



Chicago Title Insurance Company

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UNDERWRITING MEMORANDUM 05-20

To: All South Carolina Agents
From: South Carolina State Office
Date: August 26, 2005
Re: Real estate manipulation scheme in South Carolina

Please review the attached article from the Office of Charlie Crist, Attorney General of the State of Florida. Mr. Crist has brought a lawsuit against Todd Teal relating to a real estate manipulation scheme. Please note that the article indicates the activities are also taking place in South Carolina. Please be wary of this situation and call us if you have questions.

July 28, 2005

Attorney General Sues Over Real Estate Manipulation

TALLAHASSEE - Attorney General Charlie Crist today sued a Singapore resident for orchestrating an elaborate real estate scam affecting owners of Florida real estate. The lawsuit accuses Todd Teal of filing fraudulent affidavits that prevent landowners from selling to anyone but him.

The complaint alleges that Todd Teal, 61, who lives in Singapore, held a mail drop box in Marco Island and used the Internet to identify land held in Florida mostly by out-of-state owners. According to the lawsuit, Teal would make offers to buy the property, hold the property under contract until he found a buyer to purchase it at a higher price, and in the meantime threaten the owner with lawsuits and fraudulent affidavits to prevent the owner from escaping from the unfair transaction. The affidavits filed by Teal claimed he had a valid contract, and he would threaten to file a lawsuit to compel the property owner to sell him the property. As long as the affidavits remained in the court clerk's official record, the landowner did not have clear title and was prevented from selling to any other buyers.

These affidavits put a "cloud" on the title to the property, giving Teal an unlimited amount of time to arrange for another purchaser to buy the property from him. If a property owner objected to Teal's legal tactics, he threatened litigation. Investigators determined that Teal has bought and sold hundreds of properties, turning more than a million dollars profit in this manner.

"These actions victimized hundreds of unsuspecting landowners, many of them elderly, in order to turn a quick buck," said Crist. "This scheme took advantage of trusting individuals. The Attorney General's Office will continue to work to protect citizens against such deceptive tactics."

According to the lawsuit, the title to more than 150 parcels of Florida land has been illegally clouded by Teal's actions. Owners have also suffered damages from lost opportunities to sell their land because of Teal's fraudulent scheme. About one-third of the properties involved owners who live in Florida.

Teal's actions as alleged violate the Florida Deceptive and Unfair Trade Practices Act and also constitute the common law offense of slander of title. The Attorney General seeks an order blocking Teal from buying additional Florida land and erasing the fraudulent affidavits from official county records. The lawsuit also seeks penalties of \$10,000 for each of the more than 150 violations under the Florida Deceptive and Unfair Trade Practices Act, or \$15,000 for each violation against a person over 60 years of age.

Investigators discovered that Teal is operating similar scams in Alabama, Arizona, Mississippi, New York, Pennsylvania, South Carolina, Texas and Washington. To date, these other states do not appear to have taken action against Teal.

A copy of the Attorney General's complaint is available at: [http://myfloridalegal.com/webfiles.nsf/WF/MRAY-6EQPZ4/\\$file/TealComplaint+.pdf](http://myfloridalegal.com/webfiles.nsf/WF/MRAY-6EQPZ4/$file/TealComplaint+.pdf)