

# Condo conversions go from flip to flop



**1. PORTOFINO AT JENSEN BEACH CONDOMINIUM**

**Address:** 3817 N.W. Mediterranean Lane, Jensen Beach  
**Developer:** Alabama-based Montecito St. Andrews LLC  
**Conversion date:** 2005  
**Price:** \$61.8 million  
**Units:** 384  
**Foreclosures:** 127  
**Liens:** 126  
**Evictions:** 0  
**State complaints:** 1



**2. ESTATES AT STUART CONDOMINIUM**

**Address:** 88 S.E. Hancock St., Stuart  
**Developer:** Pennsylvania-based The Estates at Stuart LLC  
**Conversion date:** 2005  
**Price:** \$45 million  
**Units:** 237  
**Foreclosures:** 62  
**Liens:** 101  
**Evictions:** 5  
**State complaints:** 0



**3. THE HEMINGWAY AT STUART**

**Address:** 1600 S. Kanner Highway, Stuart  
**Developer:** The Hemingway at Stuart LLC  
**Conversion date:** 2005  
**Price:** \$3.72 million  
**Units:** 32  
**Foreclosures:** 0  
**Liens:** 0  
**Evictions:** 7  
**State complaints:** 0



**4. FAIRWAY PALMS II CONDOMINIUM**

**Address:** 6539 S.E. Federal Highway, Stuart  
**Developer:** Miami-based Fairway Palms LLC (c/o Cervera Bankers)  
**Conversion date:** 2005  
**Price:** \$9 million  
**Units:** 80  
**Foreclosures:** 52  
**Liens:** 4  
**Evictions:** 1  
**State complaints:** 1

Photos by **DEBORAH SILVER** • [deborah.silver@scripps.com](mailto:deborah.silver@scripps.com)

Martin County Assistant Property Appraiser Mike Fribourg, RealtyTrac, Florida Department of Business and Professional Regulation, Martin County Clerk of the Court Marsha Ewing

## Some owners walk away, others struggle amid financial devastation

BY **MELISSA E. HOLSMAN AND NADIA VANDERHOOF**  
Staff writers

Most of the 14 Treasure Coast apartment complexes converted into condominiums five years ago during the real estate boom are now cash-strapped communities.

Some unit owners are grappling with their own foreclosure. Other owners have a crippling number of foreclosures around them. Many are dealing with a staggering amount of delinquent condominium maintenance dues and a few converted complexes sit half empty because of mounting bad debt.

Other overpriced, under-water units languish in a struggling economy.

**INSIDE:** Fairway Palms II residents looking for silver lining. **A4**  
S. Fla. businessman finds his niche in market downturn. **A12**

The people who bought these converted units have lost tens of thousands of dollars. Some condos purchased for nearly \$200,000 are now worth \$25,000.

Hobe Sound resident Susan Ridlon who lost \$131,500 on a unit at Fairway Palms II in Stuart she'd purchased for \$169,000 in 2006, called the investment "one of the worst" she'd ever made.

Ridlon, 71, said she intended to make money off of her former Fairway Gardens Apartments unit.

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JIM URICK • Staff

### ABOUT THIS REPORT

Some Treasure Coast apartment complexes converted into condominiums during the housing boom are now cash-strapped communities grappling with a crippling number of foreclosures and unpaid maintenance dues.

Veteran reporters Melissa E. Holzman and Nadia Vanderhoof spent four months visiting these converted complexes, talking to renters and owners, condo board members, bankers, Realtors and poring through hundreds

of pages of court filings and property appraiser records.

Their analysis shows people who bought these converted units have lost tens of thousands of dollars, and, five years after the flip, some of these

complexes sit half empty, languishing in mounting bad debt during a still-struggling economy.

The package, including a poll and interactive maps, can also be viewed at [TCPalm.com/condoconversions](http://TCPalm.com/condoconversions).



**EVE SAMPLES**  
MARTIN COUNTY

## Why are the responsible homeowners hit hardest?

In this era of busted real estate values and busted promises, Paul Teigeler stands out as one of the responsible ones.

In early 2008, he paid \$265,000 for an apartment-turned-condominium at The Estates at Stuart in Martin County.

Today, it is valued at \$65,000. Yet the 39-year-old father of two continues to pay his mortgage every month — even as 62 foreclosures have been filed around his condo in the 237-unit complex.

Teigeler doesn't want to damage his credit by short-selling or walking away from the 1,073-square-foot investment property, even though it has drained much of his savings.

So he holds out hope. He rents out the condo for \$850 a month, an amount that covers less than half his expenses.

"Maybe someday it will be worth at least what I paid for it — if not for me, then for my two kids," said Teigeler, a computer programmer who lives in Centennial, Colo.

The Estates at Stuart, like 13 other former rental communities on the Treasure Coast, was converted to condominiums during the peak of Florida's real estate rush.

The complex sold in 2005 for \$45 million in what was then the largest real estate deal in Martin County history. The buyer, Estates at Stuart LLC, a subsidiary of Philadelphia Management and Cos., started selling condos at a time when all you had to do was host an open house to ink multiple contracts.

Now, the community and others like it stand as an emblem of the larger real estate bust. Condo conversions on the Treasure Coast have foreclosure rates as high as 65 percent.

That leaves owners who bought high with little recourse.

Teigeler applied for refinancing through the federal Making Home Affordable program, the Obama administration's mortgage-relief program. He did not qualify because he was working part-time when he applied and his income was not sufficient, he said.

Ironically, his income has been

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## Family coping with tragedy finds strong support

"I don't know more than half these people," Todd Cooper said Wednesday night.

He and I were seated in the courtyard at Dr. David L. Anderson Middle School in Stuart, gazing at the sea of people who had come to purchase a spaghetti dinner and show their support for the Cooper family.

Every few minutes, a person or group of people would approach Todd, inquire about his health and offer condolences.

Between hugs and tears, this strong, soft-spoken father talked about his daughter, Brianna Cooper, and the tragedy Sept. 29 that claimed her life. He also marveled at the crowd, filled with strangers, who opened their wallets to help the Coopers with their medical and funeral expenses.

"We've had people say, 'No



**RICH CAMPBELL**  
COLUMNIST

one in our family knew Brianna, but we just had to be here tonight," Todd said.

One week earlier, Todd and his four children — Brianna, 11, Bryce, 9, and 3-year-old twins Brylie and Brandon — were returning from dinner at Five Guys Burgers and Fries in Stuart.

While turning on a green light from Pomeroy Street onto westbound Kanner Highway, the Coopers' 1996 Honda was "T-boned" by an eastbound Oldsmobile that didn't stop at the red light, according to the Florida Highway Patrol. The Oldsmobile, driven by Michael Opsincs, 26, split the Honda

in two pieces.

"I'm praying for God to show me the good out of this," Todd said.

He spoke with pride of Bryce's actions that night.

"Right after emergency services arrived on the scene, Bryce grabbed the cell phone and called my parents," Todd said. "He wouldn't ride in the rescue truck without me. He answered all the questions I couldn't, and there were very few I could answer."

Both Brylie and Brandon, who sustained critical injuries, and Todd, who cracked his sternum, were hospitalized. (All three have been released from the hospital.) Bryce escaped injury.

Brianna died after being taken to Martin Memorial Hospital South in Port Salerno.

The Coopers buried their eldest daughter Tuesday.

As news of the tragedy spread throughout the community, someone suggested a spaghetti dinner for the Coopers.

Incredibly, more than 400 people volunteered to help. Two dozen restaurants and businesses donated all the food, drinks, paper products, and tables and chairs, for the event. Volunteers collected a suggested \$5 donation at the door, though many people gave more than that.

An estimated 3,000 people attended the dinner. Both Todd and his wife, Cindy Cooper, were present, but, understandably, kept a low profile.

Eleven-year-old Jessica Burga, a classmate of Brianna's at Anderson Middle, came with her mother, Wendy Burg.

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**Eye Health Presentation**

**The Latest Treatments for Glaucoma**

By: **Ronald Frenkel, MD, FACS**  
of the East Florida Eye Institute

**The Treasure Coast's only member of the American Glaucoma Society**

**Harvard**  
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**Wednesday, October 20<sup>th</sup>, 2:00pm**  
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**Call for Your Free Reservation**  
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