

IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA

In re:

CASE NO. CACE 24-005243

HERON POND CONDOMINIUM
ASSOCIATION, INC.

Petitioner.

v.

HERON POND CONDOMINIUM
ASSOCIATION, INC.,

Defendant/Respondent

**RECEIVER'S MOTION FOR APPROVAL OF EMPLOYMENT
OF CONDOMINIUM ADVISORY GROUP, LLC.
AS CONSULTANT TO THE RECEIVER**

Daniel J. Stermer., not individually, but solely in his capacity as Court-appointed Receiver (the "Receiver") for Heron Pond Condominium Association, Inc. (the "Association"), pursuant to the Court's *Order Granting Verified Petition for Appointment of Receiver*, entered on April 26, 2024, respectfully moves for entry of the proposed order attached as **Exhibit "A,"** approving the employment of Condominium Advisory Group, LLC ("CAG") as consultants to the Receiver for the property in Pembroke Pines, Florida (the "Property"). In support of this Motion, the Receiver states:

1. On April 16, 2024, the Plaintiff, Heron Pond Condominium Association, Inc. (the "Plaintiff"), commenced this action by the filing of a *Verified Petition For Appointment of a Receiver* against the Association.

2. On April 16, 2024, the Association filed an *Ex Parte Verified Emergency Motion For Appointment of a Receiver Court* seeking the appointment of Daniel J. Stermer as Receiver of all the assets belonging to the Association, including all tangible assets, real estate, receivables,

and financial accounts; and appointing the Receiver as the sole Board member for the Association with full power to act for the Association until this Court relieves the Receiver.”

3. Heron Pond is an “Association” as defined in Chapter 718, Florida Statutes, located within Broward County and is governed by the Declaration of Condominium Establishing Heron Pond Condominium (the “Declaration”), recorded on June 14, 2006, in Official Records Book 42216, Page 910, in the Public Records of Broward County, Florida. The Association is comprised of 304 individual units contained in 19 separate residential buildings (the “Buildings”). As of September 12, 2023, six out of the nineteen buildings located within the Association were declared unsafe structures by the City of Pembroke Pines (the “City”) and rendered uninhabitable. An additional 26 units in the remaining buildings have also been rendered uninhabitable.

4. On April 26, 2024, the Court entered an *Order Granting Verified Petition for Appointment of Receiver* (the “Order Appointing Receiver”), thereby appointing Daniel J. Stermer., as Receiver for the Association.

5. On July 3, 2024, the City issued Unsafe Structure Notices to Building 9 and the 16 Units that comprise Building 9 and required all residents of Building 9 to vacate their Units on or before July 15, 2024.

6. On July 23, 2024, the City declared the remaining 12 Buildings comprising the Association unsafe structures and required all residents to vacate their Units by no later than August 29, 2024. As of August 29, 2024, all Buildings comprising the Association will have been tagged as unsafe structures and the Property will be completely shuttered. Details regarding these issues are set forth in the *Receiver’s Third Monthly Report* filed on July 24, 2024, and the *Receiver’s Notice of Filing ACG Engineering, Services, Inc. Engineering Report* dated July 24, 2024, which are incorporated herein by reference.

7. The Receiver and his team continue to run a dual track process and are working to

obtain the necessary information to present to Unit Owners to help make an informed decision as to whether the Association should rehabilitate the Buildings or commence a competitive sale process.

8. CAG will assist the Receiver in working through issues related to establishing a competitive sales process and the termination of the Association. The termination of the Association and deconversion will be necessary to return the property to a single unified parcel of real estate in order to provide the highest and best sales price for the Property which will ultimately benefit each of the Unit Owners.

9. Paragraph 24(j) of the *Order Appointing Receiver* provides that the Receiver is authorized to employ accountants, financial advisors and day to day managers, brokers, developers and other professionals, upon application and approval by the Court, to furnish advice and services to the Receiver, all for such purposes as may be reasonable and necessary during the term of the receivership.

10. The Receiver seeks Court approval to retain CAG as consultants to the Receiver in this case. CAG has the expertise in all facets of the operations and termination of condominium association property including, but not limited to, SIRS Reports, Milestone Reports, construction project planning and execution, oversight of property management companies, creation and implementation of long term maintenance plans, interfacing with legal counsel, budget planning, creating appropriate rules and regulations, potential updates to the Declaration as required, create ongoing daily operation plans, and developing long-term strategic plans for the ongoing fiscal and physical operations of the Property. As a part of CAG's representation, CAG will provide consulting services to facilitate all of the aforementioned potential tasks and others as reasonably required by the Receiver. CAG will also work with the Receiver's professionals to efficiently complete tasks required to terminate the Association and deconversion in the event this path is

pursued. A true and correct copy of the Consulting Agreement between the Receiver and CAG is attached hereto as **Exhibit “B.”**

11. The Receiver believes that employing CAG is in the best interests of the Association and Unit Owners because CAG has the special experience and resources to provide consulting services efficiently and effectively to the Receiver in this case and will minimize the professional fees of the Receiver’s other professionals related to the condominium termination.

12. CAG’s consulting services are to be provided pursuant to a flat monthly fee of \$3,000.00 and reimbursement for all pre-approved expenses or other Receiver pre-approved out-of-pocket expenses incurred or paid by the CAG during the term of the Agreement.

WHEREFORE, Daniel J. Stermer as Receiver, respectfully requests entry of the proposed Order attached as **Exhibit “A”**, (i) approving the employment of Condominium Advisory Group, LLC as consultant to the Receiver pursuant terms and provisions of the Consulting Agreement, attached hereto as **Exhibit “B”**, and (ii) for such other and additional relief as the Court deems just and proper.

Dated: August 21, 2024

Respectfully submitted,

BERGER SINGERMAN LLP
Counsel for Receiver
201 East Las Olas Boulevard, Suite 1500
Fort Lauderdale, Florida 33301
Tel. (954) 525-9900
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By: /s/ Brian G. Rich
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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that on August 21, 2024, the foregoing was filed using the Florida Court's E-Filing Portal, which will, in turn, send notice of electronic filing to all electronic service parties.

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By: /s/ Brian G. Rich

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EXHIBIT “A”
Proposed Order

IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA

In re:

CASE NO.: CACE 24-005243

HERON POND CONDOMINIUM
ASSOCIATION, INC.

Petitioner.

v.

HERON POND CONDOMINIUM
ASSOCIATION, INC.,

Defendant/Respondent

**ORDER GRANTING RECEIVER'S MOTION FOR APPROVAL OF
EMPLOYMENT OF CONDOMINIUM ADVISORY GROUP, LLC,
AS CONSULTANT TO THE RECEIVER**

THIS CAUSE came before the Court for hearing on _____ at _____, upon the *Receiver's Motion for Approval of Condominium Advisory Group, LLC As Consultant to the Receiver* (the "Motion") filed by the Court-appointed Receiver, Daniel J. Stermer ("Receiver"). The Motion seeks to retain Condominium Advisory Group, LLC, as consultant to the Receiver in this case. The Court, having considered the Motion and having reviewed the Court file, including the *Order Granting Verified Petition For Appointment of Receiver* (the "Receivership Order"), and being otherwise fully advised in the premises, it is hereupon,

ORDERED AND ADJUDGED that:

1. The Motion is hereby **GRANTED**.
2. The Receiver is authorized to retain Condominium Advisory Group, LLC, as consultant to the Receiver in the captioned case.
3. Compensation paid to Condominium Advisory Group, LLC shall be in accordance

with the Consulting Agreement and the Receivership Order. Pursuant to Paragraph 26 of the Receivership Order, the Receiver shall file a statement of account with the Court by the tenth (10th) day of each month for the time and expenses incurred in the preceding calendar month ("Statement of Account").

4. As an agent of the Receiver, Condominium Advisory Group, LLC, shall be entitled to the judicial immunity protections set forth in Paragraph 29 of the Receivership Order.

DONE AND ORDERED in Chambers at Broward County, Florida on

_____.

Honorable Jack Tuter
Circuit Court Judge

cc: All counsel of record

EXHIBIT “B”
Consulting Agreement

**CONDOMINIUM
ASSOCIATION
CONSULTING AGREEMENT**

THIS CONSULTING AGREEMENT ("Agreement") is made as of the ___ day of August 2024 (the "Effective Date"), by and between Daniel J. Stermer, not individually, but solely in his capacity as Receiver of Heron Pond Condominium Association, Inc. (the "Client" and/or "Receiver") and Condominium Advisory Group, LLC, a Florida limited liability company ("Consultant").

WHEREAS, Client has recently been installed as Receiver at the condominium property located at 8400 SW 1st ST. Pembroke Pines, FL 33025 (the "Property"), and Consultant has expertise in all facets of the operations and terminations of condominium association property including, but not limited to, SIRS Reports, Milestone Reports, construction project planning and execution, oversight of property management companies, creation and implementation of long term maintenance plans, interfacing with legal counsel, budget planning, creating appropriate rules and regulations, potential updates to the Declaration as required, create ongoing daily operation plans, and developing long-term strategic plans for the ongoing fiscal and physical operations of the Property (the "Services"). The Client engages the Consultant to provide consulting services to facilitate all of the aforementioned potential tasks and others as reasonably requested by Client.

WHEREAS, the Agreement will become effective upon execution by Receiver and subject to Court approval in the Receivership Proceeding.

NOW, THEREFORE, for good and valuable consideration, Client hereby engages Consultant to assist in connection with the deconversion of the Property with a subsequent sale to a Third Party, and Consultant accepts the engagement, subject to all terms and conditions of this Agreement set forth below:

1. Term of Agreement. The term of this Agreement shall be 30 days beginning on the Effective Date (the "Initial Term"). Upon expiration of the Initial Term of this Agreement, this Agreement will automatically renew for an additional term of 30 days (the "Additional Term") and shall automatically renew thereafter for continued Additional Terms and it shall continue to renew unless and until either Receiver or Consultant provide notice to the other party that it does not wish to further extend this Agreement past its current 30-day term.

2. Services. Consultant agrees that it will use its best efforts to promote and facilitate the Services of Consultant at terms that are satisfactory to Client in Client's sole and absolute discretion. Consultant shall field all Client calls, emails, and requests in connection with the Property and shall manage the same using its reasonable judgment considering the then-existing facts and circumstances, general policies and instructions of Client, and any specific instructions of Client.

3. Fee. The following provisions shall govern the payment of certain fees to Consultant for providing its Services

Client agrees to pay Consultant \$3,000.00 for the Initial Term and for each and every Additional Term of this Agreement until Agreement is terminated and/or the Parties agree to otherwise in writing.

4. Expense Reimbursement. Client shall reimburse Consultant for all Client pre-approved expenses or other Client pre-approved out-of-pocket expenses incurred or paid by Consultant during the Initial Term and each Additional Term of this Agreement in the performance of Consultant's Services under this Agreement, provided that the Consultant furnishes to the Client appropriate documentation required by the Internal Revenue Code in a timely fashion in connection with such expenses and shall furnish such other documentation and accounting as the Client may from time to time reasonably request.

5. Termination. Client or Consultant may terminate this Agreement for any reason with three (3) business days' written notice; provided, however, that Consultant be paid and/or reimbursed for all fees and expenses accrued under this Agreement as of the effective date of the termination.

6. Indemnifications. The Consultant shall qualify as the Receiver's Agent and be entitled to the Judicial Immunity provided for in Paragraph 29 of the Order Granting Verified Petition for Appointment of Receiver in the certain case, *In re: Heron Pond Condominium Association, Inc.*, Case No. 24-005243.

7. Client Representative. In the absence of any specific written designation by the Client to the contrary, Consultant shall be entitled to act upon the direction of any representative of the Client who Consultant, in good faith, believes to be an authorized representative of the Client.

8. Compliance with Laws and Other Agreements. Consultant shall comply with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state, municipal or other governmental authorities, courts, commissions, boards and officers, and the provisions of any contract, which may be applicable to the Property and the operation or management thereof.

9. Notices. Any notice required herein shall be in writing and shall be deemed given, effective and received upon the earliest of (a) the date of personal delivery; (b) ten (10) days after deposit in the United States mail, certified mail, return receipt requested, postage prepaid; or (c) one (1) business day after deposit with a national overnight air courier, fees prepaid; (d) immediately upon delivery by email, to Client or Consultant at the following addresses:

To Client: Mr. Daniel J. Stermer, not individually, but solely
in his capacity as Receiver of
Heron Pond Condominium Association, Inc
c/o Development Specialists, Inc.
500 East Broward Boulevard
Suite 1700
Fort Lauderdale, FL 33394
DStermer@DSIConsulting.com

To Consultant: CONDOMINIUM ADVISORY GROUP, LLC
3660 North Lake Shore Drive Suite 200
Chicago, Illinois 60613
Attn: John Cadden

Email: jcadden@coadvisorygroup.com

Either party may designate an additional or another address upon giving notice to the other party pursuant to this paragraph.

10. Independent Parties. The relationship between Client and Consultant hereunder is one of contract between independent parties and not one of principal and agent, partnership or joint venture, or other arrangement.

11. Authority to Execute. Client represents and warrants that it has the full authority to grant Consultant the rights contained herein. Each of the undersigned signatories represents that he or she is duly authorized to execute this Agreement on behalf of the entity for which he or she is signing.

12. Assignment. This Agreement shall be binding upon the parties hereto, their respective successors and assigns. However, Consultant shall not assign, delegate, or otherwise transfer this Agreement or any of its duties hereunder without the prior written consent of Client, which consent may be withheld by Client in its sole and absolute subjective discretion.

13. Applicable Law; Severability. This Agreement shall be governed by, enforced under, and interpreted in accordance with the laws of the State of Florida. If any provision of this Agreement shall be prohibited or held invalid under such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or any other provisions of this Agreement.

14. Force Majeure. Either party shall be excused from any delay or failure in performance required hereunder if caused by reason of any occurrence or contingency beyond its reasonable control, including, but not limited to, acts of God, acts of war, fire, insurrection, laws proclamations, edicts, ordinances or regulations, strikes, lock-outs or other serious labor disputes, riots, earthquakes, floods, explosions or other acts of nature. The obligations and rights of the party so excused shall be extended on a day-to-day basis for the time period equal to the period of such excusable interruption. When such events have abated, the parties' respective obligations hereunder shall resume. In the event the interruption of the excused party's obligations continues for a period in excess of thirty (30) days, either party shall have the right to terminate this Agreement upon ten (10) days' prior written notice to the other party.

15. Complete Agreement. This Agreement constitutes the entire understanding and agreement of the parties hereto. No amendments or changes to this Agreement, or any waivers or rights or benefits hereunder, shall be effective unless in writing and signed by the party against whom the same is sought to be enforced.

16. Confidentiality. The terms of this Agreement, its subject matter, and all other business, financial or other information relating directly to the conduct of the business and affairs of Client (collectively, the "Information") that has not been publicly disclosed by an authorized employee of Client, is confidential and proprietary information of Client, the disclosure of which would cause irreparable harm to Client. Accordingly, Consultant represents and warrants that except as expressly permitted herein it has not disclosed and agrees that none of it, its affiliates, their respective members, shareholders, directors, officers, agents, advisors and employees (collectively, its "Agents") will disclose to any person, entity, government or agency any

Information until Client has publicly disclosed the Information and has notified Consultant that it has done so, nor, until such public disclosure and notification thereof to Consultant, will the statement of any third person regarding Information be confirmed by Consultant or its Agents. Nothing in this Section 20 shall prevent Consultant from disclosing the Information: (a) at such time it is legally compelled to do so, provided Consultant has given Client prior written notice of such anticipated disclosure; and (b) to such persons as Consultant reasonably determines are necessary for Consultant to comply with this Agreement, provided that each of such persons agrees to be subject to this Section 20. Notwithstanding, Consultant acknowledges that the Receiver shall be required to obtain court approval of this engagement and the payment thereof.

17. Counterparts. This Agreement may be executed in any number of separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which counterparts together shall constitute but one in the same instrument. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto. Delivery of an executed counterpart of this Agreement by facsimile or electronic mail shall be equally as effective as delivery of an original of this Agreement.

18. Waiver of Contractual Right. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

19. Survival. Paragraphs 6, 8, 13, 16, 18, and 19 hereof shall survive termination of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Consulting Agreement under seal on the day set forth first above.

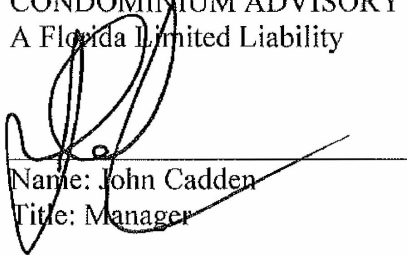
CLIENT:

Mr. Daniel J. Stermer, not individually, but
solely in his capacity as Receiver of
Heron Pond Condominium Association, Inc
c/o Development Specialists, Inc.
500 East Broward Boulevard
Suite 1700
Fort Lauderdale, FL 33394

Daniel J. Stermer, Receiver
Name Daniel J. Stermer
Title: Receiver

CONSULTANT:

CONDOMINIUM ADVISORY GROUP, LLC
A Florida Limited Liability


Name: John Cadden
Title: Manager