



MEMORANDUM

AGENDA ITEM # IV.E

DATE: JANUARY 27, 2025

TO: COUNCIL MEMBER

FROM: STAFF

SUBJECT: TRADITIONAL RLF - ANGELA DAWSON – ANGELA L. DAWSON, P.A. (BORROWER) – LITIGATION SETTLEMENT & PARTIAL PRINCIPAL WRITE-OFF - RATIFICATION

On November 15, 2024, the South Florida Regional Planning Council received a negotiated settlement offer which has tentatively been approved between the South Florida Regional Planning Council and Angela L. Dawson, P.A. in a good faith effort to resolve the complaint originally filed by the SFRPC with the court on May 7, 2018. This litigation arose from a small business loan in the amount of \$150,000 (outstanding principal \$144,598) to Angela L. Dawson, P.A. with an unconditional guaranty by Angela Dawson, individually. Angela L. Dawson, P.A. failed to meet their monthly payment obligations for the business loan that was approved in 2013. The SFRPC had not received any payments or partial payments from the borrower since 2018. As a result, the SFRPC pursued foreclosure on the property the borrower pledged as collateral for the loan; 1630 NW 16th Court in Fort Lauderdale.

Litigation of this matter had been extended and complicated by the volume of pleadings filed by Ms. Dawson; each pleading required a response from the SFRPC via Legal Counsel, Goren Cherof. Since the court was encouraging the parties to mediate, SFRPC staff focused on attempting to settle with Angela L. Dawson, P.A., and to manage the costs of litigation by bringing this matter to a conclusion through settlement. With that intent, the SFRPC made multiple offers and counter-offers to Ms. Dawson over the years. Kindly refer to the Revolving Loan Fund Legal Status Report for full historical details.

On November 15, 2024, a tentative settlement was finally reached between the SFRPC and Angela L. Dawson, P.A. Upon Board approval, the SFRPC is willing to accept principal repayment of \$119,598 at a 6% interest rate based upon a 10-year amortization. The monthly loan payment will be \$1,327.78 which will be required to be auto debited from the borrower's bank account ensuring timely loan payments. The term of the loan will be 5 years (60 months). This will allow the borrower the ability to refinance the remaining balloon payment in the amount of \$68,680.32 with a traditional/alternative lender at that



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time. If the borrower is unable to secure traditional/alternative financing, the SFRPC will consider a five (5) year modification/extension providing all terms and loan payments have been satisfactory to the SFRPC. The SFRPC will also require a provision that if there is a default as to the loan or settlement agreement, the SFRPC may file an affidavit, ex parte, and without notice or hearing, to obtain a default final judgment and/or foreclosure of the property. Additionally, the SFRPC will require a general release to include the SFRPC, current and former employees, board members, and attorneys.

The SFRPC loan will continue to be secured with a mortgage on the pledged collateral. Additionally, as a result of the proposed settlement, \$25,000 in principal will be subject to a write-off as a result in the reduction of outstanding principal due from \$144,598 to \$119,598. Furthermore, each party will be responsible for their respective legal fees.

The SFRPC loan administration team will continue to assist Goren Cherof and provide further updates to the Board as the settlement process proceeds.

Attachments:

- Memorandum of Settlement
- Modification of Mortgage and Note
- Satisfaction of Mortgage - Settlement

Recommendation

Loan administration supports the proposed litigation settlement and the resulting write-off in the amount of \$25,000, as a result in the reduction of outstanding principal due from \$144,598 to \$119,598. Furthermore, each party will be responsible for their respective legal fees.

IN THE CIRCUIT COURT OF THE
17TH JUDICIAL CIRCUIT IN AND
FOR BROWARD COUNTY, FLORIDA

Case No. CACE-18-010315

SOUTH FLORIDA REGIONAL
PLANNING COUNCIL,

Plaintiff,

v.

ANGELA L. DAWSON, P.A., ET AL,

Defendants.

Memorandum of Settlement

The parties, SOUTH FLORIDA REGIONAL PLANNING COUNCIL ("SFRPC"), ANGELA DAWSON and ANGELA L. DAWSON, P.A. (collectively "Dawson"), hereby enter into a settlement of this matter as follows:

1. The undersigned have agreed to settle all claims upon the following terms:
 - (a) The parties will enter into a Modification of Second Mortgage and Note Agreement. A copy is attached as Exhibit "A."
 - (b) The new principal amount of the loan shall be \$119,598.00 with a 6% annual rate of interest and a ten (10) year amortization. The monthly loan payment of \$1,327.78 shall be due on the first of each month from the Effective Date until the Maturity Date via ACH auto debit from the Mortgagor's bank account. The term of the loan will be 5 years (60 months). This will allow Dawson the ability to refinance the

remaining balloon payment in the amount of \$68,680.32 with a traditional/alternative lender at that time. If Dawson is unable to secure traditional/alternative financing, the SFRPC will consider a five (5) year modification/extension providing all terms and loan payments have been satisfactory to the SFRPC.

- (c) Dawson will execute an ACH Recurring Payment Authorization Form for the auto debit of the payments. A copy is attached as Exhibit "B."
- (d) There will be no prepayment penalty.
- (e) All parties will be responsible for their own legal fees.
- (f) The cross collateral is released.
- (g) The prior mortgage on 2748 NW 8th Street, only, is satisfied. SFRPC will prepare a satisfaction of mortgage and record it.
- (h) SFRPC will maintain a mortgage on 1630 NW 16th Court.
- (i) SFRPC will pursue litigation if Dawson does not meet full repayment terms.
- (j) If there is a default as to the loan or settlement agreement, SFRPC may file an affidavit, ex parte and without notice or hearing, to obtain a default final judgment or foreclosure.
- (k) Dawson will execute a general release of any and all claims against the SFRPC, as well as its current and former employees, board members, and attorneys as it pertains to

Case No. 18-010315.

2. Upon execution of the attached loan documents, the parties shall file a joint dismissal of this lawsuit with prejudice, with the Court reserving jurisdiction to enforce the settlement.

3. The parties agree and acknowledge that the foregoing terms of settlement are contingent upon the approval of the SFRPC.

Plaintiff/Counter-Defendant, SFRPC

Defendant/Counter-Plaintiffs,
ANGELA DAWSON and ANGELA
DAWSON, P.A.

By Isabel Cosio Carballo, MPA
Executive Director

Angela L Dawson 1/16/25
By: Angela Dawson

Instrument Prepared by and Return to:
Samuel S. Goren, Esquire
GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308

THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT OR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$68,680.32, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.

MODIFICATION OF SECOND MORTGAGE AND NOTE AGREEMENT

THIS MODIFICATION OF SECOND MORTGAGE AND NOTE AGREEMENT is made on this 16 day of January, 2025 by and between **Angela L. Dawson, P.A., a Florida corporation** (hereinafter collectively called "Mortgagor") whose address 2221 NW 6th Street, Fort Lauderdale, FL 33311 and the **South Florida Regional Planning Council, a Florida corporate body and politic** (hereinafter the "Council"), whose address is One Oakwood Blvd., Suite 250, Hollywood, Florida 33020.

WITNESSETH:

WHEREAS, Angela L. Dawson, P.A., a Florida corporation (hereinafter the "Borrower"), executed a Promissory Note in the principal original amount of \$150,000.00 dollars dated July 12, 2013, secured by a Second Mortgage and Security Agreement given by Mortgagor in favor of the Council, recorded at Official Book 49986 at Page 457 of the Public Records of Broward County, Florida (the "Original Note and Mortgage");

WHEREAS, Angela L. Dawson, P.A. is subject to a foreclosure action by the Council in Broward Circuit Court, Case No. CACE18010315 ("Foreclosure Action"); and

WHEREAS, Mortgagor has previously agreed and consented to pledge the real property located at 1630 NW 16th Court, Fort Lauderdale, FL & 2748 NW 8th Street, Fort Lauderdale, FL as collateral for the Borrower funds and the modification of the loan terms under the Original Note and Second Mortgage, held by Council;

WHEREAS, the Parties have agreed to settle the Foreclosure Action in accordance with this Agreement and the Settlement Agreement of even date herewith; and

WHEREAS, in accordance with the settlement, the Council has agreed to satisfy the Cross Collateralization Agreement recorded at 49986 at Page 478 of the Public Records of Broward County, Florida, solely as to the property located at 2748 NW 8th Street, Fort Lauderdale, FL; and

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the Mortgagor and Council agree as set forth hereafter and execute this Modification of Second Mortgage and Note Agreement.

1. Mortgaged Property. This Modification of Second Mortgage and Note Agreement encumbers the real property located at 1630 NW 16th Court, Fort Lauderdale, FL, which are more particularly described as follows:

Lot 8, Block 18, Resubdivision of Block 18 of the Amended Plat of Lauderdale Manors according to the plat thereof as recorded in Plat Book 32, Page 27 of the public records of Broward County, Florida

together with all the improvements, easements or other interests appertaining to the real property, and all personal property located therein.

2. New Terms and Maturity Date. The loan documents which consist of Modification of Second Mortgage and Note Agreement and Settlement Agreement dated _____ (hereinafter the "Loan Documents") shall become effective as of this date. The maturity date is extended to **December 1, 2029 ("Maturity Date")** or upon the sale of the mortgaged property, whichever shall occur first. The new principal amount of the loan shall be \$119,598.00 with a 6% annual rate of interest and a ten (10) year amortization. The monthly loan payment of \$1,327.78 shall be due on the first of each month from the Effective Date until the Maturity Date via ACH auto debit from the Mortgagor's bank account. There shall be no prepayment penalty for the Mortgagor under the Loan Documents. In the event the Mortgagor has not defaulted under the terms of the Loan Documents up to and including the Maturity Date and cannot secure financing to pay the balloon payment of \$68,680.32, the Council may agree to extend the term of the loan for an additional sixty (60) month period, in accordance with the settlement..

3. Additional Matters. As a condition to Council's execution of this Modification of Second Mortgage and Note Agreement, as set forth herein, Council shall have received to the extent requested by Council, on or before the closing hereof, the execution of any and all documents, items, certificates and other evidences of compliance of this Modification of Second Mortgage and Note Agreement.

4. Remedies Cumulative. No right, power or remedy conferred upon or reserved by the Council pursuant to this Modification of Second Mortgage and Note Agreement, is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy, shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder, or hereafter existing at law or in equity or in statute.

5. Miscellaneous. The Loan Documents, as modified hereby, are incorporated in this Modification Agreement in their entirety by reference. In addition, the Mortgagor and Council jointly affirm and agree that the other loan documents except as modified hereby, are and shall remain in full force and effect.

6. Ratification. Except as herein specifically modified, all of the terms and provisions of the original Promissory Note, Loan Agreement, Second Mortgage and Security Agreement recorded at Official Book 49986 at Page 457 of the Public Records of Broward County, Florida, is hereby ratified and confirmed in all respects.

IN WITNESS WHEREOF, Mortgagor and Council have caused this Modification of Second Mortgage and Note Agreement to be executed in their names, all by authority duly given as of the day and year first above written.

Signed, sealed and delivered

MORTGAGOR: Angela L. Dawson, P.A., a Florida corporation

in the presence of:

[Signature]

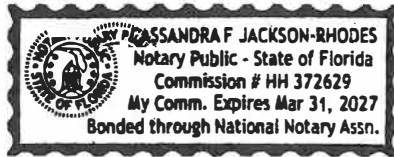
Witness

[Signature]
Angela L. Dawson, President

[Signature]
Witness

**STATE OF FLORIDA
COUNTY OF BROWARD**

The foregoing instrument was acknowledged before me by means of ___ online notarization or physical presence on this 16 day of ~~December~~ ^{January}, 2025 by **Angela Dawson as President of Angela L. Dawson, P.A.**, who ___ are personally known to me or who have produced a Florida Driver's License as identification.



[Signature]
NOTARY PUBLIC

LENDER:
SOUTH FLORIDA REGIONAL PLANNING COUNCIL

Witness

By: Isabel Cosio Carballo, Executive Director

Witness

**STATE OF FLORIDA
COUNTY OF BROWARD**

The foregoing instrument was acknowledged before me by means of ___ online notarization or ___ physical presence on this ___ day of January 2025 by **Isabel Cosio Carballo, as Executive Director of the South Florida Regional Planning Council**, on behalf of the council, who ___ is personally known to me or who ___ has produced a Florida Driver's License as identification.

NOTARY PUBLIC

Instrument Prepared by and Return to:

Sean M. Swartz, Esquire
GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308

PARTIAL SATISFACTION OF MORTGAGE

KNOW ALL MEN BY THESE PRESENTS that we, the **South Florida Regional Planning Council, a Florida corporate body and politic**, the owner and holder of certain Second Mortgage and Security Agreement executed by **Angela L. Dawson, P.A., a Florida corporation**, bearing the date of June 12, 2013 and recorded on July 16, 2013 in Official Record Book 49986 at Page 457 and Cross Collateralization Agreement **executed by Angela L. Dawson** dated July 12, 2013 and recorded July 16, 2013 at Official Record Book 49986 at Page 478, all of the Public Records of Broward County, Florida, securing a certain Note in the total principal sum of ONE HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$150,000.00), and certain promises and obligations set forth in said mortgage deed, and hereby releases from the lien of the Mortgage the following property located in Broward County, Florida described as follows:

Lot 16, Block 16, WASHINGTON PARK THIRD ADDITION, a Subdivision according to the plat or map thereof, described in Plat Book 21, at Page 43, of the Public Records of Broward County, Florida.

Street Address: 2748 NW 8th Street, Fort Lauderdale, Florida 33311.

PROVIDED, however, that nothing contained in this Partial Satisfaction of Mortgage shall in anywise impair, alter or diminish the effect, lien or encumbrance of the aforesaid Mortgage and Cross Collateralization Agreement on the remaining part of the mortgaged/collateralized property not hereby released therefrom, or any of the rights and remedies of the holder thereof.

IN WITNESS WHEREOF, we have signed and seal this document on the ___ day of _____, 2025.

Signed, sealed and delivered in our presence:

South Florida Regional Planning Council, a Florida corporate body and politic

Witness
Address: _____

By: Isabel Cosio Carballo, Executive Director

Witness
Address: _____

(SEAL)

**STATE OF FLORIDA
COUNTY OF BROWARD**

The foregoing instrument was acknowledged before me this ___ day of _____, 2025 by **Isabel Cosio Carballo, Executive Director of South Florida Regional Planning Council**, on behalf of the Company, who () is personally known to me or () has produced a Florida Driver’s License as identification.

NOTARY PUBLIC