

Foreclosure Roundup: Publix-anchored Delray Square faces foreclosure

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The Publix-anchored Delray Square 1 has joined its sister shopping center as the target of a foreclosure lawsuit.

Two months after Delray Square 2 owner Meladon IX was slammed with a lawsuit by lender Tremond Net Funding, U.S. Bank, representing a commercial mortgage-backed securities (CMBS) fund, filed a foreclosure lawsuit Oct. 6 against Kimcb Delray Square over the first phase of the shopping center.

The case was filed in Miami-Dade County, but the lender's attorney, Miami-based Chris N. Johnson, said that was a clerical error and it would be transferred to Palm Beach County shortly.

Rhode Island-based Kimcb owns the 115,538-square-foot shopping center on 12.3 acres at 4823 W. Atlantic Ave. In addition to Publix, other tenants include Delray Square Cinemas, CiCi's Pizza and Mackinac Savings Bank. Different companies own the outparcels, which are not the target of foreclosure.

Delray Square 1 was purchased for \$13 million in 2007. The developer obtained approval to renovate the 40-year-old property in 2009, but that project is not completed.

According to a September report by CMBS analysis firm Trepp LLC, Kimcb owed \$13 million on its mortgage and was more than 90 days past due. Publix leases 37,740 square feet, while the movie theater has 12,632 square feet of space.

Delray Square 1 was recently appraised at \$12.9 million, down from \$16.5 million when the loan was made in 2007, according to Trepp.

Delray Square 2 tenants include Family Dollar Stores and Subway. Big Lots left the 156,311-square-foot shopping center. Its foreclosure lawsuit concerns a \$25 million mortgage.

Biscayne Centre office in foreclosure

Bank of America has targeted most of the office condo units in the Biscayne Centre tower in North Miami for foreclosure.

The bank filed a lawsuit Oct. 4 against 119 Partners over a mortgage last modified at \$22 million in 2007. That loan was scheduled to mature June 15, although it had an extension option.

The lawsuit exempts the 30 units the developer sold, but it could put the 143 unsold units into the hands of BofA.

Miami attorney Brian Dervishi, who represents BofA in the lawsuit, did not immediately return a call seeking comment.

The eight-story building, at 11900 Biscayne Blvd., was completed in 1986 and converted into condos in 2007 by 119 Partners, a Miami Beach-based company managed by Eduardo Romero. He was not named in the complaint.

The Realtor Association of Miami-Dade County bought several units in Biscayne Centre, and Mercantil Commercebank also occupies space there.

A recent listing on LoopNet said 27,971 square feet were available for lease in Biscayne Centre at \$18 to \$21 a square foot annually. It said the building totaled 156,849 square feet.

The listing agent could not be reached for comment.

Horizon, Mellon office buildings lose \$24M foreclosure

The Horizon Building and the Mellon Building in West Palm Beach are headed for auction after their owner lost a \$24.5 million foreclosure judgment.

Miami Beach-based LNR Partners was the special servicer for the CMBS fund by the name of BACM 2006-4 Forum Way Office, which won the judgment against co-borrowers 1401 Forum Associates and 1645 West Palm Associates. It was based on a \$22.4 million mortgage, plus interest and fees.

The office buildings are set for online auction Nov. 10.

The larger property is the Mellon Building, with 125,504 square feet of office space and a 136,644-square-foot parking garage at 1645 Palm Beach Lakes Blvd. It was purchased for \$17.6 million in 2006. Tenants include Sabadell United Bank; formerly Mellon United, and several law firms.

The Horizon Building, at 1401 Forum Way, has 70,185 square feet of office space and a 74,088-square-foot parking garage. It was bought in 2006 for \$10.7 million. Its largest tenants are medical offices.

The lawsuit was filed in July, and the borrowers offered little in the way of opposition.

Although he was not named in the complaint, New York City real estate tycoon Aby Rosen controls the companies that own the buildings. He has also had problems with his hotel investments in South Florida.

Palm Beach condo loses \$30M foreclosure

Coral Gables-based **BH Capital Partners** could soon lose its 2560 South Ocean condo in Palm Beach after its affiliate lost a \$30.5 million foreclosure judgment.

Coral Gables-based Mercantil Commercebank won the judgment against Whitehouse 94 and Luis R. Boschetti over a \$17.9 million mortgage, plus interest and fees. The lawsuit was filed in April 2009.

The developer bought the 94-unit building, at 2560 S. Ocean Drive, for \$31 million and sold 29 units after converting it into condos. The remaining 65 units are set for online auction Nov. 24.

South Wind Plaza headed to auction

Menin Development is set to lose its South Wind Plaza in West Palm Beach after a CMBS fund won a \$16.2 million foreclosure judgment against it.

Wells Fargo Bank, as the trustee for the CMBS fund originated by Credit Suisse First Boston, won the lawsuit against MDC South Wind based on a \$12.5 million mortgage, plus interest and fees.

Palm Beach-based Menin Development managed the borrower, but was not named in the lawsuit.

The 118,546-square-foot shopping center, at 5335 and 5337 Military Trail, is set for online auction April 11. MDC South Wind purchased it for \$6.7 million in 1999.

Tenants at South Wind Plaza include Foodtown Supermarket, Aaron Rents, Family Dollar, Bank of America, Subway and Metro PCS.

One Park Place condo in foreclosure

The partially completed One Park Place condominium project in Lake Park could be lost to foreclosure.

Iberiabank filed a foreclosure lawsuit Oct. 5 against Park Avenue LLC and managing members Sanford Estes, Toi Ahrens Estes, Barbara Ahrens and Richard Ahrens. It concerns a mortgage issued by **Orion Bank** in 2008 for \$7 million. Orion failed the following year Iberiabank assumed its assets.

The project, at 801 Park Ave., was approved for 40 residential units and two commercial units. One of the two buildings has been topped off, but nothing is in condition for sale.

"North Palm Beach attorney James Telepman, who represents Iberiabank in the lawsuit, said Park Avenue owed \$2.9 million remaining on the mortgage."

Doral estate project targeted

The stalled Grand Floridian Estates project in Doral faces seizure by **U.S. Century Bank**.

The Doral-based bank filed a foreclosure lawsuit Oct. 5 against 102 Ave LLC, along with managing members Jesus Fernandez, Elizabeth Ramos, Eduardo Exposito and Esteban Mendoza. It concerns a mortgage last modified at \$5.9 million in 2008.

The 12-acre site, on the west side of Northwest 107th Avenue and north of Northwest 66th Street, is north of Town Center at Doral, another project facing foreclosure.

In 2008, Grand Floridian Estates received approval for single-family homes and some commercial space, but there was no major construction.

Officials from U.S. Century Bank, which is represented by in-house attorney Alette Rodz in the lawsuit, did not immediately respond to a request for comment. The bank has been burdened by an increase in problem loans, but it has been profitable this year.

Coconut Palm Estates loses \$5M foreclosure

The Coconut Palm Estates project in Pinecrest is set for auction after its developer lost a \$5.1 million foreclosure lawsuit.

Pinecrest Place won the judgment against Coconut Palm Estates based on a \$4.1 million mortgage, plus interest and fees. **Regions Bank** issued the original mortgage, but the loan was sold to the Coral Gables-based company, which is led by Victor Fuller, after the bank filed for foreclosure in 2009.

The developer planned to build 10 single-family homes in a cul de sac on 3 acres at the northwest corner of Southwest 96th Street and Southwest 72nd Avenue. The online auction is set for Nov. 5.

Loft project loses \$4M foreclosure

TotalBank won a \$4.4 million foreclosure judgment over a stalled loft project in Fort Lauderdale.

The Miami-based bank won the judgment against Blue Lofts LLC and Grand Developers Holding Corp. over a \$3.9 million mortgage, plus interest and fees. The site is a 1.2-acre parcel at 2800 Vistamar St., on the barrier island between the Intracoastal Waterway and the ocean, just south of Sunrise Boulevard.

The developer planned to build 22 four-story townhomes and sell the 3,200-square-foot units for about \$1.5 million each.

The online auction is set for Dec. 7.

BankUnited seeks foreclosure on Hialeah condos

BankUnited wants to seize 41 units in a Hialeah condominium.

The Miami Lakes-based bank filed a foreclosure lawsuit Sept. 29 against Golden Enterprises Group II, along with managing members Eugenio A. Rodriguez and Sebastian O. Rodriguez.

It concerns a \$3.9 million mortgage made in 2008 by the since-failed BankUnited FSB. The new bank acquired the assets of the failed bank of the same name.

Golden Enterprises owns 41 units in the Palmetto Residence Condominium, at 6075 W. 20th Ave., just off the Palmetto Expressway.

Built in 1972, the building was converted into condos in 2007. The developer sold 11 units before getting it refinanced by BankUnited FSB. It has not sold any since.

Miami attorney Lisa Pisciotta, who represents BankUnited in the lawsuit, did not immediately return a call seeking comment.

Jupiter hotel loses \$3.5M foreclosure

The Comfort Inn & Suites in Jupiter is headed to auction after its owner lost a \$3.5 million foreclosure judgment.

Zions First National Bank filed the foreclosure lawsuit against Radha Realty in December based on a \$2.5 million mortgage. It later sold the loan to FTP Jupiter Hotel, a San Francisco-based company managed by Bart Seidler.

The 69-room hotel, at 6752 W. Indiantown Road, is set for online auction Nov. 5. It is located near Florida Atlantic University's Jupiter campus, Scripps Florida and Roger Dean Stadium.

Atria offices targeted by lender

A large chunk of the Atria professional office plaza in Pembroke Pines has been targeted for foreclosure.

Boca Raton-based 1st United Bank (NASDAQ: FUBC) filed a foreclosure lawsuit Oct. 5 against Australia Property Group. It is based on a \$3.5 million mortgage made in 2008 by Republic Federal Bank, which failed the following year. 1st United acquire its assets.

The bank got the protection of a loss-sharing agreement from the Federal Deposit Insurance Corp.

Located at 18501 Pines Blvd., Atria is on the outskirts of the massive Chapel Trail neighborhood in western Pembroke Pines. In 2006, Australia Property bought the building's 21,906-square-foot Suite 300 for \$4.6 million.

A recent listing on LoopNet says the entire Atria building is 114,000 square feet and was built in 2005. Property records show that more than 40 different groups own units in the building.

Davie attorney Edward Paez, who represents 1st United in the lawsuit, did not immediately return a call seeking comment.

Boynton office suites in foreclosure

Premier American Bank wants to take a second office property from Corporate Executive Suites.

The Miami-based bank filed a foreclosure lawsuit Sept. 27 against MGZ Properties, along with managing members Yoram Galel, Henri Galel and Dave Zimet. It targets the 15,244-square-foot office building at 1375 Gateway Blvd. in Boynton Beach.

Corporate Executive Suites leases the office to small businesses, which share the amenities. Yoram Galel could not immediately be reached for comment.

MGQ Properties bought the office on 2.3 acres for \$2 million in 2003. It refinanced it with a \$3 million mortgage from **Peninsula Bank** in 2008. That bank gave the developer a \$5,808 advance in June – shortly before it failed. Premier American Bank acquired its assets.

The bank is also suing the same guarantors and their CES Properties over an \$8 million mortgage covering office condos in the Mission Bay building, west of Boca Raton.

Sarasota attorney Robert Messick, who represents Premier American Bank in both lawsuits, could not be reached for comment Monday.

Farm could lose 140 acres

A farm in western Palm Beach County could lose 140.6 acres to foreclosure.

South Florida Federal Land Bank Association filed a foreclosure lawsuit on Sept. 23 against Ficus Farm and Reza Kalantari over a mortgage last modified at \$2.6 million in June 2009. It targets the farm at 20377 Charles Green Blvd., west of Loxahatchee.

The complaint also names Rezza 140, a Boca Raton-based company that loaned \$500,000 to Ficus Farm and Kalantari.

Coral Gables attorney Alan M. Sandler, who represents South Florida Federal Land Bank, could not immediately be reached for comment.

The plaintiff is a subsidiary of Farm Credit of South Florida, an agricultural credit association based in Royal Palm Beach. As of June 30, Farm Credit had \$588 million in assets and \$27.8 million in loans in foreclosure or bankruptcy.

Bank targets 20 acres in Homestead

Banco Popular North America wants to seize a stalled 20-acre development site in Homestead.

The New York-based bank filed separate foreclosure lawsuits on Oct. 5 against Rose West Developer Corp. and Rose South Dade Corp. Both lawsuits name managing members Nelson Graveran, Isabel Cristina Graveran, Rosa Rodriguez and Luis M. Rodriguez.

Graveran was also named in a foreclosure lawsuit over his Interlaken development in southern Miami-Dade County. That loan was recently sold to Lennar Homes.

The latest case is based on two mortgages issued for a combined \$3.8 million in 2007. They were modified in May with the same amount outstanding as Banco Popular advanced the developer the money it had previously repaid.

Rose West and Rose South bought the two 10-acre parcels for a combined \$4.1 million in 2005.

Miami attorney Thomas Rebull, who represents Banco Popular in the lawsuit, said the full amount of those loans is outstanding. The complaint alleges that the developers failed to repay the loans when they matured on Aug. 31 and did not pay 2009 real estate taxes.

Located on the north side of Southwest 328th Street and the west side of Southwest 162nd Avenue, the sites were rezoned medium density residential and light commercial. However, no major construction took place.