

## Madoff's Wife Declares Palm Beach Home Main Residence (Update1)

By Brian Louis - Mar 17, 2009

March 17 (Bloomberg) -- Bernard Madoff's wife has declared her Palm Beach, Florida, estate as her primary residence, a move that may shield the \$9.4 million home from creditors.

Ruth Madoff applied for and received a homestead exemption for property taxes, said Dorothy Jacks, assistant property appraiser for Palm Beach County. The Florida constitution protects homeowners who have obtained the exemption and seizing the property may be difficult, said Danaya Wright, a law professor at the University of Florida in Gainesville.

The U.S. government said this week it plans to seize assets including the Madoffs' \$7 million Manhattan apartment and the Palm Beach home. Bernard Madoff, 70, was jailed March 12 after admitting to masterminding the biggest Ponzi scheme in history. The exemption Ruth Madoff received may be an effort to protect the property from creditors, said Jack McCabe, founder of McCabe Research & Consulting LLC in Deerfield Beach, Florida.

"The two big drawing cards to Florida were sunshine and affordability," McCabe said. "Now it's for sunshine and the protection of your primary mansion."

The exemption will entitle Ruth Madoff to a 2009 tax reduction since it cuts the county's appraisal of the property by \$50,000, said Jacks. Ruth Madoff paid \$157,298 in property taxes on the Palm Beach home in 2008, according to county records.

She applied for the tax exemption Sept. 18 and received it Jan. 12, according to the appraiser's office.

### Home Value Climbs

Ruth Madoff hasn't been accused of wrongdoing. Attorneys Peter Chavkin, who represents Ruth Madoff, and Dan Horwitz, Bernard Madoff's lawyer, didn't return telephone messages seeking comment.

The appraised value of the 8,753-square-foot property at 410 North Lake Way rose 27 percent to \$9.4 million in 2008 from \$7.4 million in 2007, according to Palm Beach County records. Ruth Madoff bought the property in 1994 for \$3.8 million, according to county records.

The median sales price for a single-family home in Palm Beach climbed 11 percent in 2008 to \$3.9 million, according to the Evans Report, published by Palm Beach law firm Leslie Robert Evans & Associates P.A.

Homeowners can prove Florida residency through a number of means, including voter registration and a Florida driver's license, Jacks said. To receive the exemption, they have to sign a sworn statement attesting that the home they want the exemption for is their primary residence, Jacks said.

Ruth Madoff's exemption was reported earlier by the Palm Beach Post newspaper.

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