

**Complaint against CJ Nylund of Prestige Property Management Co.
528 West Garden Street Suite 2
Pensacola, Florida 32501**

Dear Sir:

I am President of our Home Owner's Association. Enclosed you will find a copy of a contract signed by CJ Nylund of Prestige Properties. Also enclosed you will find copy of a signed check for \$5000.00 that definitely shows a breach of contract, on Prestige Properties part. Also enclosed you will find a copy of a bank account that was closed with Bank of Pensacola on December 4th, 2006. As you will see, there was NEVER any funds of Pine Forest Royale's put into this bank account. Also enclosed you will find copy of ledger statement which shows finally on December 1st, 2006, our Reserve funds, although very limited for 5 years of being a HOA were finally transferred from previous property management company into Pine Forest Royale's name at Bank of Pensacola. The funds had been held by Etheridge Property Management Co. for over 6 months after they had resigned as property management company. For 6 months Prestige Properties lead this Association to believe that funds were indeed in the name of Pine Forest Royale with Prestige Property Management Co. as the agent. This is definitely a "failure to disclose" vital information to the Board members and the Association, in general.

The bottom line was Etheridge Properties had our Reserve funds and Prestige Properties had our Operating account in a private escrow account under the name of CJ Nylund, and this Board was unable to access either or even to look at the account at the bank. They were not accessible. The bank told us this personally, as well as CJ Nylund stating it was his personal "escrow" account and that no one was going to look at it but himself.

Upon 4 Board members discovering the writing of the \$5000.00 check and breach of signed contract, and upon discovering an account that never had a dime put into it and other discrepancies of our accounts, asking, but not receiving any type receipts, the majority of the Board terminated the services of Prestige Property Management Co.

Our President when we discovered these things, presented them and wanted answers, promptly resigned. This moved me from Vice President to President.

Our termination of Prestige Property Management Co. to say the least infuriated them, and they proceeded the middle of January by leaving a scheduled Board Meeting and convening in the foyer of a church where meeting was being held to instructing around 12 association members on how to go about recalling the Board that terminated them. I have never seen anything as unethical nor gross misconduct as this from any property management company. They believed if they had a recall they would not have to answer any questions, nor would they be terminated as the 12 they recruited would hire them back.

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This became, and created a huge problem in our subdivision and has divided the whole neighborhood. Our assessments are due in January. This is what runs the subdivision as I am sure you are aware of. By the Property Management Co. overseeing to overthrow a duly elected board, this made homeowner's not know what to do with their assessments. About half mailed in their assessments, but the 12 recruits instructed homeowner's "not" to send in their assessments to the new Property Management Co. but to hold them until the Board was overthrown. This in turn created a situation where \$600.00 of Association money had to be spent to have an attorney send out collection letters. Had this property management company not try a "coup" and accept they did and were in "breach of contract", and accept termination, that is \$600.00 the Association would not have to had to spend not counting the other gross spending that we have not seen receipts for yet.

At present we have only been turned over approximately \$14,000. of operating expenses for our new property management company to work with for a 6 month period. There is approximately \$20,000. more outstanding that is unaccounted for. I was called to Prestige Properties this morning to pick up several more checks. They were for a total of about \$600.00 but these checks were dated for the first week of February. I do not know why they were held so long, or perhaps why it took so long to get them from the post office to Prestige Properties. There was not any envelope given to me with them. Only 3 checks.

I was informed again, by the terminated property manager, Mr. CJ Nylund, that people out here, "Pine Forest Royale", are still trying to get a recall, and that "people did not like ME out here", and that HE, indeed will certify the proxies, once they have the amount they need to overthrow this Board. I have never seen anything like this and most of what I have seen of Florida Property Management Companies just make their own rules as they go and I believe they know things are just passed from hand to hand to department to department.

I can tell you right now. Sixty percent of the homeowner's in this Association are senior citizens who have been lied to, and pestered enough until they just sign anything to get people away from their front door.

I talked to a Mrs. Alyce Schultz, 2305 Trailwood Drive, Cantonment, Fl. 32533, this afternoon for 30 minutes. She told me she was NEVER told the management company broke a signed contract. She was never told the situation as I told it, but told the Board put money in their names, spent money foolishly, that their yard work was terminated, their pool was closed down, and for them to please fill out a proxy for recall of the Board. I let Mrs. Schultz know, things are temporarily on hold, as Prestige Properties either one, is not releasing all of our monies to have enough to run the neighborhood or two are definitely responsible for people not mailing their assessments in. In any way, they have just about crippled this neighborhood. We are not to touch Reserve funds and we will not. We should have around \$60,000. in them for this many years and only have \$24,000. And of course

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have no accounting to what was put into the account, nor when any money was put into the account.

It is such things as this, which I call "Elder Abuse", that is the only word you can call it. I think it is time that Prestige Properties take a trip to Tallahassee. We were taken advantage of for years with Etheridge Property Management Company, only to turn around and have it done again. And then to have a Property Management Co. proceed to overthrow a duly elected Board, only because we were doing our jobs by being good fiduciaries of the funds and watching what was done. Why should we be recalled? When companies finally see there are consequences, that is when they will give the DBPR their attention. Hopefully the DBPR will gain some respect then. At present all I hear is the DBPR is a joke.

Sincerely,

Linda Passman
President Board of Directors
Pine Forest Royale HOA
2387 Trailwood Drive
Cantonment, Florida 32533
March 5th, 2007

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