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IN THE CIRCUIT COURT OF THE
11TH JUDICIAL CIRCUIT IN AND
FOR MIAMI-DADE COUNTY, FLORIDA

CASE NO.: 2021-015089 CA 01

MANUEL DREZNER,
Plaintiff,

-vs-

CHAMPLAIN TOWERS SOUTH
CONDOMINIUM ASSOCIATION, INC.,
Defendant.

-----/

PROCEEDINGS BEFORE HONORABLE MICHAEL A. HANZMAN

STATUS CONFERENCE

Remote Proceeding
Zoom Videoconference

Thursday, September 23, 2021
9:00 a.m.

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A P P E A R A N C E S

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A P P E A R A N C E S (Continued)

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A P P E A R A N C E S (Continued)

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Brent Lozano
Lisa Shrem
Elena Pazos
Pablo Langesfeld
Jorge (No last name given)

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Thereupon --

THE COURT: Good morning, ladies and gentlemen. The Court is calling the matter In Re: Champlain Towers Collapse Litigation, Case No. 2021-15089. Let me have appearances, please, from the receiver, lead counsel, any defense or insurance counsel, and any counsel for any governmental agencies or entities that are present, please.

MR. SINGERMAN: Good morning, Judge Hanzman. May it please the Court, I'm Paul Singerman from Berger Singerman, counsel to Michael I. Goldberg, Your Honor's court-appointed receiver, and for the record, Your Honor, Mr. Goldberg is present and participating in the hearing this morning. Thank you, Judge.

MR. GOLDBERG: Good morning, Your Honor.

MS. FURST: Good morning, Your Honor.

MR. TROPIN: Good morning, Judge.

MS. FURST: Rachel Furst of Grossman, Roth, Yaffa, Cohen, co-chair lead

-06:-38:-24 1 counsel on behalf of the plaintiffs.

-06:-38:-20 2 MR. TROPIN: Good morning, Your
-06:-38:-19 3 Honor, Harley Tropin, co-chair on behalf of
-06:-38:-16 4 the plaintiffs.

-06:-38:-13 5 MR. GROSSMAN: Good morning, Judge.
-06:-38:-12 6 Stuart Grossman, liaison counsel. Hope
-06:-38:-09 7 you're well.

-06:-38:-08 8 MR. MOSKOWITZ: Good morning, Your
-06:-38:-07 9 Honor, Adam Moskowitz on behalf of the
-06:-38:-05 10 plaintiffs.

-06:-38:-04 11 MR. LOPEZ: Good morning, Your
-06:-38:-02 12 Honor, Javier Lopez on behalf of the
-06:-38:00 13 plaintiffs.

-06:-37:-59 14 MR. MARONE: Good morning, Your
-06:-37:-56 15 Honor, this is Chip Marone on behalf of the
-06:-37:-56 16 plaintiffs.

-06:-37:-48 17 THE COURT: Okay. Any other
-06:-37:-47 18 appearances of lead counsel?

-06:-37:-45 19 MR. SCAROLA: Your Honor, Jack
-06:-37:-43 20 Scarola, counsel on behalf of the
-06:-37:-42 21 plaintiffs.

-06:-37:-39 22 THE COURT: Very good. All right.
-06:-37:-38 23 Any defense counsel or counsel for insurers
-06:-37:-35 24 who would like to make an appearance this
-06:-37:-33 25 morning?

-06:-37:-29 1 MS. ROCKENBACH LINK: Good morning,
-06:-37:-25 2 Your Honor, Kara Rockenbach Link on behalf
-06:-37:-24 3 of Universal.

-06:-37:-22 4 MR. RASKAS: Good morning, Your
-06:-37:-20 5 Honor. Aron Raskas of Gunster on behalf of
-06:-37:-15 6 Morabito Consulting, Inc.

-06:-37:-12 7 THE COURT: Any other defense
-06:-37:-11 8 counsel or counsel for any insurers who
-06:-37:-09 9 would like to make an appearance?

-06:-37:-03 10 Very good. Let me have appearances,
-06:-37:-01 11 please, from counsel for any governmental
-06:-36:-58 12 entities or agencies.

-06:-36:-55 13 MS. VICIANA: Good morning, Your
-06:-36:-54 14 Honor, Anita Viciano for Miami-Dade County.

-06:-36:-41 15 THE COURT: Any counsel for the Town
-06:-36:-35 16 of Surfside? Let me just make sure
-06:-36:-22 17 everybody's been let in, folks. Give me
-06:-36:-19 18 just a second.

-06:-36:-08 19 Ms. Arango do you want to make an
-06:-36:-06 20 appearance for the Town of Surfside,
-06:-36:-05 21 please.

-06:-35:-54 22 Ms. Arango, are you present?

-06:-35:-45 23 MS. ARANGO: Yes, I am, Your Honor,
-06:-35:-43 24 good morning.

-06:-35:-42 25 THE COURT: Okay. Would you make an

-06:-35:-41 1 appearance for the Town, please.

-06:-35:-39 2 MS. ARANGO: Yes, I'm here on behalf
-06:-35:-38 3 of the Town of Surfside.

-06:-35:-32 4 THE COURT: Very good. Any other
-06:-35:-27 5 appearance of counsel for any governmental
-06:-35:-25 6 agencies or entities?

-06:-35:-22 7 All right. Very good. Before
-06:-35:-13 8 we get on with business, this Court would
-06:-35:-08 9 like to take a minute to speak to you all
-06:-35:-05 10 and in particular the many victims who are
-06:-35:-02 11 here on the line this morning.

-06:-34:-59 12 This Court is fully aware of the
-06:-34:-53 13 fact that this is an extremely emotional
-06:-34:-48 14 case, and that emotions run high, and that
-06:-34:-43 15 many of you are grieving, and I understand
-06:-34:-41 16 that.

-06:-34:-39 17 For that reason, the Court has been
-06:-34:-36 18 extremely tolerant of some people who have
-06:-34:-31 19 unfortunately been publicly disseminating
-06:-34:-27 20 what it considers to be irresponsible and
-06:-34:-24 21 uninformed and incendiary commentary, and
-06:-34:-20 22 I've been very tolerant of it, but this
-06:-34:-15 23 Court is not going to tolerate any longer
-06:-34:-11 24 any -- anyone, let alone public officials,
-06:-34:-04 25 maligning and defaming the attorneys in

-06:-34:-01 1 this case who at this Court's request
-06:-33:-59 2 stepped up and agreed to handle this matter
-06:-33:-56 3 with no assurance of compensation on behalf
-06:-33:-52 4 of these victims, and who are doing
-06:-33:-49 5 everything in their power to make sure
-06:-33:-47 6 these victims are adequately compensated.

-06:-33:-44 7 Nor is the Court going to tolerate
-06:-33:-40 8 publically disseminated misrepresentations
-06:-33:-37 9 and defamatory comments about its receiver
-06:-33:-33 10 who also has been working literally around
-06:-33:-28 11 the clock at severely reduced rates in
-06:-33:-23 12 order to protect and serve these victims.

-06:-33:-21 13 It was reported two days ago in the
-06:-33:-16 14 New York Times that one of our Town
-06:-33:-12 15 commissioners, who I, again, will not name,
-06:-33:-08 16 but who previously described one of our
-06:-33:-05 17 victims' land swap proposals here
-06:-32:-58 18 delusional, had reported to the New York
-06:-32:-55 19 Times that the attorneys in this case were
-06:-32:-53 20 exploiting the pain of the victims and the
-06:-32:-50 21 survivors and suggested without a scintilla
-06:-32:-46 22 of evidence whatsoever that the land that
-06:-32:-43 23 this Court is attempting to monetize to
-06:-32:-39 24 compensate these people might be, and I
-06:-32:-37 25 quote, unbuildable, closed quote.

-06:-32:-33 1 I was also sent by a victim a
-06:-32:-27 2 missive that this commissioner issued on
-06:-32:-25 3 social media describing developers who
-06:-32:-22 4 might be interested in purchasing this site
-06:-32:-19 5 as predators, greedy developers who want to
-06:-32:-14 6 exploit this tragedy to line their pockets,
-06:-32:-10 7 and again falsely represented that the
-06:-32:-06 8 attorneys, who at this Court's request are
-06:-32:-03 9 working without any compensation, are
-06:-31:-58 10 awarded with a windfall when they take a
-06:-31:-54 11 large chunk of money when they recoup for
-06:-31:-52 12 the survivors, including the monies from
-06:-31:-49 13 the sale of this property.

-06:-31:-48 14 Like I said, up to this point, this
-06:-31:-46 15 Court has been very patient and measured,
-06:-31:-43 16 but I want to make it loud and clear that
-06:-31:-40 17 its patience has now expired, and I am
-06:-31:-30 18 going to strongly suggest, Ms. Arango, that
-06:-31:-27 19 you convey the Court's sentiments to your
-06:-31:-23 20 clients, because my patience is over. Is
-06:-31:-21 21 that understood?

-06:-31:-20 22 MS. ARANGO: Understood, Your Honor.

-06:-31:-15 23 THE COURT: Okay. Now, let me
-06:-31:-13 24 explain something to you all. These
-06:-31:-11 25 lawyers, I asked them at the beginning of

-06:-31:-09 1 this case to step up and work on this
-06:-31:-06 2 matter as a public service, and they have
-06:-31:00 3 agreed to do so without any -- any
-06:-30:-58 4 assurance of compensation. They are
-06:-30:-55 5 working around the clock feverishly to do
-06:-30:-53 6 everything possible to represent these
-06:-30:-51 7 victims.

-06:-30:-50 8 This receiver, who is working at a
-06:-30:-48 9 significantly reduced rate, has dropped
-06:-30:-46 10 everything in his life professionally and
-06:-30:-43 11 personally to do everything possible to
-06:-30:-38 12 recover funds for these victims.

-06:-30:-35 13 Now, the numbers are the numbers,
-06:-30:-33 14 and the claims in this case, both economic
-06:-30:-25 15 and injury and death could easily approach
-06:-30:-21 16 or exceed a billion dollars. So absent --
-06:-30:-14 17 absent extremely viable claims against
-06:-30:-11 18 extremely solvent defendants, this
-06:-30:-08 19 insurance money and the value of this
-06:-30:-06 20 property may be the primary sources for
-06:-30:-01 21 compensating these victims.

-06:-30:00 22 And to be out there calling the site
-06:-29:-57 23 unbuildable, maligning potential purchasers
-06:-29:-52 24 as greedy predators and falsely
-06:-29:-47 25 representing that the lawyers stand to take

-06:-29:-45 1 money from the sale of this property, which
-06:-29:-44 2 they will not get a penny, because this
-06:-29:-41 3 court made it clear that the lawyers,
-06:-29:-39 4 if they get paid anything, are only going
-06:-29:-37 5 to get paid on new money brought into this
-06:-29:-33 6 estate, not the insurance money, and not
-06:-29:-31 7 the sale of the land.

-06:-29:-30 8 So these types of incendiary and
-06:-29:-28 9 uninformed comments do nothing but drive
-06:-29:-25 10 the value of this property down and harm
-06:-29:-23 11 the victims, and this Court is not going to
-06:-29:-19 12 tolerate it any further.

-06:-29:-11 13 Now, I trust I've made my position
-06:-29:-08 14 clear, and it will be conveyed to all
-06:-29:-05 15 concerned parties. Everybody has a right
-06:-29:-03 16 to their opinion and everybody has a right
-06:-29:00 17 to their commentary, but people do not have
-06:-28:-58 18 a right to spread lies and falsehoods about
-06:-28:-52 19 the professionals who are working on this
-06:-28:-50 20 case and the process that this Court is
-06:-28:-46 21 supervising, and it will not be tolerated
-06:-28:-44 22 any further.

-06:-28:-43 23 Now, I hope I've made my position
-06:-28:-38 24 very clear, and now it's time to get onto
-06:-28:-35 25 business.

-06:-28:-35 1 Mr. Goldberg.

-06:-28:-32 2 MR. GOLDBERG: Good morning,

-06:-28:-30 3 Your Honor.

-06:-28:-30 4 THE COURT: Can you please give the
-06:-28:-28 5 Court an update of what has transpired in
-06:-28:-25 6 the various things I've asked you to look
-06:-28:-23 7 into since our last session.

-06:-28:-21 8 MR. GOLDBERG: Yes, Your Honor. May
-06:-28:-17 9 it please the Court, I will go through the
-06:-28:-15 10 normal topics, and then Mr. Singerman will
-06:-28:-12 11 deal with an insurance motion to be heard,
-06:-28:-10 12 and then Mr. Fay will give the Court a
-06:-28:-07 13 brief update on the sales process.

-06:-28:-05 14 Your Honor, first, with respect to
-06:-28:-04 15 the assistance payments, we have paid a
-06:-28:00 16 total of 95 assistance payments -- or we've
-06:-27:-55 17 received a total of 95 requests, 84 have
-06:-27:-51 18 been approved, 10 have been denied, 1 is
-06:-27:-49 19 pending. Total relocation paid to date is
-06:-27:-46 20 380,000, which increased by 10,000 since
-06:-27:-43 21 the last hearing, and total end-of-life
-06:-27:-40 22 benefits paid are 92,000, for a total
-06:-27:-35 23 assistance paid of \$472,000.

-06:-27:-28 24 UNIDENTIFIED SPEAKER: Sorry to
-06:-27:-28 25 interrupt. Someone is not on mute. Is it

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possible to mute her?

THE COURT: Who?

UNIDENTIFIED SPEAKER: Ms. Getz,
Ms. Jessica Getz.

THE COURT: Ms. Getz -- Ms. Getz,
I'm going to -- let me see if I can mute
her.

Okay. Thank you. All right.
Mr. Goldberg.

MR. GOLDBERG: Yes, Your Honor, so
as the Court knows, we've been paying these
benefits out of the donation by Mr. Ruiz,
and we have a balance of \$528,000 in that
account.

Moving on to the insurance, with
interest we currently have in the insurance
accounts \$49,747,608.39 through the 21st.
With respect to the insurance update and
the cost of defense, Your Honor, following
your comments at the last hearing, we have
attempted to try to coordinate a mediation
with the insurance carriers to discuss the
buyout of the defense.

We're hopeful we're making progress
both informally on that, and we're hopeful

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that a mediation will not be necessary.
We will continue to keep the Court informed
as that progresses.

Your Honor, with respect to the
property update and the turnover of the
property, we're getting pretty close. The
bracing, I'm happy to report that the
bracing work at the site of the west wall
that you approved at the last hearing has
been completed.

We are waiting for the fencing
contractor permits to be approved. The
County is doing everything they can do to
expedite that, and we expect that once the
fencing starts up, it will take about two
weeks to happen. The security company has
all been arranged, temp security, they're
all ready to go. We have the trailers and
lighting and the cameras ready to be put at
the site.

One potential issue for the Court
and all of the experts and lawyers to be
aware of is the dewatering, which is the
process of removing the water from the
property, it's costing the County, to my

-06:-25:-02 1 best understanding, \$6,000 a day to do
-06:-25:00 2 that, and we -- certainly, this estate
-06:-24:-55 3 cannot afford that expense, and we're
-06:-24:-53 4 exploring ways to do it, ways to do
-06:-24:-50 5 it potentially cheaper or less often than
-06:-24:-46 6 daily, perhaps, so when the engineers need
-06:-24:-43 7 to get on the property, and the experts and
-06:-24:-40 8 the lawyers will do it at those times,
-06:-24:-38 9 we'll work with the municipalities, both
-06:-24:-35 10 the County and Surfside, and make sure that
-06:-24:-32 11 we have agreement with them.

-06:-24:-30 12 Your Honor, as we've spoken out in
-06:-24:-26 13 each of the past probably six or seven
-06:-24:-22 14 hearings, we've discussed the termination
-06:-24:-20 15 of the condominium, which is a prerequisite
-06:-24:-17 16 to doing anything with the property. I am
-06:-24:-13 17 happy to report that the condo termination
-06:-24:-10 18 lawsuit was filed last night, and I would
-06:-24:-05 19 be remiss if I did not thank some
-06:-24:-01 20 individuals who worked tirelessly on it,
-06:-23:-58 21 including Ms. Furst, Mr. Tropin,
-06:-23:-55 22 Mr. Suarez, Mr. Martinez-Cid, Joey Kaye,
-06:-23:-51 23 Eric Kay, Alex Ortega Gomez, Mr. Moskowitz,
-06:-23:-46 24 and Megan DeVault, and all of our
-06:-23:-41 25 assistants, including Carrie Gonzalez,

-06:-23:-40 1 Susanne Miller, and Sonia Few who really
-06:-23:-37 2 worked to get it filed. It was filed late
-06:-23:-35 3 last night, and there's work going, and the
-06:-23:-32 4 timing of that, Your Honor, it's probably
-06:-23:-31 5 going to take about six weeks to get
-06:-23:-28 6 service perfected as best as possible.

-06:-23:-26 7 We may have to come back to the
-06:-23:-23 8 Court for substitute types of service for
-06:-23:-21 9 approval on that, but once service is
-06:-23:-18 10 perfected, we will be filing a motion for
-06:-23:-15 11 summary judgment before the Court for the
-06:-23:-13 12 Court to entertain the legal issues which
-06:-23:-11 13 we believe are going to be the only issues
-06:-23:-09 14 that are going to be relevant in
-06:-23:-06 15 determining whether termination should be
-06:-23:-04 16 granted.

-06:-23:-02 17 THE COURT: Okay. Mr. Goldberg,
-06:-23:-01 18 I saw the case. I know for whatever reason
-06:-22:-58 19 it was not designated complex when it was
-06:-22:-56 20 filed. Is it in this -- was it filed in
-06:-22:-53 21 this division or do we need to get a
-06:-22:-50 22 transfer motion set?

-06:-22:-48 23 MR. GOLDBERG: Your Honor, I don't
-06:-22:-47 24 know why it's not before you. We will have
-06:-22:-45 25 a transfer motion filed immediately to get

-06:-22:-41 1 it brought before Your Honor.

-06:-22:-40 2 THE COURT: I don't know that it's
-06:-22:-39 3 not. I'm asking.

-06:-22:-37 4 MR. GOLDBERG: I don't know the
-06:-22:-36 5 answer to your question. It was filed last
-06:-22:-34 6 night like 10:00 I received -- 10:00, 11:00
-06:-22:-30 7 I received the copy.

-06:-22:-30 8 THE COURT: Okay. I noticed there's
-06:-22:-28 9 a large number of obvious defendants in the
-06:-22:-26 10 case. You believe that you all have been
-06:-22:-24 11 able now to identify all unit owners as
-06:-22:-21 12 well as any lienholders or others in the
-06:-22:-17 13 chain of title that would be a defensible
-06:-22:-15 14 party in this case, you think we have
-06:-22:-13 15 everybody on board now, correct?

-06:-22:-11 16 MR. GOLDBERG: Yes, Your Honor,
-06:-22:-08 17 according to First American, which is a
-06:-22:-07 18 very reputable title insurer who has been
-06:-22:-06 19 working with us for the last two months,
-06:-22:-03 20 those people named in the lawsuit are the
-06:-22:-01 21 people that we need to name to clear title
-06:-22:00 22 and terminate condominium.

-06:-21:-58 23 THE COURT: Okay. All right.
-06:-21:-55 24 That's up and running. You'll get service
-06:-21:-53 25 out as soon as possible. It looks to me

-06:-21:-50 1 from reading the complaint that the issue
-06:-21:-48 2 raised primarily is one of law, which is
-06:-21:-44 3 whether or not the undisputed facts here
-06:-21:-42 4 involving the demolition and collapse of
-06:-21:-37 5 the building are adequate under 718 in
-06:-21:-34 6 order for the Court to judicially terminate
-06:-21:-32 7 the condominium.

-06:-21:-31 8 So once everybody is served, I would
-06:-21:-29 9 expect to see a motion for summary judgment
-06:-21:-26 10 addressing that issue of law so we can
-06:-21:-23 11 dispose of this case as quickly as
-06:-21:-20 12 possible, right?

-06:-21:-20 13 MR. GOLDBERG: Exactly, Your Honor,
-06:-21:-18 14 that's the plan, and we're moving forthwith
-06:-21:-15 15 on that, and we're working with the
-06:-21:-13 16 plaintiffs' team who, again, are just
-06:-21:-07 17 nothing short of incredibly responsive and
-06:-21:-04 18 working with us.

-06:-21:-04 19 THE COURT: Okay.

-06:-21:-03 20 MR. GOLDBERG: Your Honor, another
-06:-21:-01 21 bit of significant news. I'm happy to
-06:-20:-58 22 report that yesterday we received a signed
-06:-20:-54 23 contract on the land. It is a stalking
-06:-20:-49 24 horse contract, so let me explain to you
-06:-20:-46 25 what that means. First, we'll be filing a

-06:-20:-42 1 motion to approve the contract. This
-06:-20:-39 2 contract is a nullity. It means nothing
-06:-20:-35 3 until Your Honor holds a hearing and
-06:-20:-33 4 approves it. It's conditioned on the Court
-06:-20:-29 5 approval after noticing an opportunity for
-06:-20:-27 6 everybody to be heard.

-06:-20:-25 7 That motion, we are working on
-06:-20:-24 8 it now. We expect to get it filed within
-06:-20:-22 9 the next couple of business days.
-06:-20:-20 10 Hopefully, it will be heard --

-06:-20:-18 11 THE COURT: Well, I intend to take
-06:-20:-16 12 that motion up next week at our Wednesday
-06:-20:-14 13 hearing. So you get it filed, hopefully,
-06:-20:-11 14 by the end of the week, so everybody will
-06:-20:-09 15 have a chance to look at it and comment and
-06:-20:-06 16 digest it, and be ready to be heard on
-06:-20:-04 17 it next week.

-06:-20:-03 18 MR. GOLDBERG: Mr. Singerman, who
-06:-20:-02 19 is taking the lead on that, and I will
-06:-19:-57 20 assist, and we'll get it filed, Your Honor.

-06:-19:-55 21 Your Honor, in short, just so
-06:-19:-53 22 everybody understands the process, once
-06:-19:-46 23 I take possession of the land and the
-06:-19:-44 24 experts -- I get the experts in there,
-06:-19:-42 25 we'll allow the buyers to commence their

-06:-19:-40 1 due diligence, which will probably start in
-06:-19:-38 2 a couple of weeks. They will have 60 days
-06:-19:-35 3 to do their due diligence. They've paid
-06:-19:-33 4 \$150,000 to the estate for that 60-day
-06:-19:-27 5 period to do their due diligence.

-06:-19:-25 6 If at the end of that due diligence
-06:-19:-23 7 they don't like for any reason what they
-06:-19:-21 8 see, they can walk. If they like what they
-06:-19:-19 9 see and they want to continue, they have to
-06:-19:-16 10 post a \$16 million deposit that goes hard.
-06:-19:-13 11 That means if they walk away after that,
-06:-19:-11 12 they forfeit the deposit to the estate.

-06:-19:-06 13 Essentially, we're shooting for an
-06:-19:-04 14 auction. At some time we will request the
-06:-19:-01 15 Court to have an auction in late February,
-06:-18:-59 16 early March, at which point Mr. Fay is
-06:-18:-56 17 still continuing the marketing efforts.
-06:-18:-54 18 He will update you after I'm done, and he
-06:-18:-52 19 will tell you his ongoing marketing
-06:-18:-49 20 efforts.

-06:-18:-48 21 THE COURT: Let me ask you a
-06:-18:-47 22 question, because that seems like a -- it's
-06:-18:-45 23 a timeline that is not as fast as I would
-06:-18:-42 24 like to move. Once this contract goes
-06:-18:-39 25 hard, which would be mid-November, why are

-06:-18:-33 1 we delaying an auction until next year? My
-06:-18:-29 2 goal was to sell this property this year
-06:-18:-27 3 and be able to make a distribution,
-06:-18:-25 4 hopefully, to victims by the early part of
-06:-18:-23 5 next year.

-06:-18:-22 6 Once you have a hard contract,
-06:-18:-21 7 we auction it. If somebody bids more,
-06:-18:-18 8 great. If not, we close. Why are you
-06:-18:-14 9 contemplating delaying the auction for
-06:-18:-12 10 three to four months after this contract
-06:-18:-09 11 goes hard?

-06:-18:-06 12 MR. GOLDBERG: Because, Your Honor,
-06:-18:-05 13 in these processes through the bankruptcy
-06:-18:-03 14 courts and receivership, the best way to
-06:-18:-01 15 get a competitive auction is get that
-06:-17:-59 16 stalking horse contract in place and then
-06:-17:-57 17 shop it around, and that significantly
-06:-17:-54 18 increases the odds of bringing another
-06:-17:-51 19 competing bidder to the auction to bid up
-06:-17:-49 20 the price of the property. If you --
-06:-17:-46 21 if you put the --

-06:-17:-45 22 THE COURT: Well, but this property
-06:-17:-43 23 is being marketed now. So are you -- by
-06:-17:-40 24 the end of December, anybody who is
-06:-17:-37 25 interested would not be -- would not be

-06:-17:-35 1

here already?

-06:-17:-34 2

MR. GOLDBERG: They won't have had

-06:-17:-31 3

the opportunity to conduct their due

-06:-17:-29 4

diligence, Your Honor, and they need 60

-06:-17:-27 5

days or so to conduct their due diligence.

-06:-17:-25 6

THE COURT: Why -- why can't anybody

-06:-17:-24 7

who's interested start doing their due

-06:-17:-22 8

diligence now? Why do they have to wait

-06:-17:-19 9

until this contract goes hard to start

-06:-17:-16 10

their due diligence?

-06:-17:-15 11

MR. GOLDBERG: Well, typically, the

-06:-17:-13 12

way it works is the stalking horse will do

-06:-17:-11 13

their due diligence. In this case they

-06:-17:-10 14

will share their due diligence, the

-06:-17:-07 15

environmentals, the geotechnical reports,

-06:-17:-05 16

with potential other bidders.

-06:-17:-03 17

Your Honor, it's my experience --

-06:-17:-02 18

listen, it's the Court's decision, but in

-06:-16:-59 19

Mr. Singerman's and my experience, a 60-day

-06:-16:-56 20

window between the deposit going hard and

-06:-16:-53 21

the auction is what is the standard.

-06:-16:-50 22

THE COURT: Okay. It's the

-06:-16:-49 23

standard, but even if I approve the 60

-06:-16:-47 24

days, which I'm going to ask you to try to

-06:-16:-44 25

tighten up with this buyer, but even

-06:-16:-41 1 if I approve the 60 days, their due
-06:-16:-38 2 diligence expires mid-November. Why
-06:-16:-36 3 couldn't we contemplate an auction shortly
-06:-16:-32 4 after the first of the year with a closing
-06:-16:-29 5 sometime in February so I can be in a
-06:-16:-27 6 position to possibly make an interim
-06:-16:-23 7 distribution?

-06:-16:-22 8 MR. GOLDBERG: Your Honor, the
-06:-16:-22 9 stalking horse is -- the 60-day period
-06:-16:-19 10 won't start for a couple of weeks until
-06:-16:-17 11 they're allowed on to the property.
-06:-16:-15 12 They're not allowed on to the property yet.

-06:-16:-13 13 So assuming, let's say, they're
-06:-16:-11 14 allowed on sometime around October 15th,
-06:-16:-08 15 that will take you, 60 days, until December
-06:-16:-05 16 15th. If you did an auction 45 days later,
-06:-15:-59 17 you'd already be out to February 1st, so
-06:-15:-57 18 that's why when I said we're looking
-06:-15:-55 19 sometime in February or early March.

-06:-15:-51 20 THE COURT: Okay. And so why -- why
-06:-15:-46 21 is there a 60-day due diligence on raw
-06:-15:-43 22 land? In other words, they're not
-06:-15:-42 23 acquiring any structure. They're acquiring
-06:-15:-39 24 raw real estate, why is there such a
-06:-15:-37 25 lengthy due diligence period?

MR. GOLDBERG: Your Honor, in

addition to environmentalists and, as you said, the raw land, the biggest probably single issue is zoning. They have to be able to sit down and, as the Court and everybody on this call should be aware, zoning is a little bit in flux, and there's no developer that would buy the property until we have a little bit more understanding that the property is not going to be downzoned and that -- and what the zoning is anticipated to be.

There's no guarantee the zoning will be what they think it will be, but they do, in all fairness, need an opportunity, especially based on the history of the zoning over the last couple of months, in order to get themselves comfortable, because it is a \$120 million initial offer that could go up higher.

THE COURT: Okay. All right.

Mr. Goldberg, if the 60 days is the best you can do, and you think we're not going to be able to get to the auction process until February, that was a little bit

-06:-14:-28 1 beyond the timetable the Court had hoped
-06:-14:-25 2 for, but if that's what's necessary in
-06:-14:-23 3 order to bring in the highest and best
-06:-14:-21 4 offers and the most money for these
-06:-14:-17 5 victims, then so be it, but I don't want
-06:-14:-15 6 that timetable pushed back.

-06:-14:-13 7 I want the motion filed promptly.
-06:-14:-10 8 I want the due diligence to begin as soon
-06:-14:-08 9 as they can, and I want the buyer to
-06:-14:-05 10 understand that I'm not going to be
-06:-14:-03 11 amenable to extensions here. They're going
-06:-13:-59 12 to get their 60 days and make a decision.
-06:-13:-53 13 Okay?

-06:-13:-52 14 MR. GOLDBERG: Absolutely,
-06:-13:-51 15 Your Honor. We're pushing forward as
-06:-13:-50 16 quickly as possible.

-06:-13:-49 17 Your Honor, the next thing is the
-06:-13:-47 18 zoning. Following the last hearing,
-06:-13:-45 19 Mr. Kazden has met with both Ms. Arango and
-06:-13:-40 20 Mr. Recio, who are the Surfside attorneys,
-06:-13:-37 21 as well as the Town planner, and Mayor
-06:-13:-32 22 Burkett also, it's my understanding,
-06:-13:-30 23 participated.

-06:-13:-30 24 Mr. Kazden reported back to me that
-06:-13:-26 25 it was a very good meeting, very productive

-06:-13:-23 1 meeting. He feels that the parties are all
-06:-13:-21 2 working in good faith towards solidifying a
-06:-13:-15 3 final agreement on the zoning. As the
-06:-13:-14 4 Court is aware, the devil is in the
-06:-13:-12 5 details, but we thank the Town for what
-06:-13:-08 6 appears to be their good faith effort
-06:-13:-06 7 moving forward and solidifying the zoning,
-06:-13:-02 8 which I just mentioned, is going to be
-06:-12:-59 9 important to the sales process. I'll
-06:-12:-54 10 continue to report back on that on a weekly
-06:-12:-51 11 basis or every hearing.

-06:-12:-49 12 THE COURT: I thought -- I thought
-06:-12:-48 13 the Town had made it clear that whatever
-06:-12:-45 14 zoning has been on the site is not going to
-06:-12:-43 15 be altered? Is it unclear what the
-06:-12:-40 16 existing zoning is on the site?

-06:-12:-37 17 MR. GOLDBERG: Your Honor, it's my
-06:-12:-34 18 understanding the Town said we can have
-06:-12:-33 19 exactly what existed on the property,
-06:-12:-29 20 including the number of units, I think,
-06:-12:-27 21 it was 139, including the height, the
-06:-12:-21 22 current height.

-06:-12:-19 23 There also may be some other
-06:-12:-17 24 benefits that I understand the Town may
-06:-12:-15 25 allow us to utilize, for instance, not the

-06:-12:-09 1 "Wedding Cake" but the alternative, which
-06:-12:-07 2 would be beneficial, and some of these
-06:-12:-05 3 details simply just need to be worked out.

-06:-12:-03 4 But I do understand that the
-06:-12:-02 5 meetings are ongoing, and I don't expect
-06:-12:00 6 that to delay. And again, I've heard
-06:-11:-55 7 nothing but the Town's good faith from
-06:-11:-53 8 Mr. Kazden, and we're hopeful that it will
-06:-11:-50 9 move quickly.

-06:-11:-49 10 THE COURT: Okay.

-06:-11:-42 11 MR. GOLDBERG: Your Honor, important
-06:-11:-41 12 to many of the victims and as instructed in
-06:-11:-39 13 the last hearing, you instructed me to go
-06:-11:-37 14 speak with the County about a less
-06:-11:-34 15 cumbersome process for the return of
-06:-11:-30 16 personal property.

-06:-11:-29 17 As you may recall from the last
-06:-11:-27 18 hearing, the County had set up something
-06:-11:-23 19 where victims were going to put photos up,
-06:-11:-20 20 and then the County would match the photos
-06:-11:-18 21 of the personal property. Many victims or
-06:-11:-11 22 several victims said that that really was
-06:-11:-09 23 not a very efficient or workable process,
-06:-11:-06 24 because they may not have had pictures,
-06:-11:-04 25 and, you know, I look around my house, and

-06:-11:-02 1 I wouldn't know what to post for a picture
-06:-10:-59 2 that I lost.

-06:-10:-59 3 So at your direction I went back and
-06:-10:-57 4 met with the County, and again, the County
-06:-10:-52 5 is completely cooperative and responsive.
-06:-10:-44 6 We have come up with a new procedure and a
-06:-10:-42 7 motion is drafted and will be filed either
-06:-10:-40 8 today or tomorrow but by the end of the
-06:-10:-38 9 week.

-06:-10:-37 10 And just to give a glimpse of the
-06:-10:-33 11 procedure, basically we will go -- the
-06:-10:-30 12 property will be decontaminated, the hard
-06:-10:-27 13 property.

-06:-10:-27 14 THE COURT: Mr. Goldberg, hold on
-06:-10:-25 15 one second. Ladies and gentlemen, I got a
-06:-10:-24 16 lot of background noise coming from some
-06:-10:-21 17 iPads and some people who are monitoring.
-06:-10:-18 18 If you're not speaking, I'm going to ask
-06:-10:-16 19 you to please go on mute so we can get rid
-06:-10:-14 20 of this background noise.

-06:-10:-07 21 MR. GROSSMAN: This 917 area code,
-06:-10:-03 22 692-3459 is really disruptive.

-06:-10:00 23 THE COURT: Okay. I'm trying to
-06:-09:-54 24 figure out if there's a way for me to mute
-06:-09:-52 25 that.

-06:-09:-50 1 MR. GROSSMAN: Your Honor, that
-06:-09:-49 2 person just did. Sorry to interrupt you.

-06:-09:-45 3 THE COURT: I'm still hearing some
-06:-09:-43 4 background noise, so I need anybody who is
-06:-09:-41 5 not speaking to please put your device on
-06:-09:-37 6 mute.

-06:-09:-34 7 MR. FAY: Your Honor, Steve's iPad,
-06:-09:-30 8 I can see --

-06:-09:-30 9 THE COURT: Who?

-06:-09:-29 10 MR. FAY: Steve's iPad.

-06:-09:-27 11 THE COURT: All right. Who is
-06:-09:-26 12 Steve's iPad? Please put yourself on mute.

-06:-09:-15 13 Okay. Mr. Goldberg.

-06:-09:-14 14 MR. GOLDBERG: Yes, Your Honor. So
-06:-09:-12 15 rather than the process of victims posting
-06:-09:-10 16 pictures and the County matching, I will --
-06:-09:-06 17 now, after the property is decontaminated,
-06:-09:-04 18 I will go meet with the County. We will
-06:-09:-02 19 take the photographs of all the
-06:-09:00 20 decontaminated property. I will have a
-06:-08:-57 21 separate section on my website put up with
-06:-08:-54 22 each of the pictures.

-06:-08:-51 23 We will provide access and pass
-06:-08:-50 24 codes only to the victims and their
-06:-08:-47 25 families to view that. The photos will

-06:-08:-37 1 stay up for what I'm guessing right now
-06:-08:-34 2 will be 30 days. We'll make what a fair
-06:-08:-32 3 time frame is, and put it in the Court
-06:-08:-30 4 order. The victims and their families will
-06:-08:-28 5 have an opportunity to go on there, view
-06:-08:-25 6 the photos, and claim the particular item.
-06:-08:-23 7 If at the end of that time period we set,
-06:-08:-19 8 when we view the pictures, there's only --

-06:-08:-17 9 THE COURT: Mr. Goldberg, I just
-06:-08:-14 10 lost you.

-06:-08:-12 11 MR. GOLDBERG: I apologize,
-06:-08:-11 12 Your Honor. Can you hear me now?

-06:-08:-09 13 MR. FAY: It's still Steve's iPad.
-06:-08:-05 14 This is really frustrating.

-06:-08:-02 15 THE COURT: Yeah, I'm trying to mute
-06:-08:00 16 him. Steve, you're not on mute, so please
-06:-07:-58 17 mute yourself. Thank you, Steve.

-06:-07:-50 18 All right. Mr. Goldberg.

-06:-07:-46 19 MR. GOLDBERG: Yes, Your Honor. So
-06:-07:-45 20 at the end of that viewing period, so to
-06:-07:-43 21 call it, we will go and look at each of the
-06:-07:-37 22 items, and if we have an item that only has
-06:-07:-33 23 one claimant, we will file a motion to turn
-06:-07:-31 24 over, and we'll do it all in a single
-06:-07:-28 25 combined motion, but we will do a motion to

-06:-07:-25 1 hand the property to the single claimant.

-06:-07:-23 2 If there are multiple claimants on a
-06:-07:-19 3 particular item, we will bring that to
-06:-07:-17 4 their attention and ask them for evidence,
-06:-07:-14 5 and my office will try to figure out who
-06:-07:-11 6 it properly belongs to if we can by
-06:-07:-07 7 agreement. If we cannot and there's
-06:-07:-05 8 competing claimants, we'll tee up the
-06:-07:-02 9 matter before the Court to decide.

-06:-07:-01 10 Your Honor, that's with respect to
-06:-06:-57 11 the hard items. One fact -- interesting
-06:-06:-54 12 fact I did learn -- well, let me step also
-06:-06:-50 13 back.

-06:-06:-50 14 There are 17 safes in various
-06:-06:-47 15 conditions. Some are cracked open. I will
-06:-06:-42 16 go down with a locksmith to the County, and
-06:-06:-39 17 in front of the police we will videotape
-06:-06:-37 18 it, and with the locksmith there, we will
-06:-06:-33 19 open up the 17 safes. We are extremely
-06:-06:-30 20 hopeful we will be able to determine the
-06:-06:-27 21 identity of the owners of the safe by the
-06:-06:-24 22 contents of the safe such as a deed or will
-06:-06:-21 23 or some other document that may give the
-06:-06:-19 24 owner's identity.

-06:-06:-18 25 If the owner can be identified,

-06:-06:-16 1 we will provide immediately the contents of
-06:-06:-14 2 the safe to the owner. If the owner cannot
-06:-06:-11 3 be identified, we will hold the contents
-06:-06:-07 4 and maybe go through a posting procedure.
-06:-06:-04 5 We're not sure exactly how we'll deal with
-06:-06:-02 6 it, but we will file a motion with the
-06:-05:-59 7 Court before we do anything.

-06:-05:-58 8 Now, Your Honor, in this case --

-06:-05:-57 9 THE COURT: These protocols for this
-06:-05:-54 10 website where all the personal property
-06:-05:-51 11 will be up on, a website for victims to
-06:-05:-45 12 view and make claims as well as the safe
-06:-05:-42 13 protocol, I assume these are going to be
-06:-05:-39 14 done pursuant to court orders you're going
-06:-05:-37 15 to secure?

-06:-05:-36 16 MR. GOLDBERG: Your Honor, we're
-06:-05:-34 17 filing the motion Friday and to be heard
-06:-05:-32 18 next week. It's already drafted.

-06:-05:-29 19 THE COURT: I want to make sure
-06:-05:-27 20 everything is documented and a protocol
-06:-05:-27 21 approved by the Court so there's no
-06:-05:-24 22 misunderstandings. Okay?

-06:-05:-24 23 MR. GOLDBERG: Absolutely. It's
-06:-05:-24 24 already drafted, Your Honor. The County
-06:-05:-24 25 has already signed off on it. It's already

-06:-05:-21 1 gone back and forth several times. It's
-06:-05:-20 2 ready to be filed. Mr. Singerman is just
-06:-05:-18 3 putting his final touches on it, and
-06:-05:-16 4 it will go.

-06:-05:-15 5 THE COURT: Okay.

-06:-05:-15 6 MR. GOLDBERG: Your Honor --

-06:-05:-13 7 THE COURT: And let's see, I mean,
-06:-05:-11 8 maybe this will go smoothly, and maybe that
-06:-05:-07 9 most of the personal property there will
-06:-05:-05 10 only be one claimant, but if we have a
-06:-05:-02 11 situation where there are many instances
-06:-04:-59 12 where there are multiple claimants of the
-06:-04:-57 13 same property, I may need to establish a
-06:-04:-55 14 protocol with a special master or someone
-06:-04:-51 15 to resolve those.

-06:-04:-50 16 But let's try to get that site up as
-06:-04:-48 17 soon as possible so victims can go on and
-06:-04:-46 18 identify their property or their loved
-06:-04:-42 19 ones, and we can get that disclosed as
-06:-04:-39 20 quickly as possible. Okay?

-06:-04:-37 21 MR. GOLDBERG: Yes. Your Honor, in
-06:-04:-32 22 my meeting with the County or in my
-06:-04:-29 23 meetings with the County, one of the facts
-06:-04:-27 24 I learned is that there was a great deal of
-06:-04:-24 25 cash, U.S. currency and perhaps foreign

-06:-04:-21 1 currency, but I'm only talking about the
-06:-04:-18 2 U.S. currency, found at the location. Some
-06:-04:-16 3 of that currency was found in purses and
-06:-04:-10 4 wallets that can easily be identified, and
-06:-04:-05 5 some of it loose in the rubble that cannot
-06:-04:-01 6 be identified.

-06:-04:00 7 In fact, I asked the specific
-06:-03:-58 8 questions, can you tell which floor it was
-06:-03:-56 9 on, can you tell which unit it came from,
-06:-03:-54 10 and in no uncertain terms, I was informed
-06:-03:-51 11 that that is completely impossible. It is
-06:-03:-48 12 just loose cash.

-06:-03:-46 13 Your Honor, it totals -- both the
-06:-03:-43 14 identifiable cash and the loose cash total
-06:-03:-40 15 approximately three-quarters of a million
-06:-03:-35 16 dollars. In addition, the identifiable
-06:-03:-33 17 cash, I'm told, is only a small portion of
-06:-03:-31 18 that. So the majority of the cash is
-06:-03:-27 19 unidentifiable and has nobody that we can
-06:-03:-16 20 say owns it.

-06:-03:-14 21 Regardless, both the identifiable
-06:-03:-12 22 and the unidentifiable cash has suffered
-06:-03:-08 23 deterioration. The County has spoken with
-06:-03:-06 24 the Department of Treasury, the United
-06:-03:-01 25 States Treasury, who has explained that

-06:-03:00 1 they have processes whereby they can
-06:-02:-57 2 extract cash. Even the cash in wallets and
-06:-02:-53 3 pocketbooks and purses has been
-06:-02:-51 4 deteriorated, and also the loose cash is
-06:-02:-48 5 toxic. It has hazardous materials on it.

-06:-02:-44 6 The United States Treasury has said
-06:-02:-42 7 they have processes where they can take the
-06:-02:-40 8 cash, extract it, clean it, and return
-06:-02:-35 9 it to us via a check. So in the motion
-06:-02:-31 10 being filed, it will also seek the Court's
-06:-02:-27 11 authorization to have the cash transferred
-06:-02:-23 12 to the Treasury in Washington where they
-06:-02:-19 13 will, over a period of several months,
-06:-02:-17 14 extract the cash, clean the cash, and
-06:-02:-13 15 return a check to me.

-06:-02:-10 16 I will then take the proceeds that
-06:-02:-07 17 were identifiable from those currency and
-06:-02:-02 18 return it to the proper owner or personal
-06:-02:00 19 representative. With respect to the loose
-06:-01:-56 20 cash, the County and I have agreed,
-06:-01:-50 21 subject, obviously, to the Court's order,
-06:-01:-49 22 that the best thing to do with the cash
-06:-01:-47 23 would be put it into the fund for all of
-06:-01:-45 24 the victims so that it will be distributed
-06:-01:-42 25 to all of the victims, because it's not

-06:-01:-41 1 able to be identified to any single victim.

-06:-01:-38 2 So this will all be set forth in a
-06:-01:-35 3 motion that will be filed by the end of the
-06:-01:-32 4 week, Your Honor, and it will be subject,
-06:-01:-30 5 I assume, of the hearing next week, but I
-06:-01:-27 6 just wanted the Court to be fully aware of
-06:-01:-24 7 that.

-06:-01:-24 8 THE COURT: Well, that's a little --
-06:-01:-22 9 I guess that's a little surprising, the
-06:-01:-19 10 amount. And other than what was in purses
-06:-01:-12 11 and personal belongings, none of it can
-06:-01:-09 12 really be identified as having come from
-06:-01:-07 13 any particular units, I assume. In other
-06:-01:-04 14 words, this was all just cash that was in
-06:-01:-03 15 the debris that resulted from the collapse,
-06:-01:00 16 it was not -- this is cash that was not in
-06:00:-57 17 a safe, that was not in anything where
-06:00:-55 18 it can be tied to any particular unit,
-06:00:-52 19 right?

-06:00:-51 20 MR. GOLDBERG: That's what I've been
-06:00:-50 21 informed by the County, Your Honor.
-06:00:-47 22 It can't be tied to a particular floor.
-06:00:-45 23 It can't be tied to a particular unit or
-06:00:-43 24 any particular person. It's just cash that
-06:00:-40 25 the first responders found at the site and

-06:00:-37 1 handed over to the police to be held until
-06:00:-30 2 the Court --

-06:00:-30 3 THE COURT: So let's get -- so let's
-06:00:-28 4 get that cash sent to D.C. and returned in
-06:00:-20 5 a negotiable form, and then you'll file
-06:00:-18 6 your motion as soon as possible. I'll give
-06:00:-12 7 everybody the right to be heard. Maybe
-06:00:-11 8 there's somebody that has some unique piece
-06:00:-08 9 of evidence where they can establish a
-06:00:-06 10 chunk of that cash or a portion belonged to
-06:00:-03 11 their loved one and want to be heard on
-06:00:00 12 that, and they'll have that opportunity.

-05:-59:-57 13 But it sounds to me, the suggestion
-05:-59:-52 14 that these funds be negotiated and placed
-05:-59:-49 15 into the common fund that is being
-05:-59:-45 16 generated for compensation to all victims
-05:-59:-42 17 is probably a solid suggestion and may very
-05:-59:-37 18 well be what happens, but I do want to give
-05:-59:-34 19 any victims the right to be heard.

-05:-59:-32 20 Like I said, maybe somebody's got
-05:-59:-30 21 some unique piece of evidence that would
-05:-59:-27 22 show in a very compelling way that the cash
-05:-59:-23 23 or substantial portion of it belonged to
-05:-59:-20 24 their loved ones, and certainly people
-05:-59:-16 25 should have the opportunity to do that.

-05:-59:-15 1 So put your request in a motion,
-05:-59:-12 2 I'll give everybody the right to be heard,
-05:-59:-10 3 and then we'll decide what happens with
-05:-59:-07 4 those funds once they're placed in a
-05:-59:-05 5 properly negotiable form.

-05:-59:00 6 MR. GOLDBERG: Your Honor, it's part
-05:-58:-59 7 and parcel of the personal property motion
-05:-58:-56 8 that will be filed later this week.

-05:-58:-53 9 THE COURT: I want to take it up as
-05:-58:-52 10 soon as possible.

-05:-58:-51 11 MR. GOLDBERG: Absolutely.
-05:-58:-50 12 Your Honor, that concludes my update.
-05:-58:-48 13 Mr. Singerman, again, has a motion to
-05:-58:-46 14 handle, and Mr. Fay has an update on
-05:-58:-44 15 marketing efforts, and then -- and then
-05:-58:-40 16 that will conclude the receiver's side of
-05:-58:-37 17 the status conference.

-05:-58:-35 18 THE COURT: Very good.
-05:-58:-34 19 Mr. Singerman.

-05:-58:-30 20 MR. SINGERMAN: Good morning,
-05:-58:-29 21 Your Honor. May it please the Court, Paul
-05:-58:-26 22 Singerman for Mr. Goldberg. Your Honor,
-05:-58:-25 23 I won't take a great deal of Your Honor's
-05:-58:-22 24 time unless you have questions for me.

-05:-58:-22 25 Before the Court now is the

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receiver's motion for entry of an order authorizing the receiver to release insurance funds provided by Universal Property & Casualty Insurance Company.

Your Honor, very briefly, you may recall that on July 21st, you entered an order granting Universal's limited motion for intervention in order to remit to the receiver, pursuant to Your Honor's permission, funds in the amount of \$1,263,400 for Part A and Part C coverage of unit owners which Universal was unable to identify.

The receiver and his counsel have reviewed the policy subject of these unidentified -- then unidentified funds at the time of the order entered by Your Honor on July 21st and amended order entered on August 5th, setting forth a schedule of the insureds in the amount of the Part A coverage pertaining to building structure and Part C pertaining to contents for each of the 11 insureds.

The motion before you sets forth a thoughtful and efficient and user-friendly

-05:-57:-08 1 protocol for Mr. Goldberg and his team to
-05:-57:-05 2 consider in getting the funds into the
-05:-57:-02 3 appropriate parties, whether they are
-05:-57:00 4 surviving victims, mortgagees of victims
-05:-56:-57 5 alive or deceased, and third parties,
-05:-56:-54 6 whether personal representatives, heirs, or
-05:-56:-51 7 other parties legally entitled to the
-05:-56:-47 8 proceeds.

-05:-56:-47 9 So the motion before you sets forth
-05:-56:-44 10 the analysis of each of the 11 claims and
-05:-56:-42 11 the procedure by which the claim --

-05:-56:-41 12 THE COURT: Why would -- why would
-05:-56:-40 13 any mortgagee have an interest in that --
-05:-56:-36 14 in that, Mr. Singerman? Do mortgagees have
-05:-56:-34 15 liens on personal property, insurance
-05:-56:-29 16 proceeds?

-05:-56:-28 17 MR. SINGERMAN: Yes, Your Honor, the
-05:-56:-26 18 coverage for Part A is not contents and
-05:-56:-23 19 personal property, it's, in fact, building
-05:-56:-21 20 and structure. It appears as though there
-05:-56:-19 21 are at least two mortgagees who do have a
-05:-56:-16 22 perfected interest in those proceeds.

-05:-56:-13 23 THE COURT: Okay. I was not aware
-05:-56:-12 24 that mortgagees had liens to contents and
-05:-56:-07 25 other individual policies that unit owners

-05:-56:-03 1 secured in condominium, but only two have
-05:-56:00 2 asserted those liens?

-05:-55:-59 3 MR. SINGERMAN: Yes, Your Honor,
-05:-55:-57 4 that's my understanding, two.

-05:-55:-56 5 THE COURT: All right.

-05:-55:-55 6 MR. SINGERMAN: So, Judge, the
-05:-55:-54 7 motion, and if you wish, I can elaborate,
-05:-55:-51 8 but it sets forth what it is that the
-05:-55:-49 9 claimants need to do. It's very simple.
-05:-55:-47 10 They need to present themselves to the
-05:-55:-45 11 office of the receiver after having
-05:-55:-43 12 provided the proof and evidence upon which
-05:-55:-41 13 each claimant will rely that he or she is
-05:-55:-37 14 entitled to the proceeds set forth in the
-05:-55:-35 15 motion that we filed and the exhibit to it.

-05:-55:-33 16 The receiver and his team will
-05:-55:-31 17 officially review the evidence supporting
-05:-55:-28 18 the claim provided by each putative
-05:-55:-25 19 claimant, and then without further order of
-05:-55:-23 20 the Court, assuming Your Honor grants the
-05:-55:-21 21 relief requested in this motion, make the
-05:-55:-19 22 disbursement and, of course, in the event
-05:-55:-17 23 of any controversy or dispute, bring that
-05:-55:-14 24 matter back before Your Honor.

-05:-55:-13 25 I doubt there will be any, but

-05:-55:-11 1 that's the structure provided for in the
-05:-55:-09 2 motion. I'm happy to answer any questions
-05:-55:-06 3 that the Court has.

-05:-55:-05 4 THE COURT: All right. So,
-05:-55:-05 5 Ms. Rockenbach, on behalf of Universal, are
-05:-55:-03 6 you satisfied with that protocol, that that
-05:-55:00 7 will be the best method in order to ensure
-05:-54:-58 8 that the proceeds of your clients'
-05:-54:-54 9 individual policies are disbursed to the
-05:-54:-51 10 appropriate party?

-05:-54:-50 11 MS. ROCKENBACH: Yes, we are, Your
-05:-54:-49 12 Honor. My client consents to the motion
-05:-54:-47 13 and more. On behalf of my client,
-05:-54:-44 14 Universal, thanks both receiver,
-05:-54:-42 15 Mr. Goldberg, and his counsel,
-05:-54:-41 16 Mr. Singerman, for their professionalism
-05:-54:-38 17 and diligence in locating these 11 unit
-05:-54:-36 18 owners.

-05:-54:-35 19 My client had approximately 42
-05:-54:-32 20 policies, and these were the 11 that they
-05:-54:-29 21 wanted to get relief as soon as possible to
-05:-54:-27 22 the victims or -- and so I just wanted to
-05:-54:-19 23 convey a gratitude to Mr. Goldberg and
-05:-54:-15 24 Mr. Singerman for this.

-05:-54:-14 25 THE COURT: Okay. Does anybody wish

-05:-54:-12 1 to be heard on the receiver's motion joined
-05:-54:-09 2 by Universal to establish the protocol in
-05:-54:-06 3 order for owners or their representatives
-05:-53:-59 4 to make claims to these -- to these
-05:-53:-55 5 policies and to the proceeds of the tender?
-05:-53:-51 6 Anybody else want to be heard on that?

-05:-53:-48 7 Very good. Mr. Singerman, I'll
-05:-53:-46 8 grant your motion. Go ahead and put your
-05:-53:-43 9 proposed order with the protocol up on
-05:-53:-40 10 CourtMAP, and I will enter it this morning.

-05:-53:-38 11 MR. SINGERMAN: Thank you very much,
-05:-53:-35 12 Your Honor.

-05:-53:-34 13 THE COURT: All right. Does the
-05:-53:-33 14 receiver have any further business?

-05:-53:-31 15 MR. GOLDBERG: Mr. Fay, Your Honor.
-05:-53:-30 16 I think Mr. Fay wanted to update the Court
-05:-53:-26 17 on his marketing efforts.

-05:-53:-25 18 THE COURT: Mr. Fay. Okay.
-05:-53:-24 19 Mr. Fay, good morning.

-05:-53:-20 20 MR. FAY: Good morning, Your Honor.
-05:-53:-19 21 First of all, thank you for your comments
-05:-53:-17 22 earlier in the session here, because,
-05:-53:-15 23 again, retaining and also increasing
-05:-53:-13 24 property value and what is said about the
-05:-53:-11 25 property is so important.

-05:-53:-10 1 Right now I will elaborate on just
-05:-53:-07 2 two things. One, the \$120 million stalking
-05:-53:-04 3 horse offer is a low watermark for us.
-05:-53:-02 4 We are working hard and diligently to bring
-05:-52:-59 5 in numerous offers, and part of our
-05:-52:-56 6 situation that we have, which Mr. --
-05:-52:-53 7 Receiver Goldberg had just clarified,
-05:-52:-51 8 we are shooting for an auction sometime in
-05:-52:-48 9 late February, which would be best for us
-05:-52:-45 10 marketing the property.

-05:-52:-44 11 Why is that? The due diligence that
-05:-52:-42 12 is uncovered during that time will help us
-05:-52:-39 13 also answer questions for other buyers that
-05:-52:-36 14 are interested.

-05:-52:-35 15 Number two, during this time --

-05:-52:-33 16 THE COURT: And I assume this
-05:-52:-32 17 stalking horse bidder has agreed
-05:-52:-29 18 contractually to share the studies and the
-05:-52:-26 19 due diligence that it is doing with other
-05:-52:-23 20 bidders? You received their approval and
-05:-52:-19 21 consent to that, right?

-05:-52:-17 22 MR. FAY: Yes, Your Honor.

-05:-52:-15 23 Secondly, during this time, it gives all of
-05:-52:-12 24 the potential purchasers to go out there
-05:-52:-08 25 and do more financial underwriting as well

-05:-52:-04 1 as understanding the zoning. The three
-05:-52:-02 2 things that we've had the most issues with
-05:-52:-01 3 is, one, what is the timing? Which this is
-05:-51:-59 4 a very good situation for us in February.
-05:-51:-57 5 So, Your Honor, I'm highly supportive of
-05:-51:-55 6 this February mark; and then also
-05:-51:-51 7 understanding the zoning as we go through
-05:-51:-47 8 this.

-05:-51:-47 9 So during this time we are working
-05:-51:-45 10 with many potential purchasers. Right now
-05:-51:-41 11 our marketing continues. We have our email
-05:-51:-39 12 blast of about 5,000 per week. We have
-05:-51:-36 13 handled dozens and dozens of phone calls.
-05:-51:-33 14 We've had almost 200 downloads of the
-05:-51:-29 15 offering memorandum since we began, and
-05:-51:-27 16 also about 5,000 or plus opens of the flyer
-05:-51:-22 17 and teasers that we sent out.

-05:-51:-19 18 So we're very confident in our
-05:-51:-17 19 marketing right now. So at this time
-05:-51:-15 20 having the stalking horse there is a low
-05:-51:-13 21 watermark for us to build off of and
-05:-51:-11 22 increase pricing is what we're looking to
-05:-51:-09 23 do, so I wanted to give the Court that
-05:-51:-07 24 update. So thank you very much.

-05:-51:-05 25 THE COURT: Thank you. Mr. Fay, and

-05:-51:-03 1 obviously it's not the Court's intention to
-05:-50:-58 2 micromanage the process, and you all have
-05:-50:-54 3 much more experience on how these matters
-05:-50:-50 4 progress and what kind of time is necessary
-05:-50:-47 5 in order to generate the most interest and
-05:-50:-45 6 the highest offer, and I'm going to defer
-05:-50:-43 7 to you on that with the understanding that,
-05:-50:-39 8 as I said before, we don't have the luxury
-05:-50:-36 9 of extended time.

-05:-50:-34 10 We have victims who have lost their
-05:-50:-30 11 homes in June. There are many of them that
-05:-50:-25 12 are living temporarily in order to -- and
-05:-50:-22 13 waiting for their recovery in order to
-05:-50:-17 14 secure new housing and permanent residency,
-05:-50:-13 15 and if we do this and we have this auction
-05:-50:-10 16 late February, once the prevailing bid is
-05:-50:-04 17 recognized, I assume it would take some
-05:-50:-01 18 time to close after that, and then we're
-05:-49:-58 19 going to have allocation issues that the
-05:-49:-56 20 Court is going to have to address after
-05:-49:-54 21 giving everybody notice and an opportunity
-05:-49:-52 22 to be heard and brief the matter.

-05:-49:-50 23 So even with the February auction,
-05:-49:-46 24 it may be, you know, early summer or late
-05:-49:-40 25 spring before the Court would be in a

-05:-49:-39 1 position to make a distribution, and we'll
-05:-49:-37 2 be coming up on, you know, nine -- from the
-05:-49:-31 3 date of this tragic incident.

-05:-49:-30 4 So I want to give you the leeway you
-05:-49:-27 5 need. I don't want to micromanage the
-05:-49:-25 6 process, and I want to do everything --
-05:-49:-23 7 I want you to do everything necessary in
-05:-49:-21 8 order to generate the most interest and the
-05:-49:-18 9 highest offer, but I don't want to be --
-05:-49:-14 10 you know, I don't want these to be, you
-05:-49:-12 11 know, tentative, you know, it's now
-05:-49:-09 12 February, it will turn to April, and it
-05:-49:-07 13 will turn to June. I want you to stay on
-05:-49:-05 14 this timetable. Okay?

-05:-49:-02 15 MR. FAY: Your Honor, completely
-05:-49:00 16 heard and understand. We are working
-05:-48:-59 17 diligently towards that, and, again, we're
-05:-48:-56 18 trying to help everybody that's been
-05:-48:-54 19 involved and understand the severity of
-05:-48:-52 20 getting these funds in and also having the
-05:-48:-50 21 highest and best price, so thank you.

-05:-48:-48 22 THE COURT: Yeah, obviously, it's a
-05:-48:-47 23 very large transaction, it's complicated,
-05:-48:-43 24 I again -- I, again, as I did last week,
-05:-48:-40 25 want to commend the Town of Surfside for

-05:-48:-36 1 meeting with Mr. Kazden and ironing out
-05:-48:-33 2 these zoning issues as soon as possible so
-05:-48:-29 3 there's no uncertainty and the buyer knows
-05:-48:-27 4 exactly what they're buying and what they
-05:-48:-26 5 have the right to do with the property, but
-05:-48:-24 6 I don't want this -- as I said before, I
-05:-48:-21 7 don't want this to be business as usual.

-05:-48:-19 8 I want these timetables to be
-05:-48:-16 9 adhered to, and people that are serious
-05:-48:-13 10 should be able to meet these timetables,
-05:-48:-11 11 and we need to move the process along so
-05:-48:-09 12 the Court will be in a position, hopefully,
-05:-48:-06 13 within the relatively near future, to
-05:-48:-03 14 consider distributions to these victims
-05:-48:00 15 that will assist them in securing permanent
-05:-47:-56 16 residence. All right?

-05:-47:-54 17 MR. FAY: Yes, Your Honor. Thank
-05:-47:-53 18 you so much.

-05:-47:-53 19 THE COURT: So just make it clear to
-05:-47:-51 20 everybody that this is a firm timetable,
-05:-47:-48 21 and there's not a lot of play in the
-05:-47:-46 22 joints. This is not going to be, you know,
-05:-47:-42 23 continuance upon continuance. It's not
-05:-47:-38 24 going to happen. All right?

-05:-47:-36 25 MR. FAY: Thank you.

-05:-47:-36 1 THE COURT: Anything else you want
-05:-47:-34 2 to tell me, Mr. Fay?

-05:-47:-33 3 MR. FAY: No, and, again, thank you
-05:-47:-30 4 so much.

-05:-47:-30 5 THE COURT: Well, thank you, and
-05:-47:-29 6 I want to, again, commend your firm for
-05:-47:-26 7 also, like the lawyers in this case,
-05:-47:-24 8 working diligently and expending
-05:-47:-21 9 significant time and resources with no
-05:-47:-19 10 assurance of compensation and as a public
-05:-47:-16 11 service to the Court, and I greatly
-05:-47:-13 12 appreciate your firm's willingness to do
-05:-47:-11 13 that.

-05:-47:-09 14 MR. FAY: Thank you, Your Honor.
-05:-47:-08 15 It's an honor to do this as well. Thank
-05:-47:-05 16 you.

-05:-47:-05 17 THE COURT: All right. Ms. Furst,
-05:-47:-04 18 Mr. Tropin, anything you all would like to
-05:-47:00 19 report on your ongoing investigation and
-05:-46:-57 20 your discovery efforts?

-05:-46:-55 21 MS. FURST: Good morning,
-05:-46:-54 22 Your Honor, Rachel Furst. I'll give the
-05:-46:-52 23 update this morning. I can report that
-05:-46:-50 24 since the last hearing, class counsel has
-05:-46:-47 25 been primarily focused on the work of our

-05:-46:-44 1 investigation. Under the leadership of
-05:-46:-41 2 Rick Martinez-Cid who is heading the
-05:-46:-37 3 investigation committee, a capable team of
-05:-46:-35 4 attorneys has been doing the work involved
-05:-46:-33 5 in the receipt of thousands of documents
-05:-46:-31 6 responsive to the nearly three dozen
-05:-46:-27 7 subpoenas we sent out. Many of the
-05:-46:-25 8 deadlines of those subpoenas came due just
-05:-46:-23 9 this past week.

-05:-46:-22 10 We are seeing the first signs of
-05:-46:-18 11 resistance to some of our requests, so
-05:-46:-16 12 it may very well be that we'll be back
-05:-46:-14 13 before Your Honor in ten days or a week on
-05:-46:-12 14 some motion practice related to objections
-05:-46:-12 15 received, and I'll leave it at that,
-05:-46:-12 16 although most of the respondents have been
-05:-46:-04 17 compliant, and we have been able to work
-05:-46:-03 18 through most of the issues that have been
-05:-46:-01 19 raised in terms of those subpoenas.

-05:-45:-59 20 Of course, as Mr. Goldberg reported,
-05:-45:-59 21 the members of our leadership team were
-05:-45:-53 22 very involved for the last ten days in
-05:-45:-51 23 preparing the termination suit, which has
-05:-45:-49 24 just been filed late last night. As
-05:-45:-46 25 Your Honor knows, the suit has been filed

-05:-45:-44 1 pursuant to Chapter 718, and it really
-05:-45:-41 2 initiates the process of the termination --
-05:-45:-39 3 of the termination of the association to
-05:-45:-37 4 clear title to the land.

-05:-45:-33 5 Clients of attorneys Luis Suarez,
-05:-45:-30 6 Adam Moskowitz, Harley Tropin were all
-05:-45:-27 7 plaintiffs in this termination suit, and
-05:-45:-23 8 we expect to work with the receiver
-05:-45:-21 9 cooperatively through the next phases of
-05:-45:-17 10 the termination process.

-05:-45:-16 11 THE COURT: Okay.

-05:-45:-15 12 MS. FURST: Lastly -- lastly,
-05:-45:-13 13 plaintiffs' counsel -- plaintiffs' counsel
-05:-45:-11 14 has been working through its expert
-05:-45:-07 15 committee. We've compiled a preeminent
-05:-45:-07 16 team of experts and are anxiously waiting
-05:-45:-04 17 the opportunity to get on site so this team
-05:-45:-01 18 of experts can begin its important work.

-05:-44:-58 19 And we continue to work towards the
-05:-44:-57 20 November 16th deadline for the filing of
-05:-44:-55 21 our amended pleading, which we expect to
-05:-44:-52 22 meet. And, you know, although Mr. Tropin
-05:-44:-49 23 and I are tasked with giving the update at
-05:-44:-47 24 these hearings, and we're happy to do so,
-05:-44:-44 25 there are 17 law firms working very hard on

-05:-44:-41 1 behalf of the victims here. We're working
-05:-44:-39 2 to identify all possible defendants and
-05:-44:-37 3 prosecute our claim, so I just want to
-05:-44:-34 4 thank all the members of our team who
-05:-44:-32 5 really have been putting forth an enormous
-05:-44:-29 6 effort on these cases, on these claims.

-05:-44:-27 7 THE COURT: Ms. Furst, on this
-05:-44:-25 8 discovery issue, as I said before, this
-05:-44:-22 9 case is not going to be business as usual,
-05:-44:-19 10 so I need a standing order to address
-05:-44:-15 11 discovery disputes, and what I intend to do
-05:-44:-12 12 is I'm not going to have discovery disputes
-05:-44:-09 13 briefed under the 10.10.5 typical complex
-05:-44:-02 14 business rules, because I'm not going to
-05:-44:00 15 have all discovery disputes subject to a
-05:-43:-57 16 25-day briefing period.

-05:-43:-56 17 So the way it's going to work is all
-05:-43:-52 18 parties served discovery as well as
-05:-43:-50 19 nonparties will have 3 business days from
-05:-43:-47 20 service of the discovery to file
-05:-43:-44 21 objections, and you will have the right to
-05:-43:-33 22 have any objection heard at the following
-05:-43:-31 23 status conference that will take place
-05:-43:-28 24 every Wednesday.

-05:-43:-24 25 So in other words, once the

-05:-43:-23 1 discovery objection is filed within the
-05:-43:-21 2 three-day period, so long as the objection
-05:-43:-19 3 has been filed, the party seeking the
-05:-43:-17 4 discovery will have the right to call the
-05:-43:-15 5 objection up at the next hearing. If the
-05:-43:-11 6 party seeking the discovery feels that they
-05:-43:-09 7 need to brief the matter, they can brief
-05:-43:-06 8 it by responding to the objection within
-05:-43:-03 9 three days, but I intend to move discovery
-05:-42:-56 10 objections along promptly and deal with
-05:-42:-54 11 them at each weekly hearing.

-05:-42:-52 12 So once the objection is filed
-05:-42:-50 13 within the three days, and this applies to
-05:-42:-47 14 all parties as well as third parties that
-05:-42:-45 15 are served with discovery in this case, any
-05:-42:-42 16 party or third parties served with
-05:-42:-40 17 discovery has three business days to file
-05:-42:-37 18 with the Court any and all objections.

-05:-42:-33 19 The party who is seeking the
-05:-42:-30 20 discovery can then call these objections up
-05:-42:-28 21 at the next scheduled status conference.
-05:-42:-24 22 I'd like that to be in a standing order and
-05:-42:-21 23 when you serve discovery, when any party
-05:-42:-17 24 serves discovery in this case to a
-05:-42:-16 25 non-party, they are to be provided with a

-05:-42:-13 1 copy of the Court's order so they know they
-05:-42:-10 2 have three days.

-05:-42:-08 3 MS. FURST: Okay. Thank you, Your
-05:-42:-07 4 Honor.

-05:-42:-04 5 THE COURT: Go ahead and put that
-05:-42:-02 6 order up on CourtMAP, and let anybody who
-05:-41:-59 7 is served discovery know that they have
-05:-41:-57 8 three days, three business days from
-05:-41:-55 9 service to put their objections in writing
-05:-41:-52 10 and file them with the Court, and that the
-05:-41:-50 11 objections will then be taken up at the
-05:-41:-48 12 next scheduled status.

-05:-41:-44 13 MS. FURST: Understood. Thank you.

-05:-41:-42 14 THE COURT: All right. Anything
-05:-41:-41 15 else that you or Mr. Tropin would like to
-05:-41:-39 16 report on behalf of your team that are
-05:-41:-35 17 working in this case?

-05:-41:-33 18 MS. FURST: Nothing, Your Honor.

-05:-41:-28 19 MR. TROPIN: Nothing from me,
-05:-41:-26 20 Your Honor. Thank you very much.

-05:-41:-25 21 THE COURT: Okay. All right. Any
-05:-41:-24 22 other class lawyers, any other leadership
-05:-41:-21 23 lawyers that this Court has appointed that
-05:-41:-18 24 would like to be heard this morning on any
-05:-41:-16 25 matters related to their clients?

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All right. Does anybody representing any defendant or insurance carrier wish to be heard on any matters this morning?

And lastly, do any counsel for any governmental entities or agencies, the County, Town of Surfside, or any other governmental entities or agencies wish to be heard this morning?

Very good. Having concluded with counsel, the Court will now, as it always does, open the floor to hear from any victims or family members who may want to address any issue of concern to them.

MR. ROSENTHAL: Your Honor, can I speak?

THE COURT: Who is that?

MR. ROSENTHAL: Steve's iPad.

THE COURT: Oh, the guy giving us all the trouble before, Steve's iPad. Okay. All right.

MR. ROSENTHAL: Your Honor, good morning. My name is Steve Rosenthal. I'm a rescued survivor from Unit 705, and this is the first time we have spoken.

THE COURT: Good morning,

Mr. Rosenthal.

MR. ROSENTHAL: Good morning.

THE COURT: I'm certainly glad that we have the opportunity to speak, and I'm grateful that you survived this -- this tragedy.

MR. ROSENTHAL: Thank you, Your Honor. I'd first like to say thank you, Your Honor and the Court for the way you're handling these proceedings. I think you're moving it along at a fine pace. I'd like to thank Mr. Goldberg for his services and the job that he's doing and his counsel, Paul Singerman, and I'd also like to thank Senator Pizzo for the work he's doing with the people at Champlain Towers. He's done a masterful job.

What I'd like to ask, and I've been in touch with a lot of the residents, especially the ones that became homeless, and starting a home from scratch, where you have to buy -- I just got my dustpan and broom last week. I'm still waiting on my bucket for my mop. It's very expensive,

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Your Honor.

For 60 days I lived in a hotel, and a lot of us did, and we didn't have that problem, but now moving into a new apartment where you have to buy everything, and I mean everything, is expensive.

I was wondering if the Court -- you gave \$10,000 some time ago to all the residents, if you could, I understand Mr. Goldberg said there's \$49 million in one insurance account, there's 500,000 in another account, if you could allocate or let 10, \$20,000 be distributed another time to the residents, especially the ones that were left homeless and have to start from scratch.

THE COURT: Well, I'm certainly amenable to that, Mr. Rosenthal. I understand that many people had to start from scratch and relocate which has been one of the reasons the Court has not been willing to delay these proceedings and delay the monetization of this real estate, and I know that people are in need of those funds.

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We do have a large portion of the funds that were generously donated by Mr. Ruiz available.

Mr. Goldberg, what are your thoughts on giving some further assistance to those residents who have been forced to relocate and start new homes for personal belongings and things of that nature, another, I'm going to call it relatively small in the scheme of things, assistance payment to that subset of residents that the Court can always take into account later when there is a distribution? What's your suggestion on that?

MR. GOLDBERG: I would be in favor of that, Your Honor. Just, again, I have a balance of slightly over half a million dollars in the money Mr. Ruiz generously donated. I think, perhaps, and I don't want to throw out a number, but we can certainly afford -- it depends on how you define the class, Your Honor, how much we have to give, but I would be in favor of that, getting the money out of my account and into the victims' hands.

-05:-36:-27 1 THE COURT: Well, this would go for
-05:-36:-26 2 relocation assistance to those victims who
-05:-36:-22 3 lost their residence and had to relocate,
-05:-36:-19 4 and it would be on a family based -- on a
-05:-36:-16 5 family basis. In other words, the
-05:-36:-14 6 occupants of each unit collectively that
-05:-36:-11 7 are forced to relocate would be eligible
-05:-36:-08 8 for the assistance payment, and we could
-05:-36:-04 9 make it, say, up to \$5,000 for personal
-05:-36:-01 10 belongings.

-05:-35:-58 11 Let me open the floor and hear
-05:-35:-56 12 if anybody has any objection to that or
-05:-35:-54 13 would like to be heard on it. Would
-05:-35:-50 14 anybody like to be heard on this?

-05:-35:-45 15 All right. So I think that's a good
-05:-35:-43 16 suggestion from Mr. Rosenthal.

-05:-35:-40 17 MR. GOLDBERG: Your Honor, if I may?

-05:-35:-39 18 THE COURT: Yes.

-05:-35:-39 19 MR. GOLDBERG: We already have the
-05:-35:-37 20 list of people we paid \$10,000 of
-05:-35:-35 21 relocation expenses to. We can certainly
-05:-35:-31 22 get them very easily in the span of a
-05:-35:-29 23 matter of -- by the end of next week an
-05:-35:-24 24 additional \$5,000 a person for that,
-05:-35:-22 25 because we have the list of who we gave

-05:-35:-20 1

it to.

-05:-35:-20 2

THE COURT: Well, I guess the

-05:-35:-19 3

question, then, is do we just do that

-05:-35:-16 4

automatically, or do we require folks to at

-05:-35:-13 5

least contact you in some way and say

-05:-35:-10 6

they're in need of it? Your suggestion is

-05:-35:-07 7

we just make an automatic additional 5,000

-05:-35:-03 8

relocation distribution to those families

-05:-35:-01 9

who have had to relocate?

-05:-34:-58 10

MR. GOLDBERG: That would be my

-05:-34:-56 11

suggestion. We've already identified the

-05:-34:-54 12

people that put in the claim, and I would

-05:-34:-51 13

imagine that many people are in

-05:-34:-47 14

Mr. Rosenthal's position that lost every

-05:-34:-42 15

single item they had, and I'm sure they can

-05:-34:-40 16

certainly use it. If they asked for the

-05:-34:-37 17

ten thousand to begin with, I'm sure they

-05:-34:-36 18

can use the additional five, but it's

-05:-34:-33 19

obviously the Court --

-05:-34:-32 20

THE COURT: Obviously -- obviously,

-05:-34:-32 21

I did not impose a deadline on people to

-05:-34:-28 22

make these claims, correct? In other

-05:-34:-26 23

words, somebody today who has relocated and

-05:-34:-24 24

for whatever reason did not make a claim

-05:-34:-22 25

previously is still eligible to make a

-05:-34:-19 1 claim, right?

-05:-34:-18 2 MR. GOLDBERG: Your Honor, we just
-05:-34:-16 3 approved a relocation last week, but most
-05:-34:-14 4 everybody has relocated -- you know, has
-05:-34:-11 5 relocated already, but we're still open for
-05:-34:-07 6 claims.

-05:-34:-07 7 THE COURT: All right.

-05:-34:-06 8 THE WITNESS: So I'm going to go
-05:-34:-05 9 ahead and enter an order that I'm going to
-05:-34:-03 10 ask your counsel to prepare directing you
-05:-33:-59 11 to distribute an additional \$5,000 per
-05:-33:-55 12 family out of the funds donated from
-05:-33:-52 13 Mr. Ruiz to each family member that has
-05:-33:-49 14 been forced -- each family, not member, but
-05:-33:-45 15 each family that has been forced to
-05:-33:-41 16 relocate in order to assist them in
-05:-33:-39 17 securing housing and personal belongings
-05:-33:-36 18 that are necessary for the household.

-05:-33:-33 19 So I think that's a good suggestion,
-05:-33:-31 20 and I'm going to go ahead and approve that.

-05:-33:-28 21 MR. ROSENTHAL: Thank you,
-05:-33:-26 22 Your Honor.

-05:-33:-25 23 MR. GOLDBERG: One question. Should
-05:-33:-23 24 the order have that it's subject to
-05:-33:-21 25 recapture later?

-05:-33:-19 1 THE COURT: It's not that it is or
-05:-33:-17 2 is not, but that the Court can consider
-05:-33:-15 3 these distributions --

-05:-33:-13 4 MR. GOLDBERG: Sure.

-05:-33:-13 5 THE COURT: -- when making final or
-05:-33:-09 6 further interim distributions, the Court
-05:-33:-05 7 may take into account that this subset of
-05:-33:-02 8 victims have received assistance payments.
-05:-32:-58 9 All right?

-05:-32:-58 10 MR. GOLDBERG: Sounds good,
-05:-32:-57 11 Your Honor. We'll wait for your order --
-05:-32:-56 12 we'll get an order to you, and we'll get
-05:-32:-55 13 that out right away. Thank you,
-05:-32:-53 14 Your Honor.

-05:-32:-52 15 THE COURT: Okay. Anything else
-05:-32:-50 16 you'd like to discuss, Mr. Rosenthal, or is
-05:-32:-47 17 that it?

-05:-32:-46 18 MR. ROSENTHAL: I'm fine. Thank
-05:-32:-45 19 you, Your Honor. I appreciate it.

-05:-32:-44 20 THE COURT: Okay. Any other victims
-05:-32:-41 21 who wish to be heard this morning?

-05:-32:-40 22 MR. LONGOBARDI: Yes, Pablo
-05:-32:-36 23 Longobardi, Your Honor, good morning.

-05:-32:-36 24 THE COURT: Good morning. Who is
-05:-32:-35 25 speaking, I'm sorry?

-05:-32:-35 1 MR. LONGOBARDI: Pablo Longobardi
-05:-32:-28 2 from Unit 209 of CTS. Can you hear me?

-05:-32:-27 3 THE COURT: Oh, yes, we met before
-05:-32:-26 4 when we were live, right, Pablo?

-05:-32:-23 5 MR. LONGOBARDI: Yes, we met in
-05:-32:-22 6 court, absolutely, that's true. Just a
-05:-32:-20 7 couple of minutes of your time. First of
-05:-32:-19 8 all, I'd like to thank you for your
-05:-32:-17 9 comments at the beginning of the hearing.
-05:-32:-16 10 Those were very much appreciated, and I
-05:-32:-12 11 agree with what you said, and I support
-05:-32:-10 12 what you said.

-05:-32:-09 13 I'd like to talk a little bit about
-05:-32:-08 14 the distribution of the funds, so today
-05:-32:-05 15 we're understanding that there is a kind of
-05:-32:-03 16 delay in the distribution of the funds for
-05:-32:-02 17 the sale of the land, and I understand
-05:-31:-57 18 what's going on, but I want to add that
-05:-31:-53 19 we -- myself and other 74 individuals wrote
-05:-31:-48 20 a letter to the City of Surfside.

-05:-31:-46 21 We're all owners of CTS, we're all
-05:-31:-42 22 in agreement to support proper zoning,
-05:-31:-40 23 okay, to maximize the value of the land.
-05:-31:-37 24 So I want you to know that that effort was
-05:-31:-35 25 going on and is still ongoing, and we'll

-05:-31:-32 1 work with the city and continue to work
-05:-31:-30 2 with the city to try to help get into the
-05:-31:-27 3 proper zoning as soon as possible to see
-05:-31:-25 4 if we can improve this process or for sure
-05:-31:-22 5 not to delay it further.

-05:-31:-19 6 And we're not in favor of the swap
-05:-31:-16 7 of the land. We really want to focus on
-05:-31:-14 8 the proper zoning and get this deal done in
-05:-31:-09 9 a reasonable time.

-05:-31:-08 10 Considering that the disbursement of
-05:-31:-04 11 the proceeding is going to happen, let's
-05:-31:-02 12 say, in a year from the tragedy, my
-05:-31:00 13 question is, you know, because money today
-05:-30:-56 14 is not the same as money in one year's
-05:-30:-54 15 time, my question to the Court is if you
-05:-30:-52 16 will consider to redistribute the
-05:-30:-48 17 proceedings of the insurance earlier, or
-05:-30:-46 18 there will be the same timeline as we've
-05:-30:-42 19 been proceeding?

-05:-30:-42 20 THE COURT: So let me answer you,
-05:-30:-39 21 Pablo, because I know this is a matter of
-05:-30:-37 22 great interest, and the Court has addressed
-05:-30:-34 23 it before, but let me -- let's go over this
-05:-30:-28 24 so everybody, you know, has an
-05:-30:-26 25 understanding as to where we are today.

-05:-30:-23 1 You know, one thing I've told you all from
-05:-30:-20 2 the very beginning of this process is I'm
-05:-30:-19 3 going to give you the truth, whether it's
-05:-30:-16 4 good, bad, or indifferent, you're going to
-05:-30:-13 5 get the truth, and you're going to get the
-05:-30:-11 6 facts. So as I said earlier, when you take
-05:-30:-08 7 into account the value of the units that
-05:-30:-04 8 were lost and if you just -- if you just
-05:-30:00 9 pick a number out of the air, it may be a
-05:-29:-56 10 little high, it may be a little low, but
-05:-29:-54 11 if you have 139 units lost and you value
-05:-29:-51 12 them each at \$1 million, and I know some
-05:-29:-47 13 might be worth more and some may be worth
-05:-29:-44 14 less, but I'm just picking a number, for
-05:-29:-41 15 demonstration issues -- purposes, we're
-05:-29:-38 16 talking about 140 million or so of economic
-05:-29:-35 17 loss that has to be compensated.

-05:-29:-31 18 Then when you take 98 lives that
-05:-29:-28 19 were lost, and you look at what the law
-05:-29:-21 20 will likely ascribe the value of those, and
-05:-29:-17 21 I've said it before, so let me make
-05:-29:-15 22 it clear again, there's never any amount of
-05:-29:-12 23 money that can compensate for the horrific
-05:-29:-10 24 loss of life that has been suffered here,
-05:-29:-06 25 but the law will place a value on those

-05:-29:-04 1 claims as it has to do, and as I said
-05:-28:-58 2 earlier in the conversation, those claims
-05:-28:-56 3 in the aggregate could easily approach or
-05:-28:-52 4 exceed a billion dollars.

-05:-28:-51 5 So you're looking at -- you're
-05:-28:-46 6 looking at, let's just say, \$1 billion in
-05:-28:-43 7 potential claims when all is said and done.
-05:-28:-41 8 At this point we have \$50 million of
-05:-28:-38 9 insurance coverage. I'm hoping that we get
-05:-28:-33 10 a very strong number for the real estate.

-05:-28:-28 11 That will depend on a number of
-05:-28:-27 12 things, including zoning and other matters,
-05:-28:-24 13 but I'm hoping we get a very strong number
-05:-28:-21 14 for the real estate, but even in a best
-05:-28:-18 15 case scenario, let's just say we could
-05:-28:-15 16 possibly achieve \$150 million for the real
-05:-28:-11 17 estate, you're looking at \$200 million at
-05:-28:-07 18 that point, which would be 20 percent or so
-05:-28:-03 19 of the aggregate value of these claims.

-05:-28:00 20 So as I said earlier in the hearing,
-05:-27:-54 21 absent viable third-party claims against
-05:-27:-52 22 solvent defendants, it is highly unlikely
-05:-27:-46 23 that that -- that that gap is going to be
-05:-27:-42 24 made up.

-05:-27:-40 25 Now, as I said earlier, this Court

-05:-27:-38 1 has appointed lawyers that I believe,
-05:-27:-33 2 having practiced in this area for 25 years
-05:-27:-28 3 and having been on the Bench for another
-05:-27:-24 4 10, the lawyers that have agreed to step up
-05:-27:-22 5 and work in this case are in this Court's
-05:-27:-20 6 view the finest, not only in South Florida,
-05:-27:-16 7 but amongst the finest in the country at
-05:-27:-13 8 handling class action, mass tort, and mass
-05:-27:-07 9 economic claims.

-05:-27:-06 10 You've got the creme de la creme,
-05:-27:-03 11 and as I've said at prior hearings, this
-05:-26:-58 12 Court is confident that no stone will be
-05:-26:-56 13 left unturned, and no viable claim will be
-05:-26:-53 14 left uninvestigated and not pursued.

-05:-26:-47 15 So this is not going to be a case,
-05:-26:-44 16 I assure you where these lawyers are going
-05:-26:-42 17 to miss anything, but we're going to have a
-05:-26:-38 18 possible \$800 million shortfall between the
-05:-26:-34 19 aggregate value of these claims and what
-05:-26:-29 20 will likely be the non-litigation recovery,
-05:-26:-26 21 meaning the insurance proceeds and the
-05:-26:-23 22 value of the real estate.

-05:-26:-22 23 That is why the Court has made very
-05:-26:-19 24 clear from the beginning that the need to
-05:-26:-14 25 monetize the real estate is not debatable.

-05:-26:-11 1 It may very well turn out to be one of the
-05:-26:-08 2 primary sources of recovery for these
-05:-26:-05 3 victims.

-05:-26:-05 4 Now, as far as your question about
-05:-26:00 5 interim and partial distribution of the
-05:-25:-58 6 insurance proceeds, it's going to be very
-05:-25:-55 7 difficult in this case, not necessarily
-05:-25:-53 8 impossible, but it's going to be difficult
-05:-25:-51 9 to make significant interim distributions,
-05:-25:-45 10 because what's going to happen in this case
-05:-25:-43 11 is once the funds are recovered, including
-05:-25:-41 12 what I hope will be third-party litigation
-05:-25:-38 13 recoveries, then there's going to be an
-05:-25:-36 14 issue of allocation as we talked about
-05:-25:-33 15 before.

-05:-25:-33 16 We have people that have suffered
-05:-25:-32 17 only economic loss, because they were
-05:-25:-26 18 fortunate enough to have not perished in
-05:-25:-24 19 this, thank God, and they have lost their
-05:-25:-20 20 condominiums, and they suffered primarily
-05:-25:-17 21 economic loss.

-05:-25:-16 22 There are going to be people --
-05:-25:-13 23 there are people who suffered economic loss
-05:-25:-10 24 and the loss of life, so they're going to
-05:-25:-07 25 have economic claims plus injury claims and

-05:-25:-02 1 death claims as well as survivors. There
-05:-24:-58 2 are going to be people -- we know there are
-05:-24:-55 3 people who were occupants in the building
-05:-24:-50 4 who suffered only loss of life and injury,
-05:-24:-47 5 but not economically, because they didn't
-05:-24:-45 6 own any units, and I'm speaking about
-05:-24:-43 7 tenants.

-05:-24:-43 8 I know there are circumstances
-05:-24:-41 9 where, unfortunately, people were staying
-05:-24:-39 10 over with friends who just happened to be
-05:-24:-35 11 in the building but were not lessees or
-05:-24:-32 12 owners, and they're going to have claims.
-05:-24:-31 13 And then we're also going to have survivors
-05:-24:-27 14 who are going to have claims for
-05:-24:-26 15 post-traumatic stress disorder and other
-05:-24:-22 16 types of injury.

-05:-24:-20 17 So at some point the Court is going
-05:-24:-18 18 to be faced with the daunting task of
-05:-24:-14 19 having to decide how the funds are
-05:-24:-12 20 allocated, and it's very difficult to do
-05:-24:-09 21 that on kind of an interim basis until you
-05:-24:-06 22 know what you have to work with, which is
-05:-24:-04 23 why quickly and forcing the lawyers who,
-05:-23:-57 24 again, are working with no assurance of
-05:-23:-54 25 compensation, to do their investigation

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-05:-23:-35 7
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-05:-23:-26 10
-05:-23:-24 11
-05:-23:-21 12
-05:-23:-18 13
-05:-23:-15 14
-05:-23:-13 15
-05:-23:-10 16
-05:-23:-07 17
-05:-23:-05 18
-05:-23:-01 19
-05:-23:00 20
-05:-22:-54 21
-05:-22:-52 22
-05:-22:-49 23
-05:-22:-44 24
-05:-22:-43 25

quickly and determine whether there are viable claims.

I don't know who that is? Do we know where that noise is coming from, folks?

Okay. So I have asked the lawyers -- I have asked the lawyers to work as quickly as they can to identify whether there are any viable third-party claims and get those claims before me, because I think it may be very difficult to make distributions, including any significant interim distribution, until we know the total pot we have to work with.

Now, I'm not saying it's impossible, and I'm not saying it can't or won't be done, but the distribution issues in this case are going to be very significant, and everybody is going to have a right to be heard on those before funds are sent out.

So, you know, Pablo, to answer your question, my goal here is to monetize the property, get as much in the door as possible, have the lawyers that I've appointed, who, again, are the finest there

-05:-22:-40 1 are, to tell me what their investigation
-05:-22:-38 2 shows and whether there are viable
-05:-22:-36 3 third-party claims.

-05:-22:-35 4 If the lawyers come back and tell me
-05:-22:-32 5 that there are no viable third-party claims
-05:-22:-30 6 and that there's nobody to pursue here that
-05:-22:-28 7 could have liability or whose conduct was a
-05:-22:-25 8 contributing cause of this loss, then we've
-05:-22:-22 9 got whatever we generate from the property
-05:-22:-20 10 and the insurance money. We distribute
-05:-22:-17 11 it according to a plan of distribution, and
-05:-22:-14 12 we're done.

-05:-22:-13 13 If the lawyers come back to me on
-05:-22:-11 14 November 16th and tell me, Judge, there are
-05:-22:-08 15 viability claims against parties whose
-05:-22:-06 16 conduct may have been a contributing cause
-05:-22:-03 17 to this tragic event, and here's who they
-05:-22:00 18 are, and we're going to pursue those
-05:-21:-57 19 claims, then we'll decide at that point
-05:-21:-53 20 whether the land proceeds and the insurance
-05:-21:-50 21 proceeds or a portion of them can be
-05:-21:-47 22 subject to an interim distribution.

-05:-21:-43 23 I don't want to get over my skis,
-05:-21:-40 24 but I do want to answer your question, and
-05:-21:-37 25 it's going to be I can't really tell you

-05:-21:-36 1 today whether that type of interim
-05:-21:-32 2 distribution is going to be feasible, and I
-05:-21:-30 3 hope I've answered your question.

-05:-21:-28 4 MR. LONGOBARDI: Yeah, sure, sure,
-05:-21:-26 5 I understand. It's not an easy question,
-05:-21:-24 6 and I understand your answer. As you can
-05:-21:-21 7 imagine, myself and many other families
-05:-21:-18 8 have the issue of going out and buying
-05:-21:-16 9 another house, and we need to understand,
-05:-21:-11 10 you know, some of how things are going and
-05:-21:-08 11 where they're heading, I appreciate your
-05:-21:-06 12 answer. Thank you.

-05:-21:-06 13 THE COURT: Yes, and believe me, as
-05:-21:-04 14 soon as there are significant funds, I'm
-05:-20:-59 15 going to ask the lawyers for their input on
-05:-20:-57 16 distribution, and we'll talk about whether
-05:-20:-55 17 we need to wait for all the recoveries or
-05:-20:-52 18 whether we can make an interim distribution
-05:-20:-49 19 to assist people, you know, and obviously
-05:-20:-44 20 that will be taken into account as we make
-05:-20:-41 21 further distributions, what people have
-05:-20:-39 22 received to date, but I'm going to be
-05:-20:-36 23 looking at that all along the way.

-05:-20:-29 24 MR. LONGOBARDI: Thank you.

-05:-20:-29 25 THE COURT: It will be addressed as

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-05:-20:-24 3
-05:-20:-22 4
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-05:-20:-12 9
-05:-20:-10 10
-05:-20:-08 11
-05:-20:-06 12
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-05:-20:-03 14
-05:-20:-01 15
-05:-19:-58 16
-05:-19:-57 17
-05:-19:-53 18
-05:-19:-48 19
-05:-19:-46 20
-05:-19:-43 21
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-05:-19:-32 25

soon as it can possibly be addressed.

MR. LONGOBARDI: Thank you.

THE COURT: All right. Thank you.

MR. ROSE: Judge, can I speak? This is Randy Rose.

THE COURT: Yes, Mr. Rose, good morning.

MR. ROSE: I appreciate everything that you're doing, the receiver, and all the efforts that everyone has put into this. I have some questions to the reference of the sale of the land that should help everybody.

It depends on the answers that everybody can understand the importance to sell and close on the property, whether it's going to be as soon as possible, or as I see now, taking our time, which I really think we need to, because we have so many unanswered issues before entering into any contract with the stalking horse or any potential buyer.

I do appreciate anyone who wants to purchase our beautiful property on our very prime location. Once the closing takes

-05:-19:-26 1 place, how quickly will the proceeds be
-05:-19:-24 2 given to the 136 unit owners in their bank
-05:-19:-21 3 accounts? Will it take two weeks, three
-05:-19:-19 4 weeks, four months, or even after the next
-05:-19:-16 5 Surfside election in March 2020?

-05:-19:-13 6 We still have many lawsuits.
-05:-19:-10 7 We would like to make sure that the
-05:-19:-08 8 lawsuits and other issues do not cloud
-05:-19:-05 9 title with a notice of lis pendens or
-05:-19:-01 10 before entering into any contract that
-05:-18:-58 11 could delay the closing which would not be
-05:-18:-55 12 beneficial to the owner, especially the
-05:-18:-52 13 sale of the property versus the value.

-05:-18:-50 14 So I want to make sure that no one
-05:-18:-48 15 makes -- that no one makes a claim for
-05:-18:-44 16 those proceeds if the Judge decides all the
-05:-18:-39 17 proceeds of the sale will be held in
-05:-18:-38 18 escrow, whether a unit owner was homestead,
-05:-18:-35 19 second home, non-homestead, investment
-05:-18:-33 20 property, or if the monies -- if there was
-05:-18:-30 21 a lien on the property, is it only going to
-05:-18:-27 22 be on that specific unit, that doesn't have
-05:-18:-25 23 the clear title versus the other ones that
-05:-18:-22 24 have?

-05:-18:-22 25 Who is going to be signing the deed

-05:-18:-19 1 for each unit owner? Will a certain
-05:-18:-14 2 percentage of the unit owners need to be
-05:-18:-10 3 approved for a sale of the property? Okay.
-05:-18:-04 4 I just had a couple of more questions in
-05:-18:00 5 reference to that.

-05:-18:00 6 So there's like unanswered
-05:-17:-56 7 questions. So, you know, I don't believe
-05:-17:-54 8 in rushing the sale until we know exactly
-05:-17:-51 9 how and when we're going to get paid,
-05:-17:-48 10 because there's issues with the zoning.
-05:-17:-46 11 You know, Vice Mayor Paul wanted to go back
-05:-17:-44 12 to the March 2020 and add the alternative
-05:-17:-41 13 with the Wedding Cake text amendment.

-05:-17:-37 14 So you know, as anybody who wants to
-05:-17:-34 15 purchase the property, they want to know
-05:-17:-32 16 exactly the condition of the property,
-05:-17:-30 17 which we're doing an investigation, so the
-05:-17:-28 18 60-day due diligence sounds reasonable,
-05:-17:-24 19 because it seems like there's many people
-05:-17:-22 20 that are going to be investigating the
-05:-17:-20 21 property.

-05:-17:-19 22 So by trying to know that -- and
-05:-17:-15 23 owners, as we all can see, want to get
-05:-17:-12 24 paid, but if we can't get paid at closing
-05:-17:-09 25 like a normal closing, within three or four

-05:-17:-07 1 days or at the time the closing, it takes

-05:-17:-05 2 --

-05:-17:-05 3 THE COURT: Mr. Rose, I understand
-05:-17:-03 4 your point.

-05:-17:-01 5 MR. ROSE: Thank you very much.

-05:-17:-01 6 THE COURT: I very much think it's
-05:-16:-57 7 important to open these discussions to unit
-05:-16:-55 8 owners, and you've raised some very good
-05:-16:-53 9 points. I obviously am not going to have
-05:-16:-50 10 the time during these hearings to address
-05:-16:-48 11 every question every victim may have, but
-05:-16:-45 12 let me try to, with broad strokes, address
-05:-16:-41 13 some of your points.

-05:-16:-39 14 As I just explained to Pablo, when
-05:-16:-37 15 monies will reach the bank accounts of
-05:-16:-34 16 victims is something I can't tell you now,
-05:-16:-32 17 because assuming we close on this real
-05:-16:-28 18 estate, and assuming we generate the funds
-05:-16:-25 19 I hope we can generate between the sale of
-05:-16:-22 20 the real estate and the insurance, the
-05:-16:-20 21 question is going to, then, be how are
-05:-16:-17 22 those funds allocated.

-05:-16:-15 23 And the issues -- the issues are
-05:-16:-12 24 ones that the Court has already identified.
-05:-16:-08 25 I suggested before that the law might --

-05:-16:-03 1 might require that the property for the
-05:-15:-58 2 land, which is owned by the unit owners
-05:-15:-55 3 collectively, it is not owned by the
-05:-15:-53 4 association, the way condominiums work is
-05:-15:-51 5 each owner owns a proportionate piece of
-05:-15:-46 6 the real estate underlying the condominium.
-05:-15:-44 7 It is not owned by the association as an
-05:-15:-42 8 entity.

-05:-15:-41 9 So I have suggested that the law
-05:-15:-38 10 might require that the proceeds of the land
-05:-15:-34 11 and the property insurance policy, which
-05:-15:-31 12 covers the property itself, be used to pay
-05:-15:-27 13 the economic value of the condos first.

-05:-15:-24 14 Now, the law may require that and
-05:-15:-21 15 it may not, and I'm sure some of the
-05:-15:-19 16 lawyers who are going to represent the
-05:-15:-16 17 people that suffered injury and death are
-05:-15:-14 18 going to argue otherwise to me and take the
-05:-15:-11 19 position that some of that money should
-05:-15:-08 20 also be allocated to the death claims.

-05:-15:-05 21 So that is going to have to be
-05:-15:-02 22 addressed. And then the question that
-05:-15:00 23 I discussed with Pablo earlier is going to
-05:-14:-57 24 have to be addressed, which is whether this
-05:-14:-54 25 case will lend itself to an interim

-05:-14:-50 1 distribution or whether those decisions can
-05:-14:-48 2 only be made once the Court is aware of
-05:-14:-43 3 everything that has been recovered.

-05:-14:-41 4 So I can't give you any more
-05:-14:-39 5 guidance on timing. I have said it's very
-05:-14:-36 6 important to monetize this asset. We're
-05:-14:-34 7 going to monetize it as expeditiously as
-05:-14:-31 8 possible but without compromising its
-05:-14:-28 9 value, and as far as liens on the property,
-05:-14:-25 10 if you're referring to liens on individual
-05:-14:-21 11 units, the party who owns those units would
-05:-14:-16 12 be responsible for payment of those liens
-05:-14:-13 13 not the unit owners collectively.

-05:-14:-10 14 So if somebody has a mortgage on
-05:-14:-08 15 their unit, and their unit is worth
-05:-14:-05 16 \$1 million, and they have a mortgage for a
-05:-14:-03 17 half a million, that lender will have a
-05:-14:00 18 claim against that unit owner's recovery,
-05:-13:-57 19 and that unit owner's recovery only.

-05:-13:-53 20 The neighbor who owns their unit
-05:-13:-48 21 unencumbered will not be responsible for
-05:-13:-45 22 others' debt. Now, is unanimous or a
-05:-13:-43 23 percentage of approval to sell going to be
-05:-13:-40 24 required? The answer is no. The asset is
-05:-13:-38 25 going to be sold. That decision is not up

-05:-13:-34 1 for debate. The asset is going to be sold
-05:-13:-30 2 to the highest bidder approved by the court
-05:-13:-27 3 and by the receiver. So it's not going to
-05:-13:-22 4 be put to a vote, it's not going to be
-05:-13:-20 5 dependant upon approval of any percentage
-05:-13:-16 6 of unit owners, nor is it going to require
-05:-13:-13 7 a deed from individual unit owners.

-05:-13:-08 8 It will be sold, because the court
-05:-13:-07 9 is going to approve the sale, and the
-05:-13:-06 10 Court, through its orders and the
-05:-13:-03 11 receiver's authority, will issue whoever is
-05:-13:-02 12 buying that property clear and unencumbered
-05:-12:-59 13 title, and it's not going to require
-05:-12:-57 14 individual deeds from unit owners or
-05:-12:-54 15 individual votes. Okay?

-05:-12:-49 16 MR. ROSE: Yeah, one question. In
-05:-12:-48 17 reference to the liens, I wasn't talking
-05:-12:-46 18 about mortgages, it was more about people
-05:-12:-44 19 who have lawsuits against a specific unit.
-05:-12:-35 20 Then to clear that title, where you can
-05:-12:-35 21 have a hundred or so units that have clear
-05:-12:-33 22 title, and ten that have a cloud on title.

-05:-12:-31 23 THE COURT: I'm not sure what
-05:-12:-29 24 lawsuits you're referring to against
-05:-12:-27 25 particular units. If you're suggesting,

-05:-12:-25 1 for example, that a tenant who resided in a
-05:-12:-21 2 unit would have a lawsuit against that unit
-05:-12:-19 3 owner, that would be -- that --

-05:-12:-16 4 MR. ROSE: No, prior to the tragedy
-05:-12:-14 5 that happened, somebody could have been in
-05:-12:-12 6 a bankruptcy, somebody could have had an
-05:-12:-10 7 accident and somebody was suing them, and
-05:-12:-08 8 it might not have been their homestead
-05:-12:-06 9 property. So I'm just --

-05:-12:-04 10 THE COURT: I'm not -- I'm not aware
-05:-12:-03 11 of that, but those individual issues will
-05:-12:-01 12 have to be addressed, but generally
-05:-11:-58 13 speaking --

-05:-11:-58 14 MR. ROSE: The funds --

-05:-11:-56 15 THE COURT: Generally speaking,
-05:-11:-54 16 Mr. Rose, one is not responsible for the
-05:-11:-51 17 deaths or claims third parties may have
-05:-11:-47 18 against their neighbor.

-05:-11:-45 19 MR. ROSE: It was more delaying the
-05:-11:-42 20 closing. I didn't want anything delaying
-05:-11:-40 21 the closing. That was the point.

-05:-11:-38 22 THE COURT: No, those type of things
-05:-11:-36 23 are not going to be delaying this Court's
-05:-11:-34 24 closing.

-05:-11:-34 25 MR. ROSE: All right. Thank you

-05:-11:-33 1 very much. I appreciate everybody's time.

-05:-11:-29 2 THE COURT: Thank you. I'm glad
-05:-11:-28 3 you're here, and thank you for raising your
-05:-11:-26 4 issues and concerns.

-05:-11:-25 5 MR. YELLATI: Your Honor, this is
-05:-11:-18 6 Hernan Yellati from Unit 208/209. I would
-05:-11:-18 7 like to address the Court.

-05:-11:-14 8 THE COURT: Yes, sir.

-05:-11:-12 9 MR. YELLATI: Good morning. I would
-05:-11:-10 10 like to thank you, the receiver and
-05:-11:-07 11 everybody that is helping us on this
-05:-11:-04 12 tragedy. Me, my wife, and three kids,
-05:-11:00 13 we were able to get out. We were owners of
-05:-10:-58 14 combined units 208-209, and we were living
-05:-10:-54 15 there for the last eight years.

-05:-10:-52 16 I would like to make two brief
-05:-10:-49 17 comments. The first one is referring to
-05:-10:-47 18 the comments made by my neighbor,
-05:-10:-43 19 Mr. Rosenthal, which I believe they are
-05:-10:-39 20 very on point. We are also struggling with
-05:-10:-34 21 relocation expenses as many of our friends
-05:-10:-29 22 and neighbors.

-05:-10:-28 23 I would like to make a comment on
-05:-10:-25 24 the way you suggested the distribution.
-05:-10:-22 25 We were living in two combined units, and

-05:-10:-18 1 we are a family of five. I believe that
-05:-10:-16 2 the size of the family is relevant in this
-05:-10:-08 3 decision of how to distribute, so I request
-05:-10:-04 4 Your Honor to -- for you to consider the
-05:-10:00 5 way to distribute, because we are
-05:-09:-55 6 struggling with relocation, and I think
-05:-09:-52 7 that it's not the same one or two or five
-05:-09:-47 8 or six, so that's my first comment.

-05:-09:-42 9 My second comment is regarding
-05:-09:-39 10 mortgages. We hold a mortgage on our
-05:-09:-33 11 combined units, and I have a question
-05:-09:-31 12 regarding that on the order -- on the order
-05:-09:-24 13 in which is going to take place, the
-05:-09:-20 14 distribution and payment of mortgage.
-05:-09:-19 15 I would like to understand if there's going
-05:-09:-16 16 to be a distribution, and then I'm going to
-05:-09:-11 17 respond to the bank that holds the mortgage
-05:-09:-06 18 or if the Court is going to cancel my
-05:-09:-02 19 mortgage and then distribute to me and my
-05:-08:-59 20 family the remainder. So those are my two
-05:-08:-54 21 comments.

-05:-08:-53 22 THE COURT: Yes, I can answer the
-05:-08:-52 23 last question. First of all, Mr. Yellati,
-05:-08:-45 24 thank God you and your family are safe --

-05:-08:-41 25 MR. YELLATI: Thank you.

-05:-08:-40 1 THE COURT: -- and were not -- were
-05:-08:-39 2 not injured physically in this. Thank God
-05:-08:-35 3 for that. I'm very glad to hear you and
-05:-08:-32 4 your wife and children are okay.

-05:-08:-30 5 MR. YELLATI: Thank you, Your Honor.

-05:-08:-29 6 THE COURT: Now, the Court won't be
-05:-08:-25 7 canceling mortgages. The lenders who have
-05:-08:-23 8 liens on these units are entitled to have
-05:-08:-19 9 their lien satisfied out of the sale
-05:-08:-17 10 proceeds and out of the distributions that
-05:-08:-15 11 will go to owners for their economic
-05:-08:-13 12 losses.

-05:-08:-12 13 So if you -- if you own these two
-05:-08:-09 14 combined units and your two combined units
-05:-08:-05 15 were hypothetically worth \$2 million and
-05:-08:-02 16 you had debt on it and we're able to pay
-05:-07:-59 17 you your \$2 million, your lender will have
-05:-07:-56 18 a claim, they'll make it in this case, and
-05:-07:-53 19 if they have a valid mortgage and lien,
-05:-07:-50 20 they'll be paid.

-05:-07:-49 21 The money won't go to you, and then
-05:-07:-44 22 you'll have to pay the lender. The lender
-05:-07:-42 23 will have a right to assert its lien and be
-05:-07:-38 24 paid in this case out of your proceeds.

-05:-07:-36 25 MR. YELLATI: Thank you, Your Honor.

-05:-07:-32 1 THE COURT: So no, I won't be
-05:-07:-30 2 cancelling mortgages. As far as your
-05:-07:-30 3 assistance payments depending upon the size
-05:-07:-26 4 of your family, that's something that
-05:-07:-26 5 Mr. Goldberg can take into account.

-05:-07:-24 6 But if you have any particular needs
-05:-07:-22 7 that are not being met by the assistance
-05:-07:-19 8 payments that I've authorized, you speak to
-05:-07:-17 9 Mr. Goldberg about it, and if he feels it's
-05:-07:-13 10 appropriate, he'll bring that matter to my
-05:-07:-10 11 attention. If it's a valid need, I'll
-05:-07:-06 12 approve an additional distribution. Okay?

-05:-07:-03 13 MR. YELLATI: Thank you, Your Honor.
-05:-07:-02 14 Thank you.

-05:-07:-02 15 THE COURT: Thank you again for
-05:-07:-01 16 appearing.

-05:-07:00 17 Any other victims that would like to
-05:-06:-58 18 be heard this morning?

-05:-06:-55 19 MR. RODAN: Hey, Your Honor, I would
-05:-06:-53 20 like to ask a question.

-05:-06:-51 21 THE COURT: Yes, who is speaking?

-05:-06:-49 22 MR. RODAN: It's David Rodan from
-05:-06:-46 23 Apartment 405.

-05:-06:-45 24 THE COURT: Yes, Mr. Rodan.

-05:-06:-41 25 MR. RODAN: With regards to your

-05:-06:-38 1 previous comments about the distribution of
-05:-06:-37 2 funds, my family actually owned two
-05:-06:-34 3 different apartments and also we're in the
-05:-06:-31 4 need to see what we're going to do, what's
-05:-06:-29 5 our next step, if we can buy an apartment,
-05:-06:-24 6 and, basically, I want to better understand
-05:-06:-22 7 the distribution of funds.

-05:-06:-21 8 So assuming that we don't get any
-05:-06:-17 9 other third party responsible that can
-05:-06:-13 10 contribute to this, we know we have
-05:-06:-11 11 45 million from insurance plus the sale of
-05:-06:-07 12 the land. You said before for the sake of
-05:-06:-05 13 round numbers, we might recover
-05:-06:-04 14 200 million, and there's going to be claims
-05:-06:-02 15 for about a billion dollars when you take
-05:-05:-58 16 into account property, renters, and
-05:-05:-56 17 wrongful death victims.

-05:-05:-54 18 And you also said before that for
-05:-05:-52 19 the sake of round numbers, we could use
-05:-05:-49 20 \$1 million per unit, so that's
-05:-05:-47 21 \$130 million, 13 percent of the total
-05:-05:-43 22 claims.

-05:-05:-42 23 So I want to understand if that
-05:-05:-39 24 means that about 13 percent of the
-05:-05:-36 25 recovered money will go to the property

-05:-05:-34 1 owners or what's the cost --

-05:-05:-31 2 THE COURT: No, it doesn't -- it
-05:-05:-28 3 doesn't mean that at all. No distribution
-05:-05:-25 4 decisions have been made. Now, the
-05:-05:-21 5 distribution is going to be done pursuant
-05:-05:-18 6 to whatever the law requires, and there's
-05:-05:-11 7 going to be a debate about how that
-05:-05:-09 8 distribution should be made.

-05:-05:-08 9 There's some that are going to say
-05:-05:-06 10 that the money from the land, which is
-05:-05:-04 11 owned by everybody collectively, and the
-05:-05:00 12 money from the property insurance policy,
-05:-04:-57 13 which is 30 million that's been tendered,
-05:-04:-54 14 there are some that are going to argue that
-05:-04:-52 15 that 130 million should be used, first, to
-05:-04:-48 16 pay for the value of the condos, because
-05:-04:-43 17 that property, that land is owned by
-05:-04:-41 18 everybody collectively, the insurance
-05:-04:-39 19 insured the property itself, meaning the
-05:-04:-34 20 building and structure, and there are going
-05:-04:-33 21 to be some that are going to say, and they
-05:-04:-31 22 may be right, that that 130 million or
-05:-04:-26 23 whatever comes from the land and whatever
-05:-04:-23 24 comes from the policy should be first used
-05:-04:-20 25 to compensate for the appraised value of

-05:-04:-17 1 the units, and that anything left over
-05:-04:-09 2 should then be used to compensate for death
-05:-04:-07 3 and injury.

-05:-04:-07 4 Others are going to say that for
-05:-04:-04 5 whatever argument they may wish to make,
-05:-04:-02 6 that all the money should be in a pot that
-05:-04:00 7 all the claims should be valued and
-05:-03:-57 8 it should be distributed pro rata. Others
-05:-03:-53 9 may have other distribution schemes that
-05:-03:-51 10 they think are appropriate.

-05:-03:-50 11 I haven't decided on that, but
-05:-03:-48 12 that's going to be an issue in this case,
-05:-03:-43 13 and I recognized that from the very first
-05:-03:-41 14 hearing. So short of -- short of
-05:-03:-40 15 substantial third-party recoveries from
-05:-03:-36 16 viable and extremely solvent defendants,
-05:-03:-31 17 there's going to be a large differential
-05:-03:-27 18 between the aggregate value of all claims
-05:-03:-24 19 and the monies that are available to pay
-05:-03:-21 20 them, right?

-05:-03:-20 21 So that distribution decision is
-05:-03:-18 22 going to be made at a later date, but there
-05:-03:-14 23 will be competing arguments made to the
-05:-03:-12 24 Court, the lawyers representing the various
-05:-03:-09 25 contingencies will brief the issues, and

-05:-03:-06 1 then the court will make the distribution
-05:-03:-04 2 decision in accordance with the law and
-05:-03:-01 3 whatever equitable discretion it poses in
-05:-02:-57 4 matters of this nature, but those decisions
-05:-02:-55 5 have not been made, so do not take anything
-05:-02:-52 6 I said as suggesting that people are only
-05:-02:-48 7 going to get 13 percent of the value of
-05:-02:-47 8 their condominiums.

-05:-02:-46 9 It may very well be 100 percent, and
-05:-02:-43 10 it could be something in between. So that
-05:-02:-38 11 decision has not been made.

-05:-02:-35 12 MR. RODAN: Understood. Who makes
-05:-02:-33 13 the decision? Is it you, Your Honor, or
-05:-02:-28 14 the attorneys have to agree, and also --

-05:-02:-25 15 THE COURT: No, the attorneys do not
-05:-02:-24 16 have to agree. I will try to have the
-05:-02:-19 17 attorneys agree and maybe have the matter
-05:-02:-17 18 mediated or have negotiations, but absent
-05:-02:-12 19 agreement, I will hear from all interested
-05:-02:-11 20 parties, and I will make the decision.

-05:-02:-06 21 MR. RODAN: Your Honor, has there
-05:-02:-04 22 been any cases in the past, because we're
-05:-02:-02 23 all very ignorant in this, and I want to
-05:-01:-59 24 know if there's been any cases where such
-05:-01:-55 25 decisions have been made, and also what's

-05:-01:-54 1 the time frame that you anticipate that you
-05:-01:-50 2 have those percentages and what --

-05:-01:-47 3 THE COURT: Like I said when I was
-05:-01:-45 4 discussing this with Pablo and Mr. Rose,
-05:-01:-41 5 Randy, the question of when that decision
-05:-01:-38 6 is going to be made is up in the air.
-05:-01:-35 7 It may be made when the property is
-05:-01:-32 8 monetized and those funds are available.
-05:-01:-29 9 It may wait until we see if there are any
-05:-01:-26 10 substantial third-party recoveries.

-05:-01:-24 11 I don't -- I'm not sure today when
-05:-01:-22 12 that decision will be made. As far as your
-05:-01:-19 13 other questions, there are cases where
-05:-01:-16 14 courts have had to distribute what are
-05:-01:-14 15 called limited -- they're called limited
-05:-01:-11 16 fund cases, and there are situations where
-05:-01:-08 17 courts have been called upon to approve or
-05:-01:-03 18 decide a plan of distribution in cases
-05:-01:-01 19 where the aggregate claims exceed the funds
-05:00:-56 20 available to pay them.

-05:00:-56 21 And I think it's going -- we're not
-05:00:-51 22 going to delve -- we're not going to take a
-05:00:-47 23 deep dive into that today, but there are
-05:00:-45 24 cases that address this situation, not
-05:00:-42 25 directly on point or directly the same.

-05:00:-40 1 This is a highly unique type of case where
-05:00:-35 2 you have some unit owners who survived and
-05:00:-32 3 have economic claims, others who have death
-05:00:-28 4 claims. It's a very unique case, and every
-05:00:-25 5 case brings its own set of facts and it's
-05:00:-20 6 own challenges.

-05:00:-19 7 So like I said, I don't want to get
-05:00:-17 8 ahead of myself, but there will be
-05:00:-15 9 distribution issues that are going to have
-05:00:-14 10 to be addressed by the Court in this case,
-05:00:-11 11 David. All right? I hope that answered
-05:00:-10 12 your questions.

-05:00:-10 13 Any other unit owners wish to be
-05:00:00 14 heard?

-05:00:00 15 MR. RODAN: Thank you very much,
-04:-59:-58 16 Your Honor.

-04:-59:-58 17 MS. GODT: Yes, Debbie Godt.

-04:-59:-55 18 THE COURT: Ms. Godt, good morning.

-04:-59:-54 19 MS. GODT: Thank you for your
-04:-59:-54 20 comments in the beginning regarding some of
-04:-59:-54 21 the false narratives in the -- in the
-04:-59:-54 22 media. I really do appreciate your support
-04:-59:-54 23 on that.

-04:-59:-47 24 Just two questions. The first one
-04:-59:-45 25 is, I believe the appraisals were complete

-04:-59:-43 1 on the properties and they were going to be
-04:-59:-42 2 made available to us when they were
-04:-59:-40 3 complete. So I'm wondering if those can be
-04:-59:-36 4 released on the receiver's website, and
-04:-59:-34 5 then, although I know -- I know you don't
-04:-59:-33 6 know yet how it's going to be distributed.
-04:-59:-31 7 Is there a reason why we're waiting?
-04:-59:-28 8 It sounds like it's a matter of law that
-04:-59:-26 9 needs to be litigated.

-04:-59:-24 10 Is there a reason why you're waiting
-04:-59:-22 11 until all the funds are available to start
-04:-59:-20 12 that discussion? Is there any way to --

-04:-59:-17 13 THE COURT: I'm not -- I'm not
-04:-59:-16 14 necessarily waiting until all the funds are
-04:-59:-14 15 available.

-04:-59:-14 16 MS. GODT: Okay.

-04:-59:-13 17 THE COURT: I'm certainly not going
-04:-59:-12 18 to have an allocation discussion until
-04:-59:-09 19 I see what's available for the real estate.

-04:-59:-06 20 MS. GODT: Okay.

-04:-59:-05 21 THE COURT: I'm not saying that the
-04:-59:-02 22 allocation discussion is going to have to
-04:-59:00 23 await all recoveries in the case, and
-04:-58:-58 24 it may not. Is it a pure matter of law?
-04:-58:-53 25 It's not necessarily. It's largely a

-04:-58:-51 1 matter of law, but there's also discretion
-04:-58:-48 2 that will be dependant upon facts in the
-04:-58:-45 3 case, including one fact that might bear on
-04:-58:-41 4 it is how much we have to work with.

-04:-58:-38 5 If, for example, there is enough
-04:-58:-35 6 recovery to pay the value of the condos off
-04:-58:-32 7 the top and still have a significant amount
-04:-58:-30 8 of money left to distribute to those who
-04:-58:-25 9 have injury and death claims, it may make
-04:-58:-23 10 the issue easier to negotiate a resolution.

-04:-58:-19 11 If, as it turns out, the recoveries
-04:-58:-16 12 will only compensate for the value of the
-04:-58:-14 13 condos, and there will be nothing left for
-04:-58:-11 14 the personal injury claims, it may be a
-04:-58:-09 15 more -- well, don't want to use the word
-04:-58:-03 16 "contentious," because that's really not
-04:-58:-01 17 what I mean, but it may be a more
-04:-57:-58 18 significant debate.

-04:-57:-56 19 So I'm not suggesting that the
-04:-57:-54 20 allocation decision is going to have to be
-04:-57:-52 21 put on ice until every claim against every
-04:-57:-49 22 defendant in this case is finalized, and
-04:-57:-44 23 like I said earlier, once the land is
-04:-57:-42 24 monetized and we have the land proceeds and
-04:-57:-38 25 the insurance proceeds, I may start taking

-04:-57:-34 1 up the allocation issues at that point.

-04:-57:-31 2 MS. GODT: Okay. Great. And then
-04:-57:-29 3 for the receiver, does he have the
-04:-57:-27 4 appraisals that he can release to the owner
-04:-57:-25 5 to review?

-04:-57:-24 6 THE COURT: Yeah, well, so what
-04:-57:-23 7 he did, he did not appraise individual
-04:-57:-20 8 units. He appraised the units based upon
-04:-57:-18 9 their lines, as developers typically do.

-04:-57:-15 10 Mr. Goldberg, have those appraisals
-04:-57:-11 11 for each line of the units been completed,
-04:-57:-09 12 and do you have the ability to share those
-04:-57:-07 13 with our victims here?

-04:-57:-04 14 MR. GOLDBERG: Your Honor, one
-04:-57:-03 15 clarification. I do have the appraisals
-04:-57:00 16 for the line, and just so everybody knows,
-04:-56:-58 17 the appraiser who has appraised thousands
-04:-56:-55 18 of units all along Miami Beach, Surfside,
-04:-56:-51 19 we appraised the 6th floor line, and then
-04:-56:-47 20 we adjusted up and down, so I have an
-04:-56:-43 21 appraisal for each unit.

-04:-56:-41 22 Then for Mr. Yellati's unit, which
-04:-56:-35 23 is a combined unit, and one other unit, the
-04:-56:-31 24 penthouse unit, we had separate appraisals
-04:-56:-28 25 done on those, because they were unique.

-04:-56:-26 1 So we have appraisals for each unit in the
-04:-56:-22 2 building.

-04:-56:-21 3 I'm still in discussions with the
-04:-56:-20 4 appraiser to understand a little bit of
-04:-56:-18 5 some things. I expect to be in a position
-04:-56:-16 6 to release that early next week,
-04:-56:-12 7 Your Honor.

-04:-56:-12 8 THE COURT: Okay. So as soon as
-04:-56:-09 9 you're in a position to do so, please put
-04:-56:-06 10 the appraisals up on your website so
-04:-56:-03 11 victims can look at it.

-04:-56:-02 12 Now, keep in mind, folks, that the
-04:-55:-59 13 Court has not decided whether when it comes
-04:-55:-57 14 time to make a distribution, these units
-04:-55:-55 15 are going to be valued at what they were
-04:-55:-51 16 appraised at immediately prior to the
-04:-55:-49 17 collapse or whether the Court is going to
-04:-55:-46 18 use the percentages attributable to each
-04:-55:-44 19 unit pursuant to the operative declaration,
-04:-55:-41 20 that's an open issue, and that will also be
-04:-55:-38 21 decided down the road.

-04:-55:-37 22 But Mr. Goldberg, when the
-04:-55:-35 23 appraisals are done and you're satisfied
-04:-55:-32 24 that they're in final form, please share
-04:-55:-29 25 them with the victims as soon as you can.

-04:-55:-27 1 MR. GOLDBERG: We will do so,
-04:-55:-25 2 Your Honor, and put them up on the website.

-04:-55:-22 3 THE COURT: Hopefully that will be
-04:-55:-20 4 done by the time we meet next Wednesday.

-04:-55:-17 5 MR. GOLDBERG: We'll shoot for that,
-04:-55:-15 6 Your Honor.

-04:-55:-15 7 THE COURT: All right. Would any
-04:-55:-13 8 other victims or family members like to be
-04:-55:-11 9 heard and address the Court?

-04:-55:-08 10 MR. NAIM: Hello, Your Honor.

-04:-55:-08 11 THE COURT: Yes.

-04:-55:-06 12 MR. NAIM: My name is Mr. Naim. I'm
-04:-55:-01 13 the owner of Unit 806, and I want to thank
-04:-54:-58 14 you for all the work from everybody on this
-04:-54:-55 15 case. I just want to make clear, right now
-04:-54:-52 16 you have not decided yet if the
-04:-54:-48 17 compensation would be based on the
-04:-54:-46 18 percentage we got from the condominium or
-04:-54:-42 19 from the appraisal?

-04:-54:-42 20 THE COURT: Correct.

-04:-54:-41 21 MR. NAIM: Okay. So the thing is,
-04:-54:-41 22 this will be decided when you will know
-04:-54:-39 23 exactly how much money is available.

-04:-54:-37 24 THE WITNESS: It will be decided at
-04:-54:-36 25 the point where we make our first --

-04:-54:-32 1 whether interim or final, distribution for
-04:-54:-29 2 the loss of the units. That's when that
-04:-54:-26 3 issue will be decided.

-04:-54:-21 4 MR. NAIM: And second question, my
-04:-54:-19 5 wife was in the building during the
-04:-54:-17 6 collapse. Fortunately, she was able to --
-04:-54:-14 7 the fire brigade took her out from the 8th
-04:-54:-11 8 floor, but she's -- she suffers from PTSD,
-04:-54:-05 9 and I would like to know if there is any --
-04:-54:-02 10 I mean, any way to help the people who are
-04:-53:-59 11 in that situation, you know?

-04:-53:-53 12 THE COURT: Mr. Naim, first of all,
-04:-53:-50 13 thank God you and your wife are safe and
-04:-53:-48 14 were not physically harmed. Thank God for
-04:-53:-45 15 that. There are folks, as I've mentioned
-04:-53:-42 16 before, and has been mentioned in prior
-04:-53:-40 17 hearings, that may want to make claims
-04:-53:-38 18 against the funds that are generated here
-04:-53:-35 19 for post-traumatic stress disorder and
-04:-53:-33 20 other emotional or mental-type injury, and
-04:-53:-28 21 those claims will be considered together
-04:-53:-26 22 with all other claims when the appropriate
-04:-53:-23 23 time comes and when distribution decisions
-04:-53:-20 24 are made.

-04:-53:-19 25 MR. NAIM: Okay. Thank you very

-04:-53:-18 1

much.

-04:-53:-17 2

THE COURT: Thank you for appearing.

-04:-53:-11 3

Any other family members or victims who

-04:-53:-08 4

would like to address the Court?

-04:-53:-07 5

MR. LOZANO: Your Honor, I have a

-04:-53:-06 6

question here, Brent Lozano, Penthouse

-04:-53:00 7

10 -- 1210, the Augustine residence.

-04:-52:-58 8

THE COURT: Yes.

-04:-52:-58 9

MR. LOZANO: Earlier in our meeting

-04:-52:-56 10

here, we discussed the receivership being

-04:-52:-51 11

cleared of the checks that insurance has,

-04:-52:-48 12

and to pick up from the receivership, which

-04:-52:-46 13

I believe here is on Las Olas, Fort

-04:-52:-42 14

Lauderdale. Can we confirm that? I might

-04:-52:-40 15

have missed it here.

-04:-52:-37 16

THE COURT: Are you talking about --

-04:-52:-35 17

are you talking about the assistance

-04:-52:-34 18

checks?

-04:-52:-33 19

MR. LOZANO: Universal, the

-04:-52:-32 20

property.

-04:-52:-31 21

THE COURT: Oh, Universal. Are you

-04:-52:-29 22

one of the -- are you a Universal insured

-04:-52:-29 23

that --

-04:-52:-28 24

MR. LOZANO: Yes, sir.

-04:-52:-27 25

THE COURT: -- whose funds are

-04:-52:-26 1

escrowed?

-04:-52:-24 2

MR. LOZANO: Yes, sir.

-04:-52:-23 3

THE COURT: Okay. Yes, that's going

-04:-52:-22 4

to be -- I'm going to be entering an order

-04:-52:-20 5

shortly authorizing the protocol for

-04:-52:-17 6

distribution of those funds, and you'll get

-04:-52:-15 7

with the receiver, and once you verify your

-04:-52:-12 8

entitlement, they'll cut you a check.

-04:-52:-07 9

MR. LOZANO: Okay. Understood.

-04:-52:-06 10

Thank you, Your Honor.

-04:-52:-05 11

THE COURT: Thank you. Any other

-04:-52:-02 12

victims or family members that would like

-04:-51:-59 13

to address the Court or be heard on any

-04:-51:-57 14

matter of concern to them?

-04:-51:-55 15

MR. LANGESFELD: Good morning,

-04:-51:-53 16

Your Honor. This is Pablo Langesfeld.

-04:-51:-50 17

Good morning to all.

-04:-51:-48 18

THE COURT: Yes, Mr. Langesfeld.

-04:-51:-45 19

MR. LANGESFELD: Good morning, sir.

-04:-51:-44 20

As we know, it's been basically three

-04:-51:-42 21

months. We still don't know what happened,

-04:-51:-37 22

who is at fault, who is the buyer, who is

-04:-51:-31 23

representing the buyer, or who the buyer's

-04:-51:-28 24

broker is. We still don't have even an ID

-04:-51:-20 25

for our loved ones, and now I just heard

-04:-51:-18 1
-04:-51:-13 2
-04:-51:-09 3
-04:-51:-04 4
-04:-50:-57 5
-04:-50:-49 6
-04:-50:-46 7
-04:-50:-42 8
-04:-50:-37 9
-04:-50:-33 10
-04:-50:-28 11
-04:-50:-23 12
-04:-50:-19 13
-04:-50:-12 14
-04:-50:-10 15
-04:-50:-06 16
-04:-50:-04 17
-04:-50:-02 18
-04:-49:-59 19
-04:-49:-55 20
-04:-49:-51 21
-04:-49:-49 22
-04:-49:-46 23
-04:-49:-44 24
-04:-49:-39 25

that the land is under contract.

The reason I want the name of the buyers or his attorney or his broker is to make sure they understand what happened and to discuss the possibility of a memorial to honor our loved ones.

THE COURT: Mr. Langesfeld, let me address that with you. First, as I've told you before, I'm very sorry for your loss of your daughter and son-in-law. As I've told you before, the Court is completely behind the idea of a memorial being established for those who perished in this disaster.

Now, I know that there's a lot of people, and I've heard that there's going to be press conferences and people who feel there should be a memorial on this site. The Court told you all from the beginning that it would explore all viable options for this site, including ones that would include a memorial.

We first looked and I had -- and I appointed who I considered to be the finest and most respected government relations people, Mr. Kadre and

-04:-49:-35 1 Mr. Barreto, to explore the possibility of
-04:-49:-29 2 a public purchase so that this land could
-04:-49:-26 3 be devoted to a memorial. As I expected,
-04:-49:-23 4 and as I told everybody I expected, that
-04:-49:-20 5 was not a viable option.

-04:-49:-17 6 We then had a unit owner or victim
-04:-49:-14 7 come up with the very creative idea of a
-04:-49:-10 8 possible land swap with the site where the
-04:-49:-06 9 community center sits, so that site could
-04:-49:-04 10 be sold at fair market value to raise money
-04:-49:-01 11 for the unit owners, for the victims, and
-04:-48:-59 12 the site of the tragedy could be -- could
-04:-48:-54 13 be the venue for a new community center and
-04:-48:-51 14 a memorial combined.

-04:-48:-49 15 I thought that was a very creative
-04:-48:-44 16 idea, and I instructed my receiver to
-04:-48:-42 17 explore it, and it was not one that the
-04:-48:-40 18 Town of Surfside was willing to entertain.

-04:-48:-37 19 Now, you know, everybody has a right
-04:-48:-35 20 to be -- to protest and to have press
-04:-48:-31 21 conferences and to make statements in the
-04:-48:-29 22 press and so on and so forth, but all that
-04:-48:-26 23 is being accomplished by doing that is to
-04:-48:-22 24 possibly devalue this property and make
-04:-48:-20 25 it so the victims end up with less money.

-04:-48:-18 1 The property will be sold. I have made
-04:-48:-15 2 that decision. It is going to be sold for
-04:-48:-11 3 the most money that can be achieved,
-04:-48:-07 4 because it has to be sold to compensate
-04:-48:-05 5 these victims. People lost their homes,
-04:-48:-01 6 they lost their loved ones who provide for
-04:-47:-59 7 them, and they have to be compensated.

-04:-47:-55 8 And as I've made clear before, this
-04:-47:-53 9 property is not being donated by those
-04:-47:-50 10 victims for the public good, whether it be
-04:-47:-48 11 a memorial or any other public purpose.
-04:-47:-41 12 It is going to be sold, and if people go
-04:-47:-36 13 out in the press and people have press
-04:-47:-35 14 conferences, and they have their rabbis go
-04:-47:-32 15 out and they stand in front of the press
-04:-47:-32 16 and public and talk about how this is
-04:-47:-28 17 sacred ground, which it is, and it might
-04:-47:-25 18 not be buildable, and -- you know, and make
-04:-47:-23 19 these type of comments and passionate
-04:-47:-19 20 pleas, it is not going to prevent this
-04:-47:-16 21 Court from selling the property.

-04:-47:-14 22 It will be sold. The only thing
-04:-47:-13 23 it's going to do is bring down the value
-04:-47:-10 24 and bring less money for victims to be
-04:-47:-08 25 compensated. So I have explored all viable

-04:-47:-03 1 options presented that would enable this
-04:-47:00 2 property be used for memorial and still
-04:-46:-57 3 allow a sale that would generate the money
-04:-46:-52 4 that is necessary to pay victims.

-04:-46:-50 5 Those options, whether it be a
-04:-46:-47 6 public purchase, a land swap, are not
-04:-46:-42 7 viable.

-04:-46:-40 8 Now, the property is going to be
-04:-46:-38 9 sold. I understand that some people are
-04:-46:-35 10 upset, feel it should be a memorial, never
-04:-46:-32 11 want to see a building on it. I get it.
-04:-46:-27 12 But it has to be sold, because we have to
-04:-46:-25 13 compensate victims. Is the situation
-04:-46:-22 14 perfect? It's not perfect.

-04:-46:-17 15 Perfect would be a sale that would
-04:-46:-16 16 generate the highest and best amount for
-04:-46:-13 17 the victims plus a memorial. It's not
-04:-46:-10 18 perfect. But the perfect is not available,
-04:-46:-08 19 so we are going to have to go with the
-04:-46:-05 20 good, and the good is going to be to get as
-04:-46:-02 21 much possible money for this property and
-04:-45:-59 22 distribute that money to the victims, and
-04:-45:-57 23 the memorial is going to have to be on
-04:-45:-55 24 another site, because I am not going to
-04:-45:-53 25 obligate a buyer who hopefully will pay up

-04:-45:-47 1 to \$150 million for this property, I'm not
-04:-45:-44 2 going to impose any conditions on that
-04:-45:-42 3 buyer as to what they can do with their
-04:-45:-39 4 asset. That is not going to happen.

-04:-45:-36 5 The property is going to be sold.
-04:-45:-33 6 So I can't stop people from holding press
-04:-45:-30 7 conferences, I can't stop people from
-04:-45:-28 8 talking about how there should never be a
-04:-45:-26 9 building here, how sacred the land is.
-04:-45:-23 10 I can't stop you from doing that, but what
-04:-45:-19 11 I can tell you is that is not going to stop
-04:-45:-14 12 the sale, it's only going to lower the
-04:-45:-12 13 price, because I am going to take the
-04:-45:-10 14 highest and best offer for this real
-04:-45:-08 15 estate, and I am going to sell it to
-04:-45:-04 16 compensate these victims, period.

-04:-45:-02 17 So I appreciate your sentiments.
-04:-45:00 18 I sympathize with you. I understand there
-04:-44:-57 19 are many people that feel there should be a
-04:-44:-55 20 memorial on this site, but it's not
-04:-44:-52 21 feasible, and these victims are not going
-04:-44:-50 22 to be donating this property for a public
-04:-44:-45 23 purpose. I made that clear before, and I'm
-04:-44:-42 24 making it clear again.

-04:-44:-41 25 So all this is going to do,

-04:-44:-38 1 if people and their rabbis and their
-04:-44:-36 2 spokespeople continue to berate the
-04:-44:-31 3 property, continue to call developers
-04:-44:-28 4 greedy, continue to call the land
-04:-44:-26 5 unbuildable, continue to say that there
-04:-44:-22 6 shouldn't be a building here, all that's
-04:-44:-21 7 going to do is drive down the price.
-04:-44:-17 8 That's it.

-04:-44:-15 9 So while I can't stop you all from
-04:-44:-13 10 doing that, what you're doing is just
-04:-44:-09 11 simply harming the victims, nothing more,
-04:-44:-06 12 because it's not going to stop the sale.

-04:-44:00 13 MR. LANGESFELD: I appreciate --

-04:-43:-58 14 THE COURT: And I've always told
-04:-43:-56 15 you, Mr. Langesfeld, and I've always told
-04:-43:-52 16 the victims, I'm going to be brutally
-04:-43:-49 17 honest with you, you are not going to get
-04:-43:-46 18 anything from me but the truth and direct
-04:-43:-43 19 responses, and the direct response is this
-04:-43:-41 20 property is going to be sold. There is --
-04:-43:-38 21 it is not going to be the site of the
-04:-43:-36 22 memorial, and by criticizing the process,
-04:-43:-29 23 by describing developers as greedy and as
-04:-43:-20 24 vultures and by making derogatory comments
-04:-43:-16 25 about the land, it's only going to take

-04:-43:-14 1 money on away from the victims. That's all
-04:-43:-12 2 it's going to accomplish, nothing more,
-04:-43:-10 3 because the property is going for sale.

-04:-43:-08 4 All right. Any other -- any other
-04:-43:-04 5 victims or family members that would like
-04:-43:-01 6 to address any concerns to the Court?

-04:-42:-56 7 JORGE: Good morning, Your Honor.
-04:-42:-55 8 Can you hear me, sir?

-04:-42:-53 9 THE COURT: Yes, I can, Jorge.

-04:-42:-49 10 JORGE: This is Jorge from
-04:-42:-48 11 Apartment 1209. Sir, we had sent a little
-04:-42:-45 12 suggestion to Manny Kadre --

-04:-42:-44 13 THE COURT: I'm sorry, Jorge, you're
-04:-42:-41 14 cutting off on me. I can't hear you.

-04:-42:-39 15 JORGE: My wife and I sent a
-04:-42:-36 16 suggestion to Mr. Kadre that possibly the
-04:-42:-36 17 memorial can be considered on 88th
-04:-42:-34 18 Street --

-04:-42:-34 19 THE COURT: I'm losing you again,
-04:-42:-32 20 I'm sorry. I'm sorry, but you're --

-04:-42:-28 21 JORGE: I'm not sure why, sir.

-04:-42:-27 22 THE COURT: Yeah, you start out
-04:-42:-25 23 fine, and then we just lose the sound.

-04:-42:-24 24 JORGE: We suggested some time ago
-04:-42:-19 25 to Mr. Kadre that possibly the memorial

-04:-42:-16 1 could be on 88th Street next to the site,
-04:-42:-13 2 of course we need a little cooperations
-04:-42:-11 3 from Surfside on that, part of it could be
-04:-42:-09 4 on the sand, part of it could be on the
-04:-42:-08 5 street, but I haven't heard anybody --
-04:-42:-02 6 I just wanted to bring it up. I'd like to
-04:-41:-57 7 hear the Court's --

-04:-41:-56 8 THE COURT: I know there are
-04:-41:-55 9 alternate sites that are being explored.
-04:-41:-52 10 I know -- I know the City of Miami Beach
-04:-41:-50 11 offered what appears, at least to me, to be
-04:-41:-48 12 a beautiful appropriate site. I know some
-04:-41:-45 13 people have suggested a street adjacent to
-04:-41:-42 14 the property, and I can tell you that
-04:-41:-40 15 Mr. Kadre and Mr. Barreto, I know, have
-04:-41:-37 16 been -- have been working on all viable --
-04:-41:-31 17 viable options. So --

-04:-41:-28 18 JORGE: Was that offer on the table
-04:-41:-26 19 or was discussed with the Court?

-04:-41:-24 20 THE COURT: Yeah, I don't know who
-04:-41:-20 21 owns the 88th Street you're referring to.
-04:-41:-17 22 I assume the Town of Surfside owns it?

-04:-41:-14 23 JORGE: Yes, sir.

-04:-41:-14 24 THE COURT: Okay. So I assume those
-04:-41:-12 25 discussions would be going on with the Town

-04:-41:-08 1 of Surfside, but like I said before,
-04:-41:-06 2 I understand that some people want --

-04:-40:-58 3 MR. KADRE: Judge, if you want, I'll
-04:-40:-56 4 address that issue.

-04:-40:-56 5 THE COURT: Sure, Mr. Kadre. Thank
-04:-40:-52 6 you.

-04:-40:-52 7 MR. KADRE: So I've been in touch
-04:-40:-51 8 with Jorge a couple of times, and I've
-04:-40:-49 9 copied the receiver and Mr. Barreto. We've
-04:-40:-47 10 now requested twice from the City of
-04:-40:-40 11 Surfside what their position would be on
-04:-40:-39 12 88th Street. We have yet to hear back.

-04:-40:-33 13 I know it's a difficult situation
-04:-40:-32 14 for the city, but we've not formally heard
-04:-40:-25 15 back. We've requested in writing twice,
-04:-40:-22 16 I think I've copied Mr. Goldberg on those
-04:-40:-20 17 communications, but we have not formally
-04:-40:-18 18 heard back from the City of Surfside on the
-04:-40:-15 19 potential of using 88th Street as a
-04:-40:-13 20 potential memorial site.

-04:-40:-10 21 THE COURT: Well, look, obviously --
-04:-40:-08 22 obviously -- obviously at some point we'll
-04:-40:-05 23 hear back from the Town of Surfside.
-04:-40:-02 24 I know -- I know there are people that
-04:-39:-57 25 wanted this memorial on the site. That is

-04:-39:-53 1 not going to happen for reasons I've
-04:-39:-49 2 already articulated. I know that the site
-04:-39:-45 3 that the receiver and Mr. Kadre went to
-04:-39:-41 4 look at, at my request, that the City of
-04:-39:-39 5 Miami Beach has offered a beautiful acre on
-04:-39:-37 6 the ocean in a park that's a stone's
-04:-39:-34 7 through from the site, has been offered.

-04:-39:-31 8 I'm confident there will be a
-04:-39:-29 9 memorial. There should be a memorial, but
-04:-39:-26 10 for the reasons I articulated earlier,
-04:-39:-23 11 it does not look like it is going to be
-04:-39:-19 12 erected on this site, and while that would
-04:-39:-16 13 have been a perfect solution, I'm not going
-04:-39:-14 14 to let the perfect be the enemy of the
-04:-39:-11 15 good, and we have to monetize this property
-04:-39:-09 16 for these victims, and that is what is
-04:-39:-06 17 going to happen.

-04:-39:-02 18 Manny -- Manny, if you could follow
-04:-38:-58 19 up with the Town.

-04:-38:-56 20 MR. KADRE: Yes.

-04:-38:-56 21 THE COURT: Continue with Mayor
-04:-38:-54 22 Gelber and the City of Miami Beach. I also
-04:-38:-50 23 know that my friend Manny has been working
-04:-38:-47 24 to try to raise money in the private
-04:-38:-45 25 sector, he and Rodney, to possibly erect a

-04:-38:-41 1 world-class memorial along the lines of the
-04:-38:-38 2 ones that have been done for the victims of
-04:-38:-35 3 9/11 and the Vietnam Memorial in D.C., and
-04:-38:-29 4 it's going to be -- I hope that it will be
-04:-38:-27 5 a world-class tribute to those who perished
-04:-38:-24 6 in this disaster. I'm confident it will
-04:-38:-22 7 be.

-04:-38:-22 8 But unfortunately, like I said
-04:-38:-20 9 before, it's not going to be on this site,
-04:-38:-17 10 and I hope that people will just realize
-04:-38:-14 11 that and understand that to the extent
-04:-38:-10 12 these comments and press conferences and
-04:-38:-08 13 things continue to go on, it is going to do
-04:-38:-03 14 nothing other than depress the value of
-04:-38:-01 15 this property, and I would hope that that
-04:-37:-59 16 would stop.

-04:-37:-58 17 MS. BTESH: Hi, Judge.

-04:-37:-57 18 JORGE: One more comment, Your
-04:-37:-53 19 Honor.

-04:-37:-53 20 THE COURT: Okay. One more comment.

-04:-37:-52 21 JORGE: A moment ago you said about
-04:-37:-50 22 the sale of the property and hope we get up
-04:-37:-48 23 to 150 million. I don't know if --

-04:-37:-45 24 THE COURT: Listen, I hope we get
-04:-37:-43 25 300 million.

-04:-37:-42 1
-04:-37:-41 2
-04:-37:-40 3
-04:-37:-39 4
-04:-37:-36 5
-04:-37:-34 6
-04:-37:-31 7
-04:-37:-29 8
-04:-37:-26 9
-04:-37:-23 10
-04:-37:-18 11
-04:-37:-16 12
-04:-37:-13 13
-04:-37:-11 14
-04:-37:-08 15
-04:-37:-06 16
-04:-37:-03 17
-04:-37:-01 18
-04:-36:-58 19
-04:-36:-55 20
-04:-36:-53 21
-04:-36:-50 22
-04:-36:-47 23
-04:-36:-47 24
-04:-36:-43 25

JORGE: That's what I wanted to hear.

THE COURT: I mean, I'm not -- listen, the market -- Jorge -- Jorge, the market will dictate the value of that property. I can tell you this, Michael Fay, who I've known for 30 years, and his group have access to worldwide markets, there is not a group in the country that is more experienced and competent in maximizing the value of real estate, and they will maximize the value of this real estate and the market will dictate what it's worth, and if it's worth well over 150 million, then that's what we'll get.

I'm not putting a cap on it. I'm just telling you that it's unlikely -- I only threw that out to make my point, which is that it's unlikely that absent third-party recoveries, we're going to have enough to pay all claims.

JORGE: That was all. Thank you very much, Your Honor.

THE COURT: Okay. Ma'am, Vicki is it?

-04:-36:-43 1 MS. BTESH: Hi, Judge, yes. My name
-04:-36:-37 2 is Vicki Btesh. I lost my husband, Andres
-04:-36:-26 3 Levine, in Apartment 403.

-04:-36:-24 4 THE COURT: I'm so sorry for your
-04:-36:-24 5 loss, Vicki.

-04:-36:-18 6 MS. BTESH: Thank you. I never
-04:-36:-18 7 addressed the Court before. This is the
-04:-36:-18 8 first time I've ever addressed the Court
-04:-36:-15 9 today. I just wanted to make a brief
-04:-36:-13 10 comment on what you said before and make
-04:-36:-11 11 sure that you understand that we are not --
-04:-36:-06 12 certainly not trying to devalue the value
-04:-36:-04 13 of the land.

-04:-36:-03 14 Personally speaking, I am trying to
-04:-35:-59 15 find a way or another option, whether it's
-04:-35:-53 16 a public or a private donor or government
-04:-35:-50 17 or find some -- the country or someone else
-04:-35:-43 18 to contribute to this -- to this buy so
-04:-35:-38 19 we -- because I do believe that we can make
-04:-35:-35 20 this happen. I do believe both things can
-04:-35:-32 21 happen, which is a win-win, which is
-04:-35:-31 22 selling the land and making a memorial on
-04:-35:-28 23 site.

-04:-35:-28 24 I personally believe that can
-04:-35:-26 25 happen. I believe that there has to be a

-04:-35:-24 1 governmental entity or maybe a donor or
-04:-35:-20 2 there has to be somebody that would be
-04:-35:-18 3 willing to sell -- to at least -- a group
-04:-35:-13 4 of people that could donate the money for
-04:-35:-11 5 this memorial to happen, because I strongly
-04:-35:-07 6 believe and I understand -- and
-04:-35:-05 7 I understand the different opinions and
-04:-35:-03 8 I understand the legal issues and the
-04:-35:-02 9 economic issues; however, I do think there
-04:-34:-59 10 has to be another way.

-04:-34:-58 11 And I just wanted to let you know
-04:-34:-56 12 that we are -- at least myself, I am not
-04:-34:-53 13 trying to say that this land is not
-04:-34:-50 14 buildable. I'm not trying to make comments
-04:-34:-48 15 to make this greedy or to devalue the
-04:-34:-45 16 value of the land. I'm just trying to make
-04:-34:-42 17 sure that we -- we do make all our efforts
-04:-34:-38 18 to make sure that it is not possible for a
-04:-34:-35 19 public entity or for the government or for
-04:-34:-33 20 the country or for a donor to help us out
-04:-34:-28 21 in the buy of the land.

-04:-34:-27 22 I want to make sure that we do
-04:-34:-25 23 everything we can, and if it doesn't
-04:-34:-23 24 happen, I understand it, but I will do
-04:-34:-20 25 everything in my power to see if that is a

-04:-34:-17 1 possibility, because I do think there are
-04:-34:-15 2 more options, and I do think they should be
-04:-34:-13 3 explored, because I do believe that the
-04:-34:-09 4 land should be a memorial, at least a
-04:-34:-05 5 blueprint where the towers once stood.

-04:-34:-02 6 I personally believe that, and
-04:-34:-01 7 I just wanted to say that. I mean no
-04:-33:-58 8 disrespect on when I speak publicly about
-04:-33:-55 9 my feelings or about what I feel about the
-04:-33:-52 10 land. I'm not trying to make any --
-04:-33:-44 11 prejudice any sale or any victim, I am just
-04:-33:-41 12 trying to see if we can find another way,
-04:-33:-39 13 because I'm sure there are people in this
-04:-33:-37 14 world that will be and can help us make
-04:-33:-32 15 this happen.

-04:-33:-31 16 I do believe this can happen.
-04:-33:-30 17 That's what I'm trying to do. I'm not
-04:-33:-28 18 trying to override anything else. I'm not
-04:-33:-26 19 trying to make this less valuable. I'm
-04:-33:-23 20 just trying to see if we can reach
-04:-33:-21 21 companies, if we can reach --

-04:-33:-21 22 THE COURT: Well, I understand.
-04:-33:-20 23 I understand. First of all, again, I'm
-04:-33:-17 24 very sorry for your loss. And I understand
-04:-33:-15 25 that when people make these comments and

-04:-33:-10 1 advocate, they're not, quote, trying,
-04:-33:-07 2 closed quote, to devalue the land, but they
-04:-33:-04 3 are. They may not be trying to do it, but
-04:-33:-02 4 they're doing it, because when people have
-04:-33:00 5 press conferences and when rabbis get up
-04:-32:-55 6 and stuff and talk about that this is
-04:-32:-53 7 sacred and can never be built on and when
-04:-32:-51 8 people talk about, you know, developers
-04:-32:-49 9 being greedy, et cetera, they may not
-04:-32:-47 10 intend to do harm, and they may be very
-04:-32:-44 11 well intentioned, I assume they are, but
-04:-32:-42 12 they're doing harm, because they're
-04:-32:-40 13 devaluing the property.

-04:-32:-39 14 They're scaring away potential
-04:-32:-37 15 bidders, and they're also -- they're also
-04:-32:-32 16 making the land less valuable to those few
-04:-32:-26 17 that will bid. So I'm just telling you as
-04:-32:-23 18 a practical matter, I have no doubt that
-04:-32:-21 19 all the victims who with their rabbis and
-04:-32:-15 20 other advisors are advocating for a
-04:-32:-13 21 memorial and insisting on a memorial and
-04:-32:-09 22 making public comments about how people
-04:-32:-07 23 will be building over the sites of their
-04:-32:-05 24 loved ones, et cetera, I'm sure they're
-04:-32:-01 25 well intentioned and they'd like to see a

-04:-31:-59 1 memorial, but they are going to be driving
-04:-31:-56 2 down the value of this asset, period, and
-04:-31:-53 3 that's just reality.

-04:-31:-51 4 Whether they intend to do it or not,
-04:-31:-49 5 what is going to end up happening is less
-04:-31:-47 6 money is going to go to the victims and
-04:-31:-44 7 that's just the reality.

-04:-31:-42 8 MS. BTESH: Maybe we can --

-04:-31:-40 9 THE COURT: And that's what's going
-04:-31:-39 10 to happen. So, you know, I'm not -- like
-04:-31:-36 11 I said, people have the right to their
-04:-31:-35 12 position, people have the right to
-04:-31:-30 13 advocate. I would have loved to see a
-04:-31:-29 14 memorial on this site if it could have been
-04:-31:-26 15 done and at the same time money be provided
-04:-31:-20 16 fair market value for the victims, whether
-04:-31:-16 17 it's a land swap, whether it was the
-04:-31:-14 18 government coming in and paying a fair
-04:-31:-12 19 market value.

-04:-31:-12 20 We explored those options. They're
-04:-31:-10 21 not happening, and it's time to realize
-04:-31:-06 22 that the land is going to be sold and not
-04:-31:-04 23 do anything that is going to have the
-04:-31:-01 24 effect of devaluing it, no matter how
-04:-30:-57 25 well-intentioned you may be.

Okay. Any other comments?

MS. SHREM: Your Honor, please.

THE COURT: Yes.

MS. SHREM: Hi, Your Honor, my name is Rabbi Lisa Shrem. I am not a rabbi who was brought in by the families. I myself am a victim. My best friend, my sister, was the last victim, Victim No. 98.

Estelle Hedaya found on the 33rd day after while all the proceedings were going on.

I really just want you to hear and understand I mean no disrespect in any way. It is my belief as a religious person that that is sacred land when I only receive a quarter of a forearm bone to bury. That's just an opinion. It is not meant to disrespect or to devalue anything.

I do hope that you understand that, and I understand your opinion. Vicki Btresh herself is also not just a victim, she's also an owner, and we understand that we are all intertwined, and our hope is that we can come to a resolution that will both sell the land, have everybody be paid out who needs to be paid out, and have a

-04:-29:-31 1 memorial. Please, I beg you, just allow us
-04:-29:-28 2 some time. We were last into these court
-04:-29:-25 3 proceedings because we were burying,
-04:-29:-23 4 because we were at wakes and shivas, or
-04:-29:-20 5 haven't found our recovered people yet.

-04:-29:-18 6 Please just a small amount of time,
-04:-29:-16 7 that's all that we ask. In the end
-04:-29:-13 8 if it doesn't work, we will respectfully
-04:-29:-10 9 honor everything that you say.

-04:-29:-08 10 THE COURT: So Rabbi -- Rabbi, first
-04:-29:-06 11 of all, it's nice to see you again.
-04:-29:-04 12 We spoke at the last hearing, I recall.
-04:-29:00 13 You know, I'm very sorry to hear about your
-04:-28:-56 14 sister and for your loss. I did not
-04:-28:-54 15 realize that when we last spoke. I don't
-04:-28:-50 16 think you told me that.

-04:-28:-49 17 I know that you are highly respected
-04:-28:-46 18 nationally, and I know a lot of these
-04:-28:-44 19 families seek your guidance and your
-04:-28:-42 20 counsel, and thank you for providing it.
-04:-28:-38 21 They need it, and I thank you for that.

-04:-28:-35 22 Now, I understand how you feel, and
-04:-28:-31 23 I understand you feel a certain way, and
-04:-28:-27 24 many other victims agree, and that you want
-04:-28:-24 25 to do everything that you can to facilitate

-04:-28:-20 1 the possibility of a memorial on that site,
-04:-28:-18 2 and I have no problem with that, even
-04:-28:-16 3 assuming I approve this contract next week,
-04:-28:-13 4 there's a 60-day due diligence, there's a
-04:-28:-10 5 bid process, it's going to be a while
-04:-28:-08 6 before any deed to that property is passed.

-04:-28:-05 7 And you'll have -- and if something
-04:-28:-01 8 comes up in the interim that's a better
-04:-27:-59 9 option that allows a memorial on site,
-04:-27:-55 10 I have told you all along I will entertain
-04:-27:-51 11 any and all viable options.

-04:-27:-49 12 My only concern is that it's one
-04:-27:-45 13 thing to make an effort to get a memorial
-04:-27:-42 14 and to explore those avenues, it's another
-04:-27:-38 15 thing to go a step further and put out into
-04:-27:-33 16 the public -- and I'm not accusing you of
-04:-27:-30 17 doing this, you haven't done this, I'm not
-04:-27:-28 18 speaking to you -- but it's another thing
-04:-27:-26 19 to go out into the public and make
-04:-27:-24 20 statement that this property is not
-04:-27:-23 21 buildable, that there are vultures and
-04:-27:-20 22 developers, the lawyers are colluding with
-04:-27:-18 23 them to steal money from victims, that this
-04:-27:-15 24 is hallow ground, and we'll never let a
-04:-27:-12 25 building be put on there.

-04:-27:-11 1 It's one thing to go that step
-04:-27:-08 2 further which I know is going to devalue
-04:-27:-06 3 the asset, and that's what I don't want to
-04:-27:-02 4 see happen, but if you -- but if you,
-04:-26:-56 5 hopefully, without making comments and
-04:-26:-53 6 doing things that will devalue the
-04:-26:-51 7 property, want to explore other options
-04:-26:-47 8 maybe with whoever ends up buying it you
-04:-26:-45 9 can explore the option of a particular
-04:-26:-43 10 portion of being a memorial, I have no
-04:-26:-40 11 problem with that either.

-04:-26:-40 12 I'm not forcing it on anyone, but
-04:-26:-37 13 if somebody buys, and you can persuade them
-04:-26:-34 14 for any reasons available that maybe a
-04:-26:-30 15 certain portion should be a memorial or
-04:-26:-28 16 something to that effect, maybe 88th Street
-04:-26:-25 17 is an option. I have no problem with
-04:-26:-23 18 anybody exploring any options.

-04:-26:-22 19 I said I'm in favor of a memorial.
-04:-26:-19 20 These victims deserve a memorial, but
-04:-26:-16 21 it just troubles the Court when I see
-04:-26:-13 22 people out there saying things in the press
-04:-26:-11 23 and doing things that I know is going to
-04:-26:-08 24 devalue the asset, and the only person --
-04:-26:-04 25 the only people that are going to be harmed

-04:-26:-02 1 by that, it's not going to be the Court,
-04:-25:-59 2 it's not going to be the lawyers
-04:-25:-58 3 I appointed, it's not going to be Mr. Kadre
-04:-25:-56 4 and Mr. Barreto, the only parties that are
-04:-25:-53 5 going to be harmed if that asset is
-04:-25:-51 6 devalued are these victims who have lost
-04:-25:-49 7 their loved ones and their property.

-04:-25:-46 8 And that's going to be an
-04:-25:-45 9 unfortunate byproduct of this, if these
-04:-25:-42 10 heated comments and passionate pleas and
-04:-25:-37 11 falsehoods continue to be the narrative in
-04:-25:-35 12 the New York Times, because it will scare
-04:-25:-32 13 off buyers, and the few that are remaining,
-04:-25:-28 14 it will devalue the asset. And that's just
-04:-25:-24 15 the truth.

-04:-25:-23 16 Now, I commend you again. I'm sorry
-04:-25:-20 17 for your loss. I know -- like I said,
-04:-25:-19 18 I know of your national reputation, and I
-04:-25:-16 19 know that many of these victims are seeking
-04:-25:-14 20 your counsel, and I have no problem with
-04:-25:-12 21 you doing everything you can that will
-04:-25:-07 22 assist their cause for a memorial either
-04:-25:-04 23 here or elsewhere, but I would just implore
-04:-25:00 24 you and others not to put out narratives
-04:-24:-57 25 that are going to have the impact of

-04:-24:-55 1 devaluing the property.

-04:-24:-54 2 I know you haven't done it, I'm not
-04:-24:-52 3 saying you've said a thing, okay, but
-04:-24:-49 4 I just want everybody to be somewhat
-04:-24:-43 5 circumspect in their commentary and their
-04:-24:-41 6 pleas so that their voice can be heard but
-04:-24:-38 7 not damage this asset in the process.
-04:-24:-36 8 That's all the Court asks for.

-04:-24:-33 9 MS. SHREM: Thank you, Your Honor.
-04:-24:-32 10 I understand you completely.

-04:-24:-30 11 THE COURT: Okay.

-04:-24:-29 12 MS. SHREM: Thank you.

-04:-24:-29 13 THE COURT: Any other victims,
-04:-24:-25 14 family members? I have a few more minutes.
-04:-24:-23 15 Yes, Ms. Pazos.

-04:-24:-20 16 MS. PAZOS: Hello everyone. My name
-04:-24:-16 17 is Elena Pazos. This is my first time
-04:-24:-13 18 speaking about this. I am the owner of 412
-04:-24:-08 19 where I lost my husband, and most of all we
-04:-24:-05 20 lost our daughter of 20 years old, a very
-04:-24:-02 21 young woman, and as if it was not enough
-04:-24:00 22 for us, we lost as well her friend, 24
-04:-23:-57 23 years old, a young beautiful woman.

-04:-23:-55 24 So I just wanted to -- first of all,
-04:-23:-51 25 I want to thank everyone who is involved

-04:-23:-48 1 from the bottom of my heart for everything
-04:-23:-46 2 you do, and I am completely supporting this
-04:-23:-42 3 Court and everything you say. You are like
-04:-23:-41 4 my soulmate.

-04:-23:-32 5 The reason I'm speaking, I just
-04:-23:-31 6 wanted to share my feelings and my thoughts
-04:-23:-30 7 about the memorial place. For me, I really
-04:-23:-27 8 don't really feel we need to have a
-04:-23:-24 9 memorial at the place of the condominium.
-04:-23:-22 10 The park idea, I feel very well about that,
-04:-23:-16 11 because for me a memorial is -- in the
-04:-23:-12 12 place of the building, this is memorial
-04:-23:-11 13 where they died, and every time I would
-04:-23:-09 14 come there, all I would remember how they
-04:-23:-06 15 died.

-04:-23:-06 16 I, instead, want to concentrate how
-04:-23:-03 17 they lived, who they were, where they were
-04:-23:00 18 born, where they grew up, where they fall
-04:-22:-57 19 in love, where they studied, or where they
-04:-22:-54 20 made friend, and it's not everything
-04:-22:-52 21 happened in that place of the condominium.
-04:-22:-50 22 That's why they died.

-04:-22:-46 23 So for me, something private, close
-04:-22:-44 24 to the place, maybe where we could have
-04:-22:-42 25 some quiet, private time, think about loved

-04:-22:-39 1 ones and what happened, for me that is the
-04:-22:-37 2 best, because it will also be extremely
-04:-22:-34 3 hard to go to the place where it happened,
-04:-22:-32 4 because the only thing you would think is
-04:-22:-29 5 how they died, and I don't want to hold
-04:-22:-26 6 those memories in me, I want to hold the
-04:-22:-22 7 people who they were and their lives as
-04:-22:-19 8 much I can hold through the time.

-04:-22:-18 9 So I just wanted to share my
-04:-22:-16 10 thought, that maybe that would help victims
-04:-22:-13 11 and families, maybe see my point of view.
-04:-22:-09 12 With all my respect to everyone's religious
-04:-22:-05 13 beliefs and how you feel. I do understand
-04:-22:00 14 everyone has different --

-04:-21:-59 15 THE COURT: Ms. Pazos -- Ms. Pazos,
-04:-21:-57 16 first of all, I'm sorry I have to meet you
-04:-21:-50 17 under these circumstances, I appreciate you
-04:-21:-48 18 appearing here. I understand how difficult
-04:-21:-46 19 it must be, and I'm very sorry for your
-04:-21:-43 20 loss. You know, there's no words to
-04:-21:-41 21 describe it, and I -- I'm just so saddened
-04:-21:-37 22 for your grief.

-04:-21:-36 23 I appreciate you expressing that
-04:-21:-33 24 opinion. You know, I wasn't going to
-04:-21:-31 25 debate this point. I'm not -- you know,

-04:-21:-27 1 I'm not a particularly religious man.
-04:-21:-23 2 I consider myself to be somewhat spiritual,
-04:-21:-20 3 but I'm not, you know, religiously educated
-04:-21:-16 4 or trained.

-04:-21:-15 5 I do know a rabbi who I'm friendly
-04:-21:-11 6 with at the Chabad that my father-in-law,
-04:-21:-04 7 who recently passed, attended. He was a
-04:-21:-03 8 very religious man and a holocaust
-04:-21:-03 9 survivor, and this rabbi at his Chabad
-04:-20:-58 10 unfortunately lost his sister in this
-04:-20:-58 11 tragedy.

-04:-20:-57 12 Her name was "Azenberg," and it was
-04:-20:-54 13 his sister, and he spoke to me about it,
-04:-20:-50 14 and we talked about the site, and I know
-04:-20:-47 15 religious people that are trained religious
-04:-20:-42 16 people and spiritual people, Rabbi Stern
-04:-20:-39 17 and other religious people, have different
-04:-20:-36 18 views on this.

-04:-20:-35 19 He said to me, this rabbi, that, you
-04:-20:-33 20 know, people perish in many different
-04:-20:-30 21 places, hospitals, car accidents. We don't
-04:-20:-27 22 typically memorialize them where they
-04:-20:-25 23 perish. We memorialize their life.
-04:-20:-22 24 We honor them in other places, appropriate
-04:-20:-19 25 burial grounds, and we don't necessarily

-04:-20:-16 1 memorialize people at the location where
-04:-20:-14 2 they perished.

-04:-20:-12 3 Now, I know some rabbis feel
-04:-20:-09 4 differently about that. Rabbi Shrem might
-04:-20:-06 5 feel differently about that and so may
-04:-20:-03 6 others, so I know there's a divergence of
-04:-19:-59 7 opinion in the rabbinical studies on this,
-04:-19:-57 8 but that difference to me, although, you
-04:-19:-52 9 know, I'm always happy to be educated and
-04:-19:-49 10 learn, that difference to me really doesn't
-04:-19:-47 11 matter for purposes of this case, because
-04:-19:-44 12 I can't make my decisions based upon
-04:-19:-41 13 religious and philosophical grounds and
-04:-19:-38 14 people's feelings about where the memorial
-04:-19:-35 15 should be.

-04:-19:-35 16 I understand that people have
-04:-19:-33 17 different opinions and they feel very
-04:-19:-31 18 strongly, but like I said earlier, this
-04:-19:-28 19 asset is being sold, period. And it's
-04:-19:-24 20 being sold because it has to be sold to
-04:-19:-21 21 compensate these victims.

-04:-19:-20 22 If people can find a way to work a
-04:-19:-16 23 memorial on that site voluntarily with the
-04:-19:-14 24 buyer or through some other means, I'm all
-04:-19:-09 25 for it, but the asset has to be sold for

-04:-19:-02 1 its highest value because we need that
-04:-18:-59 2 money to compensate people for the reasons
-04:-18:-57 3 I've already said, and it will be sold.

-04:-18:-56 4 So if these -- if this commentary
-04:-18:-53 5 and if this effort has the impact of
-04:-18:-50 6 devaluing the property, what I want to
-04:-18:-48 7 assure everybody is it's not going to stop
-04:-18:-46 8 the sale, the sale is going to occur. The
-04:-18:-43 9 only thing that it's going to affect is the
-04:-18:-38 10 price, and if this continues to happen and
-04:-18:-36 11 the price gets driven down because of these
-04:-18:-32 12 comments and because of, you know, things
-04:-18:-30 13 that are said publicly, then the victims
-04:-18:-28 14 will end up with less money, and that will
-04:-18:-25 15 be very unfortunate, but it's not going to
-04:-18:-21 16 stop the sale.

-04:-18:-20 17 So again, I'm terribly sorry for
-04:-18:-16 18 your loss. I know how difficult it must be
-04:-18:-13 19 for you to be here today, and I'm very
-04:-18:-11 20 sorry, and I can assure you that we will do
-04:-18:-07 21 whatever we can to compensate all the
-04:-18:-05 22 victims who will -- people who lost their
-04:-18:-02 23 family can never be adequately compensated,
-04:-17:-59 24 but we will do everything we can to bring
-04:-17:-57 25 this case to a conclusion quickly,

-04:-17:-55 1 compensate people to the best of our
-04:-17:-53 2 ability, and close these proceedings.

-04:-17:-49 3 MS. PAZOS: Thank you, Judge.

-04:-17:-48 4 THE COURT: Thank you, again, for
-04:-17:-47 5 appearing.

-04:-17:-46 6 MS. PAZOS: Thank you so much. The
-04:-17:-43 7 reason only I wanted to speak is I know
-04:-17:-41 8 there will be a memorial wherever it's
-04:-17:-38 9 going to be, and that is the most important
-04:-17:-36 10 for me.

-04:-17:-35 11 THE COURT: And there will be a
-04:-17:-33 12 memorial, and I -- and I know it will be a
-04:-17:-29 13 beautiful memorial. It will be one that
-04:-17:-26 14 will pay tribute to these victims, and I
-04:-17:-24 15 think it will be as compelling and
-04:-17:-22 16 beautiful whether it's on this site or
-04:-17:-19 17 slightly off this site.

-04:-17:-18 18 MS. PAZOS: And just one more
-04:-17:-16 19 remark. I was thinking that a new
-04:-17:-11 20 beautiful very safe to the best standards
-04:-17:-08 21 possible building on the site of the
-04:-17:-06 22 Champlain Towers South, I think that would
-04:-17:-04 23 be another memorial to us and to stay for a
-04:-16:-59 24 long time and remind people that it's
-04:-16:-56 25 beautiful and it's safe now, and the new

-04:-16:-53 1
-04:-16:-50 2
-04:-16:-50 3
-04:-16:-48 4
-04:-16:-45 5
-04:-16:-43 6
-04:-16:-40 7
-04:-16:-38 8
-04:-16:-35 9
-04:-16:-32 10
-04:-16:-30 11
-04:-16:-28 12
-04:-16:-25 13
-04:-16:-23 14
-04:-16:-21 15
-04:-16:-18 16
-04:-16:-16 17
-04:-16:-14 18
-04:-16:-12 19
-04:-16:-06 20
-04:-16:-04 21
-04:-16:-02 22
-04:-16:00 23
-04:-15:-58 24
-04:-15:-55 25

life will be going under, and I think that's good.

THE COURT: I do, too, and I thank you for your comments and for your appearing here today. I know it had to be very hard. So -- and please join us in our weekly hearings any time you like. You're always welcome, and any thoughts you have or suggestions along the way are greatly appreciated by the Court.

MS. PAZOS: Thank you very much.

THE COURT: Okay. Any other victims who would like to address anything that we haven't previously discussed, because we do need to come in for a landing? I'm going to have another hearing next Wednesday at 9 a.m., to consider the approval of this contract and other matters that will be brought by the receiver.

To wrap up today, are there any other victims who need to be heard on matters that we haven't already discussed?

MR. GOLDBERG: Your Honor, if I may, one of the victims who is very religious said next Wednesday is the last day of

-04:-15:-52 1 Sukkot, so I just wanted to bring that to
-04:-15:-50 2 the Court's attention.

-04:-15:-49 3 THE COURT: So we'll have our
-04:-15:-48 4 hearing next Thursday. We'll do it a week
-04:-15:-45 5 from today.

-04:-15:-44 6 MR. GOLDBERG: Thank you, Your
-04:-15:-43 7 Honor. I'm sure they appreciate it.

-04:-15:-41 8 THE COURT: Okay. So we'll schedule
-04:-15:-39 9 our next session for 9 a.m. on next
-04:-15:-37 10 Thursday morning. Mr. Goldberg, get your
-04:-15:-35 11 motions filed. Any discovery disputes that
-04:-15:-32 12 need to be addressed, get those teed up as
-04:-15:-29 13 well, because I want to continue to move
-04:-15:-27 14 forward with extreme dispatch.

-04:-15:-24 15 All right. Thank you all very much
-04:-15:-22 16 for attending this morning, and I look
-04:-15:-19 17 forward to seeing you, if not before on any
-04:-15:-16 18 emergencies, I look forward to seeing you
-04:-15:-13 19 next Thursday at 9 a.m., for our next
-04:-15:-11 20 status conference. Everybody have a nice
21 week.

22 (Thereupon, the hearing was
23 concluded at 11:25 a.m.)

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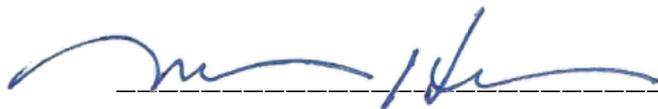
CERTIFICATE OF REPORTER

STATE OF FLORIDA :

COUNTY OF MIAMI-DADE :

I, Matthew J. Haas, shorthand
reporter, do hereby certify that I was authorized
to and did stenographically report the foregoing
proceedings and that the transcript is a true and
complete record of my stenographic notes.

Dated this 23rd day of September,
2021.



MATTHEW J. HAAS
Court reporter