

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

WESTGATE RESORTS, LTD., a Florida
limited partnership, by and through its
general partner WESTGATE RESORTS,
INC., a Florida corporation, *et al.*,

Plaintiffs,

vs.

CASE NO.: 6:18-cv-01088-GAP-
DCI

REED HEIN & ASSOCIATES, LLC d/b/a
TIMESHARE EXIT TEAM, *et al.*,

Defendants.

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JOINT FINAL PRE-TRIAL STATEMENT

1. Basis of the Court's subject-matter jurisdiction:

- a. Tortious Interference, 28 USC § 1332 (diversity), § 1367
(supplemental);
- b. Florida Deceptive and Unfair Trade Practices Act, 28 USC § 1332
(diversity), § 1367 (supplemental).

2. Anticipated length of trial:

The Parties anticipate a trial length of **10-11** days.

3. Nature of the action:

Plaintiffs Westgate Resorts, Ltd., et al. (“Westgate” or “Plaintiffs”) [26 timeshare Developer and Association Plaintiffs] own, operate, and manage timeshare resorts throughout the United States, including in Florida. Developer Plaintiffs offer financing to timeshare purchasers and are typically the holders of resulting promissory notes and mortgages. Association Plaintiffs operate, manage, and maintain the timeshare resorts, including collection of maintenance fees and taxes assessed from individual timeshare owners in the respective resorts. The Developer and Association Plaintiffs are collectively referred to as “Westgate.” Defendant Reed Hein & Associates d/b/a Timeshare Exit Team (“TET”) is a timeshare exit company. Defendants Brandon Reed (“Reed”) and Trevor Hein (“Hein”) are co-owners and co-governors of TET. Defendant Thomas Parenteau (“Parenteau”) was the chief operating officer of TET from 2016 until October 2018. Collectively, TET, Mr. Reed, Mr. Hein, and Mr. Parenteau are referred to as “TET Defendants.”

Westgate claims that TET Defendants engaged in unfair and deceptive trade practices and interfered with its contracts with timeshare owners. TET Defendants deny that they engaged in any deceptive and unfair practices or interfered with Westgate’s contracts with timeshare owners. TET has also asserted affirmative defenses to Plaintiffs’ claims for tortious interference.

4. Statement of the case:

a. Plaintiffs' statement of the case:

Westgate develops, operates, and manages timeshare resorts throughout the United States, and sells timeshare units which generally involves the sale of a fractional interest in a vacation resort to timeshare owners who can then use the resorts for vacations. Westgate offers its purchasers financing and many timeshare owners finance their purchase with a promissory note and mortgage, which typically involve repayment over a 10-year period. Every timeshare owner, whether the purchase price is financed or paid in cash, enters into legally binding and enforceable contracts pursuant to which the owners agree to pay annual maintenance fees for the continued operation of the resorts.

A small percentage of timeshare owners seek to avoid their payment obligations to Westgate, and the timeshare exit industry preys on these individuals, promising them an "exit" from their contracts in exchange for large, upfront fees. TET is one of the largest companies in the exit industry. It collects exorbitant fees, as high as \$78,000 based on TET records, fully paid to TET long before any result is or can be achieved for the customer. TET funnels millions of dollars a year to its principals, to its endorser and to law firms that do nothing more than send boilerplate letters to timeshare companies designed to cut off their communications with owners who hire TET and assure them it is okay to

stop paying their timeshare contracts as instructed or suggested by TET because, as TET falsely assures them, “our lawyers” are negotiating terminations of those contract with the resorts. TET relies upon prolific advertising (as high as \$1 million per month) in all forms of media and promotion by a prominent “financial guru” endorser to lure a steady stream of new victims to buy its illusory exit services offering a “safe” and “legal” exit from their timeshares.

An “exit” of a timeshare is a euphemism for termination of a customer’s timeshare contract, which TET Defendants have no legitimate means of achieving. The alleged “services” that Defendants offer these victims are entirely illusory. Their business model *requires* that victims default on their timeshare contracts. In two years of litigation, Defendants have not shown and cannot show any evidence of a legitimate “exit” process that was offered to a Westgate timeshare owner. All of the Westgate owners who figure in the present damages claims have been expressly instructed or otherwise influenced to stop paying Westgate. TET is an elaborate façade designed to pocket millions while giving the impression through a myriad of deceptive business practices that something more is happening. It is not.

While TET Defendants have tried numerous methods to cancel Westgate owners’ contracts – several of which were deemed deceptive acts in related litigation – none of them have succeeded other than ensuring timeshare owners stop making payments in hopes Westgate will foreclose on the timeshare owner.

The victims, lured by false promises that TET can legally cancel their timeshare contracts, pay TET thousands of dollars only to be subjected to a continuum of misleading and deceptive business practices: sales presentation misrepresentations, fictitious services, illusory legal representation, cut-off communications, and false status updates, all calculated to result in the owners' cessation of payments to Westgate in breach of their timeshare contracts. Nothing about the process is, as TET continues to advertise, safe, legal, or permanent, and many of TET's customers have suffered severe adverse consequences.

Other than provoking defaults, TET has no strategy to obtain an "exit" for Westgate timeshare owners with mortgages. Notwithstanding that TET has done nothing more than induce Westgate owners with mortgages to stop paying the underlying notes, and to allow their timeshares to be foreclosed, TET falsely claims full credit and sends "congratulations" letters to every foreclosed owner, telling them they no longer have any obligation for the timeshares. At trial, the direct evidence will demonstrate that TET did what it has acknowledged it must do: cause owners to stop paying to provoke a foreclosure. The fact is that the only current "method" TET has to deliver on its promised exit is to precipitate the timeshare developer's foreclosure of a mortgaged timeshare interest. And in order to do that, first the owner - TET's customer - must stop paying and then the owner must go into default, as only then will the timeshare company foreclose. So

intrinsic to the only “method” TET has is to deceive and confuse timeshare owners about the status of their timeshare exit, causing them to default thinking TET and its lawyers were handling everything.

Westgate is asserting claims for damages against the TET Defendants for tortious interference and violations of FDUTPA. Westgate’s tortious interference claim seeks to recover the balances on the unpaid mortgages and maintenance and tax fees caused by TET’s interference with timeshare owners who had mortgages and/or maintenance and tax obligations on their timeshares, and who defaulted on those obligations to Westgate after hiring TET. Westgate’s FDUTPA claim seeks to recover the same damages based on a broader spectrum of deceptive and unfair practices by TET, all of which are designed to influence customers to rely on TET’s instructions or suggestions to default on their timeshare contracts.

Westgate seeks to prove causation and damages for these claims through direct evidence only,¹ specific to individual identified timeshare owners. In each instance, direct evidence will prove that the owner defaulted on his or her timeshare

¹ Westgate acknowledges and respects the Court’s rulings that it will not allow circumstantial evidence as proof of causation and damages. For purposes of the record and to ensure preservation of these issues for appeal, Westgate does not waive or abandon its tortious interference and FDUTPA damages claims that Westgate believes are supported by circumstantial evidence by abiding by the Court’s directives and refraining from offering circumstantial evidence to prove causation and damages as to those additional contracts. Westgate preserves all of rights as to those claims against TET for damages arising from defaulted timeshare contracts which Westgate believes could be proven by circumstantial evidence. To assure a complete record, Westgate intends to make a proffer of such evidence at trial.

contract because TET instructed, suggested, or directly influenced them to stop paying Westgate. The direct evidence that proves these Westgate owners defaulted at TET's insistence is categorized in three ways:

1. Category 1 - Deposition Testimony: 44 owners testified they stopped paying their timeshare contracts at the instruction, suggestion, and/or influence of TET, which caused them to default on their timeshare contracts. See **Exhibit "1"**.
2. Category 2 - TET Documentary Evidence: 31 owners (1 of whom was deposed but is not included in Category 1) stopped paying Westgate at the instruction of TET as shown in TET emails to owners expressly instructing them to stop paying, and TET forms and CRM entries in which TET admits the owners were in default because TET instructed them to stop paying; See **Exhibit "2"**.
3. Category 3 - TET Call Recordings: 14 owners (2 of whom were deposed but are not included in Categories 1 or 2)² unambiguously stated in telephone calls with TET's authorized representatives which were recorded by TET, and produced by TET on March 15, 2021, that they stopped paying Westgate at the instruction of TET. See **Exhibit "3"**.³

² These 2 Category 3 owners were deposed but did not testify in deposition that TET instructed them to stop paying. However, TET's recordings of telephone calls those owners had with TET's authorized representatives show that TET did instruct them to stop paying their debts to Westgate and that the 2 Category 3 owners did so. Additionally, 27 of the 44 Category 1 owners who testified in deposition that TET told them to stop paying also stated that TET told them to stop paying in the recorded telephone calls they had with TET's authorized representatives.

³ Should Westgate be precluded from offering the direct evidence it has supporting its Category 2 & 3 claims, for purposes of the record and to ensure preservation of these issues for appeal, Westgate does not waive or abandon its Category 2 & 3 tortious interference and FDUTPA damages claims that Westgate believes are supported by direct evidence in the form of TET's own business records (Category 2) and audio recordings made by TET of its telephone communications with Westgate owners (Category 3). Westgate preserves all of rights as to those claims against TET for damages arising from defaulted timeshare contracts which Westgate believes could be proven by such direct evidence. To assure a complete record, Westgate, if needed, will make a proffer of such evidence at trial.

Westgate recognizes that the Court has several times, in live proceedings and in its Order to Show Cause, enunciated its view that the only admissible direct evidence of causation and damages for these claims is the testimony of owners (all via deposition) that they stopped paying Westgate because of the TET Defendants' conduct. But the Court also acknowledged at the December 15, 2020, Pretrial Conference that direct evidence other than the testimony of owners would likewise be sufficient. The Court expressed "no problem" admitting documentary evidence from TET own records showing non-testifying owners were instructed to stop paying and did so, and that the Court understood that TET own records may prove causation and damages for Westgate's claims:

MR. EPSTEIN: The distinction we've made -- and we address this in the motion in limine again -- is there is other direct evidence, documents and records from the defendant themselves, that says out loud that they told people to stop paying. And those people did not testify. But that is direct evidence from the defendants' own mouth, their own records, that they told people to stop paying.

THE COURT: All right. Wait a minute.

MR. EPSTEIN: So that's where -- that's where the disconnect is.

THE COURT: *Well, I don't see any disconnect there. I haven't said anything about not admitting that sort of evidence. That's not what I'm talking about.*

MR. EPSTEIN: They may not have been witnesses who testified in a deposition though.

THE COURT: *I understand there may be negative evidence from the defendants' own records that supports your claim. That's fine. I have no problem with that.*

Hrg. Transcr. (Dec. 15, 2020) (DE 306-1) at 16:19-17:11 (*e.s.*). Westgate has reasonably relied on this discussion, especially the Court's highlighted responses to counsel, and the Court's acceptance of Westgate's position on non-testimonial, documentary direct evidence of causation and damages in advancing its claims for Category 2 damages. Westgate also notes that it presented this same quotation of the Court's and counsel's colloquy in Westgate's response to the Court's Order to Show Cause (DE 306), which the Court discharged (DE 307).

Some of the direct evidence supporting causation and damages to which this colloquy pertains is already in the record of this case. Westgate supported its July 5, 2020 Opposition to TET's Motion for Partial Summary Judgment on Damages (DE 175) - a motion the Court denied - with many of the same documents Westgate intends to offer to support its Category 2 claim for damages. Included in such documents are excerpts of TET's own customer database in which TET admits that the Westgate owners - TET's customers - defaulted after being told to do so by TET authorized representatives. (DE 175-29).

Neither the Court's several earlier articulations of admissible evidence of causation and damages nor the quoted colloquy could have addressed the audio recordings, the evidence supporting Westgate's Category 3 claims. TET did not produce those audio recordings to Westgate until March 15, 2021, three months after

the December 15, 2020 pretrial conference. Nor could the Court's earlier consideration of the nature of direct evidence that would be admissible to prove causation and damages consider the oral recordings as, when in 2019 and 2020 the Court evaluated the quantum of evidence supporting these two damages claims, TET had not yet produced the audio recordings to Westgate, and the Court and Westgate were unaware of that evidence.

Documentary evidence from TET's own records and verbatim audio recordings of TET's authorized representatives showing TET instructed non-testifying owners to stop paying is direct evidence that supports Westgate Category 2 & 3 claims for damages as to those owners. Westgate is not submitting circumstantial evidence or a correlation analysis to prove causation and damages for the originally identified 621 owners; it is offering direct evidence from both the owners themselves and from TET's own records proving causation and damages for the 89 Westgate owners comprising the three categories of Westgate owners described above. Respectfully, Westgate does not believe that the Court intended to pre-emptively exclude direct evidence that would prove Westgate's claims for damages related to specific timeshare owners. At the time the Court analyzed the evidence in 2019 and 2020, the Category 1 deposition testimony was central to the discussion and analysis but was not the only evidence of causation and damages Westgate presented to the Court during pretrial motion practice. The Category 2 TET business records existed

and were, in particular, used by Westgate to rebut TET's Motion for Partial Summary Judgment on Damages and so are already in the record of this case. And the Category 3 TET audio recordings had not yet been produced by TET to Westgate in this case and so could not have been used by Westgate or considered by the Court in enunciating its rulings on the pretrial motions.

In this instance the two forms of direct evidence described in Categories 2 & 3 above - TET's own business records relating to the Westgate owners and TET's recordings of TET's own telephone calls with the Westgate owners - are contemporaneous written and oral recordings of communications occurring *when the interference with contracts actually occurred*. This evidence is the equivalent of if not superior as to timeliness, specificity, reliability, and sufficiency to owner deposition testimony elicited years after the events to which the testimony pertained.

Westgate has and will address these evidentiary issues in its Amended Omnibus Motion in Limine.

b. *TET Defendants' statement of the case:*

Causation and damages: Westgate cannot prove the elements of causation and damages required under its claims for tortious interference and FDTPA. As noted in TET's MPSJ (Doc. 163) and related filings, there are numerous reasons as to why the 86 Westgate owners at issue chose to stop paying their timeshares which have nothing to do with TET. Indeed, these causation problems were so

fatal that the Court determined that Dr. Cowan's unreliable statistical analysis and Westgate's other attenuated and speculative "circumstantial evidence" cannot be used to prove any damage to the non-testifying owners. Importantly, these same problems raise serious causation questions as to Westgate's ability to recover damages based upon the default of any of the 86 owners at issue.

As a preliminary matter, contrary Westgate's assertions, the record evidence shows that 46 of these 86 owners testified that TET did *not* advise them to stop paying their timeshares (while 6 never testified as to this matter). Further, as to those 34 owners who did testify that TET advised them not to pay (most of whom Dr. Cowan based his opinions), only a handful testified that this advice actually *caused* them to stop paying their timeshares (or was the reason they stopped paying). The remaining owners testified as to myriad other reasons which caused them to stop paying or in which a reasonable juror would conclude they stopped. This witness testimony is further corroborated by significant evidence which shows the numerous problems endemic in Westgate's timeshare properties which collectively show, among other things:

- 30% of Westgate's owners are in default on their timeshare obligations.
- Many owners had already been in default when they hired TET or had histories of delinquencies.

- Almost all owners had already made the decision to get rid of their timeshares and made repeated efforts to sell their timeshare before learning of TET.
- Many owners experienced financial hardships and an inability to pay living expenses because of their excessive timeshare payments to Westgate.
- Westgate's exorbitant interest rates, which is frequently at 17.99%, the highest legal rate permitted under the law of most states.
- Many owners experienced declining health and medical issues, making it both difficult to use and pay for their timeshares.
- Many owners were unable to use their timeshares based upon significant restrictions on their use and travel expenses.
- Many owners were the victims of fraudulent and oppressive sales practices by Westgate.
- Westgate charges its owners maintenance fees which increase every year at arbitrary amounts and which owners are required to pay in perpetuity. When the owners die, the obligation passes to the owner's estate and typically the owner's children.
- Westgate's timeshare properties (which constitute real estate) are essentially worthless and have no or very little resale value.
- There is an almost nonexistent resale market for timeshare properties, and Westgate refuses to help owners resell their properties.
- The timeshare properties have poor value versus comparable hotel resorts.

Other than the dubious testimony of the 86 owners, Westgate also relies upon its damages expert, Steve Wolf, to attempt to show that TET caused these

owners to default in a “backdoor” attempt to establish causation via Mr. Wolf’s default date/hire date analysis. As described previously, Mr. Wolf’s default date/hire date analysis is replete with defects already recognized by the Middle District (Judge Dalton) in *Westgate v Sussman*, 17-cv-1467-RBD-DCI (M.D. Fla.) with respect to owners who do not actually testify. See Doc. 163. The record evidence is clear that Mr. Wolf performed no analysis as to *why* the customers defaulted; does not consider whether any owners had histories of delinquencies or missed payments before hiring TET; does not consider statistics showing delinquent accounts returning to a current status or owners continuing to make payments on delinquent accounts despite the fact that they are not current; is unaware of the amount of time in which a delinquent account is held in default or at what point Westgate will commence foreclosure; admits that many accounts are “Active Accounts” in which Westgate has not made any attempt to recover the timeshare via foreclosure or otherwise and may be current; is unaware if Westgate is still attempting to collect on these Active Accounts, have been able to collect on these accounts, or any amounts Westgate has been able to collect; and cannot identify which accounts are “Active”; cannot identify which accounts are “Cancelled” and have been foreclosed upon and recovered. In addition, Mr. Wolf, in comparing the dates certain owners hired Reed Hein to dates they defaulted, he did not analyze or consider how much time elapsed between the

hire date and the default date for the Affected Accounts, admitting that the time between these dates could be anywhere from three months to two years.

Mr. Wolf's testimony regarding Westgate's "costs" incurred as a result of foreclosure is also problematic. The testimony, among other things, is based entirely upon several brief discussions with two officers from "Westgate" (he does not identify which of the 26 Westgate entities) and two reports he reviewed on the timeshare industry. Importantly, Mr. Wolf does not review any *actual* financial documents or other financial information from any of the 26 Plaintiffs relating to sales, marketing or any other costs; bases his opinions upon costs which would have been incurred regardless of defaults; does not review actual costs or information relating to Westgate's inventory; considers properties not owned by Plaintiffs; is unaware of accounting procedures used to remove properties from inventory; and does not consider the resale price of properties recovered after default.

The alleged wrongful conduct: The conduct Westgate claims TET engaged in does not constitute actionable conduct under either tortious interference or FDUTPA. After the Court determined that Westgate's claims regarding TET's allegedly deceptive advertising was non-actionable, Westgate scrambled to reinvent its FDUTPA theory into an amorphously-defined, ever-

shifting, and unremarkable list of allegedly wrongful conduct. *Compare* Doc. 163 at 12-17; Doc. 112-18 (Westgate's Answers to Interrogatories); Doc. 69 (Westgate's Amended Complaint). Importantly, out of the 86 owners deposed, only several testified that TET engaged in any of this alleged conduct. *Id.* More importantly, Westgate has failed to show thus far, and cannot prove at trial, that any this alleged conduct *caused* any of these owners to default. *Id.*

For example, Westgate alleges that TET misrepresents that it is a law firm (which it clearly does not), and speculates that this caused owners to default. *See* Doc. 163 at 12-13. In support of its argument, Westgate only cites to *one* Westgate owner who hired TET, Richard Tanner, who testified that he was under the impression that TET was a law firm. *Id.* In addition, Mr. Tanner did not testify that this misunderstanding that TET was a law firm caused him to stop making payments. *Id.* Mr. Tanner also testified that he wanted to exit his timeshare before learning of TET, was experiencing financial hardship, and had difficulty using his timeshare. *Id.* In fact, many of the 86 witnesses testified that they knew TET was not a law firm and might be hiring a law firm on their behalf. *Id.* In short, Westgate has not produced any other record evidence showing any of the 86 owners who were deposed stopped payment because they believed TET is a law firm. *Id.* Rather, the record evidence is clear that TET's Exit Agreements and

related disclosures which are signed by the owners when they hired TET expressly state that TET is *not* a law firm. *Id.* As another example, Westgate argues that TET did not “stay in touch” with its customers, only citing again to Richard Tanner. *See* Doc. 163 at 13. Assuming this conduct can be construed as deceptive, there is no evidence that this caused any of the 86 owners deposed to stop making payments. Similarly, Westgate asserts that TET requesting that its customers not communicate with Westgate while TET is providing its exit services caused them to default on their timeshares. *See* Doc. 163 at 13. Yet Westgate has failed to point to any one of the 86 owners deposed who testified that these instructions not to communicate directly with Westgate caused them to stop making payments on their timeshares. *Id.*

Westgate also argues that TET violates FDUTPA because it allegedly does not advise its customers of the risks of potential damage to credit based upon *nonjudicial* “foreclosures” and, as a result, this has led owners to default. *See* Doc. 163 at 14-17. Importantly, the record evidence shows that of the approximately 621 accounts *formerly* at issue (now 86), Westgate only brought foreclosure proceedings against a total of 244 of these accounts and after many months of delinquency and learning the customer hired TET and one of his law firm vendors to try to negotiate a resolution. It should also be noted that, of the

approximately 86 owners still at issue, only 4 testified that they were foreclosed upon.

Importantly, with respect to the 86 owners Westgate decided to foreclose upon, none testified that their credit was *damaged* as a result of the nonjudicial recovery process or were unaware of any such impact. *See* Doc. 163 at 14-17. Others testified that they did not mind being foreclosed upon or were indifferent because of the far greater burden of timeshare ownership, including being required to pay \$100,000 to \$200,000 in perpetuity for real property that is essentially worthless. *Id.*

Westgate has also failed to produce any record evidence that TET concealed from these 86 owners that if they stopped paying their timeshare, Westgate might bring a foreclosure proceeding. *See* Doc. 163 at 14-17. Nor did any owners testify that they were unaware that if they stopped paying their timeshares, Westgate might foreclose. *Id.* Further, many of the 86 owners testified they were aware that foreclosure or negative credit could result if they stopped making payments, while other testified that TET advised them that foreclosure or negative credit could result if they stop paying, and others testified that they understood foreclosure constituted an exit. *Id.* In addition, there is no record evidence that, even assuming TET concealed the risk of

foreclosure, this somehow *caused* any of the 86 owners to default. *Id.* Nor has Westgate produced any evidence that any of these owners defaulted because they were confused that foreclosure could result if they stop paying Westgate. *Id.*

Rather, the evidence shows the nonjudicial foreclosure proceedings are quick, low-cost (for Westgate), summary proceedings in which Westgate does not seek deficiency judgments as a matter of company policy and is not entitled to seek deficiency judgments under Florida law and the law of almost every other state. *See, e.g.*, §§ 721.855, 721.856, Fla. Stat. Westgate's policy is also to wait at least 2 *years* after an account becomes delinquent to finally initiate nonjudicial foreclosure. *See* Doc. 163 at 12-17. Indeed, numerous accounts have been delinquent for over 3 *years* without Westgate bringing any nonjudicial foreclosure proceeding, with many accounts delinquent in excess of 1,095 days (3 years) before Westgate takes back the property. *Id.* Importantly, rather than simply take back the property via a deed in lieu, or even one of these quick nonjudicial foreclosures, Westgate continues to harass the owners for months with collection calls up to three times per day, including threatening the owners to damage their credit, in order to attempt to extract from its owners the near

usurious 17.99% interest rates and ever-escalating maintenance fees in perpetuity. *Id.*

The record evidence shows, and the evidence at trial will show, that TET's primary goal is to negotiate a deed in lieu of foreclosure from all timeshare companies or other agreed transfer of the timeshare back to the timeshare company. The evidence also shows that the majority of timeshare companies are willing to negotiate such resolutions. As of January 2019, TET and its law firm vendors accomplished over 16,000 exits out of a total of 28,000 customers from the time of its formation to January 2019. Most of these exits were accomplished through active negotiations of TET's law firm vendors. The evidence also shows that TET, honoring his 100% moneyback guarantee, had issued approximately 900 refunds as of January 2019 when it was not able to obtain exits for its customers.

When TET first begin negotiating with Westgate from approximately 2014-2016, Westgate agreed to voluntarily take back many timeshare properties via deeds in lieu, without initiating any nonjudicial foreclosure or reporting owners to credit agencies. However, in 2016, Westgate completely changed its position and stopped agreeing to exits and began to initiate a barrage of nonjudicial foreclosures against TET's customers in a vindictive effort to damage TET, its

customers, and TET's law firm vendors. Westgate also filed the unnecessary foreclosures in an attempt to bolster its frivolous argument that TET is harming its customers. Indeed, Westgate filed most foreclosures after it filed the present action or in the six months preceding the action. Ironically, rather than simply agreeing to take benefit timeshares, Westgate decided to initiate a wave of nonjudicial foreclosures and report TET's customers to credit agencies in an attempt to maliciously damage both TET and its customers (by the fact that such reporting has minimal impact on credit).

Finally, to the extent TET's employees did advise customers not to make payment, its conduct was nonactionable under tortious interference because the advice was justified, non-malicious and/or privileged. TET was either conveying legal advice from its third-party vendor law firms to its customers (including pursuant to its duties under power of attorney and service agreement) or attempting to protect the interests of his customers. Further the record evidence is clear that TET has always had a practice of advising its customers of the risks of stopping payment on timeshares, including potential damage to credit.

5. Damages sought:

a. Tortious interference and FDUTPA damages for monetary losses suffered by Westgate as a result of Westgate Owners' non-payment of mortgage balances and maintenance and tax fees owed. These damages arise from the owners who defaulted on their timeshare accounts after hiring TET and being instructed or otherwise instructed to stop paying, as follows:

- i. Category 1 - Deposition Testimony: For 44 owners who testified they stopped paying their timeshare contracts at the instruction, suggestion, and/or influence of TET, which caused them to default on their timeshare contracts, damages of **\$782,892.00**; *See* Exhibit "1".
- ii. Category 2 - TET Documentary Evidence: For 31 owners (1 of whom was deposed but is not included in Category 1) who stopped paying Westgate at the instruction of TET as shown in TET emails to owners expressly instructing them to stop paying, and TET forms and CRM entries in which TET admits the owners were in default because TET instructed them to stop paying, damages of **\$420,207.00**; *See* Exhibit "2". Defendants strongly oppose Plaintiffs seeking damages based upon defaults of owners other than the 86 who have testified. This Court has made clear in several rulings that Plaintiffs' damages are limited to these 86 owners, and Westgate continues to violate those rulings. *See* Doc. 295.
- iii. Category 3 - TET Call Recordings: For 14 owners (2 of whom were deposed but are not included in Categories 1 or 2) unambiguously stated in telephone calls with TET's authorized representatives which were recorded by TET, and produced by TET on March 15, 2021, that they stopped paying Westgate at the instruction of TET, damages of **\$197,898.16**. *See* Exhibit "3".

Defendants strongly oppose Plaintiffs seeking damages based upon defaults of owners other than the 86 who have testified. This Court has made clear in several rulings that Plaintiffs' damages are limited to these 86 owners, and Westgate continues to violate those rulings. *See* Doc. 295.

The unpaid balances for these owners were calculated as of April 30, 2019, by Westgate expert CPA Steven Wolf (except for five owners whose defaults occurred at different dates later in time and have been updated).

b. Punitive Damages in an amount determined by the jury.

Defendants strongly contest Plaintiffs' ability to recover punitive damages and, in the alternative, have moved for a bifurcation of the trial on this issue. *See* Doc. 274 at 11-16.

c. Attorney's fees and costs award to be determined by the Court.

6. Pending Motions: The Westgate's Amended Omnibus Motion in Limine (DE 273) and TET Defendants' Revised Motion in Limine and, Alternatively, Motion to Bifurcate Punitive Damages Claim (DE 274) were filed on March 5, 2021. The Parties anticipate amending these motions and re-filing them by the Court's deadline of June 4, 2021.

7. Stipulated Facts: The parties agreed to stipulate to the following facts:

1. The Plaintiffs in this case are 26 companies that own, operate, and manage timeshare resorts throughout the United States and have their principal places of business in Orlando, Florida.

2. Plaintiff Westgate Resorts, Ltd., is a Florida limited partnership.

3. Plaintiffs, Westgate Lakes, LLC, Westgate GV at the Woods, LLC, Westgate Towers, LLC, Westgate Flamingo Bay, LLC, Westgate Myrtle Beach, LLC, Westgate Palace, LLC, Westgate GV at Emerald Pointe, LLC, Westgate GV at Painted Mountain, LLC are Florida limited liability companies

4. Westgate Las Vegas Resort, LLC, is a Delaware limited liability company, its sole member is Westgate LVH, LLC, a Florida limited liability company, and Westgate LVH, LLC's sole member is Westgate Resorts, Ltd.

5. Westgate Vacation Villas Owners Association, Inc., Westgate Lakes Owners Association, Inc., Westgate Towers Owners Association, Inc., Westgate Town Center Owners Association, Inc., Westgate Towers North Owners Association, Inc., Westgate River Ranch Owners Association, Inc., and Westgate Palace Owners Association, Inc., are Florida corporations.

6. Westgate Flamingo Bay, Las Vegas Owners Association, Inc., is a Nevada corporation.

7. Westgate Historic Williamsburg, Owners Association, Inc., is a Virginia corporation.

8. Westgate Park City Resort & Spa Owners Association, Inc., is a Utah corporation.

9. Westgate Myrtle Beach Ocean Front Owners Association, Inc., is a South Carolina corporation.

10. Cedar Ridge at The Woods Condominium Owners Association, Inc., Westgate Branson Woods Owners Association, Inc., and Grand Vista at Emerald Point Condominium Owner's Association, Inc. are Missouri corporations.

11. Painted Mountain Golf Villas Condominium Association, Inc., is an Arizona corporation.

12. Westgate is in the business of developing, financing, and managing timeshare resort properties throughout the United States, including in Florida.

13. Westgate offers financing to purchasers of Westgate timeshare interests and is the holder of promissory notes and mortgages signed by owners.

14. All Westgate timeshare owners are required to pay annual maintenance fees for the continued operation of the resorts, and for taxes.

15. Reed Hein & Associates, LLC is a Washington limited liability company with its principal place of business at 3400 188th Street SW, Suite 300, Lynnwood, Washington 98037.

16. Reed Hein & Associates, LLC operates under the registered trademark "Timeshare Exit Team."™

17. TET is a timeshare exit company.

18. TET was founded and formed in January 2012 by Brandon Reed and Trevor Hein.

19. From January 2012 until December 2019, Brandon Reed owed 60% of TET and Trevor Hein owned 40% of TET. Since December 2019, Brandon Reed has owned 100% of TET.

20. Brandon Reed has been the CEO of TET since its formation in January 2013 to the present.

21. Trevor Hein was the Chief Operating Officer of TET from January 2013 until approximately March 2016.

22. Thomas Parenteau was Chief Operating Officer of TET from approximately March 2016 to December 2018. Thomas Parenteau has never been an owner of TET.

23. As of April 17, 2019, TET had approximately 1,386 customers who purchased timeshares from Westgate (the "Westgate Owners") as reflected in the records of Westgate and TET marked as Westgate's Trial Exhibits "1" and "2" respectively.

24. Approximately 86 Westgate owners who were TET customers were deposed in this lawsuit.

8. Facts that remain in dispute for resolution at trial by the fact-finder

a. Tortious Interference with existing contracts:

- i. Whether TET Defendants tortiously interfered with Westgate's contracts with timeshare owners who defaulted on their contracts after hiring TET.
- ii. Whether any of the timeshare owners at issue in this case were predisposed to breach their timeshare contracts. Defendants maintain that, pursuant to this Court's rulings, there are only 86 timeshare owners at issue since these are the only witnesses who testified TET might have advised them not to pay.
- iii. AFFIRMATIVE DEFENSE: whether TET was an agent of each of the timeshare owners at issue (86 owners at issue per Defendants) in this case and a party to their contracts with Westgate, and therefore could not have interfered with its own contracts.
- iv. AFFIRMATIVE DEFENSE: whether TET was privileged to interfere with the contracts of the timeshare owners at issue (86 owners at issue per Defendants) in this case because its conduct was intended to protect its own economic interests and the economic interests of those owners.

- v. Whether TET Defendants' alleged tortious interference with the contracts of the timeshare owners at issue (86 owners at issue per Defendants) in this case proximately caused Westgate damage, and the amount of same.

b. Florida's Deceptive Unfair Trade Practices Act:

- i. Whether TET Defendants engaged in deceptive or unfair acts or practices.
- ii. Whether consumers have suffered injury or detriment as a result of TET Defendants' alleged deceptive or unfair acts or practices.
- iii. Whether TET Defendants' alleged deceptive or unfair acts or practices caused Westgate actual damages, and the amount of same.

9. Agreed principles of law:

The Court's Order on the Parties' respective motions for summary judgment (DE 143) and the Court's Order on TET's Motion for Partial Summary Judgment on Damages (DE 212) and Order granting Westgate's Motion for Reconsideration (DE 156) judicially established the law to be applied to most of the remaining issues to be tried, which the Parties reincorporate herein by

reference. The Parties have otherwise expressed their respective views on the principals of law in the proposed jury instructions – they are not all agreed.

10. Disputed issues of law

- a. Whether Westgate can only prove causation of damages for tortious interference against TET Defendants for contracts of timeshare owners who offer direct testimony.
- b. Whether Westgate can only prove causation of its actual damages for deceptive and unfair trade practices by TET Defendants as to timeshare owners who offer direct testimony.
- c. Whether TET has the burden of proving that individual timeshare owners were predisposed to breach their Westgate contracts to avoid liability for tortious interference.
- d. Whether TET can avoid liability for tortious interference by claiming to be parties to Westgate’s contracts with any of the owners (86 owners at issue per Defendants) at issue in this case.
- e. Whether TET can avoid liability for tortious interference by claiming its conduct was intended to protect its own economic interest and the economic interest of its customers and is therefore privileged.
- f. Other issues reflected in the contested jury instructions attached hereto.

11. Attached Exhibits

- a. Exhibit Lists: Due to the large volume of call recordings produced by Defendants on March 15, 2021, and several supplemental productions of call logs and additional recordings, including more than 100,000 audio files produced on May 19, 2021, Plaintiffs contend they should be permitted to identify additional call recordings as exhibits up through the end of trial by supplementing its exhibit list and furnishing Defendants with copies of the exhibit files and any transcriptions. Defendants strongly oppose Plaintiffs seeking damages based upon defaults of owners other than the 86 who have testified. This Court has made clear in several rulings that Plaintiffs' damages are limited to these 86 owners, and Westgate continues to violate those rulings. *See* Doc. 295.
- b. Witness Lists
- c. Proposed Voir Dire questions

12. Exhibits submitted via email pursuant to CMSO (DE 55).

- a. Jointly-Proposed Jury Instructions (with contested instructions)
- b. Jointly-Proposed Verdict Form (with contested forms)

DATED: May 28, 2021

Respectfully submitted,

<p>WILSON, ELSER, MOSKOWITZ, EDELMAN & DICKER, LLP</p> <p><u>/s/ John Y. Benford</u> John Y. Benford Florida Bar No. 51950 Amy L. Baker Florida Bar No. 86912 111 N Orange Ave Ste 1200 Orlando, FL 32801-2361 Telephone: (407) 246-8440 Facsimile: (407) 246-8441 john.benford@wilsonelser.com amy.baker@wilsonelser.com <i>Counsel for Defendant Defendants & Associates, LLC, Brandon Reed, Trevor Hein and Thomas Parenteau</i></p>	<p>GREENSPOON MARDER LLP</p> <p><u>/s/ Richard W. Epstein</u> Richard W. Epstein Florida Bar No. 229091 Michael E. Marder Florida Bar No. 251887 Jeffrey A. Backman Florida Bar No. 662501 Brian R. Cummings Florida Bar No. 25854 201 East Pine St, Suite 500 Orlando, Florida 32801 Telephone: (407) 425-6559 Facsimile: (407) 209-3152 Richard.Epstein@gmlaw.com Jeffrey.Backman@gmlaw.com Khia.Joseph@gmlaw.com Maria.Salgado@gmlaw.com Michael.Marder@gmlaw.com Trisha.Snyder@gmlaw.com Brian.Cummings@gmlaw.com Moneka.Simpson@gmlaw.com <i>Counsel for Plaintiffs</i></p>
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system on this 28th day of May, 2021. I also certify that the foregoing document is being served this day on all counsel of

record or pro se parties identified on the Service List below in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive Notices of Electronic Filing electronically.

/s/ Brian R. Cummings

EXHIBIT

"1"

Summary of Damages for Testifying Owners

	Owner Name	Westgate Acct. No.	Contract	Default Amt.	Mort. Amt.	M&T Amt.	Mort. Default Date	Foreclosure Sales Date	TET Hire Date	TET Fee	Exit Ltr Date
1	Adams, Barbara	9015154909	Note; Purchase K	\$15,465.00	\$13,827.00	\$1,638.00	9/20/2015	11/17/2017	9/2/2015	\$6,395.00	1/2/2018
2	Annett, Edgar Raymond	2020184120	Note; Purchase K	\$40,956.00	\$40,956.00	\$0.00	3/14/2016	3/9/2018	3/5/2016	\$9,800.00	9/27/2018
3	Arreola, Marcelito	3314793003	Note; Purchase K	\$9,472.00	\$6,913.00	\$2,559.00	9/28/2015	3/13/2020	10/22/2015	\$5,065.00	
4	Bogle, Robert	45834116472	Note; Purchase K	\$8,568.00	\$5,616.00	\$2,952.00	3/9/2016	7/17/2018	2/12/2016	\$4,935.00	8/21/2018
5	Brown, Scott	2020809220	Note; Purchase K	\$24,695.00	\$24,695.00	\$0.00	4/27/2015		4/7/2015	\$7,990.00	2/16/2018
6	Burns, Pattie	3317833003	Note; Purchase K	\$10,856.00	\$8,246.00	\$2,610.00	9/14/2015	7/25/2018	8/26/2015	\$5,505.00	
7	Chavez, Catarina	48377040786	Note; Purchase K	\$11,017.00	\$11,017.00	\$0.00	11/27/2015		11/10/2015	\$6,235.00	
8	Cochran, Shawna	2020690720	Note; Purchase K	\$17,745.00	\$17,745.00	\$0.00	3/15/2016	3/9/2018	3/8/2016	\$7,111.00	
9	Cogdell, Chantell	90285305844	Purchase K; Deed	\$17,683.00	\$17,683.00	\$0.00	4/12/2018		3/23/2018	\$9,056.70	
10	Damron, Eric	32243368993	Note; Purchase K	\$36,686.00	\$32,475.00	\$4,211.00	4/13/2016	2/19/2019	4/7/2016	\$8,195.00	
11	Denson, James Arthur	9014627700	Note; Purchase K	\$24,002.00	\$19,079.00	\$4,923.00	3/7/2016	8/23/2018	2/24/2016	\$6,995.00	
12	Dupuie, Carolyn	2010348620	Note; Purchase K	\$16,745.00	\$16,745.00	\$0.00	8/22/2015		5/30/2015	\$6,820.00	4/25/2017
13	Elmore, Sophia	56391804707	Note; Purchase K	\$17,065.00	\$15,949.00	\$1,116.00	2/3/2016	8/10/2017	1/7/2016	\$6,995.00	2/16/2018
14	Gaugh, Glen Edward	3401453835	Note; Purchase K	\$15,968.00	\$13,192.00	\$2,776.00	1/14/2016	8/29/2017	12/22/2015	\$6,075.00	12/6/2017
15	Graham, Steven	2020220120	Note; Purchase K	\$15,333.00	\$15,333.00	\$0.00	12/4/2016	4/27/2018	11/5/2016	\$8,504.88	
16	Holmes, Karen	95908871734	Note; Purchase K	\$14,754.00	\$13,532.00	\$1,222.00			4/21/2017	\$7,173.15	
17	Howie, Jeffrey	92329363607	Note	\$12,457.00	\$11,502.00	\$955.00	2/4/2016		2/2/2016	\$6,235.00	
18	Jaipaul, Ramchand	59698772056	Note; Purchase K	\$14,112.00	\$13,157.00	\$955.00	7/6/2016		6/27/2016	\$9,144.93	
19	Jensen, Nels	2010269003	Note; Purchase K	\$50,606.00	\$43,232.00	\$7,374.00	3/11/2015	7/13/2018	1/22/2015	\$8,495.00	
20	Jorgenson, Gregory	3066475113	Deed	\$1,155.00	\$0.00	\$1,155.00			2/27/2017	\$6,201.56	
21	Kincaid, Anthony	2150399321	Note; Purchase K	\$8,587.00	\$7,897.00	\$690.00	6/6/2015		5/29/2015	\$8,795.00	2/17/2016
22	Lawrence, Martin Jr.	9020514509	Note; Purchase K	\$9,054.00	\$8,243.00	\$811.00	10/6/2015		10/13/2015	\$5,650.00	
23	Lowery, Letitia	3378763003	Note; Purchase K	\$18,583.00	\$14,810.00	\$3,773.00	4/10/2017	4/17/2019	2/28/2017	\$15,084.47	
24	Martinez, Roberto	9018275200	Note; Purchase K	\$13,247.00	\$10,747.00	\$2,500.00	11/23/2015	7/3/2018	11/13/2015	\$5,795.00	
25	McCord, Aubrey Vernon	3702077380	Note; Purchase K	\$19,617.00	\$18,174.00	\$1,443.00	12/28/2015	8/16/2017	12/30/2015	\$6,820.00	1/13/2018
26	McDaniel, David	2020721620	Note; Purchase K	\$26,505.00	\$26,505.00	\$0.00	9/22/2015	3/9/2018	8/22/2015	\$7,595.00	5/24/2018
27	McDowell, Valerie	9014872000	Note; Purchase K	\$10,721.00	\$9,554.00	\$1,167.00	12/14/2015	8/23/2018	12/4/2015	\$5,795.00	5/1/2018
28	Mensa-Shebra, Victor	9019719100	Purchase K	\$16,522.00	\$15,416.00	\$1,106.00	8/10/2017	6/6/2019	8/24/2017	\$8,174.88	
29	Mullins, Arnold Wayne	2020635020	Note; Purchase K	\$35,755.00	\$35,755.00	\$0.00	11/3/2015	3/9/2018	9/30/2015	\$8,795.00	3/7/2018
30	Nicholas, Emeka	9020418309	Note; Purchase K	\$28,788.00	\$25,945.00	\$2,843.00	4/4/2017	11/8/2018	3/28/2017	\$11,034.88	
31	Parker, Matthew	2020549420	Note; Purchase K	\$12,865.00	\$12,865.00	\$0.00	10/20/2015	3/9/2018	10/8/2015	\$6,235.00	5/1/2018
32	Prairie, Jeff	2006889720	Deed; Purchase K	\$2,011.00	\$2,011.00	\$0.00	8/7/2016	3/9/2018	10/26/2016	\$4,595.00	5/10/2018
33	Snyder, Richard	9015962903	Note; Purchase K	\$35,094.00	\$28,941.00	\$6,153.00	1/26/2015	7/6/2018	2/5/2015	\$7,870.00	
34	Spears, Craig	1502351700	Note; Purchase K	\$18,051.00	\$15,721.00	\$2,330.00	2/15/2018		2/13/2018	\$8,119.88	
35	Stewart, Denise	9008589709	Note; Purchase K	\$4,505.00	\$3,234.00	\$1,271.00	3/2/2016	5/21/2019	1/28/2016	\$5,195.00	6/11/2019
36	Stoll, Lorraine	2010708120	Note; Purchase K	\$5,641.00	\$5,641.00	\$0.00	1/4/2016	3/9/2018	2/17/2016	\$5,195.00	
37	Tanner, Richard	2020844720	Note; Purchase K	\$9,886.00	\$9,886.00	\$0.00	10/13/2015	4/27/2018	9/18/2015	\$5,650.00	
38	Thorne, Marlene	3368319003	Note; Purchase K	\$36,320.00	\$33,300.00	\$3,020.00	3/28/2014	7/6/2018	6/16/2014	\$6,995.00	10/2/2018
39	Travis, James	2020891020	Note; Purchase K	\$7,443.00	\$7,443.00	\$0.00	2/8/2016	3/9/2018	12/18/2015	\$4,935.00	5/24/2018
40	Trowell, Ben Jr.	2009866320	Note; Purchase K	\$12,561.00	\$12,561.00	\$0.00	11/20/2015	3/9/2018	11/10/2015	\$6,395.00	5/2/2018
41	Valentin, Yorlenis	9018492700	Note; Purchase K	\$3,479.00	\$2,447.00	\$1,032.00	4/3/2016	7/17/2018	3/18/2016	\$4,595.00	
42	Vires, Scott	9019468700	Note; Purchase K	\$17,563.00	\$16,302.00	\$1,261.00	9/2/2015	7/3/2018	6/17/2015	\$6,075.00	7/8/2018
43	Walworth, Christopher Eugene	75037858208	Note; Purchase K	\$21,872.00	\$18,906.00	\$2,966.00	10/3/2016	9/22/2020	8/5/2016	\$8,725.00	
44	Winter, Tommi Jo	75464733312	Note; Purchase K	\$32,882.00	\$32,882.00	\$0.00	6/28/2016	3/9/2018	5/31/2016	\$8,575.00	
			TOTALS	\$782,892.00	\$716,080.00	\$66,812.00					

EXHIBIT

"2"

Summary of Damages for Owners Based on TET Documents

	Owner Name	Westgate Acct. No.	Contract	Default Amt.	Mort. Amt.	M&T Amt.	Mort. Default Date	Foreclosure Sales Date	Evidence Type	TET Hire Date	TET Fee	Exit Ltr
1	Ballaso, Rex	4001177321	Note; Purchase K	\$7,486.00	\$5,481.00	\$2,005.00	9/1/2015	10/10/2018	SalesForce	7/18/2015	\$5,195.00	
2	Bamfield, Michelle	7026642299	Note; Purchase K	\$1,475.00	\$1,475.00	NA**	10/6/2015		Email	8/10/2015	\$5,195.00	6/22/2017
3	Bezmen, Kristina	9008664000	Note; Purchase K	\$5,616.00	\$3,089.00	\$2,527.00	10/20/2015	8/10/2019	SalesForce	9/23/2015	\$4,595.00	
4	Borgos, Ronald	27528152690	Note; Purchase K	\$6,584.00	\$6,330.00	\$254.00	11/28/2015		Email	6/17/2015	\$5,795.00	
5	Bright, Marlene	2020347320	Note; Purchase K	\$59,106.00	\$59,106.00	\$0.00	7/17/2015		Email	8/26/2015	\$13,900.00	7/26/2017
6	Cassidy, John	3434006357	Deed	\$886.00	\$0.00	\$886.00			Email	10/3/2015	\$5,935.00	
7	Dobrosky, Shelley	2150395321	Note; Purchase K	\$16,357.00	14,362.00	1,995.00	11/26/2015	2/19/2019	Email	10/26/2015	\$6,235.00	
8	Dreese, Christopher	7053425379	Note; Purchase K	\$9,563.00	7,843.00	1,720.00	12/15/2015		Email - Other	12/5/2015	\$5,195.00	
9	Golden, Puresha Givens	2150914821	Note; Purchase K	\$12,618.00	10,809.00	1,809.00	11/6/2015	10/10/2018	Email	10/14/2015	\$5,795.00	
10	Keller, Mark	3398789020	Note; Purchase K	\$8,060.00	8,060.00	0.00	1/5/2016	3/9/2018	Email	12/19/2015	\$5,795.00	5/2/2018
11	Kla Diihbah, Kevin	3701449203	Deed	\$21,016.00	\$19,513.00	\$1,503.00	9/23/2016	11/2/2018	Email	9/7/2016	\$8,583.88	
12	Marino, Cheryl Know & Joseph	9014834409	Deed	\$16,896.00	\$15,688.00	\$1,208.00	10/1/2015	12/7/2017	Email	5/24/2015	\$6,645.00	12/13/2015
13	McIntosh, Lois	3381582003	Note; Purchase K	\$21,810.00	\$19,068.00	\$2,742.00	3/28/2015	6/19/2019	Email	2/14/2015	\$19,740.00	
14	Molina, Jocelle*	51524200089	Purchase K	\$9,040.00	\$8,350.00	\$690.00	8/11/2015		Email	7/11/2015	\$5,795.00	
15	Moore, Lisa	9014398109	Note; Purchase K	\$17,046.00	13,139.00	3,907.00	10/25/2015	11/16/2017	SalesForce	10/14/2015	\$6,075.00	1/24/2018
16	Murphy, Patrick	9000428809	Deed	\$1,248.00	\$0.00	\$1,248.00			Email	7/22/2015	\$6,955.00	1/25/2018
17	O'Keefe, Kyle	2020223620	Note; Purchase K	\$14,844.00	14,844.00	0.00	10/5/2015	3/9/2018	SalesForce	10/3/2015	\$6,395.00	
18	Rivera, Russell	3368374003	Deed; Purchase K	\$1,235.00	0.00	1,235.00			TET Form	7/24/2015	\$3,995.00	1/30/2018
19	Rankin, Gregg & Angela	2200665122	Purchase K	\$937.00	\$0.00	\$937.00			Email	7/10/2015	\$7,671.00	
20	Rollins, Brenda	9014303900	Note; Purchase K	\$13,650.00	11,150.00	2,500.00	8/23/2015	7/17/2018	SalesForce	6/29/2015	\$5,505.00	2/2/2016
21	Ruyle, Jasmine	63962674246	Note; Purchase K	\$6,320.00	6,320.00	0.00	1/25/2016		SalesForce	1/20/2016	\$5,505.00	
22	Sharp, Brenda	3939001739	Deed	\$860.00	0.00	860.00			Email	7/18/2016	\$4,061.58	
23	Smith, Todd & Stephanie	74453402153	Note; Purchase K	\$14,986.00	11,475.00	3,511.00	4/23/2016	10/3/2018	Email	4/26/2016	\$6,395.00	
24	Smith, Tracy & Scott	2021058520	Note; Purchase K	\$20,678.00	20,678.00	0.00	9/28/2016	10/11/2019	Email	10/6/2016	\$9,139.88	
25	Taylor, Charles	2020329520	Deed; Purchase K	\$57,867.00	\$57,861.00	\$0.00	12/10/2015	3/9/2018	Email	11/30/2015	\$11,987.00	5/23/2018
26	Turner, April	3359267003	Deed	\$6,997.00	\$6,355.00	\$642.00	2/28/2019		Email	4/4/2018	\$8,718.84	
27	Veale, Jessica	24629508433	Note; Purchase K	\$8,584.00	8,584.00	0.00	7/13/2016	3/9/2018	Email	6/10/2016	\$5,867.43	2/26/2018
28	Wallulatum, Guy (Vincent) & Minnie	2102492321	Note; Purchase K	\$10,696.00	\$8,669.00	\$2,027.00	5/16/2015	2/19/2019	Email	5/18/2015	\$6,395.00	
29	Westfall, Chad	2009195520	Note; Purchase K	\$37,795.00	37,795.00	0.00	2/1/2016	3/9/2018	Email	1/18/2016	\$8,795.00	5/23/2018
30	Whittington, Veronica	2020490920	Note; Purchase K	\$8,859.00	8,859.00	0.00	9/20/2015	3/9/2018	Email	9/6/2015	\$10,170.00	5/2/2018
31	Zuzula, Fran	2500398025	Deed	\$1,098.00	0.00	1,098.00			Email	10/8/2015	\$3,795.00	1/31/2018

* Testifying Owner

TOTALS \$420,207.00 \$384,903.00 \$35,304.00

** M&T owed to non-Plaintiff Association

EXHIBIT

"3"

Summary of Damages for Owners Based on TET Call Recordings

	Owner Name	Westgate Acct. No.	Contract	Default Amt.	Mort. Amt.	M&T Amt.	Mort. Default Date	Foreclosure Sales Date	TET Hire Date	TET Fee
1	Bezmen, Kristina	9008664000	Note; Purchase K	Included in Direct Evidence Calculation			10/20/2015	8/10/2019	9/23/2015	\$ 4,595.00
2	Bufkin, Stephen*	13286303444	Note; Purchase K	\$20,901.00	\$20,901.00	\$0.00	9/2/2018		10/5/2017	\$ 9,626.70
3	Bostick, Khalid	2200046922	Purchase K	\$1,001.76	\$0.00	\$1,001.76			1/24/2017	\$ 5,333.60
4	Faircloth, Dannie	2800873028	Deed; Purchase K	\$1,873.60	\$0.00	\$1,873.60			1/2/2018	\$ 3,497.00
5	Grace Associates, Inc. (Falk, Kenneth)	2500799025	Deed	\$1,795.20	\$0.00	\$1,795.20			4/1/2016	\$ 4,153.00
6	Jordan, Michelle	3397407003	Note; Purchase K	\$18,584.00	\$15,667.00	\$2,917.00	11/25/2016	3/12/2021	11/9/2016	\$ 8,554.88
7	Lee, Joann	2150983521	Note; Purchase K	\$12,883.00	\$11,063.00	\$1,820.00	4/5/2017	1/26/2021	8/26/2015	\$ 6,395.00
8	McComb, Paul	3179515003	Deed	\$3,142.00	\$0.00	\$3,142.00	1/2/2016	3/27/2019	11/16/2015	\$ 3,919.00
9	Mueller, Steven	38871858122	Note; Purchase K	\$23,509.00	\$23,509.00	\$0.00	12/23/2016		4/3/2017	\$ 10,412.38
10	Robinson, Donna	3366391003	Note; Purchase K	\$31,582.00	\$26,356.00	\$5,226.00	9/13/2015		8/27/2015	\$ 7,595.00
11	Robinson, Yvonne	59661205076	Note; Purchase K	\$35,158.00	\$31,825.00	\$3,333.00	12/11/2017		10/31/2017	\$ 10,323.90
12	Romero, Daniel	9003893403	Deed; Purchase K	\$2,978.60	\$0.00	\$2,978.60			1/30/2017	\$ 6,576.19
13	Watson, Arturo*	83809375484	Note; Purchase K	\$35,536.00	\$35,536.00	\$0.00	7/21/2017	9/29/2020	11/30/2017	\$ 13,040.71
14	Wilson, Stephen	2020977420	Note; Purchase K	\$8,954.00	\$8,954.00	\$0.00	4/26/2017		1/9/2017	\$ 11,623.55

* Testifying Owners

TOTAL \$197,898.16 \$173,811.00 \$24,087.16