

IN THE CIRCUIT COURT OF
THE FIFTH JUDICIAL CIRCUIT,
IN AND FOR LAKE COUNTY, FLORIDA

LARRY BELL, individually, as Co-Trustee
of the Bell Management Trust and on behalf
of Harbor Hills Homeowners Association, Inc.,
and ESTHER LINE, individually, as Trustee
of the Esther J. Line Revocable Trust, and
on behalf of Harbor Hills Homeowners
Association, Inc.,

Case No. 2010-CA-001095

Plaintiffs,

vs.

HARBOR HILLS DEVELOPMENT,
L.P., a Delaware Limited Partnership,
Registered to do business in Florida as
HARBOR HILLS DEVELOPMENT, LTD.,
MICHAEL RICH, ADAM RICH, LU ANN
MILLER, STEVE HENNE, VAN ALBANESE,
ED FRAYER and MICHELLE PINDER,

Filed in Open Court
Neil Kelly
Clerk of Circuit Court

NOV 8 - 2013

Lake County, Florida

Defendants.

VERDICT FORM

We, the jury, return the following verdict:

Breach of Fiduciary Duty

1. Do you find that any of the Director Defendants breached the fiduciary duties they owed to the Members of the Harbor Hills Homeowners' Association during the period in which they served on the Board of Directors for the Harbor Hills Homeowner's Association?

YES ☒ NO ☐

If your answer to Question No. 1 is "YES", please proceed to Question No. 2. If your answer to Question No. 1 is "NO", please skip Question No. 2 and proceed to the next Section titled "Interpretation of Harbor Hills Governing Documents"



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2. If you answered "YES" to any of the Director Defendants listed in Question No. 1, what is the total amount of damages that you find were proximately caused by the breach of fiduciary duties owed by each such Director Defendant?

- a. **MICHAEL RICH:**
(for the period from 2007 through July of 2012)
- b. **ADAM RICH:**
(for the period from 2007 through July of 2012)
- c. **LUANN MILLER:**
(for the period from 2007 through July of 2012)
- d. **STEVE HENNE:**
(for the period from 2007 through July of 2012)
- e. **ED FRAYER:**
(for the period from 2007 through 2010)
- f. **MICHELLE PINDER:**
(for the time period from 2009 through July of 2012)

\$ \$2,400.00

\$ Ø

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Interpretation of Harbor Hills' Governing Documents

3. Did the Board of Directors for the Harbor Hills' Homeowners' Association act unreasonably or in bad faith, arbitrarily or capriciously, in its interpretation and application of the certain provisions within the Governing Documents for the Harbor Hills subdivision.

YES ✓ NO

If your answer to Question No. 3 is "YES", please proceed to Question No. 4. If your answer to Question No. 3 is "NO", please proceed to the end to sign and date your verdict

Residential Property Assessments

4. Did the Governing Documents for the Harbor Hills Homeowners' Association require that the lots of all Owners, including those lots owned by the Developer, be included in calculating the *pro rata* share of assessments for the time period from 2005 through 2010?

YES ☒ NO ☐

Calculation of Residential Property Assessments

5. Did the Governing Documents require that the Owner of an improved lot (i.e. a lot with a home built on it) be assessed at the same rate as the Owner of a vacant lot, in calculating the *pro rata* share of assessments for the time period from 2005 through 2010.

YES ☒ NO ☐

Commercial Property Assessments

6. Did the Governing Documents require that the Commercial Property, as that term is defined in the Governing Documents and which is located within the Harbor Hills subdivision and owned by the Developer, be subject to assessments for the time period from 2005 through 2010?

YES ☒ NO ☐

7. Did the Developer, HARBOR HILLS DEVELOPMENT, L.P., fail to pay the full amount it owed to the Harbor Hills Homeowners' Association, pursuant to its obligations under the Governing Documents, for the time period from 2005 to 2010?

YES ✓ NO

*If your answer to Question No. 7 is "YES", please proceed to the next question.
If your answer to Question No. 7 is "NO", please skip Question No. 8 and
proceed to the end to sign and date your verdict*

8. What is the total amount of damages that you find the Developer owes the Harbor Hills Homeowners' Association to fully satisfy its obligations under the Governing Documents for the time period from 2005 through 2010?

\$ \$640,000

SO SAY WE ALL, this 8 day of November, 2013.



Foreperson