



STEPHEN B. RUSSELL
Office of the State Attorney
20th Judicial Circuit

Serving Charlotte, Collier, Glades, Hendry and Lee

For Immediate Release

January 25, 2007

State Attorney Stephen B. Russell announced today that Mickey Rosado, a member of the Cape Coral City Council, has been arrested on a felony charge of Operating as a Broker Without a License. The arrest was made by State Attorney's Investigators pursuant to a warrant issued by Circuit Judge William McIver. Bond was set by the Court at \$5000.00.

The investigation began after certain matters were referred to the State Attorney by the Mayor of Cape Coral, for a determination of whether criminal acts had occurred. The allegations related to a check that had been written to Rosado and claims that the date on the check may have been altered. The investigation centered on the check and the circumstances of the transaction relating to it.

While there was insufficient evidence to prove a criminal act relating specifically to the check, evidence was found in the investigation to establish the probable cause for the charge of operating as a broker.

Operating as A Broker Without a License is a third degree felony, punishable by up to five years in prison and/or up to a five thousand dollar fine. Under the state's criminal punishment code, persons without a prior felony conviction often are subject to probation or other non-prison sentences. No court dates have yet been set.

Dean R. Plattner, the Assistant State Attorney in charge of Special Prosecutions, has been assigned to this case. A copy of the arrest warrant and affidavit is attached.

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IN THE COUNTY COURT OF THE TWENTIETH JUDICIAL CIRCUIT IN AND FOR
LEE COUNTY, FLORIDA CRIMINAL ACTION

WARRANT TO ARREST

STATE OF FLORIDA

vs.

MICKEY ROSADO

Race: Hispanic **Sex:** Male **D.O.B.:** 8/24/1968 **SSN #:** [REDACTED]
Height: 6'2'' **Weight:** **Eyes:** Brown **Hair:** Black
Address: 2121 SE 18th Place, Cape Coral, FL 33990

IN THE NAME OF THE STATE OF FLORIDA:

TO ALL AND SINGULAR SHERIFFS AND OTHER ARRESTING OFFICERS OF THE STATE OF FLORIDA.

WHEREAS, Investigator Charles Battaglia, Office of the State Attorney, Twentieth Judicial Circuit, has this day made oath before me, in Lee County, Florida, that Mickey Rosado,

1. On or about between December 12, 2005 and March 28, 2006 in Lee County, Florida, did unlawfully operate as a broker or sales associate without being the holder of a valid and current active license therefore, contrary to Florida Statute section 475.42(1)(a), a felony of the third degree,

contrary to the statute in such cases made and provided, and against the peace and dignity of the STATE OF FLORIDA.

THESE THEN ARE to command you forthwith to arrest the said Mickey Rosado and bring him before me to be dealt with according to law.

Given under my hand and seal this 25 day of January, 2007.



Judge, Lee County

RE: Mickey Rosado

LEE COUNTY, STATE OF FLORIDA

STATE OF FLORIDA VS. MICKEY ROSADO

CHARGE(S):

1) Operating as a Broker Without a License, F.S. 475.42(1)(a), Third degree felony

Returnable the _____ day of _____, A.D., _____.
Appearance Bond fixed at \$ <u>5,000.⁰⁰</u> .
FILED THIS _____ DAY OF _____, _____.

RECEIVED THIS WARRANT

_____ day of _____, A.D.,
 _____, and executed it on the _____
 day of _____, A.D., _____,
 by arresting the within-named and having him
 now before the Court, _____,
 _____.

FEES: Arrest\$ _____
 Return _____
 Committing to Jail _____
 Mileage _____
 Release _____
 Approving Bond _____
 TOTAL: \$ _____

Arresting Officer

WITNESS(ES) FOR STATE: Arresting Agency CR#: SAO Warrant #:

IN THE COUNTY COURT OF THE TWENTIETH JUDICIAL CIRCUIT IN AND FOR
LEE COUNTY, FLORIDA

**AFFIDAVIT FOR
WARRANT TO ARREST**

STATE OF FLORIDA vs. MICKEY ROSADO

STATE OF FLORIDA, COUNTY OF LEE

PERSONALLY CAME BEFORE ME, INVESTIGATOR CHARLES
BATTAGLIA, OFFICE OF THE STATE ATTORNEY, TWENTIETH JUDICIAL CIRCUIT OF
FLORIDA, who, being by me first duly sworn, deposes and says that on or between December
12, 2005 and March 28, 2006, in LEE County, Florida, one MICKEY ROSADO, Hispanic Male,
DOB 08/24/1968, did commit the offense of Operating as a Broker Without a License, in
violation of Florida Statute 475.42(1)(a), a third degree felony . Your Affiant's probable cause is
based on the following facts:

On Wednesday October 11, 2006 Investigator Charles Battaglia was assigned to
investigate a complaint against Cape Coral Councilman Mickey Rosado. This
investigation stems from a request by the Cape Coral City Council to the Office of the
State Attorney to investigate allegations of fraud/theft by Rosado. It was alleged that
Mickey Rosado, acting in capacity of his personal company, Mickey Rosado
Management, altered a written draft for payment and using the alteration negotiated the
draft. The amount of the check in question is \$10,000.00 and was paid to Mickey Rosado
by a third party in relation to a potential business deal.

Inv. Battaglia, having been assigned this case, was presented with a letter from
the Cape Coral Mayor to the State Attorney. This letter requested the State Attorney
investigate alleged criminal violations by councilman Mickey Rosado.

Investigation subsequently revealed that the check for \$10,000.00 was written on
the account of Top Two Development Inc., by Maria Giraldo. The check was written
pursuant to negotiations for the purchase of real estate and a business owned by Steve
Westphal's Used Car Factory, Inc. It has also been determined that Ms. Giraldo paid

Rosado another \$10,000.00 by an earlier check. Thus, Rosado received a total of \$20,000.00 from Giraldo.

On November 8, 2006, Inv. Battaglia obtained a sworn statement from Maria Giraldo. According to her statement, on an unknown exact date, Ms. Giraldo was approached by one of her employees who explained that he had become aware of an opportunity to purchase a property in Cape Coral that would be ideal for an office tower that Ms. Giraldo was interested in building. This property is known as Steve Westphal's Used Car Factory located on Del Prado Blvd. in Cape Coral, Lee County, Florida. Ms. Giraldo expressed an interest in exploring the idea. Shortly thereafter, Ms. Giraldo met with Mickey Rosado, who had been introduced to her by the employee, regarding this property. Discussion was had regarding the property and Ms. Giraldo informed Rosado that she would have her broker get involved on her behalf. Rosado replied that this would be a private sale and that her broker was not to be involved. Further, Rosado told Ms. Giraldo that the City of Cape Coral was interested in the same property but that he was managing the sale for the owner and had authority to sell it to whomever he wanted. Rosado also told Ms. Giraldo that because the owner of the property spoke only English and Ms. Giraldo spoke only Spanish that he (Rosado) would handle all negotiations and necessary contracts as he spoke both languages. Not knowing any reason at that point not to, Ms. Giraldo moved forward.

On December 12, 2005 a meeting was held between Steve Westphal, Maria Giraldo and Mickey Rosado. This meeting was to discuss the sale and the time frame of such. At this meeting Rosado presented Westphal and Giraldo with a Letter of Intent that Rosado had created. This letter of intent addressed the details of the sale, including the legal description, what was to be sold, a closing date of February 28, 2006 and the price, and was signed by both Westphal and Giraldo and Rosado signed as a Notary Public. Further, the Letter of Intent explained that this purchase was for the Del Prado property, a parcel on Hancock Bridge Pkwy and a parcel located in Punta Gorda, Florida. All three properties were owned by Steve Westphal.

Giraldo stated that on or about January 6, 2006, a meeting was held during which a Commercial Contract regarding the sale was reviewed. Prior to the meeting Rosado had informed Giraldo that since she was purchasing all the assets of Westphal's business, she should also buy the stock in the company, this would make the sale price \$13,000,000.00. This new contract reflected this new price and signatures were affixed by Westphal and Giraldo. This new price would eventually lead the lender to refuse the loan based on the new price. Giraldo further said that while speaking to Rosado about this new price, Rosado told her that she was going to make lots of money on this deal and that he (Rosado) wanted \$3,000,000.00 of his own and that it was a small amount of money to pay. Rosado told Giraldo that she should come up with the money on her own and could

present it at the closing, as he would be there representing Westphal.

On January 16, 2006 Mickey Rosado contacted Ms. Giraldo and informed her that he needed to collect \$10,000.00 from her for his services. These services were explained by Giraldo as arranging the deal, providing the Letter of Intent and helping to hold the deal together during the process. When asked directly about the payment, Giraldo explained it was a commission paid to Rosado. Giraldo also said that she was fully aware that Rosado had informed her previously that he (Rosado) was representing the seller, Westphal. Giraldo authored check number 1757 on January 16, 2006 payable to Mickey Rosado Management LLC in payment of his request for \$10,000.00. This check was in fact negotiated and was used to open a bank account at Wachovia Bank. It was endorsed with a signature representing Mickey Rosado and deposited.

At a later meeting involving Westphal, Rosado, and others, relating to extending the closing date for the transaction, Ms. Giraldo claims Rosado informed her that he needed another \$10,000.00 from her. Giraldo inquired as to the reason and according to Giraldo, Mr. Rosado told her that if she wanted an extension she would pay him another \$10,000.00 or he would see to it that the extension was denied thus killing the deal. On February 28, 2006 Maria Giraldo and Steve Westphal signed an addendum to the contract extending the closing date until May 22, 2006.

Within the next couple of days Mickey Rosado appeared at the office of Top Two Development, Inc. to see Ms. Giraldo. The exact date of his appearance is unknown to Ms. Giraldo. Rosado arrived at the offices with the intent of picking up the second demanded payment of \$10,000.00 related to the extension as mentioned above. Already having large amounts of money invested in her project, Ms. Giraldo made a decision to pay the \$10,000.00 to Rosado rather than chance his killing the deal. In an effort to protect herself Ms. Giraldo post dated the check and informed Rosado that he was not to cash the check prior to the closing of the deal. Further, Giraldo had her secretary write on the rear of the check that it was not to be negotiated until March, 2006 and then Giraldo signed the rear of the check below the inscription.

The exact date written by the secretary is not known by Giraldo and the rear of the check where the exact date is written appears to have a date written over top of the original date. When asked about the date written on the front of the check Giraldo explained that she does not remember the date she wrote. The date on the front of the check also has the day portion of the date written over the top of what appears to have been a different day. Giraldo is unable to say exactly what date this meeting at Top Two offices took place and is also unable to say what date the check was originally written for.

Although the date of the addendum to extend the closing date is written as

February 28, 2006 and the date of the second check to Rosado appears to be in March of 2006, Giraldo stated that the check was written prior to the signature of the extension document.

At the conclusion of the interview, Inv. Battaglia obtained copies of the relevant documents which were discussed.

On November 16, 2006 Inv. Battaglia met with Steven L. Westphal. During this meeting a sworn recorded statement was taken with regards to knowledge of the relevant events held by Mr. Westphal. Discussion surrounded the sale of properties owned by Westphal from the initial stages of the sale process to the finalization. The sale of the properties was never realized in the end.

According to Westphal the thought of selling his property came to him in or around the beginning of December 2005. Westphal was at his Tennessee home watching a Cape Coral City Council meeting via his personal computer. Westphal observed a discussion by the city council related to purchasing a piece of property known as Motor City.

Westphal contacted Mickey Rosado and informed him that he had seen the meeting and expressed his thoughts related to the city buying the Motor City property. Westphal has for some time been contemplating building a new facility for his business further north in Cape Coral along Pine Island Road or perhaps on a separate property he owns along Hancock Bridge Parkway. Westphal informed Rosado that if the city was looking to purchase a property for its own use, that he (Westphal) would be interested in selling his property on Del Prado. Westphal invited Rosado to present the idea to the city council.

Westphal said that within a couple of days of that conversation, Rosado approached him with a potential buyer for his property. The buyer was a Maria Giraldo and she had no affiliation with the City of Cape Coral. As it made no difference to Westphal who bought his property, he agreed to meet with Rosado and his potential buyer, Giraldo. On December 12, 2005 a meeting was set by all parties. This meeting took place at a restaurant in Cape Coral and was attended by Giraldo, Westphal, Rosado, Giraldo's daughter and Giraldo's employee.

At this meeting Mickey Rosado presented a letter of intent to purchase that he (Rosado) had drawn up on his own accord. This letter of intent detailed to some extent the purchase and named the seller and buyer. The buyer was Maria Giraldo. Being as neither Giraldo nor Westphal had asked for this letter to be drawn it somewhat surprised Westphal in that this process was moving very quickly. Westphal signed the letter of

intent as the seller and Giraldo signed as the buyer. This document is notarized by Mickey Rosado.

According to Westphal within a couple days Rosado appeared at his dealership on Del Prado Blvd. and spoke with Westphal related to the purchase. Westphal contends that Rosado informed him that he (Rosado) felt as though he should be paid 3% of the purchase price for putting this deal together. Westphal, realizing that he would have to pay anyone who sold the property for him, agreed to pay the 3% but limited the 3% to being based upon the property value only. This meant the 3% did not include the value of inventory, "blue sky", or equipment and tools. Westphal felt paying based upon the value of the land was the appropriate way to handle this issue. On December 15, 2005 a document was executed by Westphal and Rosado. It specifies that Rosado would be paid a "finder's fee" of \$261,000.00 upon consummation of the sale.

On or about January 6, 2006 Westphal met Rosado and the two traveled to the home/office of Giraldo on Sanibel Island. There a meeting was held during which Giraldo presented a Commercial Contract related to the purchase. This contract was prepared by Giraldo and her staff and done as Giraldo felt more comfortable dealing with paperwork she was familiar with. This document again listed all terms of the sale and included a closing date of February 28, 2006. This document was executed by Giraldo and Westphal. Upon execution of the contract, the meeting ended and Westphal and Rosado took leave and traveled back to Cape Coral.

Upon receiving the executed contract presented by Giraldo at her Sanibel Island home, Westphal presented the contract to his attorney for review. Upon review it was the opinion of the attorney that since Westphal was selling the assets of his company he should also sell the stock in the company so as to alleviate any potential liability. As such the attorney drew up a Stock Purchase Agreement. This stock agreement was to supersede all other contracts or documents related to the sale and was subsequently dated for December of 2005, known as the effective date.

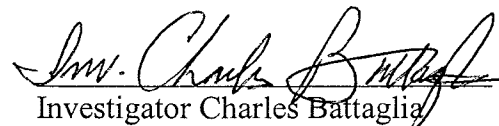
On March 28, 2006 a meeting was called and took place at a restaurant. In attendance were Westphal, Giraldo, Rosado, and possibly others. At this meeting Westphal made known that he was aware that the closing date of March 31, 2006 (which had already been extended) was not possible as the financing still had not been finalized by Giraldo. As such Westphal informed all parties that he was no longer interested in pursuing this sale. Westphal indicated that he had expended much time and effort to this sale and seeing that it was not going to happen by the agreed closing date he just wished to be done with the sale and move on. Mr. Westphal indicated that his announcement seemed to agitate Rosado, who upon hearing this disclosure by Westphal, excused himself suddenly from the meeting and abruptly left the restaurant.

Inv. Battaglia inquired of Westphal if any person from the city of Cape Coral ever had discussion with him about the purchase of his property as he had suggested to Rosado originally, and Westphal said he has never been contacted. Westphal did tell Battaglia that several days after the final deal with Giraldo was cancelled, that Rosado called him again. Rosado asked Westphal to meet him at a property Westphal owns located on Hancock Bridge parkway in Cape Coral. Westphal agreed and suggested that they meet at a restaurant. On arrival Rosado introduced Westphal to several men who were from Colombia. According to Westphal, Rosado informed him that these men wanted to purchase his Hancock Bridge Parkway property. No purchase ever materialized.

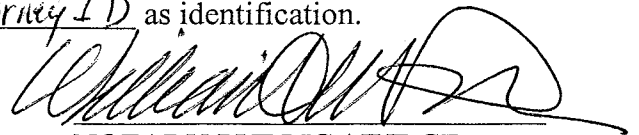
Based upon the evidence available at this time, Inv. Battaglia cannot substantiate the original allegations relating to the alteration of the second check written by Ms. Giraldo to Mr. Rosado, as the original check was destroyed in the normal course of banking, and the dates on the copy are not legible. Further, Ms. Giraldo cannot sufficiently establish the original date that was written on the check..

However, the evidence in this matter provides probable cause to believe that Mickey Rosado operated as a broker, within the meaning of Florida Statutes sections 475.01(1) and (3), by the various acts described above, and received compensation of \$20,000 from the intended buyer and executed an agreement to receive compensation of \$261,000.00 from the intended seller. Further, according to the Florida Department of Business and Professional Regulation, Rosado is not, and was not, licensed as a broker.

Therefore, there is probable cause to believe that Mickey Rosado has violated Florida Statute section 475.42(1)(a), which states that "a person may not operate as a broker or sales associate without being the holder of a valid and current active license therefore." A violation of 475.42(1)(a) is a third degree felony.


Investigator Charles Battaglia
Affiant

Sworn to and subscribed before me this 25 day of January, 2007 by Charles Battaglia, who is personally known to me or has produced State Attorney ID as identification.


NOTARY PUBLIC / JUDGE
Circuit Judge