

IN THE CIRCUIT COURT OF THE  
SECOND JUDICIAL CIRCUIT,  
IN AND FOR LEON COUNTY, FLORIDA

STATE OF FLORIDA,  
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiff,

CASE NO. 05-

vs.

TODD TEAL a/k/a  
WALTER A. SMITH, SNUFFY SMITH.

Defendant.

COMPLAINT FOR INJUNCTIVE, DECLARATORY RELIEF, AND DAMAGES

Plaintiff, **STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS** sues  
Defendant, **TODD TEAL d/b/a WALTER A. SMITH, SNUFFY SMITH, (TEAL)** and  
alleges:

NATURE OF THE ACTION

1. This is an action for permanent injunctive relief, declaratory relief, and damages in excess of \$15,000, exclusive of interest, costs and attorney's fees, brought pursuant to Chapter 501.160, Florida Statutes (2004) and Chapter 501, Part II, Florida Statutes (2004). The Attorney General demands a jury trial on all issues so triable.

2. This Court has jurisdiction pursuant to the provisions of said statutes and of Section 26.012, Florida Statutes.

3. The State has conducted an investigation of the matters alleged herein and Attorney General Charles J. Crist, Jr., has determined that this enforcement action serves the public interest, as required by Section 501.207(2), Florida Statutes. *See attached Exhibit A.*

4. The statutory and common law violations alleged herein occurred in numerous judicial circuits in the State of Florida. Venue is proper as this circuit has jurisdiction over multi-circuit matters brought by the Department of Legal Affairs, State of Florida pursuant to the provisions of Chapter 501, Part II, Florida Statutes.

### **THE PARTIES**

5. Todd Teal is an individual doing business at 1083 North Collier, #101, Marco Island, Florida and also, upon information and belief, from an unknown location in the Republic of Singapore.

6. The State of Florida, Department of Legal Affairs is an enforcing authority of Chapter 501.160, Florida Statutes, and Chapter 501, Part II, Florida Statutes, and is authorized to seek injunctive relief, declaratory relief, and other statutory relief pursuant to those statutory provisions.

7. All conditions precedent to bringing this action have occurred.

### **FACTS COMMON TO ALL VIOLATIONS OF CHAPTER 501, PART II**

8. Todd Teal has mailed to numerous Florida senior citizens and others that own land in Florida an offer to purchase their property. Over 150 of

those landowners approached by Todd Teal have accepted his offer. When landowners respond to his solicitation, Teal thereafter proffers to the landowner a contract for sale.

9. Teal's contract for sale contains a provision requiring Teal, as the buyer, to deposit an earnest money sum in an escrow account to execute the contract. This is the only initial consideration offered and, under the contract, this deposit sum is the seller's only relief upon Teal's default. *Contract, attached as Exhibit B.*

10. The contract also contains a provision tying the deposit of earnest money to a closing date on the contract. In particular, each contract states that the sale will close on or before 97 days after Teal deposits the required earnest money in an escrow account.

11. In each instance herein Teal has not timely tendered an earnest money deposit as required by the contract and has thus not timely opened the escrow account that itself triggers the closing date described in the contract.

12. Teal's repeated failure to timely open an escrow account postpones the closing of the real estate sale until such time as Teal finds a buyer for the land he has contracted to purchase. Teal attempts to simultaneously "flip" the real estate to a subsequent purchaser at a price in excess of that purchase price in the sales contract with the Florida landowner. To do so, Teal needs time to list the property and find a buyer. In not opening escrow, as he is obligated to do by the sales contract, Teal effectively takes a cost-free option on the property.

13. Teal accomplishes the "flip" by immediately listing the property with

a realtor as property he owns and wishes to sell. No Florida landowner in contract with Teal has been informed that his property has been listed for sale by Teal. Teal's realtor then attempts to find a buyer for the property owned, not by Teal, but by the Florida landowner. If the realtor finds a buyer, both sales occur simultaneously and Teal pockets the difference between the purchase and subsequent sales price as profit.

14. When Teal fails to promptly find a buyer, he thereafter files and records one or more affidavits in the chain of title of the Florida landowner with whom he has the contract for sale. *Affidavit, attached as Exhibit C.* In this affidavit, Teal states that he has a valid contract for deed and will sue for specific performance if the Florida landowner does not sell the property to him. Insertion of this affidavit into the official record "clouds" the title to the property. This cloud on the title gives Teal unlimited time to find a purchaser for the property and keeps any other interested buyer from purchasing the property from the Florida landowner. The landowner must wait until Teal finds a purchaser or, if the contract with Teal fails, as Teal does not file a counter-affidavit clearing the record, the landowner must file an action to quiet title to his property. Throughout, the landowner is unable to sell his real property to legitimate purchasers because of the presence of this fraudulent affidavit in the record of title.

15. When landowners have complained or questioned the progress of the transaction, Teal has sent threatening letters making false claims regarding his litigation success and the cost of suing him to quiet title. In two instances,

Teal has sent the landowner a letter demanding a cash payment to remove the cloud. *Letters, attached as Composite Exhibit D.* This intentional act is, with Teal's filing of a fraudulent affidavit, an unprivileged, malicious act that unfairly deprives landowners of their right to vend their property with clear title.

16. In unlawfully tying-up numerous parcels of Florida real estate by clouding title to real property he does not own, Teal illegally interferes with the legal owner's title to this property. The fraudulent affidavit, predicated upon an unexecuted real estate contract, is a slander on the title to real property that impairs the vendibility of that property. Teal's actions are against public policy regarding the lawful alienation of real property and Florida laws on deceptive and unfair trade practices.

#### **COUNT I – VIOLATIONS OF CHAPTER 501, PART II, FLORIDA STATUTES**

17. The Department of Legal Affairs re-alleges and reincorporates by reference paragraphs 1-16.

18. Florida's Unfair and Deceptive Trade Practices Act, at Section 501, Part II, Florida Statutes, declares unlawful all "Unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce..." § 501.204(1), Florida Statutes. "Trade or commerce" includes "any property, whether tangible or intangible..." § 501.203(8), Florida Statutes.

19. In clouding lawful title to over 150 parcels of real property that he does not own in order to indefinitely hold that property until he can secure a sales contract from a subsequent purchaser, Teal has unfairly taken advantage of

Florida senior citizens and other Florida landowners that have a legitimate interest in keeping their land free of legal encumbrances to its sale or transfer.

20. The above-described actions of Todd Teal were and are an unfair trade practice subject to Chapter 501, Part II, Florida Statutes.

WHEREFORE, the Plaintiff respectfully requests that this court issue an order stating that Todd Teal's acts and practices as alleged herein violate the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes.

### **COUNT II – DECLARATORY JUDGMENT**

21. The Department of Legal Affairs re-alleges and reincorporates by reference paragraphs 1-21.

22. Todd Teal's intentional acts of filing fraudulent affidavits in the official record of the county wherein land he is attempting to purchase is located, constitutes common law slander of title, is an unfair trade practice, and is a per se violation of the Florida Deceptive and Unfair Practices Act, Chapter 501, Part II, Florida Statutes.

23. Further, Teal's failure to open a deposit escrow account within a reasonable time after the parties to the sale agree upon contract terms also acts to void the real estate purchase and sale transaction.

WHEREFORE, the Plaintiff respectfully requests that this court Issue an order declaring that the filing of fraudulent affidavits in the record of title to Florida land owned by others constitutes common law slander of title and is and shall be

a violation of the Florida Deceptive and Unfair Trade Practices Act, Chapter 501, Part II, Florida Statutes.

**RELIEF REQUESTED**

WHEREFORE, Plaintiff, Office of the Attorney General, Department of Legal Affairs, State of Florida, asks for judgment:

A. Permanently enjoining Todd Teal a/k/a Walter A. Smith, and Snuffy Smith, and his agents, servants, employees, attorneys and those persons in active concert or participation with them who receive actual notice of the injunction, from engaging in methods, acts or practices which are unfair methods of competition or deceptive or unfair acts and practices. More specifically, Plaintiff asks the court to enjoin Teal as follows:

1. Prohibiting the unfair and deceptive filing of fraudulent affidavits in the record of title to Florida real property; and
2. Prohibiting Teal from listing for sale or in any manner asserting an interest in Florida real property that he does not own without first fully executing all requirements under the purchase and sale contract, including the prompt deposit of earnest monies into an escrow account with a licensed Florida title company;

B. Declaring that the filing of fraudulent affidavits by Todd Teal is common law slander of title and issuing an order expunging from the official records of all Florida counties those affidavits filed by Todd Teal;

C. Awarding Plaintiff actual damages on behalf of all consumers injured by the unfair competition or deceptive or unfair acts or practices of Teal, in accordance with section 501.207(1)(c), Fla. Stat. (2004).

D. Assessing against Teal civil penalties in the amount of ten thousand dollars (\$10,000) for each of the more than 150 violations of Chapter 501, Part II, pursuant to section 501.2075, Fla. Stat. (2004); and assessing against Teal civil penalties in the amount of \$15,000 for any method, act or practice willfully used in violation of Chapter 501, Part II, Fla. Stat. which method, act or practice victimized, or attempted to victimize a person who is 60 years of age or older, pursuant to section 501.2077, Fla. Stat. (2004).

E. Awarding reasonable attorney's fees and costs to Plaintiff, pursuant to sections 501.2105, and 501.2075, Fla. Stat. (2004);

F. Granting such other relief as this Honorable Court deems just and proper.

Respectfully Submitted,

CHARLES J. CRIST, JR.  
ATTORNEY GENERAL

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