

**IN THE CIRCUIT COURT OF THE  
ELEVENTH JUDICIAL CIRCUIT IN  
AND FOR MIAMI-DADE COUNTY,  
FLORIDA**

**CASE NO. 07-43672 (CA 09)**

STATE OF FLORIDA, OFFICE OF FINANCIAL  
REGULATION,

Plaintiff,

v.

BERMAN MORTGAGE CORPORATION,  
a Florida corporation, M.A.M.C. INCORPORATED,  
a Florida corporation, DANA J. BERMAN,  
as Owner and Managing Member,

Defendant.

and

DB ATLANTA, LLC, a Florida limited liability  
company, et al.,

Relief Defendants.

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**RECEIVER'S MOTION TO AUTHORIZE DISTRIBUTION TO  
OCEANSIDE ACQUISITIONS, LLC, GULF ISLAND RESORTS, LP  
AND DBKN GULF INCORPORATED LENDERS**

Michael I. Goldberg, the receiver (the "Receiver") for Defendants Berman Mortgage Corporation ("BMC"), M.A.M.C. Incorporated ("MAMC"), and Relief Defendants DB Atlanta, LLC, *et al.*, hereby files this *Motion to Authorize Partial, Pro Rata Distribution to the Oceanside Acquisitions, LLC, Gulf Island Resorts, LP and DBKN Gulf Incorporated Lenders* (the "Motion"). In support of this Motion, the Receiver states as follows:

1. On December 11, 2007, the Florida Office of Financial Regulation filed a complaint (the "Complaint") in the Circuit Court of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida, Case No. 07-43672 CA 09, seeking an injunction against BMC,

MAMC, Dana J. Berman ("Berman") and other related entities (the "Relief Defendants") and requesting appointment of a receiver (the "Receivership Action").

2. The Complaint alleged that BMC and MAMC sold unregistered securities in the form of fractionalized interests in mortgages, operated as an unregistered securities dealer, made misrepresentations to investors, and misapplied investors' monies in connection with the funding of approximately forty commercial mortgage loans.

3. The Complaint also alleged that BMC and MAMC obtained at least \$192 million from more than 700 individual investors (the "Lenders"). The Lenders' monies were used to fund the acquisition and construction of commercial real estate projects, many of which are incomplete or in default.

4. On December 11, 2007, this Court entered a *Temporary Injunction and Agreed Order Appointing Receiver* ("Receivership Order") appointing Michael Goldberg as the receiver for BMC and MAMC (the "Defendants") and the Relief Defendants (collectively, the "Receivership Defendants") to prevent the waste and dissipation of the Receivership Defendants' assets to the detriment of the Lenders.

5. The Gulf Island Beach and Tennis Club ("Gulf Island Club") is a residential condominium community located at the water's edge in Hudson, Florida. Three mid-rise buildings were constructed in 1985. Land set aside for a fourth building on the far west corner of the community remains undeveloped (the "Vacant Land").

6. In or about 1992, the Federal Deposit Insurance Corporation ("FDIC") took control over the Gulf Island Club. Gulf Island Resort, L.P. ("Gulf Island") purchased the unsold condominium units, the Vacant Land, dock slips and parking spaces from the FDIC in February

of 1993, as evidenced by that certain Quitclaim Deed recorded in the Official Records of Pasco County, Florida.

7. By Warranty Deed, dated October 19, 2001, Gulf Island transferred ownership of the Vacant Land and condominium units located in Building One at the Gulf Island Club ("Building One Units") to Gulf of Mexico Enterprises, Inc. ("Gulf Enterprises"). Gulf Island maintained ownership of other units.

8. As more fully described in prior motions, Gulf Island, and its principal, Eisi Markovitz, borrowed the sum of \$877,500 from BMC. The loan (the "Gulf Island Loan") was funded by sixteen of the Lenders and payment was secured by fourteen units (the Gulf Island Units").

9. Moreover, Dana Berman and Keith Novak, two of the principals of BMC, formed Oceanside Acquisitions, LLC ("Oceanside") for the purpose of purchasing certain of the Building One Units (the "Oceanside Units") from Gulf Enterprises. The purchase of the Oceanside Units was funded in the amount of \$1,700,000.00 by two loans (the "Oceanside Loans") from certain of the Lenders, and payment to the Lenders was secured by the Oceanside Units. The Oceanside Loans were serviced by MAMC and were in default at the commencement of the Receivership case.

10. Additionally, Dana Berman and Keith Novak formed DBKN Gulf, LLC ("DBKN") for the purpose of purchasing the Vacant Land for future development. This purchase was funded by a group of Lenders in the amount of \$990,000.00 (the "DBKN Loan") and is secured by the Vacant Land.

11. Oceanside is one of the original Relief Defendants. Certain of the Oceanside and Gulf Island Units were sold early in the Receivership Case. The proceeds from those sales were

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used to partially pay down the mortgages on those loans. The remaining Oceanside Units, with the exception of Unit 201W, were sold after the Receivership Court entered an Order approving the Receiver's settlement with the Gulf Island Beach and Tennis Club Condominium Association, Inc.

12. On May 13, 2013, upon motion, notice and hearing, the Receivership Court granted the Receiver's motion to treat the Oceanside, Gulf Island and DBKN Lenders as *pari passu*.

13. Earlier this year, upon motion, notice and hearing, the Receivership Court approved a settlement between the Receiver and Fidelity National Title Insurance Company, whereby the Receiver assigned the Receivership Estate's interest in the remaining Gulf Island Units to Fidelity National Title Insurance Company in exchange for a settlement payment from Fidelity National Title Insurance Company.

14. The Receiver currently holds a total of \$573,695 for the benefit of the Oceanside, Gulf Island and DBKN Lenders. This amount represents the remaining balance (after paying carrying costs and recent expenses) from the sale proceeds of the Oceanside units and the proceeds received from the settlement with Fidelity National Title Insurance Company.

15. The Receiver seeks to pay down the Lenders' mortgages, which total \$2,944,880.00, by \$525,000 pro rata between the two Oceanside Loans, the Gulf Island Loan and the DBKN Loan, as more fully described in Exhibit A, attached hereto.

16. The remaining balance of \$48,695 of the available funds will be held in order to cover future carrying costs.

17. The Receiver expects future distributions from the sale of Oceanside Unit 201W, the remaining boat docks and the Vacant Land.

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18. The Receivership Court has approved distributions of the proceeds of the sale of other properties and settlement funds and the Receiver recommends approval of the distributions described in this Motion.

19. Notice of this Motion shall be provided by posting copies of the Motion (and Notice of Hearing) on the Receivership website and sending the same to the Lenders via e-mail.

**WHEREFORE**, Michael I. Goldberg, in his capacity as Receiver of MAMC and related entities, respectfully requests this Court to enter an Order authorizing the distributions described in this Motion and to grant such further relief as is just and proper.

Respectfully submitted,

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By: /s/ Joan Levit

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**CERTIFICATE OF SERVICE**

I **HEREBY CERTIFY** that on this August 27, 2015, a true and correct copy of the forgoing was furnished to the parties on the attached Service List by U.S. mail, to the Lenders by e-mail and a copy of this motion will be posted on the receivership web-page.

/s/ Joan Levit

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**EXHIBIT A**

**GULF PROPERTIES DISTRIBUTION**

Account Number	Loan Number	Borrower Name	Original Balance	Principal Balance	% Share	Pro Rata Distribution	Principal Balance
159103	159103	Gulf Island Resorts, LP	\$877,500.00	\$582,479.85	19.78%	\$ 103,841.90	\$478,637.95
159304	159304	Oceanside Acquisitions, LLC (2nd) by Oceanside Manager Inc.	\$650,000.00	\$650,000.00	22.07%	\$ 115,879.09	\$534,120.91
159305	159305	Oceanside Acquisitions, LLC (1st)	\$1,050,000.00	\$722,400.00	24.53%	\$ 128,786.24	\$593,613.76
159306	159306	DBKN Gulf Incorporated	\$990,000.00	\$990,000.00	33.62%	\$ 176,492.77	\$813,507.23
		<b>TOTAL</b>	<b>\$3,567,500.00</b>	<b>\$2,944,879.85</b>	<b>100.00%</b>	<b>\$ 525,000.00</b>	<b>\$2,419,879.85</b>

DISTRIBUTION AMOUNT                      \$ 525,000.00