

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 17-60907-CIV-MORENO/SELTZER

FEDERAL TRADE COMMISSION, *et al.*,

Plaintiffs,

v.

JEREMY LEE MARCUS, *et al.*,

Defendants.

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**AMANDA FINLEY'S OMNIBUS RESPONSE IN OPPOSITION  
TO THE RECEIVER'S OBJECTIONS [D.E. 425] AND PLAINTIFFS'  
OBJECTION [D.E. 426] TO THE HONORABLE BARRY S. SELTZER'S  
REPORT AND RECOMMENDATION [D.E. 414] TO GRANT MS. FINLEY'S  
MOTION FOR IMPOSITION OF EQUITABLE LIEN BASED ON SEPARATELY  
CONTRIBUTED FUNDS FOR THE PURCHASE OF THE REAL PROPERTY  
LOCATED AT 300 ROYAL PLAZA DR. FORT LAUDERDALE, FL 33301 [D.E. 404]**

Innocent, non-party Amanda Finley (“Ms. Finley”) files this Omnibus Response in Opposition to Jonathan Perlman’s (the “Receiver”) Objection [D.E. 425] and the Plaintiffs’ Objection [D.E. 426]<sup>1</sup> (collectively, the “Objections”) to the Honorable Barry S. Seltzer’s Report and Recommendation [D.E. 419] (the “Report”) to this Court to grant Ms. Finley’s Motion for Imposition of Equitable Lien [D.E. 404] (the “Motion”) in the real property located at 300 Royal Plaza Dr. Fort Lauderdale, Florida 33301 (the “Property”) and states as follows:

### **INTRODUCTION**

The Honorable Barry S. Seltzer entered a well-reasoned and legally supported Report and Recommendation to grant Ms. Finley’s Motion for Equitable Lien. All of the points of law were amply supported and the factual references were accurate. Judge Seltzer thoroughly analyzed and appropriately addressed all of the issues raised by the parties in reaching his decision. Ultimately, this resulted in a ruling that was legally right and fundamentally fair. Therefore, after conducting a *de novo* review, this Court should fully adopt Judge Seltzer’s Report and Recommendation and impose an equitable lien in the amount of \$107,500 in favor of Ms. Finley over the proceeds of the sale of the Property that the Receiver agreed to hold in trust pending the Court’s adjudication of the Motion.

The Objections fail to raise any grounds – new or otherwise – that warrant this Court departing from Judge Seltzer’s Report. Instead, after largely abandoning two of his main arguments in opposition to the motion, the Receiver continues to maintain (incorrectly) that “Finley claims to have been the real estate broker” and oddly continues to analyze the imposition of a brokerage lien while arguing that Florida Coastal Realty Group (the “Broker”) is the proper party-in-interest. Obj. at 12-14. As argued by Ms. Finley and recognized by Judge Seltzer, Ms.

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<sup>1</sup> The arguments in the Plaintiffs’ Objection are encompassed by the points argued in the Receiver’s Objection, so Ms. Finley will primarily reference the latter.

Finley “does not claim to be a ‘broker,’ nor does she seek the imposition of a ‘broker’s lien,’ as confusingly argued by the Receiver.” Report at 4 n.1. Fla. Stat. § 475.42 applies to a sales associate suing a seller for failure to pay commission, which is clearly not the case here. Since conducting the proper equitable lien analysis would surely result in an equitable lien in Ms. Finley’s favor, as Judge Seltzer recommended, the Receiver tries to force this unrelated and inapplicable brokerage lien analysis - to no avail. The Motion is quite clear in seeking an equitable lien based on these specific facts and Ms. Finley’s contribution to the Property in order to avoid unjust enrichment and unwarranted forfeiture. Ultimately, the brokerage lien, Fla. Stat. § 475.42, and the Broker being the proper party analyses are inherently flawed and warrant little consideration, if any.

The Receiver has tempered his tone after being reprimanded for his “troubl[ing] ... repeated accusations—and subsequent failure to produce evidence” to support those false accusations and “unprofessional and disparaging references to Amanda Finley—a member in good standing of the Florida Bar....” Report at 6 n.4. The Receiver has even corrected certain blatant misrepresentations about Ms. Finley that conflated her with the Defendant. Specifically, the Receiver no longer maintains the false, egregious position that Ms. Finley had knowledge and was a “participant” in the actions underlying this case. Opposition to the Motion [D.E. 411] (“Opp.”) at 3. Additionally, the Receiver now corrects the misrepresentation that “Amanda [Finley] and Jeremy [Marcus] were transferred \$158,556.56 in overages” to correctly state, “Marcus was transferred \$158,556.56 in overages.” Opp. at 9, 13, 14 *compare with* Obj. at 5. Of course, the Receiver only corrected this misstatement after Ms. Finley pointed out that Kapila’s Report referenced by the Receiver belied his assertion and attached the wire transfer to prove it. *See* Reply to Motion (“Reply”) at 4-5, Ex. C. Overall, it seems evident that the Receiver only chose to change certain untenable positions and amend incorrect facts after Ms.

Finley pointed out their falsity and Judge Seltzer admonished the Receiver for making these false statements while failing to present any supporting evidence. *Id.*; Report at 6 n.4.

Despite correcting some of the fabrications contained in the Opposition, the Receiver still insists on making false statements intended to smear Ms. Finley, despite being reprimanded for this exact action by Judge Seltzer. Report 6 n.4. In the Objection, the Receiver has the audacity to state that Ms. Finley “improperly seeks to victimize consumers again” through the Motion. Obj. at 2. To be clear, Ms. Finley did not victimize anyone. If anything, Ms. Finley was deceived by the Defendant and has been victimized repeatedly by the Receiver through his defamatory misrepresentation about Ms. Finley forging the stamp of the federal judge, whom she served as a judicial law clerk for four years, without doing any prior investigation, and based on the further misrepresentations in his Opposition. *See* the Receiver’s First Report [D.E. 19 at 36-37] now restricted from public access by Court Order [D.E. 78]; Report at 6 n.4 (characterizing the Receiver’s false accusation in the First Report as “egregious and reckless at best”).

In the Objection, the Receiver also stated that “[i]n violation of this Court’s orders, Finley refused to cooperate and execute that deed.” Obj. at 10. Ms. Finley did not violate any Court Order (and the Receiver again should stop making these unfounded accusations). Ms. Finley never refused to execute the deed and, in fact, had already executed a deed for the Property two years prior. *See* Opp. to Motion to Compel [D.E. 409] (“Compel Opp.”). Ms. Finley simply wanted the Receiver to honor her interest in the Property and ensure she would receive her contribution to the Property, as required by binding case law. *See e.g., In re Fin. Federated Title & Trust, Inc.*, 347 F.3d 880, 892 (11th Cir. 2003); *In re Hecker*, 264 F. App’x 786, 791 (11th Cir. 2008). When the Receiver refused, Ms. Finley was forced to file the Motion to seek adjudication from this Court (and did so immediately to avoid delay of the sale). Since the

Receiver agreed to hold Ms. Finley's contribution of \$107,500 to the Property in trust pending the Court's adjudication of her Motion, she executed the second deed. *See* Compel Opp., Ex. A.

The Receiver continues to mischaracterize the relevant facts and applicable law in order to attempt to justify an innocent third party's forfeiture when such a result is factually unsupported and legally unwarranted. Since the Receiver insists on taking legally unsupported positions, he is forced to resort to false accusations, impudent hyperbole, and inapplicable legal analyses. Unfortunately for the Receiver, that does not win the day. In fully analyzing the issues, Judge Seltzer saw through the rhetoric and falsehoods in issuing the proper Report before this Court. After conducting a *de novo* review, this Court should adopt Judge Seltzer's Report and Recommendation and enter an Order Granting Ms. Finley's Motion for Equitable Lien.

#### **ARGUMENT**

**I. The Argument that Ms. Finley's Equitable Interest Was Extinguished by the Quitclaim Deed and the "Unclean Hands" Defense Are Unsupported and Inequitable.**

In his Objection, the Receiver has largely abandoned two of his main arguments in opposing the Motion: (i) that Ms. Finley waived her right to seek an equitable lien by her quitclaiming the Property at the Receiver and Plaintiffs insistence; and (ii) that Ms. Finley has "unclean hands." Opp. at 9-13. The Receiver likely poses no objection regarding the first argument because Judge Seltzer recognized that the Receiver was taking an "inconsistent position that the quitclaim deed extinguished her equitable interest" after he provided a contemporaneous letter to Ms. Finley in 2017 acknowledging her reservation of rights as to her equitable interest based on her \$107,500 contribution to the Property. *See* Report at 2; *see also* attached as **Exhibit A** the Receiver's 2017 letter. As Judge Seltzer keenly realized, "after receiving the benefit of his bargain, the Receiver [wa]s now arguing the opposite: that the very quitclaim deed he expressly induced by recognizing Finley's ability to litigate her equitable

claim at a later time, in fact, extinguished her equitable claim,” which is “a prototypical ‘gotcha’ argument.” Report at 4. In fact, “[a]ccepting the Receiver’s argument would have required [Judge Seltzer] to conclude that the Receiver’s agreement was a mere ruse or trick,” which Judge Seltzer was resoundingly unwilling to do. Report at 5. Likewise, this Court should adopt the same position and reject the Receiver’s inequitable argument.

Notably, the Receiver removed all but one reference to the unclean hands argument that he heavily relied on in opposing the Motion. Obj. at 14. This is likely because Ms. Finley pointed out that the Receiver did not even properly allege the defense, much less satisfy any of the required elements. Reply at 6-8. The only basis for the Receiver’s bold assertion of the defense that pre-dated this case was Ms. Finley serving as a real estate agent, through her Broker, for several arm’s length real estate transactions, which was plainly insufficient. The Receiver continues to cite no authority to the contrary. As Judge Seltzer recognized, “[d]espite his various statements appearing to conflate Finley’s conduct with those of her ex-husband, *the Receiver provided no evidence to support its assertion that Finley was complicit in the fraud of that her sales commission was tainted in any way.*” Report at 6 (emphasis added). The Receiver’s only objection to the Report regarding the unclean hands defense is to aver that it was “duly supported by exhibits and cites to the record.” Obj. at 14. It is clear from the Report that Judge Seltzer reviewed everything, including the exhibits and citations in the parties’ briefing. The Receiver’s exhibits and citations were simply deficient and unrelated, which made them insufficient to support the Receiver’s unclean hands defense.

To establish the defense of unclean hands, the Receiver must prove that Ms. Finley’s purported “wrongdoing is *directly related to the claim* against which it is asserted ... [and] even if directly related, the plaintiff’s wrongdoing does not bar relief unless the defendant can show that it was *personally injured by her conduct.*” *Calloway v. Partners Nat. Health Plans*, 986

F.2d 446, 451 (11th Cir. 1993) (emphasis added). None of the exhibits, citations to the record, or other purported “facts” that the Receiver raised in support of the defense were related to Ms. Finley contributing \$107,500 for the purchase of the Property, thus they are irrelevant. *See* Report at 6. Similarly, there is no conceivable way in which the Receiver (or anyone besides Ms. Finley) was harmed by Ms. Finley contributing \$107,500 for the purchase of the Property. Furthermore, all of the other unrelated rhetoric, which is also included in the Objection, such as “the Receiver accus[ing] Finley of enjoying an ‘extravagant’ lifestyle’ and failing to ‘pay rent’ for living in her own house ... even if true, are wholly insufficient to establish unclean hands.” Report at 6 (citing *Calloway*, 986 F.2d at 451). As Ms. Finley argued and Judge Seltzer agreed, this defense is inapplicable, even if the defense was premised on accurate facts, which it was not. Accordingly, the Court adopt the Report and hold that the unclean hands defense has no merit.

## **II. Ms. Finley’s Contribution is Traceable Solely to the Seller’s Clean Funds.**

Ms. Finley earned her \$107,500 commission that she chose to contribute to the Property, with her Broker’s express permission, from her independent work as a real estate agent that is directly traceable only to the seller’s funds (the third party homebuilder), as demonstrated by the closing statement. *See* attached as **Exhibit B** the HUD-1, Line 703. The fact that the commission was paid by the seller’s clean funds is material to the analysis. Report at 6. While the Receiver attempts to label this as “circular” and a “red herring,” the Receiver cannot dispute in good faith that the commission owed and paid in this transaction came from the seller, as is typical in most real estate transactions. Obj. at 4, 13 *but see* Ex. B. While the Receiver continues to repeatedly state that Ms. Finley’s commission was traceable to stolen funds, he also fails to cite any authority to support this bald accusation, which is illogical when considering the facts. As Judge Seltzer recognized, “[c]ontrary to the Receiver’s repeated assertions that the

commission was ‘comprised entirely of stolen funds,’ (DE 411: 13, 14), in fact, the commission was **paid by the seller**, as it usually is. (See DE 404: Ex. A, ln. 703).” Report at 6.

The attached closing statement evidences that the commission Ms. Finley contributed to the Property was paid from the seller’s clean funds. Ex. B, ln. 703. “The Receiver did not object to these exhibits. Accordingly, [Judge Seltzer credited] the exhibits, as well as Finley’s statements (which are both unrefuted and presumptively credible<sup>2</sup>), as sufficient to establish the fact that Finley’s personal funds, earned in the course of legitimate employment, were used to pay down a portion of the Property’s purchase price.” Report at 4. Again, “*the Receiver has provided no evidence to support its assertion that Finley was complicit in the fraud or that her sales commission was tainted in any way.*” Report at 6 (emphasis added).

Ironically, while now arguing that Ms. Finley should not be entitled to the value of her commission that was paid directly from the seller’s clean funds, previously the Receiver allowed Ms. Finley, who was in the process of selling two properties when this case was filed, to continue her work and, as contractually required, properly paid her Broker, and thus Ms. Finley, the commissions for both closings. He must not have viewed the properly payable commissions as tainted at that point. There is no legal or factual basis for the disparate treatment of Ms. Finley’s work as a real estate agent, which the Receiver’s own actions confirm.

### **III. Binding Case Law Supports Imposition of an Equitable Lien in These Circumstances.**

Binding Eleventh Circuit case law supports the imposition of an equitable lien under these circumstances when not all of the funds used to purchase a property are traceable to fraud. *See e.g., Fin. Federated Title & Trust*, 347 F.3d at 892; *In re Hecker*, 316 B.R. 375, 390 (Bankr. S.D. Fla. 2004), *aff’d*, 264 F. App’x at 791 (an innocent spouse “may be entitled to assert a claim to a portion of the proceeds prospectively to be derived from a sale of the [Property] based on the amount of her contributions to the purchase price.”). There is no longer a dispute that Ms. Finley

was an innocent spouse now that the Receiver has abandoned his unfounded accusations to the contrary. Since Ms. Finley made a clear \$107,500 contribution to the purchase of the Property that is not traceable to fraud and she was innocent of wrongdoing, binding case law requires her to be made whole.

The Objections take issue with Judge Seltzer's finding that "the Property was purchased in part by Marcus based on the proceeds of the fraud, this asset, or at least a portion of it, was subject to eventual turnover." Report at 2. The Plaintiffs argue that it was "unrefuted by Ms. Finley" that forensic evidence "traced 100% of the funds" to the Defendants. Pl. Obj. at 3. Similarly, the Receiver argues that "uncontroverted" evidence shows tracing from the Defendants. Obj. at 4 n.1. However, this is incorrect. Ms. Finley did refute and produced credible, uncontroverted evidence to show that only part of the purchase was traceable to proceeds of fraud, specifically because \$107,500 of the commission that was contractually payable to Ms. Finley paid from the seller's clean funds was used to pay down the purchase price of the Property. *See supra* § (II); Ex. B. In fact, Judge Seltzer found that "the commission Finley earned as a real estate sales associate is independent of the underlying fraud scheme that was the genesis of the receivership." Report at 5.

The Objections reference that the Receiver did not concede Ms. Finley's equitable lien. Obj. at 9; Pl. Obj. ¶ 2. Ms. Finley took the position, and Judge Seltzer agreed, that the Receiver's 2017 letter made clear that Ms. Finley retained the *ability to assert* an equitable lien for her contribution to the Property – not that the Receiver conceded that Ms. Finley was *entitled* to an equitable lien. Ex. A; Report at 2. As much as the Receiver would like to disregard his 2017 letter, it does acknowledge that Ms. Finley maintains the ability to assert her equitable claim. *See* Ex. A. Ms. Finley and the Court are aware that the Receiver disputes entitlement. Ms. Finley has now asserted her preserved right to seek an equitable lien, and Judge Seltzer ruled

that it was proper to grant the Motion. Report at 7. This Court should follow the Eleventh Circuit case law, adopt Judge Seltzer's Report, and grant Ms. Finley's Motion.

**IV. Ms. Finley is the Proper Party to Seek to Enforce Her Equitable Lien – Not Brokerage Lien - for Her \$107,500 Contribution to the Purchase of the Property.**

Even after Judge Seltzer issued the Report containing the proper legal analysis, the Receiver's continues to confusingly try to force an erroneous brokerage lien and Fla. Stat. § 475.42 analysis when neither issue is relevant. Obj. at 12-14. Specifically, the Receiver still incorrectly states that Ms. Finley "claims to have been the real estate broker" for the Property and her Broker is the "proper party" for her equitable claim to funds she contributed for the purchase of the Property. Obj. at 12-14. Ms. Finley is not a broker (and never claimed to be) and never sought to impose a broker's lien, as noted by Judge Seltzer. Report at 4 n.1. The Receiver insists on trying to force these unrelated analyses because it is clear that, after conducting the proper equitable lien analysis, Ms. Finley should prevail. Report at 4, 7.

Importantly, Ms. Finley is not seeking to enforce any right to the payment of commission that a seller refused to pay, as prohibited by Fla. Stat. § 475.42. There is no dispute that the seller paid the commission on the Property years ago, which renders the cited statutory authority irrelevant. The *only* case cited by the Receiver on this point involves a sales associate attempting to sue a seller for not paying commission. Obj. at 2-3 (citing *Bergin v. Kickliter*, 538 So. 2d 950, 951 (Fla. 2d DCA 1989)). That is not the case here and demonstrates the inapplicability of this statute. The Receiver cites no case law to support his argument and show the use of Fla. Stat. § 475.42 in a case with similar facts or in the context of a motion seeking an equitable lien – because his reliance on this statute is misplaced.

The Receiver argues, "Finley, a sales associate, has brought an action for a commission against the Receiver and not her employer. Florida Coastal, in connection with a real estate

brokerage transaction” in an attempt to force these facts to fit Fla. Stat. § 475.42. Obj. at 13. The analysis is inherently flawed. Ms. Finley filed a motion seeking an equitable lien in the Property – not an action against the Receiver<sup>2</sup> – for her contribution to the Property (that happened to be in the form of commission previously paid by the seller) several years after the real estate transaction closed based on her being induced to deed the Property away under a clear reservation of her equitable lien rights in the Property. *See* Ex. A. The Receiver’s facially unsound analysis demonstrates the inappositeness of Fla. Stat. § 475.42.

Rather, based on these unique facts and her being induced to deed the Property away under a clear reservation of rights as to her \$107,500 equitable interest, as acknowledged in the Receiver’s 2017 letter, Ms. Finley is requesting this Court to impose an equitable lien to avoid her improper forfeiture and unjust enrichment to the Receiver. *See* Ex. A. As clearly stated in the Motion, the Broker received its full contractual fee of 10% or \$15,750 (the “Broker’s Fee”). With her Broker’s express permission, Ms. Finley elected to contribute the remaining \$107,500 of the commission *that was directly and contractually payable to her* in order to contribute to the purchase of the Property that was intended to be her homestead, based on the expectation that she would have a \$107,500 proportional ownership interest<sup>3</sup> in that Property.<sup>4</sup> As Judge Seltzer found Ms. “Finley’s statements ... are both unrefuted and presumptively credible.” Report at 4.

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<sup>2</sup> Likewise, she did not file an action against the seller for failure to pay commission, which again would be the only factual circumstance under which Fla. Stat. § 475.42 would be relevant.

<sup>3</sup> The Receiver does not dispute that Ms. Finley’s prenuptial agreement with the Defendant expressly provided that Ms. Finley was entitled only to proportional ownership in any joint property up to the amount that she separately contributed with her own funds. She had a reasonable expectation that she maintained a \$107,500 ownership interest in the Property.

<sup>4</sup> The Receiver notes that Ms. Finley had previously rebated a portion of her commission on “some of the initial properties.” Obj. at 5 n.4. Ms. Finley was trying to gain the Defendant’s business. Ms. Finley had no prior real estate experience. For numerous later transactions, she gave no rebate. Contrary to the Receiver’s unsupported assertion, the rebate at issue was a contribution to the purchase of the Property that was intended to be – and was – her homestead.

Without citing any supporting case law, the Receiver argues that the Broker is the proper party-in-interest for Ms. Finley's contribution to the Property. However, since the Broker was paid the full Broker's Fee, there is no basis in fact or law for her Broker to be the correct party-in-interest as to Ms. Finley's equitable interest in the Property. The Objections focus only on the Property's closing statement that lists the Broker. However, they fail to acknowledge the other important point, which is Ms. Finley's "unrefuted and presumptively credible" statements that the Broker was fully paid and that the entire \$107,500 was contractually payable solely to her and was rebated to pay down the purchase price only because she elected to contribute it. Report at 4. The Receiver's grasping attempts to make the Broker the proper party so that he may obtain "an improper windfall" must fail in the face of this Court's equitable powers to ensure the contribution goes to the party that was entitled to it and, in fact, chose to contribute it. Report at 5. Therefore, this Court should disregard the inapplicable Fla. Stat. § 475.42 and party-in-interest analyses, conduct the proper equitable lien analysis, and adopt Judge Seltzer's Report.

**V. Ms. Finley Received No Value or Benefit That Warrants Forfeiture of Her \$107,500 Interest in the Property.**

The Receiver takes the position that Ms. Finley received value by living in the Property rent-free. Opp. at 13; Obj. at 4. It is uncertain how the Receiver can argue that, as tenants by the entireties property owner at the time, Ms. Finley should be required to pay rent. Further, it is unclear why she would be required to do so for the approximate one-year period before this case was even filed and before the Receiver was entitled to possession of the Property. Ms. Finley did not receive any value for her contribution warranting the forfeiture that the Receiver seeks.

Although not relevant to the Motion, the Receiver tries to show that Ms. Finley was a "beneficiary" of her ex-husband, whom she married three months before this case was filed and at the time believed to be a legitimate, successful businessman and divorced over one and half

years ago. Opp. at 13; Obj. at 2-3. The Receiver attempts to identify certain benefits that Ms. Finley received, but fails to disclose that she willingly turned over all items to the Receiver years ago (or paid for it herself), including: (i) “expensive cars” or Ms. Finley’s leased Maserati that she paid through her separate bank account; (ii) “jewelry” which Ms. Finley voluntarily turned over to the Receiver upon request; and (iii) living in the Property, the homestead for her and her young child, which Ms. Finley voluntarily agreed to turnover to the Receiver with the expectation that she maintained her claim to her \$107,500 contribution, as evidenced by the Receiver’s contemporaneous letter. *See* Ex. A.

Ms. Finley posed no opposition and, in fact, “cooperat[ed] in marshalling receivership assets” by willingly turning over everything that the Receiver requested that the Defendant purchased. Report at 2. It is clear that Ms. Finley has not benefited and, in fact, has been irrevocably harmed by the Defendants’ actions in every way – professionally, financially, emotionally, and based on the Receiver’s gross misrepresentations, she incurred reputational harm. To the extent that the alleged “benefits” that the Receiver raises could be viewed as relevant to the matter before the Court, the Receiver notably did not dispute that Ms. Finley voluntarily turned over all requested items purchased by the Defendant.

**VI. The Receiver Will Receive an Improper Windfall if the Court Does Not Impose an Equitable Lien.**

If the Receiver is permitted to reap the full value of the Property, including retaining Ms. Finley’s interest in the Property, then the Receiver will receive an unquestionable windfall, while Ms. Finley would have received nothing in exchange for her purchased interest in the Property. Florida law prohibits such unjust enrichment. *See e.g., Palm Beach Savings & Loan Assoc. v. Fishbein*, 619 So. 2d 267 (Fla. 1993); *Spridgeon v. Spridgeon*, 779 So. 2d 501, 502 (Fla. 2d DCA 2000); *Della Ratta v. Della Ratta*, 927 So. 2d 1055, 1059 (Fla. 4th DCA 2006). To allow the

Receiver to retain Ms. Finley's contribution is an inherently inequitable result that equity must and should abhor.

This caused Judge Seltzer to properly "conclude[]" that if the Receiver were permitted to retain Finley's contribution, it would amount to an improper windfall for the Receiver because the commission Finley earned as a real estate sales associate is independent of the underlying fraud scheme that was the genesis of the receivership." Report at 4. In fact, "[t]he Receiver has not explained how it would be entitled to this sum. Indeed, the Eleventh Circuit has instructed that a trustee's interests over fraudulently acquired real estate can be no greater than the amount fraudulently obtained and used to benefit the land. *In re: Fin. Federated Title & Trust, Inc.*, 347 F.3d 880, 892 (11th Cir. 2003). Applying that maxim here, the Receiver's equitable interest in the Property does not extend to Finley's sales commission." Report at 4-5.

The Receiver vaguely objects that "[t]he evidence does not support the Magistrate Judge's conclusion that the Receiver would be receiving an improper windfall if Finley's Motion is denied." Obj. at 4. However, he fails to specify how the evidence does not support Judge Seltzer's logical conclusion. The only basis the Receiver can create for why he would not receive an improper windfall by virtue of retaining Ms. Finley's contribution to the Property is by alleging that he expects to take a loss on the sale of the Property. Obj. at 12. The Receiver has submitted no competent evidence in this regard for the parties to review and this Court to consider. It does not appear that the Property closing has occurred yet, as the Receiver is still the record owner. Therefore, this Court should disregard this unconfirmed and speculative assertion that the Receiver will take a loss on the Property.

Even if the Court considers this conjectural allegation, it is not relevant to the Motion and does not justify Ms. Finley forfeiting her contribution to the Property. Ms. Finley's contribution was not traceable to fraud, so she is entitled to receive her contribution back regardless if the

Property is ultimately sold for less. *See supra* § (I). The after-the-fact net gain or loss to the Receiver should not affect the legal analysis of whether the Receiver would receive a windfall by virtue of retaining another person's clean contribution to the purchase of the Property. The Receiver cites inapplicable case law to try to show the relevance of the depreciation in objecting to Judge Seltzer's "improper windfall" finding through the notion that he entitled to full recovery. Report at 4; Obj. at 15. Ms. Finley addresses the inapplicability of this case law below in connection with the similar legally unsupported argument that the Property's depreciation should warrant Ms. Finley receiving less than her full contribution as proportionally decreased by the Receiver's percentage of net recovery. *See infra* § (VIII).

The primary reason that the Receiver could potentially take a loss on the Property is because he made the poor decision to overprice the Property at \$240,000 over the initial purchase price when the Property brand new. When the Receiver listed the Property on June 8, 2018, the Property was an older, distressed property in receivership. To try to sell it for nearly a quarter million dollars over the initial sales price caused the overpriced listing to become stale, thus resulting in the Receiver not getting offers and possibly taking a loss on the Property. Ms. Finley should not be forced to bear the burden of that speculative loss based on the Receiver's sole, inadvisable decision to overprice the Property.

Finally, as the Receiver now admits (after at first misrepresenting that \$158,556.56 went to Ms. Finley and the Defendant after closing) the \$158,556.56 overage after closing was transferred to the Defendant, so the Receiver now owns and controls those funds. The Receiver retaining the full \$158,556.56 and the entire value of the Property, while arguing that Ms. Finley should completely forfeit her contribution certainly demonstrates that the Receiver is pursuing unjust enrichment at Ms. Finley's sole expense. Obj. at 5 *compare with* Opp. at 9, 13, 14. There is no other way to characterize the result of the Receiver retaining Ms. Finley's contribution than

to term it an “improper windfall,” as Judge Seltzer appropriately described it. Report at 5.

**VII. Ms. Finley’s Equitable Lien Should Not Subordinated to the Receiver’s Undetermined Interest.**

The Receiver argued that his undetermined interest in the Property was “superior” to Ms. Finley’s and that any equitable lien granted in favor of Ms. Finley based on her monetary contribution for the actual purchase of the Property should be a nullity by subordination to his interest. Opp. at 16-19. Judge Seltzer disagreed for numerous reasons. Report at 5 n.3.

First, this Court did not determine that the Receiver was entitled to an equitable lien; it did not have to because the Defendant agreed to turnover. *See* Agreed Order [D.E. 212]. “[T]he Receiver did not establish an equitable lien because the Property was turned over by stipulation of the parties.” Report at 5 n.3 (citing *In re All Start Mortg. Fin. Corp.*, 411 B.R. 744, 782 (Bankr. S.D. Fla. 2009). Although he recognized that the turnover was effectuated by stipulation, the Receiver now objects because he “set forth legally and factually his equitable lien on the Property,” thus the Receiver states that “[t]he Magistrate Judge wholly failed to consider those arguments.” Obj. at 12. This objection misses the mark. Judge Seltzer did not fail to consider anything in this regard. Judge Seltzer simply understood that it is irrelevant that the Receiver submitted an analysis on his entitlement to an equitable lien - that does constitute a ruling of this Court.

Second, Judge Seltzer found that the Receiver was not “a bona fide purchaser without notice since he expressly agreed to Finley’s reservation of rights” previously in his letter provided before he was even entitled to possession of the Property. Report at 5 n.3. The Objections do not directly take issue with this finding (because they cannot). *See* Ex. A.

Third, Judge Seltzer found that “Finley’s contributions to the Property are akin to a purchase-money security interest, which would take priority over the Receiver’s lien, even if he

had one.” Report at 5 n.3 (citing Fla. Stat. § 679.324). The Receiver characterizes this as “erroneous” because Judge Seltzer “failed to provide legal authority.” Obj. at 12. In fact, Judge Seltzer did provide statutory authority for this. Report at 5 n.3. It was the Receiver who failed to cite any authority to rebut Judge Seltzer’s finding and relied instead on being “unaware of any such authority” supporting it. Obj. at 12. This is plainly insufficient.

The Plaintiffs also fail to cite case law to rebut this finding, but object on the basis that a “purchase-money security interest can only be created in goods and software” under Fla. Stat. § 679.324. Pl. Obj. ¶ 7. However, this argument misses the point. Judge Seltzer ruled that Ms. Finley’s equitable lien interest was “*akin* to a purchase-money security interest.” Report at 5 n.3 (emphasis added). Judge Seltzer found that Ms. Finley contributing \$107,500 for the purchase of the Property should give her equitable interest priority over any other equitable interest, including the Receiver’s undetermined interest, due to it being contributed towards the actual purchase (similar to the priority of liens set forth in the referenced statute). Her equitable interest should be treated tantamount to an equitable purchase-money security interest because that is what it was – clean funds used to fund the purchase of the Property. *See e.g., Golden v. Woodward*, 15 So. 3d 664, 669 (Fla. 1st DCA 2009); *Spikes v. OneWest Bank FSB*, 106 So. 3d 475, 478 (Fla. 4th DCA 2012); *Craven v. Hartley*, 102 Fla. 282, 135 So. 899 (1931).

Finally, the Receiver relied on *Hudgins* to support his subordination argument. Opp. at 16-19. The court in *Hudgins* made a rather unremarkable ruling that simply imposed an equitable lien for the full amount of the fraudulent funds that were transferred to the innocent girlfriend and then used to pay down her mortgage. *Id.* at 794-95. The case is inapplicable because it relates only to funds traceable to fraud and the innocent girlfriend refusing to turnover her homestead. *Id.* at 792. The court noted that in granting an equitable lien the innocent girlfriend was left “in no worse position.” *Id.* at 794. *Hudgins* is inapposite as to this issue

because: (i) Ms. Finley willingly turned over the Property and all requested items purchased by the Defendant to the Receiver; (ii) the Receiver is seeking not only the Defendant's portion of the Property, but also Ms. Finley's contribution that is not traceable to fraud; (iii) Ms. Finley will be left in a worse position (without the equitable lien); and (iv) Ms. Finley is only requesting an equitable lien over the portion that she contributed to purchase the Property - not to retain the entire Property. In fact, *Hudgins* actually supports Ms. Finley's position in stating "*[t]he innocent spouse may be entitled to assert a claim to a portion of the sale proceeds from the home based on the amount of her contributions to the purchase price.*" *Hudgins*, 620 F. Supp. 2d at 795 (citing *Hecker*, 316 B.R. at 379) (emphasis added).

**VIII. Ms. Finley's Equitable Lien Should Not Be Reduced Based on the Receiver's Percentage of Net Recovery on the Sale of the Property.**

In the Objection, the Receiver makes a new legally unsupported argument that Ms. Finley's equitable lien should be proportionally reduced by his percentage of net recovery for the Property. Obj. at 15. The Receiver cites *no* case law in which any court adopts this approach of proportionally reducing an innocent third party's clean contribution to an asset by the net value percentage that the Receiver is able to obtain after the sale. Similarly, no cited case law supports deducting a portion of the Receiver's carrying costs of an asset from a properly granted equitable lien. Not only is this illogical and unsupported by the case law, but it also endorses an inequitable result. Ms. Finley should not be forced to receive less than the full amount of her contribution.

The Receiver cites inaposite cases to support this new theory based on the notion that he should not bear the loss of depreciation (that still in any event does not permit him to retain the contribution of a third party that is not traceable to fraud). Obj. at 15. The first cited case allows a trustee in bankruptcy to obtain the fraudulently transferred property, plus an additional

judgment to account for depreciation in certain circumstances. *See In re Am. Way Serv. Corp.*, 229 B.R. 496, 531 (Bankr. S.D. Fla. 1999). This case is inapplicable because it is in the context of a fraudulent transfer claim (not equitable lien) and analyzes permissible recovery under 11 U.S.C. § 550 (the Bankruptcy Code does not apply to this receivership case). *Id.*<sup>5</sup> To the extent that the Receiver takes a loss on selling the Property, the Plaintiffs may seek to do what the case law suggests and add it to the judgment against the Defendants (or in this case seek to collect that amount from the Defendants since there is already a stipulated judgment). They have their remedy and it should not be against Ms. Finley.

The Receiver cites *Fin. Federated* for the proposition that “decreases in value of the home are charged against homeowner rather than constructive lien holder.” Obj. at 15 (citing *Fin. Federated*, 347 F.3d at 892). However, this case actually fully supports Ms. Finley’s position. Ms. Finley is no longer the property owner and has not been since September 6, 2017 when she execute the quitclaim deed at the Receiver and Plaintiffs’ request. Rather, she will be a constructive lienholder if this Court adopts Judge Seltzer’s well-reasoned Report.<sup>6</sup> Most importantly, “a trustee’s interests over fraudulently acquired real estate can be no greater than the amount fraudulently obtained and used to benefit the land.” Report at 5-6 (citing *Fin. Federated*, 347 F.3d at 892).

Finally, the Receiver relies on *Hudgins* to support this proportional decrease argument, which again directly supports Ms. Finley’s position. Obj. at 15 *but see Hudgins*, 620 F. Supp. 2d

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<sup>5</sup> In that case, the judgment against the transferees “did not reflect any offset or lien on account of any value that the transferees may have given in exchange for the respective transfers because the transferees did not meet their burden of establishing ‘good faith’ under § 548(c) or § 550(b) or (e).” *Id.* Clearly, even if this case could be construed as applicable, Ms. Finley would prevail on the “good faith” exception and would receive a credit for her contribution.

<sup>6</sup> Therefore, any depreciation should not be charged against Ms. Finley, the potential constructive lienholder, but should be charged against the homeowner (either the Defendant if viewed from 2017 until recently or the Receiver, who is the current record owner of the Property).

at 795 (citing *Hecker*, 316 B.R. at 379) (“The innocent spouse may be entitled to assert a claim to a portion of the sale proceeds from the home based on the amount of her contributions to the purchase price.”). Per *Hudgins*, *Hecker*, and *Fin. Federate*, Ms. Finley is seeking precisely what the law allows. Importantly, *Hudgins* did not consider or impose a proportional decrease of an equitable lien based on the receiver’s percentage of net recovery (just as no other cited case did). It also did not involve a third party’s contribution of clean funds. Ultimately, the Receiver cites no case law that actually supports his argument to proportionally reduce Ms. Finley’s equitable lien based on his net percentage of recovery. Therefore, this Court should overrule the Objection and adopt Judge Seltzer’s Report to grant Ms. Finley the full \$107,500 equitable lien.

**IX. There is No Reason to Conduct a Hearing on this Matter.**

In the Objection, without providing any basis, the Receiver requests a hearing. Obj. at 16. The Receiver previously filed a motion for hearing [D.E. 416], which Judge Seltzer denied [D.E. 417]. This was likely because Judge Seltzer found that Ms. Finley’s entitlement to an equitable lien was clear, there are no factual issues in dispute, and there are no overly complex legal issues that warrant oral argument. All of the undisputed, relevant facts necessary to make this purely legal decision are already before the Court. The Receiver requesting a hearing would only cause further effort and resources to be expended by this Court and the parties when it is wholly unnecessary.<sup>7</sup> Therefore, the Court need not waste further judicial resources on conducting a hearing on the fully briefed legal issue before the Court.

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<sup>7</sup> The requested hearing would cause Ms. Finley to miss work. Additionally, it would cause the Receiver to incur further administrative expenses in attorneys’ fees (added to his already significant attorneys’ fees incurred to date), which would directly reduce any distribution available to the victims, so avoiding this unnecessary hearing would be in the best interest of the beneficiaries of the estate as well.

### CONCLUSION

This Court should adopt Judge Seltzer's thorough, well-reasoned Report and Recommendation. The Receiver and Plaintiffs' Objections provide no sound basis for this Court to make contrary findings or reach any different conclusion than the ruling by Judge Seltzer. Binding case law dictates that the Receiver is not entitled to an interest in the Property that is not directly traceable to fraud. Ms. Finley's commission that was paid by the third party seller based on her independent work as a real estate agent is in no way tainted or traceable to fraud. Report at 6. The Receiver still cannot explain why he should be entitled to keep it. Report at 5.

Indeed, if the Receiver were permitted to retain any part of Ms. Finley's \$107,500 contribution it would amount to an "improper windfall," which is a well-established basis to impose an equitable lien. Report at 6. After largely abandoning the improperly raised "unclean hands" defense and inequitable argument that Ms. Finley's equitable interest was extinguished by the 2017 quitclaim deed, despite her clearly acknowledged reservation of rights, the Receiver is left primarily arguing a brokerage lien and Fla. Stat. § 475.42 analysis. This is belied by the facts and inapplicable as a matter of law. Report 4 n.1. After conducting the proper equitable lien analysis, this Court should adopt Judge Seltzer's Report and Recommendation and impose a \$107,500 equitable lien in favor of Ms. Finley to prevent unjust enrichment to the Receiver and forfeiture by Ms. Finley.

WHEREFORE, Ms. Finley respectfully requests that this Honorable Court enter an Order adopting Judge Seltzer's Report and Recommendation, granting the Motion, and imposing the equitable lien in favor of Ms. Finley over \$107,500 of the Property sales proceeds that the Receiver agreed to hold in trust pending a ruling on the Motion.

Dated: October 25, 2019

Respectfully Submitted,

/s/ Amanda E. Finley  
Amanda Finley, Esq. (*pro se*)  
Florida Bar No. 100225  
1001 Brickell Bay Dr., 9th Floor  
Miami, Florida 33131  
(305) 372-8282

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was filed via electronic filing using the CM/ECF system with the Clerk of the Court which sent e-mail notification of such filing to all CM/ECF participants in this case on October 25, 2019.

/s/ Amanda E. Finley  
Amanda E. Finley

**SERVICE LIST**

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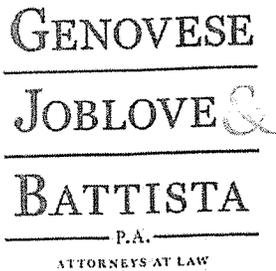
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# ***EXHIBIT A***



Heather L. Harmon  
Telephone: (305) 349-2300  
Email: [hharmon@gjb-law.com](mailto:hharmon@gjb-law.com)

September 6, 2017

**Via Hand Delivery:**

Amanda Elizabeth Finley  
300 Royal Plaza Drive  
Fort Lauderdale, FL 33301

**Re: Federal Trade Commission and State of Florida v. Jeremy Lee Marcus, et al.  
USDC SD FL Case No. 17-60907-CIV-MORENO**

Dear Ms. Finley,

As you are aware, this firm represents Jonathan E. Perlman, as Receiver for the Receivership Defendants<sup>1</sup> (the "Receiver") in the above-referenced case.

By quit claiming your interest in your home to Jeremy Marcus, the Receiver agrees that you are not waiving any potential right you may have to assert an equitable lien in the property based solely on a brokerage fee you claim to have earned in its purchase, which you agree will in no event exceed \$107,500.

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact the undersigned. Thank you in advance for your cooperation in this matter.

<sup>1</sup> The "Receivership Defendants" means Financial Freedom National, Inc. f/k/a Institute for Financial Freedom, Inc. and Marine Career Institute Sea Frontiers, Inc. also d/b/a 321 Loans, Instahelp America, Inc., Helping America Group, United Financial Support, Breeze Financial Solutions 321Financial Education, Credit Health Plan, Credit Specialists of America, American Advocacy Alliance, and Associated Administrative Services; 321Loans, Inc., f/k/a 321 Loans, Inc. also d/b/a 321Financial, Inc.; Instahelp America, Inc. f/k/a Helping America Team, Inc. also d/b/a Helping America Group; Breeze Financial Solutions, Inc. also d/b/a Credit Health Plan and Credit Maximizing Program; US Legal Club, LLC; Active Debt Solutions, LLC f/k/a Active Debt Solutions, Inc. also d/b/a Guardian Legal Center; Guardian LG, LLC also d/b/a Guardian Legal Group; American Credit Security, LLC f/k/a America Credit Shield, LLC; Paralegal Support Group LLC f/k/a Paralegal Support LLC; and Associated Administrative Services, LLC also d/b/a Jobfax, and their divisions, subsidiaries, affiliates, predecessors, successors, assigns, and any fictitious business entities or business names created or used by these entities, or any of them. The Receivership Defendants were expanded to include Viking Management Services, LLC, Cockburn & Associate LLC, Omni Management Partners LLC, Discount Marketing USA, S.A., JLMJP Pompano, LLC, Nantucket Cove of Illinois, LLC, Halfpay International, LLC, Halfpay NV, LLC, HP Properties Group, Inc., HP Media, Inc., White Light Media LLC, Blue42, LLC as Additional Receivership Entities. ("Expansion Order") [ECF No. 102]. The Receiver understands that Plaintiffs will be filing an amended complaint that includes the additional Receivership Entities as additional "Receivership Defendants."

2 | Page

Very truly yours,



Heather L. Harmon  
For the firm

Enclosure

Cc: Rachel Hirsch, Esq.  
Ifrah PLLC  
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Suite 650  
Washington, D.C. 20006  
rhirsch@ifrahlaw.com

Valerie M. Verduce, Esq.  
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Bureau of Consumer Protection  
225 Peachtree Street N.E., Suite 1500  
Atlanta, GA 30303  
vverduce@ftc.gov

[10675-006/2771061/1]

# ***EXHIBIT B***

**B. Type of Loan**

1. FHA	2. FmHA	3. Conv Unins	6. File Number T300EstateHomes	7. Loan Number	8. Mortg. Ins. Case Num.
4. V.A.	5. Conv Ins			ID.	

**C. NOTE:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

**D. NAME OF BORROWER:** Douglas E. Nicholson, Trustee of the Jean Pierre Trust #1  
**Address of Borrower:** 1410 SW 3rd Street Pompano Beach, Florida 33069

**E. NAME OF SELLER:** Estate Homes, LLC, a Florida limited liability company  
**Address of Seller:** 3409 Flagstaff Rd, Baltimore, Maryland 21215 **TIN:** 90-0960942

**F. NAME OF LENDER:**  
**Address of Lender:**

**G. PROPERTY LOCATION:** 300 Royal Plaza Drive, Fort Lauderdale, Florida 33301 **TIN:** 27-4614121

**H. SETTLEMENT AGENT:** Michele M Lewis PA  
**Place of Settlement:** 250 S Central Blvd, Suite 101, Jupiter, Florida 33458 **Phone:** 561-315-7549

**I. SETTLEMENT DATE:** 7/7/16 **DISBURSEMENT DATE:** 7/7/16

J. Summary of borrower's transaction		K. Summary of seller's transaction	
<b>100. Gross amount due from borrower:</b>		<b>400. Gross amount due to seller:</b>	
101. Contract sales price	5,250,000.00	401. Contract sales price	5,250,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (Line 1400)	8,135.53	403.	
104.		404.	
105.		405.	
<b>Adjustments for items paid by seller in advance:</b>		<b>Adjustments for items paid by seller in advance:</b>	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
<b>120. Gross amount due from borrower:</b>	<b>5,258,135.53</b>	<b>420. Gross amount due to seller:</b>	<b>5,250,000.00</b>
<b>200. Amounts paid or in behalf of borrower:</b>		<b>500. Reductions in amount due to seller:</b>	
201. Deposit or earnest money	400,000.00	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	313,114.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204. Principal amount of second mortgage		504. Payoff of first mortgage loan	2,260,060.00
205.		505. Payoff of second mortgage loan	
206.		506. Deposits held by seller	
207. Principal amt of mortgage held by seller		507. Principal amt of mortgage held by seller	
208.		508.	
209. Credit from Florida Coastal Realty Group	107,500.00	509.	
<b>Adjustments for items unpaid by seller:</b>		<b>Adjustments for items unpaid by seller:</b>	
210. City/town taxes		510. City/town taxes	
211. County taxes from 01/01/16 to 07/07/16	9,192.09	511. County taxes from 01/01/16 to 07/07/16	9,192.09
212. Assessments		512. Assessments	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. Total paid by/for borrower:</b>	<b>516,692.09</b>	<b>520. Total reductions in amount due seller:</b>	<b>2,582,366.09</b>
<b>300. Cash at settlement from/to borrower:</b>		<b>600. Cash at settlement to/from seller:</b>	
301. Gross amount due from borrower (line 120)	5,258,135.53	601. Gross amount due to seller (line 420)	5,250,000.00
302. Less amount paid by/for the borrower (line 220)	(516,692.09)	602. Less total reductions in amount due seller (line 520)	(2,582,366.09)
303. Cash ( <input checked="" type="checkbox"/> From <input type="checkbox"/> To ) Borrower:	4,741,443.44	603. Cash ( <input checked="" type="checkbox"/> To <input type="checkbox"/> From ) Seller:	2,667,633.91

**Substitute Form 1099 Seller Statement:** The information contained in blocks E, G, H, and I and on line 401 is important tax information and is being furnished to the IRS. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

**Seller Instructions:** If this real estate was your principal residence, file Form 2119, Sale or Exchange of Principal Residence, for any gain, with your tax return, for other transactions, complete the applicable parts of Form 4797, Form 6262 and/or Schedule D (Form 1040).

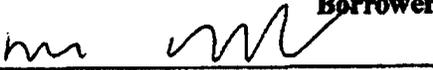
L Settlement charges				Borrower's Funds at Settlement	Seller's Funds at Settlement	
700	Total Sales/Brokers Com. based on price	\$5,250,000.00 @	5.0000 % =	262,500.00		
701	157,500.00	3.0000 % to	Florida Coastal Realty Group			
702	105,000.00	2.0000 % to	Coldwell Banker			
703	Commission paid at settlement				262,500.00	
704	Bonus Commission	to	Coldwell Banker		12,500.00	
800	Items payable in connection with loan:					
801	Loan origination fee	% to				
802	Loan discount	% to				
803	Appraisal fee	to				
804	Credit report	to				
805	Lender's inspection fee	to				
806	Mortgage insurance application fee	to				
807	Assumption Fee	to				
808		to				
809		to				
810		to				
811		to				
900	Items required by lender to be paid in advance:					
901	Interest from	to	@ /day			
902	Mortgage insurance premium for	months to				
903	Hazard insurance premium for	years to				
904	Flood insurance premium for	years to				
905		years to				
1000	Reserves deposited with lender:					
1001	Hazard insurance	months @	per month			
1002	Mortgage insurance	months @	per month			
1003	City property taxes	months @	per month			
1004	County property taxes	months @	per month			
1005	Annual assessments	months @	per month			
1006	Flood insurance	months @	per month			
1007		months @	per month			
1008		months @	per month			
1009	Aggregate accounting adjustment					
1100	Title charges:					
1101	Settlement or closing fee	to	Michele M Lewis PA	295.00		
1102	Abstract or title search	to	Old Republic National Title Insurance Company		125.00	
1103	Title examination	to				
1104	Title insurance binder	to				
1105	Document preparation	to				
1106	Notary fees	to				
1107	Attorney's Fees	to				
	(includes above item numbers: )					
1108	Title Insurance	to	Old Republic Nat. Title/Michele M Lewis	15,637.50		
	(includes above item numbers: )					
1109	Lender's coverage (Premium):					
1110	Owner's coverage (Premium):	\$5,250,000.00 (\$15,637.50)				
1111	Endorse:					
1112	Courtesy Discount for Title Insurance	to	Michele M Lewis PA	-7,818.75		
1113	FL Statutory Surcharge	to	Old Republic National Title Insurance Company	3.28		
1200	Government recording and transfer charges:					
1201	Recording fees	Deed \$18.50	Mortgage(s) Releases	18.50		
1202	City/county tax/stamps	Deed	Mortgage(s)		36,750.00	
1203	State tax/stamps	Deed \$36,750.00	Mortgage(s)			
1204		to				
1205		to				
1300	Additional settlement charges:					
1301	Survey	to				
1302	Pest Inspection	to			219.00	
1303	Municipal Lien Search	to	Clear Choice Tax & Lien Service		1,020.00	
1304	Home Warranty	to	American Home Shield			
1305		to				
1306		to				
1307		to				
1308		to				
1309						
1400	Total settlement charges:				8,135.53	313,114.00
(Enter on lines 103, Section J and 502, Section K)						

**HUD-1 SETTLEMENT STATEMENT ADDENDUM**

File Number: T300EstateHomes

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

**Borrower(s)**



Douglas E. Nicholson  
Trustee

**Seller(s)**

Estate Homes, LLC a Florida limited liability company  
a partnership

By: The Cadam Group, Inc., a Florida corporation  
its Managing Member

By:   
Elliott Sharaby  
President

(Corporate Seal)

**Settlement Agent**

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Michele M Lewis EA

By: \_\_\_\_\_

Date: \_\_\_\_\_

**WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.**

### HUD-1 SETTLEMENT STATEMENT ADDENDUM

File Number: T300EstateHomes

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

#### Borrower(s)

\_\_\_\_\_  
Douglas E. Nicholson  
Trustee

#### Seller(s)

Estate Homes, LLC a Florida limited liability company

By: The Caden Group, Inc., a Florida corporation  
its Managing Member

By:   
Elliott Sharaby  
President

(Corporate Seal)

#### Settlement Agent

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Michele M Lewis PA

By: \_\_\_\_\_

Date: \_\_\_\_\_

**WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.**