

# Multimillion-dollar foreclosures hit market

## RITZY REPOSSESSIONS

Raptors see growth in homes they call the 'Repo Riviera.'

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WEST PALM BEACH — Hundreds of multimillion-dollar foreclosure judgments have been leveled in Palm Beach County since real estate hit the skids and banks began wholesale property repossessions.

But only a handful of rulings on single-family homes finished at more than \$3 million, gaining them membership into what some Realtors dub the "Repo Riviera."

Of 35,770 Palm Beach County foreclosure judgments imposed since January 2007 and reviewed by *The Palm Beach Post*, about 430 residential properties were for between \$1 million and \$3 million. The *Post* looked only at judgments of more than \$250,000 in records obtained from the Palm Beach County Clerk and Comptroller through the end of last year.

Platinum-level foreclosure judgments above \$3 million were made on eight homes, with the priciest topping \$8.3 million on a 17,000-square-foot mansion in Stone Creek Ranch west of Delray Beach, marketed as "Palm Beach County's most prestigious community."

Only one of the top 10 priciest foreclosures occurred on a Palm Beach property.

See HOMES, 7A ▶

### County's platinum top 5 home foreclosures since 2007

ADDRESS	CITY	JUDGMENT	YEAR
1. 9294 Hawk Shadow Lane	Delray Beach	\$8.39 million	2010
2. 205 S.E. Spanish Trail	Boca Raton	\$6.1 million	2009
3. 372 Regatta Drive	Jupiter	\$4.3 million	2010
4. 1087 Bel Lido Drive	Highland Beach	\$4.2 million	2007
5. 445 N.E. Spanish Trail	Boca Raton	\$3.94 million	2008

SEE THE REMAINING TOP 10 FORECLOSURES, 7A



Photo courtesy of William Nesbitt

**NO. 1** 9294 Hawk Shadow Lane, Delray Beach  
**FORECLOSURE JUDGMENT: \$8.39 million**

The mortgage taxes and maintenance on this eight-bedroom, 10-bathroom mansion cost the owner about \$50,000 a month. Now, he says, it's too big for me.



Bill Anderson/Star Photographers

**NO. 2** 205 S.E. Spanish Trail, Boca Raton  
**FORECLOSURE JUDGMENT: \$6.1 million**

The owner who defaulted had wanted to flip this seven-bedroom waterfront home. It sold for \$6.18 million at foreclosure auction; then was resold for \$6.3 million.



THOMAS CONROY/Star Photographers

**NO. 4** 1087 Bel Lido Drive, Highland Beach  
**FORECLOSURE JUDGMENT: \$4.2 million**

The five-bedroom, six-and-a-half-bathroom home with four stories and a three-car garage sold at a courthouse auction for \$1.7 million, then was resold a month later for \$4 million.

### Platinum Top 10 home foreclosures since 2007

ADDRESS	CITY	JUDGMENT	YEAR
6. 269 Peridoton Ave.	Palm Beach	\$3.91 million	2008
7. 15722 Sunnyside Lane	Wellington	\$3.89 million	2011
8. 717 Seagate Drive	Delray Beach	\$3.48 million	2010
9. 464 Mariner Drive	Jupiter	\$2.9 million	2010
10. 119 Playa Rienta Way	PB Gardens	\$2.8 million	2011

## Palm Beach buyers tend to 'pay all cash'

▶ HOMES from 1A

Although most of the often more willing to make big-ticket foreclosures short-sale deals on large resold at auction, the estates to avoid a hefty Stone Creek Ranch owner foreclosure on their books has delayed a final bank takeover since initial paperwork was filed in December 2007.

Two years before that, Stone Creek Ranch owner William Nesbitt was a high-rolling sexagenarian Realtor flipping million-dollar Miami condos as easily as one upgrades to a meal deal at a fast-food restaurant. He had a woman on his arm and nearly \$3 million in cash to put down on a home of his own.

"I'm a big player in this area," said Nesbitt, now

73, who characterized his foreclosure as "very, very friendly."

"I bought a lot and sold a lot and got rid of most everything before the crash."

But not the eight-bedroom, 10-bathroom mansion he bought in 2005, furnished, for \$9 million.

With a property tax bill of more than \$100,000 a year, a mortgage payment on a \$6.3 million loan and maintenance costs, Nesbitt said his monthly home expenses were about \$50,000 — a hefty payout for someone whose income was about to take a tumble along with the real estate market.

"It was expensive, but I had the money at the time. I was worth a lot of money when all of this went down," said Nesbitt, adding that he bought the estate mostly for his girlfriend. "I didn't have any concerns, but when they choke off your income because of the market, it's tough to pay the bills."

A Nesbitt-style flip was what a previous owner of the waterfront mansion at 205 S.E. Spanish Trail had in mind when he bought the seven-bedroom estate in 2006 for \$8.9 million, Realtor Ruben Lupulescu said.

Named Casa Luna, the fully furnished Boca Raton mansion was expected to appreciate to \$12 million quickly. It didn't, and in mid-2009, it earned a second-place finish on the top 10 foreclosure list with a judgment of \$6.13 million. It sold at a Palm Beach County foreclosure auction for \$6.18 million and resold a year later for \$6.3 million.

"I never thought it would get that far," Lupulescu said. "We had offers and deals going, but with all the circumstances with the market at that time, we just couldn't get it done."

Although half of the top 10 foreclosure judgments occurred before 2010, Ari Albinder, broker-owner of Mizner Grand Realty in Boca Raton, said he has seen more high-end bank repossessions come on the

house in a market that was declining." Albinder said of the previous owner.

The limited number of foreclosures in Palm Beach is partly due to the lack of buildable land and fewer spec homes, said Leslie Robert Evans, a real estate attorney who produces a quarterly report of sales on the island.

Just one Palm Beach home made it on the top 10 foreclosure list, and its \$3.91 million judgment is chump change for many Palm Beachers. The 5,700-square-foot home on Pendleton Avenue with a backyard view of The Breakers golf course was purchased in 2004 for \$3.1 million. By 2008, it was in foreclosure. A new home is now being built on the lot.

"Most of the people here pay all cash," Evans said. "Historically, homes here have kept their value."

The Palm Beach foreclosure was wrapped up within a year from the initial filing date, proving that, unlike Nesbitt's foreclosure, not all multimillion-dollar judgments are stymied in the courts for years.

In March 2011, three days before Nesbitt's Stone Creek Ranch estate was scheduled to be sold to the highest bidder at Palm Beach County's online foreclosure auction, he filed for bankruptcy to stop the sale.

He has been locked out of the mansion for months while a bankruptcy trustee worked to either short-sell the house fully furnished or auction its contents, including a 60-inch flat screen TV, several charcutiers and an Ollausen pool table.

On Wednesday, the trustee filed a "notice of abandonment," basically giving up her attempts.

"I'd like to see if there is a possibility that I can move back into my home, but at the same time, it will probably be sold," Nesbitt said. "It's too big for me. I don't need eight bedrooms, 10 bathrooms, a movie theater, a wine cellar and a six-car garage."

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