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Condo owners looking for fraud

Three arrests spur reviews

By Joe Kollin
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News of the arrests of three people so far in connection with an alleged Hallandale Beach condo kickback scheme is triggering suspicions among some South Florida owners about the honesty of their condo boards.

Residents who think their boards are doing something illegal have been seeking copies of the condo crimes screening checklist created to help owners prepare to make police reports.

"I think we're just scratching the surface," said Grayson Walker III, a condo activist on the Galt Ocean Mile in Fort Lauderdale. "I've had several hundred e-mails and phone calls with horror stories, with some reports worse than Hallandale Beach, others not as bad."

Margaret Gatto, a former board member of the 324-townhouse Courtyard at the Grove homeowner association in Weston, thinks the problem is overblown.

"Are there problems? Yes. But I really believe they're not the norm," she said. "Most boards are honest and hard-working, yet they are put through hell by owners. Very few are stealing."

On Friday, Joseph D. Greenberg, 83, a former president of the Condominium Association of Parker Plaza Estates in Hallandale Beach, surrendered to face charges of organized fraud and structuring transactions to evade reporting. He was held in the Broward County Jail on \$32,500 bond.

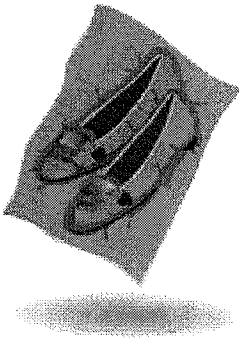
Earlier this week, Ira Silver, 62, a Fort Lauderdale plumbing contractor, and Robert M. Hittner, 58, of Cooper City, a former manager of the 520-unit oceanfront high-rise, were charged with organized fraud. Each is free on \$25,000 bond.

A warrant remains outstanding for a fourth suspect, who has not been identified.

The case began when some Parker Plaza owners started checking the books after a previous board wanted to assess them \$14.3 million to replace windows with impact glass.

A two-year investigation uncovered an alleged scheme involving association representatives requiring contractors to kick back a portion of what the condo paid them for various services, police said. The cost to apartment owners could reach \$4 million, board president Donald Pinkus said.

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By state law, almost all contracts, financial statements and other documents generated by a condo or homeowner association are open for inspection by owners.

Your options if a board refuses your request to see records depends on whether you are in a condo or homeowner association.

The state Division of Florida Land Sales, Condominiums & Mobile Homes enforces condo law. It generally sends a warning letter to the board. If the response isn't satisfactory, the agency can, and frequently does, impose a fine. The board pays the fine with association funds.

If you are in a homeowner association, your options include recalling the board, electing a new board that is more cooperative, or hiring an attorney.

The state's financial reporting law requires condo associations, within 90 days of the end of their fiscal year or annually on a date set in their bylaws, to complete a financial report for the preceding year and furnish it to each owner within 120 days. Associations having annual revenue of \$400,000 or more are required to get audited financial statements.

Financial reporting requirements for homeowner associations are similar.

Online

For a condo crimes screening checklist, see Sun-Sentinel.com/condos.

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