150. It also revealed, “Roof escrow to [Board Attorney’s law firm] \$19,000.00.” Records we reviewed established that the closing agent forwarded \$19,000 to the law firm.

The Board Attorney informed the OIG that there was no escrow agreement between her firm and her client, the LHA, whose monies funded this “roof escrow.” In a February 13, 2015,

letter to the SAO, she wrote that, “I would also note that the roof escrow in this case should have been titled a repair escrow, as was done in all other instances similar in nature.” And she told us that there were no lender’s instructions for the escrow.

As noted above, we observed an unnumbered addendum to Ms. Saunders’s purchase and sale contract that noted a \$19,000 reduction in the contract price, with \$19,000 to be placed in escrow toward roof replacement, “due to the roof on [address omitted] needing to be replaced” (last page of Exhibit 18).

Additionally, the title company provided the OIG with a *different* Conditional Approval Letter than what the LHA did. The LHA’s version was issued to and signed by “Julie Saunders-Bowers” on May 2, 2011. (Exhibit 15) The title company’s copy was issued to and signed by “Julie Saunders” on June 6, 2011, and included a Conditions Addendum that was missing from the LHA’s copy. (Exhibit 19) The Conditions Addendum noted several borrower conditions, including

5. Based on the attached roof inspection roof needs to be replaced since estimated remaining life is from 0-2 yr. (*copy of final roof inspection should be presented upon completion or funds must be escrowed at closing. Escrowed funds will be held by the Authority and disbursement made directly to the vendor once roof is replaced.*) (Emphasis added.)

Even though both the appraiser and the roof inspector noted that a roof replacement was not necessary, the seller agreed to a \$19,000 reduction in the sale price of the house due to the roof needing to be replaced. Specifically, the appraiser noted that “[t]he subject is listed in the Multiple Listing Service for \$329,000. The property was listed on April 8, 2011 and received a sales contract on April 19, 2011 for \$320,000,” and he valued the property at \$320,000.²⁷ (Exhibit 20) The roof inspector recommended only \$2,640 in roof repairs and estimated zero to two years of roof life remaining. (Exhibit 21) The roof inspection report noted, “Repair cracked tile, re-adhere loose hip and ridge tile, repair soffit and fascia, rework valley.”

City records reveal that no permit to replace the roof has been pulled since Ms. Saunders purchased the house over four years ago.

5. Escrow Payments Went to Painting, Cabinet Remodeling, Landscaping, Plumbing, and Ms. Saunders Instead of Replacing the Roof or Paying Down Principal

The payments that the Board Attorney made from the escrow, which was operated out of her firm’s trust account, occurred over the twelve months following the purchase. (Exhibit 22) Indeed, they did not go to a roof replacement. Instead, the Board Attorney provided receipts for roof repair (\$3,300), interior painting, kitchen cabinet remodeling, trees, plants, top soil,

²⁷ He further wrote, “In addition to the inspection reports provided by the borrower, the borrower has provided two roof replacement cost estimates. As noted in the preceding inspection reports, neither the home inspector nor the roof inspector has recommended replacing the roof. Therefore, no deductions or modification to our value estimate has been made concerning these roof replacement estimates.”

mulch, tree trimming, and plumbing. Between April 18, 2012, and June 8, 2012, the law firm also issued Ms. Saunders three reimbursement checks totaling \$2,059.19, for home repairs, improvement and appliance purchases.

On November 5, 2012, Mr. Hobbs authorized the release of the remainder of \$10,135.81 in Ms. Saunders's "roof escrow" directly to Ms. Saunders. (Exhibit 23) The Board Attorney law firm's trust account check dated November 9, 2012, was disbursed directly to Ms. Saunders, with a memo notation of "Remaining balance." (Exhibit 24) Mr. Hobbs told the SAO that Ms. Saunders had pending bills that qualified for reimbursement, "[s]o in light of that, I instructed Ms. Coward to refund her the balance with the condition that the dollars be spent on making the improvements to the home." We first note that if there were pending bills that qualified for reimbursement, the procedure employed until that time should have continued. Moreover, neither Mr. Hobbs's authorization letter (Exhibit 23) nor the trust account check (Exhibit 24) reflected any condition or any enforcement procedure for failing to abide by any condition.

The LHA produced copies of checks, sales checks, invoices, receipts, online bank statements, and emails purporting to justify the disbursement of this money to Ms. Saunders, but these documents were for such items as wood flooring, kitchen appliances, electrical repair, tree trimming, and garage door repair, and they were dated from just before the final disbursement to October 2014, which was after we commenced our inquiry and almost two years after the final disbursement to Ms. Saunders.

Each of the many disbursements from the escrow was inconsistent with the original stated purpose for the escrow, the replacement of the roof (final page of Exhibit 18) and the condition within the addendum to the Conditional Approval Letter that "escrowed funds will be held by the Authority and disbursement made directly to the vendor once roof is replaced." (Exhibit 19) The City did have a program titled 2011 "Rehabilitation/Weatherization Programs Policies and Procedures for the City of Lauderhill," discussed above. The disbursements could not be justified under that program, and the LHA program did not exist when Ms. Saunders's escrow was established. In addition, as noted above, we could not locate any Board knowledge or approval of the LHA's 2011 Rehabilitation Program, which was dated June 24, 2011, eleven days after the loan closed and the escrow was funded. (Exhibit 25) Thus, although the loan was for no more than the appraised value, no notice was given to the Board for the lending of money for replacement of the roof, the disbursements that were contrary to the stated purpose for the escrow, or the return of over \$10,000 in remainder to the borrower in lieu of a reduction of the principal.²⁸

Mr. Hobbs and Ms. Saunders Were Aware of the Conflict Prohibition They Violated

HUD requires a conflict check and waiver for LHA and City employees who receive HUD funding. HUD's regulations generally prohibit a HUD recipient's employees and Board members

²⁸ By contrast, employee C.P.'s escrow agreement, signed by the Board Attorney (for her firm) and Mr. Hobbs (for the LHA) in September 2012 restricted the disbursement of remainder by providing, "Any funds remaining after completion of the improvements shall be returned to LHA or to the title agent conducting the refinancing as directed by LHA" (Exhibit 10).

from having any personal or financial interest in any transaction funded by HUD. However, a recipient agency may request HUD to waive the conflict of interest for good cause if there is public disclosure and an opinion of the grantee or recipient's attorney that the exception does not violate *state and local law*. HUD then weighs hardship to the recipient or person affected against the public interest served by avoiding the conflict and, if approved, provides the waiver in writing.²⁹

The City's rehabilitation loan program, discussed above under "Rehabilitation/Weatherization/Property Improvement Program," included a restriction that read:

No ... public official or employee who exercises any functions or responsibilities in conjunction with the administration of the housing rehabilitation shall have any interest, direct or indirect, in the proceeds or benefits of the rehabilitation grant program unless participation is advertised to the public. In those cases where the interest may not be direct or indirect and conflict of interest in only "apparent", the City must contact HUD for clarification before proceeding.

We obtained July 20, 2010, letters from Mr. Hobbs to HUD requesting conflict of interest waivers for several employees and stating that the City had obtained legal opinions that there was no conflict of interest, that no state or local laws would be violated, and that notice and an opportunity to be heard had been given to the public regarding the requests for waivers. Ms. Saunders was copied on the letters (example at Exhibit 26).

The LHA provided the OIG with March 2012 emails from a HUD representative to Ms. Saunders asking for letters for other employees "certifying" that they "have not performed or exercised any functions or responsibilities in the past, currently, or are expected to perform in the future in relation to the City's NSP 1 and NSP 3 programs" and requesting "written assurance" of a public disclosure as well as a description of how the disclosure was made. (Exhibit 27)

We also reviewed several letters written by the Board Attorney to HUD from November 2011 to February 2013, stating that she had reviewed "Florida Statutes Section 112.313"³⁰ and that it was her legal opinion that the subject employees' purchase of property with HUD funding did not violate state or local law. (See example attached as Exhibit 28)

Thus, it is clear that, at the time Mr. Hobbs and Ms. Saunders applied for loans from their own agency, they and the Board Attorney were well aware of the Florida law prohibiting public employees from engaging in conduct that creates a frequently recurring conflict between their personal interests and the interest of the governmental entity they serve.

The LHA Lacked Internal Controls for the Employee Loan Program

The OIG determined that a lack of internal controls laid the foundation for the misconduct of Mr. Hobbs and Ms. Saunders. We identified a lack of adequate documentation of official Board action,

²⁹ 24 CFR Sec. 570.611.

³⁰ This is the state law that is the subject of the misconduct we find against Mr. Hobbs and Ms. Saunders in this report.

references to documents that were not produced, and a selective use of “programs” that did not apply to the funds in question.

1. There Was No Documented Board Approval of Full Lending Criteria

The LHA produced two undated versions of “lending criteria,” which the Board Attorney informed us were the only relevant documents reviewed by the LHA Board prior to voting on the criteria in May and June 2010. She also informed us that the Loan Review Committee used no other criteria for determining whether to approve a loan.

The May 2010 version of the criteria set the best interest rate at 7 percent interest for FICO credit scores over 580, financing up to 97 percent of loan-to-value (LTV),³¹ and total housing costs of 31 and 38 percent of gross and net income, respectively. (Exhibit 29) The version approved in June 2010 set the best interest rate at 6 percent for scores over 660, and increased the LTV ratio to *100 percent of the “repaired appraised value.”* (Exhibit 30) The total housing cost limits were the same as in the first version. Both sets of criteria required bi-weekly automatic payroll deductions and stated that the interest rate would increase 0.5 percent upon termination of City employment. The latter version included the exception that the increase at termination would be waived if automatic fund transfers continued.³² Although we determined that the loan program was only available for the purchase of homes within the City, neither set of criteria included such a requirement.

We sought to review the minutes for any discussion of the Board’s review and approval of the lending criteria. On December 22, 2014, the Board Attorney provided Amended Minutes for the May 11, 2010, Board meeting. Those minutes referenced Resolution No. 10R-05-29, “A resolution by the Board of Commissioners of the Lauderhill Housing Authority authorizing the Lauderhill Housing Authority to adopt the lending criteria for the employee lending program.” The minutes reflected no discussion and only the motion, second, and roll call regarding 10R-05-29.³³ (Exhibit 31) When we looked at the body of the resolution itself, it, too, was without any reference to the loan program or any lending criteria and concluded, “Now, therefore, be it resolved by the Board of Commissioners of the Lauderhill Housing Authority; Section 1. The bid for NSP contractors conducted by the

³¹ The documents we reviewed did not specify whether the value used for the LTV calculation should be the appraised value or the purchase price; thus, it appeared that staff could use either method.

³² Promissory notes that accompanied the agreements for the pension funds pledged an annual interest return of 7 percent. In August 2014, the Board adopted resolution 14R-8-3, approving the police pension board’s investment of an additional \$1 million, with a 5.75 percent return. We question the judgment of establishing such terms for loans financed by City pension funds: the interest rate charged to some mortgagors was less than the interest rate promised to the pension fund investors (until the \$1 million investment made in 2015 at 5.75%), and the loan-to-value ratio (calculated on the appraised price rather than the more reliable purchase price) of 100% left no margin for the security to decline in value. The higher the loan-to-value ratio, the riskier the loan is for a lender. This is more significant in the case where, as here, the lender does not require the borrower to purchase private mortgage insurance (PMI), which is typically required for loans-to-value of more than 80%.

³³ Instead of recording a vote, the amended minutes reflected a “roll call” tally that four members were present. We requested and received the original minutes for that date, but they were utterly devoid of any mention of this program or lending criteria under any program.

City of Lauderhill is hereby adopted. Section 2. This Resolution shall take effect immediately upon its passage and adoption.” (Exhibit 32)³⁴

The June 15, 2010, minutes reflect that a discussion was had on amending the lending criteria for this loan program in Resolution 10R-06-32. The relevant minutes state in their entirety, “Resolution 10R-06-32 states that should an employee separate from the City, that the interest rate will be adjusted accordingly. It also requires that participating employees make mortgage payments through payroll deduction and sign an affidavit stating to that effect. In addition, non-employees are required to make mortgage payments through direct debit from their bank.” (Exhibit 33) The resolution itself stated that the lending criteria needed to be amended to allow employees with better credit to receive better interest, that a finance committee would be established to review mortgage “agreements” and make recommendations to the Executive Director. It resolved that the attached lending criteria were adopted, and that the Executive Director was authorized to execute mortgage agreements consistent with the lending criteria and finance committee recommendation, up to \$200,000 without Board approval. (Exhibit 34) Nevertheless, *no criteria were attached* to the resolution copy the LHA provided to us.

If the Board’s understanding of the lending criteria came from nothing other than the scant documents provided to the OIG, then the Board could not have been adequately informed. For example, these documents did not state that PMI (private mortgage insurance), a general requirement by lenders upon borrowers with loans exceeding an 80% loan-to-value ratio, would not be required. Neither sets of criteria stated that, under certain conditions the Board nor we were privy to, employees could be lent money well exceeding the purchase price and be permitted to use the excess to pay for such things as mulch or tree trimming without further Board approval or even, in some cases, without an agreement to protect the LHA’s interests. Such a “program” rendered the 3% down payment requirement meaningless, since the borrower was in essence receiving a return of his or her down payment upon use of the escrow for things for which any new homeowner would be required to pay.

These documents did not define “repaired appraised value,” whether the purchase price or the appraised value should be used to make a loan-to-value calculation, whether “gross income per month” should be based on the prior year’s earnings or the current rate of pay, whether “maximum housing costs” should include taxes and insurance, how “max loan amount based on gross pay” or “max loan amount based on net pay” should be calculated, whether to approve if the applicant did not qualify based on both gross pay and net pay, whether current housing costs should be included in the debt-to-income ratio, or how taxes and insurance should be estimated. They did not contemplate a history of delinquent debt payments, recent or pending foreclosures on real estate owned, or the failure to list all debts on the application. While there may be industry standards for these definitions and guidelines, we were not provided with any documentation to establish which standards

³⁴ See footnote 46 addressing a second executed version of 10R-05-29 provided with the LHA’s response to the preliminary version of this report. Although the second version contains a different body, our findings and conclusions remain the same, as the second version does not contain all of the specific lending criteria described in this section.

should be employed—or that the Board knew about them. Omitting definitions and guidelines like these from the documented lending criteria and loan approval process, and failing to have a policy or manual or how to complete the Loan Processing Worksheet, permitted the introduction of wide discretion and “ad hoc” decision-making in the approval or disapproval of the loans.

As discussed above, the LHA produced an undated flow chart titled, “Lauderhill Housing Authority Loan Approval Process,” that outlined whose approval was required (and when) in processing a mortgage loan application. (Exhibit 4) It specified that appraisals were ordered after the loan is approved by the Board and “final approval is given based on contract and appraisal.” It is unclear with whom such final approval rests, but it does not appear from the agendas and minutes we reviewed that the Board gave the final approval. Thereafter, “closing is coordinated with Attorney and closing agent.”

Based on the responses we received from the LHA and our review of the loan approval process flowchart, the Board did not review appraisals in approving these loans and thus could not compare the appraised value to the loan approval sought.³⁵ Although we could not determine who made that post-approval comparison of the amount approved by the LHA Board with the appraisal amount, we concluded that it must have been Mr. Hobbs, Ms. Saunders, the Board Attorney, or a subordinate to Mr. Hobbs and Ms. Saunders.

2. Staff Implemented a Repair Escrow Process that was More Generous Than the City’s and Apparently Unknown to the LHA Board

The OIG investigation determined that “escrows” were established for the payment of home repairs and improvements during the funding of the mortgage loans for Mr. Hobbs and Ms. Saunders. Although our initial requests called for it, we were not provided with any documentation evidencing Board approval of a process to lend this program’s funds for the repair of homes purchased with pension funds, such as were in place for the other LHA loans.

Nonetheless, we came to learn about the LHA 2011 Rehabilitation Program through an unsigned document dated June 24, 2011 (eleven days *after* Ms. Saunders’s loan closing and funding of a “roof escrow”). (Exhibit 25) The policy purported to make financial assistance available to employees for property rehabilitation and improvement. It specifically included payment for almost any expense to repair, maintain or improve the newly acquired property, and specifically identified the types of expenditures that were paid from Ms. Saunders’s roof replacement escrow. It did not mention any income limitations or criteria for eligibility, application process, process for determining the maximum funding available, approval process, necessary documentation or justification of the funding amount, or necessary documentation or justification for escrow account payouts. Mr. Hobbs admitted in July 2015 that this program did not apply to Ms.

³⁵ In a July 10, 2015, letter to the OIG, the Board Attorney wrote that “information provided to the Board when considering a loan approval includes: 1. Loan Application; 2. Finance Committee’s Loan Worksheet ...; 3. Credit Reports; 4. Income Verifications; and 5. Purchase Contract (if one exists at the time of submission).”

Saunders's escrow but, rather, her escrow was administered without a stated process in a way that was modeled after an old City repair program:

- Q Well, when you started in 2010 or '11, the mortgage loan program for employees, you didn't have anything in writing for that particular program regarding the home improvement repair issue?
- A We use[d] the existing program protocols. Again the ones that the city used. It was the, I guess, CDBG or NSP, but to answer you per se, we didn't have it for the housing authority, but we used the program or the model that the city used for its program.

However, the City documents we reviewed with similarly titled 2011 and 2013 "Rehabilitation/Weatherization Programs Policies," related to HUD- and state-funded repair and rehabilitation programs, had much tighter requirements than what was allowed for Ms. Saunders under the unwritten program, and allowed for Mr. Hobbs under the written program. The City policies were significantly more detailed than the LHA written version and included strict income and location limitations and other qualifying and program criteria. The allowable expenses under the City's program were narrowly limited and would not have permitted the repair and improvement expenses paid for from the Hobbs and Saunders escrows as detailed below. Ineligible costs included "[r]emodeling, cosmetic, or 'General Property Improvements'" and "appliances, not required by code standards." In contrast, Ms. Saunders and Mr. Hobbs benefited from an unapproved escrow process to *enhance*, rather than fix, their homes using loan program funds.

Significantly, a search of the Board minutes from March 2010 through January 2015 did not disclose any LHA Board resolutions or discussions about either the unwritten or written Weatherization/Rehabilitation "programs" for these borrowers. We concluded that the Board did not review or approve this staff-created process to improve homes with employee loan program funds.

3. Other City and LHA Employees Were Not Informed of the Employee Loan Program's Especially Favorable Terms

We requested documentation about how the LHA communicated these mortgage loans and repair escrows to City and LHA employees. The Board Attorney informed us that the various pension boards informed their own members, but we were not provided with the mode of any employee communications. We also saw in the July 12, 2010, LHA Board meeting minutes that, in the process of approving Ms. Saunders's first loan application, "Chairperson [last name omitted] questioned whether all employees had been advised of the opportunity to obtain LHA financing. Mr. Hobbs assured the Board that all City and Lauderhill Housing Authority employees had been notified of the employee financing option via e-mail." When we subpoenaed evidence of this, the Board Attorney responded that it was previously provided, but it had not been.

The OIG had been provided with what appeared to be an undated flyer announcing the employee loan program, and a November 2014 “overview” of the program, purportedly intended for publication on the LHA website,³⁶ but we were not provided any e-mails directed to LHA or City employees forwarding these documents or containing their substance. The flyer listed these scant details: “Property must be located in the City of Lauderhill. Must be your primary residence. 3% down payment required. Payments must be made with payroll deduction or automatic ACH. Interest rate ranges from 6%-7.75% dependent on credit rating.” (Exhibit 35) We do not know how or when this document was created, or how it was distributed, if at all.

The LHA offered no explanation or evidence to support Mr. Hobbs’s assertion to the Board that employees were aware of the program. Even assuming the flyer was communicated in some way to all employees, LHA management did not inform them of such attractive terms as that the loans could be for 100% of the appraised value, that they were not required to purchase PMI, or that there was financing available for repairs and improvement under this program’s looser criteria.

Mr. Hobbs, Ms. Saunders, the Board Attorney, and Three LHA Board Members Declined Our Requests to Interview

OIG Special Agents conducted interviews of the LHA Finance Committee/Loan Review Committee chair who recommended both Mr. Hobbs and Ms. Saunders’s (his superiors’) loans to the LHA Board (before we learned about the LHA loan to Ms. Saunders), Ms. Saunders, and an individual who presented herself as the LHA custodian of records. The OIG sought to interview Mr. Hobbs and a Board member who voted against the Hobbs loan, but both declined our offer, as did Ms. Saunders for a second interview.

As our investigation concluded, we sought to interview the three LHA Board members whose tenure included time periods relevant to this matter in an effort to ascertain (1) who if anyone authorized the use of employee loan program monies to fund repair escrows that benefited LHA’s top management, (2) whether the Board members were aware that repair escrows were being funded for LHA’s top management without lender’s instructions or agreements to protect the LHA’s interests, (3) whether they knew that money intended for the purchase of homes was given directly and indirectly to LHA’s top management for the payment of the kinds of expenses that new homeowners typically fund themselves, and (4) whether the LHA as client of the title company had refused to waive its attorney client privilege in title documents relating to Mr. Hobbs’s loan. We had not received any information from these three Board members during the course of our investigation; nonetheless, on July 16, 2015, the Board Attorney informed us that the members did not have “any additional information to provide at this time” and thus declined our invitation.

We also sought to interview Mr. Hobbs and to re-interview Ms. Saunders,³⁷ and the attorney informed us that it was not “permissible” for either to comply with our request during the pendency of a State Attorney investigation into the matter and that they would be in contact with us “immediately”

³⁶ We did not locate this document or its substance on LHA’s website.

³⁷ Before we knew about Ms. Saunders’s loan, the OIG conducted an interview of her about Mr. Hobbs’s loan.

following the conclusion of the State Attorney's investigation. The State Attorney's Office notified the attorney that the criminal investigation concluded on August 3, 2015,³⁸ yet after acknowledging our renewed request on August 4, 2015, no one has contacted us to schedule any interviews of Mr. Hobbs or Ms. Saunders.

We also gave the Board Attorney the opportunity to interview. We would have liked to ask her about (1) the source of the LHA's authority to invest employee pension funds into property unconnected to any housing project, (2) the evolution and use of the LHA's repair escrow program, and (3) upon what authority she released Ms. Saunders's escrowed funds for purposes other than to replace Ms. Saunders's roof. She did not accept our invitation, either.

INTERVIEW SUMMARIES

1. Interview of the LHA Loan Review Committee Chair

OIG Special Agents conducted an interview of S.H., the City's Deputy Finance Director and LHA Loan Review Committee³⁹ Chairperson regarding the LHA's program to provide mortgages for City and LHA employees generally and the Hobbs loan specifically.⁴⁰

S.H. said he had worked for the City Finance Department for nine years, progressing from Finance Manager to his current position as Deputy Finance Director. Mr. Hobbs, the Finance Director and the LHA Executive Director, directly supervised him throughout his tenure. Approximately seven years ago, Mr. Hobbs asked S.H. to volunteer for the position of LHA's Loan Review Committee Chair, which at the time included NSP and other loan programs. In his LHA capacity as chair of the Loan Review Committee, he also reported to Mr. Hobbs.

He told the OIG agents that, other than his direct responsibilities with the Loan Review Committee, he had little knowledge of the duties or responsibilities of other City or LHA employees regarding the loan program, and he said he was uncertain of the funding for the loan program.

He stated that the Loan Review Committee consisted of himself and T.D., another City employee, who, like himself, was contracted by the LHA and served without additional compensation. The Loan Review Committee was responsible for the review of the loan applications to determine program eligibility, the amount that may be borrowed, and the interest rate to be charged. He said this calculation was ministerial. The loan amount was based on the purchase price of the home and the applicant's debt-to-income ratio, loan-to-value ratio and the interest rate, which was based on the applicant's credit score. He informed us that the numbers were entered into a worksheet which yielded the loan amount and interest rate in accordance with the established lending criteria. If the applicant met the established lending

³⁸ The SAO concluded that there was "no evidence of any criminal law violations by Mr. Hobbs" in the loan application and approval process for his LHA mortgage. The State ethics violations that are the basis for the OIG's misconduct finding in this report are not criminal in nature.

³⁹ LHA loan program documents refer to S.H. as the Finance Committee Chair.

⁴⁰ The OIG was not then aware of LHA's loan to Ms. Saunders.

criteria, he then recommended approval and forwarded the loan package to Mr. Hobbs for his approval or referral to the LHA Board.

The witness stated that he did not know how many loans had been issued under the loan program or how many were disapproved. He said that he was not responsible for monitoring the loan payment status, and he did not know what the procedure would be in the event a borrower left City employment while the loan was still outstanding or if the borrower defaulted, but added that he was not aware of either occurring.

He confirmed that Mr. Hobbs submitted a loan application for himself. The witness said he reviewed it, entered the information into the loan worksheet, and confirmed Mr. Hobbs's eligibility. In accordance with the program criteria, he set the amount that could be borrowed and the interest rate. He stated that, because Mr. Hobbs was the LHA Executive Director, he forwarded his recommendation for approval to Ms. Saunders as the LHA Deputy Director and City Finance Department Operations Administrator.

He told us that normally he does not attend LHA Board meetings, but for the Hobbs loan, Ms. Saunders asked him to attend in case there were questions. He stated that he was present at the LHA Board meeting when Mr. Hobbs's loan was presented, discussed, and approved. He said that the Board had questions about the Hobbs loan but recalled only one detail about the presentation or discussion—that one Board member voted against making the loan.

2. *Interview of Julie Saunders*

At the time of her interview, Ms. Saunders had been employed by the City for eleven years, and since 2004 had worked in the City Finance Department as its Operations Administrator, reporting to Kennie Hobbs Jr., the City Finance Director. Since 2005 she has also been the LHA Operations Manager, and since 2012 the LHA Deputy Director, which she described as being part of her City duties. Among the people she supervised were two City employees who also received no additional compensation as LHA employees. She estimated that she spent approximately twenty hours per week on LHA business. As LHA Deputy Director she reported to Mr. Hobbs. Ms. Saunders informed the OIG that all City employees who perform services for the LHA received no additional compensation.

Ms. Saunders said that the loan program was a version of an employee lending program started by the City that was formally incorporated into a LHA NSP in 2010 to provide loans to City and LHA employees for the purchase of owner occupied homes in the City. The program offered, among other benefits, loans with a 3 percent down payment. The payments were made automatically through employee payroll deductions. The employee loan program was funded solely by \$2.4 million in pension fund investments as approved by three of the four City pension funds. Ms. Saunders did not know how many loans had been made through the program.

She described the employee loan application and approval process. She stated that, upon receipt of a loan application, the application and supporting documents were forwarded to S.H.,

the LHA Loan Review Committee chair and City Deputy Finance Director. The Loan Review Committee consisted of S.H. and another City employee, a Finance Department Redevelopment Analyst. The Loan Review Committee reviewed the loan application and financial conditions, including the borrower's eligibility, income-to-debt ratio, loan-to-value ratio, credit score and other related factors. The information was entered on a worksheet that was used to calculate the amount the borrower was qualified to receive and the interest rate charged. Ms. Saunders stated that the calculation was a ministerial undertaking and done in accordance with published program criteria.

If recommended for approval by the Loan Review Committee, the recommendation was forwarded to Mr. Hobbs as the LHA Executive Director. Mr. Hobbs was responsible for reviewing the worksheet to ensure that the Loan Review Committee's approval of the amount to be funded and the interest rate to be charged were in accordance with the program requirements. If the loan was for less than \$200,000, Mr. Hobbs could approve the loan without review by the Board, but if the loan was for \$200,000 or more, the loan was placed on the Board's agenda and voted on by the Board.

Ms. Saunders informed OIG agents that the program required that loan payments be deducted from the borrowing employees' paychecks. Although she said she did not believe any such employees had left City employment, she said that, in such an event, the loan would continue and payments would have to be authorized by automated clearing house (ACH) debit funds transfer from the borrower's account. If the borrower chose not to authorize ACH, there would be an increase in the interest rate. Ms. Saunders said that the City Comptroller, an employee of the City Finance Department, monitored loan payments. Ms. Saunders said that, if a borrower were in default, the matter would be referred to the Board Attorney for appropriate action, but she said she did not believe that any borrowers had defaulted.

Ms. Saunders stated that Mr. Hobbs submitted a loan application for the purchase of a personal residence in the City. The Loan Review Committee reviewed the loan application and supporting information and prepared a loan worksheet. According to Ms. Saunders, S.H. recommended approval of the loan. Normally, S.H. would forward the application package and recommendation to Mr. Hobbs, but in this case, he forwarded it to Ms. Saunders. She told OIG agents that S.H. acted on his own volition in doing so. She said that she reviewed the loan worksheet and determined that the amount approved and the calculated interest rate conformed to the program criteria.

According to Ms. Saunders, because the loan was for over \$200,000, she included it on the agenda for presentation to the Board for its review and approval. She requested that S.H. be at the meeting in case the Board had any questions about Mr. Hobbs's loan. Ms. Saunders, S.H., Mr. Hobbs and the Board Attorney were present at that Board meeting. Mr. Hobbs attended the beginning of the meeting, but prior to his loan coming up for discussion, without comment, he left the room and did not return until after the vote. Ms. Saunders said she did not recall any discussion among the Board regarding Mr. Hobbs's loan. She stated that the Board meetings are open to the public but are not electronically recorded.

She confirmed that the loan was funded, and she had not received any information that Mr. Hobbs was not making timely payments.

3. Sworn Statement of the LHA Board Clerk

During our investigation, the OIG issued subpoenas to the LHA custodian of records. One of the subpoenas directed the custodian to appear with record copies for the purpose of explaining the sources and locations of the originals.

The Clerk presented herself as the custodian of records and provided the OIG with a sworn statement on April 20, 2015. She was accompanied by the Board Attorney, who stated she was representing the LHA's interests. The Clerk stated she had been working for the LHA since the end of 2008 as part of her job as Administrative Manager for the City, and that she did not receive any additional wages or salary for doing so.

The Clerk was unable to recall who had designated her the Custodian of Records, which had occurred very recently. She stated that this was the first time she had ever handled a records request, and for documents other than the ones relating to Board meetings that she generated and kept, she was unfamiliar with how or where the LHA kept its records. She said there were no LHA internal controls, policies and procedures for records retention and maintenance. The Clerk informed us that she would not know and did not know if the LHA ever received a records request in the past and did not know what her duties were as the records custodian. While the City had such policies, the Clerk stated she was not familiar with them, and she was not given guidance on what to do with the records request at issue.

She was unfamiliar with the way LHA records were authored or maintained or by whom. Although she stated that the records she produced were all records of regularly conducted business activity of the LHA, she did not know whether they were prepared by persons with knowledge of the events recorded in the records or even if they were prepared by LHA employees. She told the OIG that the subpoena first came to her attention when the Board Attorney asked her to gather records responsive to the subpoena, directing her what to look for and, in some cases, where to find them.⁴¹ The records that were not maintained on the server and accessible from her computer were hard copies that were located at the LHA offices in labeled binders, and no one other than the attorney assisted her in finding any documents.

She stated that she was able to find documents responsive to each description of records sought in the subpoena and that there were no missing items. She later stated that certain documents that were called for did not exist and, thus, they were missing.

She told the OIG that the only trust fund or escrow agreements she was able to locate were those she produced for another employee and Mr. Hobbs. Both agreements were between the LHA and the law firm in which the Board Attorney is a partner. She asserted that there was no

⁴¹ The Board Attorney stated that she placed several documents relating to employee loans into the loan files herself, from her law firm's files, at or near the time of their production to another agency.

trust fund or escrow agreement produced for the escrow established in conjunction with Ms. Saunders's loan.

The Clerk stated she was able to access policies, including the Weatherization/Repair escrow program files, from her computer. This was because they resided on a shared drive of the City and LHA. She located the LHA's 2011 Weatherization/Repair escrow program on the computer, but she did not know how it was authored or maintained. For employee loan files, the Clerk stated she requested the Board Attorney how and where to find them. She said she was only able to locate (hard) files for Mr. Hobbs, Ms. Saunders, and four other individuals, and copied and produced the entire files. Although she said she conducted a diligent search, she could not state that there were no other such files.

For Board meetings, she prepared the minutes by hand, then sent a Word document to Board members for approval at their next meeting. She stated that every Board action was captured in the minutes and approved but that the meetings were not recorded in any way. She did not keep her notes; she destroyed them once she prepared the minutes.

She stated there were no shade meetings in the past two years, and that there were no Board meetings or Board action that was not captured in her minutes.

The Clerk advised that she did not know how to conduct a computer search for the emails and texts that were responsive to the OIG subpoena and did not know whether and how that was being conducted, because she was not told to look for them. After being counseled by the Board Attorney, she then stated that the emails were being searched and produced by someone in the City's Information Technology department.

The Clerk and the Board Attorney returned on May 4, 2015, with these e-mails and additional records that were responsive to the subpoena but not produced on April 20, 2015. She stated that the documents were produced by a City Management Information Systems employee, at the attorney's request. The Clerk advised that she reviewed the emails to make sure they were responsive as to the dates and content as determined by her review of the subject line but did not review the content of each email. The emails were also reviewed by the attorney.

The Clerk also produced a copy of the original May 11, 2010, LHA Board minutes, which had been amended on December 9, 2014. She stated that she was not in attendance at the May 11, 2010 meeting, and someone else, whose identity she did not know, drafted the minutes. She said that she did draft the amended minutes, but did not recall who directed her to do so, why they were being amended, or what was to be changed.⁴²

⁴² The Board Attorney stated that she reviewed the original minutes and observed that references to the resolutions approved during the meeting were missing. She said she researched and provided the Clerk the information to be added to the amended minutes.

SWORN STATEMENT OF MR. HOBBS

The SAO conducted a separate investigation into matters that involved the Hobbs loan from the LHA. Mr. Hobbs provided a sworn statement to the SAO on July 16, 2015.⁴³ We obtained the statement when it became a public record upon the SAO closing its investigation. The following is a summary of Mr. Hobbs's statement regarding the loans the LHA provided to him and to Ms. Saunders.

He stated that he was 42 years old and has a B.S. in Accounting from Florida Atlantic University, where he continued to do graduate coursework in accounting and finance, as well as public administration coursework at Nova Southeastern University. He began working part-time for the City when he was a senior in high school and full-time beginning in 1991. Other than the six months that he worked for the City of Lauderdale Lakes in around 1999, he had been working for the City since high school.

He said he worked his way up from bookkeeper in the City's finance department. At the time of his statement, he was the City's Finance Director and Assistant City Manager. As Finance Director, Mr. Hobbs oversaw "all of the financial aspects of the city," including overseeing cash management general accounting, financial statements, reporting payroll, and accounts payable. As the Assistant City Manager, he oversaw fleet maintenance, finance, grants management, budgeting, building, and planning and zoning.

He credited the City Manager for conceiving the idea of a housing authority to assist City residents who were Section 8 voucher holders in coordinating services with other housing authorities. The LHA was formed around 2002 or 2003. Mr. Hobbs stated that the LHA is an independent body appointed by the mayor with confirmation by the City commission. It continued to meet about every month. The City Manager selected him as the initial Executive Director pursuant to an agreement for the City to provide administrative functions to the LHA. He remained the LHA's Executive Director and had not received any additional compensation for this work.

According to Mr. Hobbs, initial funding for the LHA resulted from the City applying for Community Development Block Grant (CDBG) monies from the Broward County Housing Finance Authority. They also "do creative things to generate dollars," for example, managing property for associations. The purpose of the funding was to provide housing, by acquiring housing for low to moderate income families and providing homeowner help. Some of the funding had restrictions which required the LHA, for example, to hold units for 20 years. They held these as rental units.

The process of holding mortgages included buying units, renovating them, and selling them. In some of those cases, the LHA held the mortgages, as well, as participants had the option of obtaining financing "on their own" or obtaining financing from the LHA. When participants obtained LHA mortgages on these properties, the money was not coming from the pensions but from NSP or CDBG funding. The LHA held about 20 to 25 rental units and held mortgages on about 32 or 33 units.

⁴³ Mr. Hobbs gave his statement in response to an SAO subpoena that conferred use and derivative use immunity; that is, the SAO was unable to use the statement for any criminal cases brought against him by the SAO.

At some point, he said, City commission members felt that the LHA needed to become self-sufficient, and one of the commissioners suggested that the agency should ascertain whether the City's pension boards were interested in investing in the LHA to hold mortgages. The "sell" to the pension boards, according to Mr. Hobbs, was that the pensions could invest in a way to enable City employees to acquire homes and at the same time guarantee a return on the pensions' money. He explained that pension money was used only to fund employee loans.

Income was a factor when the LHA determined how much mortgage an employee could borrow, but according to Mr. Hobbs, there was no maximum income in order to qualify for this loan program. To qualify, an employee had to live in the City. He told the SAO that anyone, including the City Manager and Commissioners, could apply, as they are all members of the pension plans. According to Mr. Hobbs, there were six or seven employees pending closing; the LHA had put a "moratorium" on closing loans until the OIG and the SAO investigations were over. He stated that an Annual Conference Audit Financial Report was conducted, which involved sampling loan documents and included this program.

He explained the loan application process using Ms. Saunders's case. Ms. Saunders was serving as the City's Operations Administrator, working in the finance department, and also serving as the LHA's Deputy Director. LHA staff, consisting of a building manager and four maintenance workers, reported to Ms. Saunders, who reported to Mr. Hobbs. She submitted a completed uniform residential loan application to the finance committee, which was headed by S.H., the City's Deputy Finance Director. S.H. or staff working for him performed a credit check and third-party income verification, using a financial worksheet. In Ms. Saunders's application, she apparently failed to list income, but the income worksheet was compiled using verified income from pay stubs or third-party verification, which does not rely on the income stated in the application. The application was signed off by S.H. as Committee Chair, Mr. Hobbs as the Executive Director, and "in the early years" by the LHA Board chair.

According to Mr. Hobbs, the application was provided to the LHA Board on May 10, 2011. He stated that, normally, the worksheet was put together for loans over \$200,000, which by policy must be approved by the Board, "[s]o they're given all the information that we have, so they're given the worksheet, they're given the application, they're given the credit report, as well as the income information for their review and consideration." Where the minutes stated that the Board gave consideration to three applications, Ms. Saunders's was one of them. Mr. Hobbs claimed that, in this program that was started in 2010 or 2011, there were roughly 30 outstanding loans in the system and that "we've had a hundred percent on time repayment history," with all loans then current.

In giving the mortgage, Ms. Saunders executed a note for \$318,500, and the purchase price was reduced from \$320,000 to \$301,000. Mr. Hobbs explained that the LHA program allowed borrowing 100 percent of the appraised value, enabling the purchaser to make repairs or improvements to the property and from the agency's point of view, since its appraisal value was \$320,000, "even after the investments were made into the property, then the value of our asset which we hold as collateral, is now worth more than 320 based on those improvements." Ms. Saunders negotiated a price that was contingent upon certain inspections. He said that, after the inspections were completed, "one included

the roof that they felt that within a year or two would need to be replaced, so she negotiated a lesser price based on the inspections that were presented.”

He confirmed that there was a \$19,000 roof escrow in the Saunders closing. Mr. Hobbs stated that he was aware that Ms. Saunders did not replace the entire roof and only had some minor roof work done.

After her closing she hired a roofing contractor who advised her that she did not need to replace the entire roof, and she did only whatever he recommended. She ended up using a portion of the money that was set aside for a new roof to do other work on the house including painting. After about 18 months, the Board Attorney informed Mr. Hobbs that the unused funds could not remain in her escrow account indefinitely. She “basically just said that we had to decide, or I had to decide, what we would do with those.” He said he only had two options. One was to return the money to the LHA, but that would not affect the payment obligation unless there was a re-financing, and costs associated with that “would have eaten upon a majority of those dollars.” He also noted that he learned that Ms. Saunders had numerous outstanding bills she had not yet submitted but that qualified for reimbursement. Thus, he instructed the Board Attorney to refund the balance on the condition that the money be spent on improvements to the home. The balance that was “refunded” to Ms. Saunders was \$10,135.81.

He stated that the June 24, 2011, LHA Rehabilitation/Weatherization Property Improvement Programs and Administrative Policies and Procedures did not have anything to do with Ms. Saunders’s loan. According to Mr. Hobbs, “[t]he city operated what we’ll call a minor home repair program, a home purchase repair program that probably dates back to ’94, ’93, dates way back.” Any repairs qualified under this program, including “your floors, your AC, your grass, your refrigerator, your cabinets, your bathrooms. It was just an improvement program,” for which the City took a second mortgage on the property. Mr. Hobbs said that this program was the basis and model for the LHA program and this employee program, with the difference between the two being the funding source. “We look at it as improving the value of the asset, we collect, you know, increase property values and all of that. It looks better and that whole thing.” But when they started in 2010 or 2011, this program did not have anything in writing to provide for home improvement and repair. “[T]o answer you per se, we didn’t have it for the housing authority, but we used the program or the model that the city used for its program.”

Mr. Hobbs asserted that it was the Board Attorney who was entirely responsible for monitoring the payments and receipts and ensuring that work was being done to justify escrow payments for improvements. Neither he nor Ms. Saunders dealt with the borrowers on this aspect.

Regarding his own loan from the LHA, he said that he provided his application to S.H., who processed it. S.H. required Mr. Hobbs to write a letter to explain 2010 delinquencies in the credit report, which were related to a loan modification. S.H. forwarded the application to Ms. Saunders for her approval in lieu of Mr. Hobbs’s. S.H. prepared the packet together for the Board. At the Board meeting, Mr. Hobbs absented himself during the Board’s discussion and vote to approve his loan. This was for a second home in which he and his family then lived, and that his mother-in-law moved into the first home. He told the SAO that he purchased the house for \$370,000, that he borrowed \$370,000, and that the house appraised at \$375,000. The sellers remained for two months after closing pending the purchase of their new home.

He confirmed that the home inspector estimated that there were only \$1,750 to \$2,075 in repairs to be done, yet Mr. Hobbs obtained a repair escrow at closing of \$8,920.01.⁴⁴ He explained that he discovered “hollow points” creating “structural issues” in the home’s flooring after the inspection but before closing and obtained estimates to “build out the redoing of the floor.” The person from JAWZ.net who went to the home to provide an estimate to move his aquarium offered to redo the floors as well for one price, and Mr. Hobbs agreed. He purchased floor tile separately and also arranged for interior painting. According to Mr. Hobbs, he paid the aquarium contractor and the painter more than what was available in the escrow.

With regards to the conflict issue that was reported in the media, Mr. Hobbs stated:

From my prospective, from the mayor city manager on down, we never thought it was an issue. Obviously, we deal with potential conflicts on a daily basis, myself and [the City Manager]. I mean, he does things that has to be approved by others, so we’re pretty familiar with dealing with potential conflicts. ... [O]ur board, the housing board, the city attorney looked at it, he didn’t feel there was anything improper with it, the city commissioner, the mayor, you know, they all sanctioned the program. The pension board attorneys, the pension board advisors, they all were aware of what the program was.

RESPONSE TO THE PRELIMINARY REPORT AND OIG COMMENT

In accordance with Section 12.01(D)(2)(a) of the Charter of Broward County, a preliminary copy of this report was provided to the individuals implicated in this report, the LHA, and the City of Lauderhill for their discretionary written responses. The OIG received a response from the LHA,⁴⁵ which is attached and incorporated herein as Appendix A.

After careful review, the OIG has determined that the response contains no evidence or information impacting the report’s ultimate conclusion—that these two managers have a contractual relationship with their own agency that created a continuing conflict between their private interests and the performance of their public duties, impedes the performance of their public duties, or both. In fact, our review of the statements and exhibits revealed that the response raises greater concerns about the management of LHA, raises questions about the authenticity of documents provided by the LHA, and contains explicit misrepresentations, as described below.

1. The LHA has Falsely Claimed to have Provided the OIG with Documentation it did not Provide, has Provided Differing Versions of the Same Executed Documents, and has Provided Versions of Documents that Differ from those Obtained from Other Parties

⁴⁴ He did not offer an explanation of how an escrow of \$8,920.01 could be established, that is, the funding source.

⁴⁵ The response was submitted by attorney Veronica Robinson who indicates she is also representing the LHA in this matter. We note, for transparency, that Ms. Robinson also informed the OIG during the investigation that she was representing the Board Attorney, Ms. Coward, and the title company for Mr. Hobbs’s loan, which refused to provide the OIG with access to the title file.

The documents and statements in the LHA’s response have confirmed a concern developed by the OIG during the investigation regarding the LHA’s full and honest provision of records during the investigation. In its response, the LHA claims—three separate times—to have provided the OIG with documentation that it did not, in fact, provide during the investigation. Even more disconcerting is that the OIG has obtained, from other parties, different versions of the documents provided by the LHA. First, as discussed on page 17 above, the OIG obtained a different, and more incriminating version of the Conditional Approval Letter for Ms. Saunders from the title company than that which was provided by the LHA.

With regard to Resolution 10R-05-29, the OIG includes as Exhibit 32 the document provided directly by the Board Attorney during the investigation.⁴⁶ Nonetheless, boldly, under “Factual Inaccuracy #8,” the response declares, “[t]he version included as OIG Exhibit 32 in your preliminary report, is not the item presented to or approved by the LHA Board.” An inspection of Exhibit 32 shows that it is signed by the presiding officer, the Board Attorney, and Julie Saunders as Board Clerk, and dated May 11, 2010. To demonstrate the alleged inaccuracy of the OIG, the response provides LHA Exhibit 5, which includes an executed version of 10R-05-29 with differing content in the body and purportedly attached to an email from Ms. Saunders dated May 10, 2010. However, the OIG had obtained that very email directly from the City, not the LHA, during its investigation. The email obtained from the City *did not have* an executed version of Resolution 10R-05-29 attached, as falsely presented by the response.⁴⁷

If the Board Attorney inadvertently sent us the wrong document during the investigation, the response should have indicated as much, explained how a completely different resolution executed the same day had the same number, and provided the correct resolution. This was not what the LHA elected to do. Thus, the questions of what was actually approved by the Board as Resolution 10R-05-29 remain, and we now must also question the integrity of the records provided by the LHA in light of the misrepresentations detailed above. Clearly, both documents cannot be accurate executed representations of 10R-05-29. Considering the evidence of the LHA’s lack of integrity with regard to its document production, we now must question the authenticity of *all* that the LHA has provided.

2. Mr. Hobbs and Ms. Saunders Both Oversaw the Management of the Program

At “Factual Inaccuracy #1,” and #6 the response denies the report’s conclusion that Ms. Saunders was a superior to the employees involved in the loan program. Later, at “Factual Inaccuracy #6,” it claims it is “not true” that “[s]ince at least 2009, Ms. Saunders has been the sole employee reporting to Mr. Hobbs at the LHA, and that all other LHA employees (City-provided or LHA direct hires) report to her.” It further claims that, other than three employees

⁴⁶ The OIG has amended Exhibit 32 from the version provided with the preliminary version of this report as follows: rather than a black and white printout of the resolution, we have included a full color version of what was provided by the Board Attorney along with the email to which it was attached. These reflect the OIG’s plain request for Resolution 10R-05-29 and her provision of the attached executed document entitled 10R-05-29.

⁴⁷ Nor could it have, since the email predated the Board meeting; the Resolution is dated May 11th, a day after the email was sent. Further, while the body of the response references an email from the Board Clerk dated May 11th, the LHA exhibit is actually the May 10th email. Finally, an OIG search of the Board Clerk’s emails, obtained from the City during the investigation, for May 11th did not reveal any other email that would comport with the description in the response.

who include S.L. and T.D., the City employees involved with the LHA do so as part of their City responsibilities, and “thus report to no one in LHA.”

The OIG’s statement is true and supported by the evidence. The OIG did not allege direct-line reporting between individual subordinates and Ms. Saunders, and such reporting is irrelevant to the misconduct. We did acknowledge that the members of the Loan Review committee report to Mr. Hobbs. Nonetheless, the response acknowledges that the LHA Board Clerk, and one of two LHA Loan Review Committee members, report to Mr. Hobbs through Ms. Saunders in their City capacities.

The LHA is essentially arguing that those conducting LHA business are not accountable to any individual above them in the organization. However, the evidence indicates they all ultimately report to Mr. Hobbs, the Executive Director, in their capacity of serving the LHA. And as Deputy Director, Ms. Saunders “shall serve as the Executive Director in the absence of the Executive Director,” also conceded by the response.⁴⁸ The report also cites specific instances in which Ms. Saunders has been actively involved in the administration of the loan process, such as when she signed off on aspects of Mr. Hobbs’s loan.

All of the available legal guidance dictates that the Board’s final approval of the recommended loans does not cure the violation of state law. The law plainly prohibits a contractual relationship that poses a conflict between Mr. Hobbs and Ms. Saunders’s private interests and the full and faithful discharge of their duties. The prohibited conflict arises from their roles in the oversight of the program from which they obtained and continue to hold their loans. The response simply ignores the legal references provided in the OIG’s report and makes no attempt to differentiate the conduct of Mr. Hobbs and Ms. Saunders from those found by the Commission on Ethics to be in violation of the law.

3. Neither the I.T. Director’s Involvement Nor the Comptroller’s Reports to the LHA Board Attorney Affect Whether Mr. Hobbs or Ms. Saunders Have a Prohibited Conflict of Interests

At “Factual Inaccuracy #2,” the response similarly suggests, because (1) it is the City’s I.T. Director who performs the function of bi-weekly loan payment processing, (2) the Comptroller’s monitoring reports are provided to the Board Attorney, and (3) an annual, independent audit is conducted of the LHA, the conflicting relationship is mitigated.

First, the I.T. Director’s involvement in programming computerized deductions from automatic paychecks does not lessen the degree to which other subordinate staff are involved in the loan program. Second, the Comptroller, who is a direct line report to Mr. Hobbs, keeps books from which the loan payment deductions are calculated. The suggestion that she provides reports of payments to the Board Attorney, for which no evidence has been provided, does not affect the Comptroller’s control over those books. To be very explicit: that the Comptroller has the *capability* to alter the books or misreport payroll deductions is the relevant factor—not that she did or ever would. Third, the auditing process reviews an entity’s programs and processes

⁴⁸ The quoted text is from the LHA position description for Deputy Director.

against generally accepted *accounting* standards and would not have involved the individual review of any loan performance. But more to the point, the auditing firm's knowledge of Mr. Hobbs and Ms. Saunders's mortgages are irrelevant to questions of state ethics law. We would have been impressed by the results of an independent *legal* audit of this program, but this was not undertaken or provided to us.

The mere existence of Mr. Hobbs and Ms. Saunders's loan contracts under the circumstances reported herein gives rise to the continuing conflict of interest that is at the heart of the Florida ethics law they are violating.

4. *The "Looser" LHA Rehabilitation/Weatherization Program Was Not Sanctioned by the Board Until September 28, 2015*

The response at "Factual Inaccuracy #3" addresses the OIG's conclusion that Mr. Hobbs and Ms. Saunders took advantage of their positions to benefit from a repair program that was not officially sanctioned. "Factual Inaccuracy #14" claims it to be false that staff implemented a repair escrow process that was more generous than the City's and apparently unknown to the Board.

The OIG's statement is not false and is supported by the evidence described at length in the body of the report. Rather than providing actual evidence that the LHA staff operated on *Board-sanctioned* policies, which would refute the OIG's statements, the response includes two *new* resolutions adopted on September 28, 2015. (LHA Exhibit 10) The first affirmed the Board's approval of "all its community programs," including the employee lending program at issue in the OIG report. The second resolution stated that the Loan Review Committee follows the policies and procedures set forth by the LHA Board and reviews all applicants on the basis of the Board-approved LHA Lending Criteria. There would be no need to adopt such a resolution in 2015 if the Board had indeed previously approved the program.

We do not contend that the program is illegal, criminal, or unethical. We do not suggest that the repairs could not have been made in accordance with the LHA repair program eventually adopted by the Board, as the response would urge the reader to believe. The report expresses concern that Board-approved programs were not in place at the time of Ms. Saunders's escrow and Board approval was not sought for Mr. Hobbs's escrow expenses. The OIG's report establishes the now admitted fact that these two LHA staff shaped the policy that they, among others, benefited from in the administration of the loan contracts that created the contractual relationships at the heart of the ethics violations.

5. *Ms. Saunders, Mr. Hobbs, and the Board Attorney Did Not Follow the Terms of Ms. Saunders's Roof Escrow*

At "Factual Inaccuracy #4," the response suggests that the OIG report is inaccurate where it states, "Rather than replace a roof, Ms. Saunders remodeled her kitchen, made other home improvements and was directly paid over \$10,000." It is disingenuous at best to suggest this statement is incorrect. The response attempts to distract the reader with a recitation about how

the escrow repairs conformed to the LHA Rehabilitation/Weatherization Program, which did not in fact exist at the time of Ms. Saunders’s closing, when the *roof* (not *repair*) escrow was funded. Again, the response avoids the point, which is to substantiate the fact that these LHA staff participated in decisions affecting the administration of the contracts that formed the contractual relationships—in fact, in ways that benefited them.

At “Factual Inaccuracy #7,” the response characterizes the report’s conclusion that Mr. Hobbs and Ms. Saunders took advantage of the LHA repair program with the cooperation of the Board Attorney as “baseless,” “scandalous,” and a violation of the Florida Bar’s Rules of Professional Conduct.⁴⁹ There is no doubt that the Board Attorney cooperated with Mr. Hobbs and Ms. Saunders in the administration of their escrows. Their escrows could not have been administered without an escrow agent, and she served as one in theirs. It is unrefuted that the Board Attorney, whose client is the LHA Board and not individual managers, did not request the Board to pass on LHA’s more generous repair program, did not request the Board to review the pension-funded escrows, and accepted Mr. Hobbs’s unilateral approval to release Ms. Saunders’s escrow money for purposes other than roof replacement. These are the facts we reported; we did not allege a conspiracy or any collusion regarding any violation of law or rule in our report.

6. *Mr. Hobbs Said He Agreed with an Aquarium Contractor to Fold in the Costs of Transferring His Aquarium With the Cost of Replacing the Floor with Tile*

Similar to its suggestion at “Factual Inaccuracy #4,” the response at “Factual Inaccuracy #5” takes issue with the report’s summary where it states, “Mr. Hobbs used his inflated⁵⁰ repair escrow to install travertine tile and an aquarium.” The response continued that “[t]he OIG alleges that the installation of travertine tile is a violation,” stressing that flooring is specifically included within the Rehabilitation/ Weatherization Policy. The OIG made no such allegation. Instead, in the body of our report above, we stated that Mr. Hobbs took advantage of what we found was a more generous escrow repair process than the City’s—one that he helped to shape and supervised.

The response then claims that the OIG had in its possession documents that established that Mr. Hobbs himself paid for the installation of his aquarium, offering as an exhibit (LHA Exhibit 4) “receipts and voided checks (which were *previously provided to the OIG*, but not included in your report) for all work performed on Hobbs’ house.” First, this ignores the fact that the report does indeed state that Mr. Hobbs informed the SAO that he paid money in addition to that paid from the LHA escrow set aside for house repairs. We do not allege that partial payment for the aquarium installation via the escrow, which Mr. Hobbs acknowledged in his statement to the SAO is against policy, was illegal, unethical, or a violation of any kind.

⁴⁹ There is no conceivable basis to conclude that the OIG is subject to Florida Bar oversight. While our staff includes Florida Bar members, a careful review of this report establishes that neither the OIG nor any of its employees has made what the report variously claims is a “blanket false assertion of collusion” and a “statement which infers that the Board Attorney has colluded with another to misappropriate funds.”

⁵⁰ The OIG did not rely on the home inspection report to conclude that the repair escrow was inflated, as stated in the response. The buyer (Mr. Hobbs) provided the appraiser with a sale contract for \$5,000 more than the sale price and then the appraiser appraised the home at that contract price.

We do conclude that Mr. Hobbs took advantage of a policy and procedure he helped to shape and continues to supervise, in the process of administering the loan which is the basis for the contractual relationship between him and his agency that created a continuing conflict and also impedes the full and faithful discharge of his duties.

Second—and highly significant to any assessment of LHA’s credibility throughout its response and this entire investigation—the *referenced documents were not previously provided to the OIG*. Indeed, in light of the concerns discussed below, we question whether these documents were even in the possession of the LHA prior to our investigation. The documents would not have been required for the administration of the actual escrow, since, by the LHA’s own account, they were personal unreimbursed payments from Mr. Hobbs to the company.

At “Factual Inaccuracy #10,” the response states that it was not true that Mr. Hobbs told the SAO that he agreed with his aquarium contractor to fold in the costs of transferring his aquarium with the cost of replacing the wood floor with travertine tile. It went on to say that Mr. Hobbs told the SAO that the contractor would separately invoice him for doing so. The response included two new exhibits the OIG had not seen before, a \$600 invoice from JAWZ.net for transferring the fish tank, and a \$600 cancelled check from Mr. Hobbs to JAWZ.net. In fact, in his statement to the SAO, Mr. Hobbs stated that the man said,

“ ‘Yeah, I do floors, I could replace the floors and kind of just give you a package for the floors and moving the fish tank,’ because it was going to be 8 or \$900 just to move the fish tank.” (Hobbs’s SAO Statement at pp. 52-53.)

It is clear that the verbal agreement between the aquarium contractor and Mr. Hobbs was made as stated in our report and that no “separate invoice” from the aquarium contractor was ever referenced in this statement. In addition, even if their provenance could be established, the now-produced \$600 invoice and check tend to show that Mr. Hobbs received a \$200 to \$300 benefit by combining the two jobs. Again, what the response avers is flatly refuted by Mr. Hobbs’s own statement to the SAO.

7. Mr. Hobbs and Ms. Saunders’s Loans Had Standard, General Loan Terms They Helped to Establish

Under “Factual Inaccuracy #8,” the response argues that the Board reviewed and approved the loan terms when it approved Resolution 10R-05-32. The response does not address any of the specific loan terms we identify as those which were problematically not reviewed by the Board.

Further, the response again states that records which support their position were provided to the OIG in the past, *but they were not*. Because the response and the new documents do not refute our conclusion that the Board did not review any standard, general terms for the loans, we do not address that issue further. But see our discussion in the following subsection regarding the documentation.

8. *There Was No Documented Board Approval of the Full Lending Criteria*

At “Factual Inaccuracy #14,” the response claims that the Board did approve lending criteria, but our thrust was that the *full* lending criteria that were approved were not documented and that the Board did not appear to have all the lending criteria, as discussed in the body of our report.

As proof that the Board had reviewed and documented lending criteria for this program, the response included copies (in LHA Exhibit 5) of LHA Resolutions 10R-05-29 and 10R-06-32, claiming that both had been provided to the OIG twice during the investigation when, in fact, *we had never been provided this executed version of 10R-05-29 before.*

Nonetheless, even if we accept the LHA’s new executed version of 10R-05-29 as accurate, our finding remains the same. The resolution itself does not contain the full criteria as detailed in the body of the report; thus there remains no documented Board approval of the *full* lending criteria.

9. *Mr. Hobbs and Ms. Saunders Were the Only Employees Who Qualified for the Lowest Interest Rate of Six Percent Under the Program Being Reviewed*

The response lists the OIG assertion that Mr. Hobbs and Ms. Saunders were the only employees who qualified for a six percent interest rate as “Factual Inaccuracy #9.” It then asserts that they qualified for the lowest rate of six percent based on their credit scores, which is exactly what we reported. It goes on to suggest that many other individuals who are non-employees, and thus not part of the employee program discussed herein, also received a six percent interest rate, a fact which is not disputed and is irrelevant to our review of this loan program.⁵¹

10. *Ms. Saunders Was Given Special Treatment in the Administration of Her Loan and Roof Replacement Escrow*

While the response claims it is false that Ms. Saunders applied for a \$280,000 loan in 2010, one year prior to purchasing her home (“Factual Inaccuracy #12”), it is in fact true, and we rely on the details herein to allow the reader to conclude whether the OIG is reporting the facts in any misleading way.

In “Factual Inaccuracy #13,” the response claims that staff did not commit to approve a loan to Ms. Saunders and that, as a conditional approval, the letter they executed does not commit to funding unless certain conditions are met. But there was no requirement for the Board to approve the conditional approval letter, and the letter was binding on the LHA. The conditions were for the *buyer* (Ms. Saunders) to meet, not the LHA. The response also states that “staff

⁵¹ In its discussion of the several other non-employees who received a six percent interest rate, the response states that the non-employee lending criteria contained in LHA Exhibit 6 was already provided to the OIG. Although it should have been provided in response to OIG subpoenas 14-023-002 and 14-023-003, it was not. This is yet another false assertion regarding documents the LHA previously provided.

updated all relevant information to protect the interest of the authority and to ensure that the applicant still met the requirements of the program,” yet it did not refute that Ms. Saunders was allowed to receive her loan without having to submit a new loan application, the consequences for which we discuss in the body of our report.

11. In His SAO Statement, It Was Unclear Whether Mr. Hobbs Earned an M.P.A.

At “Factual Inaccuracy #16,” the response states that it is factually inaccurate to report that Mr. Hobbs has “continued to do graduate coursework in accounting and finance, as well as public administration coursework at Nova Southeastern University” and says that Mr. Hobbs has a Master’s in Public Administration from Nova. The fact contested by the response is actually only a summary of Mr. Hobbs’s statement to the SAO. The exact words were:

Q And then you immediately went and got a masters?

A No, I continued at FAU and took courses for the CPA exam, so I took additional 30 hours of graduating accounting and finance courses for the CPA exam. After completing that, I transferred over to Nova Southeastern University to pursue a masters in public administration.

Q Did you receive a masters from Nova in the 90s?

A No, I did a dissertation, I stopped, so it was early 2000s, because I stopped for like three, four years, then I had to go back and take one or two more classes and catch up some.

12. The OIG Reports Facts and Conclusions that are Fully Supported by the Record

There are nine additional “OIG statements” which the response addresses briefly. The OIG stands by its report on all these matters and provides additional information here only as necessary to clarify the LHA’s misstatements.

Regarding #1: The LHA Board did not approve the escrow or the repair program until September 28, 2015; the trust agreement provided for release at the “client’s” discretion; and the trust agreement was not executed until 61 days after it was funded through the contract that established the relationship giving rise to the conflict.

Regarding #2: It is true and we acknowledge that Ms. Saunders as Deputy Director served as the Executive Director in his absence, a fact upon which we relied in concluding that Ms. Saunders exercised some authority over the City employees who worked on the LHA programs. The response’s assertion in this context presumes that Mr. Hobbs was absent when his loan needed approval, a fact that is unsupported by the investigation but, more significantly, brings into focus the true issue. Mr. Hobbs was the authority who should have approved his own loan, and this is stark evidence of his involvement in it.

Regarding #3: We did not claim that the escrows were based upon the inspection reports; we cited to Mr. Hobbs's inspection to illustrate the unreasonableness of its amount. And, it is clear that inspections were required for some LHA purpose, because at least the three loan files involving repair escrows contained the home inspection reports. Finally, it is misleading to say that "Mr. Hobbs received a repair escrow which conformed to the Board Approved Lending Criteria," when the escrows were neither mentioned in the lending criteria nor ever vetted by the Board.

Regarding #4: The response cites to "an industry standard maximum loan calculation" without informing us what that standard is. It also referenced a present value calculation without (1) providing any evidence that this calculation was ever employed in the review of any of these loans or (2) showing how the calculation worked in Ms. Saunders's case.

Regarding #5: This explanation does not comport with the loan calculation worksheet we reviewed for W.L. and obfuscates the simple truth that the maximum loan amount resulted from a calculation that was not followed in Ms. Saunders's case. We stand by the conclusions that any reasonable person would draw from reviewing OIG Table 2.

Regarding #6: The response states that it was not the business of the LHA why Ms. Saunders was able to negotiate a better price for the home, which enabled her to put the difference into an escrow. This overlooks the fact that she agreed with the seller to establish an escrow for roof replacement and ultimately did not utilize the money for a new roof.

Regarding #7: This does not explain or mitigate the fact that the Board Attorney released the funds inconsistent with the conditions that established the escrow, upon the sole authority of Mr. Hobbs, for whom she does not work.

Regarding #8: The report describes the HUD conflict of interest check and waiver requirement to establish Mr. Hobbs and Ms. Saunders's knowledge about the state ethics law provision we allege they violated. We understand the federal program requirements and did not suggest that they were required to clear with HUD their purchase of these homes that occurred without HUD funding. Also in this subsection, the response restates the claim that "all financial monitoring for the Employee Lending Program is conducted by a third-party external auditor who reports directly to the Board of Commissioners. This is the assurance that on-going programmatic conditions are being met." Although we saw no evidence of this, it may be so, but it does not obviate the fact that Mr. Hobbs and Ms. Saunders to this day have not been disengaged from involvement with the administration of their loans.

Regarding #9: We requested documents evidencing communications of the loan program but were told that the only ones that existed were provided to us, as we described above. It was clear that we sought to know about how the loan program was communicated; if these "formal" presentations were made, we would expect to have been provided with documents, such as outlines, reports, and PowerPoint presentations, or informed of a witness regarding them.

Unfortunately, rather than providing the necessary documents and interviews to enable the OIG to carry out its investigative mission in an orderly manner over the past year, LHA Board members, the Board Attorney, Mr. Hobbs, and Ms. Saunders chose to wait until the OIG issued its preliminary findings to engage themselves. Instead of providing us with assurances that they will thoroughly review the state ethics law and take the measures they deem necessary to resolve any conflict, the LHA has now chosen to issue a response (on behalf of the LHA and its Board, “collectively and individually”) that characterizes the OIG report as misstatements of fact and slanderous allegations.

Nonetheless, the LHA’s disjointed and misleading response offers no evidence or argument that requires any reconsideration of either the reported facts or conclusions. The response offers no evidence relevant to our findings that was not already considered or presumed in writing the preliminary version of this report.

CONCLUSIONS AND RECOMMENDATIONS

The OIG investigation concluded that Mr. Hobbs engaged in misconduct when he took out a loan from the government agency that he controlled as Executive Director. In doing so, he established a contractual relationship that created a continuing or frequently recurring conflict between his private interests and the performance of his public duties and impeded the full and faithful discharge of his public duties, in violation of F.S. 112.313(7). The OIG also determined that Ms. Saunders engaged in similar misconduct when she took out her loan. As our investigation established, these borrowers made discretionary judgments regarding the administration of their loans that favored themselves. Equally harmful to the proper execution of their public duties is that the underwriting, approval, and monitoring of the Hobbs and Saunders loans was and continues to be conducted by subordinates, who may be motivated to administer the loans in a manner that favors their bosses over the public.

Had there been an effort to “wall off” the administration of these loans from the borrowers and staff members who reported directly or indirectly to them, the appearance of impropriety would have been avoided, and the OIG would not have found probable cause for this misconduct. But neither the LHA nor the City took any action to mitigate the endangerment to public trust that the making of these loans posed. We came upon circumstance after circumstance that demonstrated a deliberate disregard for the conflicts of interest about which Mr. Hobbs and Ms. Saunders knew well. Florida law simply does not countenance such an arrangement.

In addition, the details we learned regarding the administration of these two loans did not provide us with any comfort that either the LHA Board or staff addressed or mitigated in any way the conflicts of interest inherent in a program that was both designed to benefit and be operated by the same public employees. Much of what we uncovered in our investigation was disheartening.

The OIG has determined that there is probable cause to believe that Mr. Hobbs and Ms. Saunders violated state law prohibiting public employees from entering into certain contractual relationships. Accordingly, we will be referring this matter to the Florida Commission on Ethics for its independent assessment of the application and consequences of state ethics laws.

Further, in light of our findings we make the following recommendations for prospective corrections:

- Any loans obtained by senior LHA managers, Board members, and those individuals involved in the loan approval, administration, or monitoring process be reviewed, approved, and administered by an independent entity;
- All public employees be ensured equal access to and be fully informed about all LHA loan opportunities;
- The underwriting and administration of all LHA loans, including the escrow function, be in compliance with best practices;
- The LHA take immediate steps to appoint and train a true custodian of records, permit that custodian to gain knowledge of how agency records are made and kept, enable him or her to gain full access to all the records of the agency—including those held by third parties, and establish and maintain a system of accurate recordkeeping; and
- The LHA accurately capture Board discussion and action, through a protocol to audio or video record meetings, provide more detailed minutes, or both.

The LHA's response denies the need for corrective action. Nonetheless, we note that the LHA utilizes federal funds granted to it by the City of Lauderhill and that the employees in question work for the LHA solely by virtue of their employment with the City of Lauderhill. Thus, in the light of the LHA Board's complete rejection of the facts and evidence of far reaching managerial inadequacies, the OIG is also referring this matter to the City Commission of Lauderhill. The OIG recommends that the City take independent steps prevent future misconduct by City employees and determine if LHA management practices are sufficient to ensure proper use of the public monies entrusted to it by the City. Further the OIG requests that we are provided with a status report in 90 days, or by January 5, 2016, regarding the City's actions in response to this matter.

OIG 14-023

EXHIBIT 1

Memo

Date: April 7, 2010

To: LHA Board of Commissioner's

From: Kennie Hobbs, Jr., Executive Director

CC: Alfreda Coward, Board Attorney

Julie Bowers, Operations Director

Re: LHA NSP lending program

On March 16, 2010, the board approved Resolution # 10R-03-12, which assigned the rights of the City of Lauderhill's NSP program management to the Authority. As outlined in the resolution, the City has received \$4.2 million from HUD to use as part of its Neighborhood Stabilization Program.

As we have discussed previously, LHA's board of commission's recognizes that it takes all types of people and income levels to achieve a truly stable neighborhood. As such, staff is proposing that the authority establishes a Neighborhood Stabilization Program of its own. Our program will consist of three primary phases: 1. Acquisition, Rehabilitation and Resale of foreclosed properties. 2. Acquisition, Rehabilitation and Leasing of existing and future units and 3. Mortgage leading using NSP and Pension Fund monies. Understanding that resources are limited, we propose using funds received by way of HUD to accomplish the first two objectives and part of the third and to seek investment from the City's pension funds for individuals that do not qualify for any of the City's government programs.

Over the past several months, staff has meet the four Lauderhill Pension Boards and requested that they invest in LHA to provide funds for our NSP program, which includes an employee lending program for employees that exceed the income guidelines set forth by HUD. Accordingly, three of the four boards have agreed to provide such funding; the Lauderhill Police Retirement System has agreed to invest \$1 million, the Firefighters Retirement System has agreed to invest \$1 million and the Lauderhill Confidential & Managerial Employee Retirement System has agreed to invest \$400,000. The General Employee Retirement System previously transferred two quad plex units to the authority, valued at \$750,000, and has declined to provide additional funding at this time.

As presented to the pension boards and to the LHA board, this is a win win for all involved. If approved, staff will work to negotiate favorable agreements between the authority and the pension boards that will allow us to capitalize on the spread between the rate in which we borrowed the funds and the rate in which we lend the funds to qualified buyers. In addition, a formal leading policy will be presented to the board for consideration at a future meeting. The policy will address credit scores, interest rates, debt ratios and payment methods, among other things.

Should you require additional information, please do not hesitate to contact me directly.

OIG 14-023

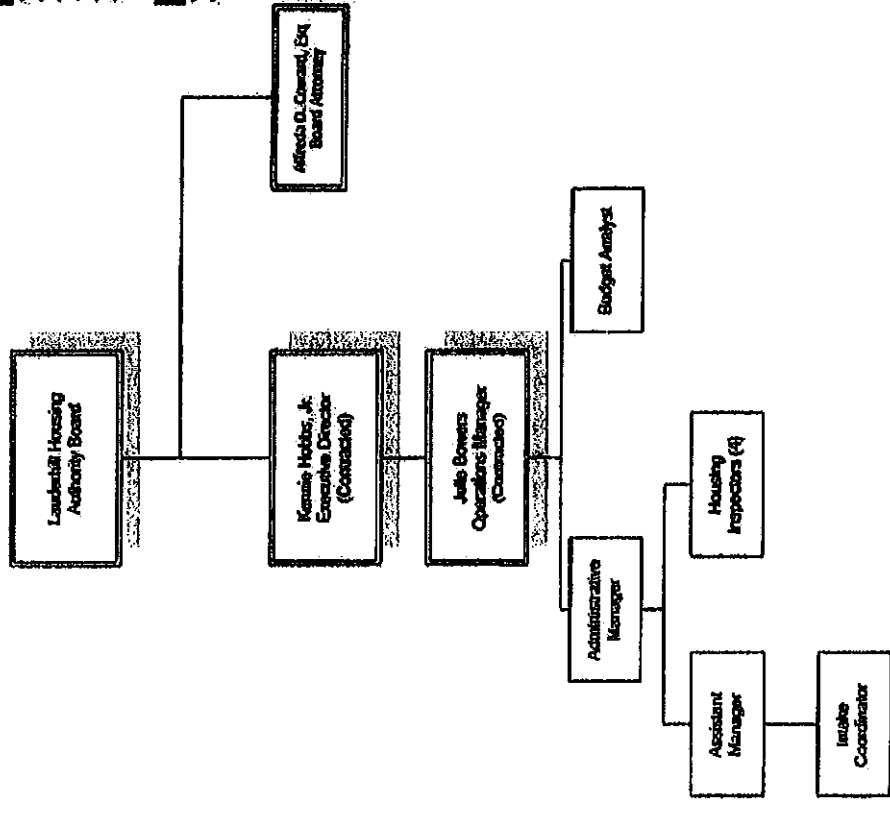
EXHIBIT 2



organizational chart

LAUDERHILL HOUSING AUTHORITY ORGANIZATIONAL CHART

September 30, 2009



- Mission
 - Objectives
 - Organizational Chart
 - Financials
- Public Notice
- Services
 - Agency Plan (12-5 Year Plans)
 - Administrative Staff
 - Board Members
 - Board Meetings
 - Board Committees
 - Board Documents
 - Board Agenda
 - Board Minutes
 - Board Resolutions
 - Board Agendas
 - Board Meeting Minutes
 - Board Meeting Resolutions
 - Board Meeting Agendas
 - Board Meeting Minutes
 - Board Meeting Resolutions
 - Board Meeting Agendas

OIG 14-023

EXHIBIT 3

Lauderhill Housing Authority, Florida

Fiscal Year 2015 Budget

October 1, 2014- September 30, 2015

Prepared By:

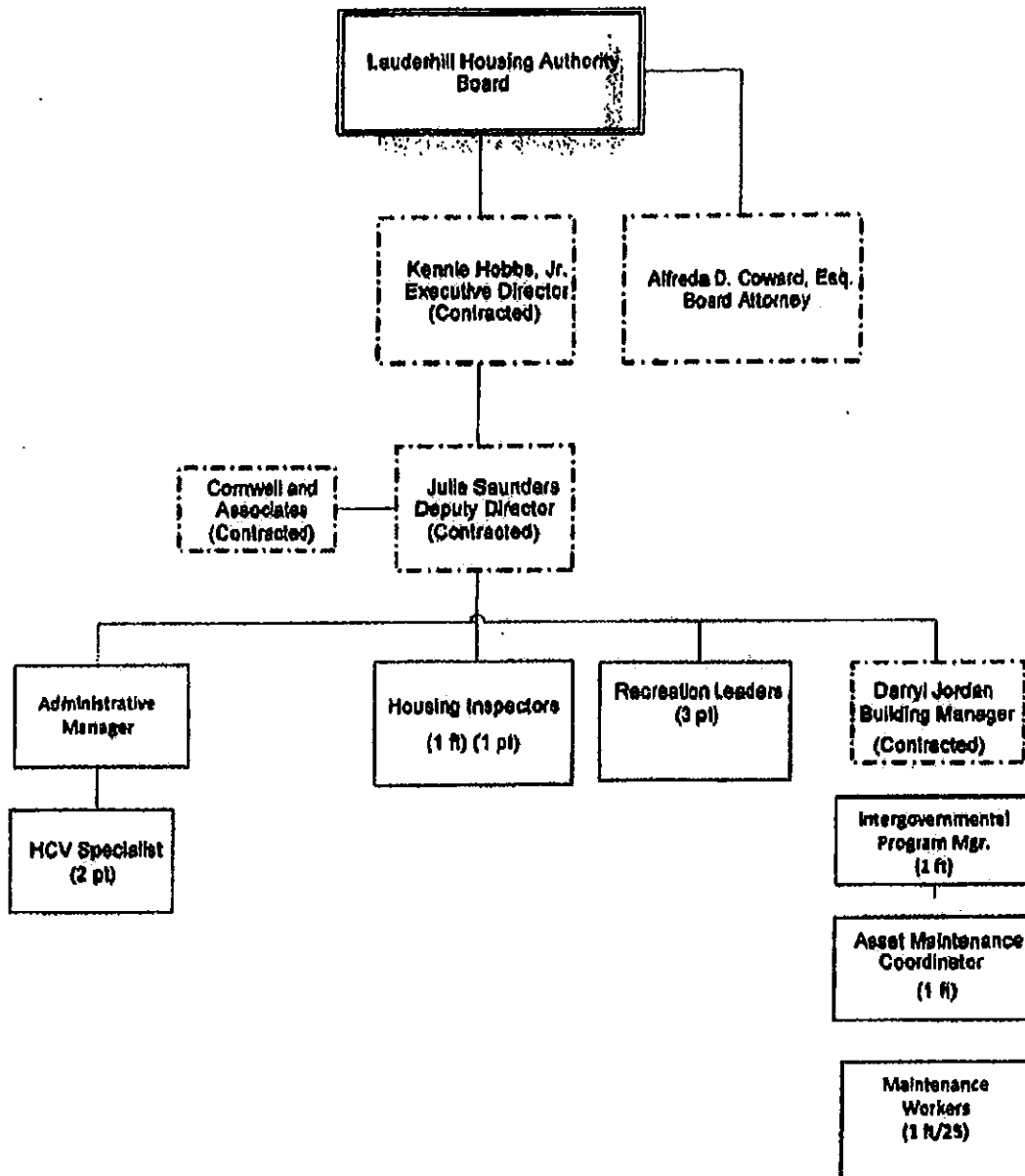
Kennie Hobbs, Jr, Executive Director

Julie Saunders, Deputy Director

LAUDERHILL HOUSING FINANCE DEPARTMENT



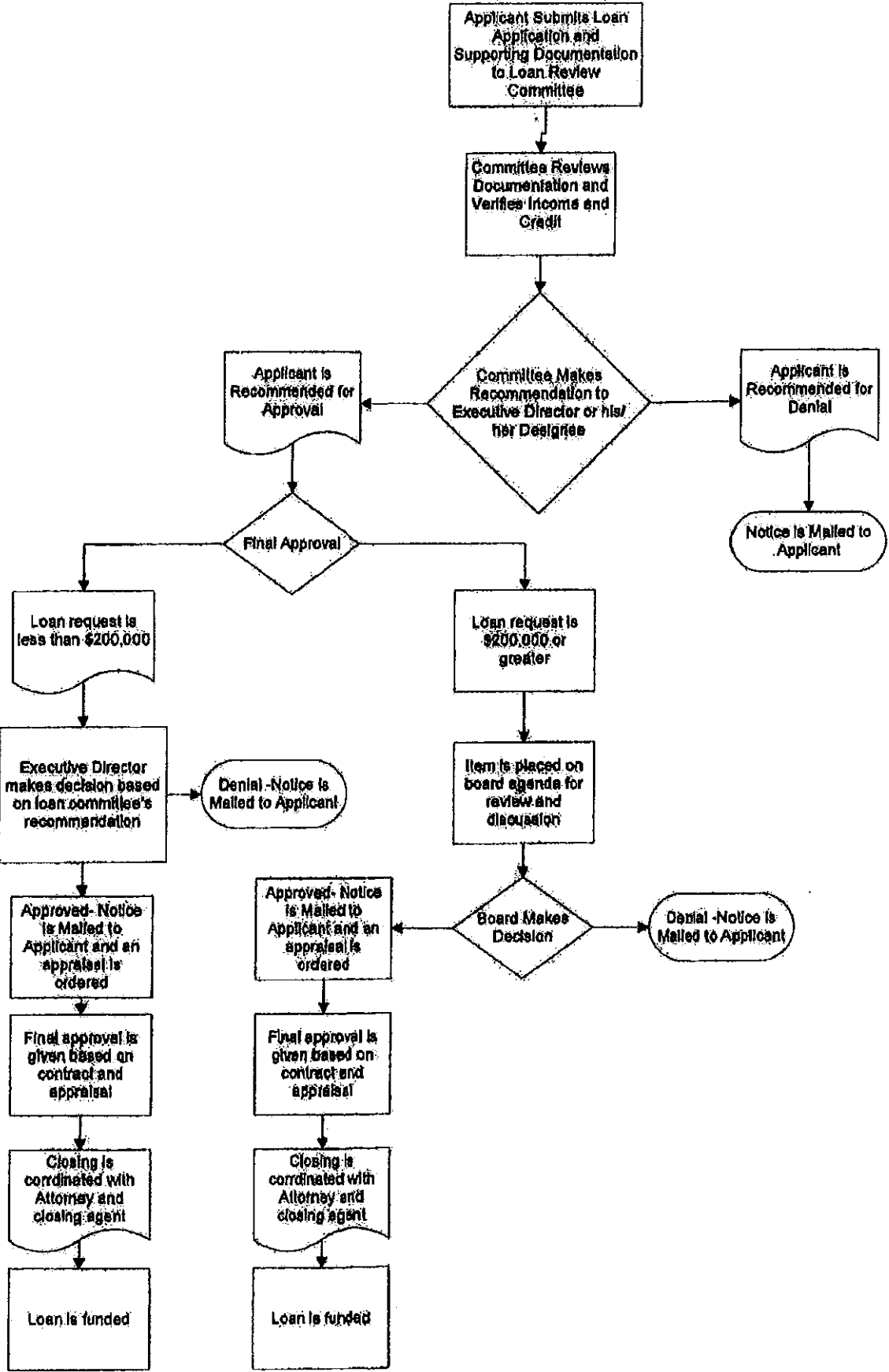
Lauderhill Housing Authority Organizational Chart



OIG 14-023

EXHIBIT 4

Lauderhill Housing Authority Loan Approval Process



OIG 14-023

EXHIBIT 5



LAUDERHILL
HOUSING AUTHORITY

May 13, 2014

Kennie Hobbs, Jr. & [REDACTED]

Yvon Dorcinvil
Chairperson

Kenny M. Davis
Vice-chairperson

Joel Leshinsky
Commissioner

Simone Narcis
Commissioner

Kennie Hobbs, Jr.
Executive Director

I am please to advise you that you have been pre-qualified for a mortgage with Lauderhill Housing Authority. This qualification is based on satisfactory credit, income and asset information you had provided.

Borrower Name: Kennie Hobbs, Jr. & [REDACTED]
Sales Price: \$ 390,0000
Loan Type: Conventional
Loan Amount: \$ 378,300
Loan Term: 360 months

This is not a commitment to fund and is subject to final verification including but not limited to the following:

- Identification of a subject property and fully executed sales contract
- Evidence of Hazard Insurance and Flood Insurance
- Acceptable title history and satisfactory title insurance
- Final quality control review

If you have any questions, please feel free to call 954-714-3125.

Sincerely,


Julie Saunders
Deputy Director



OIG 14-023

EXHIBIT 6

Cost Estimate Summary

The cost provided throughout the report and in the summary are for the convenience of the client for comparison only. The cost are shown on a low to high range based on national averages, professional knowledge or previous experience. This is not an estimate for repairs. There is no guarantee that these prices are accurate and should be relied upon in lieu of a professional estimate or quote. It is recommended that repair estimates or quotes be obtained by several licensed qualified contractors who specialize in the type of repair that is needed.

Client Name: Kenneth and Ruchelle Hobbs
Property Address: [REDACTED]
Lauderhill, Florida 33319

Items Recommended for Repair

	<u>Low</u>	<u>High</u>
<u>Patio</u>		
<u>Rear of Home/Building Room Doors:</u> Does not open and close correctly	\$ 150	\$ 200
<u>Bathroom</u>		
<u>Master Bathroom Faucets/Traps:</u> Missing stopper/plunger	\$ 125	\$ 150
<u>Master Bathroom Tub/Surround:</u> Diverter is hard to function	\$ 150	\$ 200
<u>Main Hallway Bathroom Walls:</u> Loose tile near door	\$ 125	\$ 150
<u>Main Hallway Bathroom Electrical:</u> 3-prong receptacle does not trip when tested	\$ 125	\$ 150
<u>Bedroom</u>		
<u>Southwest Bedroom Electrical:</u> Short pull chains	\$ 125	\$ 175
<u>Living Space</u>		
<u>Family Room Living Space Windows:</u> Does not open and close correctly	\$ 150	\$ 200
<u>Repair Total</u>	\$ 950	\$ 1225

Items Recommended for Replacement

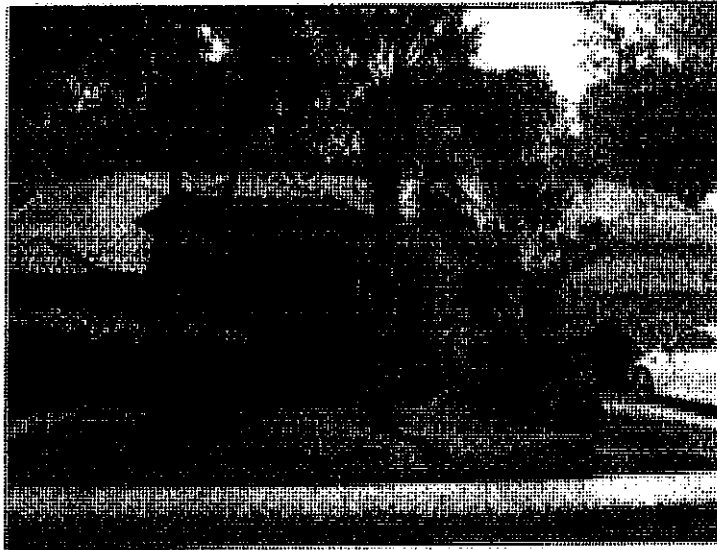
	<u>Low</u>	<u>High</u>
<u>Plumbing</u>		
<u>Garage Located Water Heater Water Heater Operation:</u> Rust and corrosion present at unit	\$ 800	\$ 850
<u>Replacement Total</u>	\$ 800	\$ 850
<u>Cost Estimate Total</u>	\$ 1750	\$ 2075

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EXHIBIT 7

Client	CITY OF LAUDERHILL			File No.
Property Address	[REDACTED]			
City	LAUDERHILL	County	BROWARD	State FL Zip Code 33319
Owner	J. R. BENTLEY & N. ABRAHANTE-BENTLEY			

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RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.:

Property Address: [REDACTED] City: LAUDERHILL State: FL Zip Code: 33319

County: BROWARD Legal Description: POR TR A DECS AS COMM SW COR TR A N 240.38,NWLY AN ARC DIST

1201.64 NE 801.70 TO POB NE 14.25 NE 81.07 SE 144.95 TO P/C SWLY Assessor's Parcel #: 49-41-15-19-2360

Tax Year: 2013 R.E. Taxes: \$ 4,315.72 Special Assessments: \$ 0.00 Borrower (if applicable): NA

Current Owner of Record: J. R. BENTLEY & N. ABRAHAMIE-BENTLE Occupant: Owner Tenant Vacant Manufactured Housing

Project Type: PUD Condominium Cooperative Other (describe) HOA: \$ 117.00 per year per month

Market Area Name: BOULEVARD FOREST Map Reference: 49-41-15 Census Tract: 080126

The purpose of this appraisal is to develop an opinion of: Market Value (as defined), or other type of value (describe)

This report reflects the following value (if not Current, see comments): Current (the Inspection Date is the Effective Date) Retrospective Prospective

Approaches developed for this appraisal: Sales Comparison Approach Cost Approach Income Approach (See Reconciliation Comments and Scope of Work)

Property Rights Appraised: Fee Simple Leasehold Leased Fee Other (describe)

Intended Use: THE INTENDED USE OF THIS APPRAISAL REPORT IS TO ESTIMATE THE MARKET VALUE OF THE SUBJECT

PROPERTY TO ASSIST WITH A POSSIBLE PURCHASE OF THE SUBJECT PROPERTY.

Intended User(s) (by name or type): THE INTENDED USER IS THE CITY OF LAUDERHILL

Client: CITY OF LAUDERHILL Address: 6581 W. OAKLAND PARK BLVD, LAUDERHILL, FLORIDA 33313

Appraiser: ADRIAN GONZALEZ & ASSOCIATES, PA Address: 2040 POLK STREET, HOLLYWOOD, FLORIDA 33020

Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Predominant Occupancy: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant (>5%)	One-Unit Housing PRICE \$(000): 175	One-Unit AGE (yrs): 20	Present Land Use One-Unit 90%: 90%	Change in Land Use: <input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely <input type="checkbox"/> In Process
Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	High 24	Low 20	Multi-Unit 10%	
Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	Demand/Supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	308	Pred 22		
Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.					

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): THE SUBJECT NEIGHBORHOOD IS LOCATED SOUTH OF COMMERCIAL BLVD., WEST OF ROCK ISLAND ROAD, NORTH OF NW 44 STREET AND EAST OF NW 70 AVE. THE SUBJECT NEIGHBORHOOD CONSISTS OF SINGLE FAMILY HOUSES OF AVERAGE QUALITY OF CONSTRUCTION, CONDOMINIUMS AND COMMERCIAL PROPERTY. COMMERCIAL PROPERTY LOCATED WITHIN NEIGHBORHOOD BOUNDARIES DOES NOT HAVE AN ADVERSE AFFECT ON MARKETABILITY. SOME OF THE PROPERTIES HAVE CANAL/LAKE VIEWS. PROPERTY VALUES HAVE BEEN INCREASING SINCE 2010. IT APPEARS PROPERTY VALUES HAVE STABILIZED. SUPPLY AND DEMAND IS IN BALANCE IN THE SUBJECT NEIGHBORHOOD. THERE IS SOME FORECLOSURE COMPETITION. THERE ARE ONLY FOUR CURRENT LISTING WITH THE SUBJECT'S IMMEDIATE MARKET AREA.

Dimensions: SLIGHTLY IRREGULAR Site Area: 13,346 SF

Zoning Classification: RS-4 Description: SINGLE FAMILY RESIDENTIAL

Zoning Compliance: Legal Legal nonconforming (grandfathered) Illegal No zoning

Are CC&Rs applicable? Yes No Unknown Have the documents been reviewed? Yes No Ground Rent (if applicable) \$ /

Highest & Best Use as improved: Present use, or Other use (explain)

Actual use as of Effective Date: DETACHED SINGLE FAMILY DWELLING Use as appraised in this report: DETACHED SINGLE FAMILY DWELLING

Summary of Highest & Best Use: THE SUBJECT PROPERTY IS CURRENTLY BEING UTILIZED AT ITS HIGHEST AND BEST USE.

Utilities Public Other Provider/Description	Off-site Improvements Type Public Private	Topography ABOVE ROAD CROWN
Electricity <input checked="" type="checkbox"/> <input type="checkbox"/>	Street ASPHALT <input checked="" type="checkbox"/> <input type="checkbox"/>	Size TYPICAL
Gas <input type="checkbox"/> <input type="checkbox"/>	Curb/Gutter NONE <input type="checkbox"/> <input type="checkbox"/>	Shape SLIGHTLY IRREGULAR
Water <input checked="" type="checkbox"/> <input type="checkbox"/>	Sidewalk CONCRETE <input checked="" type="checkbox"/> <input type="checkbox"/>	Drainage APPEARS ADEQUATE
Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/>	Street Lights ELECTRIC <input checked="" type="checkbox"/> <input type="checkbox"/>	View STREET
Storm Sewer <input type="checkbox"/> <input type="checkbox"/>	Alley NONE <input type="checkbox"/> <input type="checkbox"/>	

Other site elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)

FEMA Spec'l Flood Hazard Area Yes No FEMA Flood Zone AH FEMA Map # 12011C0205F FEMA Map Date 08/18/1992

Site Comments: THERE WERE NO APPARENT ADVERSE EASEMENTS AND/OR ENCROACHMENTS OBSERVED. THE SUBJECT IS LOCATED ON A OVERSIZED LOT.

General Description	Exterior Description	Foundation	Basement <input checked="" type="checkbox"/> None	Heating
# of Units 1 <input type="checkbox"/> Acc. Unit	Foundation CONCRETE	Slab CONCRETE	Area Sq. Ft. NA	Type CENTRAL
# of Stories 1	Exterior Walls CBS	Crawl Space NONE	% Finished NA	Fuel ELECTRIC
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att.	Roof Surface CONC BARREL	Basement NA	Ceiling NA	Cooling
Design (Style) RANCH	Gutters & Downsp. YES	Sump Pump <input type="checkbox"/> NA	Walls NA	Central YES
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und. Cons.	Window Type AWNING	Dampness <input type="checkbox"/> NA	Floor NA	Other
Actual Age (Yrs.) 22	Storm Screens ALUMINIUM	Settlement NA	Outside Entry NA	
Effective Age (Yrs.) 6-10		Infestation NA		

Interior Description	Appliances	Attic <input type="checkbox"/> None	Amenities	Woodslove(s) #	Car Storage <input type="checkbox"/> None
Floors WOOD/TILE/GOOD	Refrigerator <input checked="" type="checkbox"/>	Stairs <input checked="" type="checkbox"/>	Fireplace(s) # NONE		Garage # of cars (4 Tot.)
Walls DRYWALL/GOOD	Range/Oven <input checked="" type="checkbox"/>	Drop Stair <input type="checkbox"/>	Patio NONE		Attach. 2
Trim/Finish WOOD/GOOD	Disposal <input checked="" type="checkbox"/>	Scuttle <input checked="" type="checkbox"/>	Deck NONE		Detach. _____
Bath Floor TILE/AVG	Dishwasher <input checked="" type="checkbox"/>	Doorway <input checked="" type="checkbox"/>	Porch ENCLOSED		BH-In _____
Bath Wainscot TILE/AVG	Fan/Hood <input checked="" type="checkbox"/>	Floor <input checked="" type="checkbox"/>	Fence WOOD		Carport _____
Doors WOOD/AVG	Microwave <input checked="" type="checkbox"/>	Heated <input type="checkbox"/>	Pool NONE		Driveway 2
	Washer/Dryer <input checked="" type="checkbox"/>	Finished <input type="checkbox"/>			Surface ASPHALT

Finished area above grade contains: 8 Rooms 4 Bedrooms 2.5 Bath(s) 2,453 Square Feet of Gross Living Area Above Grade

Additional features: ENCLOSED PATIO/PANAI, CONCRETE DECK, MATURE TREE COVERED BACK YARD, WOOD FENCING.

Describe the condition of the property (including physical, functional and external obsolescence): THE HOUSE IS UPDATED THROUGHOUT WITH GRANITE COUNTER TOPS AND WOOD CABINETS (UPDATED KITCHEN), CROWN MOLDING, VAULTED CEILINGS, WOOD FLOORS AND ACCORDING SHUTTERS. THE ROOF WAS REPLACED APPROX 5 YEARS AGO. OVERALL GOOD CONDITION AND HIGH CURB APPEAL.



RESIDENTIAL APPRAISAL SUMMARY REPORT

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My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): **BROWARD COUNTY PROPERTY APPRAISER, MLXCHANGE**

1st Prior Subject Sale/Transfer: Analysis of sale/transfer history and/or any current agreement of sale/financing: **THE PROPERTY HAS BEEN UNDER THE SAME OWNERSHIP SINCE 2001. THE SUBJECT IS CURRENTLY UNDER CONTRACT FOR \$375,000 BASED ON CONTRACT PROVIDED TO THE APPRAISER.**

Date: _____
 Price: _____
 Source(s): **PUBLIC RECORDS**

2nd Prior Subject Sale/Transfer: _____
 Date: _____
 Price: _____
 Source(s): _____

SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3
Address	██████████ HILL, FL 33319	4651 NW 65TH AVE LAUDERHILL	4913 NW 68TH AVE LAUDERHILL	4788 NW 67TH AVE LAUDERHILL
Proximity to Subject		0.15 miles SE	0.10 miles S	0.25 miles S
Sale Price		\$ 335,000	\$ 385,000	\$ 425,000
Sale Price/GLA		\$ 136.67/sq.ft.	\$ 128.33/sq.ft.	\$ 84.88/sq.ft.
Data Source(s)	INSPECTION	MLS/MLXCHANGE	MLS/MLXCHANGE	MLS/MLXCHANGE
Verification Source(s)		MLS/MLXCHANGE	MLS/MLXCHANGE	MLS/MLXCHANGE
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing		CONV MTG	CASH	VA
Concessions		NONE	NONE	NONE
Date of Sale/Time		02/20/2014	11/1/2013	08/24/2013
Rights Appraised	FEE SIMPLE	FEE SIMPLE	FEE SIMPLE	FEE SIMPLE
Location	INTERIOR LOT	INTERIOR LOT	INTERIOR LOT	CORNER LOT
Site	13,348 SF	9,796 SF	9,829 SF	11,329 SF
View	RESIDENTIAL	RESIDENTIAL	RESIDENTIAL	RESIDENTIAL
Design (Style)	RANCH	RANCH	RANCH	RANCH
Quality of Construction	CBS/GOOD	CBS/GOOD	CBS/GOOD	CBS/GOOD
Age	22	1990	1994	1994
Condition	GOOD	GOOD	GOOD	GOOD
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	8 4 2.5	8 4 2.5	9 4 3	11 5 4.5
Gross Living Area	2,453 sq.ft.	2,453 sq.ft.	3,000 sq.ft.	4,489 sq.ft.
Basement & Finished Rooms Below Grade	NONE	NONE	NONE	NONE
Functional Utility	AVERAGE	AVERAGE	AVERAGE	AVERAGE
Heating/Cooling	CENTRAL	CENTRAL	CENTRAL	CENTRAL
Energy Efficient Items	TYPICAL	TYPICAL	TYPICAL	TYPICAL
Garage/Carport	GARAGE 2	GARAGE 2	GARAGE 3	GARAGE 3
Porch/Patio/Deck	ENC. PORCH	COV PORCH	ENC. PORCH	ENC. PORCH
SWIMMING POOL/SPA	SPA	NONE	SW POOL	SW POOL
Net Adjustment (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 12,200	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -11,800	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -46,200
Adjusted Sale Price of Comparables		\$ 347,200	\$ 373,200	\$ 378,800

Summary of Sales Comparison Approach: **ALL COMPARABLES ARE LOCATED WITHIN CLOSE PROXIMITY TO THE SUBJECT PROPERTY. SALES #1, 4 & 5 HAVE SAME BEDROOM AND SIMILAR BATH COUNT. COMPARABLES #2, 3, 4 & 6 ARE SUPERIOR IN SIZE AND WERE ADJUSTED ACCORDINGLY. SALES #1, 2, 3 & 4 HAVE INFERIOR LOT SIZE AND WERE ADJUSTED ACCORDINGLY. POOL ADJUSTMENTS FOR SALES #2, 3 & 4 WERE WARRANTED. ALL COMPARABLES APPEAR TO BE SIMILAR IN CONDITION TO THE SUBJECT. DUE TO LIMITED MARKET SALES IN THE SUBJECT NEIGHBORHOOD, THE SEARCH PARAMETERS WERE EXTENDED TO OVER SIX MONTHS. EACH COMPARABLES WAS GIVEN CONSIDERATION.**

SALE AND/OR TRANSFERS OF THE SALES ABOVE WITHIN THREE YEARS FROM DATE OF SALE:

THERE WAS A TRANSFER OF OWNERSHIP OF SALE ONE IN 11/13 FOR \$300,000.

THERE WAS NO TRANSFER OF OWNERSHIP OF SALE TWO.

THERE WAS NO TRANSFER OF OWNERSHIP OF SALE THREE.

THERE WAS TRANSFER OF OWNERSHIP OF SALE FOUR IN 08/13 FOR \$100, IT WAS A QUIT CLAIM DEED/RELATED PARTY TRANSACTION.

THERE WAS NO TRANSFER OF OWNERSHIP OF SALE FIVE.

Indicated Value by Sales Comparison Approach \$ 375,000

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COST APPROACH TO VALUE (if developed) The Cost Approach was not developed for this appraisal.
 Provide adequate information for replication of the following cost figures and calculations:
 Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):

ESTIMATED	REPRODUCTION OR	REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$
Source of cost data:			DWELLING	Sq. Ft. @ \$ = \$
Quality rating from cost service:	Effective date of cost data:			Sq. Ft. @ \$ = \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.):				Sq. Ft. @ \$ = \$
				Sq. Ft. @ \$ = \$
			Garage/Carport	Sq. Ft. @ \$ = \$
			Total Estimate of Cost-New	= \$
			Less	Physical Functional External
			Depreciation	= \$(
			Depreciated Cost of Improvements	= \$
			"As-Is" Value of Site Improvements	= \$
				= \$
				= \$
Estimated Remaining Economic Life (if required):			Years	INDICATED VALUE BY COST APPROACH = \$

INCOME APPROACH TO VALUE (if developed) The Income Approach was not developed for this appraisal.
 Estimated Monthly Market Rent \$ NA X Gross Rent Multiplier NA = \$ Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM):

PROJECT INFORMATION FOR PUDs (if applicable) The Subject is part of a Planned Unit Development.
 Legal Name of Project:
 Describe common elements and recreational facilities:

Indicated Value by: Sales Comparison Approach \$ 375,000 Cost Approach (if developed) \$ NA Income Approach (if developed) \$
 Final Reconciliation **TOTAL EMPHASIS WAS PLACED ON THE SALES COMPARISON APPROACH TO VALUE WHICH BEST REFLECTS THE ACTIONS OF BUYERS AND SELLERS IN THE MARKET PLACE.**

This appraisal is made "as is", subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, subject to the following required inspection based on the extraordinary Assumption that the condition or deficiency does not require alteration or repair:

This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.
 Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 375,000, as of: MAY 27, 2014, which is the effective date of this appraisal.
 If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.
 A true and complete copy of this report contains 23 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:
 Scope of Work Limiting Cond./Certifications Narrative Addendum Photograph Addenda Sketch Addendum
 Map Addenda Additional Sales Cost Addendum Flood Addendum Manuf. House Addendum
 Hypothetical Conditions Extraordinary Assumptions

Client Contact: **JULIE SAUNDERS** Client Name: **CITY OF LAUDERHILL**
 E-Mail: jrsaunders@laudershill-fl.gov Address: **5581 W. OAKLAND PARK BLVD, LAUDERHILL, FLORIDA 33313**

APPRAISER
 Appraiser Name: **G. ADRIAN AGONZALEZ, JR.**
 Company: **ADRIAN AGONZALEZ & ASSOCIATES, PA**
 Phone: **954-918-3400** Fax: **954-239-5724**
 E-Mail: **AGONZALEZANDASSOCIATES@GMAIL.COM**
 Date of Report (Signature): **MAY 30, 2014**
 License or Certification #: **CERT GEN RZ 1555** State: **FL**
 Designation: **ASA**
 Expiration Date of License or Certification: **11/30/2014**
 Inspection of Subject: Interior & Exterior Exterior Only None
 Date of Inspection: **MAY 27, 2014**

SUPERVISORY APPRAISER (if required) or **CO-APPRAISER** (if applicable)
 Supervisory or Co-Appraiser Name:
 Company:
 Phone: Fax:
 E-Mail:
 Date of Report (Signature):
 License or Certification #: State: **FL**
 Designation:
 Expiration Date of License or Certification:
 Inspection of Subject: Interior & Exterior Exterior Only None
 Date of Inspection:

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EXHIBIT 8

Leslie,

As requested, we have provided detailed answers for the questions below posed by WSVN. Our responses are in black. In addition, we will send copies of various press releases and flyers that advertise various programs the Authority offers. Finally, I have included some answers to questions I was asked yesterday in the parking lot.

Thanks,
Kennie

How much of LHA's total funding comes directly from federal HUD dollars – and how much from the City of Lauderhill or others sources? Of the Authority's total budget of \$1,955,662, No dollars (\$ 0) are received directly from HUD. In the absence of federal funding LHA's funding sources include, \$950,224 from maintenance contracts, rent, interest income, mortgage interest and anticipated single family home sales; as sub-recipients via agreement with the City of Lauderhill \$368,064 from Community Development Block Grants; \$198,586 comes from home sales and rent payments associated with funds received through the City's Neighborhood Stabilization Program; finally, \$168,000 comes from interest income from mortgages that are related to the Employee Lending Program.

What programs does LHA offer to low-income applicants/residents? First and foremost, it is important to understand that the Lauderhill Housing Authority is NOT a traditional housing authority. We DO NOT administer any Section 8 rent subsidy vouchers, we DO NOT receive any federal funding to provide housing through traditional "public housing facilities", nor do we receive any funding to assist families through a federal Family Self-Sufficiency programs. Yet we still provide subsidized housing, affordable housing opportunities and self-sufficiency programs. As we strive to carry out the vision of the City Commission and the Commissioners of the Housing Authority, staff has worked to identify funding sources and opportunities to provide funds so that we can assist those most in need within the City of Lauderhill.

For example, we have maintenance contracts where LHA provides grounds keeping, minor maintenance, housing inspections and bulk trash removal. Payment from such services generates income for the Authority so we can provide services to low-income applicants in the absence of federal funding. Another means of procuring revenue is via the Employee Lending Program, which is not funded with any Federal, State or City funds. In fact, the funds for this program were invested by the City's pension trust funds, which are not under the control of the City and have their own independent boards, investment managers, administrators, attorneys and auditors. These funds have traditionally been invested with bonds. The Employee Lending Program has been successful thus far, allowing the pension funds to earn returns in excess of what they received from their fixed income portfolios, while providing the Housing Authority with \$234,481 in annual interest earnings to help fund its activities.

As such, we provide a number of services that not only address housing needs of low and moderate income individuals, but we all so offer programs to assist the children in attaining a competitive advantage in the areas of Science, Technology, Engineering and Math - while exposing them to activities and venues they may not normally have access to. Since our inception, we have acquired and renovated 80 units that have been offered for rent and/or sale at affordable prices; we provide year round after-school programing for school age kids within Central Lauderhill; we provide free "schools-out" programing on teacher planning days as well as

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Winter and Summer Breaks to Lauderhill residents that includes weekly field trips to venues such as the Museum of Science, Young at Art, Jungle Island, Parrot Island, Jungle Queen, local light houses, Helping Hands Feeding Center, and the Human Society, to name a few. In addition we provide the kids with golf and tennis lessons in partnership with the City of Lauderhill. We also provide down-payment assistance to income qualified families. A new project that we are working on includes the construction of 15 new single family 3 and 4 bedroom homes in Central Lauderhill. The homes will be awarded to families based on need and a lottery since demand exceeded supply. Also, LHA has partnered with the Lauderhill Police Department to provide Smartwater CSI kits. The Smartwater CSI kits as you probably know are an advanced technological theft deterrent kit to help identify criminals. The kits were distributed to the Windermere/Tree Gardens/Riviera Hills residents. In addition, we have partnered with local not for profits organizations to provide math and reading tutoring to the kids of Royal Palm Elementary School and students participating in the two Lauderhill Youth Football and Cheerleading leagues. Finally, LHA offers a Lease-to-Purchase program to help transition tenants into realizing the "American Dream" and becoming homeowners.

In summary, 100% of more than \$7.2 million (\$4.2 million received from HUD NSP 1, \$1.5 million received from NSP 3, \$500,000 received from the Broward County Housing Finance Authority, and \$1 million received in Community Block Grant Funds) have been expended on provided affordable upgraded rental housing, family self-sufficiently programming, new construction single family homes or fully renovated single family home ownership opportunities to the low-income applicants/residents of the City of Lauderhill.

Again, all of this is done without receiving direct funding from HUD to operate a Section 8 program or provide funds for a Public Housing facility or Family Self Sufficiency program.

How many renters are currently receiving federal voucher money provided by HUD and directed through LHA? Although there are roughly 1,000 current voucher holders residing in the City of Lauderhill, the Lauderhill Housing Authority DOES NOT have any jurisdiction over those vouchers. All of the renters have come from other Housing Authorities. In fact, with the exception of the City of Fort Lauderdale, Lauderhill has the second highest number of voucher holders residing in our City limits. Accordingly, LHA does not have any renters that are currently receiving federal voucher money provided by HUD directed through us. However, we have made numerous requests of HUD and the six local housing authorities to allow LHA to administer the vouchers currently located within our area of operation; since we are usually the voucher holder's first point of contact when they have questions and/or complaints relating to their residence.

Following up on the 2010 memo you sent to us outlining the lending program – what is the formal lending policy that ultimately got approved (regarding credit scores, interest rates, etc.)? attachment included

How much of the employee lending program was funded by HUD NSP money and how much by the local pension systems? The Lauderhill Housing Authority first mortgage portfolio has a total of 28 mortgages valued at \$3,423,139, of which \$1,633,293 provided funding to individuals that are income qualified based on HUD's guidelines, this includes employees and non-employees. More specifically, \$877,808 of employee mortgages were funded with NSP funds and \$1,789,846 were funded from pension funds.

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What is the total amount of money loaned to employees to date? See the above response.

Who is in charge of collecting the mortgage payments on the employee loans – and what happens if an employee defaults on their loan? Has that happened in any of the cases – and if so – please provide details. Banking information for all approved employee loans are provided to the City's HR and IT departments for bi-weekly payroll deductions or direct bank debits. This bi-weekly process is initiated, overseen and verified by the City's IT and HR Directors and City Comptroller. Once funds are collected, they are forwarded to LHA for processing. Since the mortgages are a loan and not a grant, if an employee defaults on their loan, LHA will move to foreclose on the loan and take possession of the property, which is pledged as collateral for the loan. To date, we have collected 100 percent of the employee loans on time and in full. No employees have defaulted on the loans thus far.

How many home loans has LHA given to those who are not employees (either as part of the NSP program or any other LHA program?) Since 2010, which is when the City turned over the administration of its NSP program to the Housing Authority, we have provided a total of 32 1st and 2nd mortgage loans to non-employees.

The above are all questions – the only additional document we need for now is a copy of the LHA budget for FY 2014 and the loan criteria. See attached.

Lastly, I would like to take this opportunity to expand on some of the answers provided to you during the impromptu interview yesterday.

1. Do I believe that there is a conflict with me receiving a loan? No. In accordance with the approved lending guidelines, all requirements were met and/or exceeded. Moreover, I did not participate in the review or approval of my application and was NOT present during the presentation, discussion and approval of my loan at the public board meeting. I had to meet the same criteria as other applicants.
2. How much did I put down on my purchase? \$11,100 – 3% as was required.
3. Your last request took 75 days to fill. With the exception of the request to review participant's files, I believe that all requests for information and or plan documents were responded to in a timely manner. Because of various statutory exemptions, participant's files by law needed to be retrieved from an off-site depository, reviewed by legal, redacted and reviewed again before being made available for distribution to ensure the confidentiality of the applicants and their families.
4. Why do I own two homes in the same community? As I stated yesterday, the referenced homes are not in the same development. Even though they are in neighboring communities, they have their own distinct entrance and exit and homeowner's association. The requirement for the LHA loan that the residence be owner occupied is being fulfilled. My new home is my homestead.
5. Do I think the money would be better served going to the poor? As stated in the policy that was drafted in 2010, it was designed and intended to designate some dollars for those meeting income requirements, and some who exceeded the caps. Again, HUD does not give us funding consequently, our creative funding sources includes dollars from pension funds that are spread across diverse income levels. This is done for the obvious reason, as previously stated. All of our funding to assist low to moderate income families must come from alternative funding sources.

05/04/2015
OIG 14-023-003 0737

OIG 14-023

EXHIBIT 9



LAW OFFICES OF
Coward & Coward, P.A.

ALFRED H. COWARD, ESQ.

KIMBERLY D. COWARD, ESQ.

REPLY TO:
63101 WEST COMMERCIAL BLVD., SUITE 100
FT. LAUDERHILL, FL 33409

23 POST OFFICE BOX 25487
FT. LAUDERHALL, FL 33420

TRUST FUND/ESCROW AGREEMENT

This Agreement is made on the 11th day of August, 2014, between COWARD & COWARD, P.A. ("Firm"), and LAUDERHILL HOUSING AUTHORITY ("Client").

Receipt of Funds. Firm acknowledges receipt of Client funds from Anderson Law Group in the amount of \$8,920.01.

Designation of Purposes. These funds shall be used exclusively for renovations or repairs of the property located at [REDACTED] Lauderhill, Florida.

Distribution of Funds. The funds shall be distributed directly to the vendors or any other person/entity at the Client's discretion.

IN WITNESS WHEREOF, each Party hereto has executed this Agreement by its duly authorized representative, effective as of the day and year indicated above.

CLIENT SIGNATURE: [Signature]

TITLE: Deputy Mayor

ACCEPTED: COWARD & COWARD, P.A.

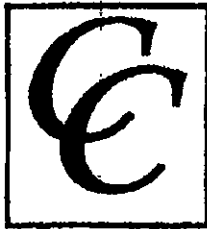
BY: [Signature]

TITLE: Deputy Mayor

04/20/2015
OIG 14-023-003 0608

OIG 14-023

EXHIBIT 10



LAW OFFICES OF
Coward & Coward, P.A.

ALFREDA D. COWARD, ESQ.

KIMBERLY D. COWARD, ESQ.

REPLY TO:

□ 7101 WEST COMMERCIAL BLVD, STE 4A
FT LAUDERDALE, FL 33319

□ POST OFFICE BOX 25487
FT. LAUDERDALE, FL 33320

TRUST FUND AGREEMENT

This Agreement is made on the 20th day of September 20, 2012, between Coward & Coward, P.A. ("Firm"), General Counsel for the Lauderhill Housing Authority, and the Lauderhill Housing Authority itself ("LHA").

Receipt of Funds. Firm acknowledges receipt of funds from LHA in the amount of \$24,000, check no.: 2292.

Designation of Purposes. These funds shall be used specifically for the improvements and refinancing of property located at [REDACTED] Lauderhill, 33313 and purchased by Corey and Denise Pendergrass.

Distribution of Funds. The funds shall be distributed directly to vendors conducting the improvements.

Other Distributions. Any funds remaining after completion of the improvements shall be returned to LHA or to the title agent conducting the refinancing as directed by LHA.

IN WITNESS WHEREOF, each Party hereto has executed this Agreement by its duly authorized representative, effective as of the day and year indicated above.

khobbs
Sep 21 2012 9:50 AM

LHA AUTHORIZED SIGNATURE: _____

TITLE: Executive Director

ACCEPTED: COWARD & COWARD, P.A.

BY: _____

TITLE: _____

OIG 14-023

EXHIBIT 11

OIG 14-023

EXHIBIT 12

Applicant Name Julie Bowers
 Yearly Salary 92,508.00
 Yearly Child Support 9,600.00
 Yearly Net pay per income verification 78,840.06

Household size 3
 Gross income/month 7,709.00
 Net Income/month 7,370.01
 *Max Housing Cost based on Gross/month 2,389.79
 *Max Housing Cost Based on Net/month 2,800.60
 Credit Score [REDACTED]
 Max Loan Amount based on gross pay 238,979.00
 Max Loan Amount based on net pay 280,060.19

Average 259,519.60

	Debt Ratio	Payment	Balance
Student loan		414.00	67,000.00
Car Loan		689.00	19,900.00
Revolving Credit Cards		78.00	2,211.00
		<u>1,181.00</u>	<u>89,111.00</u>

Proposed Housing Cost	
Loan Amount	(\$1,498.88)
HOA	(116.67)
T&I	(500.00)
Proposed Housing Cost	<u>(2,115.54)</u>

	Max Housing Calculations	Proposed Cost
Net Income	7,370.01	7,370.01
Housing Cost	(2,623.12)	(2,115.54)
Debt Payments	(1,181.00)	(1,181.00)
	<u>3,565.88</u>	<u>4,073.46</u>

Recommendation

Approve

Deny

Committee Chair

Signature

Date

Executive Director

Date

LHA Board Chairperson

Date

OIG 14-023

EXHIBIT 13

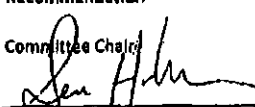

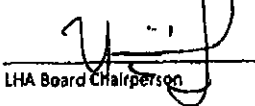
**Lauderhill Housing Authority
Loan Processing Worksheet**

Applicant Name	Julie Bowers	
Yearly Salary		99,108.00
Yearly Child Support		9,348.00
Yearly Net pay per income verification		85,440.06
Household size		3
Gross Income/month		8,259.00
Net Income/month		7,899.01
*Max Housing Cost based on Gross/month (P&I)		2,560.29
*Max Housing Cost Based on Net/month (PITI)		3,001.62
Credit Score		711
Max Loan Amount based on gross pay		320,036.25
Max Loan Amount based on net pay		375,202.74
Average		347,819.49

Debt Ratio	Payment	Balance
Student loan	414.00	67,000.00
Car Loan	650.00	20,800.00
Loan payment	185.00	4,811.00
Revolving Credit Cards	215.00	2,211.00
	<hr/>	
	1,464.00	94,822.00

Proposed Housing Cost	
Loan Amount	(\$1,861.00)
HOA	(116.67)
T&I	(500.00)
Proposed Housing Cost	<hr/> (2,477.67)

	Max Housing Calculations	Proposed Cost
Net Income	7,899.01	7,899.01
Housing Cost	(3,001.62)	(2,477.67)
Debt Payments	(1,464.00)	(1,464.00)
Available Funds after Housing and Debt	<hr/> 3,433.39	<hr/> 3,957.34

Recommendation	Approve	Deny
Committee Chair:		
	4/18/11	
Signature	Date	
	4/18/11	
Executive Director	Date	
		
LHA Board Chairperson	Date	

OIG 14-023

EXHIBIT 14



www.lauderhillha.com
1818 NW 54th Terrace,
Lauderhill, FL 33313
954-730-3019

MORTGAGE LOAN COMMITMENT

COPY

To: Julie Saunders-Bowers

Property Address:
[REDACTED]

Preparation Date: April 18, 2011

Loan number: 2010-5

Congratulations! Your loan application has been approved subject to the terms and conditions included in this commitment letter. You may be required to provide documentation that is acceptable to the Lender. If the documentation you provide does not satisfy the terms and conditions, your final approval is not guaranteed and the Lender may require additional information and review.

This commitment is also subject to reconsideration if there is any material change in your financial status, in the information provided in your application or on the condition of the property. Loan Type Fixed Loan amount \$210,400 Loan term (months) 360 Interest rate 6.00%. Unless the section titled "Locked-In" below is checked, you have elected to FLOAT and the interest rate designated above reflects the interest rate used for qualifying. The interest rate and discount points for your loan application will go up and down depending on market conditions until you loan is price protected.

Your monthly payments will consist of principal and interest in the approximate amount of \$ 1,861 and escrow payments. Your payment is due on the first day of each month without exception. A late payment service charge of 5 % will be charged on payments received after the end of 15 calendar days after the payment is due. Your loan must close and fund prior to the interest rate lock-in expiration date and prior to the commitment expiration date. Your interest rate lock-in expiration date is June 18, 2011. If you cannot close and fund prior to this date for any reason, you will be required to re-price your loan. Your commitment expiration date is July 18, 2011. If you cannot close and fund prior to this date, you may be required to provide additional documentation and your loan will be resubmitted for credit approval.

Interest Rate Adjustment - ARM Option

 If this line is checked, you have been approved for an Adjustable Rate Mortgage (ARM).

You will be notified of your First Interest Rate Change Date and your interest rate will be adjusted every twelve months thereafter. Your adjusted interest rate will be based on an Index plus a Margin, subject to the interest rate caps explained in the ARM Disclosure and Description of Program provided to your earlier.

Lock-In

 X If this line is checked, you have elected to lock in the interest rate and discount points for your application, which means that if your loan is closed and funded within the Price Protection Period, we will make the loan at the interest rate and discount points specified in this letter.

Assumability

 If this line is checked, your loan may be assumed by a qualified borrower who meets investor guidelines at time of assumption.

Escrow

Your monthly payment will include an amount for taxes, hazard insurance premiums, monthly home owner association fees premiums for other insurance you may have (such as flood insurance or FHA mortgage insurance), and other items that may be required to be escrowed under the terms of the Loan agreement.

Flood Insurance

 X If this line is checked, we must be furnished at closing with an original policy of flood insurance (or application for insurance) under the National Flood Insurance Act of 1968, along with a paid receipt for the first year's premium. This insurance policy must be obtained from an acceptable company, must be in a form acceptable to us, and must have a loss payable provision as described under the Hazard Insurance requirements below.

Origination Fee and Loan Discount

Buyer/Seller must pay, at closing, a total Loan Origination Fee of 1 % of the principal amount of the loan (not including the MIP if financed) and a total loan discount of 0 % of the principal amount of the loan to be paid on the total loan amount (including the MIP if financed). If you've elected to float your rate and points, refer to the Election Form given to you at the time of application.

New Construction

 New construction is subject to the proposed home being 100 percent completed prior to loan closing in accordance with the approved plans and specifications. We must receive evidence that all contractors and material men have waived their rights to a mechanic's lien. An approved final inspection will be required prior to closing along with photos of the completed property.

Credit Documents

All credit documents over 120 days old as of the date of the closing will need to be updated prior to loan closing to ascertain that your ability to repay has not changed adversely. (New construction credit documents over 180 days old at time of closing must be updated.)

Program Availability

We reserve the right to modify or eliminate this loan program at any time without notice to you. If the program is eliminated or you no longer qualify because of program modifications, this Approval will be void and you will be required to submit a new application for a different loan program.

Title Insurance or Attorney's Certificate

We must be furnished with an acceptable title insurance policy (or title guarantee policy in the State of Iowa) issued by a company or attorney satisfactory to us. The policy must name us as an insured in the amount of the loan and must insure the Security Instrument to be valid first lien on the property, free from all exceptions except those approved by us. If questions of survey are raised in connection with the title policy, we may/will require you to furnish us with a survey of the subject property.

Hazard Insurance

We must be furnished at closing with a copy of an original policy of hazard insurance or an original 90-day binder with a paid receipt for the first year's insurance premium insuring the subject property against loss by fire and hazards included in the term "extended coverage", and such other hazards as is customary to insure against in the area where the property is located. Coverage should be for at least the amount of the loan or the replacement cost of the property, whichever is less. If replacement cost is less than the loan amount, your appraisal must include a breakdown of land value and replacement cost. This insurance policy must be obtained from an acceptable company (Best general rating of at least B and a financial size rating of at least III), must be in a form acceptable to us, and must have a loss payable provision designating the mortgagee as follows:

Lauderhill Housing Authority, its successors and/or assigns,
1818 NW 64 Terrace, Lauderhill, FL 33313
Loan # 2010-05

Assessments

Special assessments may be assumed provided that the assessment is recognized on the Appraisal or CRV or an amendment to the Appraisal or CRV. The appraised value must be reduced by the unpaid amount of the special assessment which will reduce your maximum mortgage amount.

Legal Documents

The Note and Security Instrument evidencing and securing the loan must be executed and delivered to us at the loan closing and must be acceptable to us in the form and substance.

Payment of Fees

By accepting this commitment, Buyer/Seller agrees to pay all closing costs, including recording fees, mortgage registration tax, tax service fees, fees or premiums for title examination, abstract of title, title insurance, survey expenses, appraisal fees, private mortgage insurance (if applicable), cost of credit report, document preparation fees, and attorney's fees (if outside counsel is engaged by us).

Legal Compliance

The Property must comply with applicable zoning, building, and other laws and regulations.

Modification

We reserve the right to withdraw this approval, or to modify the terms as required, if any material facts appear which have not been previously revealed to us by you.

I (we) hereby accept the terms and conditions of all this commitment.

 Dillon Sanders
NAME

 4/12/11
DATE

NAME

DATE

 [Signature]
AUTHORIZED SIGNATURE

 4/18/11
DATE

 [Signature]
AUTHORIZED SIGNATURE

 4/18/11
DATE

Initials: [Signature]



OIG 14-023

EXHIBIT 15

Lauderhill Housing Authority

Conditional Approval Letter

Date: May 2, 2011

Loan#: 2010-08

Applicant(s): Julie Saunders-Bowers

Property Address: [Redacted] Lauderhill, FL 33319

We are pleased to inform you that Lauderhill Housing Authority has approved your real estate loan application on the terms set forth below, subject to the conditions set forth in the Conditions Addendum attached to this Loan Approval (the "Initial Conditions"), and further subject to any other conditions Lauderhill Housing Authority may establish upon receipt and review of documentation in satisfaction of the Initial Conditions (the "Subsequent Conditions").

Type of Mortgage: Conventional Loan Amount: \$320,000 Loan Term: 360 (Months)
Occupancy: Primary Residence Purpose: Purchase Program Code: 30 Yr Fixed
Interest Rate: 6.000 Discount Points: % DocType: Full

[] Your loan has a balloon payment

Loan terms as shown above [x] Have [] Have not been "Locked In". All loan terms stated above are subject to change (except loan amount)

Table with 3 columns: Rate Lock Expiration Date, Loan Approval Expiration Date, Condition Expiration Date. Values: 05/02/2011, 07/04/2011, 07/04/2011

If this loan does not close on or before the Loan Approval expiration date, Lauderhill Housing Authority no longer has any obligation to close this loan. Loan Approval is not transferable.

This loan is to be secured by a Deed of Trust/Mortgage covering the following real property: [Redacted] Lauderhill, FL 33319

All Initial Conditions and all subsequent Conditions must be satisfied before funds can be released. In order to avoid a delay in your transaction, all conditions labeled "Prior to Doc" must be received prior to the Condition Expiration Date indicated above. Prior to Docs means prior to our preparation of your closing documents.

Loan Approval is based upon the information provided in your credit application and the current condition of your property. Should any information come to Lauderhill Housing Authority's attention which changes the basis on which your Loan Approval was granted, Lauderhill Housing Authority reserves the right to request additional information and may reconsider Loan Approval.

If there is a substantial change in applicant's financial condition or credit standing, Lauderhill Housing Authority is under no obligation to close your loan. You are responsible for keeping all financial obligations current during the processing of your loan transaction. Lauderhill Housing Authority accepts no responsibility for late fees incurred or adverse credit reporting for your failure to make payments by their due date. Lauderhill Housing Authority reserves the right to require updates of documentation that is more than 90 days old. Any false or erroneous statements set forth in your credit application shall, at the option of Lauderhill Housing Authority, render this Loan Approval null and void.

NOTE AND DEED OF TRUST/MORTGAGE: This loan will be evidenced by a promissory note and secured by a first Deed of Trust/Mortgage in form and substance acceptable to Lauderhill Housing Authority encumbering the property described above, subject only to exceptions approved by Lauderhill Housing Authority in writing. There will be no concurrent subordinate financing secured by this property without Lauderhill Housing Authority's prior written approval at the time of closing. The Deed of Trust/Mortgage may contain a provision granting Lauderhill Housing Authority the option to declare the entire indebtedness due and payable if the Applicant should transfer any interest in the property.

TITLE INSURANCE: The loan will be secured by a valid first Deed of Trust/Mortgage guaranteed by a policy of title insurance issued by a title company acceptable to Lauderhill Housing Authority in the amount of the loan. Such title policy shall provide to Lauderhill Housing Authority an extended coverage lenders policy with any endorsements required by Lauderhill Housing Authority insuring that Lauderhill Housing Authority's Deed of Trust/Mortgage is a lien on the property subject only to matters approved by Lauderhill Housing Authority in writing.

HAZARD INSURANCE: Applicant is to furnish at least 24 hours prior to the date on which your loan is closed, a fire and extended coverage policy, or a binder if required by law, in an amount equivalent to the lesser of 100 percent of the insurable value of the improvements as established by the property insurer, or the unpaid principal balance of the mortgage, so long as it equals the minimum amount (80 percent of the insurable value of the improvements) required to compensate for damage or loss on a replacement cost basis. If it does not then coverage that provides the minimum required amount must be obtained. The policy must reflect an expiration date that can be no earlier than 90 days from the date of your loan's closing. Lauderhill Housing Authority must also be designated the Lender Loss Payee on this policy at the time of closing. After your loan has closed, it is the responsibility of your insurance company to send confirmation of your policy renewal 15 days prior to the expiration of your Hazard Insurance policy. You will receive a letter from our insurance coordination company if a renewal policy is not received 15 days prior to the expiration, asking the borrower to provide proof of continued coverage.

This letter discloses the fact that if the insurance coordination company does not receive proof of continued coverage, Lauderhill Housing Authority will place forced insurance to protect its interest. The fire and extended policy coverage and insuring company must be acceptable to Lauderhill Housing Authority.

Handwritten initials and four lines for initials: [Signature] _____
Initials Initials Initials Initials

04/20/2015
OIG 14-023-003 0720

If the loan is a construction-only or a construction-to-permanent loan, a course of Construction Casualty Insurance policy must be obtained during the construction period and then converted to the fire and extended policy upon completion of construction. If your loan is a lot loan, no insurance is required.

FLOOD INSURANCE: Lauderdale Housing Authority requires flood insurance pursuant to federal or state law or regulation if the property is located in a Special Flood Hazard Area. The subject property:

is located within a Special Flood Hazard Area. is not located within a Special Flood Hazard Area.

MORTGAGE INSURANCE:

is required (For New York loans a copy of your right to cancel private mortgage insurance is attached)

is not required as a condition of making the loan.

IMPOUND/ESCROW: If the box is checked, at closing, an escrow impound account will be established and an initial escrow deposit will be required in accordance with RESPA.

Real Estate Tax Hazard Insurance Mortgage Insurance Flood Insurance

ASSUMPTION: Someone buying your house: May not assume your loan. Your loan may be assumable under certain conditions.

PREPAYMENT PENALTY:

Has (For New York loans see attached prepayment penalty description).

Does not have a prepayment penalty.

NO VERBAL MODIFICATION: This agreement cannot be changed orally.

You will not pay a rate-lock or commitment fee. Points charged by the lender are paid at closing.

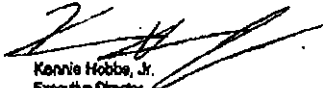
REFUNDABILITY: Your Loan Administration Fee and any Interest Rate Lock-in Fee and/or points are non-refundable, except for the following conditions:

- A) If Lauderdale Housing Authority issues a commitment to make you a loan and the commitment is conditioned on the approval of a third-party investor or mortgage insurance company and that party rejects the loan.
- B) If you provide Lauderdale Housing Authority with complete and accurate credit information and your application is declined. If you cancel your application it is not considered declined. If Lauderdale Housing Authority makes an offer for a loan that you reject, this is not considered a declination for the purpose of refundability.

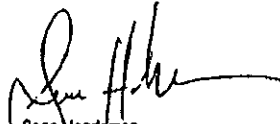
FREE RECOVERY: In connection with this application, you provided your credit or debit card number and authorization to Lauderdale Housing Authority to charge the Loan Administration Fee. In the event you cancel the loan application or your application is denied, Lauderdale Housing Authority may charge your credit or debit card for appraisal and credit report fees if such fees have been incurred. Your credit or debit card may be charged for a Trip Fee if you fail to keep your appointment with the appraiser, or an Inspection Fee on the appraisal cannot be completed because of the property's condition if such fees have been incurred.

Thank you for giving us the opportunity to be of service. Our address, phone number and fax numbers are as follows:
Lauderdale Housing Authority
1818 NW 54 Terrace
Lauderdale, FL 33313

Sincerely,



Kennie Hobbs, Jr.
Executive Director
Phone: 954-730-3033
Fax: 954-730-4227



Sean Henderson
Finance Committee Chair
Phone: 954-714-1536
Phone: 954-730-4238

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

IF YOU SIGN THIS LOAN APPROVAL, AND YOU DO NOT CLOSE THIS LOAN IN ACCORDANCE WITH THE DESCRIBED TERMS, YOU MAY LOSE SOME OR ALL OF THE FEES OR CHARGES YOU HAVE PAID.

BORROWER'S ACCEPTANCE: Borrower, by signing below accepts the conditions set forth in this Loan Approval and attached Conditions Addendum and agrees to proceed with the closing. Borrower must return signed copy no later than 21 days as acknowledgement of acceptance of this Loan Approval. We have received a duplicate original of this document.

Jude Saunders-Bowers

Date

Date

 5/2/11

Date

Date

04/20/2015
OIG 14-023-003 0721

OIG 14-023

EXHIBIT 16

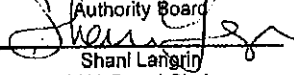
**Lauderhill Housing Authority Board
Regular Meeting**

May 10, 2011

MINUTES

I hereby certify that this is a true
and correct copy of the minutes
of the

May 10, 2011 Regular Meeting
of the Lauderhill Housing
Authority Board


Shani Langrin
LHA Board Clerk

I. CALL TO ORDER

Chairperson Dorcinvil called the regular meeting to order at 11:05 a.m.

ROLL CALL

MEMBER	Present	Absent
Chairperson Yvon Dorcinvil	X	
Vice Chairperson Kenny Davis		X
Commissioner Joel Leshinsky	X	
Commissioner Debbie Etienne		X
Commissioner Simone Narcis	X	

Three of the five Commissioners were present. Vice-Chairperson Davis and Commissioner Etienne were absent. A quorum of the Lauderhill Housing Authority Board was present.

ALSO PRESENT

Kennie Hobbs, Jr., Executive Director, Lauderhill Housing Authority
Julie Bowers, Operations Administrator, Lauderhill Housing Authority
Alfreda Coward, Esq. Board Attorney, Lauderhill Housing Authority
Shani Langrin, Administrative Manager
Skot Hamilton, Board REALTOR, All Star Realty
James Phillips, Board REALTOR, Multiple Choice Realty Investments
Judi Hamilton, Myles & Associates
Darryl Jordan, Building Manager
Denise St. Patrick Bell, Myles & Associates
Elijah Wooten, Economic Development Manager
Sean Henderson, Assistant Finance Director
Floyd Harris, Budget Analyst

MEMBER	Yes	No
Chairperson Yvon Dorcinvil	X	
Commissioner Joel Leshinsky	X	
Commissioner Simone Narcis	X	

The motion passed 3 to 0 to terminate the contract with Dr. Willie Myles & Associates.

LHA Attorney, Coward advised the Board that she would forward the termination of contract to Dr. Myles, as well as the invoice for reimbursement.

2. **Homeownership Fair** – The next Homeownership Fair, as a follow-up to the April 16th Fair, will be held at Lauderhill Mall on Saturday, June 18th. The Fair will allow potential homebuyers to visit with Staff, Board Realtors, Banks, etc. to discuss the Safe Neighborhood District, redevelopment plans and lease purchase program and available LHA units. Elijah Wooten provided copies of the LHA brochure to the Commissioners for their review, and advised that Staff would distribute them to attendees at the next Fair on June 18th.

Board realtor, Skot Hamilton informed the Commissioners that he received four applications to purchase/finance Windermere units, and that he was currently following up with the attendees from the Homeownership Fair in April, who had expressed interest in LHA units/programs.

Mr. Hobbs mentioned that Staff was in the process of updating the LHA website, and invited the Board to make suggestions on the content.

3. **Loan Committee Applications**- Three applications for LHA financing were submitted to the Board for approval. The Commissioners reviewed each applicant's employment, credit and financial history on an individual basis and verified that the applicants met the LHA established lending criteria. The loan committee recommended approval for each applicant. As such, all three applications were approved for financing.
4. **LHA Financials**- Copies of the April 2011 LHA Balance Sheet Profit and Loss Statements detailing monthly operating expenses and income in relation to the budget were provided in the Commissioner's packets for their review.

VII. Adjournment

The meeting adjourned at 12:14 p.m.

OIG 14-023

EXHIBIT 17

Lauderhill Housing Authority Loan Approval Worksheet

Applicant Name	Property Address	Date
Yearly Salary	Londono, Widmark 101,294.02	2/21/2019
Net pay per income verification	65,867.88	
Household size	2	
Gross Income	8,441.17	
Net Income	5,488.99	
*Max Housing Cost based on Gross	2,616.76	
*Max Housing Cost Based on Net	2,085.82	
Credit Score	572	7.25%
Max Loan Amount based on gross pay	261,676.22	
Max Loan Amount based on net pay	208,581.62	
Average	235,128.92	

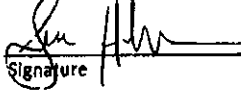
Debt Ratio	Payment	Balance
THD/CBNA	10.00	254.00
Target	66.00	1,053.00
CB/VICSCRT	50.00	1,072.00
Cap One	25.00	344.00
Santander - Automobile	347.00	4,789.00
GM Financial - Automobile	383.00	16,100.00
One West Bank - Mortgage	307.00	66,400.00
Creditone Bank	25.00	404.00
Cap One	39.00	522.00
	<u>1,252.00</u>	

Proposed Housing Cost	Current	Listed Improvements
Loan Amount	(\$603.34)	(\$685.31)
HOA		
T&I	(363.75)	(363.75)
Proposed Housing Cost	<u>(967.09)</u>	<u>(1,049.06)</u>
Bi-Weekly Payment	(446.35)	(484.18)

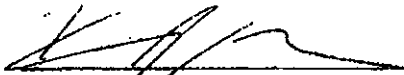
	Max Housing Calculations	Proposed Cost
Net Income	5,488.99	5,488.99
Housing Cost	(2,616.76)	(967.09)
Debt Payments	<u>(1,252.00)</u>	<u>(1,252.00)</u>
	1,620.23	3,269.90

Recommendation	Approved/w Contingency	Deny
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Committee Chair


Signature

3/12/13
Date


Executive Director
Approval Contingencies

3/12/13
Date
Name

Out Standing Items

Items that must be address before closing

Proof must be supplied to Committee Chair.

Verizon

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OIG 14-023

EXHIBIT 18

"AS IS" Residential Contract For Sale And Purchase
 THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR



1 PARTIES: The Estate of Daniel Foldy ("Seller")
 2 and Sally Saunders ("Buyer")
 3 agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal
 4 Property (collectively "Property") pursuant to the terms and conditions of this AS IS Residential Contract For Sale
 5 And Purchase and any riders and addenda ("Contract"):

6 1. PROPERTY DESCRIPTION:
 7 (a) Street address, city, zip: Sauderhill 33519
 8 (b) Property is located in: Brevard County Florida Real Property Tax ID No: _____
 9 (c) Legal description of the Real Property: OWNERSHIP FORM 113-29 B FOR TR A P&C AS COME IN COX
 10 OF TR A, N240.38, NWLY AN ARC DIST 1259.65, NB 449.63 TO
 11 208, NWLY AN ARCDIST 79.37, N

12 together with all existing improvements and fixtures, including built-in appliances, built-in furnishings and
 13 attached wall-to-wall carpeting and flooring ("Real Property") unless specifically excluded below.

14 (d) Personal Property: The following items owned by Seller and existing on the Property as of the date
 15 of the initial offer are included in the purchase ("Personal Property"): (i) range(s)/oven(s), dishwasher(s),
 16 disposal, ceiling fan(s), intercom, light fixtures, rods, draperies and other window treatments, garage door
 17 opener, and security gate and other access devices; and (ii) those additional items checked below. If
 additional details are necessary, specify below. If left blank, the item below is not included:

- | | | | |
|---|--|---|---|
| <input checked="" type="checkbox"/> Refrigerator(s) | <input type="checkbox"/> Smoke detector(s) | <input type="checkbox"/> Pool barrier/fence | <input type="checkbox"/> Storage shed |
| <input checked="" type="checkbox"/> Microwave oven | <input type="checkbox"/> Security system | <input type="checkbox"/> Pool equipment | <input type="checkbox"/> TV antenna/satellite dish |
| <input checked="" type="checkbox"/> Washer | <input type="checkbox"/> Window/door a/c | <input type="checkbox"/> Pool heater | <input type="checkbox"/> Water softener/filtrifier |
| <input checked="" type="checkbox"/> Dryer | <input type="checkbox"/> Generator | <input type="checkbox"/> Spa or Hot (A) with heater | <input checked="" type="checkbox"/> Storm shutters and panels |
| <input type="checkbox"/> Stand-alone ice maker | | <input type="checkbox"/> Above ground pool | |

18 The only other items of Personal Property included in this purchase, and any additional details regarding
 19 Personal Property, if necessary, are: _____

20 Personal Property is included in the Purchase Price, has no contributory value, and shall be left for the Buyer.
 21 (e) The following items are excluded from the purchase: _____

22 See attached addendum
 23 2. PURCHASE PRICE (U.S. currency): \$101,000.00 ~~\$20,000.00~~

24 (a) Initial deposit to be held in escrow in the amount of (checks subject to COLLECTION) \$ 2,000.00
 25 The initial deposit made payable and delivered to Escrow Agent named below
 26 (CHECK ONE) accompanies offer or is to be made upon acceptance (Effective Date)
 27 or is to be made within _____ (if blank, then 3) days after Effective Date
 28 Escrow Agent Information: Name: Anderson Title
 29 Address: 1481 N. Cypress Creek Road Suite 391 Fort Worth Phone: 854-885-1800
 30 E-mail: gaitelaw@andersontitle.com Fax: 854-885-0180

31 (b) Additional deposit to be delivered to Escrow Agent within 30 (if blank, then 3)
 32 days after Effective Date: \$ 3,000.00
 33 (All deposits paid or agreed to be paid, are collectively referred to as the "Deposit")

34 (c) Financing: Express as a dollar amount or percentage ("Loan Amount") see Paragraph 6: 3%
 35 (d) Other: _____

36 (e) Balance to close (not including Buyer's closing costs, prepaids and prorations) by wire
 37 transfer or other COLLECTED funds: \$ 4600
 38 NOTE: For the definition of "COLLECTION" or "COLLECTED" see STANDARD 8.

39 3. TIME FOR ACCEPTANCE OF OFFER AND COUNTER-OFFERS; EFFECTIVE DATE:

40 (a) If not signed by Buyer and Seller, and an executed copy delivered to all parties on or before
 41 _____ (this offer shall be deemed withdrawn and the Deposit, if any, will be returned to Buyer).
 42 Unless otherwise stated, time for acceptance of any counter-offers shall be within 2 days after the day the
 43 counter-offer is delivered.

44 (b) The effective date of this Contract will be the date when the last one of the Buyer and Seller has signed or
 45 initialed this offer or final counter-offer ("Effective Date").

46 4. CLOSING DATE: Unless modified by other provisions of this Contract, the closing of this transaction shall occur
 47 and the closing documents required to be furnished by each party pursuant to this Contract shall be delivered
 48 ("Closing") on 02/28/11 ("Closing Date"), at the time established by the Closing Agent.

Buyer's Initials: AS Page 1 of 10 Seller's Initials: MS
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- 60 5. EXTENSION OF CLOSING DATE:
- 61 (a) If Closing funds from Buyer's lender(s) are not available at time of Closing due to Truth in Lending Act (TILA)
- 62 notice requirements, Closing shall be extended for such period necessary to satisfy TILA notice requirements,
- 63 not to exceed 7 days.
- 64 (b) If extreme weather or other condition or event constituting "Force Majeure" (see STANDARD C) causes:
- 65 (i) disruption of utilities or other services essential for Closing, or (ii) Hazard, Wind, Flood or Homeowners'
- 66 insurance, to become unavailable prior to Closing, Closing will be extended a reasonable time up to 3 days
- 67 after restoration of utilities and other services essential to Closing, and availability of applicable Hazard, Wind,
- 68 Flood or Homeowners' insurance. If restoration of such utilities or services and availability of insurance has not
- 69 occurred within 14 (if left blank, 14) days after Closing Date, then either party may terminate this
- 70 Contract by delivering written notice to the other party, and Buyer shall be refunded the Deposit, thereby
- 71 releasing Buyer and Seller from all further obligations under this Contract.
- 72 6. OCCUPANCY AND POSSESSION: Unless otherwise stated herein, Seller shall at Closing, have removed all
- 73 personal items and trash from the Property and shall deliver occupancy and possession, along with all keys,
- 74 garage door openers, access devices and codes, as applicable, to Buyer. If Property is intended to be rented or
- 75 occupied beyond Closing, the fact and terms thereof and the tenant(s) or occupants shall be disclosed pursuant
- 76 to STANDARD D. If occupancy is to be delivered before Closing, Buyer assumes all risks of loss to Property from
- 77 date of occupancy, shall be responsible and liable for maintenance from that date, and shall be deemed to have
- 78 accepted Property in its existing condition as of time of taking occupancy.
- 79 7. ASSIGNABILITY: (CHECK ONE) Buyer may assign and thereby be released from any further liability
- 80 under this Contract; may assign but not be released from liability under this Contract; or may not assign
- 81 this Contract.

FINANCING

- 82 8. FINANCING:
- 83 (a) Buyer will pay cash or may obtain a loan for the purchase of the Property. There is no financing
- 84 contingency to Buyer's obligation to close.
- 85 (b) This Contract is contingent upon Buyer obtaining a written loan commitment for a conventional FHA
- 86 VA loan on the following terms within _____ (if blank, then 30) days after Effective Date ("Loan
- 87 Commitment Date") for: (CHECK ONE): fixed, adjustable, fixed or adjustable rate loan in
- 88 the principal amount of \$ _____ or 97 % of the Purchase Price, at an initial interest rate
- 89 not to exceed 6 % (if blank, then prevailing rate based upon Buyer's creditworthiness), and for a
- 90 term of 30 years ("Financing").
- 91 Buyer will make mortgage loan application for the Financing within 6 (if blank, then 5) days after
- 92 Effective Date and use good faith and diligent effort to obtain a written loan commitment for the Financing
- 93 ("Loan Commitment") and close this Contract. Buyer shall keep Seller and Broker fully informed about
- 94 the status of mortgage loan application and Loan Commitment and authorizes Buyer's mortgage broker and
- 95 Buyer's lender to disclose such status and progress to Seller and Broker.
- 96 If Buyer does not receive Loan Commitment, then Buyer may terminate this Contract by delivering written
- 97 notice to Seller, and the Deposit shall be refunded to Buyer, thereby releasing Buyer and Seller from all
- 98 further obligations under this Contract.
- 99 If Buyer does not deliver written notice to Seller of receipt of Loan Commitment or Buyer's written waiver of
- 100 this financing contingency, then after Loan Commitment Date Seller may terminate this Contract by
- 101 delivering written notice to Buyer and the Deposit shall be refunded to Buyer, thereby releasing Buyer and
- 102 Seller from all further obligations under this Contract.
- 103 If Buyer delivers written notice of receipt of Loan Commitment to Seller and this Contract does not
- 104 thereafter close, the Deposit shall be paid to Seller unless failure to close is due to: (1) Seller's default;
- 105 (2) Property related conditions of the Loan Commitment have not been met (except when such conditions
- 106 are waived by other provisions of this Contract); (3) appraisal of the Property obtained by Buyer's lender is
- 107 insufficient to meet terms of the Loan Commitment; or (4) the loan is not funded due to financial failure of
- 108 Buyer's lender, in which event(s) the Deposit shall be returned to Buyer, thereby releasing Buyer and Seller
- 109 from all further obligations under this Contract.
- 110 (c) Assumption of existing mortgage (see rider for terms).
- 111 (d) Purchase money note and mortgage to Seller (see rider, addenda, or special clauses for terms).

Buyer's Initials [Signature] Page 2 of 10 Seller's Initials [Signature]

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CLOSING COSTS, FEES AND CHARGES

9. CLOSING COSTS; TITLE INSURANCE; SURVEY; HOME WARRANTY; SPECIAL ASSESSMENTS;

- (a) COSTS TO BE PAID BY SELLER:
 - Documentary stamp taxes and surtax on deed, if any
 - Owner's Policy and Charges (if Paragraph 9(c)(i) is checked)
 - Title search charges (if Paragraph 9(c)(ii) is checked)
 - Other:

- HOA/Condominium Association estoppel fees
- Recording and other fees needed to cure title
- Seller's attorneys' fees

If, prior to Closing, Seller is unable to meet the AS IS Maintenance Requirement as required by Paragraph 11 a sum equal to 125% of estimated cost to meet the AS IS Maintenance Requirement shall be escrowed at Closing. If actual costs to meet the AS IS Maintenance Requirement exceed escrowed amount, Seller shall pay such actual costs. Any unused portion of escrowed amount shall be returned to Seller.

- (b) COSTS TO BE PAID BY BUYER:
 - Taxes and recording fees on notes and mortgages
 - Recording fees for deed and financing statements
 - Owner's Policy and Charges (if Paragraph 9(c)(ii) is checked)
 - Survey (and elevation certification, if required)
 - Lender's title policy and endorsements
 - HOA/Condominium Association application/transfer fees
 - Other:

- Loan expenses
- Appraisal fees
- Buyer's inspections
- Buyer's attorneys' fees
- All property related insurance

(c) TITLE EVIDENCE AND INSURANCE: At least _____ (if blank, then 5) days prior to Closing Date, a title insurance commitment issued by a Florida licensed title insurer, with legible copies of instruments listed as exceptions attached thereto ("Title Commitment") and, after Closing, an owner's policy of title insurance (see STANDARD A for terms) shall be obtained and delivered to Buyer. If Seller has an owner's policy of title insurance covering the Real Property, a copy shall be furnished to Buyer and Closing Agent within 5 days after Effective Date. The owner's title policy premium and charges for owner's policy endorsements, title search, and closing services (collectively, "Owner's Policy and Charges") shall be paid, as set forth below (CHECK ONE):

- (i) Seller will designate Closing Agent and pay for Owner's Policy and Charges (but not including charges for closing services related to Buyer's lender's policy and endorsements and loan closing, which amounts shall be paid by Buyer to Closing Agent or such other provider(s) as Buyer may select); or
- (ii) Buyer will designate Closing Agent and pay for Owner's Policy and Charges and charges for closing services related to Buyer's lender's policy, endorsements, and loan closing; or
- (iii) (MIAMI-DADE/BROWARD REGIONAL PROVISION): Seller will furnish a copy of a prior owner's policy of title insurance or other evidence of title and pay fees for: (A) a continuation or update of such title evidence, which is acceptable to Buyer's title insurance underwriter for reissue of coverage; (B) tax search; and (C) municipal lien search. Buyer shall obtain and pay for post-Closing continuation and premium for Buyer's owner's policy, and if applicable, Buyer's lender's policy. Seller shall not be obligated to pay more than \$ _____ (if blank, \$200.00) for abstract continuation or title search ordered or performed by Closing Agent.

(d) SURVEY: At least 5 days prior to Closing, Buyer may, at Buyer's expense, have the Real Property surveyed and certified by a registered Florida surveyor ("Survey"). If Seller has a survey covering the Real Property, a copy shall be furnished to Buyer and Closing Agent within 5 days after Effective Date.

(e) HOME WARRANTY: At Closing, Buyer Seller N/A will pay for a home warranty plan issued by _____ at a cost not to exceed \$ _____. A home warranty plan provides for repair or replacement of many of a home's mechanical systems and major built-in appliances in the event of breakdown due to normal wear and tear during the agreement's warranty period.

(f) SPECIAL ASSESSMENTS: At Closing, Seller will pay: (i) the full amount of liens imposed by a public body ("public body" does not include a Condominium or Homeowner's Association) that are certified, confirmed and ratified before Closing; and (ii) the amount of the public body's most recent estimate or assessment for an improvement which is substantially complete as of Effective Date, but that has not resulted in a lien being imposed on the Property before Closing. Buyer will pay all other assessments. If special assessments may be paid in installments (CHECK ONE):

- (a) Seller shall pay installments due prior to Closing and Buyer shall pay installments due after Closing. Installments prepaid or due for the year of Closing shall be prorated.
 - (b) Seller shall pay the assessment(s) in full prior to or at the time of Closing.
- IF NEITHER BOX IS CHECKED, THEN OPTION (a) SHALL BE DEEMED SELECTED.
 This Paragraph 9(f) shall not apply to a special benefit tax lien imposed by a community development district (CDD) pursuant to Chapter 190 F.S. which lien shall be treated as an ad valorem tax and prorated pursuant to STANDARD K.

Buyer's Initials: AS Page 3 of 10 Seller's Initials: TBC
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DISCLOSURES

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10. DISCLOSURES:


- (a) **RADON GAS:** Radon is a naturally occurring radioactive gas that, when it is accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.
- (b) **PERMITS DISCLOSURE:** Except as may have been disclosed by Seller to Buyer in a written disclosure, Seller does not know of any improvements made to the Property which were made without required permits or made pursuant to permits which have not been properly closed.
- (c) **MOLD:** Mold is naturally occurring and may cause health risks or damage to property. If Buyer is concerned or desires additional information regarding mold, Buyer should contact an appropriate professional.
- (d) **FLOOD ZONE; ELEVATION CERTIFICATION:** Buyer is advised to verify by elevation certificate which flood zone the Property is in, whether flood insurance is required by Buyer's lender, and what restrictions apply to improving the Property and rebuilding in the event of casualty. If Property is in a "Special Flood Hazard Area" or "Coastal High Hazard Area" and finished floor elevation is below minimum flood elevation, Buyer may terminate this Contract by delivering written notice to Seller within 20 days after Effective Date, failing which Buyer accepts existing elevation of buildings and flood zone designation of Property.
- (e) **ENERGY BROCHURE:** Buyer acknowledges receipt of Florida Energy-Efficiency Rating Information Brochure required by Section 563.896, F.S.
- (f) **LEAD-BASED PAINT:** If Property includes pre-1978 residential housing, a lead-based paint rider is mandatory.
- (g) **HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE:** BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL BUYER HAS RECEIVED AND READ THE HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE, IF APPLICABLE.
- (h) **PROPERTY TAX DISCLOSURE SUMMARY:** BUYER SHOULD NOT RELY ON THE SELLER'S CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.
- (i) **TAX WITHHOLDING:** If Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act ("FIRPTA"), Buyer and Seller will comply with FIRPTA, which may require Seller to provide additional cash at Closing.
- (j) **SELLER DISCLOSURE:** Seller knows of no facts materially affecting the value of the Real Property which are not readily observable and which have not been disclosed to Buyer. Except as stated in the preceding sentence or otherwise disclosed in writing: (1) Seller has received no written or verbal notice from any governmental entity or agency as to a currently uncorrected building, environmental or safety code violation; and (2) Seller extends and intends no warranty and makes no representation of any type, either express or implied, as to the physical condition or history of the Property.

PROPERTY MAINTENANCE, CONDITION, INSPECTIONS AND EXAMINATIONS

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- 11. **PROPERTY MAINTENANCE:** Except for ordinary wear and tear and Casualty Loss, Seller shall maintain the Property, including, but not limited to, lawn, shrubbery, and pool, in the condition existing as of Effective Date ("AS IS Maintenance Requirement").
- 12. **PROPERTY INSPECTION; RIGHT TO CANCEL:**
 - (a) **PROPERTY INSPECTIONS AND RIGHT TO CANCEL:** Buyer shall have 15 (if blank, 15) days from Effective Date ("Inspection Period") within which to have such inspections of the Property performed as Buyer shall desire during the Inspection Period. If Buyer determines, in Buyer's sole discretion, that the Property is not acceptable to Buyer, Buyer may terminate this Contract by delivering written notice of such election to Seller prior to expiration of Inspection Period. If Buyer timely terminates this Contract, the Deposit paid shall be immediately returned to Buyer, thereupon, Buyer and Seller shall be released of all further obligations under this Contract; however, Buyer shall be responsible for prompt payment for such inspections, for repair of damage to, and restoration of, the Property resulting from such inspections, and shall provide Seller with paid receipts for all work done on the Property (the preceding provision shall survive termination of this Contract). Unless Buyer exercises the right to terminate granted herein, Buyer accepts the physical condition of the Property and any violation of governmental, building, environmental, and safety codes, restrictions, or requirements, but subject to Seller's continuing AS IS Maintenance Requirement, and Buyer shall be responsible for any and all repairs and improvements required by Buyer's lender.

Buyer's Initials JA Page 4 of 10 Seller's Initials STAB
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268 Broker will be treated as a party to this Contract. This Paragraph 14 shall survive Closing or termination of this
269 Contract.
270

270 DEFAULT AND DISPUTE RESOLUTION

271 18. DEFAULT:

272 (a) BUYER DEFAULT: If Buyer fails, neglects or refuses to perform Buyer's obligations under this Contract,
273 including payment of the Deposit, within the time(s) specified, Seller may elect to recover and retain the
274 Deposit for the account of Seller as agreed upon liquidated damages, consideration for execution of this
275 Contract, and in full settlement of any claims, whereupon Buyer and Seller shall be relieved from all further
276 obligations under this Contract, or Seller, at Seller's option, may, pursuant to Paragraph 16, proceed in equity
277 to enforce Seller's rights under this Contract. The portion of the Deposit, if any, paid to Listing Broker upon
278 default by Buyer, shall be split equally between Listing Broker and Cooperating Broker; provided however,
279 Cooperating Broker's share shall not be greater than the commission amount Listing Broker had agreed to pay
280 to Cooperating Broker.

281 (b) SELLER DEFAULT: If for any reason other than failure of Seller to make Seller's title marketable after
282 reasonable diligent effort, Seller fails, neglects or refuses to perform Seller's obligations under this Contract,
283 Buyer may elect to receive return of Buyer's Deposit without thereby waiving any action for damages resulting
284 from Seller's breach, and, pursuant to Paragraph 16, may seek to recover such damages or seek specific
285 performance. This Paragraph 16 shall survive Closing or termination of this Contract.

286 16. DISPUTE RESOLUTION: Unresolved controversies, claims and other matters in question between Buyer and
287 Seller arising out of, or relating to, this Contract or its breach, enforcement or interpretation ("Dispute") will be
288 settled as follows:

289 (a) Buyer and Seller will have 10 days after the date conflicting demands for the Deposit are made to attempt to
290 resolve such Dispute, failing which, Buyer and Seller shall submit such Dispute to mediation under
291 Paragraph 16(b).

292 (b) Buyer and Seller shall attempt to settle Disputes in an amicable manner through mediation pursuant to Florida
293 Rules for Certified and Court-Appointed Mediators and Chapter 44, F.S., as amended (the "Mediation Rules").
294 The mediator must be certified or must have experience in the real estate industry. Injunctive relief may be
295 sought without first complying with this Paragraph 16(b). Disputes not settled pursuant to this Paragraph 16
296 may be resolved by instituting action in the appropriate court having jurisdiction of the matter. This Paragraph 16
297 shall survive Closing or termination of this Contract.

298 17. ATTORNEY'S FEES; COSTS: The parties will split equally any mediation fee incurred in any mediation permitted
299 by this Contract, and each party will pay their own costs, expenses and fees, including attorney's fees, incurred in
300 conducting the mediation. In any litigation permitted by this Contract, the prevailing party shall be entitled to
301 recover from the non-prevailing party costs and fees, including reasonable attorney's fees, incurred in conducting
302 the litigation. This Paragraph 17 shall survive Closing or termination of this Contract.

303 STANDARDS FOR REAL ESTATE TRANSACTIONS ("STANDARDS")

304 18. STANDARDS:

305 A. TITLE:

306 (i) TITLE EVIDENCE; RESTRICTIONS; EASEMENTS; LIMITATIONS: Within the time period provided in
307 Paragraph 9(c), the Title Commitment, with legible copies of instruments listed as exceptions attached thereto, shall
308 be issued and delivered to Buyer. The Title Commitment shall set forth those matters to be discharged by Seller at or
309 before Closing and shall provide that, upon recording of the deed to Buyer, an owner's policy of title insurance in the
310 amount of the Purchase Price, shall be issued to Buyer insuring Buyer's marketable title to the Real Property,
311 subject only to the following matters: (a) comprehensive land use plans, zoning, and other land use restrictions,
312 prohibitions and requirements imposed by governmental authority; (b) restrictions and matters appearing on the Plat
313 or otherwise common to the subdivision; (c) outstanding oil, gas and mineral rights of record without right of entry;
314 (d) unpledged public utility easements of record (located contiguous to real property lines and not more than 10 feet in
315 width as to rear or front lines and 7 1/2 feet in width as to side lines); (e) taxes for year of Closing and subsequent
316 years; and (f) assumed mortgages and purchase money mortgages, if any (if additional items, attach addendum);
317 provided, that none prevent use of the Property for RESIDENTIAL PURPOSES. If there exists at Closing any
318 violation of items identified in (b) - (f) above, then the same shall be deemed a title defect. Marketable title shall be
319 determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with
320 law.

321 (ii) TITLE EXAMINATION: Buyer shall have 5 days after receipt of Title Commitment to examine it and notify
322 Seller in writing specifying defect(s), if any, that render title unmarketable. If Seller provides Title Commitment and it
323 is delivered to Buyer less than 5 days prior to Closing date, Buyer may extend Closing for up to 5 days after
324 date of receipt to examine same in accordance with this STANDARD A. Seller shall have 30 days ("Cure Period")
325 after receipt of Buyer's notice to take reasonable diligent efforts to remove defects. If Buyer fails to so notify Seller,
326 Buyer shall be deemed to have accepted title as it then is. If Seller cures defects within Cure Period, Seller will

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Buyer's Initials
Florida Realtors/Florida Bar

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Seller's Initials
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Forms

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STANDARDS FOR REAL ESTATE TRANSACTIONS (CONTINUED)

327 deliver written notice to Buyer (with proof of cure acceptable to Buyer and Buyer's attorney) and the parties will
 328 close this Contract on Closing Date (or if Closing Date has passed, within 10 days after Buyer's receipt of Seller's
 329 notice). If Seller is unable to cure defects within Cure Period, then Buyer may, within 6 days after expiration of
 330 Cure Period, deliver written notice to Seller: (a) extending Cure Period for a specified period not to exceed 120 days
 331 within which Seller shall continue to use reasonable diligent effort to remove or cure the defects ("Extended Cure
 332 Period"); or (b) electing to accept title with existing defects and close this Contract on Closing Date (or if Closing Date
 333 has passed, within the earlier of 10 days after end of Extended Cure Period or Buyer's receipt of Seller's notice), or
 334 (c) electing to terminate this Contract and receive a refund of the Deposit, thereby releasing Buyer and Seller from
 335 all further obligations under this Contract. If after reasonable diligent effort, Seller is unable to timely cure defects,
 336 and Buyer does not waive the defects, this Contract shall terminate, and Buyer shall receive a refund of the Deposit,
 337 thereby releasing Buyer and Seller from all further obligations under this Contract.

338 B. SURVEY: If Survey discloses encroachments on the Real Property or that improvements located thereon
 339 encroach on setback lines, easements, or lands of others; or violates any restrictions, covenants, or applicable
 340 governmental regulations described in STANDARD A (i)(e), (b) or (d) above, Buyer shall deliver written notice of such
 341 matters, together with a copy of Survey, to Seller within 5 days after Buyer's receipt of Survey, but no later than
 342 Closing. If Buyer timely delivers such notice and Survey to Seller, such matters identified in the notice and Survey
 343 shall constitute a title defect, subject to cure obligations of STANDARD A above. If Seller has delivered a prior
 344 survey, Seller shall, at Buyer's request, execute an affidavit of "no change" to the Real Property since the
 345 preparation of such prior survey, to the extent the affirmations therein are true and correct.

346 C. INGRESS AND EGRESS: Seller represents that there is ingress and egress to the Real Property and title to
 347 the Real Property is insurable in accordance with STANDARD A without exception for lack of legal right of access.

348 D. LEASES: Seller shall, within 5 days after Inspection Period, furnish to Buyer copies of all written leases and
 349 estoppel letters from each tenant specifying nature and duration of tenant's occupancy, rental rates, advanced rent
 350 and security deposits paid by tenant, and income and expense statements for preceding 12 months ("Lease
 351 Information"). If Seller is unable to obtain estoppel letters from tenant(s), the same information shall be furnished by
 352 Seller to Buyer within that time period in the form of a Seller's affidavit, and Buyer may thereafter contact tenant(s)
 353 to confirm such information. If terms of the lease(s) differ materially from Seller's representations, Buyer may deliver
 354 written notice to Seller within 5 days after receipt of Lease Information, but no later than 5 days prior to Closing
 355 Date, terminating this Contract and receive a refund of the Deposit, thereby releasing Buyer and Seller from all
 356 further obligations under this Contract. Seller shall, at Closing, deliver and assign all original leases to Buyer who
 357 shall assume Seller's obligation hereunder.

358 E. LIENS: Seller shall furnish to Buyer at Closing an affidavit attesting: (i) to the absence of any financing
 359 statement, claims of lien or potential liens known to Seller, and (ii) that there have been no improvements or repairs
 360 to the Real Property for 90 days immediately preceding Closing Date. If the Real Property has been improved or
 361 repaired within that time, Seller shall deliver releases or waivers of construction liens executed by all general
 362 contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth names of all
 363 such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges for
 364 improvements or repairs which could serve as a basis for a construction lien or a claim for damages have been paid
 365 or will be paid at Closing.

366 F. TIME: Calendar days shall be used in computing time periods. Any time periods provided for in this Contract
 367 which shall end on a Saturday, Sunday, or a national legal holiday (see 5 U.S.C. §103) shall extend to 6:00 p.m.
 368 (where the Property is located) of the next business day. Time is of the essence in this Contract.

369 G. FORCE MAJEURE: Buyer or Seller shall not be required to perform any obligation under this Contract or be
 370 liable to each other for damages so long as performance or non-performance of the obligation is delayed, caused or
 371 prevented by Force Majeure. "Force Majeure" means: hurricanes, earthquakes, floods, fire, acts of God, unusual
 372 transportation delays, wars, insurrections, acts of terrorism, and any other cause not reasonably within control of
 373 Buyer or Seller, and which, by exercise of reasonable diligent effort, the non-performing party is unable in whole or in
 374 part to prevent or overcome. All time periods, including Closing Date, will be extended for the period that the Force
 375 Majeure prevents performance under this Contract, provided, however, if such Force Majeure continues to prevent
 376 performance under this Contract more than 14 days beyond Closing Date, then either party may terminate this
 377 Contract by delivering written notice to the other and the Deposit shall be refunded to Buyer, thereby releasing Buyer
 378 and Seller from all further obligations under this Contract.

379 H. CONVEYANCE: Seller shall convey marketable title to the Real Property by statutory warranty, trustee's,
 380 personal representative's, or guardian's deed, as appropriate to the status of Seller, subject only to matters described
 381 in STANDARD A and those accepted by Buyer. Personal Property shall, at request of Buyer, be transferred by
 382 absolute bill of sale with warranty of title, subject only to such matters as may be provided for in this Contract.

383 I. CLOSING LOCATION; DOCUMENTS; AND PROCEDURE:

384 (i) LOCATION: Closing will take place in the county where the Real Property is located at the office of the
 385 attorney or other closing agent ("Closing Agent") designated by the party paying for the owner's policy of title

STANDARDS FOR REAL ESTATE TRANSACTIONS (CONTINUED)

387
 388 Insurance, or, if no title insurance, designated by Seller. Closing may be conducted by mail or electronic means.
 389 (I) CLOSING DOCUMENTS: At Closing, Seller shall furnish and pay for, as applicable, deed, bill of sale,
 390 certificate of title, construction lien affidavit, owner's possession affidavit, assignments of leases, and corrective
 391 instruments. Seller shall provide Buyer with paid receipts for all work done on the Property pursuant to this Contract.
 392 Buyer shall furnish and pay for, as applicable, mortgage, mortgage note, security agreement, financing statements,
 393 survey, base elevation certification, and other documents required by Buyer's lender.
 394 (II) PROCEDURE: The deed shall be recorded upon COLLECTION of all closing funds. If the Title
 395 Commitment provides insurance against adverse matters pursuant to Section 627.7641, F.S., as amended, the
 396 escrow closing procedure required by STANDARD J shall be waived, and Closing Agent shall, subject to
 397 COLLECTION of all closing funds, disburse at Closing the brokerage fees to Broker and the net sale proceeds to
 398 Seller.
 399 J. ESCROW CLOSING PROCEDURE: If Title Commitment issued pursuant to Paragraph 9(c) does not provide
 400 for insurance against adverse matters as permitted under Section 627.7641, F.S., as amended, the following escrow
 401 and closing procedures shall apply: (1) all Closing proceeds shall be held in escrow by the Closing Agent for a period
 402 of not more than 10 days after Closing; (2) if Seller's title is rendered unmarketable, through no fault of Buyer, Buyer
 403 shall, within the 10 day period, notify Seller in writing of the defect and Seller shall have 30 days from date of receipt
 404 of such notification to cure the defect; (3) if Seller fails to timely cure the defect, the Deposit and all Closing funds
 405 paid by Buyer shall, within 5 days after written demand by Buyer, be refunded to Buyer and, simultaneously with
 406 such repayment, Buyer shall return the Personal Property, vacate the Real Property and re-convey the Property to
 407 Seller by special warranty deed and bill of sale; and (4) if Buyer fails to make timely demand for refund of the
 408 Deposit, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be
 409 available to Buyer by virtue of warranties contained in the deed or bill of sale.
 410 K. PRORATIONS; CREDITS: The following recurring items will be made current (if applicable) and prorated as of
 411 the day prior to Closing Date, or date of occupancy if occupancy occurs before Closing Date: real estate taxes
 412 (including special benefit tax assessments imposed by a CDD), interest, bonds, association fees, insurance, rents
 413 and other expenses of Property. Buyer shall have option of taking over existing policies of insurance, if assumable, in
 414 which event premiums shall be prorated. Cash at Closing shall be increased or decreased as may be required by
 415 prorations to be made through day prior to Closing. Advance rent and security deposits, if any, will be credited to
 416 Buyer. Escrow deposits held by Seller's mortgagee will be paid to Seller. Taxes shall be prorated based on current
 417 year's tax with due allowance made for maximum allowable discount, homestead and other exemptions. If Closing
 418 occurs on a date when current year's millage is not fixed but current year's assessment is available, taxes will be
 419 prorated based upon such assessment and prior year's millage. If current year's assessment is not available, then
 420 taxes will be prorated on prior year's tax. If there are completed improvements on the Real Property by January 1st of
 421 year of Closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated
 422 based upon prior year's millage and an equitable assessment to be agreed upon between the parties, failing which,
 423 request shall be made to the County Property Appraiser for an Informal assessment taking into account available
 424 exemptions. A tax proration based on an estimate shall, at either party's request, be readjusted upon receipt of
 425 current year's tax bill. This STANDARD K shall survive Closing.
 426 L. ACCESS TO PROPERTY TO CONDUCT APPRAISALS, INSPECTIONS, AND WALK-THROUGH: Seller
 427 shall, upon reasonable notice, provide utilities service and access to Property for appraisals and inspections,
 428 including a walk-through (or follow-up walk-through if necessary) prior to Closing.
 429 M. RISK OF LOSS: If, after Effective Date, but before Closing, Property is damaged by fire or other casualty
 430 ("Casualty Loss") and cost of restoration (which shall include cost of pruning or removing damaged trees) does not
 431 exceed 1.5% of Purchase Price, cost of restoration shall be an obligation of Seller and Closing shall proceed
 432 pursuant to terms of this Contract. If restoration is not completed as of Closing, a sum equal to 125% of estimated
 433 cost to complete restoration (not to exceed 1.5% of Purchase Price), will be escrowed at Closing. If actual cost of
 434 restoration exceeds escrowed amount, Seller shall pay such actual costs (but, not in excess of 1.5% of Purchase
 435 Price). Any unused portion of escrowed amount shall be returned to Seller. If cost of restoration exceeds 1.5% of
 436 Purchase Price, Buyer shall elect to either take Property "as is" together with the 1.5%, or receive a refund of the
 437 Deposit, thereby releasing Buyer and Seller from all further obligations under this Contract. Seller's sole obligation
 438 with respect to tree damage by casualty or other natural occurrence shall be cost of pruning or removal.
 439 N. 1031 EXCHANGE: If either Seller or Buyer wish to enter into a like-kind exchange (either simultaneous with
 440 Closing or deferred) under Section 1031 of the Internal Revenue Code ("Exchange"), the other party shall cooperate
 441 in all reasonable respects to effectuate the Exchange, including execution of documents; provided, however,
 442 cooperating party shall incur no liability or expense related to the Exchange, and Closing shall not be contingent
 443 upon, nor extended or delayed by, such Exchange.
 444 O. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE; COPIES: Neither this Contract nor any
 445 notice of it shall be recorded in any public records. This Contract shall be binding on, and inure to the benefit of, the
 446 parties and their respective heirs or successors in interest. Whenever the context permits, singular shall include plural

447

STANDARDS FOR REAL ESTATE TRANSACTIONS (CONTINUED)

448 and one gender shall include all. Notice and delivery given by or to the attorney or broker (including such broker's real
449 estate licensee) representing any party shall be as effective as if given by or to that party. All notices must be in
450 writing and may be made by mail, personal delivery or electronic (including "pdf") media. A legible facsimile or
451 electronic (including "pdf") copy of this Contract and any signatures hereon shall be considered for all purposes as an
452 original.

453 P. INTEGRATION; MODIFICATION: This Contract contains the full and complete understanding and agreement
454 of Buyer and Seller with respect to the transaction contemplated by this Contract and no prior agreements or
455 representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change
456 in this Contract shall be valid or binding upon Buyer or Seller unless in writing and executed by the parties intended
457 to be bound by it.

458 Q. WAIVER: Failure of Buyer or Seller to insist on compliance with, or strict performance of, any provision of this
459 Contract, or to take advantage of any right under this Contract, shall not constitute a waiver of other provisions or
460 rights.

461 R. RIDERS; ADDENDA; TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Riders, addenda, and typewritten
462 or handwritten provisions shall control all printed provisions of this Contract in conflict with them.

463 S. COLLECTION or COLLECTED; "COLLECTION" or "COLLECTED" means any checks tendered or received,
464 including Deposits, have become actually and finally collected and deposited in the account of Escrow Agent
465 or Closing Agent. Closing and disbursement of funds and delivery of Closing documents may be delayed by
466 Closing Agent until such amounts have been COLLECTED in Closing Agent's accounts.

467 T. LOAN COMMITMENT: "Loan Commitment" means a statement by the lender setting forth the terms and
468 conditions upon which the lender is willing to make a particular mortgage loan to a particular borrower.

469 U. APPLICABLE LAW AND VENUE: This Contract shall be construed in accordance with the laws of the State of
470 Florida and venue for resolution of all disputes, whether by mediation, arbitration or litigation, shall lie in the county in
471 which the Real Property is located.

472 X. BUYER WAIVER OF CLAIMS: Buyer waives any claims against Seller and, to the extent permitted by
473 law, against any real estate licensee involved in the negotiation of this Contract, for any defects or other
474 damage that may exist at Closing of this Contract and be subsequently discovered by the Buyer or anyone
475 claiming by, through, under or against the Buyer.

476

ADDENDA AND ADDITIONAL TERMS

477 19. ADDENDA: The following additional terms are included in the attached addenda and incorporated into this
478 Contract (Check if applicable):

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|--|---|---|---|
| <input type="checkbox"/> A. Condominium Assn. | <input type="checkbox"/> L. RESERVED | <input type="checkbox"/> R. Rezoning | <input type="checkbox"/> Y. Seller's Attorney Approval |
| <input checked="" type="checkbox"/> B. Homeowners' Assn. | <input type="checkbox"/> M. Defective Drywall | <input type="checkbox"/> S. Lease Purchase Lease Option | <input type="checkbox"/> Z. Buyer's Attorney Approval |
| <input type="checkbox"/> C. Seller Financing | <input type="checkbox"/> N. Coastal Construction Control Line | <input type="checkbox"/> T. Pre-Closing Occupancy | <input type="checkbox"/> AA. Licensee-Personal Interest in Property |
| <input type="checkbox"/> D. Mortgage Assumption | <input type="checkbox"/> O. Insulation Disclosure | <input type="checkbox"/> U. Post-Closing Occupancy | <input type="checkbox"/> BB. Binding Arbitration |
| <input type="checkbox"/> E. FHA/VA Financing | <input type="checkbox"/> P. Pre-1978 Housing Statement (Lead Based Paint) | <input type="checkbox"/> V. Sale of Buyer's Property | <input checked="" type="checkbox"/> Other Field |
| <input type="checkbox"/> F. Appraisal Contingency | <input type="checkbox"/> Q. Housing for Older Persons | <input type="checkbox"/> W. Back-up Contract | _____ |
| <input type="checkbox"/> G. Short Sale | | <input type="checkbox"/> X. Kick-out Clause | _____ |
| <input type="checkbox"/> H. Homeowners' Insurance | | | _____ |
| <input type="checkbox"/> I. FIRPTA | | | _____ |
| <input type="checkbox"/> J. Interest-Bearing Acct. | | | _____ |
| <input type="checkbox"/> K. RESERVED | | | _____ |

479 20. ADDITIONAL TERMS:

480 Buyer and seller agree to the following:
481 This purchase is being financed by the Lauderdale Housing Authority. This
482 contract is contingent upon appraisal being equal to or greater than the
483 purchase price. If the appraised value comes in below the contract purchase
484 price the seller can adjust the purchase price to be equal or less than the
485 appraised value. If seller does not adjust price based on appraisal, buyer's
486 deposit in full is to be returned upon buyer's request.
487 Seller hereby advises Buyer that the seller is subject to an Estate
488 Proceeding. Should a court order be required in the order for the Seller to
489 deliver effective title and Seller cannot procure a timely order from the
490 appropriate court, then this contract shall be extended up to 30 days. Seller
491 shall use best efforts to procure any such order within the extended period.
492
493

Buyer's Initials [Signature] Page 9 of 10 Seller's Initials [Signature]
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COUNTER-OFFER/REJECTION

484
485 Seller counters Buyer's offer (to accept the counter-offer, Buyer must sign or initial the counter-offered terms and
486 deliver a copy of the acceptance to Seller).
487 Seller rejects Buyer's offer.

488 THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE
489 OF AN ATTORNEY PRIOR TO SIGNING.

490 THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR.

501 Approval of this form by the Florida Realtors and The Florida Bar does not constitute an opinion that any of the terms
502 and conditions in this Contract should be accepted by the parties in a particular transaction. Terms and conditions
503 should be negotiated based upon the respective interests, objectives and bargaining positions of all interested
504 persons.

505 AN ASTERISK (*) FOLLOWING A LINE NUMBER IN THE MARGIN INDICATES THE LINE CONTAINS A BLANK TO
506 BE COMPLETED.

507 Buyer: Julie Saunders
Julie Saunders

Date: 4/11/11

508 Buyer: _____

Date: _____

509 Seller: Timothy A. Foldy, Personal Representative for
Daniel Foldy the Estate of Daniel R. Foldy

Date: 4/19/11

510 Seller: Margaret Foldy

Date: _____

511 Buyer's address for purposes of notice
512 _____
513 _____
514 _____

Seller's address for purposes of notice

515 BROKER: Listing and Cooperating Brokers, if any, named below (collectively, "Broker"), are the only Brokers entitled
516 to compensation in connection with this Contract. Instruction to Closing Agent: Seller and Buyer direct Closing Agent
517 to disburse at Closing the full amount of the brokerage fees as specified in separate brokerage
518 agreements with the parties and cooperative agreements between the Brokers, except to the extent Broker has
519 retained such fees from the escrowed funds. This Contract shall not modify any MLS or other offer of compensation
520 made by Seller or Listing Broker to Cooperating Brokers.

521 Skot Hamilton
522 Cooperating Sales Associate, if any

Joy O. Fischer
; Listing Sales Associate

523 Allstar Realty Inc 34
524 Cooperating Broker, if any

Prudential Florida Realty
Listing Broker



Comprehensive Rider to the Residential Contract For Sale And Purchase



THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR

If Initiated by all parties, the clauses below will be incorporated into the Florida Realtors/Florida Bar Residential Contract For Sale And Purchase between The Estate of Daniel Foidy (SELLER) and Gulke Saunders (BUYER) concerning the Property described as Lauderhill FL 33119

Buyer's Initials GS Seller's Initials DF

B. HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY BUYER BY DELIVERING TO SELLER OR SELLER'S AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. BUYER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL BUYER HAS RECEIVED AND READ THIS DISCLOSURE.

Disclosure Summary For _____ (Name of Community)

- (a) AS A BUYER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION ("ASSOCIATION").
- (b) THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS ("COVENANTS") GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
- (c) YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ 350.00 PER Quarter. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENTS IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____ PER _____.
- (d) YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
- (e) YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
- (f) THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____ PER _____.
- (g) THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
- (h) THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.
- (i) THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

DATE 4/1/11 BUYER Gulke Saunders
DATE _____ BUYER _____



The following provisions are made a part of the Contract for Sale and Purchase or Residential Sale and Purchase Contract between The Estate of Daniel Foldy (Seller) and Julie Saunders (Buyer) concerning the Property located at Bayderville

1. Buyer, at Buyer's expense, may have a qualified professional conduct an inspection of the Property for mold within 10 days from the Effective Date ("Mold Inspection Period").
2. Buyer shall be responsible for prompt payment for such inspections and repair of damage to and restoration of the Property resulting from such inspections. This provision shall survive termination of the Contract.
3. In the event the mold inspection reveals a significant presence of mold in the Property, which requires professionals to remove the mold, at a cost which exceeds \$ 500.00, Buyer may cancel the Contract by delivering written notice of such election no later than 48 hours after expiration of the Mold Inspection Period. If Buyer timely cancels the Contract, the deposits paid shall be immediately returned to Buyer and Buyer and Seller shall be released from further obligations under the Contract, except as provided in subparagraph 2 above.
4. If Buyer fails to conduct the inspection permitted in this Paragraph or having conducting such inspections, fails to timely notify the Seller of Buyer's intent to cancel this Contract or if the mold inspection does not reveal significant presence of mold in the Property which requires professional remediation to remove the mold, at a cost which exceeds the sum specified in Paragraph 3 above, Buyers may not terminate this Contract pursuant to this Addendum.

Seller: Lynn My C. Foldy / Foldy Date: 4/19/11
(signature) (print)

Seller: _____ / Foldy Date: _____
(signature) (print)

Buyer: Julie Saunders / Julie Saunders Date: 4/11/11
(signature) (print)

Buyer: _____ / _____ Date: _____
(signature) (print)

Addendum No. _____ to the Contract dated _____ between

_____ The Estate of Daniel Faldy (Seller)

and _____ Julia Saunders (Buyer)

concerning the property described as:

_____ Landerhill FL 33310

(the "Contract"). Buyer and Seller make the following terms and conditions part of the Contract:

Buyer and seller agree that due to the roof on _____ needing to be replaced, the seller will reduce the purchase price by \$19,000. The new purchase price will be \$301,000 and the lender will place the \$19,000 seller reduction in escrow toward roof replacement. This will be the seller's only and final contribution.

TAP
5/4/11
from \$320,000
to \$301,000
JS 5/5/11

Date: 5/4/11

Buyer: Julia Saunders

Date: _____

Buyer: _____

Date: 5/4/11

Seller: Timothy A. Faldy

Date: _____

Seller: _____

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OIG 14-023

EXHIBIT 19

Lauderhill Housing Authority

Conditional Approval Letter

Date: May 2, 2011

Loan#: 2010-08

Applicant(s): Julie Salenders

Property Address: 4937 NW 87 Avenue, Lauderdale, FL 33019

We are pleased to inform you that Lauderdale Housing Authority has approved your real estate loan application on the terms set forth below, subject to the conditions set forth in the Conditions Memorandum attached to this Loan Approval (the "Initial Conditions"), and further (subject to any other conditions) Lauderdale Housing Authority may establish upon receipt and review of documentation in satisfaction of the Initial Conditions (the "Subsequent Conditions").

Type of Mortgage: Conventional Loan Amount: \$320,000 Loan Term: 360 (Months)
 Occupancy: Primary Residence Purpose: Purchase Program Code: 30 Yr Fixed
 Interest Rate: 6.000 Discount Points: % DocType: Full

Your loan has a balloon payment

Loan terms as shown above None Have not been checked by: All loan terms stated above are subject to change (except bank rates)

Rate Lock Expiration Date:	Loan Approval Expiration Date:	Condition Expiration Date:
05/02/2011	07/02/2011	07/02/2011

If this loan does not close on or before the Loan Approval expiration date, Lauderdale Housing Authority no longer has any obligation to issue this Loan Approval and is not irrevocable.

This loan is to be secured by a Deed of Trust/Mortgage covering the following real property:
 4937 NW 87 Avenue, Lauderdale, FL 33019

All Initial Conditions and all subsequent Conditions must be satisfied before funds can be released. In order to avoid a delay in your transaction, all conditions labeled "Prior to Close" must be received prior to the Condition Expiration Date indicated above. Prior to Close means prior to our preparation of your closing documents.

Loan Approval is based upon the information provided in your credit application and the current condition of your property. Should any information come to Lauderdale Housing Authority's attention which changes the basis on which your Loan Approval was granted, Lauderdale Housing Authority reserves the right to request additional information and may reconsider Loan Approval.


If there is a substantial change in applicant's financial condition or credit standing, Lauderdale Housing Authority is under no obligation to close your loan. You are responsible for keeping all financial obligations current during the processing of your loan transaction. Lauderdale Housing Authority accepts no responsibility for late fees incurred or adverse credit reporting for your failure to make payments by their due date. Lauderdale Housing Authority reserves the right to require updates of documentation that is more than 90 days old. Any false or erroneous statements set forth in your credit application shall, at the option of Lauderdale Housing Authority, render this Loan Approval null and void.

NOTE AND DEED OF TRUST/MORTGAGE: This loan will be evidenced by a promissory note and secured by a lien Deed of Trust/Mortgage in form and substance acceptable to Lauderdale Housing Authority concerning the property described above, subject only to exceptions approved by Lauderdale Housing Authority in writing. There will be no concurrent subordinate financing secured by this property without Lauderdale Housing Authority's prior written approval at the time of closing. The Deed of Trust/Mortgage may contain a provision granting Lauderdale Housing Authority the option to declare the entire indebtedness due and payable if the Applicant should transfer or interest in the property.

TITLE INSURANCE: The loan will be secured by a valid lien Deed of Trust/Mortgage guaranteed by a policy of title insurance issued by a title company acceptable to Lauderdale Housing Authority in the amount of the loan. Such title policy shall provide to Lauderdale Housing Authority an extended coverage lenders policy with any endorsements required by Lauderdale Housing Authority in writing that Lauderdale Housing Authority's Deed of Trust/Mortgage is a lien on the property subject only to matters approved by Lauderdale Housing Authority in writing.

HAZARD INSURANCE: Applicant is to furnish at least 24 hours prior to the date on which your loan is closed, a fire and extended coverage policy, or a binder if required by law, in an amount equivalent to the lesser of 100 percent of the insurable value of the improvements as established by the property insurer, or the unpaid principal balance of the mortgage, as long as it equals the minimum amount (80 percent of the insurable value of the improvements) required to compensate for damage or loss on a replacement cost basis. If it does not then coverage that provides the minimum required amount must be obtained. The policy must reflect an expiration date that can be no earlier than 60 days from the date of your loan's closing. Lauderdale Housing Authority must also be designated the Lender Loss Payee on this policy at the time of closing. After your loan has closed, it is the responsibility of your insurance company to send confirmation of your policy renewal 15 days prior to the expiration of your Hazard Insurance policy. You will receive a letter from our insurance coordination company if a renewal policy is not received 15 days prior to the expiration, asking the borrower to provide proof of continued coverage.

This letter discloses the fact that if the insurance coordination company does not receive proof of continued coverage, Lauderdale Housing Authority will place forced insurance to protect its interest. The fire and extended policy coverage and insuring company must be acceptable to Lauderdale Housing Authority.

 _____
 Julie Salenders Title Notary Initial

If the loan is a construction-only or a construction-to-permanent loan, a course of Construction Getaway Insurance policy must be obtained during the construction period and then converted to the fire and extended policy upon completion of construction. If your loan is a lot loan, no insurance is required.

FLOOD INSURANCE: Lauderdale Housing Authority requires flood insurance pursuant to federal or state law or regulation if the property is located in a Special Flood Hazard Area. The subject property:

Is located within a Special Flood Hazard Area. Is not located within a Special Flood Hazard Area.

MORTGAGE INSURANCE:

Is required (For New York loans a copy of your right to cancel private mortgage insurance is attached)

Is not required as a condition of making the loan.

IMPOUND/ESCROW: If the box is checked, at closing, an escrow/impound account will be established and an initial escrow deposit will be required in accordance with RESPA.

Real Estate Tax Hazard Insurance Mortgage Insurance Flood Insurance

ASSUMPTION: Someone buying your house: May not assume your loan. Your loan may be assumable under certain conditions.

PREPAYMENT PENALTY:

Yes (For New York loans see attached prepayment penalty description).

Does not have a prepayment penalty.

NONVERBAL MODIFICATION: This agreement cannot be changed orally.

You will not pay a rate lock or commitment fee. Points charged by the lender are paid at closing.

REFUNDABILITY: Your Loan Administration Fee and any Interest Rate Lock-In Fee and/or points are non-refundable, except for the following situations:

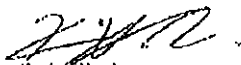
A) If Lauderdale Housing Authority issues a commitment to make you a loan and the commitment is conditioned on the approval of a third party/investor or mortgage insurance company and that party rejects the loan.

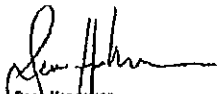
B) If you provide Lauderdale Housing Authority with complete and accurate credit information and your application is declined, if you cancel your application it is not considered declined, if Lauderdale Housing Authority makes an offer for a loan that you reject, this is not considered a declination for the purpose of refundability.

FREE RECOVERY: In connection with this application, you provided your credit or debit card number and authorization to Lauderdale Housing Authority to charge the Loan Administration Fee. In the event you cancel the loan application or your application is denied, Lauderdale Housing Authority may charge your credit or debit card for appraisal and credit report fees if such fees have been incurred. Your credit or debit card may be charged for a Title Fee if you fail to keep your appointment with the appraiser, or an Inspection Fee on the appraisal cannot be completed because of the property's condition if such fees have been incurred.

Thank you for giving us the opportunity to be of service. Our address, phone number and fax numbers are as follows:
Lauderdale Housing Authority
1818 NW 64 Terrace
Lauderdale, FL 33313

Shown:


Xavier Hobbs, Jr.
Executive Director
Phone: 954-730-3033
Fax: 954-730-4777


Bob Morrison
Finance Committee Chair
Phone: 954-730-1835
Phone: 954-730-4739

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

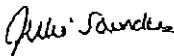
IF YOU SIGN THIS LOAN APPROVAL, AND YOU DO NOT CLOSE THIS LOAN IN ACCORDANCE WITH THE DESCRIBED TERMS, YOU MAY LOSE SOME OR ALL OF THE FEES OR CHARGES YOU HAVE PAID.

BORROWERS ACCEPTANCE: Borrower, by signing below accepts the conditions set forth in this Loan Approval and attached Conditions Addendum and agrees to proceed with the closing. Borrower must return signed copy no later than 21 days as acknowledgment of acceptance of this Loan Approval. We have received a duplicate original of this document.

As to Borrowers

Date

Date



6-16-11

Date

Date

CONDITIONS ADDENDUM

BORROWER CONDITIONS

In order to complete the processing of your mortgage loan application, please be advised that the following documents / information are required. The documents / information requested must be received by 7/1/2011 or we may be unable to continue the processing of your loan.

1. Satisfactory Appraisal (Lauderhill Housing Authority to obtain) -

2. Satisfactory Title and 24 month chain of title (Lauderhill Housing Authority to obtain) -

3. Name and phone number of insurance agent (Once this information is obtained the Housing Authority will request a copy of the binder) -

4. Copy of borrower's PFD for 2010

5. Based on attached roof inspection roof needs to be replaced since estimated remaining life is from 0-2 yrs. (copy of that roof inspection should be provided upon completion of funds must be destroyed at closing. Escrowed funds will be held by the Authority and disbursement made directly to the vendor once roof is replaced)

6. Most recent pay stub for both borrowers showing minimum 30 day year to date history

7. Most recent bank statement, all pages

GATC000035

OIG 14-023

EXHIBIT 20

Uniform Residential Appraisal Report

File # 11-0418

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address: [Redacted] City: **Lauderhill** State: **FL** Zip Code: **33319**
Borrower: **June Saunders** Owner of Public Record: **Dante R. Foley Estate** County: **Broward**

Legal Description: [Redacted] (See Addendum 1)
Assessor's Parcel #: [Redacted] Tax Year: **2010** R.E. Taxes: **\$ 4,392.20**

Neighborhood Name: [Redacted] Map Reference: [Redacted] Census Tract: [Redacted]

Occupant: Owner Tenant Vacant Special Assessments: **N/A** PUD HOA \$ **116.67** per year per month

Property Rights Appraised: Fee Simple Leasehold Other (describe)

Assignment Type: Purchase Transaction Refinance Transaction Other (describe)

Lender/Client: **Lauderhill Housing Authority** Address: **1818 NW 94 Terrace, Lauderdale, FL 33318**

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No

Report data source(s) used, offering price(s), and date(s). The subject is listed in the Multiple Listing Service for \$329,000. The property was listed on April 8, 2011 and received a sales contract on April 19, 2011 for \$320,000.

I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.

Contract Price: **\$ 320,000** Date of Contract: **4/19/2011** Is the property seller the owner of public record? Yes No Data Source(s)

Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No

If Yes, report the total dollar amount and describe the items to be paid. **N/A**

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics: **Urban** **Suburban** **Rural** Property Values: Increasing Stable Declining

One-Unit Housing Trends: Increasing Stable Declining
One-Unit Housing Price: **AGE** **PRICE** **AGE** **PRICE**
Built-Up: Over 75% 25-75% Under 25% Demand/Supply: Shortage In Balance Over Supply \$ (000) (Yrs) 2-4 Unit: **10%**

Growth: Rapid Stable Slow Marketing Time: Under 3 mths 3-6 mths Over 6 mths 180 Low New Multi-Family: **0%**

Neighborhood Boundaries: The subject's neighborhood boundaries consist of the Commercial Boulevard to the north, NW 44 Street to the south, NW 72 Avenue to the west and Rock Island Road to the east. 350's Prod. 18 Other: **5%**

Neighborhood Description: The area is well located in relation to major arteries of transportation, employment centers, recreational amenities, beaches, shopping and other required residential amenities.

Market Conditions (including support for the above conclusions): The subject's competition is primarily from sales within the immediate neighborhood. No prevalence of lean discounts, buydowns or other concessions were noted that would adversely affect marketability. No adverse economic or market trends were noted.

Dimensions: Irregular lot Area: **14,998** Sq.Ft. Shape: **Irregular** View: **Lake**

Specific Zoning Classification: **RS-4** Zoning Description: **Single Family Residential**

Zoning Compliance: Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)

Is the highest and best use of subject property as improved for its proposed per plans and specifications) the present use? Yes No If No, describe

Utilities: Public Other (describe) Public Other (describe) Off-site Improvements - Type Public Private

Electricity: Gas: Water: Sanitary Sewer: Street Asphalt: Alley: None

FEMA Special Flood Hazard Area: Yes No FEMA Flood Zone: **AH** FEMA Map #: **12011 C 0205 F** FEMA Map Date: **08-16-1992**

Are the utilities and off-site improvements typical for the market area? Yes No If No, describe

Are there any adverse site conditions or external factors (setbacks, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe

No apparent adverse easements, encroachments or noted conditions were noted.

General Description: One One with Accessory Unit Foundation: Concrete Slab Cant Slab

of Stories: **One** Exterior Walls: **CBS** Interior: **Floors Tile/Carpet/Wood**

Type: Det. Att. S-Det./2nd Unit Basement Area: **N/A sq ft** Roof Surface: **Tile** Trim/Finish: **Wood/Avn.**

Design (Style): **Ranch** Outside Entry/Exit: Sump Pump: Window Type: **Single hung** Bath Floor: **Tile/Avn.**

Year Built: **1992/19** years Evidence of: Infiltration None Storm Shut/Insulated: **Yes** Car Storage: None

Effective Age (Yrs): **10** yrs Dampness: Settlement: Screens: **Yes** Driveway: **# of Cars 2**

AC: None Heating: FWA HWB Radiant/Air/Water Woodstove/ # **Perch Entry** Driveway Surface: **Pavers**

Drop Slat: Stairs: Other: Fuel Elec. Fireplaces: **#** Fence: Garage: **# of Cars 2**

Floor: Suede Cooling: Central Air Conditioning Patio/Deck Cover Porch Entry Carpet: **# of Cars**

Finished: Heated Individual Other Pool Open Other: A/C: Del. Built-in

Appliances: Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)

Finished area above grade contains: **8** Rooms **4** Bedrooms **2** Bath(s) **3,007** Square Feet of Gross Living Area Above Grade

Additional features (special energy efficient items, etc.): The subject is considered to be in average condition with typical features. There is carpet throughout the bedrooms, with ceramic tile in the kitchen and living areas. The kitchen has white oak cabinets with older appliances.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.): No apparent functional or external inadequacies were noted. The subject is in overall average condition with minor items of repair needed. A home inspection (AIA Home Inspector) was provided by the buyer's agent. Noted within the report are minor repairs including loose hinges, GFI replacements, ceiling, floor replacements, screen door replacement, exposed wires by the pool area, replace door threshold to exterior, state of minor air return of HVAC and replacement of garage door. The estimated repair cost is \$2,800. Additionally, a roof inspection was provided by Specialty Roofing of South Florida indicating minor repairs in the amount of \$2,840. See additional comments on Page #5.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe

Does the property generally conform to the neighborhood functional utility, style, condition, use, construction, etc.?? Yes No If No, describe

04/20/2015
OIG 14-023-003 0757

Uniform Residential Appraisal Report

File # 11-0418

As noted earlier, a home inspection by A1A Home Inspector was provided by the buyer's agent. Noted within the report are minor repairs such as: loose hinges, GFI replacements, caulking, filter replacements, screen door replacement, exposed wires by the pool area, replace faucet handles, replace door threshold to exterior, signs of mildew at return of HVAC and replacement of garage floor. The estimated cost is \$2,600. Additionally, a roof inspection was provided from Specialty Roofing of South Florida which indicated the roof has some cracked or loose tiles and requires some soft board and feeds repairs. The estimated roof repair cost is \$2,640. The total cost to repair is estimated at \$5,240. Based on the age of the structure and the nature and costs of the repairs noted, the required repairs are considered typical wear and tear and deferred maintenance items applicable to a property in overall average condition. It is the appraiser's opinion that the noted repairs do not significantly impact the market value of the subject property. NO DEDUCTION FOR REPAIRS HAS BEEN MADE WITHIN OUR ESTIMATE OF VALUE.

In addition to the inspection reports provided by the borrower, the borrower has provided two roof replacement cost estimates. As noted in the preceding inspection reports, neither the home inspector nor the roof inspector has recommended replacing the roof. Therefore, no deductions or modification to our value estimate has been made concerning these roof replacement estimates.

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/buyer to replicate the below cost figures and calculations. Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) There were insufficient recent land sales from which reliable estimates of land value could be made. Furthermore, due to the advanced age of the subject building, physical depreciation is difficult to quantify. As a result, the Cost Approach was not implemented within this appraisal.

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$
Source of cost data	DWELLING 2,327 Sq.Ft. @ \$	= \$
Quality rating from cost service	Sq.Ft. @ \$	= \$
Effective date of cost data		= \$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)		= \$
There were insufficient recent land sales from which reliable estimates of land value could be made. Furthermore, due to the advanced age of the subject building, physical depreciation is difficult to quantify. As a result, the Cost Approach was not implemented within this appraisal.	Garage/Carport 414 Sq.Ft. @ \$	= \$
	Total Estimate of Cost New	= \$
	Less: Physical	
	Less: Functional	
	Less: External	
	Depreciation	= \$(
	Depreciated Cost of Improvements	= \$
	"As-is" Value of Site Improvements	= \$

Estimated Remaining Economic Life (HUD and VA only) _____ Years INDICATED VALUE BY COST APPROACH = \$

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A X Gross Rent Multiplier N/A = \$ N/A Indicated Value by Income Approach
 Summary of Income Approach (including support for market rent and GRM)

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached
 Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
 Legal Name of Project Lake Forest Estates
 Total number of phases One Total number of units 153 Total number of units sold 153
 Total number of units rented Link Total number of units for sale 3 Data source(s) MLS
 Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.
 Does the project contain any multi-dwelling units? Yes No Data Source
 Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.
 Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.
 Describe common elements and recreational facilities. Community park.

04/20/2015
OIG 14-023-003 0759

OIG 14-023

EXHIBIT 21

SPECIALTY
ROOFING OF
SOUTH FLORIDA INC.

1208 S.W. 2nd Street
Pompano Beach, FL 33069
Tel: 954-971-6600 Fax: 954-971-6602
srlrroof@aol.com www.srlrroofing.com
License # CCC1327026

12:00

1991

Slope Roof Approx. Age 19-20 (Yrs.) Approx. Life Remain: 22 (Yrs.) Flat Roof Approx. Age 14 (Yrs.) Approx. Life Remain 14

Inspection Company: AIA Inspection Date: 4-21-2011

Property Address: _____

Buyer: JULIE SANDRES Seller/Owner: _____

Ph: 954-654-3936 Fax: _____ Ph: _____ Fax: _____

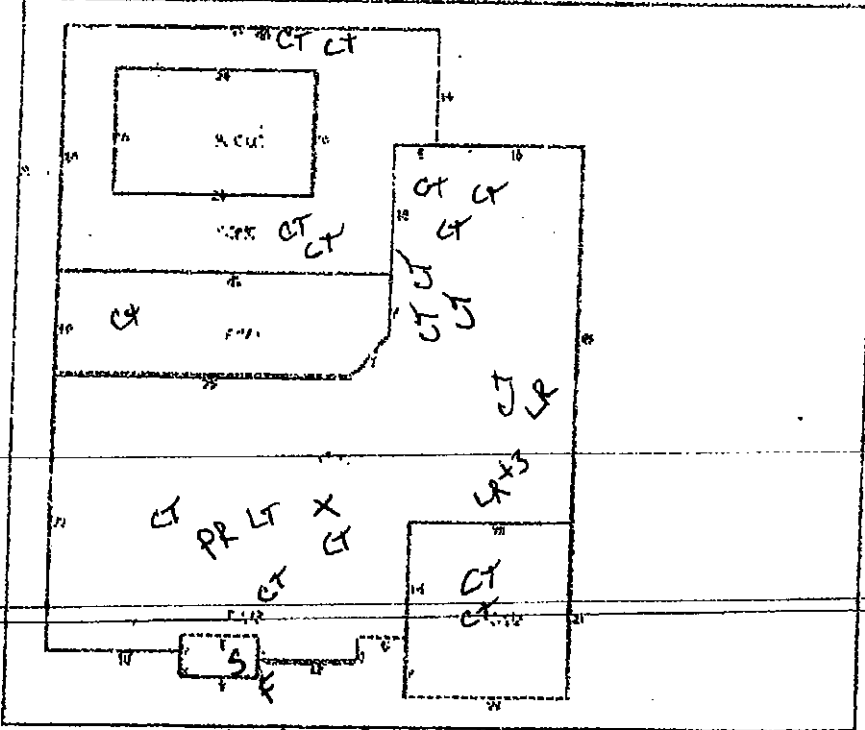
Type of Slope Roof: CEMENT ROM TILE Type of Flat Roof: _____

Specialty Roofing (SRSI) has been engaged for the sole purpose of providing a visual, noninvasive inspection (the inspection) of the roof only, as indicated below, at the subject property address. This inspection by SRSI may be limited in scope and detail by a variety of factors, including, without limitation, coverings (including) or other coatings, and internal conditions not readily covered in or the subject of any portion of this report. SRSI recommends

1. That a qualified structural engineer inspect trusses, beams and rafters and (2) as reasonable, roofers may vary in their observations and opinions, that a second opinion always be secured concerning roof condition or prior to having any roof work performed.

THIS REPORT IS MADE BASIS OF WHAT WAS VISIBLE AND ACCESSIBLE AT TIME OF INSPECTION and is not an opinion covering areas such as, but not necessarily limited to, those that are enclosed or inaccessible areas concealed by wall-coverings, floor coverings, furniture, equipment, stored articles, or any portion of the structure in which inspection would necessitate removing or defacing any part of the structure. THIS IS NOT A STRUCTURAL DAMAGE REPORT.

THIS REPORT SHALL NOT BE CONSTRUED TO CONSTITUTE A GUARANTEE OF THE ABSENCE OF DAMAGE OR OTHER EVIDENCE UNLESS THIS REPORT SPECIFICALLY STATES HEREIN THE EXTENT OF SUCH GUARANTEE



- MPP = Missing Pitch Pan
- PP = Pitch Pan Needs Seal
- VS = Vent Stack Needs Seal
- SRY = Sky Light Needs Seal
- P = Perimeter Open
- BL = Blisters
- PS = Plumbing Stack Needs Repair
- FI = Flashing Open
- TI = Tin Needs Sealing
- FD = Fascia Damage
- SD = Soffit Damage
- RF = Roof Fasteners Exposed
- ST = Shingle Tab Damage or Missing
- PR = Previous Repair
- IPR = Improper Previous Repair
- AL = Active Leak
- SH = Sheathing Damage
- CT = Cracked Tile
- LT = Loose Tile
- LR = Loose Ridge/Hip Tiles
- V = Valley Needs Re-working
- SL = Slope Roof is Near end Life Expect.
- SR = Slope Roof Needs Replacing
- RP = Roof Covered with Elastomeric Paint
- AP = Approx. % of Loose Tile
- RFA = Roof Appears to be Leak Free at Time of Insp.
- FR = Flat Roof is Past Life Expectancy
- FRR = Flat Roof Needs Replacing

Roof Inspection By: CARL DWYER

Cost At Time Of Inspection \$2640.00

Work Needed: REPAIR CRACKED TILE, READHERE LOOSE MPP + EDGE TILE
REPAIR SOFFIT AND FASCIA, REWORK VALLEY

Cost is within 60 Days

I Authorize SRSI to Perform said state Requires: _____

NOTE: PAYMENT IS DUE UPON COMPLETION OF WORK

OIG 14-023

EXHIBIT 22

OIG 14-023

EXHIBIT 23



November 5, 2012

Yvon Dorcinvil
Chairperson

Kenny M. Davis
Vice-chairperson

Debbie Etienne
Commissioner

Juel Leshinsky
Commissioner

Simone Narois
Commissioner

Kennie Hobbs Jr.
Executive Director

Alfreda D. Coward, Esq.
Coward & Coward, P.A.
7101 W. Commercial Blvd., Suite 4A
Fort Lauderdale, FL 33319

Dear Ms. Coward,

This letter serves as authorization to refund any remaining monies in the repair escrow for Julie Saunders. Should you have any questions please feel free to contact me.

Sincerely,

Kennie Hobbs, Jr.
Executive Director



OIG 14-023

EXHIBIT 24

AMOUNT: \$10,135.81 Sequence Number: 9992294418
 ACCOUNT: Capture Date: 11/13/2012
 Bank Number: Check Number: 1060

COWARD & COWARD, P.A. TRUST ACCOUNT 1060
 7101 W. COMMERCIAL BLVD. BTE. 4A
 LAUDERHILL, FL 33319-2142
 PH. 864-722-0836

Nov 9, 2012 13-7101 FL 750

Julie Saunders \$ 10,135.81
 Ten thousand one hundred thirty five and 81/100

Bank of America
 6011 NT05100277

Remaining balance *K.T.C.W.*

NOV 13 2012
 36820
Julie Saunders

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRM	R/C	Bank Name
11/13/2012	009992294418	111012822	Pay Bank	N		BANK OF AMERICA, NA
11/13/2012	092512958023200	267078325	Rtn Loc/80PD	Y		NE FLORIDA BUSINESS

OIG 14-023

EXHIBIT 25

2011
**REHABILITATION/WEATHERIZATION/PROPERTY IMPROVEMENT
PROGRAMS ADMINISTRATIVE POLICIES AND PROCEDURES
FOR THE LAUDERHILL HOUSING AUTHORITY**

INTRODUCTION

This rehabilitation plan sets forth the policies and procedures governing the operation of the *Lauderhill Housing Authority, Florida Rehabilitation/Weatherization Programs*.

PURPOSE

This program will make available financial assistance for the rehabilitation/improvements of all eligible owner occupied housing units located in the City of Lauderhill. Rehabilitation and/or general property improvements that will correct deficiencies in the eligible home and make the unit safe, sound and sanitary or any improvement that will increase the overall property value.

PROGRAM RESOURCES

The sources of funds for the undertaking of these activities are derived from the Employee Lending program funded with monies from the various City of Lauderhill Employee Pension Programs.

ELIGIBILITY REQUIREMENTS

DEFINITIONS

The following are definitions of the various terms used herein with respect to eligibility requirements of the applicant and administration of the program:

- Authority* Shall refer to the Lauderhill Housing Authority.
- Community* Shall refer to the City of Lauderhill, Florida.
- Program*
- Director* The Executive Director of the Lauderhill Housing Authority or his/her appointee.

ELIGIBILITY CRITERIA

- The applicant must be a current employee of the City of Lauderhill or the Lauderhill Housing Authority.
- The applicant must be an owner-occupant of the property to be improved when the work commences.
- Applicant must agree to have funds be a part of their total mortgage due and repayment will be part of their bi-weekly loan payment.
- Funds will be held in escrow.

04/20/2015
OIG 14-023-003 0635

ELIGIBILITY REQUIREMENTS OF PROPERTY TO BE REHABILITATED

This section sets forth definitions and eligibility criteria of residential property that will be considered for rehabilitation.

DEFINITIONS

The following are definitions of the various terms used with respect to eligibility requirements of property to be rehabilitated.

- Dwelling Unit* A housing structure which is used entirely for residential purposes.
- Single Family* Designed for single-family use, although more than one family may be residing therein, if every resident has access to all parts of the structure.

ELIGIBILITY CRITERIA

- The dwelling must be an owner occupied family dwelling unit.

- Both units of a duplex are eligible if one is owner occupied and the second unit is occupied by a member(s) of the owner's family.

- If the dwelling lies within a flood zone, coverage under the National Flood Insurance Program must be carried by the homeowner.

- Vacant dwellings may be eligible if their owners are eligible, if the dwelling has been vacant due to its substandard conditions, and if the owner will occupy the dwelling upon completion.

GRIEVANCE PROCEDURE

Disputes between the homeowner, the Authority and contractor may arise from time to time during the life of the rehabilitation project. In those instances where a mutually satisfactory agreement cannot be reached between the parties the grievance procedure will be followed.

- The Grievance Procedure should be made a part of the contract between the homeowner and the contractor.

- The grievance by the homeowner or contractor is to be filed with the program administrator in writing.

- The program administrator will meet with the homeowner/contractor and attempt to negotiate a solution.

- If this fails, the program administrator will forward the complaint and documentation of his attempts to resolve it to the local elected body that shall make a determination.

04/20/2015
OIG 14-023-003 0636

PERFORMANCE

Any contracts are between the homeowner and the contractor. The following procedures must be instituted in an effort to resolve any complaints about the performance of the improvement contract:

- The homeowner must contact the contractor initially and inform him of the grievance.
- If this fails, the homeowner must file a written grievance with the Authority.
- The Executive Director will meet with both the contractor and the homeowner in an effort to reach a mutual solution.
- If this fails, the Executive Director should forward the grievance to the local elected board for their deliberation.
- If this fails, the affected party may institute litigation.
- The Authority shall keep documents and records of the grievance procedure. The Authority may release funds to the contractor for items in the work write-up which are complete and undisputed.

EXISTING CODE VIOLATIONS

Costs includable in are the costs of correcting existing housing code violations which have been determined by a qualified housing inspector and formalized in an individualized housing report.

PERMITS AND FEES

Improvement funds may be used to cover the cost of building permits and related fees required to carry out the proposed rehabilitation work.

EQUIPMENT

Improvement funds may provide for the repair or purchase and installation of certain basic equipment necessary for the maintenance of the household in a safe, sanitary and healthy environment. These include such items as heating/air conditioning unit, hot water tank, electrical and sanitary fixtures, kitchen stove, refrigerator, cabinets and sinks.

ENERGY CONSERVATION

All costs associated with weatherization and energy conservation.

LEAD BASED PAINT ACTIVITIES

As part of the improvement process the owner must insure that the appropriate lead based paint regulations are followed, the activities are carried out by appropriately trained and certified individuals, and the results documented. All labor, inspection, testing and material costs are eligible expenses.

04/20/2015
OIG 14-023-003 0637

EXTERIOR PAINTING

Exterior painting is an eligible cost when it is necessary to maintain a watertight exterior on the dwelling.

OTHER COSTS

Efforts to improve drainage and reduce flooding are eligible within the unit.

All rehabilitation costs related to the general rehabilitation and/or improvement of the unit including general property improvements, appliances, fixtures, carpentry, flooring, equipment, landscaping, and irrigation.

04/20/2015
OIG 14-023-003 0638

OIG 14-023

EXHIBIT 26



CITY OF LAUDERHILL

KENNIE HOBBS, JR.
Finance Director

Richard J. Kaplan, Esq.
Mayor

Dale V.C. Holness
Vice Mayor

M. Margaret Bates
Commissioner

Hayward J. Benson, Jr., Ed. D.
Commissioner

Howard Berger
Commissioner

Charles Faranda
City Manager

Andrea Anderson
City Clerk

Earl Hall, Esq.
City Attorney

July 20, 2010

Maria R. Ortiz-Hill, Director
Community Planning and Development Division
Region IV, Miami Field Office
Brickell Plaza Federal Building
909 S.E. First Avenue, Room 500
Miami, FL 33131-3042

Subject: City of Lauderdale Request to Receive a Conflict of Interest Waiver

Dear Ms. Ortiz-Hill:

As outlined in 24 CFR 570.611, any City of Lauderdale employee who applies for assistance from any Federal Grant Program must demonstrate that a conflict of interest does not exist. As such, on behalf of Brittney Skinner, who is a Police Officer in the Police Department, the City of Lauderdale is requesting an exception to 24 CFR 570.611.

The City has met the following thresholds as required in 24 CFR 570.611:

- A legal opinion of the City Attorney affirming that a conflict of interest does not exist and that no state or local laws would be violated; and
- Proof of public disclosure that describes the nature of the potential conflict and outlines for a method to provide comments in writing and in person.

Attached for your review is the legal opinion for the referenced employee. The legal opinion states that no state or local laws would be violated if the above listed employee receives grant assistance. The City believes that all required thresholds have been met and is respectfully requesting an exception for Ms. Skinner.

Should you require additional information, please do not hesitate to contact me (khobbs@lauderdale-fl.gov).

Very truly yours,

Kennie Hobbs, Jr.
Director - Finance and Support Services

Cc: Charles Faranda, City Manager
W. Earl Hall, City Attorney
Julie Bowers, Operations Administrator

OIG 14-023

EXHIBIT 27

Hi Julie,

Please provide us with a letter certifying that Darrell Thompson and Sandra Gibbons Scott have not performed or exercised any functions or responsibilities in the past, currently, or are expected to perform in the future in relation to the City's NSP 1 and NSP 3 programs. In addition, a written assurance from the City that there has been a public disclosure and a description of how the public disclosure was made.

The determinations for Corey Pendergrass and Jeff Jones have already been processed and I will let you know as soon as I hear word on them.

John Quade, Community Planning and Development Representative
U.S. Department of Housing and Urban Development
Office of Community Planning and Development (CPD)
Telephone: 305-520-5018/Fax: 305-536-4781/Email: John.F.Quade@hud.gov
Website: www.hud.gov

05/04/2015
DIG 14-023-003 0954

OIG 14-023

EXHIBIT 28



LAW OFFICES OF

Coward & Coward, P.A.

ALFREDA D. COWARD, ESQ.

KIMBERLY D. COWARD, ESQ.

REPLY TO:

7101 WEST COMMERCIAL BLVD, STE 4A
FT. LAUDERDALE, FL 33319

POST OFFICE BOX 25487
FT. LAUDERDALE, FL 33320

November 3, 2011

Maria R. Ortiz, Director
U.S. Department of Housing and Urban Development
Atlanta Region, Miami Field Office
Brickell Plaza Federal Building
909 SE First Avenue, Rm. 500
Miami, FL 33131-3042

RE: Conflict of Interest Determination – NSP- Sandra Gibbons Scott

Dear Ms. Ortiz:

Please be advised that I have reviewed the following information in regards to Sandra Gibbons Scott:

1. Code of Federal Regulations, 24 CFR Section 570.611
2. Florida Statutes Section 112.313
3. City of Lauderhill Code of Ordinances
4. Job Description for Accountant I
5. Affidavit of No Conflict and Arms Length Transaction

Sandra Gibbons Scott is employed with City of Lauderhill. Her position is Accountant I and thus the NSP process was not within her job description.

Ms. Scott has affirmed in the Affidavit of No Conflict and Arms Length Transaction that she does not participate in the policy decision making process regarding the sale or purchase of real property in the City of Lauderhill. In my legal opinion, Ms. Scott's request for assistance does not violate State or local law.

Sincerely,

Alfreda D. Coward, Esq.
General Counsel
Lauderhill Housing Authority

OIG 14-023

EXHIBIT 29



Lauderhill Housing Authority Mortgage Lending Criteria

The Lauderhill Housing Authority will hold mortgages for City of Lauderhill employees subject to the following guidelines:

- ❖ Loan-to-value at 97%
- ❖ Minimum down payment required - 3% of the purchase price
- ❖ Interest Rate Schedule - Based on FICO scores as stipulated below:

<i>Credit Score</i>	<i>Interest Rate</i>
580 and above	7.00 %
550 - 579	7.25 %
549 - 525	7.50 %
524 - 500	7.75 %

- ❖ Mandatory - Loan payments will occur bi-weekly through payroll deduction.
- ❖ Loan payments do not include taxes or content insurance.

Affordability guidelines:

Total Housing costs should not exceed 38% of net income or 31% of gross income

Separation of Service

Upon separation of employment with the City of Lauderhill/Lauderhill Housing Authority the loan interest rate will increase by 50 basis points, or 0.50%.

Other Grant Programs

Employees who elect to participate will not be eligible for other downpayment assistance grants through the City of Lauderhill.

OIG 14-023

EXHIBIT 30



Lauderhill Housing Authority Mortgage Lending Criteria

The Lauderhill Housing Authority will hold mortgages for **City of Lauderhill and Lauderhill Housing Authority Employees** subject to the following guidelines:

- ❖ Total loan may not exceed 100% of the repaired appraised value
- ❖ Minimum down payment required - 3% of the purchase price
- ❖ Interest Rate Schedule – Based on FICO scores as stipulated below:

Credit Score	Interest Rate
Above 660	6.00%
641-660	6.25%
621-640	6.50%
600-620	6.75%
580-599	7.00%
550-579	7.25%
525-549	7.50%
500-524	7.75%

- ❖ Mandatory loan payments will occur bi-weekly through payroll deduction or automatic bank ACH debits.
- ❖ Loan payments will include taxes and insurance escrow.

Affordability guidelines:

Total housing costs should not exceed 38% of net income or 31% of gross income

Separation of Service

Upon separation of employment with the City of Lauderhill/Lauderhill Housing Authority, the loan interest rate will increase by 50 basis points if automatic bank ACH debits are not maintained.

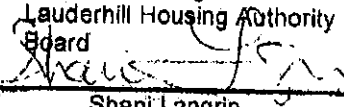
OIG 14-023

EXHIBIT 31

**Lauderhill Housing Authority Board
Regular Meeting**

May 11, 2010 @11:00 AM

MINUTES - Amended

I hereby certify that this is a true and correct copy of the amended minutes of the May 11, 2010 Regular Meeting of the Lauderhill Housing Authority Board

Shani Langrin
LHA Board Clerk

I. CALL TO ORDER

Chairperson Thurston called the meeting to order at 11:06 a.m.

ROLL CALL

MEMBER	Present	Absent
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcinvil	X	

ALSO PRESENT

Kennie Hobbs, Jr., Executive Director, Lauderhill Housing Authority
Julie Bowers, Operations Administrator, Lauderhill Housing Authority
Shani Langrin, Administrative Manager, Lauderhill Housing Authority
Skot Hamilton, Board REALTOR, All Star Realty
Alfreda Coward, Esq. Board Attorney, Lauderhill Housing Authority

II. Pledge of Allegiance

Chairperson Thurston led those present in reciting the pledge of allegiance and salute to the flag.

III. Approval of Minutes

A motion was made by Vice-Chairperson Garelick to approve minutes from April 13th regular meeting. Commissioner Dorcinvil- Motion 2nd

Call to Vote:

MEMBER	Yes	No
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Dordcivii	X	

Approved 4-0.

IV. LEGISLATION

(RESOLUTION NO 10R-05-28)

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER NEGOTIATIONS FOR THE PURCHASE OF THREE QUADPLEX UNITS.

Vice-Chairperson Garelick - Expressed concerns regarding the purchasing of the Canon Point property.

Vice-Chairperson Garelick- Asked for a status on the purchase of the Broward Homeless property.

Mr. Hobbs- Stated that the City has not closed on the property

Vice-Chairperson Garelick- Asked if Nova University or Broward County owned the property and what is the selling price.

Mr. Hobbs- Explained that the property was obtained through a grant and that the sell would be between LHA and Broward County. The asking price for the property is \$1.3 million.

Vice-Chairperson Garelick- Asked would Broward County would be purchasing the property from Nova?

Chairperson Thurston- Reads addendum

Attorney Alfreda Coward - stated that there is no specific information but the contract infers that the contract is between Broward Homeless and Nova University. The title will be between Broward County and Nova University. In addition, the contract terms are not known at this time and that the title will be between Broward County and LHA.

Vice-Chairperson Garelick – asked how is the appraisal done on a business property but the properties does not make a profit i.e. homeless shelter?

Chairperson Thurston- asks if a motion to postpones on the purchasing of the property.

Vice-Chairperson Garelick - Asked that that negotiation on the property be placed on hold until answers are further researched.

Chairperson Thurston- asked is there a 2nd to the motion

Commissioner Dorcivil- 2nd the motion

Attorney Alfreda Coward - Suggest that approval is based on the contract entered into by LHA. LHA maybe bound into a contract and the housing authority could be subject to liability.

Mr. Hobbs- Stated that the contract be fully executed with a specific closing date. The contract will be reviewed and forwarded to the board – The contract stated that the property can be sold if the intent is to operate in the same manner. Value is based on other businesses in area operating in the same manner. Mr. Hobbs also believes that it is in the best interest of the LHA to purchase the property to redevelop and that the purchasing price is fair and reasonable.

Vice-Chairperson Garelick- stated that the sell price that was determined was based on an erroneous appraisal and believes that the city is over paying for the property.

Chairperson Thurston -Request that counsel rules that motion is out of order and additional research should be done to verify the appraisal.

Attorney Alfreda Coward - Suggest that the motion be amended and brought before the board at a later time after additional research has been completed.

Vice-Chairperson Garelick accepts amendment

Commissioner Dorcivil- 2^{nds} motion

Any further discussion

Motioned passes 3 to 1 with chair being in objection

Chairperson Thurston Legislation Item- A / resolution of the Board of Commission of LHA authorize Executive Director to enter into negotiations to purchase into triplex units. Are the plans for the property to demolish and build single-family housing?

Mr. Hobbs- Answers yes

Vice-Chairperson Garelick- is this property owned by Jane Saarnöore?

Chairperson Thurston - Yes

Vice-Chairperson Garelick - What is the asking price?

Mr. Hobbs- No price has been negotiated. The asking price is \$320K.

Attorney Alfreda Coward - there is already an offer of \$300k and a backup offer for \$310. Highly suggest that the Executive Director be allowed to negotiate up to a certain amount.

Vice-Chairperson Garelick - Makes motion that the ED is authorized to negotiate up to but no more than \$320.

Second by Commissioner Alfred Pugh.

Chairperson Thurston - asked will there be any discussion on motion?

ROLL CALL

MEMBER	Present	Absent
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcinvil	X	

Commissioner Dorcinvil – asked if the Judge is able to decide on the amount for property in favor of LHA.

Attorney Alfreda Coward – stated that the Judge does not control or negotiate a price he decides what is in the best interest of the estate.

Mr.Hobbs- asked does appraisal need to be complete to be able to make an offer.

Attorney Alfreda Coward - Depending on contract – subject to appraisal must be stated in contract. Attorney Coward proposes that the E.D. entertains that if an appraisal is \$320 or less that the E.D. will have the authority to negotiate into a contract.

RESOLUTION NO. (10R-05-29)

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY AUTHORIZING THE LAUDERHILL HOUSING AUTHORITY TO ADOPT THE LENDING CRITERIA FOR THE EMPLOYEE LENDING PROGRAM.

Motion by Commissioner Alfred Pugh to adopt the lending criteria for the Employee Lending Program.

Second by Commissioner Yvon Dorcinvil.

ROLL CALL

MEMBER	Present	Absent
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcinvil	X	

(RESOLUTION NO. 10R-05-30)

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY AUTHORIZING THE LAUDERHILL HOUSING AUTHORITY TO ADOPT THE SLIDING FEE SCALE FOR THE SUMMER YOUTH PROGRAM.

Motion made by Vice Chairperson Garelick to approve the sliding fee scale presented.

Second by Commissioner Alfred Pugh.

ROLL CALL

MEMBER	Present	Absent
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcinvil	X	

(RESOLUTION NO. 10R-05-31)

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY RESCINDING RESOLUTION 10R-04-27; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT FOR OFFICE SPACE AT WINDERMERE COMMUNITY CENTER WHICH INCLUDES THE MANAGEMENT OF THE YOUTH PROGRAM.

Mr. Hobbs- Yes. John E. Mullin Park also has a bid out for construction where association meetings will take place. If the association wanted to utilize the Windermere facility then there would not be a problem.

Commissioner Dorcivii- Asked is the rent free??? Will officers still be stationed in building???

Mr. Hobbs- the rent will be the same amount that the rent on the city building was negotiated for.

Chairperson Thurston - 5D Resoultion10R -05-31, what's your pleasure?

Commissloner Pugh - Motioned to approve.

Vice-Chairperson Garelick - 2nd the motion.

Call to Vote:

MEMBER	Yes	No
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcivii	X	

Chairperson Thurston – Motion passes 4-0

Chairperson Thurston - Item #1 May tab #6 warrants \$12,494.00. Will there be any adjustments?

Out of the 34 units that are owned how many are occupied?

Mr. Hobbs- NSP working with attorney to transfer of properties board and city attorney to finalize contracts for the contractors and project managers to move forward with the rentals or sales on NSP units.

Chairperson Thurston – asked for an update on the status on HUD vouchers.

Mr. Hobbs- There were two letters sent to HUD /Davis Varas and Armando Fina and was also sent to four housing agency's requesting the transfers of vouchers and to provide LHA with a list of vouchers of the residents that reside in the City of Lauderhill. Agencies did not reply. As a result LHA placed the four authorities on notice stating that a follow up letter will be sent advising them that it is a violation to the public records law to withhold the requested list of vouchers.

LHA has complied to all recommendations that HUD has made to receive ACC contract with specific letters. LHA was notified that there was a request made to find out LHA's jurisdiction.

The Attorney General conveyed to HUD that unless Broward County joined the request that an opinion would not be rendered. The Attorney General closed the file since no other agencies would join the opinion. The last notice from LHA with litigation was set for the May 19th meeting with local city and DC attorney to review official complaint with HUD.

Vice-Chairperson Garelick - Can board receive information regarding results of meeting?

Mr. Hobbs- Yes, there will be an update of meeting forwarded to board.

Chairperson Thurston - LHA financial report- tab # 7

Mr. Hobbs- stated that the balance and profit loss sheet is provided in packet ending April 30th.

Chairperson Thurston - What is amount of rent for the 11 units?

Mr. Hobbs- the market rent for the vacant units range from \$900- \$1,200 depending on the unit being partly or fully renovated.

Chairperson Thurston - What is the status of the acquisition of the Windermere units?

Skot Hamilton – Stated that there were not many foreclosures in the area and that he is keeping a close monitor on the market. He anticipates that the market for rentals will increase in the near future- and that there has been a lot of interest in the three bedroom units. Recipients interested in the units have had two bedroom vouchers. Mr. Hamilton recommends that recipients try to get their housing vouchers increased.

Mr. Hobbs- LHA is in the process of placing the completely renovated units for sale

Skot Hamilton - Currently there is only one unit on the market for sale

Chairperson Thurston – Asked if there are any items up for discussion?

Julie Bowers- Stated that the June meeting has been scheduled for the 15th

Chairperson Thurston - Received resignation letter from Commissioner Alfred Pugh. Acknowledgement will be made at next board meeting.

Chairperson Thurston – Asked that a motion be made to adjourn meeting.

Vice-Chairperson Garelick - Motion made to adjourn meeting

Commissioner Dorcinvil - 2nd motion

Call to Vote:

MEMBER	Yes	No
Chairperson Thurston	X	
Vice-Chairperson Garelick	X	
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcinvil	X	

Passes 4-0
Meeting adjourned.

OIG 14-023

EXHIBIT 32

Grenier, Steven

From: Alfreda Coward <alfreda@cowardlaw.com>
Sent: Tuesday, September 09, 2014 3:12 PM
To: Grenier, Steven
Subject: RE: Additional document request
Attachments: Reso 10R-05-29.pdf; Hobbs Note Redacted.pdf

Steven,

Please find attached the requested Resolution as well as another Redacted Copy of the Note. This version of the note is the correct Note to use because the last one inadvertently included protected information.

Thanks,
Alfreda

From: SGRENIER@broward.org
To: alfreda@cowardlaw.com
Subject: RE: Additional document request
Date: Tue, 9 Sep 2014 15:39:38 +0000

Thanks...

Special Agent Steven Grenier
Broward Office of the Inspector General
1 N. University Dr., Suite 111
Plantation, Florida 33324-2038
Direct: (954) 357-7819
Fax: (954) 357-7857

From: Alfreda Coward [<mailto:alfreda@cowardlaw.com>]
Sent: Tuesday, September 09, 2014 11:00 AM
To: Grenier, Steven
Subject: RE: Additional document request

See note attached.

From: SGRENIER@broward.org
To: alfreda@cowardlaw.com
Subject: RE: Additional document request
Date: Tue, 9 Sep 2014 13:33:17 +0000
Thanks.

Special Agent Steven Grenier
Broward Office of the Inspector General
1 N. University Dr., Suite 111

Plantation, Florida 33324-2038

Direct: (954) 357-7819

Fax: (954) 357-7857

From: Alfreda Coward [<mailto:alfreda@cowardlaw.com>]

Sent: Tuesday, September 09, 2014 9:33 AM

To: Grenier, Steven

Subject: Re: Additional document request

There was a note. I will have to get it for you though. I will also inquire about that particular resolution. Be in touch soon.

Sincerely,
Alfreda D. Coward, Esq.

On Sep 9, 2014, at 9:26 AM, "Grenier, Steven" <SGRENIER@broward.org> wrote:

Greetings:

Could you please forward LHA resolution 10R-05-29?

Was there a loan note (other than the mortgage) associated with the loan? If so, could you please forward it? Thanks in advance.

<image001.jpg>

Hotline: (954) 357-TIPS (8477)

Under Florida law, most e-mail messages to or from Broward County employees or officials are public records, available to any person upon request, absent an exemption. Therefore, any e-mail message to or from the County, inclusive of e-mail addresses contained therein, may be subject to public disclosure.

<Steven Grenier.vcf>

Under Florida law, most e-mail messages to or from Broward County employees or officials are public records, available to any person upon request, absent an exemption. Therefore, any e-mail message to or from the County, inclusive of e-mail addresses contained therein, may be subject to public disclosure.

Under Florida law, most e-mail messages to or from Broward County employees or officials are public

records, available to any person upon request, absent an exemption. Therefore, any e-mail message to or from the County, inclusive of e-mail addresses contained therein, may be subject to public disclosure.

RESOLUTION NO. 10R-05-29
LAUDERHILL HOUSING AUTHORITY

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE
LAUDERHILL HOUSING AUTHORITY AUTHORIZING THE
LAUDERHILL HOUSING AUTHORITY TO ADOPT THE LENDING
CRITERIA FOR THE EMPLOYEE LENDING PROGRAM.

WHEREAS, the City of Lauderhill has purchased 23 properties to date and will purchase additional property in order to comply with the terms of the Neighborhood Stabilization Program (hereinafter NSP); and

WHEREAS, the CITY desires to consent to the assignment of such rights, duties, and obligations to the LHA; and

WHEREAS, the LHA is willing, capable and able to provide property management, rehabilitation and resale of the properties as required by NSP guidelines; and

WHEREAS, the City of Lauderhill has already conducted the bidding process for NSP contractors;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

SECTION 1. The bid for NSP contractors conducted by the City of Lauderhill is hereby adopted.

SECTION 2. This Resolution shall take effect immediately upon its passage and adoption.

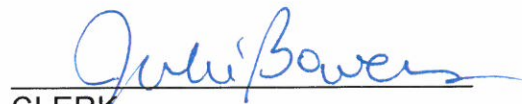
DATED this 11 day of May, 2010.

PASSED AND ADOPTED on first reading this 11th day of May, 2010.



PRESIDING OFFICER

ATTEST:

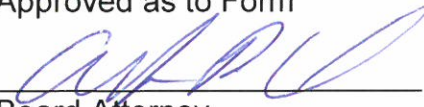


CLERK

MOTION Pugh

SECOND Dorcinvil

K. THURSTON yes
Y. DORCINVIL yes
A. PUGH yes
W. GARELICK yes

Approved as to Form

Board Attorney

OIG 14-023

EXHIBIT 33

**Lauderhill Housing Authority Board
Regular Meeting**

June 15, 2010

MINUTES

I hereby certify that this is a true and correct copy of the minutes of the

Regular Meeting of the
Lauderhill Housing Authority
Board


Shari Langrin
LHA Board Clerk

I. CALL TO ORDER

Chairperson Thurston called the meeting to order at 11:00 a.m.

ROLL CALL

MEMBER	Present	Absent
Chairperson Thurston	X	
Vice-Chairperson Garellick		X
Commissioner Alfred Pugh	X	
Commissioner Yvon Dorcivil	X	

A quorum of the Lauderhill Housing Authority Board was present.

ALSO PRESENT

Kennie Hobbs, Jr., Executive Director, Lauderhill Housing Authority
Julie Bowers, Operations Administrator, Lauderhill Housing Authority
Alfreda Coward, Esq. Board Attorney, Lauderhill Housing Authority
Skot Hamilton, Board REALTOR, All Star Realty

II. Pledge of Allegiance

Chairperson Thurston led those present in reciting the pledge of allegiance and salute the flag.

III. Approval of Minutes

Motion to adopt minutes from May 11th regular meeting was made by Commissioner Pugh and second by Commissioner Dorcivil.

The minutes from May 11th were approved 3-0.

04/20/2015
OIG 14-023-003 0050

III. Legislation

A. (Resolution 10R-06-33)

Mr. Hobbs requested authorization by the board on six properties owned by the City which did not meet NSP program guidelines. LHA would like to purchase the properties at cost and resell. All profits will be kept in separate interest bearing accounts which will be monitored by the Housing Authority. Grant funding will be used to make purchases and for renovations.

Commissioner Dorecivil made a motion to approve and Commissioner Pugh second the motion.

Motion for Resolution 10R-06-33 was approved 3-0.

B. Resolution 10R-06-34

Mr. Hobbs asked that the Board approves the list of environmental consultants that was developed by Broward County so that the research will not have to be duplicated. Thus, LHA will not need to post an ad to the public in an effort to save time.

Commissioner Dorecivil asked if the Housing Authority has a company to inspect for asbestos? Mr. Hobbs said that LHA has a company that was used for asbestos detection in the demolition for the quads.

Commissioner Dorecivil made a motion to approve and it was second by Commissioner Pugh.

Resolution 10R-06-34 passed 3-0.

C. Resolution 10R-06-35

Mr. Hobbs requested that two new bank accounts be opened at TD Bank in Lauderdale. \$2.4 million from the Pension Board has been allocated to the Housing Authority. Mr. Hobbs recommended that the funds be kept separately from the regular operating budget. The first account will be used for funding to redevelop properties purchased by LHA. The second account will be used to keep funding for making HAP payments.

Commissioner Pugh made a motion to approve Resolution 10-06-35 and open the two bank accounts. The motion was second by Commissioner Dorecivil.

Resolution 10R-06-35 passed 3-0.

D. Resolutions 10R-06-32 and 10R-06-37

Resolution 10R-06-32 states that should an employee separate from the City, that the interest rate will be adjusted accordingly. It also requires that participating employees make mortgage payments through payroll deduction and sign an affidavit stating to that effect. In addition, non-employees are required to make mortgage payments through direct debit from their bank.

Mr. Hobbs amended resolution 10R-06-37 to update the lending criteria for employees and establish the criteria for non-employees. The resolution provides for a lower interest rate for buyers with higher credit scores.

Motion was made to approve both resolutions by Commissioner Dorcivil and second by Commissioner Pugh.

Motion passed 3-0.

E. Resolution 10R-06-36

Mr. Hobbs reviews a memorandum that he prepared for the Board regarding the LHA resale policy. Interest rates will be lower than the set market rate. Procedural standards authorize the Executive Director to execute mortgage agreements for purchases up to \$200,000. Any purchases in excess of \$200,000 will need to be presented to the Board for additional approval.

Commissioner Thurston asked if the NSP properties would be made available for city employees to purchase?

Mr. Hobbs said that all properties will be made available through a lottery system. There will be a loan committee appointed to review and approve all documents. City employees are eligible to apply for the program.

June Warrants

The total June warrant is in the amount of \$14,699, which includes homeowner's fees for Windermere Condo units owned by LHA and legal fees.

Motion to approve made by Commissioner Pugh and second by Commissioner Dorcivil.

Warrant was approved 3-0 in the amount of \$14,699.

Neighborhood Stabilization Update

Mr. Hobbs mentioned that the City and Board attorney are working to execute quit claim deeds to transfer NSP properties to LHA. In addition the City is working very closely with the project managers and contractors to finalize their contracts and start renovations as soon as possible.

Voucher Update

Mrs. Coward, Esq. - stated that the DC attorney met with staff to review the complaint that will be filed against HUD. The Housing Authority will be moving forward with filing the complaint. HUD notified LHA that there are additional documents that will be forwarded. LHA may include the documents in the complaint being filed.

Acquisition of Windermere Update:

Skot Hamilton- There has been an offer of \$1.2 million placed on the property on 55th Ave. and Oakland Park, which was followed up with a counter offer of \$1.375 million and the owner is not willing to pay any title insurance fees.

Mr. Hobbs made note that he would not be in the favor of the Authority to have a contract based on the contingency of the appraisal. Mr. Hobbs agreed with Mrs. Coward, Esq. that an appraisal should be completed prior to the counter offer being made.

Meeting adjourned at 12:20 p.m.

*Luncheon for the retirement of Commissioner Pugh followed meeting.

04/20/2015
OIG 14-023-003 0053

OIG 14-023

EXHIBIT 34

RESOLUTION NO. 10R-06-32
LAUDERHILL HOUSING AUTHORITY

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY ADOPTING THE AMENDED LENDING CRITERIA FOR THE EMPLOYEE LENDING PROGRAM; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE LOANS CONSISTENT WITH THE LENDING CRITERIA.

WHEREAS, the Lauderhill Housing Authority (LHA) intends to hold mortgages for City of Lauderhill (CITY) employees pursuant to the employee lending program; and

WHEREAS, the LHA adopted a lending criteria for said employees in Resolution 10R-05-29; and

WHEREAS, the lending criteria needs to be amended thereby modifying the interest rate schedule to allow employees with a higher credit score to receive a lower interest rate;

WHEREAS, a finance committee will be established to review mortgage agreements and make recommendations to the executive director;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

SECTION 1. The Amended LHA Mortgage Lending Criteria is attached and hereby adopted.

SECTION 2. The Executive Director is authorized to execute mortgage agreements consistent with the lending criteria and the recommendation of the finance committee, up to the amount of \$200,000 without further board approval.

SECTION 3. This Resolution shall take effect immediately upon its passage and adoption.

DATED this 15 day of June, 2010.

PASSED AND ADOPTED on first reading this 15 day of June, 2010.

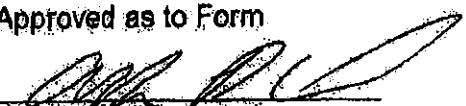

PRESIDING OFFICER

ATTEST:


CLERK

MOTION Dorcinvil
SECOND Pugh

K. THURSTON yes
Y. DORCINVIL yes
A. PUGH yes
W. GARELICK absent

Approved as to Form

Alfreda D. Coward, Esq.
General Counsel

OIG 14-023

EXHIBIT 35

Lauderhill Housing Authority Employee Lending Program

The Police, Fire and Confidential/Managerial Pension plans have invested in LHA. As a result, funds are available for mortgage loans to all full-time employees of the City of Lauderhill and Lauderhill Housing Authority.

Program highlights:

- * Property must be located in the City of Lauderhill
- * Must be your primary residence
- * 3% down payment required
- * Payments must be made with payroll deduction or automatic ACH
- * Interest rate ranges from 6%-7.75% dependent on credit rating

For applications or additional information, please call 954-625-3180.

OIG 14-023

APPENDIX A

LAW OFFICES OF E. F. ROBINSON, P.A.

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September 28, 2015

John W. Scott
Inspector General
Broward Office of the Inspector General
1 North University Dr., Suite 111
Plantation, Florida 33324

VIA ELECTRONIC SUBMISSION AND U.S. MAIL

Dear Inspector General:

Our office represents the Lauderhill Housing Authority and its Board of Commissioners, collectively and individually in the matter regarding your OIG Preliminary Report dated August 28, 2015 (hereinafter referred to as Preliminary Report). In accordance with Section 12.01 of the Charter of Broward County, this letter, with accompanying exhibits and supporting Resolutions, serves as our written response to your Preliminary Report. The review and consideration of the information contained herein should result in an amendment to your Preliminary Report that reflects a finding of no ethical misconduct and include an accurate factual recitation and corrections to the numerous mis-statements of the facts.

As you know the Lauderhill Housing Authority's mission is to "...assist residents in obtaining affordable housing; to promote homeownership; and to be stewards of public funds and trust, by maximizing resources and developing partnerships within the public and private section." In order to fulfill our mission, it is incumbent upon us that we fully comply with our governing laws and internal policies and procedures. To that end, each year we participate in internal and external audits such as a Single and Program Compliance Audits. The results of these audits have been consistently favorable and reiterate that the Lauderhill Housing Authority is accomplishing its mission, including but not limited to, being stewards of public funds and trust.

Therefore, we welcome the opportunity to provide your office with additional insight into the Lauderhill Housing Authority, the administrators, the Employee Lending Program, and our policies and procedures which provide for controls to prevent fraud or abuse in our housing programs. Please find below specific instances of inaccurate information contained in your report.

Factual Inaccuracy #1 (Page 1, Para. 3)- "These managers' subordinates were responsible for processing documentation of loan-worthiness, calculating maximum loan amounts and recommending approval of the loans to their superiors."

Correct Information – Kennie Hobbs is the Finance Director for the City of Lauderhill. In this capacity, he also serves as the Executive Director of the Lauderhill Housing Authority. Julie

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Saunders is the Operations Administrator for the City of Lauderhill Finance Department and the Deputy Director for the Lauderhill Housing Authority. S.H. and K.P. are not employed as subordinates for Ms. Saunders. In fact, all three individuals, as employees of the City of Lauderhill's Finance Department, report directly to Mr. Hobbs. This is a well-known fact and is supported by officially published City Commission approved budgets, which includes departmental organizational charts on the City's website. Copies of the City approved organizational charts for FY 2011 (LHA Exhibit 1) and FY2014 (LHA Exhibit 2) are included for your review. Furthermore, S.H. and T.D. serve on the Finance Committee as members of the City's Finance Staff and not contract employees of the Housing Authority; this is further illustrated in OIG Exhibit's 2 and 3.

As qualified employees, Kennie Hobbs and Julie Saunders applied for participation in the Employee Lending Program. Both Mr. Hobbs and Ms. Saunders' applications and determinations of credit worthiness were determined and approved by the Board of Commissioners, not the staff, S.H. or K.P as the OIG claims. At the time that Ms. Saunders application was approved, T.D. was not a member of the Finance staff. She was, in fact, an employee of the Planning and Redevelopment Department, reporting to D.G, Director. In 2010-2011, this department was a stand-alone department and reported directly to the City Manager and not Mr. Hobbs. With the exception of staff correctly labeled as (Contracted) on the LHA organizational chart, all other City staff works under the umbrella of the Finance Director and not the Deputy Director of the Housing Authority.

Once again, the Board of Commissioners, not staff, made the determination of credit worthiness by approving Mr. Hobbs and Ms. Saunders for funding. The five-member board is appointed by the Mayor and confirmed by the City Commission. They operate with complete autonomy in setting policy, approving budgets and hiring and firing the Executive Director and General Counsel. Thus, the Executive Director – Kennie Hobbs is subordinate to the Board, which was the approving authority in the loans of Mr. Hobbs and Ms. Saunders, not S.H and K.P.

Factual Inaccuracy #2 (Page 1, Para. 3) – “Of equal concern is that monitoring of the performance of the loans continues to be conducted by subordinates.”

Correct Information – Generally, mortgage payments are deducted directly from the participating employees' payroll check. If the mortgagee is not employed by the City, then the funds are deducted directly from the mortgagee's bank account through an ACH draft. It is the City's IT Director who performs the function of the bi-weekly loan payment processing. The City IT Director reports directly to the Deputy City Manager. Neither Mr. Hobbs nor Ms. Saunders has any oversight responsibility of the staff involved in carrying out this process.

Further, the City IT Director provides a report to the City's Comptroller with information as to which mortgagee accounts were debited. Thereafter, the bank advises the Comptroller as to which payments cleared or were rejected. In response, the Comptroller generates a report to

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General Counsel for collection purposes. Thus, the payments of mortgages are regularly inspected and monitored for the performance of the loans issued by LHA. Additionally, the LHA's Independent Auditor, not City or LHA staff, ensures ongoing compliance with loan and program requirements. As part of the annual confirmation process, both Mr. Hobbs and Ms. Saunders completed a "Related Party Questionnaire" (See LHA Exhibit 3 as an example) which discloses that they have an outstanding mortgage with the Authority. As a result, these loans are individually examined to ensure compliance with program and loan requirements. This is in conformance with Generally Accepted Auditing Standards (GAAS), and the findings are reported directly to the Authority's Board of Commissioners.

Factual Inaccuracy #3 (Page 1, Para. 4)-“Mr. Hobbs and Ms. Saunders also took advantage of their position to benefit from funds for expenses not contemplated by officially sanctioned repair program.”

Correct information-All of the repairs/improvements made by Mr. Hobbs and Ms. Saunders were in accordance with the Rehabilitation/Weatherization/Property Improvement Program of the Authority (Please see OIG Exhibit 25). First, Mr. Hobbs and Ms. Saunders were eligible for the program which includes being current employees of the City. Second, the borrowed funds are part of their total mortgage payments and are being repaid through bi-weekly payments. Moreover, funds were held in escrow and dwelling units are owner occupied, as outlined on pages one and two of the referenced document.

All expenditures were for approved items, as illustrated on pages two and three of the approved program. More specifically, on page two of the plan document it explicitly lists items that qualify such as hot water tanks, kitchen stove, refrigerator, and cabinets; items included on page three includes “general rehabilitation and/or improvement of the unit including general property improvement, appliances, fixtures, carpentry, flooring, equipment, landscaping and irrigation. The referenced improvements have been made on not just the two properties in question, but also on the more than thirty properties currently collateralized by mortgages by LHA. These types of improvements are commonplace and not just specific to Mr. Hobbs and Ms. Saunders. Therefore, Mr. Hobbs and Ms. Saunders did not take advantage of their position since they qualified for the services and the repairs without regard to their specific titles.

Factual Inaccuracy #4 (Page 1, Para. 4)-“Rather than replace a roof, Ms. Saunders remodeled her kitchen, made other home improvements and was directly paid over \$10,000.”

Correct Information – Ms. Saunders used all funds awarded to her in accordance with the program guidelines as detailed in OIG Exhibit 25. As stated therein, the repairs made were eligible based on LHA's Employee Lending Program and were documented with receipts previously provided. In fact, based on documentation provided by the General Counsel, more than 50% of the items were for items purchased prior to the distribution of remaining \$10,000 which was held in escrow. Ms. Saunders received reimbursement for all items purchased or

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expenditures made for all approved home improvements. She did not receive any funds to which she was not entitled.

Factual Inaccuracy #5 (Page 1, Para. 4) – “Mr. Hobbs used his inflated repair escrow to install travertine tile and an aquarium.”

Correct Information – Mr. Hobbs made repairs/improvements to the home in accordance with the Rehabilitation/Weatherization/Property Improvement Program of the Authority. (See OIG Exhibit 25). The OIG alleges that the installation of travertine tile is a violation. This is incorrect as flooring is an improvement permitted by the Program.

Additionally, as reflected on documentation provided to the OIG on or about April 6, 2015, as part of Subpoena #14-023-003, but not included in your initial report, Mr. Hobbs did not use any funds received as part of his loan for an aquarium. Mr. Hobbs owned the aquarium prior to his purchase of the home. The monies used to transfer and install the aquarium were directly from Mr. Hobbs. For your review, we have attached receipts and voided checks (which were previously provided to the OIG, but not included in your report) for all work performed on Hobbs’ house (LHA Exhibit 4).

As for the reference to an inflated repair escrow, this is merely an unsupported opinion of the investigators since escrow accounts are not predicated on the Home Inspection Report, but is solely determined by the appraised value of the subject property and the mortgage amount. As you may be aware, the Home Inspection Report is an owners report and not a report of the Authority, thus, information included is intended for the owners use and is not utilized to determine needed repairs or escrow amounts.

Factual Inaccuracy #6 (Page 2, Last Paragraph)-“Since at least 2009, Ms. Saunders has been the sole employee reporting to Mr. Hobbs at the LHA, and all other LHA employees (City-Provided or LHA direct hires) report to her.”

Correct Information –This is not true, with the exception of E.W., S.L. and since 2012, T.D., all other City employees involved with LHA do so as part of their City responsibilities, and thus report to no one in LHA. In fact, S.H. and K.P. under no circumstance have ever reported to Ms. Saunders. This is further illustrated in organizational charts provided to your office and included in your report as OIG Exhibit 2 and OIG Exhibit 3, as well as, newly provided City of Lauderhill organizational charts (See LHA Exhibit 1 and 2). As you will see, on the LHA side, the only City employee that reports to Ms. Saunders is D.J (reassigned to Administration Department since June 2015), and on the City side E.W., T.D. and previously S.L. Additionally, the City organizational charts clearly show that S.H., Deputy Finance Director and K.P., Comptroller, report directly to Mr. Hobbs and never Ms. Saunders.

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Factual Inaccuracy #7 (Page 6, Para. 2)- “They further took advantage of their public position to benefit from funds, with the cooperation of the Board Attorney, for expenses not contemplated by officially sanctioned repair program.”

Correct Information –This is a baseless and scandalous allegation for which there is no support. Mr. Hobbs and Ms. Saunders, eligible employees, participated in the Rehabilitation, Weatherization/Property Improvement Program of the Authority. They used their loan awards only on improvements permitted by the Program.

The specific improvements are listed below and were documented by receipts with supporting authority for the improvements contained in LHA Exhibit 9 and OIG Exhibit 22.

1. Roof repairs for the tile and gutters therein;
2. Interior Painting;
3. Energy Efficient Appliances;
4. Pool repairs;
5. Tree Trimming; and
6. Irrigation

The statement which infers that the Board Attorney has colluded with another to misappropriate funds is a violation of The Florida Bar Rules of Professional Conduct. Specifically, it is a violation of Fla. Bar Rule 4-8.4 “to engage in conduct in connection to the practice of law that is prejudicial to the administration of justice, including to knowingly, or through callous indifference, disparage or humiliate other lawyers in any basis.” The OIG is a criminal justice agency and holds itself out as an independent watchdog against corruption, fraud, and gross mismanagement. This is a connection to the practice of law. Therefore, the OIG should be held accountable as any other criminal justice agency or lawyer in their duty not to disparage or attempt to humiliate another lawyer. A blanket false assertion of collusion without any evidence is the OIG’s attempt to disparage and/or humiliate the General Counsel, Alfreda Coward.

In the OIG’s attempt to disparage and/or humiliate the General Counsel by accusing her of collusion, the OIG failed to acknowledge or provide the written documentation previously provided by General Counsel including documentation, (such as receipts and escrow statements), which demonstrate that the improvements made to Mr. Hobbs’ and Mr. Saunders’ homes were eligible for payment by the Rehabilitation/Weatherization/Property Improvement Program. This documentation is included, once again, in this Response as LHA Exhibit 9.

Factual Inaccuracy #8 (Page 8, Para.3)- The OIG was not provided with documentation evidencing that the LHA Board reviewed and approved any standard, general terms for the loans.

Correct Information – Resolution 10R-05-32 outlines the standard, general terms of all loan criteria, specifically the lending criteria which is based upon credit rating and maximum loan value. Resolution 10R-05-32 was passed by the LHA Board of Commissioners on June 15,

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2010. This specific resolution was provided to the OIG as part of our response to your Subpoena 14-023-002 on December 1, 2014 and again, in response to your request for emails in August 2015. We have included a copy of the original email from the board secretary to the board, which includes the actual resolution provided to and approved by the LHA Board on May 11, 2010 (LHA Exhibit 5). The version included as OIG Exhibit 32 in your preliminary report, is not the item presented to or approved by the LHA Board.

Factual Inaccuracy #9– (Page 8, Last Paragraph) “They were the only employees who qualified for the lowest interest rate of 6 percent, the rate established in June 2010 upon the recommendation of staff.”

Correct Information - In accordance with the approved lending criteria, established in 2010 by the Board, interest rates are based solely on the applicants’ credit scores and loan to value. Mr. Hobbs and Ms. Saunders met the criteria established by the Board.

We have included copies of the lending criteria for non-city employees and City employees alike (LHA Exhibit 6), which were previously provided to the OIG in our response to your subpoena #14-023-002, and as you can see, all participants’ interest rates are based solely on their credit scores. To illustrate, a non-city employee who is a park attendant for another local municipality with a credit score of 670; and a city employee who is a park attendant with a credit score of 670 would have both qualified to receive an interest rate of 6.00 %, without regard to their particular employer and in accordance with the approved lending criteria. Lastly, the OIG requested and received copies of the credit information that was presented to the Board of Commissioners, which was used to assign Mr. Hobbs and Ms. Saunders respective interest rates, and in their draft report have not provided any statements or evidence contradicting the rate assigned.

Factual Inaccuracy #10 (Page 12, Para. 3)-“Mr. Hobbs said that he agreed with an aquarium contractor to fold in the costs of moving, installing plumbing, and wiring his aquarium with the cost of replacing the floor with tile.”

Correct Information – This is not true. The incorrect statement above was derived from a statement given by Mr. Hobbs to the Office of the State Attorney (SAO). Mr. Hobbs actual representation to the SAO is that the contractor that was moving his aquarium agreed to remove and install the new flooring in his home, in addition to moving his existing aquarium, but in a separate invoice. OIG Exhibit 11, which was included in your preliminary report, shows total payments to JAWZ.net of \$5,789, much less than the total cost of removing and installing the flooring in question. Please see attached invoice for \$7,174 for the material and labor relating to the tile only, which was also provided to the OIG but not included in the Preliminary Report (LHA Exhibit 4). Additionally, we have included a copy of the \$600 invoice exclusively for moving the aquarium in question and copies of canceled checks and credit card receipts evidencing payment of said services (LHA Exhibit 4).

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Factual Inaccuracy #11 (Page 13) - Ms. Saunders Was Given Special Treatment in the Administration of Her Loan and Roof Replacement Escrow.

Correct Information – Ms. Saunders loan and repair escrow were processed in accordance with the approved loan process using the approved loan and escrow criteria. All qualifying documentation was provided to the OIG at their request and they have not communicated any verifiable issues with her income, interest rate or loan amount. However, we will address each separate claim made on page 13.

Factual Inaccuracy #12 (Page 13, #1) - The 2010 Application and Approval for \$280,000 Occurred One Year Before Ms. Saunders Bought Her Home.

Correct Information – This statement is not true and documentation dispelling this claim was previously provided to the OIG, but not included in the Preliminary Report. The 2010 application and approval for \$280,000 was for a Sales Contract entered into on July 6, 2010 for a property located at 4762 NW 66 Avenue, Lauderdale, Florida and not the property that was ultimately purchased on June 13, 2011. The property associated with the 2010 application and approval was being sold as a short sale owned by the association, but had an outstanding mortgage held by a third party bank. This process went on for about 10 months, but ultimately ended when the association could not secure short sale approval from the bank holding the first mortgage.

Factual Inaccuracy #13 (Page 13, #2)-In 2011 Staff Committed LHA to Loan Ms. Saunders Another \$40,000 Before Board Approval and Without a Second Application.

Correct Information – Staff did not commit to approve a loan to Ms. Saunders, but issued her a Mortgage Loan Commitment which was subsequently and in accordance with the process and approved by the Board. The Mortgage Loan Commitment is a conditional approval and does not commit the LHA to funding unless all requirements and provisions set forth by the lender are met. Attached please find a copy of the document in question (LHA Exhibit 8) which clearly states that “your final approval is not guaranteed and that this commitment is also subject to reconsideration if there is any material change in your financial status in the information provided in your application or on the condition of the property.” As you know, staff updated all relevant information to protect the interest of the authority and to ensure that the applicant still met the requirements of the program as of the date that the commitment was executed and ultimately approved by the Board.

More specifically, although the applicant was not required to complete a new application, as per the Loan Commitment letter dated July 6, 2010, she was required to submit updated documentation to the satisfaction of the Board. Therefore, staff obtained updated income information (as of April 2011), which yielded \$7,000 in additional income and an updated credit report (as of March 9, 2011), which yielded a credit score 21 points higher than her original report from 2010.

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Additionally, a new Loan Processing Worksheet was completed, which included updated income, expense and credit information, which was the basis for the Board's approval at its May 2011 meeting. Again, as per the commitment letter, the loan was not guaranteed unless the lender was satisfied with the subsequent documentation submitted, which was presented to and approved by the Board, which was further evidenced by the Board's minutes provided and the Chairman's signature on the financial worksheet. Again, this dispels the allegation that the loan in question was approved without documented action by the Board.

As for withholding information, the investigators statements are not based on facts. Ms. Saunders did advise the Authority (in writing) that she owned a condominium, which was listed on the MLS for sale. Additionally, being that the loan associated with the condo in question was held by a traditional lender; the credit report pulled in April 2010 and March 2011, which were both provided to the investigator, reflected a 24 month payment history. As such, the loan for the property in question was not only current as of the date of her initial approval but also current as of May 10, 2011, the date that the Board approved her current loan.

Factual Inaccuracy #14 (Page 19, Para. 1) – There was no documented board approval of full lending criteria.

Correct Statements – As provided to the OIG investigator (on or about December 1, 2014) in response to Subpoena #14-023-002, the Board initially approved Resolution 10R-05-29 on May 11, 2010, which was superseded by Resolution 10R-05-32, which was approved on June 15, 2010 (both resolutions are included in LHA Exhibit 5). The two resolutions, which included the approved lending criteria and the Board Minutes from said meetings were provided to the investigator as detailed above and are included in their preliminary report as Exhibits 29 and 30. Again, this further dispels the notion that the Board had not approved the lending criteria.

Factual Inaccuracy #15 (Page 21, Para. 2) - Staff implemented a repair escrow process that was more generous than the City's and apparently unknown to the LHA Board.

Correct Statements - LHA is an independent entity not governed by the rules and programs of the City. Our Board makes independent decisions when it comes to approving our budget and program requirements. As such, all improvements made by participants of the Employee Lending Program are consistent with the LHA Board approved repair/improvement plan. This is evident not only in the repairs made as part of the Employee Lending Program but for repairs made by LHA on properties that we own for rent and resale.

In summary, we believe that it is important to note, that it is the responsibility of the Board to set policy and not carry out administrative functions for the Authority. Hence, when the Board is presented with information relating to the various programs of the Authority, it is reviewed and voted on by the Board, thus establishing program guidelines. Once approved, it is for our highly

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capable administrative staff to carry out the administrative functions and approvals to ensure the success of our various programs. This is further demonstrated in our Bylaws that clearly assign all administrative functions and tasks to our professional staff. We believe this philosophy to be consistent with the intended widely accepted Public Administration framework of a Commission/Manager form of government.

Factual Inaccuracy #16 (Page 29, Para.2) – “He continued to do graduate coursework in accounting and finance, as well as public administration coursework at Nova Southeastern University”.

Correct Information - Mr. Hobbs has a Bachelor of Science degree in Accounting from Florida Atlantic University and a Master of Public Administration degree from Nova Southeastern University. In addition, he has completed 30 hours of graduate course work in accounting and finance.

OIG STATEMENTS/LHA POSITIONS

Your Preliminary Report contains conclusions which are not supported by the information you received during your investigation. My clients have specific objections to the following OIG positions:

OIG Statement #1 (Page 9) “Mr. Hobbs’ Repair Escrow was Not Established in a Way to Protect LHA’s Interests.”

LHA Position – This statement is baseless and lacks any legal support. Mr. Hobbs’ escrow was executed in accordance with the program established by the LHA Board of Commissioners; was executed prior to any funds being disbursed for approved repairs; and only allowed for direct payment to vendors for approved repairs/improvements. There are no problems identified with the escrow documentation itself except that it was finalized subsequent to the closing.

OIG Statement #2 (Page 10) – Ms. Saunders also recommended approval of the loan and signed her name over the title of Executive Director. No provision exists within the resolutions, bylaws, or policies that the LHA provided to us that authorized Ms. Saunders to execute such a document or act on behalf of the LHA in this way, except as derived from the direct authorization of Mr. Hobbs.

LHA Position – Attached please find the job description for LHA’s Deputy Director (previously provided to the OIG but included as LHA Exhibit 7) that clearly shows that the Deputy Director shall serve as the Executive Director in the absence of the Executive Director. As a result, when acting in that capacity, they would assume all of the powers of the Executive Director, including that ability to sign agreements on behalf of the Authority.

LAW OFFICES OF E. F. ROBINSON, P.A.

Northern Virginia Office
4609 Pinecrest Office Park Drive
Suite H
Alexandria, Virginia 22312
Facsimile (703) 940-9189
☐

1712 FINANCIAL LOOP
LAKE RIDGE, VIRGINIA 22192
Telephone (703) 970-2080
Facsimile (703) 940-9189
WEBSITE WWW.EFROBINSONLAW.COM
☐

South Florida Office
7101 West Commercial Blvd.
Suite 4A
Fort Lauderdale, Florida 33319
Telephone (954)840-5301
Facsimile (954)337-9215
X REPLY TO THIS OFFICE

Furthermore, the OIG has not provided any evidence that Mr. Hobbs had any discussions or directed S.H. or Ms. Saunders to act in any manner while reviewing his loan application. In fact, the aforementioned statement of the OIG appears to directly dismiss statements given by both S.H and Ms. Saunders, which are included on pages 25 and 26 of this report. More specifically S.H. stated “because Mr. Hobbs was the LHA Executive Director, he forwarded his recommendation for approval to Ms. Saunders.” Also, Ms. Saunders stated, “she reviewed the loan worksheet and determined that the amount approved and the calculated interest rate conformed to the program criteria and because the loan was for over \$200,000, she included it on the agenda for presentation to the Board for its review and approval.”

OIG Statement #3 (Page 12) – Although only \$2,075 in repairs was recommended by the Home Inspector, Mr. Hobbs received a repair escrow of \$8,920.

LHA Position – LHA repair escrows are not predicated on the Home Inspector’s Report, but based on the appraised value, as highlighted in the Board approved Lending Criteria (OIG Exhibit 30). As stated in the approved policy, “the loan may not exceed 100% of the repaired appraised value.” Please note that home inspections are purchased by the applicant for the benefit of the applicant and not LHA.

As for this loan specifically, the escrow amount was based on appraised value \$375,000 less net loan amount (\$370,000 contract price - \$11,100 employee contribution - \$1,842.51 assessments/county taxes credits +9,022.50 closing costs= \$366,006.91) leaving \$8,920.01 available for escrow. All of this information is included and can be verified on the previously provided HUD-1. Simply put, Mr. Hobbs received a repair escrow which conformed to the Board Approved Lending Criteria.

OIG Statement # 4 (Page 14) - Ms. Saunders’ 2011 Loan Approval Increased Inexplicably.

LHA Position – Ms. Saunders’ Loan Approval was appropriate in that the increase in the maximum loan was based on the approved lending criteria and an industry standard maximum loan calculation. The formula used was a Present Value (PV) calculation using the Max Housing Cost Based on Gross and Net monthly Principal and Interest. This calculation takes into consideration assigned interest rates, term of loan, and monthly payment.

OIG Statement # 5 (Page 15)- Despite having a lower income, Ms. Saunders was granted a higher maximum loan amount than W.L., whose higher income only qualified him for a maximum loan amount of \$261,676 based on gross income.

LHA Position - The investigators assertion does not take the full financial and credit picture of W.L. and Ms. Saunders into consideration. For example, as illustrated in OIG Table 2, while gross annual income of W.L is \$101,294 and Ms. Saunders is \$99,108 (a difference of only \$2,186) a variation in their Net Annual Income is much greater for W.L. \$65,867 to Ms.

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Saunders \$94,788 (a difference of \$28,921), which represent funds available to pay living expenses including their mortgage. Net Annual Income is the number that was used, since it is the more relevant number. Additionally, credit scores affect maximum loan amounts. Per the approved lending criteria W.L. qualified for a rate of 7.25%, based on a credit score in the 500's and Saunders qualified for a rate of 6%, based on her credit score in the 700's (well above the required minimum to qualify for 6% rate). Thus, when completing the maximum loan value, in addition to a 1.25% lower interest rate, Ms. Saunders actually has \$28,921 annually or \$2,410 monthly more funds available to meet her financial obligations. Again, when determining the PV of potential loans, interest rate, net monthly income and term of loan are all considered.

OIG Statement #6 (Page 15) A Roof Replacement Escrow, Without an Escrow Agreement, Was Established Despite the Fact that a New Roof Was Not Needed or Obtained.

LHA Position – As with all real estate transactions, the sales contract and price is between the seller and the buyer only, and not the lender. Hence, the fact that Ms. Saunders was able to negotiate a better price, or why, is not the business of the LHA. As spelled out in our lending criteria, the Authority will provide funding for up to 100 percent of the repaired appraised value. The funds loaned and its usage is guided by the policies of the LHA, the mortgage and note; not a private sales contract to which LHA is not a party.

As for funds placed in escrow, consistent with the other three participants of the Employee Lending Program that received funds; all funds were to be used for repairs/improvements in accordance with the LHA approved plan. As such, that is the case of Ms. Saunders. The preliminary report states that LHA's program did not exist at the time that funds were placed in escrow. The fact remains that funds were placed in escrow with General Counsel (who reports directly to the Board and not Mr. Hobbs or his staff) who did not release funds for initial repairs until October 21, 2011, which was nearly four months after LHA established its program.

OIG Statement #7 (Page 16)- Escrow Payments went to Painting, Cabinet Remodeling, Landscaping, Plumbing and Ms. Saunders Instead of Replacing the Roof or Paying Down Principal.

LHA Position –Funding provided to Ms. Saunders and held in escrow was used in accordance with program guidelines as detailed in OIG Exhibit 25. As stated therein, the repairs made were eligible based on LHA's Employee Lending Program and not that of the City's Grant Program that has more stringent regulations for its applicants and is income-based. Additionally, please refer to LHA Exhibit 9 which outlines the rationale and procedure under which the remaining funds were disbursed to Ms. Saunders.

OIG Statement #8 (Page 18) - Mr. Hobbs and Ms. Saunders Were Aware of the Conflict Prohibition They Violated.

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LHA Position - LHA's program is for the sole benefit of City of Lauderhill and Lauderhill Housing Authority employees to purchase and improve homes located in the City of Lauderhill. The rules and regulations pertaining to this program have been included as (OIG Exhibit 25). The program discussed by the investigator and the referenced City Rehabilitation Program documents (Exhibit 26-28) correlate to the City's Federally funded NSP program and not LHA's Employee Lending Program. More specifically, as stated in Exhibit 26, paragraph one, sentence one, this assertion only applies to "City of Lauderhill employees who apply for assistance from any FEDERAL GRANT PROGRAM", which this is not. Furthermore, in the first sentence on page 18 of the OIG's preliminary report, the investigator in their own words states that HUD, not LHA, requires a conflict check and waiver for employees who receive HUD funding. In this case, all funding was derived from the employees' portion of their contribution to the City's Pension Funds (which does not include ANY Federal, State or Local Government Funds).

Lastly, as for a frequently recurring conflict between their personal interests and the interest of the governmental entity they serve, the fact remains that all financial monitoring for the Employee Lending Program is conducted by a 3rd party external auditor who reports directly to the Board of Commissioners. This is the assurance that on-going programmatic conditions are being met.

OIG Statement #9 (Page 22) – Other City and LHA Employees Were Not Informed of the Employee Loan Program's Especially Favorable Terms.

LHA Statement –Members of LHA's staff made formal presentations at City Pension Board meetings that included City employees and members of the various collective bargaining units (General Employees (AFSME), Police (FOP) and Fire (IAFF)). At these meetings, the Employee Loan Program was discussed in detail. In addition to posting printed material in City facilities, LHA requested City Pension board members and Union staff to disseminate program details to their respective members.

Conclusion

The Lauderhill Housing Authority and all other interested parties have provided you with countless documents and access to the interworking of the Lauderhill Housing Authority. If you provide more than a cursory review of the documents provided to you throughout your investigation, this Response to your Preliminary Report, and the Exhibits attached herein, you will commend the LHA's innovative Employee Lending Program as being consistent with our mission. Furthermore, you will find that Kennie Hobbs and Julie Saunders' participation in the program was approved by this Board as it was in accordance to the criteria required by all City of Lauderhill and Lauderhill Housing Authority employees. In as such, on September 28, 2015, the Board passed two Resolutions approving this Response to the Preliminary Report and supporting Kennie Hobbs and Julie Saunders. (See LHA Exhibit 10).

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X REPLY TO THIS OFFICE

Finally, as the program is still in its infancy, the Board with the support of its administrative staff and the recommendations of its external auditor will continue to implement policies and procedures to assist residents in obtaining affordable housing; promote home ownership; develop and maximize resources- while being good stewards of public funds and trust.

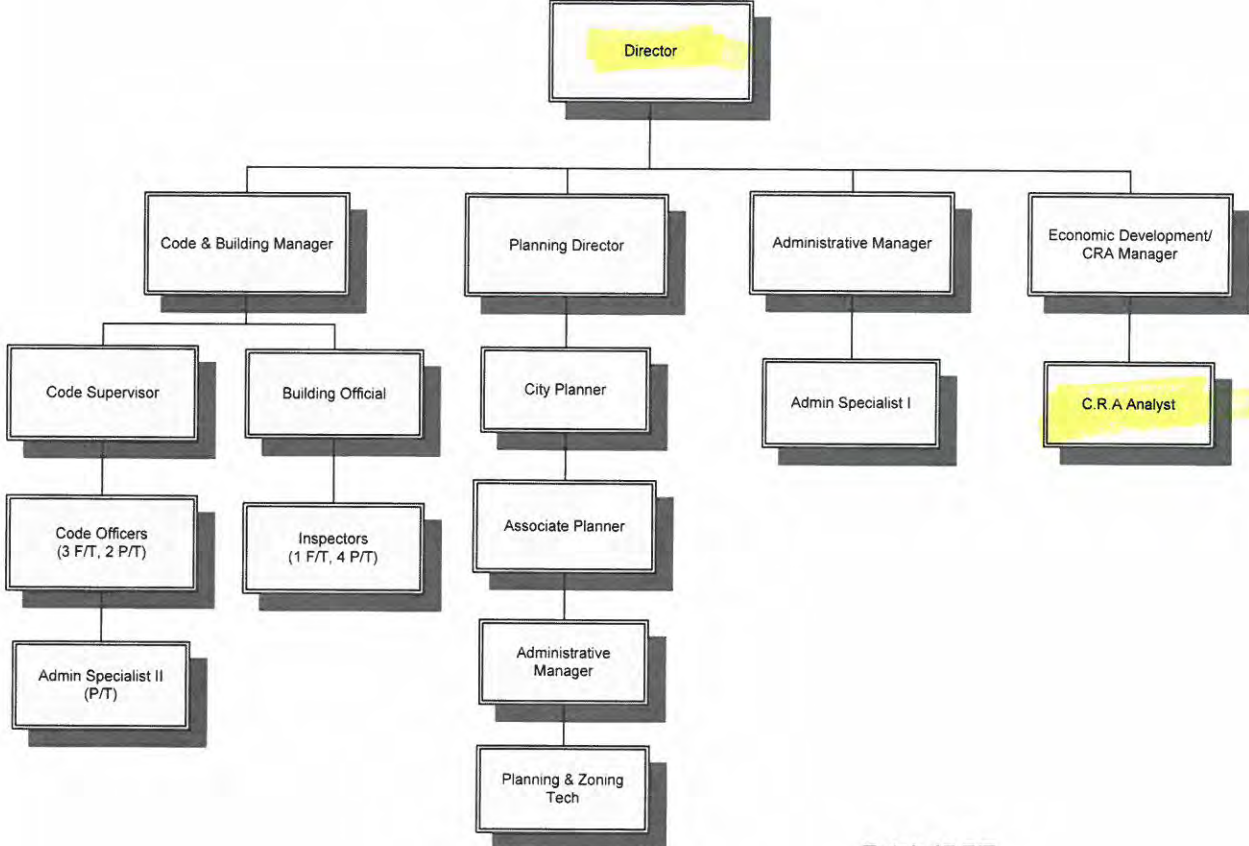
Sincerely,

/s/Veronica L. Robinson
Veronica L. Robinson, Esq.

Enc.
cc: Lauderhill Housing Authority
Alfreda Coward, Esq.
Kennie Hobbs
Julie Saunders

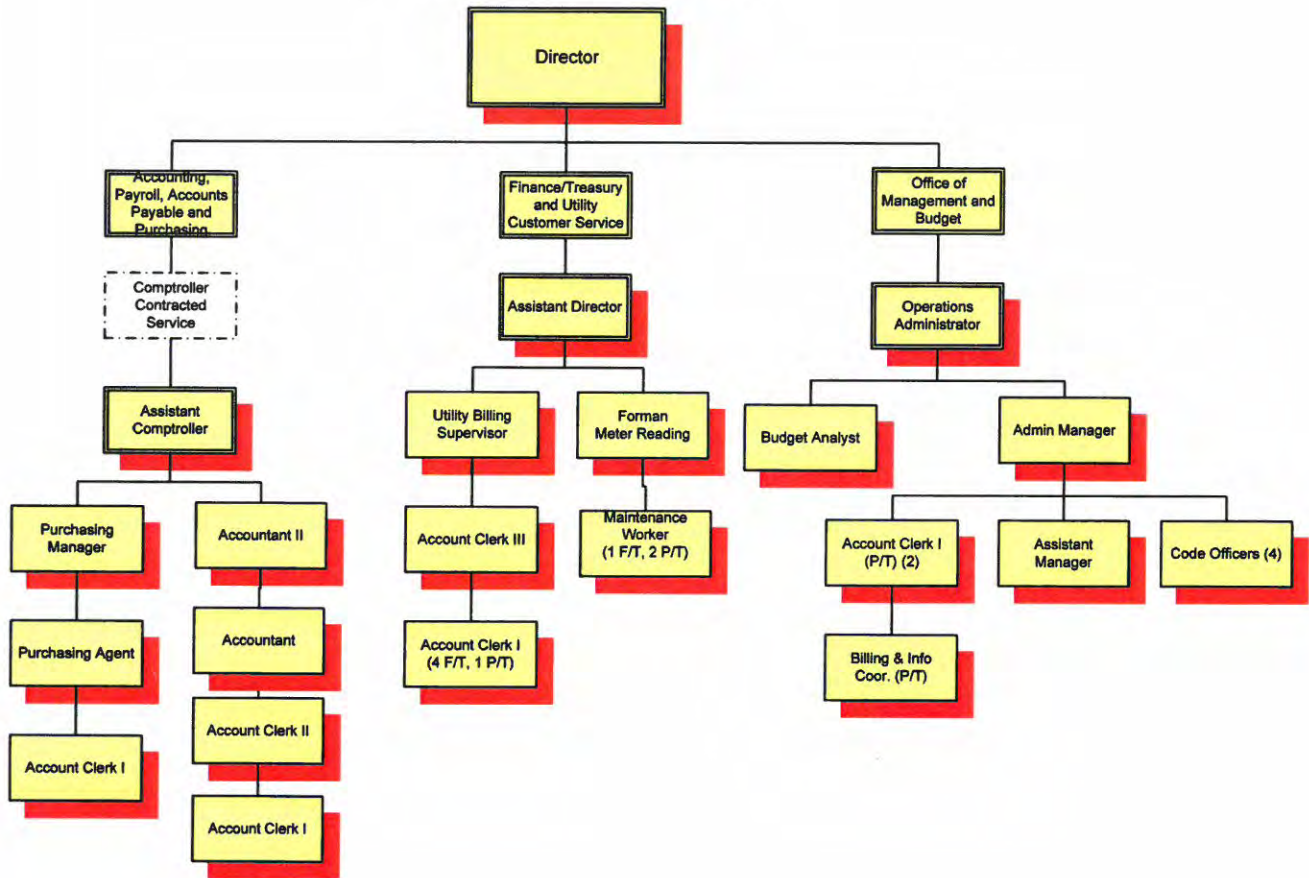
LHA Exhibit 1

City of Lauderdale Planning & Redevelopment



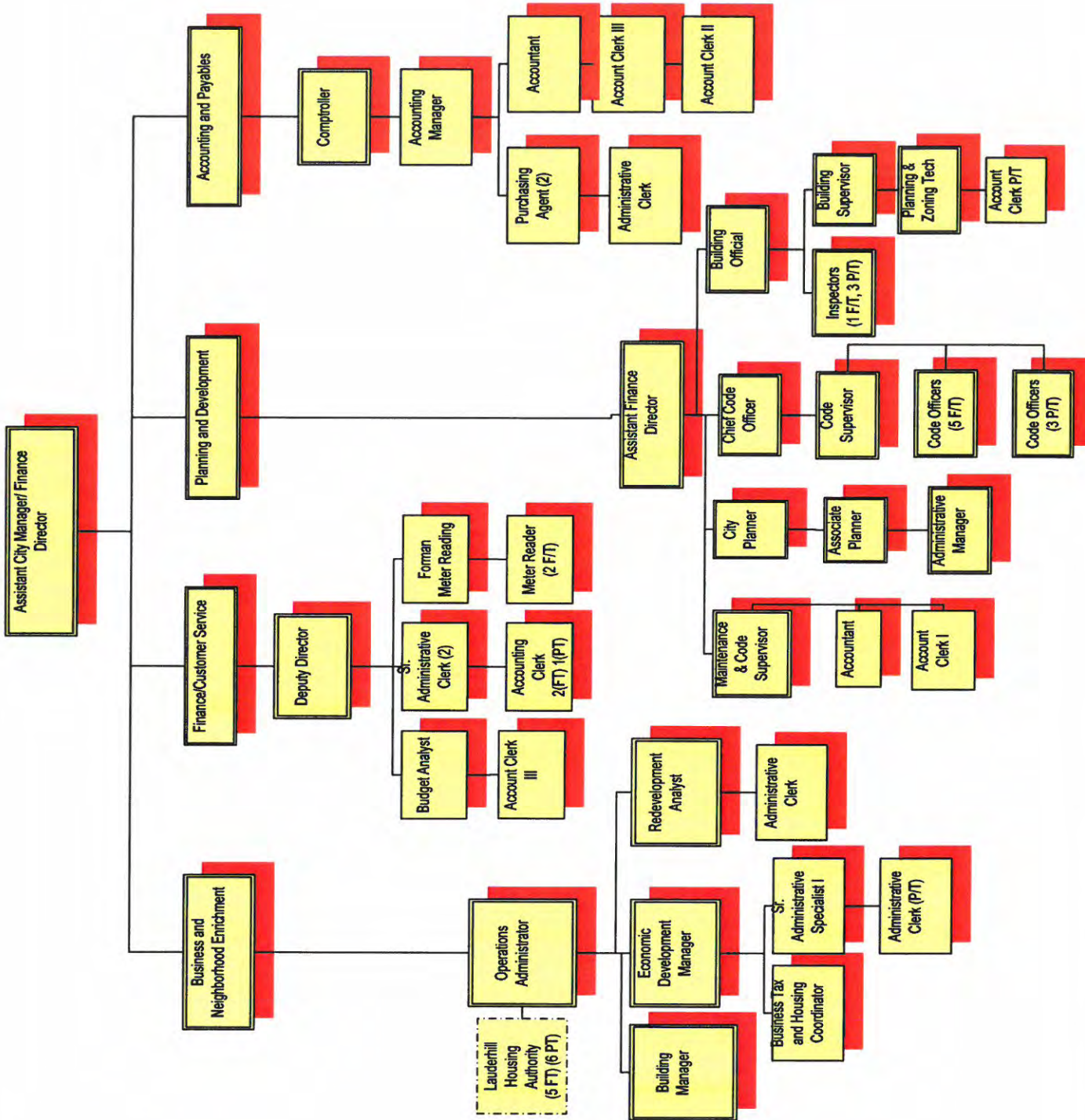
**Total: 17 F/T
7 P/T**

**City of Lauderhill
Finance and Support Services**



Total: 26 F/T, 6 P/T

LHA Exhibit 2



LHA Exhibit 3

Related Party Questionnaire

Please answer all questions completely. If the answer to any question is "Yes," please identify all of the entities and individuals involved by name, as well as their address, phone number, and email address. Also identify the bullet or bullets in the related question.

1) Have you or any related party of yours had any interest, direct or indirect, in any of the following transactions since October 1, 2013 to which the Lauderhill Housing Authority was, or is to be, a party?

- | | YES | NO |
|---|-------|-------|
| • Sale, purchase, exchange, or leasing of property? | ___ | ___/✓ |
| • Receiving or furnishing of goods, services, or facilities, including grants? | ___ | ___/✓ |
| • Transfer or receipt of compensation, fringe benefits, or income or assets? | ___ | ___/✓ |
| • Maintenance of bank balances as compensating balances for the benefit of another? | ___ | ___/✓ |
| • Any traditional investments and/or alternative investments made by the Organization? (Please disclose any interest, direct or indirect, in any investment made by the Organization or with any investment advisor.) | ___ | ___/✓ |
| • Other transactions? | ___/✓ | ___ |

Real Estate Mortgage

2) Do you or any related party of yours have any interest, direct or indirect, in any of the following pending or incomplete transactions to which the Lauderhill Housing Authority is, or is to be, a party?

- | | YES | NO |
|---|-------|-------|
| • Sale, purchase, exchange, or leasing of property? | ___ | ___/✓ |
| • Receiving or furnishing of goods, services, or facilities, including grants? | ___ | ___/✓ |
| • Transfer or receipt of compensation, fringe benefits, or income or assets? | ___ | ___/✓ |
| • Maintenance of bank balances as compensating balances for the benefit of another? | ___ | ___/✓ |
| • Any traditional investments and/or alternative investments made by the Organization? (Please disclose any interest, direct or indirect, in any investment made by the Organization or with any investment advisor.) | ___ | ___/✓ |
| • Other transactions? | ___/✓ | ___/✓ |

Real Estate Mortgage

3) Have you or any related party of yours been indebted to or had a receivable from the Lauderhill Housing Authority at any time since October 1, 2013? Please exclude amounts due for ordinary

travel and expense advances.

Yes No

4) Do you know of any related party or any other person or entity that has misappropriated assets or committed other forms of fraud against the organization?

Yes No

5) Do you know of any person or organization that should be receiving this questionnaire?

Yes No

6) Have you or any related party of yours had any interest, direct or indirect, in any transactions since October 1, 2013, or in any pending or incomplete transactions, to which any pension, retirement, savings, or similar plan provided by the Lauderhill Housing Authority was, or is to be, a party? Do not include payments to a plan or payments by the plan made pursuant to the terms of the plan.

Yes No

7) Do you receive compensation, or are you owed monies or compensation, from any other organization, whether tax-exempt or taxable, that are related to this organization through common supervision or common control?

Yes No

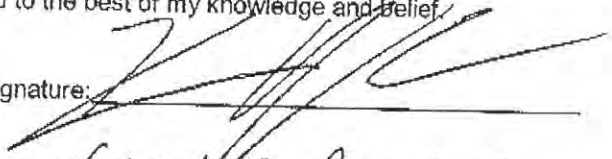
8) Have you reported in writing to the chair of the governing body and president or executive director of the organization any conflict of interest transactions of which you are aware?

Yes No *N/A*

The answers to the foregoing questions are correctly stated to the best of my knowledge and belief.

Name: *Kennie Adkins, Jr.*

Date: *1/28/15*

Signature: 

Title: *Executive Director*

LHA Exhibit 4



Bello Tile Home Decor And Flooring Corp.

5581 NW 79 AVE
DORAL, FL. 33166

Business Number 305 406 9006
Fax Number 305 406 9040
bellotile@bellsouth.net

Invoice

Date	Invoice #
8/7/2014	148

Bill To
KENNIE HOBBS 4973 NW 66 AVE LAUDERHILL, FL 33319

P.O. Number	Terms	Rep
	SPECIAL ORDER	

Item Code	Description	Quantity	Rate	APROX SQF/B...	Amount
MISELLANEUS	TRAVERTINE IVORY 24 X 24 - 88 BOXES-	1,408	1.29		1,816.32T
MISELLANEUS	4% OFF DISCOUNT	1	-72.65		-72.65T
MISELLANEUS	DELIVERY	1	160.00		160.00

Subtotal	\$1,903.67
Sales Tax (7.0%)	\$122.06
Payments/Credits	-\$1,679.59
Customer Total Balance	\$346.14

TERMS AND CONDITIONS

All claims must be made prior to installation and merchandise returned in its original package, there are no warranties expressed or implied on any merchandise once it has been installed. No refunds or credits on special orders, final sales or materials such as grout, thinset or any mortar bag. Shade and Tone may have some variation from show room sample to actual stock. No warranties or claims after five days of purchase or with out this

knowledge. All credits will expire after 12 months. 25% fee will apply to all cancellation orders and/or refunds or credits. Prices are subject to change without notice. customer agrees to pay cost of collection and reasonable attorney's fees if this invoice is placed in default.

By acknowledging and accepting this invoice you agree to have read and comply with all the terms and conditions of this company.

THANK YOU FOR YOUR BUSINESS!!

*pd
check 11/6/14*

Customer Signature:

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 954-722-0838

1163

63-27631 FL
24102

DATE August 11, 2014

PAY TO THE
ORDER OF

Bello Tile Home Decor And Flooring Corp

\$ 1,679.59

One thousand six hundred seventy-nine & 59/100

DOLLARS



Bank of America

ACH R/T 083100277

FOR Hobbs

[Signature]

⑈001163⑈

PAY TO THE ORDER OF
CITIBANK, N.A.
FOR DEPOSIT ONLY
BELLO TILE HOME DECOR
& FLOORING CORP.

COWARD & COWARD, P.A. TRUST ACCOUNT
 7101 W. COMMERCIAL BLVD. STE. 4A
 LAUDERHILL, FL 33319-2142
 PH. 954-722-0836

1165
 63-27631 FL
 24103

DATE August 11, 2014

PAY TO THE ORDER OF Bello Tile Home Decor And Flooring Corp \$ 346.14

Three hundred forty-six & 14/100 DOLLARS

Bank of America
 ACH R/T 063100277

FOR Hobbs KJD

⑈001165⑈

PAY TO THE ORDER OF
 CITIBANK, N.A.
 FOR DEPOSIT ONLY
 BELLO TILE HOME DECOR
 & FLOORING CORP.

Invoice



South:
1701 West Broward Blvd.
Fort Lauderdale, FL 33312
O: 954.462.5299 F: 954.462.0412

North East:
67 E. Main St.
Elmsford, NY 10523
O: 914.345.5855 F: 914.345.5728

Submitted To Kennie Hobbs		Phone 954.741.1627	Date 8/18/2014
Address		Job Name	
City, State, Zip Code Lauderhill, FL 33319		Job Address	
Proposal # 17646	Account # 130	Email	
		Job City, State, Zip	

We hereby propose to furnish all material and perform all work necessary to complete the referenced job as follows:

Item/Model Description	Quantity	Unit Price	Labor Hrs	Extension
Mortar Mix	56	\$4.50		\$252.00
Multifloor Mix White	20	\$9.50		\$190.00
Dry Grout Almond	1	\$12.00		\$12.00
Removal of Old Tile	870	\$1.00		\$870.00
Mortar Mix "Additional"	40	\$4.50		\$180.00
Labor (demo and installation)	1400	\$4.05		\$5,670.00

\$7,174.00

Less \$ Amt to reach negotiated budget:

All material is guaranteed to be as specified, and all work to be performed according to plans and specifications as noted or, in the absence thereof, acceptable standard practice and completed in a substantial workmanlike manner for the sum of

Dollars **\$7,174.00**
Deposit: \$3,289.00
payment request: \$2,500.00
Balance after: \$1,385.00

Handwritten:
8/18/14
SC 1168

Any invoice amount that remains unpaid after due date is subject to a monthly finance charge of 1.5%.
This proposal is not valid unless originally or subsequently signed by an authorized officer of Jawz LLC.

Authorized Signature: _____

Note: This proposal may be withdrawn by the contractor if not accepted within: _____ days

Acceptance of Proposal/Work/Goods and Service — I/We do hereby agree to the price, specifications and conditions referred to herein, and authorize the contractor named herein to perform the work as specified with payment to be made as outlined above.

The Owner or Legal Entity represented by the authorized party whose signature appears below agrees to pay for any and all legal fees as may be incurred by this contractor to recover payment for any work as specified and performed herein.

Print Name/Title: _____

Signature: _____

Date of Acceptance: _____

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 954-722-0838

1164

03-27/031 FL
24103

DATE August 11, 2014

PAY TO THE
ORDER OF

JAWZ.net

\$ 3,289.00

Three thousand two hundred eighty-nine & 00/100

DOLLARS



Security
Features
Check or
Data

Bank of America

ACH R/T 083100277

FOR Hobbs

Kg D C

⑈001164⑈

CREDIT TO ACCOUNT OF
WITHIN NAMED PAYEE
FOR DEPOSIT ONLY
JPMorgan Chase Bank, N.A.

DEPOSIT

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33310-2142
PH. 954-722-0830

1168

63-27/831 FL
24103

DATE Aug 19, 2014

PAY TO THE ORDER OF

JAWZ.net

\$ 2,500.00

Two thousand five hundred & 00/100

DOLLARS

Bank of America

ACH R/T 082100277

FOR

Hobbs

[Handwritten Signature]

"001168"

JPMorganChaseBank 682904 135935 957 50038887

DEPOSIT
CREDITED TO ACCOUNT OF
LITWIN NAMED PAYEE
FOR DEPOSIT ONLY
JPMorgan Chase Bank, N.A.

My Accounts > Account Activity > Check Details

Check Details

Print Help with this page

I'd like to...

[▶ See Account Statements](#)

TOTAL CHECKING (...4418)

Check Number: 4244

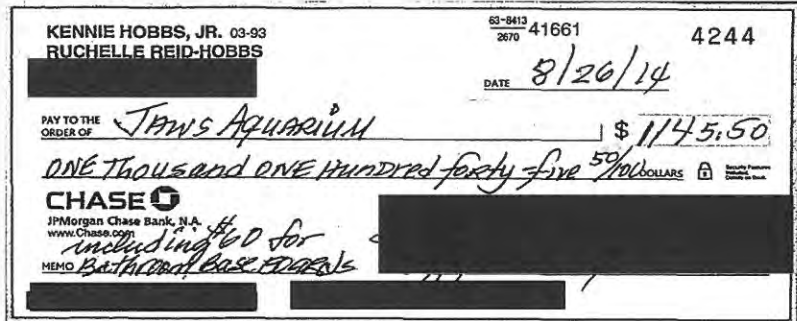
Post Date: 08/26/2014

Amount of Check: \$1,145.50

Front



Enlarge/Reduce Check Image



[Need help printing or saving this check?](#)

WE HAVE THE RIGHT CREDIT CARD FOR YOU

Get Started



Back



Enlarge/Reduce Check Image



[Need help printing or saving this check?](#)

[Return to Account Activity](#)

CISCO POMPANO BEACH
2005 HAMMONDVILLE RD
POMPANO BEACH, FL. 3306

TERMINAL I.D.: 0001

MERCHANT #:

UTSA

SALE

BATCH: 001403

DATE: AUG 11, 14

INVOICE: 000016

TIME: 09:43

AUTH NO: 020813

TOTAL

\$480.65

CUSTOMER COPY

JAWZ.net

Design • Build • Maintain

816 NW 8th Ave
 Fort Lauderdale, FL 33311
 Phone (954) 552-5892

INVOICE

DATE: August 29, 2014
 INVOICE # 2014-4973-1

BILL TO:

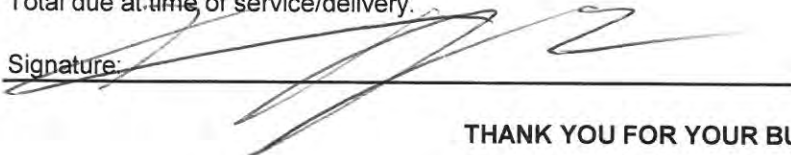
Kenny Hobbs
Lauderhill, FL 33319

FOR:

DESCRIPTION	QTY	UNIT PRICE	AMOUNT
Project cost	1.00	600.00	600.00
1. Breakdown, transfer and reassemble existng 90 gallon saltwater aquarium and wall unit stand to new residents			
2. Disconnect and re-install R/O system, includes connecting automatic top off lever to exiting plumbing in half bath			
3. Disassemble, transfer and restock 100lbs of live rock and corals.			

SUBTOTAL	\$	600.00
TAX RATE		
SALES TAX		
OTHER		
TOTAL	\$	600.00

Make all checks payable to Jawz LLC
 Total due at time of service/delivery.

Signature: 

THANK YOU FOR YOUR BUSINESS!

Accounts > History & Statements

Check Details

Account Number [REDACTED] Check Number: 1433 Posting Date : 09/02/2014

Front

KENNIE HOBBS, JR.
RUCHELLE N. HOBBS

charlesSCHWAB
BANK

1433

8/29/14 Date

94-221/1212
3500

Pay to the
Order of

Jawz
Six Hundred Dollars
A. Y. Vasquez

\$ 600.00

00/100 Dollars

Charles Schwab Bank
Reno, Nevada

High Yield Investor Checking

Non-Negotiable Image

For

Back



(1234-6782)

LHA Exhibit 5

From: jbowers@laudhill-fl.gov
Sent: Monday, May 10, 2010 4:02 PM
To: Shani Langrin
Subject: FW: May Board Meeting
Attachments: RESOLUTION NO 28.doc; RESOLUTION NO 29.doc; RESOLUTION NO 30.doc;
RESOLUTION NO 31.doc; Billing April 2010.doc

From: Alfreda Coward [mailto:alfreda@cowardlaw.com]
Sent: Friday, May 07, 2010 1:14 PM
To: jbowers29@yahoo.com; Julie Bowers
Subject: May Board Meeting

Julie,

I'm about to leave my office and will be out for few hours. Available by cell but not internet. Sending resolutions and warrant once again to make sure you have everything.

Thanks, Alfreda

The New Busy is not the old busy. Search, chat and e-mail from your inbox. [Get started.](#)

**RESOLUTION NO. 10R-05-29
LAUDERHILL HOUSING AUTHORITY**

**A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE
LAUDERHILL HOUSING AUTHORITY AUTHORIZING THE
LAUDERHILL HOUSING AUTHORITY TO ADOPT THE LENDING
CRITERIA FOR THE EMPLOYEE LENDING PROGRAM.**

WHEREAS, the Lauderhill Housing Authority (LHA) intends to hold mortgages for City of Lauderhill (CITY) employees pursuant to the employee lending program; and

WHEREAS, the LHA needs to establish lending criteria for said employees; and

WHEREAS, the proposed lending criteria has been developed by the Executive Director and staff and it includes the minimum down payment requirements, interest rates, loan repayment method, affordability guidelines and restrictions regarding other grant programs offered by the CITY;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

SECTION 1. The LHA Mortgage Lending Criteria is attached and hereby adopted.

SECTION 2. This Resolution shall take effect immediately upon its passage and adoption.

DATED this ____ day of _____, 2010.

PASSED AND ADOPTED on first reading this ____ day of _____, 2010.

PRESIDING OFFICER

ATTEST:

CLERK

MOTION _____
SECOND _____

K. THURSTON _____
Y. DORCINVIL _____
A. PUGH _____
W. GARELICK _____

Approved as to Form

Alfreda D. Coward, Esq.
General Counsel

**RESOLUTION NO. 10R-05-29
LAUDERHILL HOUSING AUTHORITY**

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY AUTHORIZING THE LAUDERHILL HOUSING AUTHORITY TO ADOPT THE LENDING CRITERIA FOR THE EMPLOYEE LENDING PROGRAM.

WHEREAS, the Lauderhill Housing Authority (LHA) intends to hold mortgages for City of Lauderhill (CITY) employees pursuant to the employee lending program; and

WHEREAS, the LHA needs to establish lending criteria for said employees; and

WHEREAS, the proposed lending criteria has been developed by the Executive Director and staff and it includes the minimum down payment requirements, interest rates, loan repayment method, affordability guidelines and restrictions regarding other grant programs offered by the CITY;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

SECTION 1. The LHA Mortgage Lending Criteria is attached and hereby adopted.

SECTION 2. This Resolution shall take effect immediately upon its passage and adoption.

DATED this 11 day of May, 2010.

PASSED AND ADOPTED on first reading this 11th day of May, 2010.



PRESIDING OFFICER

ATTEST:




CLERK

MOTION
SECOND

Pugh
Dorcinvil

K. THURSTON yes
Y. DORCINVIL yes
A. PUGH yes
W. GARELICK yes

Approved as to Form



Alfreda D. Coward, Esq.
General Counsel

**RESOLUTION NO. 10R-06-32
LAUDERHILL HOUSING AUTHORITY**

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY ADOPTING THE AMENDED LENDING CRITERIA FOR THE EMPLOYEE LENDING PROGRAM; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE LOANS CONSISTENT WITH THE LENDING CRITERIA.

WHEREAS, the Lauderhill Housing Authority (LHA) intends to hold mortgages for City of Lauderhill (CITY) employees pursuant to the employee lending program; and

WHEREAS, the LHA adopted a lending criteria for said employees in Resolution 10R-05-29; and

WHEREAS, the lending criteria needs to be amended thereby modifying the interest rate schedule to allow employees with a higher credit score to receive a lower interest rate;

WHEREAS, a finance committee will be established to review mortgage agreements and make recommendations to the executive director;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

SECTION 1. The Amended LHA Mortgage Lending Criteria is attached and hereby adopted.

SECTION 2. The Executive Director is authorized to execute mortgage agreements consistent with the lending criteria and the recommendation of the finance committee, up to the amount of \$200,000 without further board approval.

SECTION 3. This Resolution shall take effect immediately upon its passage and adoption.

DATED this 15 day of June, 2010.

PASSED AND ADOPTED on first reading this 15 day of June, 2010.

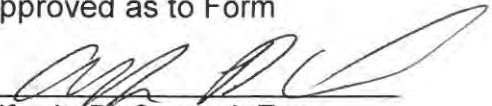

PRESIDING OFFICER

ATTEST:


CLERK

MOTION Dorcinvil
SECOND Pugh

K. THURSTON yes
Y. DORCINVIL yes
A. PUGH yes
W. GARELICK absent

Approved as to Form


Alfreda D. Coward, Esq.
General Counsel



Lauderhill Housing Authority Mortgage Lending Criteria

The Lauderhill Housing Authority will hold mortgages for **City of Lauderhill and Lauderhill Housing Authority Employees** subject to the following guidelines:

- ❖ Total loan may not exceed 100% of the repaired appraised value
- ❖ Minimum down payment required - 3% of the purchase price
- ❖ Interest Rate Schedule – Based on FICO scores as stipulated below:

Credit Score	Interest Rate
Above 660	6.00%
641-660	6.25%
621-640	6.50%
600-620	6.75%
580-599	7.00%
550-579	7.25%
525-549	7.50%
500-524	7.75%

- ❖ Mandatory loan payments will occur bi-weekly through payroll deduction or automatic bank ACH debits.
- ❖ Loan payments will include taxes and insurance escrow.

Affordability guidelines:

Total housing costs should not exceed 38% of net income or 31% of gross income

Separation of Service

Upon separation of employment with the City of Lauderhill/Lauderhill Housing Authority, the loan interest rate will increase by 50 basis points if automatic bank ACH debits are not maintained.

LHA Exhibit 6



Lauderhill Housing Authority Mortgage Lending Criteria

The Lauderhill Housing Authority will hold mortgages for **Non-Employees** of the City of Lauderhill to purchase NSP properties subject to the following guidelines:

- ❖ Maximum Loan-to-Value is 100% of Appraised Value
- ❖ Minimum down payment required - 3% of the purchase price
- ❖ Interest Rate Schedule - Based on FICO scores as stipulated below:

<i>Credit Score</i>	<i>Interest Rate</i>
Above 660	6.00%
641-660	6.25%
621-640	6.50%
600-620	6.75%
580 -600	7.00 %
550 - 579	7.25 %
549 - 525	7.50 %

- ❖ Mandatory loan payments will occur bi-weekly through payroll deduction or automatic bank ACH debits.
- ❖ Loan payments will include taxes and insurance escrow.

Affordability guidelines:

Total housing costs should not exceed 38% of net income or 31% of gross income

Separation of Service

Upon separation of employment with the City of Lauderhill/Lauderhill Housing Authority, the loan interest rate will increase by 50 basis points if automatic bank ACH debits are not maintained.

LHA Exhibit 7



Job Description Deputy Director

SUPERVISION RECEIVED:

The Deputy Director shall work under the direct supervision of the Executive Director (ED).

SUPERVISION EXERCISED:

The Deputy Director shall assist in the supervision of staff, including the Housing Inspector, Building Manager and HCV Specialists. The Deputy Director shall serve as the Executive Director in the absence of the Executive Director.

POSITION SUMMARY:

The Deputy Director assists the Executive Director in the supervision of the overall operation of the Affordable/Public Housing, Section 8 Housing Choice Voucher Program and any other program as administered by the Authority, in accordance with Federal and State regulations and Admissions and Continued Occupancy Plan (ACOP) and Administrative Plan of the Authority.

The statements contained herein reflect general details as necessary to describe the principal functions of this job, the level of knowledge and skill typically required and the scope of responsibility, but should not be considered an all-inclusive listing of work requirements. Individuals may perform other duties as assigned, including work in other functional areas to cover absences or relief, to equalize peak work periods or otherwise balance the workload. A given incumbent may perform any/all of the following duties.

POSITION RESPONSIBILITIES:

1. Shall assist ED in the management of all Housing Programs ensuring adequate internal planning, program utilization and administration of programs in accordance with the U.S. Department of Housing and Urban Development (HUD) regulations, Lauderhill Housing Authority (LHA) policies and procedures, Section Eight Management Assessment (SEMAP), and Public Housing Assessment System (PHAS).
2. Shall assist ED with seeking opportunities to increase low-to-moderate income housing; analyzes mandated laws and programs to determine feasibility of projects; develops financial feasibility reports on housing construction and development projects; selects development sites for housing projects; authorizes and approves purchase agreements.
3. Shall assist ED with identifying funding resources for project development such as HUD development and modernization funding, tax credit and tax exempt and bond financing. Assist with the development of proposals, funding, and grant requests for the necessary resources needed to implement programs
4. Shall explain the responsibilities of the Authority, Owner and Family, including Equal Opportunity requirements to Real Estate Brokers, Owners, and Managing Agents.
5. Provides data for grant applications; coordinates department meetings for grant design; assembles statistical information; prepares goals and objectives for applications; assist in the preparation of and review of grant

packages.

6. Monitors regulatory change, and update Admissions and Continued Occupancy Plan, Administrative Plan, PHAS, SEMAP, MASS, RASS, as needed and disseminate information (rules and regulations) to all staff.
7. Shall assist ED with Emergency Plan, Grievance Policy, Annual Plan, Five (5) Year Plan, and Drug Free Workplace Policy.
8. Shall assist ED in the analysis and preparation for submission of reports to other agencies, municipalities, Board of Commissioners, and HUD.
9. Shall submit all PIC 50058 files to HUD and dispensing all discrepancies to the AHOM and Section 8 Manager and follow up to ensure errors/discrepancy have been corrected.
10. Shall be responsible for assigning user ID and roles to access EIV, PIC, and Homeland Security systems. Also responsible for providing training and security awareness to staff.
11. Shall be responsible for gathering all documentation, reviewing and adhering to all quality control indicators as required under SEMAP and PHAS.
12. Shall participate in interviewing prospective employees, making recommendations on employee discipline, evaluating and managing employee performance, discussing and identifying personnel issues and facilitating resolutions, promoting positive morale in the department, ensuring all staff is trained appropriately for maximum performance and providing leadership and guidance.
13. Shall assist in the management of all staff to assure cases are being managed in an efficient and professional manner.
14. Shall assist in management reviews of all contract-administrated projects, HUD audits and annual independent audits for all programs.
15. Shall assist in formulating and updating the ACOP and Administrative Plan, reviewing and revising Housing forms; and shall assist in disseminating information (rules and regulations) to all staff.
16. Shall assist, monitor, and oversee all staff training for their position.
17. Shall provide excellent customer service by responding to information request, conducting research, providing solutions to problems and errors.
18. Represents LHA during community projects and at public, social, and business gathering.
19. Use administrative principles and practices including goal setting, strategic planning, program development, implementation and evaluation and management of employees.
20. Act as a resources person/liaison between the Executive Director and department management.
21. Advise employees concerning work and personnel matter, with the goal of achieving high morale within the organization.
22. Provide guidance and technical assistance to employees in the resolution of administrative problems.
23. Ensure communication of serious problems and important issues to the Executive Director.
24. Verify and approve employee time records. Track absences and manage vacation schedules to ensure proper staffing levels.
25. Identifies and utilizes community resources to recruit and encourage volunteerism at all facilities.
26. Manages activities of volunteers in conjunction with department managers.

27. Shall perform any other duties, as assigned by the Executive Director.

KNOWLEDGE, SKILLS AND ABILITIES:

- General knowledge of real estate market; and knowledge of HUD assisted housing programs.
- Ability to communicate effectively; establish and maintain effective working relationships with staff, knowledge of sound business practices; and PC literate.
- Ability to perform the duties of the position with minimum direction through own initiative.

REQUIRED EDUCATION AND EXPERIENCE:

- Bachelor degree in business administration, public administration or related field and three years of experience in HUD housing programs; or any equivalent combination of education, training and experience which provides the required skills, knowledge, abilities.
- Prior experience in office procedures, record keeping, personal computers, typing and customer service experience. Experience in HUD and/or LIHTC compliance or related experience is preferred.
- A “Certificate of Housing Management” is preferred; however required within one year of hire. A “Uniform Physical Condition Standards and REAC Inspection Preparation Methods Certification” is also required within two years of hire.
- Must utilize personal vehicle when assignments require travel between LHA owned/managed sites and must maintain a clean Florida driver’s license and reliable transportation.
- A valid Florida Driver’s license and a vehicle are required and must be maintained throughout period of employment.

COMPETENCIES:

To perform the job successfully, an individual should demonstrate the following competencies:

- ETHICS – Treats people with respect; keeps commitments; inspires the trust of others, works with integrity and ethically; upholds organizational values.
- PROBLEM SOLVING – Works well in group problem solving situations; uses reason even when dealing with emotional topics.
- CUSTOMER SERVICE – Manages difficult or emotional customer situations; responds promptly to customer needs; solicits customer feedback to improve service; responds to request for service and assistance; meets commitments.
- INTERPERSONAL SKILLS – Focuses on solving conflict, not blame; maintains confidentiality; listens to others without interrupting; keeps emotions under control; remain open to others’ ideas and tries new things.
- ORAL COMMUNICATION – Speaks clearly and persuasively in positive or negative situations; listens and gets clarification; responds well to questions, demonstrates group presentation skills; participates in meetings.
- WRITTEN COMMUNICATION – Writes clearly and informatively; edits work for spelling and grammar; varies writing style to meet needs; presents numerical data effectively; able to read and interpret written information.
- TEAM WORK – Gives and welcomes feedback; contributes to building a positive team spirit; puts success of team above own interest; supports everyone’s efforts to succeed.
- ORGANIZATIONAL SUPPORT – Follows policies and procedures; completes administrative tasks correctly and on time; supports organization’s goals and values; benefits organization through outside activities; supports affirmative action and respects diversity.
- JUDGEMENT – Displays willingness to make decisions; exhibits sound and accurate judgment; supports and explains reasoning for decisions; includes appropriate people in decision-making process; makes timely decisions.
- PROFESSIONALISM – Approaches others in a tactful manner; reacts well under pressure; treats others with respect and consideration regardless of their status or position; accepts responsibility for own actions; follows through on commitments.
- ADAPTABILITY – Adapts to changes in the work environment; manages competing demands; changes approach

or method to best fit the situation; able to deal with frequent change, delays, or unexpected events.

- ATTENDANCE/PUNCTUALITY – Is consistently at work and on time; ensures work responsibilities are covered when absent; arrives at meetings and appointments on time.
- DEPENDABILITY – Follows instructions, responds to management direction; takes responsibility for own actions; keeps commitments; commits to long hours of work when necessary to reach goals; completes tasks on time or notifies appropriate person with an alternate plan.
- INITIATIVE – Volunteers readily; undertakes self-development activities; seeks increased responsibilities; takes independent actions and calculated risks; looks for and takes advantage of opportunities; asks for and offer help when needed.

This position in no way states or implies that these are the only duties to be performed by the employee(s) incumbent in this position. Employee(s) will be required to follow any other job related instructions and to perform any other job related duties requested by any person authorized to give instructions or assignments.

LHA Exhibit 8



www.lauderhillha.com
1818 NW 54th Terrace,
Lauderhill, FL 33313
954-730-3019

MORTGAGE LOAN COMMITMENT

To: Julie Bowers

Property Address:
4762 NW 66 Avenue Lauderhill, FL 33319

Preparation Date: July 6, 2010

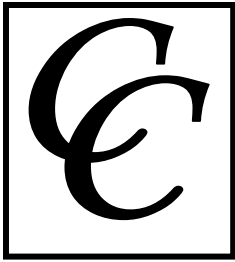
Loan number: 2010-5

Congratulations! Your loan application has been approved subject to the terms and conditions included in this commitment letter. You may be required to provide documentation that is acceptable to the Lender. If the documentation you provide does not satisfy the terms and conditions, your final approval is not guaranteed and the Lender may require additional information and review.

This commitment is also subject to reconsideration if there is any material change in your financial status, in the information provided in your application or on the condition of the property. Loan Type Fixed Loan amount \$285,000 Loan term (months) 360 Interest rate 6.00%. Unless the section titled "Locked-In" below is checked, you have elected to FLOAT and the interest rate designated above reflects the interest rate used for qualifying. The interest rate and discount points for your loan application will go up and down depending on market conditions until you loan is price protected.

Your monthly payments will consist of principal and interest in the approximate amount of \$ 1,998.88 and escrow payments. Your payment is due on the first day of each month without exception. A late payment service charge of 5 % will be charged on payments received after the end of 15 calendar days after the payment is due. Your loan must close and fund prior to the interest rate lock-in expiration date and prior to the commitment expiration date. Your interest rate lock-in expiration date is September 6, 2010. If you cannot close and fund prior to this date for any reason, you will be required to re-price your loan. Your commitment expiration date is October 6, 2010. If you cannot close and fund prior to this date, you may be required to provide additional documentation and your loan will be resubmitted for credit approval.

LHA Exhibit 9



LAW OFFICES OF
Coward & Coward, P.A.

ALFREDA D. COWARD, ESQ.

KIMBERLY D. COWARD, ESQ.

REPLY TO:

□ 7101 WEST COMMERCIAL BLVD, STE 4A
FT. LAUDERDALE, FL 33319

□ POST OFFICE BOX 25487
FT. LAUDERDALE, FL 33320

TO: David Schulson, Esq.
Office of the State Attorney

FROM: Alfreda D. Coward, Esq.
General Counsel for Lauderhill Housing Authority

RE: SP14-11-101

DATE: Friday, February 13, 2015

MEMORANDUM

Thank you for giving us additional time to respond to the above-referenced subpoena. I have attached the responsive documents with notations made on the cover page for each section. Nonetheless, I would like to take this opportunity to elaborate on a few matters.

First, you will note that the documents responsive to number three (3) on the list do not exist. We have thoroughly searched our records and have found that we did not begin instituting our trust/fund escrow agreements until sometime in 2012. I would also note that the roof escrow in this case should have been titled a repair escrow, as was done in all other instances similar in nature.

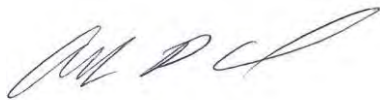
Second, although not specifically mentioned in the subpoena request, you asked whether we had any policies on file relating to our repair program or procedures. Accordingly, we have attached the Mortgage and Lending Criteria which dictates that the maximum loan amount should not exceed 100 percent of the appraised value versus the sales price. We have also attached some Administrative Policies and Procedures. Unlike traditional lenders, our repair program extends beyond the items reflected in an inspection report and includes items related to general property improvements such as appliances, fixtures and flooring.

Lastly, you will note that in November 2012 we issued all funds remaining in the repair escrow in the amount of \$10,135.81 directly to Ms. Saunders. The reason for doing such was an inter-office decision based on professional advice to limit the amount of time for which clients' monies are held in trust. In this instance, the funds remained in our account for approximately 18 months.

It was deemed most cost effective, at the time, to return the funds to Ms. Saunders in lieu of refinancing her mortgage. In response to such, the executive director executed a written directive on how to handle said funds going forward. Even still, at the time the money was returned to Ms. Saunders, it is prudent to note that she had pending receipts in the amount of \$5,000, and was entitled to said reimbursements prior to closing of the file. With that said, in an effort of compliance, we have obtained receipts/proof of payments from Ms. Saunders to assist you in reconciling the remaining balance of the expended funds, all of which, are currently under repayment through her existing mortgage.

Thank you for your continued consideration in this matter. I look forward to hearing from you soon. Please do not hesitate to contact me directly if you are in need of additional information or need some clarification on related matters.

Sincerely,

A handwritten signature in cursive script, appearing to read 'A. D. Coward', written in black ink.


Alfreda D. Coward, Esq.

Amount: \$1,650.00 Sequence Number: 9192563387
 Account: 4 Capture Date: 10/24/2011
 Bank Number: 06310027 Check Number: 1009


COWARD & COWARD, P.A. TRUST ACCOUNT \$49.50
 7101 W. COMMERCIAL BLVD. STE. 4A 1009
 LAUDERHILL, FL 33319-2142 63-27/631 FL
 PH. 954-722-0836 760

Oct-21, 2011

Pay To The Order of MTT Roofing, Inc. \$ 1,650.00
One thousand six hundred fifty dollars & 00/100

Bank of America 

ACH R/T 063100277

Julie Saunders - partial  MP

2

MTT Roofing, Inc
 Name of Corp/Company
 Terisha Travers Individual
 and as President
 Name
 Corp Title/Sole Owner
 Signature

ic	s	Endrs Type	TRN	RRC	Bank Name
1		111012822 Pay Bank	N		BANK OF AMERICA, NA
1		91000019 Rtn Loc/BOFD	Y		WELLS FARGO BANK, NA

M.T.T. Roofing, Inc.

8207 SW 19th St.

North Lauderdale, FL 33068

Phone 954-532-9517

Fax 954-532-9525

Contact person: (Marvin) 754-246-2922

INVOICE

DATE: 10-18-11

SUBMITTED TO: JULIE SAUNDERS

JOB LOCATION: 4

LAUDERHILL, FL 33319

RE: PAYMENT REQUEST FOR ROOF REPAIR SERVICE

Deposit for scope of work on tile roof for address shown above: <ul style="list-style-type: none">• Remove gutters from all four locations in front of house.• Remove tiles atleast 4ft. or more from edge of roof.• Remove old tile underlayment.• Relace all rotten plywood, 1x4's and 2x10's Cedar facia.• Mechanical fasten 30lb with 1 ¼ ring shank nail and tin tags• Install new 2x2 drip edge metal.• Prime metal and install tile underlayment with peel & stick.• Install new tiles with foam and tile tight cement.• Re-install all four gutters in all four areas to complete job.	\$1,650.00
TOTAL	\$1,650.00

PLEASE MAKE CHECK PAYABLE TO : M.T.T. Roofing, Inc.

*****ROOFING BUILT TO LAST***COMMITTED TO QUALITY*****

Amount: \$1,100.00 Sequence Number: 7350970253
Account: Capture Date: 10/21/2011
Bank Number: 06310027 Check Number: 1010

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 954-722-0838

1010

Oct 21, 2011

63-27/631 FL
760

Pay To The Clifford Brown \$ 1,100.00
One thousand one hundred dollars & 00/100

Bank of America

ACH R/T 063100277

Julie Saunders - partial payment

[Signature]

⑆ 10 ⑈0000⑆10000⑈

Trans 00200 10/21/2011 17:23
Entry NFL CC 0602708 TR 00007
Account
R/T# 540590135
Cash Check
DRL FL#***** 09/19
\$1,100.00

OCT 21 2011
BANK OF AMERICA NA NIA
10110001374 E5021 01 P01
10/21/11
7350970253

33151 64568
[Signature]

[Print](#)

[Close](#)

Fwd:

From: **Julie Saunders** (julie.saunders9@gmail.com)
Sent: Fri 10/21/11 11:29 AM
To: Alfreda Coward (alfreda@cowardlaw.com)

For your records

Begin forwarded message:

From: clifford brown <cbrown48@live.com>
Date: October 21, 2011 9:49:51 AM EDT
To: Julie Saunders <juliesaunders9@gmail.com>

Browns wallcovering

92 sw 37th ave

fortlauderdale, fl 33312
office 954-797-7434 | Fax 954-739-4733

To: Julie Saunders interior paint proposal
From : Clifford Brown

Areas to be serviced

- paint all common areas in the home \$1,000.00
- paint laundry room \$80.00
- all doors an base board.. semi gloss finish..only in common areas \$400.00
- no bath rooms..no bed rooms
- patch ceiling in common area... \$120.00

Materials

10-15 gallons of Behr Paint brand paint for walls

2-3 gallons of semigloss for doors an base board

patch an primers were needed

5-6gallons for accent walls...

Total estimated price for materials..\$700

Total price

for interior paint job is \$2,300 includes all materials..

Deposit of \$1,000 is needed to get started...leaving a balance of \$1,300..due when complete.

estimate time to complete..is four days..

Amount: \$1,650.00 Sequence Number: 9792829250
 Account: 4 Capture Date: 12/01/2011
 Bank Number: 06310027 Check Number: 1012

COWARD & COWARD, P.A. TRUST ACCOUNT
 7101 W. COMMERCIAL BLVD. STE. 4A
 LAUDERHILL, FL 33310-2142
 PH. 954-722-0836

1012

October 27, 2011

63-27/631 FL
760

Pay To The Order of MT & T Roofing, Inc. \$ 1,650.00
One thousand six hundred fifty dollars and 00/100 dollars

Bank of America

ACH R/T 063100277

J. Saunders

[Signature]

Holden Circle

MTT Roofing, Inc.
Trisha Tomers
and as President
Chie
 STORE 342
 CASHIER
 12/1/2011
 APPROVAL
 TIME OUT

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
12/01/2011	009792829250	111012822	Pay Bank	N		BANK OF AMERICA, NA
12/01/2011	000000280482056	122105278	Rtn Loc/BOFD	Y		WELLS FARGO BANK, NA

M.T.T. ROOFING, INC.

8207 SW 19th St.

North Lauderdale, FL 33068

Phone 954-532-9517

Fax 954-532-9525

Contact person: (Marvin) 754-246-2922

TO:

Julie Saunders

Lauderhill, FL 33319

JOB LOCATION:

JOB DESCRIPTION:

Repair of tile roof and fascia

SCOPE OF WORK

Replacing tile roof:

- Remove gutters from all four locations in front of house.
- Remove tiles atleast 4ft. or more from edge of roof.
- Remove old tile underlayment.
- Relace all rotten plywood, 1x4's and 2x10's Cedar fascia.
- Mechanical fasten 30lb with 1 ¼ ring shank nail and tin tags
- Install new 2x2 drip edge metal.
- Prime metal and install tile underlayment with peel & stick.
- Install new tiles with foam and tile tight cement.
- Re-install all four gutters in all four areas to complete job.

JOB COST..... \$3,3000.00

All work to meet or exceed state & local building code

THREE THOUSAND THREE HUNDRED DOLLARS \$3,300.00
ALL WORKMANSHIP IS FULLY GUARANTEED FOR ONE YEAR FROM COMPLETION OF PROJECT.

PAYMENTS AS FOLLOW:

- 1. 50% (\$1,650.00) DUE ON SIGNING OF CONTRACT.**
- 2. 50% (\$1,650.00) UPON COMPLETION OF JOB.**

PAYMENT TERMS:

ALL WORK SHALL BE DONE IN A WORKMAN LIKE MANNER ACCORDING TO STANDARD PRACTICES. ANY ALTERATION OR DEVIATION FROM THE ABOVE SPECIFICATIONS INVOLVING EXTRA COST WILL BE EXECUTED ON VERBAL AGREEMENT AND WRITTEN NOTICES, AND WILL BECOME AN EXTRA COST OVER AND ABOVE THE ESTIMATED PRICE.

_____ (Signature) _____ Date
Julie Saunders

_____ (Signature) _____ Date
MTT Roofing Inc.
(Marvin Trowers)

"THANKS FOR THE OPPORTUNITY TO SERVE YOU"

*****ROOFING BUILT TO LAST***COMMITTED TO QUALITY*****

Amount: \$1,300.00 Sequence Number: 7250803822
Account: Capture Date: 10/27/2011
Bank Number: 06310027 Check Number: 1014

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 954-722-0838

IV 1010 1014
October 27, 2011
63-27/631 FL
750

Pay To The Order Of Clifford Brown \$1300.00
One thousand three hundred dollars & 00/100

Bank of America

ACH R/T 063100277

J. Saunders

J. Saunders

1014 0000130000

Member Since

09/19

\$1,300.00
Cash Check
R/T# 540590135
Account
Entity: NFL CC 0109485 TR 00007
Tran 01074 10/27/2011 14:52

BANK OF AMERICA NIA
11/22/11
10/27/11

3356 448

Handwritten signature

[Print](#)

[Close](#)

Fwd:

From: **Julie Saunders** |
Sent: Fri 10/21/11 11:29 AM
To: Alfreda Coward (alfreda@cowardlaw.com)

For your records

Begin forwarded message:

From: clifford brown <cbrown48@live.com>
Date: October 21, 2011 9:49:51 AM EDT
To: Julie Saunders <_____>

Browns wallcovering

92 sw 37th ave

fortlauderdale.fl 33312
office 954-797-7434 | Fax 954-739-4733

To: Julie Saunders interior paint propos
From : Clifford Brown

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- paint all common areas in the home \$1,000.00
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- no bath rooms..no bed rooms
- patch ceiling in common area... \$120.00

Materials

10-15 gallons of Behr Paint brand paint for walls

2-3 gallons of semigloss for doors an base board

patch an primers were needed

5-6gallons for accent walls...

Total estimated price for materials..\$700

Total price

for interior paint job is \$2,300 includes all materials..

Deposit of \$1,000 is needed to get started...leaving a balance of \$1,300..due when complete.

estimate time to complete..is four days..

Amount: \$200.00 Sequence Number: 7550026489
Account: Capture Date: 11/03/2011
Bank Number: 06310027 Check Number: 1015

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 954-722-0836

1015

Nov 2, 2011

63-27/631 FL
760

Pay to the order of Clifford Brown \$ *200.00*
Two Hundred 00/100

Bank of America

ACH R/T 063100277

Talie Saunders-Purdy



⑆063

⑆

⑆1015

⑆0000020000⑆

Marked Date

11/03 02/20
00 \$200.00

Cash Check
R/T# 540590135
Account
Entry Ref CC 063100277
11/03/2011 15:24

BANK OF AMERICA NA NIA
00110001384 E2779 01 P01
11/03/11
7550026489



Amount: \$375.00 Sequence Number: 7350190507
Account: 4 Capture Date: 11/21/2011
Bank Number: 06310027 Check Number: 1017

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 954-722-0838

1017

63-27,631 FL
760

11/18/2011

pay to the order of Clifford Brown \$ 375.00
Three Hundred & Seventy-Five and 00/100

Bank of America

ACH R/T 063100277

Julie Sanders Painting

[Signature]
⑈ 1017 ⑈0000037500⑈

Trans 06074 11 21/2011 12:19
Entry Ref CC 000708 101 00007
ACCOUNT # 440890135
R/T# 040890135
Cash Check \$375.00
DLR ***** 09/19

NOV 21

BANK OF AMERICA NA NIA
1110001384 E5949 01 P01
11/21/11
7350190507

3303 70342

Clifford Brown

[Print](#)[Close](#)

Fwd: kitchen cabinets DISREGUARD previous email- bw

From: **Julie Bower**
Sent: Wed 11/02/11 4:45 PM
To: alfreda@cowardlaw.com
Cc: kimberly@cowardlaw.com

----- Forwarded message -----

From: **clifford brown** <cbrown48@live.com>
Date: Tue, Nov 1, 2011 at 7:55 PM
Subject: RE: kitchen cabinets DISREGUARD previous email- bw
To: Julie Saunders

deposit of \$200.00 dollars is required...an the pick up of doors on oct 2 2011...leaving balance of 375.00 due when project complete..thank you clifford brown..

From: cbrown48@live.com
To:
Subject: kitchen cabinets DISREGUARD previous email- bw
Date: Thu, 27 Oct 2011 11:12:41 -0500

Project:

- Stain kitchen cabinet
- light sand (all kitchen cabinets and doors)
- Gel stain (all cabinets and doors)
- Mahogany stain
- clear all cabinets and doors with polyurethane

Cabinets

- install all handles on doors and drawers \$50.00

Labor: \$450.00

Materials:\$75.00

total cost: \$575.00

*** Materials for handles ARE NOT included**

estimated time to complete will be seven (7) days

Amount: \$60.00 Sequence Number: 9592318926
 Account: Capture Date: 12/12/2011
 Bank Number: 06310027 Check Number: 1018

COWARD & COWARD, P.A. TRUST ACCOUNT 1018
 100 W. COMMERCIAL BLVD. STE. 4A
 LAUDERHILL, FL 33319-2142
 PH: 954-722-0838

11/18/2011 63-27/831 FL 780

Indris Duclos & Fraix Duclos \$ 60.00
Sixty w/00

Bank of America

CH R# 063100277
Landscaping J. Sanders

[Signature]

1018

VOID AT THE BOTTOM OF THE CHECK

DEPOSIT FACTORS CHECKS ON BACK

JPMorgan Chase Bank 12/12/2011 11:55:11 AM 063100277

FOR DEPOSIT ONLY
 DUCLOS F. Fraix
 Indris Duclos
 4734

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
12/12/2011	009592318926	111012822	Pay Bank	N		BANK OF AMERICA, NA
12/12/2011	4680268858	74909962	Rtn Loc/BOFD	Y		JPMORGAN CHASE BANK,

Amount: \$470.00 Sequence Number: 7550496779
Account: Capture Date: 01/09/2012
Bank Number: 06310027 Check Number: 1021

COWARD & COWARD, P.A. TRUST ACCOUNT
7101 W. COMMERCIAL BLVD. STE. 4A
LAUDERHILL, FL 33319-2142
PH. 854-722-0838

1021

63-27/631 FL
760

4937
January 4, 2012

pay to the order of Indris Duchs & Fraix Duvalus Landscaping | \$ 470.00

four hundred seventy dollars & 00/100

Bank of America

ACH R/T 063100277

Landscaping & Lawn Service - Bowers MP

1021 ⑈0000047000⑈

Merchant Copy

JAN-9

PAID TO THE ORDER OF
FRAIX DUVALUS LANDSCAPING
3012 W. 9-8
LAUDERHILL, FL 33319
BANK OF AMERICA
01/09/2012
1021

INDRIS DUCLOS & FRAIS DUVALUS

LAND SCAPING AND LAWN SERVICE

Date: 1-4-2010

P.O. Box 55
Fort Lauderdale, FL 33302

To: /

Phone: (754)368-4356

Phone: (754)214-2323

Landscaping \$ _____

Sprinkler Repair \$ _____

Tree Removal \$ _____

Tree Planting \$ _____

Tree

Trimming \$ 470

Clean Up \$ _____

Cut Grass \$ _____

Fertilizer
(Twice a Year) \$ _____

Other \$ _____

Price: 1

Total: \$470

Amount: \$387.75 Sequence Number: 9892127025
 Account: 1 Capture Date: 04/19/2012
 Bank Number: 06310027 Check Number: 1045

COWARD & COWARD, P.A. TRUST ACCOUNT 1045
 7101 W. COMMERCIAL BLVD. STE. 4A
 LAUDERHILL, FL 33310-2142
 PH. 954-722-0636

83-27/631 FL 780

April 18, 2012

Pay To The Order of Julie Saunders \$ 387.75
Three hundred eighty-seven dollars & 75/100

Bank of America
 ACH R/T 063100277

Reimbursement property improvements *[Signature]*

1045

Handed Cash

APR 1 2012
 CHS County
 2670
 12508824 04192012 267078325

Julie Saunders

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
04/19/2012	009892127025	111012822	Pay Bank	N		BANK OF AMERICA, NA
04/19/2012	092212950002400	267078325	Rtn Loc/BOFD	Y		WE FLORIDA FINANCIAL



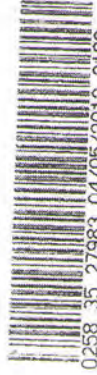
More saving.
More doing.SM

2901 N UNIVERSITY DR.
SUNRISE FL 33322 (954)747-8146
0258 00035 27983 04/05/12 02 49 PM
CASHIER JOYCE - JVK94A

787623072422 VIG KALANCHO <A>
VIGORO KALANCHOE 1G PBF
14@3.97 55.58
842276000526 SUNPATIENS <A>
VIVA! SUNPATIENS 2.5 QT S2
3@4.97 14.91
032247365932 1.5CF MCGS <A>
1.5CF MG MOISTURE CONTROL GARDEN SOI
2@7.27 14.54

SUBTOTAL 85.03
SALES TAX 5.10
TOTAL \$90.13
CARD BALANCE 50.00
GIFT CARD 0.00

XXXXXXXXXX5407 DEBIT TA
AUTH CODE 461547 40.13



0258 35 27983 04/05/2012 2182

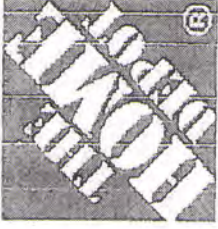
RETURN POLICY DEFINITIONS
A POLICY ID 1 DAYS 90 POLICY EXPIRES ON 07/04/2012

THE HOME DEPOT RESERVES THE RIGHT TO
LIMIT / DENY RETURNS. PLEASE SEE THE
RETURN POLICY SIGN IN STORES FOR
DETAILS.

BUY ONLINE PICK-UP IN STORE
AVAILABLE NOW ON HOMEDepot.COM.
CONVENIENT, EASY AND MOST ORDERS
READY IN LESS THAN 2 HOURS!

ENTER FOR A CHANCE
TO WIN A \$5,000
HOME DEPOT GIFT
CARD!

Share Your Opinion With Us! Complete
the brief survey about your store visit
and enter for a chance to win...



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More doing.™

2901 N UNIVERSITY DR
SUNRISE FL 33322 (954)747-8226
0258 00035 28072 04/05/12 03:02 PM
CASHIER JOYCE -- JVK94A

480378 RED MULCH -A-> 18.00
2CF COLORED MULCH RED
8@2.25
SUBTOTAL 18.00
SALES TAX 1.08
TOTAL \$19.08
XXXXXXXXXX5407 DEBIT 19.08
AUTH CODE 661109



0258 35 28072 04/05/2012 2182

RETURN POLICY DEFINITIONS
POLICY ID DAYS POLICY EXPIRES ON
A 1 90 07/04/2012

THE HOME DEPOT RESERVES THE RIGHT TO
LIMIT / DENY RETURNS. PLEASE SEE THE
RETURN POLICY SIGN IN STORES FOR
DETAILS

BUY ONLINE PICK-UP IN STORE
AVAILABLE NOW ON HOMEDEPOT.COM.
CONVENIENT, EASY AND MOST ORDERS
READY IN LESS THAN 2 HOURS!

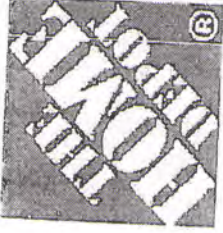
ENTER FOR A CHANCE
TO WIN A \$5,000
HOME DEPOT GIFT
CARD!

Share Your Opinion With Us! Complete
the brief survey about your store visit
and enter for a chance to win at:

www.homedepot.com/opinion

COMPARTA SU OPINION EN
UNA BREVE
ENCUESTA PARA LA OPORT
UNIDAD DE GANAR.

User ID:



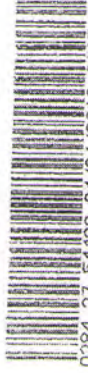
More saving.
More doing.®

750 NORTH UNIVERSITY DRIVE
CORAL SPRINGS, FL 33071 (954)752-4188

0284 00027 5/14/22 04/04/12 08:02 PM
CASHIER BOBBIE - BJW6513

073257009546 9X12 DRPCLTH <A> 1.98
0.7 MIL 9'X12' DRP CLOTH
731919136107 10VINDISG <A>
10M GRIP 10CT VINYL DISP GLOVES 1.98
480978 RED MULCH <A>
2CF COLORED MULCH RED
10@2.25 22.50

SUBTOTAL 26.46
SALES TAX 1.59
TOTAL \$28.05
XXXXXXXXXXXX5407 DEBIT
AUTH CODE 261890



0284 27 54422 04/04/2012 2367

RETURN POLICY DEFINITIONS
A POLICY ID 1 DAYS 30 POLICY EXPIRES ON 07/03/2012

THE HOME DEPOT RESERVES THE RIGHT TO
LIMIT / DENY RETURNS. PLEASE SEE THE
RETURN POLICY SIGN IN STORE FOR
DETAILS.

BUY ONLINE PICK-UP IN STORE
AVAILABLE NOW ON HOMEDEPOT.COM
CONVENIENT, EASY AND MOST ORDERS
READY IN LESS THAN 2 HOURS!

ENTER FOR A CHANCE
TO WIN A \$5,000
HOME DEPOT GIFT
CARD!

Share Your Opinion With us! Complete
the brief survey about your store visit
and enter for a chance to win at:

www.homedepot.com/opinion

COMPARTA SU OPINION EN
UNA BREVE
ENCUESTA PARA LA OPORT

Thank you! Have a nice day!
4/12/2012 2:00:05 PM Sales Receipt # 478.

CORAL SPRINGS NURSERY

9300 WILES ROAD
CORAL SPRINGS, FL 33067
954 255-7114

ALL RETURNS FOR STORE CREDIT ONLY
RETURNS MUST BE ACCOMPANIED BY RECEIPT

Associate	DESCRIPTION	QTY	PRICE	EXT PR
	TOP SOIL	1	\$2.25	\$2.25
	3/4 cf			
	MIRACLE GRO	1	\$6.99	\$6.99
	1 CUFT			

1	1	1	\$95.00	\$95.00
	3 items(s)		Subtotal	\$104.24
	SALES TAX	6.000 %	Tax	+ \$6.25
			RECEIPT TOTAL:	\$110.49

CrCard \$110.49 VISA Payment \$110.49

Thank you! Have a nice day!

PLAN N' SPEC, INC.

P.O. BOX 9026
FORT LAUDERDALE, FLORIDA 33310
4040776

TO: <i>John Sanders</i> <i>Ft LAUDERDALE</i>	NUMBER	PAGE	SHIP TO / REMARKS:
	DATE		
	<i>4/7/12</i>		
	DUE DATE		

SHIP DATE	SHIP VIA	FOB	DISCOUNT %	DISCOUNT DATE	YOUR REF NO	OUR REF NO
-----------	----------	-----	------------	---------------	-------------	------------

ITEM TO	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	EXTENDED PRICE
---------	-------------	----------	------	------------	----------------

	<i>Installed condenser pump.</i>				<i>170.</i>
					<i>pd etc</i>

Amount: \$557.44 Sequence Number: 9192675094
 Account: Capture Date: 06/15/2012
 Bank Number: 06310027 Check Number: 1051

COWARD & COWARD, P.A. TRUST ACCOUNT 1051
 7101 W. COMMERCIAL BLVD. STE. 4A
 LAUDERHILL, FL 33319-2142
 PH. 954-722-0830

63-27/831 FL 760

June 7, 2012

Pay To The Order of Julie Saunders \$ 557.44
Five hundred fifty-seven dollars & 44/100 Dollars

Bank of America

ACH RPT 083100277

Reimbursement for pool + pipe [Signature] MF
 1051

Handwritten: Julie Saunders
30 420

City County Cre
 JUN 15
 MSE

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
06/15/2012	009192675094	111012822	Pay Bank	N		BANK OF AMERICA, NA
06/15/2012	07061290001600	267078325	Rtn Loc/BOFD	Y		WE FLORIDA FINANCIAL

MICHAEL PERRY #42
 100 W 4th St
 Gaines, FL 32636
 (907) 667-7414
 Fax: (907) 667-7414

Customer's Order No.		Date	
Sold to <i>Mike S...</i>		<i>05/25/12</i>	
Address			
City			
Sold By	Cash	C.O.D.	Charge
			On Acct.
			Misc. Retd.
			Paid Out
Qty.	Description		Price
	C-900 complete filter		<i>359⁹⁹</i>
	15 Ball valves, x 3		<i>47⁹⁹</i>
	+ Tax		
	Plumbing labor		<i>125⁰⁰</i>
	Total Due		<i>\$ 557⁴⁴</i>
	AS QUOTED		
Rec'd. By		Tax	
<i>Mike 1:30pm 05/25/12</i>			
All claims and returned goods MUST be accompanied by this bill.		Total	

Item# G2R

5711111

07767A

Amount: \$1,114.00 Sequence Number: 9192675093
 Account: Capture Date: 06/15/2012
 Bank Number: 06310027 Check Number: 1054

COWARD & COWARD, P.A. TRUST ACCOUNT 1054
 7101 W. COMMERCIAL BLVD. STE. 4A
 LAUDERHILL, FL 33319-2142
 PH. 954-722-0836

June 8, 2012 83-27/031 FL 760

Pay To the Order of Julie Saunders \$1,114.00
 One thousand one hundred fifteen dollars & 00/100

Bank of America
 ACH R/T 063100277

Rem for labor & cabinets

[Signature]

1054

City County Union
 JUN 1 2012

Julie Saunders
 36
 20

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
06/15/2012	009192675093	111012822	Pay Bank	N		BANK OF AMERICA, NA
06/15/2012	070612900001500	267078325	Rtn Loc/BOFD	Y		WE FLORIDA FINANCIAL



INVOICE



Improving Home Improvement

LOWE'S HOME CENTERS, INC.
 SUF 1113
 8050 WEST OAKLAND PARK BLV
 SUNRISE FL 33351

Please check the merchandise you are purchasing to ensure all items are received as Lowe's cannot be responsible for shortages after you leave Lowe's warehouse. Your signature acknowledges Lowe's delivery and your receipt the date set forth below of all items of merchandise, except those items noted as being for later delivery [e.g., LD=Lowe's Delivery; PL=Pick-up Later; SOS=Special Order Sale or WH = Warehouse or back of store pick-up]. Not signing acknowledgement of receipt, however, does not mean that such merchandise was not delivered. All claims and return merchandise MUST be accompanied by this Invoice and made within 30 days of delivery for credit or refund. This document may also evidence a return of merchandise described below if "Return" is printed with reference to an item. In such instance you will be given credit or cash as described and your signature represents your acknowledgment of the accuracy of the terms and conditions of the return. SEE BELOW FOR [1] PAYMENT TERMS AND CONDITIONS FOR CERTAIN PURCHASES AND [2] WARRANTY INFORMATION AND AGREEMENTS. DO NOT SIGN THIS INVOICE UNTIL COMPLETE AND YOU HAVE RECEIVED AND ACCEPTED THE MERCHANDISE CURRENTLY BEING DELIVERED TO YOU AND YOU HAVE READ THIS DOCUMENT. YOUR SIGNATURE CONSTITUTES YOUR AGREEMENT WITH APPLICABLE PROVISIONS LISTED BELOW. YOU ARE ENTITLED TO A COPY OF THE INVOICE.

PURCHASER SIGNATURE

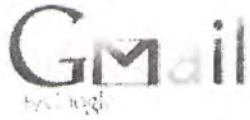
TRANSACTION		CUSTOMER		DATE	PAGE	INVOICE NUMBER	
R SALE		JULIE SAUNDERS DEBIT VISA		05/29/12	1	70294	1*1
# LOADED INITIAL	LOAD	QTY/UNIT	ITEM #	DESCRIPTION	UNIT PRICE	EXT. PRICE	
*****	***	*****	COPY OF	ORIGINAL RECEIPT: FOR CUSTOMER USE	ONLY *****	*****	
*****	***	*****	COPY OF	ORIGINAL RECEIPT: FOR CUSTOMER USE	ONLY *****	*****	
	PL	1 EA	132143	24X18 COMBO WHITE RICHMOND RSI MODEL NUMBER: C14124A	99.00	99.00	
	PL	2 EA	37832	36" WHITE RICHMOND COMBO VANITY MODEL NUMBER: C14136A	179.00	358.00	
				SUBTOTAL		457.00	
				TAX		27.42	
PURCHASE ORDER		REF. NO.	BUYER CODE	SALES PERSON	TOTAL		
13:11:31		05/29/12 CUS	484.42		484.42		
SALES #: 000818579		DEBIT VISA		CC#: XXXXXXXXXXXXX			

PAYMENT TERMS AND CONDITIONS: The following terms and conditions apply to [1] Business Charge Account purchases [but without limiting or negating the complete terms and conditions of such Business Charge Account] and purchases not paid for in full at time of purchase, and [3] any purchase involving a purchase order or other document [unless the terms and conditions of such have been expressly approved in writing by Lowe's]. Any open-end credit card account available from or through Lowe's [including Lowe's Revolving Credit Agreement and Lowe's Business Revolving Credit Account Agreement] is not subject to these payment terms and conditions, but is subject to payment terms and conditions of such account. Lowe's regular billing date is the 25th of each month, with the balance due and payable net by the 10th of the following month. If your Business Charge account balance or purchase is by the 10th of the month next following billing or the purchase of merchandise, respectively, only the NET AMOUNT of the billing statement or purchase, respectively, will be payable. If not paid by the 10th, the account or your obligation to pay for the purchase is past due and in default, and A LATE CHARGE OR SERVICE CHARGE MAY BE MADE IN THE AMOUNT OF 1 1/2% PER MONTH OR 18% ANNUALLY, CALCULATED ON THE 25TH DAY OF EACH MONTH ON THE BALANCE AS OF THE 25TH DATE OF THE PREVIOUS MONTH [less payment and credits to said balance] UNTIL PAYMENT IN FULL IS MADE. DIFFERENT SERVICE CHARGE IS APPLICABLE PURCHASES IN THE FOLLOWING STATES: AR AND TX - 8.33% monthly, 10% annually; MD - 1% monthly, 12% annually; PA - 1.25% monthly, 15% annually, MS - 1.75% monthly, 21% annually; IL - 1.8% monthly, 21% annually; DE - 2% monthly, 24% annually.

LIMITED WARRANTY: This consumer product warranty is applicable to products used for personal, family or household purposes. It is not applicable to commercial transactions or products purchased for purposes of resale. Lowe's will repair or replace defective products, where necessary, for ninety (90) days from purchase. ALL EXPRESS AND IMPLIED WARRANTIES INCLUDING EXPRESS WARRANTIES OF FITNESS FOR PARTICULAR PURPOSE AND IMPLIED WARRANTY OF MERCHANTABILITY ARE LIMITED FOR THE SAME 90 DAY PERIOD. Some states do not allow limitation on how long an implied warranty lasts so such limitation may not apply. There shall be no remedy other than repair or replacement of the product INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR LOST PROFITS, SALES, LABOR, INJURY TO PERSON OR PROPERTY OR OTHER INCIDENTAL OR CONSEQUENTIAL DAMAGES ARE EXCLUDED FROM THE WARRANTY. Some states do not allow exclusion or limitation of incidental or consequential damages so such exclusion may not apply. This warranty gives you specific legal rights and you may have other rights which vary from state to state. In event of defect or for further information regarding warranty performance, please contact your local Lowe's Store Manager or Lowe's Companies, Inc., Customer Relations, Box 1111, North Wilkesboro, NC 28656, Telephone [336] 658-4000.

WARRANTY FOR COMMERCIAL PURPOSES: This constitutes the agreement between Purchaser named on the face hereof and Lowe's [also referred to as Seller]. The following provisions apply: notwithstanding Purchaser's not signing of the face hereof if Purchaser accepts delivery of merchandise.

- Purchaser agrees that its sole and exclusive remedy against Seller shall be for repair or replacement of any defective merchandise as provided herein. Purchaser agrees that no other remedy, including but not limited to incidental or consequential damages for lost profits, sales, labor, injury to person or property or any other incidental or consequential loss, shall be available to Purchaser. This warranty shall be IN LIEU OF any other warranty, expressed or implied including but not limited to ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.
- In event of dispute, if Purchaser either properly and lawfully rejects merchandise which does not conform to agreement or properly and lawfully revokes acceptance of such merchandise, Seller shall have a reasonable time after notification by Purchaser of any problems or defects to substitute conforming merchandise either by replacement of such non-conforming merchandise with conforming merchandise or by effecting repair or adjustment to the original merchandise. Merchandise to be returned must be accompanied by the original invoice or proof of purchase by the original Purchaser for refund or replacement. This shall include the repair or replacement of any necessary essential parts. In the event non-conforming merchandise cannot be made conforming or conforming merchandise cannot be furnished in substitution thereof, the non-conforming merchandise may be returned by the Purchaser to Seller at point of sale by 5 to Purchaser. THE LIABILITY OF SELLER IN THIS EVENT IS LIMITED TO ACCEPTANCE OF RETURNED NON-CONFORMING MERCHANDISE AND REFUND OF PURCHASE PRICE OR BY CREDIT OF THE PURCHASE PRICE TO PURCHASER'S BUSINESS CHARGE ACCOUNT OR BALANCE OWING TO SELLER, PLUS A PROPORTIONATE AMOUNT OF ANY FINANCE CHARGES INCURRED.
- Even when Purchaser has the right to return non-conforming merchandise, this right is contingent upon notice to Seller, at least ten (10) days prior to date of proposed return. This to alert Seller of the time and place of the proposed return along with a description of what merchandise is in fact to be returned. It is expressly agreed that Seller may decline to permit return of non-conforming merchandise and direct other disposition of the merchandise by Purchaser at Seller's expense.
- Seller's liability for non-conforming merchandise shall be limited either to conforming or replacing defective or non-conforming merchandise with conforming merchandise at Seller's election. Seller's obligation to conform or replace non-conforming merchandise shall terminate ninety (90) days after purchaser's receipt of the merchandise.
- The above remedies are expressly agreed to be the sole and exclusive remedies available to Purchaser. This to protect Purchaser with respect to the merchandise listed on the face hereof and not to protect or indemnify Purchaser in any way with respect to the value or market price of the merchandise or with respect to the intended use or consequences of any furnishing or intent to furnish to third persons by Purchaser in the conduct and course of Purchaser's business.
- Any action by Purchaser instituted against Seller for any breach of this agreement must be commenced within one year from the accrual of cause of action. The terms and conditions of this agreement shall be governed by the laws of North Carolina.
- This "WARRANTY FOR COMMERCIAL PURPOSES" contains the totality of the agreement between the parties and is intended as the final expression of the agreement with respect to matters regulated thereby. THIS AGREEMENT IS BINDING UPON THE SUCCESSORS AND ASSIGNS OF THE PARTIES; THERE MAY BE NO MODIFICATION OR RESCISSION OF THIS AGREEMENT EXCEPT BY WRITTEN INSTRUMENT SIGNED BY THE PARTIES.
- PURCHASER AGREES TO INDEMNIFY LOWE'S OF AND FROM ANY AND ALL DAMAGE WHICH MAY OCCUR, WHETHER A RESULT OF LOWE'S NEGLIGENCE OR NOT, TO THE LAND OR IMPROVEMENT LOCATED AT THE PLACE OF DELIVERY.
- Lowe's is a supplier of merchandise only. Lowe's does not engage in the practice of engineering, architecture or general contracting. Lowe's does not assume any responsibility for design, engineering or construction; for the selection or choice of materials for a general or specific use; for quantities or sizing of materials; for the use or installation of materials or for compliance with any building code or standard of workmanship.
- CONSUMER AWARENESS PROGRAM:** Lowe's has established a voluntary Consumer Awareness Program for its customers. The federal government has determined that some products sold by retailers may have chemical additives that could be harmful to your health. These manufacturers should supply Lowe's with information concerning the chemicals in the products, the safe use of said products, and medical treatment information. Information as to these products may be obtained from your local Lowe's Store Manager.



Julie Bowers <julie.saunders9@gmail.com>

bathroom repairs

1 message

essah rahaman <simplycleansfl@gmail.com>

Mon, Jun 4, 2012 at 8:07 PM

To:

SimplyClean
OF SOUTH FLORIDA
954-868-3598

MATERIAL

- 1. Plumbing fittings - \$80.00
- 2. Mold treatment - \$35.00
- 3. Finished 1/4" ply - \$20.00
- 4. Dry wall,screws,etc.- \$50.00

TOTAL: \$ 185.00

LABOR : \$450.00

DESCRIPTION

Removal of bathroom sink cabinets.
 Removal of molded drywall.
 Treat molded area.
 Install new cabinets.
 Reinstall existing countertop.

AMOUNT: \$10,135.81 Sequence Number: 9992294418
 Account: Capture Date: 11/13/2012
 Bank Number: 06310027 Check Number: 1060

COWARD & COWARD, P.A. TRUST ACCOUNT
 7101 W. COMMERCIAL BLVD. BTE. 4A
 LAUDERHILL, FL 33319-2142
 PH. 954-722-0830

1060
 83-21/831 FL
 760

Nov. 9, 2012

Pay to the order of Julie Saunders \$ 10,135.81
Ten thousand one hundred thirty five and 81/100

Bank of America
 ACH R/T 053100277

Remaining balance K.P.A.

Richard Clark

NOV 13 2012
 City County of Duval Union
 → 267078325 ←
 Julie Saunders

CC

Electronic Endorsements:

Date	Sequence	Bank #	Endrs Type	TRN	RRC	Bank Name
11/13/2012	009992294418	111012822	Pay Bank	N		BANK OF AMERICA, NA
11/13/2012	092512950023200	267078325	Rtn Loc/BOFD	Y		WE FLORIDA FINANCIAL

JULIE SAUNDERS-BOWERS 09-09
9500 SW 1ST CT
CORAL SPRINGS, FL 33071

171

63-7832/2670
02

6/17/11 Date

PAY to the
Order of

Stephen Kabuda

\$ 1,075.00

One thousand + seventy-five

Dollars



1982 N. State Rd. 7
Margate, Florida 33063
954-746-2400
www.citycounty.org

For

Julie Saunders

0171

Hammer 1 back

COLONIAL CLASSIC

Account Serial:171 Amount:\$1,075.00 Sequence:2201 Date:06/20/2011 CUID:267078325

NOT WRITE, STAMP OR SIGN BELOW THIS LINE
 UN-ALTERED FOR FINANCIAL INSTITUTION USE

SECURITY FEATURES

Security features exceed industry standards and include:

- Any features listed above are missing or altered
- Ink on back looks pale or has disappeared
- Red and colored spots appear on both sides
- The "VOID" message appears clearly to the right

Security features include:

- Microprint
- Security watermark
- Security thread
- Security fibers
- Security ink
- Security paper
- Security glue
- Security thread
- Security fibers
- Security ink
- Security paper
- Security glue

VOID

20

Stephen Labuda
882 Azalea Ct
Plantation, Fla
33317
954-261-0091



Date:
INVOICE #

TO

Julie Saunders

Customer ID

Salesperson Job

Payment Terms Due Date

Due on receipt

Qty Description

Unit Price Line Total

Install 600' Wood Flooring
@ 1.50' = \$ 900.00
+ Underlayment —

Subtotal ~~900.00~~ \$ 1,075.00
Sales Tax ~~0.00~~ \$
Total ~~900.00~~ 1,075.00

Make checks payable to Stephen Labuda

Thank you for your business!

Paul [Signature]

JULIE SAUNDERS-BOWERS 09-09
9500 SW 1ST CT
CORAL SPRINGS, FL 33071

172

63-7832/2670
02

6/25/11
Date

PAY to the Order of Steven Labuda

\$ 100.00

One hundred

Dollars



1982 N. State Rd. 7
Margate, Florida 33063
954-745-2400
www.citycountycu.org

For Laborer's Union

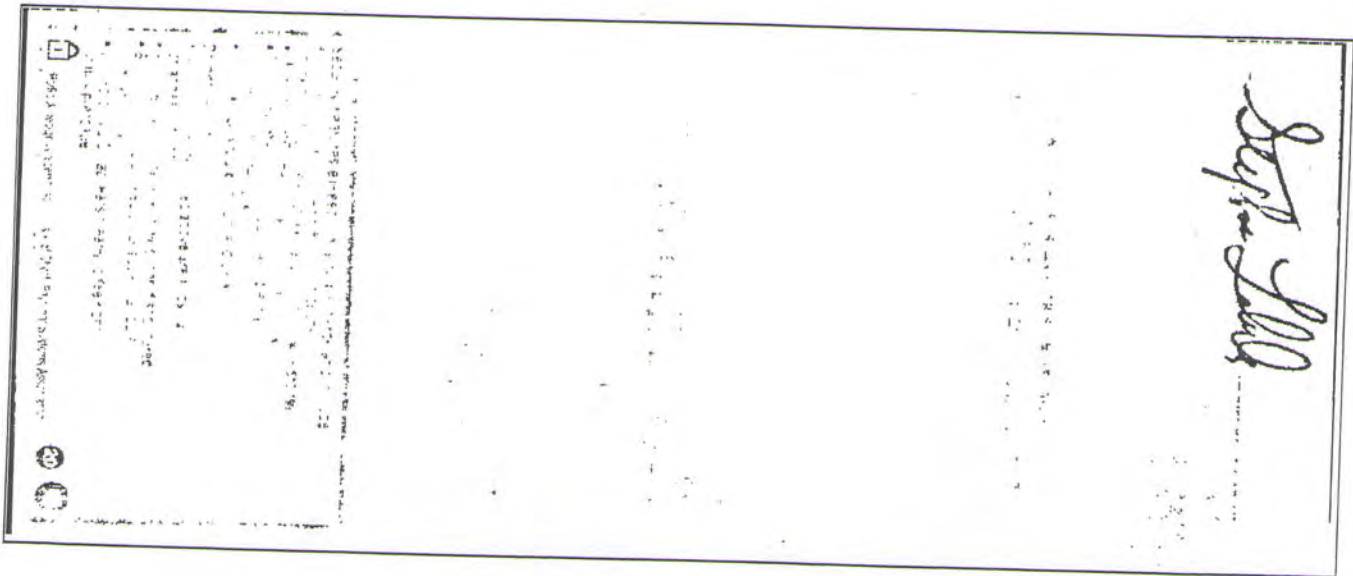
UBFC

Security Features Details on Back

COLONIAL CLASSIC

Account

Serial:172 Amount:\$100.00 Sequence:2139 Date:06/21/2011 CUID:267078325





Invoice
***** Duplicate *****
Hill Lighting of Pompano
3340 North Powerline Road
Pompano Beach, FL 33069
Phone (954) 971-5870 Fax (954)971-6131
www.hillighting.com

Page: 1
 Ticket #: 6002991
 Ticket date: 11/10/12
 Station: 6

Sold to: JULIE SUNDERS
 954-854-3936

Ship to:

Customer #: 9548543936
Sls rep: TERI

Ship date:
Location: MAIN

Ship-via code:
Terms:

Quantity	Item #	Vendor	Description	Ship-from location	Price	Selling unit	Ext prc
1	FP8095PW	110	PEWTER FAN		218.08	EACH	218.08
1	DR1-36PW	110	36 x 36 x 1 Pewter			Each	42.86

HILL LIGHTING
 3340 N POWERLINE RD
 POMPANO BEACH, FL 33069
 11/09/2012 15:43:11
 Merchant ID: 000000001783322
 Terminal ID: 02671922
 345313679887

CREDIT CARD
 VISA SALE

CARD # XXXXXXXXXXXX5407
 INVOICE 0008
 Batch #: 000649
 Approval Code: 056590
 Entry Method: Swiped
 Mode: Online

SALE AMOUNT \$276.60

CUSTOMER COPY

User: STATION2	Total line items: 2	Sale subtotal:	260.94
		Tax:	15.66
		Total:	276.60
Tender:			
Visa			276.60
		Net tender:	276.60

Seven Day return policy. Special orders must be PAID IN FULL.No Refunds or Returns on Special orders. Unless the item is no longer available. The manufacturer will process your order as soon as possible, but will not guarantee a delivery date, 8 weeks max. We will notify you when your merchandise is received.All orders subject to shipping and handling.



11/14/12 13:50:11

IF RETURNED:

22 81973 1.9 CU. FT 15%

S e a r s

SEARS HOME APPLIANCE 07565
7910 W COMMERCIAL BLVD
LAUDERHILL, FL 33351-0000
954-578-3633

CALL FOR INFORMATION:
DELIVERY (800)732-7747
PARTS (800)469-4663
INSTALLATION (866)277-1324
SERVICE (800)469-4663

RETAIN FOR COMPARISON
WITH MONTHLY STATEMENT

S A L E S C H E C K #
0 7 5 6 5 9 0 2 1 5 4 3

SHOP YOUR WAY REWARDS XXXXXXXXXXXXX4955

DELIVER TO: CUSTOMER
PURCHASER: JULIE SAUNDERS
CUSTOMER: JULIE SAUNDERS
ADDRESS:
CITY/STATE: LAUDERHILL, FL
ZIP CODE: 33319
PHONE:

DELIV. DATE: 11/17/12

TRAN# PG/STORE REG# ASSOC#
1543 10 07565 902 1016
M E R C H A N D I S E O R D E R E D
C E N T R A L D E L I V E R Y
46 81093 29 CUFT,FR SAL 1699.99T
ORDERED
SET UP & PUT IN PLACE
22 81973 1.9 CU. FT SAL 249.99T
ORDERED
LEAVE IN CARTON (NO HOOKUP)
NON-REFUNDABLE DELIVERY FEE 79.99
HAUL AWAY FEE 10.00
SUBTOTAL 2039.97
OUT OF AREA TAX 06.000% 117.00
CHECK TENDER 2156.97
11/14/12 CASH TOTAL 2156.97

RC: 2339-1978-5350-3111-0619

You are a BONUS Member
Current Points Balance: 19,500
Base Points Earned: 19,500
Bonus Points Earned: 0
Points Expiring 12/31/2013 : 19,500

THE FOLLOWING ITEM(S) MAY BE SUBJECT
TO A CANCELLATION/RESTOCKING FEE

S E A R S

H O M E T O W N S T O R E S
V A L U E Y O U R F E E D B A C K !

TELL US ABOUT YOUR EXPERIENCE AND YOU
COULD WIN A \$200 SEARS GIFT CARD.
10 WINNERS EVERY MONTH! PLEASE VISIT
OUR WEBSITE WITHIN 7 DAYS OF THE DATE
OF PURCHASE. DO NOT USE A SEARCH
ENGINE. TYPE DIRECTLY INTO THE ADDRESS
BAR AT THE TOP OF YOUR INTERNET BROWSER:
WWW.SEARSHOMETOWNFEEDBACK.COM

TO COMPLETE THE SURVEY YOU WILL NEED
THE 12 DIGIT SALES CHECK NUMBER ON
YOUR RECEIPT.

NO PURCHASE NECESSARY. VOID WHERE
PROHIBITED. ENTRIES MUST BE ENTERED
WITHIN 7 DAYS OF DATE OF PURCHASE.
ENTRANTS MUST BE 18 OR OLDER TO ENTER.
SEE COMPLETE RULES ON WEBSITE.

R e t u r n P o l i c y

THERE IS A LIMITED PERIOD OF TIME TO
RETURN OR EXCHANGE ITEMS: 30, 60 or 90
DAYS DEPENDING UPON THE ITEM. THE
ORIGINAL RECEIPT MUST BE PROVIDED FOR
ALL RETURNS AND EXCHANGES. ITEMS MUST
BE IN THE ORIGINAL PACKAGING AND
CONTAIN ALL ORIGINAL ACCESSORIES TO BE
RETURNED OR EXCHANGED. SOME ITEMS CAN
NOT BE RETURNED IF OPENED. OTHER
RESTRICTIONS APPLY. SEE SEARS.COM OR
A STORE ASSOCIATE FOR THE COMPLETE
RETURN AND EXCHANGE POLICY.

YOU MUST REPORT ANY VISIBLE DAMAGE ON
THIS ITEM WITHIN 72 HOURS OF HOME DEL.
TO BE ELIGIBLE FOR REFUND OR EXCHANGE.
IF VISIBLE DAMAGE IS NOT REPORTED THE
REFUND OR EXCHANGE WON'T BE ACCEPTED.
TO REPORT DAMAGES AND OBTAIN REQUIRED
CLAIM NO. CALL 1-800-732-7747 M-F 6:00
AM TO MIDNIGHT CST (EXCEPT CHRISTMAS).

IN THE EVENT OF A RETURN OF
ORIGINAL QUALIFYING MERCHANDISE,
REWARD CARD(S) WILL BE DEDUCTED
FROM ANY REFUND AMOUNT.

SHOP ANYTIME ON SEARS.COM

CUSTOMER: JULIE SAUNDERS
ADDRESS:

CITY/STATE: LAUDERHILL FL

ZIP CODE: 33319

PHONE: 5



Julie Bowers

Fw: THANK YOU FOR YOUR ORDER

1 message

Julie Bowers
Reply-To: Julie Bowers
To: Julie Bowers

Tue, Jan 20, 2015 at 5:16 PM

On Monday, November 19, 2012 8:17 PM, Julie Bowers > wrote:

THANK YOU FOR YOUR ORDER

Please print this page for your records. You will also receive a confirmation e-mail with your order details.

Order Date: 11/14/2012

BESTBUY.COM Order Number: BBY01-529875071379

QTY.	PRODUCT DESCRIPTION	DELIVERY INFORMATION	TOTAL
1	Samsung - 30" Self-Cleaning Freestanding Electric Convection Range - Stainless-Steel NE595R0ABSR		

SKU: 4947381

Delivery: FREE
Scheduled for Delivery: 11/20/2012
Installation Info Julie N Saunders

LAUDERHILL, FL 33319	\$699.99
1 Samsung - 24" Tall Tub Built-In Dishwasher - Stainless-Steel DMT400RHS/XAA	

SKU: 9980225

Delivery: FREE
Scheduled for Delivery: 11/20/2012
Installation Info Julie N Saunders

LAUDERHILL, FL 33319	\$499.99
1 Smart Choice - Dishwasher Installation Kit with Power Cord 5305517519	

SKU: 6681708

Delivery: FREE

Scheduled for Delivery: 11/20/2012

Installation Info Julie N Saunders

LAUDERHILL, FL 33319 \$29.99

Questions about this order? Contact Best Buy Customer Service

Order updates will be sent to:

Email: ju

Payment Information

Gift Cards & Pitch In™ Card

N/A

Reward Certificates

N/A

Promotional Codes

N/A

Visa

Julie N Saunders

LAUDERHILL, FL 33319 USA

Product Total: \$1,229.97

Delivery: FREE

Sales Tax: \$73.80

Order Total (charged to credit card): \$1,303.77

Smart choice 6 inch 40inch amp 3 prong universal range cord with spade terminal

JULIE SAUNDERS-BOWERS
9500 SW 1ST CT
CORAL SPRINGS, FL 33071

09-09

287

63-7832/2670
02

11-18-12
Date

PAY to the
Order of

Donnie Melvin

\$ 400.00

Four hundred & 00/100

Dollars



1862 N. State Rd. 7
Margate, Florida 33063
954-745-2400
www.citycountyou.org

For Repair/Electrical

Julie Saunders

0287

Security
Features
Details on
Back

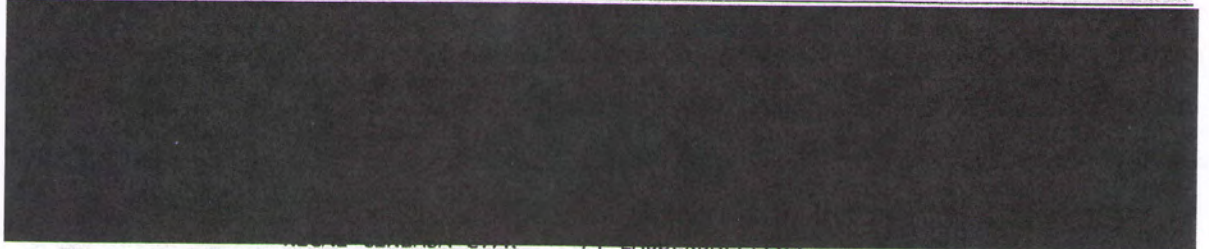
COLONIAL CLASSIC

Account 3 1:287 Amount:\$400.00 Sequence:4657310 Date:11/20/2012 CUID:267078325

Donnie Melvin

- Scratch - scratches exposed industry standards and include
- Top pressure - scratches in 3000 - 4000 - 5000 on the
- Area - scratches on top of hood, fender, door, trunk, rear
- The wheel - scratches on wheel, hub, and tire
- The window - scratches on glass, plastic, or metal
- The door - scratches on door, handle, and lock
- The trunk - scratches on trunk, handle, and lock
- The bumper - scratches on bumper, handle, and lock
- The paint - scratches on paint, clear coat, and primer
- The metal - scratches on metal, chrome, and stainless steel
- The plastic - scratches on plastic, vinyl, and leather
- The glass - scratches on glass, windshield, and mirrors
- The tires - scratches on tires, wheels, and axles
- The suspension - scratches on suspension, steering, and brakes
- The engine - scratches on engine, oil pan, and belts
- The transmission - scratches on transmission, shifters, and clutches
- The drivetrain - scratches on drivetrain, driveshafts, and axles
- The exhaust - scratches on exhaust, mufflers, and catalytic converters
- The interior - scratches on interior, seats, and carpets
- The exterior - scratches on exterior, body panels, and trim
- The overall - scratches on overall, body, and finish

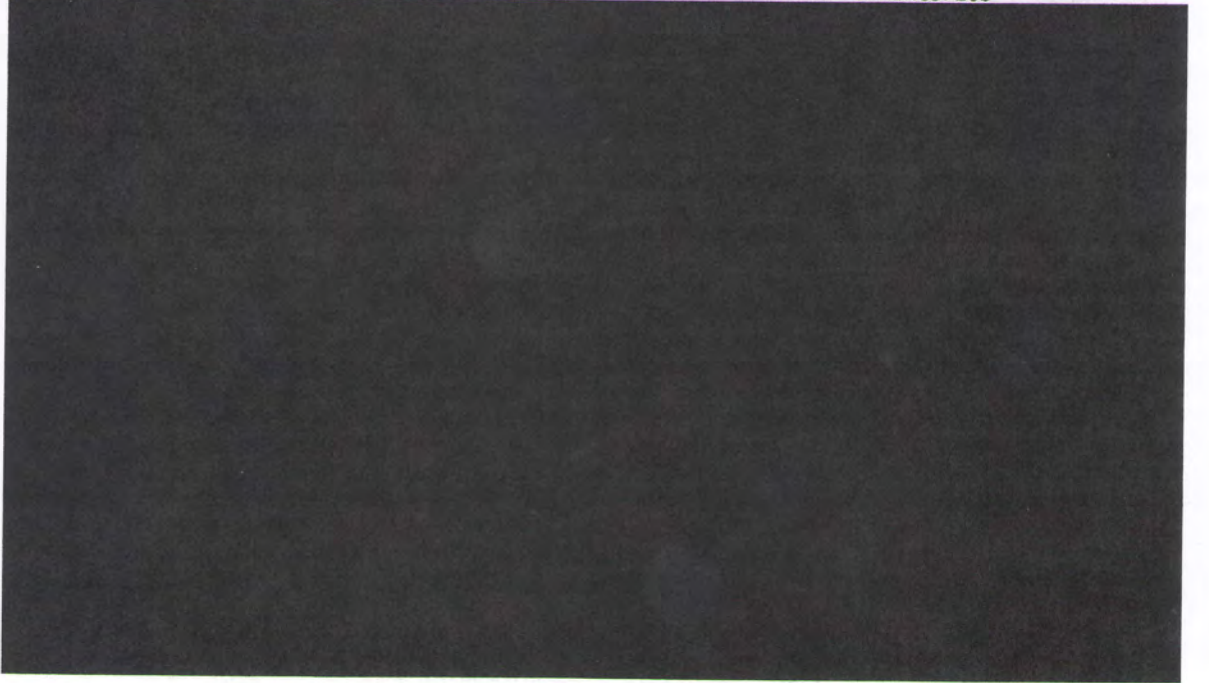
Tran Date Eff Date Amount Description Balance



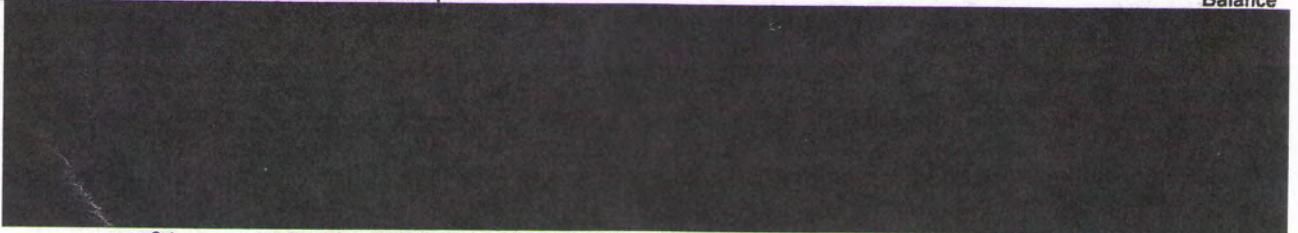
Nov17	-113.24	POS SHARE WITHDRAWL IKEA SUNRISE	SUNRISE FLUS	526389	1,466.44
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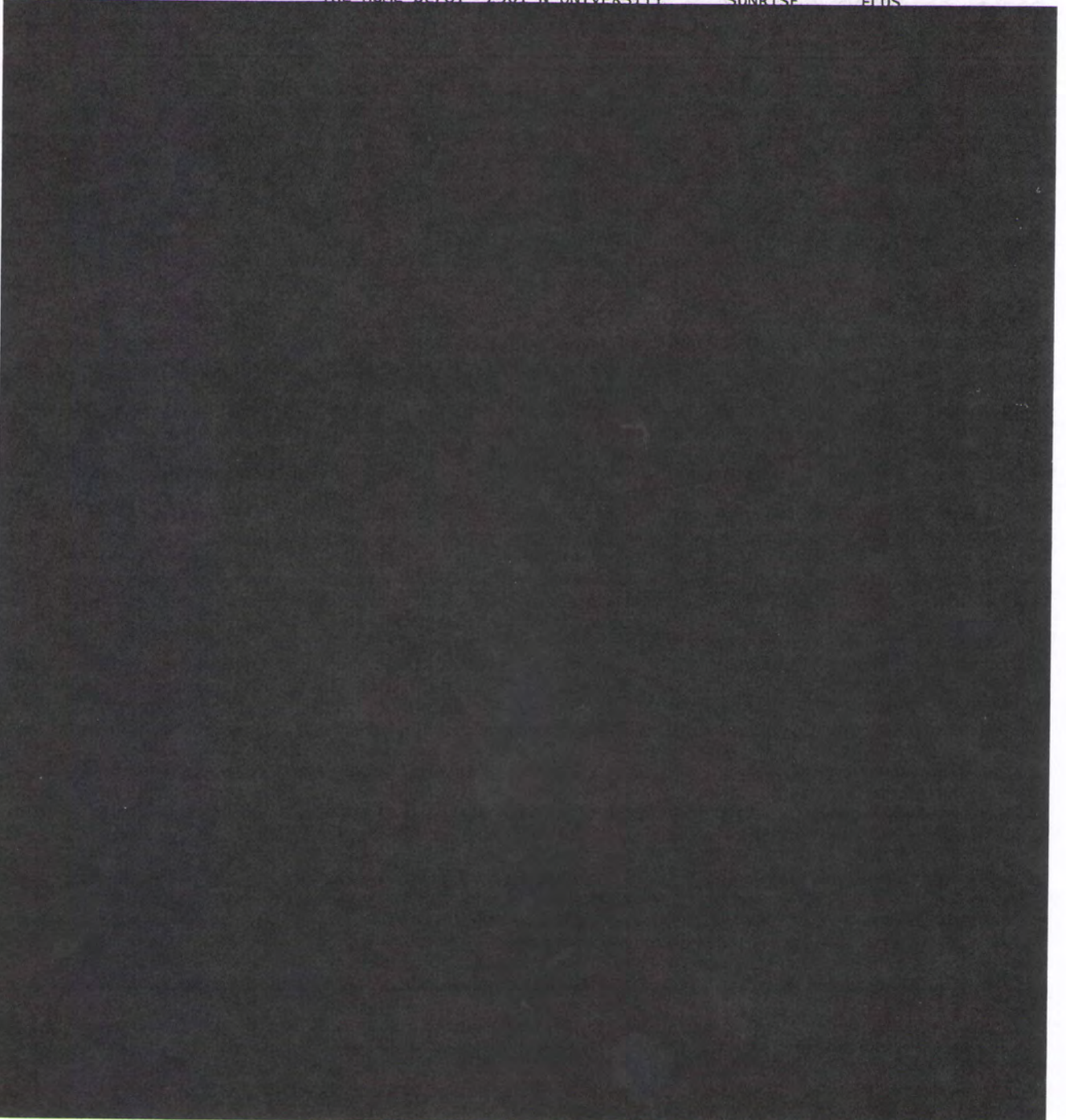
Nov20	-153.47	POS SHARE WITHDRAWL THE HOME DEPOT 750 NORTH UNIVERSI	CORAL SPRINGSFLUS	68688401	2,589.08
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Tran Date Eff Date Amount Description Balance



Nov24		-122.06	POS SHARE WITHDRAWL THE HOME DEPOT 2901 N UNIVERSITY	14308901	302.49
			SUNRISE ELIS		



RECEIPT

No. 085603

DATE 2/09/13

FROM Julie Saunders \$ 40.00

Replace Forty ^{00/100} DOLLARS

FOR RENT

FOR Replace 2 broken garage lights

ACCT.	
PAID	<u>40.00</u>
DUE	<u> </u>

- CASH
- CHECK
- MONEY ORDER
- CREDIT CARD

FROM _____ TO _____
BY Steve Alexander

A-152
T-4161

RECEIPT

No. 085605

DATE 6/11/13

FROM Julie Saunders

\$ 25.00

Twenty five ^{00/100} DOLLARS

FOR RENT

FOR Replaced @ GFI & protector covers at Petio

ACCT.

CASH

PAID 25.00

CHECK

DUE

MONEY ORDER

CREDIT CARD

FROM _____ TO _____

BY Steve Alexander

A-1152
4-4161

RECEIPT

No. 085606

DATE 6/19/13

FROM Julie Saunders

\$ 60.06

Sixty 00/xx DOLLARS

FOR RENT
 FOR Replace broken water proof Elec. Box at Pool.

ACCT.	
PAID	<u>60.00</u>
DUE	<u>-</u>

- CASH
- CHECK
- MONEY ORDER
- CREDIT CARD

FROM _____ TO _____
BY Steve Alexander

A-1152
4161

DUPLICATE RECEIPT



The Perfect People For A Perfect Pool

Text PINCH to 41411 to opt in for our mobile special offers!

Pinch A Penny 042
8880 Northwest 44th Street
Sunrise, FL 33351
Phone: 954-748-0494

Sales Receipt

Transaction #: 302551
Account #:
Date: 10/2/2013 Time: 3:47:44 PM
Cashier: MIKE Register #: 1

BILL TO: JULIE SAUNDERS

Item	Description	Amount
25539-000	7 3/4" A/V GRATE ANSI A	\$35.99
	Discount	(\$1.00)
SVC	MD COVER INSTALL	\$125.00

	Sub Total	\$159.99
	Sales Tax	\$2.10
	Total	\$162.09
	CHECK Tendered	\$162.09
	Change Due	\$0.00

You saved \$1.00!



Thank you for shopping
Pinch A Penny 042
We hope you'll come back soon!

DUPLICATE RECEIPT

Artistic Tree Service

P.O. Box 23015 • Fort Lauderdale, FL 33307

(954) 261-6203



Invoice

Date 11/20/13

NAME Julie Saunders

ADDRESS 1

CITY Lauder Hill **ZIP** 33319

DESCRIPTION	PRICE	AMOUNT
Tree Pruning ✓		
Tree Removal		
Stump Grinding		
Root Pruning		
3 oak Trees ✓		
6 palm Trees ✓		
<i>Not Responsible For Anything Under Ground</i>		
SUB TOTAL		
TAX		
TOTAL AMOUNT		750.00

Please Pay From This Invoice

JULIE SAUNDERS
4937 NW 67TH AVE
LAUDERHILL FL 33319

391
63-7832/2870
02

1-18-14
Date

PAY to the
Order of

Brotan Garage Doors

\$ 259.00

Two hundred + fifty - nine

Dollars  Security Features Details on Back.



1982 N. State Rd. 7
Margate, Florida 33063
954-745-2400
www.citycountycu.org

For *Repair*

Julie Saunders MP
0391

Member, Clarior

COLONIAL CLASSIC

Account: Serial:391 Amount:\$259.00 Sequence:4747282 Date:01/22/2014 CUID:267078325

Brotan Garage Door Sales
dba Brotan Garage Door & Gate

1000006096
FOR DEPOSIT ONLY

~~2014012200981757000580099~~



Sales, Installation and Service of garage doors and automatic door openers since 1955

Visit our showroom at: 954 946-5555
 886 South Andrews Avenue 954 946-5587 Fax
 Pompano Beach, FL 33069 800 683-2768 Toll Free

Visit us on the web at: www.broten.com

INVOICE

Invoice Number: 0248110-IN

Invoice Date: 1/27/2014

Sold To:
 SAUNDERS, JULIE
 LAUDERHILL, FL 33319

Ship To:
 SAUNDERS, JULIE
 LAUDERHILL, FL 33319

Confirm To:

Customer P.O.	Shlp VIA	F.O.B.	Terms
			C.O.D.

Ordered	Item Number	Description	Price	Amount
		REPLACE 2 TORSION SPRINGS		259.00
		REPLACED BOTH SPRINGS (283 X 45 X 1 3/4) LUBED DOOR. ROLLERS ARE DAMAGED AND OFFERED TO REPLACE \$99.50 FOR PARTS + LABOR. EXISTING 16X7 WOOD DOOR DOES NOT COMPLY WITH DASMA 116, HANDLES DECLINED. CRAFTSMAN REVERSED. PAID CHECK #391 4259.00. DANIEL 1/18/14.		



Net Invoice:	259.00
Freight:	0.00
Sales Tax:	0.00
Invoice Total:	259.00
Less Deposit:	0.00
Invoice Balance:	259.00

All agreements contingent on strikes, embargoes, fires, accidents, or delays beyond our control. If through fault on purchasers part, it becomes necessary for the seller to make more than one trip to complete installation or delivery, the seller shall be reimbursed by the purchaser to the extent of expenses incurred. All mechanical parts used in Broten Hardware are guaranteed for one (1) year from the date of installation, provided that said part(s) is due to faulty manufacture. NOTICE: All invoices paid after 30 days of the date of the invoice will be subject to service charges as allowed under the laws of the State of Florida. In case of default of payment, purchaser agrees to pay all cost of collection, including attorney fees.

ALL WARRANTY WORK WILL BE PERFORMED ONLY DURING REGULAR BUSINESS HOURS 8:00AM - 4:00 PM MONDAY THRU FRIDAY
 Service performed on a garage door opener or installation of a garage door opener by anyone other than Broten Garage Door Sales will void all implied and expressed warranties offered by Broten Garage Door Sales. No returns, exchanges or refunds.

RECEIPT

No. 085633

DATE 5/02/14

FROM Julie Sanders \$ 180.00

One hundred eighty ^{00/100} DOLLARS

FOR RENT
 FOR lustin & parts for water heater

ACCT.		<input type="radio"/> CASH	FROM	TO
PAID	<u>180.00</u>	<input type="radio"/> CHECK	BY	<u>Steve Alexander</u>
DUE	<u>—</u>	<input type="radio"/> MONEY ORDER		
		<input type="radio"/> CREDIT CARD		

A-1152
T-4161



More saving.
More doing.™

2901 N UNIVERSITY DR.
SUNRISE FL 33322 (954)747-8226

0258 00026 13792 C5/03/14 03:34 PM
CASHIER TAWNEE - TWL87C

020352614953 50G 12 E/H <A> 528.00
50GAL/5500W ELEC MEC PLAT W/H
MAX REFUND VALUE \$475.20
-----10%Off Credit Mail No Deferred-----
528.00 10% Off Credit Mail Offer -52.80
No Deferred - 10% Choice
MUST RETURN ALL ITEMS FOR A FULL REFUND

SUBTOTAL 475.20
SALES TAX 28.52
TOTAL \$503.72
XXXXXXXXXXXX0800 HOME DEPOT 503.72
AUTH CODE 003230/6260944 TA
CREDIT PROMOTION 14645 389



0258 26 13792 05/03/2014 6603

RETURN POLICY DEFINITIONS
POLICY ID DAYS POLICY EXPIRES ON
A 1 90 08/01/2014
THE HOME DEPOT RESERVES THE RIGHT TO
LIMIT / DENY RETURNS. PLEASE SEE THE
RETURN POLICY SIGN IN STORES FOR
DETAILS.

BUY ONLINE PICK-UP IN STORE
AVAILABLE NOW ON HOMEDEPOT.COM.
CONVENIENT, EASY AND MOST ORDERS
READY IN LESS THAN 2 HOURS!

ENTER FOR A CHANCE
TO WIN A \$5,000
HOME DEPOT GIFT
CARD!

Share Your Opinion With Us! Complete
the brief survey about your store visit
and enter for a chance to win at:

www.homedepot.com/opinion

COMPARTA SU OPINION EN UNA BREVE
ENCUESTA PARA LA OPORTUNIDAD DE GANAR.

User ID:
WDO 28131 27899

Password:
14253 27873

Entries must be entered by 06/02/2014.
Entrants must be 13 or older to enter.
See complete rules on website. No
purchase necessary.

Pinch A Penny 042
8880 Northwest 44th Street
Sunrise, FL 33351
Phone: 954-748-0494

Sales Receipt

Transaction #: 328800
Account #: 9548543936
Date: 6/17/2014 Time: 4:00:39 PM
Cashier: PEDRO Register #: 1

BILL TO: JULIE SAUNDERS

Item	Description	Amount
SVC	SVC CALL	\$65.00

=====
Sub Total \$65.00
Total \$65.00

SALE ON ACCT. \$65.00
Previous Balance \$255.00
New Balance \$320.00

Change Due \$0.00



Thank you for shopping
Pinch A Penny 042
We hope you'll come back soon!

DUPLICATE RECEIPT

INDRIS DUCLOS & FRAIS DUVALUS

LAND SCAPING AND LAWN SERVICE

Date: 11-14-14

P.O. Box 55
Fort Lauderdale, FL 33302

To:

Phone: (754)368-4356

Phone: (754)214-2323

Landscaping \$ _____

Sprinkler Repair \$ _____

Tree Removal \$ _____

Tree Planting \$ _____

tree Trimming \$ 125

Clean Up \$ _____

Cut Grass \$ _____

Fertilizer
(Twice a Year) \$ _____

Other \$ _____

Price: 1

Total: \$125



LOWE'S HOME CENTERS, LLC
8050 WEST OAKLAND PARK BLVD
SUNRISE, FL 33351 • 954.678.0199

SALES#: 077101 1955291 5670542 10-14-14

46256 ZEPHYRHILLS 5L 24PK BTLD	3.97	
530682 LANTERN MOTION OUTDOOR WAL	69.98	
145743 SPEC WASH & BURNET TWINPA	5.47	
14866 24OZ CLOROX TOILET BOWL C.	1.97	
18004 1/25 SHIFFER WET-DECK	5.27	
103194 1/25 1/2" BIT PAD REF	6.97	
SUBTOTAL		93.63
TAX		5.36
TOTAL		99.01
VISA		99.01

VISA *****XKX2109 AMOUNT:93.01 ORDER:077101
SWIPE REF ID:31656711907 10/14/14 15:56:07

Jami Lehman
STORE MANAGER

OF ITEMS PURCHASED:
INCLUDES FEES, SERVICES AND SPECIAL ORDER ITEMS



THANK YOU FOR SHOPPING LOWE'S.
SEE REVERSE SIDE FOR RETURN POLICY.
STORE MANAGER: JAMI LEHMAN EXT. 4800

WE HAVE THE LOWEST PRICES, GUARANTEED!
IF YOU FIND A LOWER PRICE, WE WILL BEAT IT BY 10%.
SEE STORE FOR DETAILS.

* YOUR OPINIONS COUNT! *
* REGISTER FOR A CHANCE TO WIN A *
* \$5,000 LOWE'S GIFT CARD! *
* REGISTRESE PARA TENER LA OPORTUNIDAD DE GANAR UNA *
* TARJETA DE REGALO DE LOWE'S DE \$5000! *
* *
* REGISTER BY COMPLETING A GUEST SATISFACTION SURVEY *
* WITHIN ONE WEEK AT: www.lowes.com/survey *
* YOUR ID # 07451 1113 287 *
* *
* NO PURCHASE NECESSARY TO ENTER OR WIN. *
* VOID WHERE PROHIBITED. MUST BE 18 OR OLDER TO ENTER. *
* OFFICIAL RULES & WINNERS AT: www.lowes.com/survey *

STORE: 1113 TERMINAL: 07 10/14/14 15:56:07

LHA Exhibit 10

**RESOLUTION NO. 15R-9-18
LAUDERHILL HOUSING AUTHORITY**

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY SUPPORTING ITS AFFORDABLE HOUSING, EMPLOYEE AND NON-EMPLOYEE LENDING AND OTHER COMMUNITY PROGRAMS; PROVIDING FOR DISTRIBUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Lauderhill Housing Authority (LHA) has worked diligently over the past seven years to improve the quality of living for the residents of Lauderhill; and

WHEREAS, LHA has been recognized for its innovative approach to both redevelopment and community programming;

WHEREAS, LHA has successfully provided financial assistance to its residents through employee and non-employee loan programs.

WHEREAS, LHA is in receipt of the final report of the Office of the State Attorney concluding its investigation and finding no evidence of criminal conduct, and is in receipt of the preliminary report from the Broward Office of the Inspector General referring the matter to the Florida Commission on Ethics for an independent assessment.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

SECTION 1. The Board of Commissioners of the Lauderhill Housing Authority hereby supports its affordable housing, employee lending, non-employee lending and all other community programs.

SECTION 2. The LHA Staff is directed to distribute the Resolution to the City of Lauderhill, the Broward Office of Inspector General and all other interested parties.

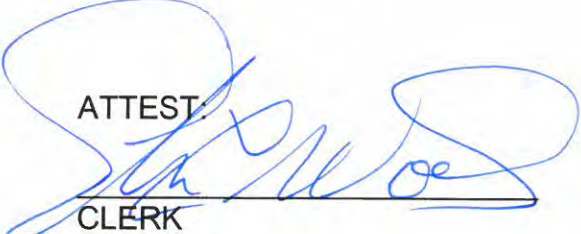
SECTION 3. This Resolution shall take effect immediately upon its passage and adoption.

DATED this 28 day of September, 2015.

PASSED AND ADOPTED on first reading this 28 day of Sept., 2015.




PRESIDING OFFICER

ATTEST:

CLERK

MOTION SECOND Ruiz
Franceski

K. DAVIS
Y. DORCINVIL Yes
G. FRANCESKI Yes
J. LESHINSKY
S. RUIZ Yes

Approved as to Form

Alfreda D. Coward, Esq.
General Counsel

**RESOLUTION NO. 15R-9-19
LAUDERHILL HOUSING AUTHORITY**

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY; ACKNOWLEDGING RECEIPT OF THE BROWARD OFFICE OF THE INSPECTOR GENERAL PRELIMINARY REPORT; AUTHORIZING A WRITTEN RESPONSE TO BE TRANSMITTED IN A FORMAL REPLY; PROVIDING FOR DISTRIBUTION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Lauderhill Housing Authority (LHA) has received the Preliminary Report of the Broward Office of the Inspector General, concluding its review of the LHA Employee Lending Program, and specifically addressing the loans issued to Mr. Hobbs and Ms. Saunders;

WHEREAS, LHA is in receipt of the final report of the Office of the State Attorney concluding its investigation and finding no evidence of criminal conduct, and is in receipt of the preliminary report from the Broward Office of the Inspector General referring the matter to the Florida Commission on Ethics for an independent assessment.

WHEREAS, the LHA Board of Commissioners has reviewed the Preliminary Report issued and found significant factual misstatements throughout the document, and relevant corrective information that should be included in reply to the report;

WHEREAS, LHA has successfully operated the Employee Lending Program for five years, systematically following its protocol in providing equal treatment to all interested employees;

WHEREAS, LHA has an established Loan Review Committee that follows the policies and procedures set forth by the LHA Board and reviews all applicants on the basis of the Board-approved LHA Lending Criteria adopted via Resolution 10R-06-32 on June 15, 2010;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAUDERHILL HOUSING AUTHORITY;

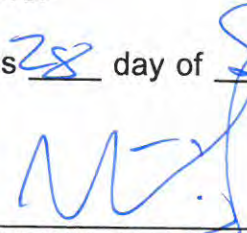
SECTION 1. The Board of Commissioners of the Lauderhill Housing Authority hereby supports the Employee Lending Program and authorizes the attached written statement to be transmitted to the Broward Office of Inspector General, subject to the approval of Special Counsel.

SECTION 2. The LHA Staff is directed to distribute the Resolution to the City of Lauderhill, the Broward Office of Inspector General and all other interested parties.

SECTION 3. This Resolution shall take effect immediately upon its passage and adoption.

DATED this 28 day of Sept., 2015.

PASSED AND ADOPTED on first reading this 28 day of Sept., 2015.



PRESIDING OFFICER

ATTEST:



CLERK


MOTION
SECOND

Franceski
Ruiz

K. DAVIS
Y. DORCINVIL
G. FRANCESKI
J. LESHINSKY
S. RUIZ

Yes
Yes
Yes

Approved as to Form



Alfreda D. Coward, Esq.
General Counsel