

The Miami Herald

Found on Miami.com

Business

DOZENS SUE; CLAIM LENNAR MISLED THEM

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498 words

3 March 2005

The Miami Herald

Final

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English

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Dozens of homeowners in South Miami-Dade County sued Lennar Corp. on Wednesday, claiming that the home-building giant deliberately misled them about anticipated property taxes and homeownership costs they would have to pay.

The suit, filed in Miami-Dade Circuit Court, was brought by 37 homeowners who purchased single-family homes and town homes at two Lennar developments in Homestead, called Floridian Bay Estates and Floridian Isle.

Lennar Chief Executive Stuart Miller said the home builder does not comment on pending litigation.

Amid South Florida's real estate boom, property taxes have jumped as real estate values skyrocketed. But these plaintiffs, who closed on their homes in 2003 and 2004, allege it was not a red-hot real estate market that caused higher-than-expected tax bills, but rather that Lennar misrepresented how high they would be.

One Floridian Bay Estates homeowner, Lonna Hord, told The Herald that Lennar projected her tax bill to be \$3,200. Instead, it turned out to be more than \$7,700.

The higher taxes may leave residents in a dilemma because they may not be able to afford both the mortgage and tax payments. "Some will lose their homes," said **Ronald P. Weil**, the attorney representing the homeowners.

Residents in the two Homestead subdivisions, which are located in a larger residential community called Waterstone, didn't receive their first full-year tax bills until November, Hord said.

In the suit, the homeowners allege Lennar insisted in writing and through sales agents that no property taxes would be assessed by the city of Homestead because the development sat in unincorporated Miami-Dade County. Instead, the area had been annexed by Homestead, which has higher overall taxes than the county, the homeowners charge.

The plaintiffs also allege Lennar asserted that community development district fees - which pay for roads, utilities, and subdivision amenities like pools and parks - would be a one-time fee. Instead, according to the suit, such assessments aggregated to \$30,000 per homeowner and are to be paid out over 30 years. Further, such assessments can be increased by the community development district board, which is currently controlled by Lennar, according to the homeowners.

"I didn't know I was going to be taxed in Homestead," said Hord, a plaintiff in the suit who owns a home in Floridian Bay Estates. "And I didn't realize the CDD was going to cost me anything after I closed. You have to tell me what I am paying for when I buy it."

The homeowners also claim Lennar's promises of a fully gated subdivision, a private clubhouse for the community and tree-lined jogging paths, among other things, went unfulfilled.

Both Lennar and its subsidiary Universal American Mortgage Co., which provided the mortgages on many of the homes, are defendants in the case. The homeowners claim Lennar violated Florida's deceptive trade practices act and common law fraud statute.

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