



***TD Bank v. Sunrise City Community Housing Development Organization, Inc.***  
**(2015CA001829)**

**HISTORY**

- This is an uncontested bank foreclosure of a property located at 2907 Zora Neale Drive, Fort Pierce, FL, in the Pioneer Park subdivision.
- This lot was originally transferred to Sunrise City Community Housing Development Organization, Inc. ("Defendant") on February 13, 2008, for the purpose of developing an affordable housing project known as Pioneer Park.
- In addition, the FPRA granted funds to the developer for the purpose of paying for closing costs and interest payments on construction loans.
- The lot was mortgaged by Defendant, but it was unable to find a qualified buyer and the bank foreclosed.
- The City was neither a party to nor had notice of the foreclosure. Defendant failed to respond to the complaint. A default judgment in favor of the bank was granted and the property was sold to the highest bidder R&D Management and Investments Inc. ("Buyer") on August 24, 2016, for the amount of \$60,700.
- Counsel for Buyer contacted the City in November because after ordering title work, a recorded Memorandum of Agreement ("MOA") between the FPRA and Defendant appeared as a cloud on the title.
- The MOA provided that the property would not be sold, transferred, mortgaged or encumbered, except as specified under the terms of a Property Disposition and Development Agreement ("Agreement").
- If mortgaged, encumbered or sold in violation of the terms of the Agreement the property reverts back to the FPRA at its option.

**RECOMMENDATION**

- Work with Buyer's counsel to remove the cloud on title.

**ALTERNATIVE**

- File a quiet title action to determine ownership of the property and whether the City retains any interest in the property in light of the reverter clause contained in the MOA.