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SUNDAY PIONEER PRESS

A MediaNews Group NEWSPAPER

JANUARY 16, 2011

\$1



THE BUILDINGS? SQUALID.
THE TENANTS? FED UP.
THE LANDLORDS?
STILL IN BUSINESS.

Brothers Hyder Jaweed and Asgher Ali are notorious for neglecting their rental properties, not answering complaints and not paying bills. Inspectors in several cities say they're frustrated and want the pair to follow the rules.

By Elizabeth Mohr and MaryJo Webster
Pioneer Press

The stories the tenants tell are outrageous. Mark Goodoiien said an exterminator told him the cockroach infestation in his apartment was the worst he'd ever seen. Two floors below, Sue Hansen said squirrels lived in her walls. In Annie Almanzar's unit, rotting kitchen pipes caused repeated flooding, and the bedroom walls were covered in mold. "Anytime I reported anything to the landlords, they would just blow you off," Goodoiien said. Landlords Hyder Jaweed and Asgher Ali (aka Jaweed) are notorious in the Twin Cities rental-property business.

Columbia Heights inspectors weren't surprised when a tenant from Goodoiien's apartment building called to complain last fall, considering they had made 119 visits there in the past six years and had previously revoked the rental license. In fact, the name Jaweed rings a distinctly unwelcome bell for housing and fire inspectors, tenant-advocacy groups, management companies, contractors, garbage haulers and utility providers. Jaweed, 34, and Ali, 29, brothers who live together in a six-bedroom, 4,800-square-foot house in North Oaks, are prolific property owners with a history of neglecting their buildings, mostly occupied by low-income tenants. One or both brothers have owned at least 17 rental properties in several cities over the past 10 years. (Go to TwinCities.com to see a map of their property locations.) In many instances, they have not paid their bills or their employees, have evicted tenants who complained and have waited until the last possible minute to make city-ordered repairs to properties. Despite the efforts of city inspectors, the Jaweeds have been successful at manipulating a loosely structured rental-property regulatory system. Inspectors and other regulators say the Jaweeds do the minimum necessary to meet city standards. Housing inspectors struggle to get compliance on even the smallest violations. And no one knows exactly how to make them follow the rules. Cities have tried, but their efforts have fallen short.

NOTORIOUS LANDLORDS, 8A >



PIONEER PRESS: BEN GARVIN

Black mold collects last month on the living room wall of Peters Place apartment tenants who didn't want to be identified. The Peters Place apartment building in Columbia Heights is one of several owned by Hyder Jaweed and Asgher Ali.

ABOUT THIS SERIES

Today: A look at the Jaweeds and the buildings they own	Monday: How have the Jaweeds stayed in business for 10 years?	Tuesday: Ideas for how to deal with problem properties and owners
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On canvas of tragedy, portraits of joy

New History Center exhibit seeks to show 'Value of One Life'

By Maja Beckstrom
mbeckstrom@pioneerpress.com

Shegitu Kebede has survived war, a refugee camp and domestic abuse. "One can say that I have experienced tragedy in my life," says the 42-year-old Ethiopian woman. "But to me, every experience, every tragedy, is God making a stepping-stone." Kebede's story is part of a new exhibit at the Minnesota History Center called "The Value of One Life," a display of portraits and interviews with eight people in the Twin Cities who have survived traumatic events and went on to find meaning and joy in their lives. The exhibit was conceived by another survivor: Robert Fisch, son of a Jewish shopkeeper, who lived through the Holocaust and later escaped communist Hungary for the United States.

PORTRAITS OF JOY, 5A >

To win Iowa, you'll need to win over these lowans

Devoted volunteers key to the caucuses

By Mark Z. Barabak
Los Angeles Times

CEDAR RAPIDS, Iowa — Joni Scotter was ticked. She'd been promised a photo with Minnesota's visiting governor as a reward for collecting more voter e-mails than any Republican volunteer in Iowa. She drove more than two hours to see him. But after Tim Pawlenty gave his speech at the Des Moines fairgrounds, with Scotter whooping it up in front, he left. Before long, word of her disappointment reached Minnesota, and Pawlenty has been making amends ever since — which is not a bad move if, as seems evident, he's running for president. The 2012 campaign will surely

IOWA CAUCUSES, 10A >

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SECTION C SPORTS
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SECTION D BUSINESS
SECTION E SUNDAY LIFE



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CONTINUED FROM 1A

> Notorious landlords

This revolving door of violations, inspections and sanctions costs taxpayers and subjects thousands of tenants — who often have nowhere else to go — to unsafe and unhealthy living conditions. The Jaweeds did not respond to multiple phone messages and e-mails from the Pioneer Press and refused to sign for a certified letter. Their attorney, Kenneth Hertz, did not return a phone message and instructed Asgher Ali not to answer questions from a reporter when approached after a court hearing.

VULNERABLE TENANTS

John Fitzgerald and his girlfriend were expecting a baby and were short on time and money when they searched for an apartment in early 2009. The Peters Place apartments in Columbia Heights looked sizeable for the price, Fitzgerald said, and there were no obvious problems. He never saw the actual unit he would move into. Once there, the problems started immediately, he said. “The bedbugs were out of control,” he said, and the bathroom ceiling leaked. By then, they were locked into a one-year lease, the baby had arrived and Fitzgerald, 33, had lost his job. “We were kind of stuck,” he said. Fitzgerald said the Jaweeds didn’t listen to his complaints and wouldn’t fix anything, either. Fitzgerald ended up putting a plastic bag on the ceiling to catch the dripping water. He and his family got out the minute the lease was up. (For more on Peters Place, see Page 9A.)



Asgher Ali covers his face as he leaves the Ramsey County Courthouse after a Dec. 2 court hearing on an employment lawsuit against him and his brother, Hyder Jaweed.



A BB-gun hole in a hallway window from months ago had yet to be fixed late last month at Hillcrest Apartments in Forest Lake, property of brothers Hyder Jaweed and Asgher Ali. [See more photos at TwinCities.com.](#)

Tenants in the buildings the Jaweeds have owned across the state, including Burnsville, Brooklyn Center, Newport, Forest Lake, Fridley and Rochester, are usually low-income earners. Many don’t speak English. With limited affordable housing options in the suburbs, low-income renters have few other choices. Unlike some landlords, the Jaweeds accept taxpayer-funded Section 8 housing vouchers. And they don’t run background checks

or require an application, according to former employees, making it even easier for those with bad credit, criminal records or past evictions to put a roof over their heads. The bottom line is that most of the tenants in the Jaweeds’ properties are vulnerable, says Eric Hauge, a tenant organizer at HOME Line, Twin Cities-based tenant advocacy group. “They’re not going to stick their neck out when they know next month they might not be able to pay their rent,” Hauge said. “When you have that much stacked up against you, you’re just going to take it.”

‘THEY WANTED THEIR RENT’

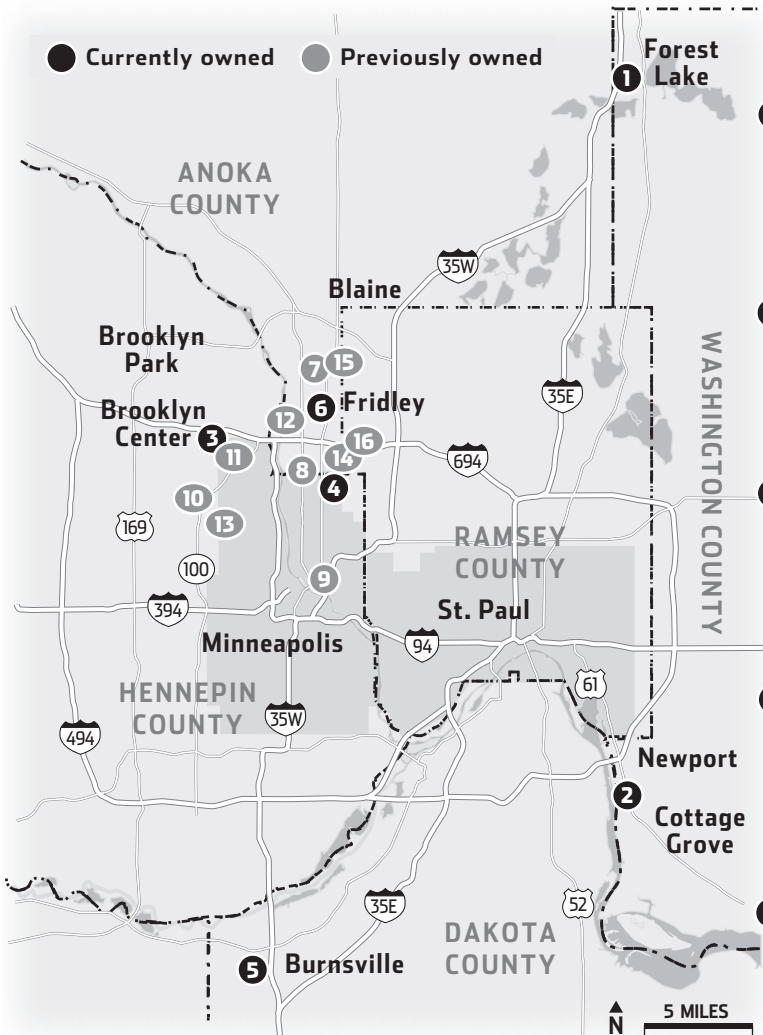
Tenants’ stories are the same: bugs, rodents, mold, leaking pipes, holes in walls, missing fire-safety equipment, broken security locks, unlit hallways, broken or leaking windows, graffiti, inoperable washers and dryers and overflowing garbage containers. Residents at Brookhaven apartments, the Jaweeds’ Brooklyn Center complex, got so fed up with the landlords’ nonresponsiveness last fall that they sent a letter to the



Former caretaker Jerome Aderman, pictured with his roommate Sherry Lartie, quit his \$50-a-month job as caretaker at Peters Place Apartments in Columbia Heights. “It made me sick to see these little kids breathing in mold,” Aderman said.

The Jaweeds’ properties

Twin Cities-area rental properties Hyder Jaweed and his brother Asgher Ali have owned over the past 10 years:



Previously owned:

- 7** 1261-1263 Norton Ave. N.E., Fridley — Purchased in June 2009. Sold 10 days later.
- 8** 679 46th Ave. N.E., Columbia Heights — Purchased in May 2009. Sold the following month.
- 9** University Court Apartments, 729 Eighth Ave. S.E., Minneapolis — Purchased in Oct. 2005. The city revoked its rental license in 2006. Sold the following year.

- 10** Coachlite Apartments, 4259 W. Broadway Ave., Robbinsdale — Purchased in April 2007. The city revoked its rental license twice between 2007 and 2008. Sold to a new owner in August 2008.
- 11** Center Pointe Apartments, 2900 Northway Drive, Brooklyn Center — In 2005, the Jaweeds purchased a stake in a limited liability partnership that owned this 252-unit complex. Bank foreclosed in

- March 2009.
- 12** 190-191 Island Park Drive N.E., Fridley — Purchased in March 2001. City revoked rental licenses for the two buildings in 2006. Sold in 2007.
- 13** Robinwood Apartments, 3848 W. Broadway Ave., Robbinsdale — Purchased in December 2003. The Jaweeds voluntarily surrendered it to the bank in May 2008.

- 14** 4616 Tyler Street NE, Columbia Heights — Purchased in June 2001. Sold in July 2002.
- 15** 5612-5640 Seventh St. N.E., Fridley — Purchased in 2002. Sold in 2005.
- 16** Emerald Court Apartments, 1360 Seventh St. N.W., New Brighton — Purchased in January 2002. Sold in March 2005.

Currently own:

- 1** **Hillcrest Apartments**
1243 11th Ave. S.W., Forest Lake
Purchased in January 2007. Company that owns the 72-unit complex filed for bankruptcy in October, following foreclosure threat from bank.
- 2** **Newport Ponds**
1660 10th Ave., Newport
Purchased in June 2008. Company that owns the 53-unit complex filed for bankruptcy in October. City of Newport says the property has not had any housing code violations.
- 3** **Brookhaven Apartments**
3907 65th Ave. N., Brooklyn Center
Purchased in July 2002. In December, a court approved a request from CenterPoint Energy to appoint a receiver to take control because of \$75,000 in unpaid bills.
- 4** **Peters Place**
1000 Peters Place, Columbia Heights
Purchased in October 2004. City officials last week stopped the process of revoking the 17-unit building’s rental license when repairs were made. A bank holding the mortgage filed notice last year it intends to foreclose.
- 5** **Charleswood Apartments**
12901 County Road 5, Burnsville
Purchased in October 2006. The city has had no complaints on the 112-unit building since March. However, a bank has filed a notice of foreclosure and CenterPoint Energy has a \$60,000 lien on the property for unpaid bills.
- 6** **Aspen Court Apartments**
6551 Channel Road, Fridley
Purchased in January 2001. City revoked rental licenses for the two buildings in 2006. Bank filed notice to foreclose in 2008, but nothing has happened since.

families.” “We feel neglect is present and ongoing in the complex,” the Sept. 17 letter reads. “We ask, as stated in the lease agreement, that these items be fixed in a timely manner.” Six weeks later, the problems remained, and the city deemed the building too hazardous for occupancy, city inspection records show. The Jaweeds made just enough repairs within the inspectors’ 72-hour deadline to allow residents to remain, but some problems were still unresolved in early January, said Vickie Schleuning, Brooklyn Center’s director of building and community standards. Tenants from several buildings said that while the Jaweeds didn’t respond quickly to problems, they were prompt in collecting rent. “All they wanted, boy, when the first day of the month came around, they wanted their rent,” said Sue Hansen, who lived in Peters Place between 2007 and 2008. Inspectors from numerous communities say the Jaweeds are among a small number of landlords who don’t respond within the usual 30-day window to remedy housing-code violations. Inspection records for Peters Place, in Columbia Heights, show it has taken an average of 15 weeks for the Jaweeds to make city-ordered repairs.

BEDBUG SCARS

While city officials worked to get the Jaweeds to comply, some residents took more extreme measures to get the landlords’ attention. Laura Nyaundi, who lives in the Charleswood apartments in Burnsville, has fought for almost three years over the conditions in her apartment. She started by complaining to the property manager and then to the Jaweeds. When that failed, she contacted the city and filed a civil lawsuit, which was settled last month, according to court records. In March 2008, Nyaundi and her daughters, then ages 8 and 2, moved into Charleswood, unaware the place was crawling with bedbugs and cock-

roaches, according to court documents. She pleaded with management to eradicate the pests or to move her family to a new unit. Her daughters suffered scarring from severe bedbug bites. Nyaundi’s child care provider turned away the 2-year-old, fearing the girl would carry the bedbugs on her clothing and transfer them to others. And friends refused to visit, the documents show. “Maybe it’s not a big deal to you, but if you see the pictures of the bites on my 2-year-old daughter maybe then you will have some sympathy,” Nyaundi wrote in a letter to the building manager in April 2008. The Jaweeds ignored Nyaundi’s requests, which included maintenance problems in her unit, and never followed through on a promise to move the family to another unit, according to the lawsuit Nyaundi started in late 2009. Nyaundi and another tenant, who sued at the same time, will each receive an undisclosed amount from the settlement. Burnsville officials said in December that the Jaweeds had provided documentation that they treated the building for bedbugs and there haven’t been any complaints since March. The reason some unhappy tenants don’t just leave is that moving can be expensive, particularly if they have to buy all new furniture in order to prevent carrying bedbugs and cockroaches with them. “I’ll hear judges say to tenants, ‘Well, why don’t you move if it’s so bad?’ ” said HOME Line’s Hauge. “Well, those tenants are in a lease, and you can’t just break a lease. ... But even if you could, it’s not easy to move. It’s a lot of money. You might lose your security deposit. You risk having an eviction filed against you.”

EVEN MANAGERS FURIOUS

Caught in the middle of the angry tenants, frustrated city officials and stubborn land-

CONTINUED FROM 8A

> Notorious landlords

lords are the property managers the Jaweeds hired to run each building.

Paramark Corp., a professional management company, agreed to run the Center Pointe complex in Brooklyn Center after a January 2008 court-ordered agreement between the city and the Jaweeds regarding how the property should be maintained.

In the four months that followed, Michael Busch of Paramark had trouble getting money from the Jaweeds to pay utility and other bills, according to court documents.

“Everyone is knocking on the door for payment. We need to get cash in every account THIS WEEK to take care of fires,” Busch wrote in an e-mail to Asgher Ali on Jan. 16, 2008.

On March 21, 2008, Busch wrote: “Are you still alive? Please call me.”

The next month, Paramark’s contract was terminated, according to court records. The next management company quit in July.

At other properties, the Jaweeds hired individuals to oversee day-to-day operations, and several of them told of similar frustrations in court affidavits.

Amy Huber, who worked for the Jaweeds as a property manager from November 2008 to April 2009 in Forest Lake and Burnsville, said there were times she used her own money for repairs after the Jaweeds refused to pay because of a tenant’s ethnicity, according to a November 2009 affidavit.

Huber said that anytime she requested money to do maintenance on a unit, the brothers would first ask about the resident’s ethnicity. “If I’d confirm that the resident happened to be Hispanic, the Jaweeds denied me funding to do the repair and say, ‘Why should we replace it? The (racial slur) will just ruin it again anyway,’” the affidavit said.

In March 2009, Huber was transferred to Charleswood in Burnsville.

“Lines of residents formed outside my office door daily, and residents would complain to me about the neglect of their units by management,” she wrote in an affidavit.

Instead of ponying up money to deal with the problems, the Jaweeds told Huber to let the complaining tenants out of their lease, Huber’s affidavit says.

“When I did so, I was instructed to immediately prepare eviction documents which were later used in legal proceedings to extract more money from the former tenants,” Huber said.

She quit after five months, no longer wanting to be “a part of the Jaweeds’ disgusting operation,” she said. She’s also in the midst of a sexual-harassment employment lawsuit against the brothers.

Other employees said they were asked to lie.

Jerome Aderman, a tenant at Peters Place in Columbia Heights who was paid \$50 a month to act as caretaker, said the Jaweeds told him in November to tell the Pioneer Press that there were no problems despite a pending inspector visit that day. He did, and then sent the reporter off the premises, as the Jaweeds ordered him to.

“I didn’t want to,” Aderman said in a January interview, just days after he quit. “I was the one that called the fire marshal in the first place.”

WHEN WORK GOT DONE, CONTRACTORS WEREN’T PAID

Even when the Jaweeds fixed problems at their properties, they did not always pay, according to public records and interviews. They owe at least \$300,000 to companies that did work or provided services for their properties. Of that total, \$158,000 is due to CenterPoint Energy.

Former manager Huber talked about difficulties getting supplies for repairs because of outstanding Jaweed accounts at stores such as Home Depot and Menards. The Jaweeds took to using aliases to establish new accounts, Huber wrote in a June court affidavit.

“This would be in order to trick vendors into supplying services in spite of Hillcrest’s unpaid bills,” Huber wrote



Jerome Aderman and his dog leave through the unlocked front door of Peters Place Apartments in Columbia Heights late last month. Aderman said the front door lock is often broken, leaving the building insecure.



Hyder Jaweed, 34, and Asgher Ali, 29, share this six-bedroom, 4,800-square-foot house in North Oaks.

regarding the Forest Lake apartment complex. “Vendors would sometimes get suspicious and ask, ‘This isn’t those brothers, is it?’ I would have to lie to them and tell them it was new management.”

A garbage hauler stopped picking up trash from the Robinwood apartments in Robbinsdale in summer 2004 when he wasn’t paid, according to Brian Ringham, a city housing inspector. Dumpsters at the four-building, 88-unit complex overflowed.

“There were flies and there were maggots,” Ringham said. “Then the sanitation guy refused to remove his equipment ... and a new contractor brought in his equipment and put it next to the other stuff. It got to be a pile the size of a dump truck. The city ended up having to pay to get rid of it.”

Tony Kromrey, a New Brighton contractor who had worked on and off for the Jaweeds over the past decade,

listed in a court affidavit 30 contractors he personally knew who were owed money from the pair.

Kromrey wrote in the affidavit that, on numerous occasions, he saw the Jaweeds lie to other contractors when they showed up in person to collect on unpaid bills.

“The Jaweeds would look at them and say they didn’t know who the owners were and would deny that they were the owners,” Kromrey said. “It was like a big game — I’ve never seen anything like it.”

Kromrey and his son sued the Jaweeds and won judgments totaling more than \$6,400, which have not yet been satisfied.

Roofing contractor Hugo Casas was new to the business and had no idea about the Jaweeds’ reputation when he responded to a Craigslist ad to do work for their Brookhaven apartments in Brooklyn Center last summer.

ON THE WEB

Go to [TwinCities.com](#) to see an interactive map of the Jaweeds’ properties and documents such as letters from the Jaweeds’ tenants, affidavits from former employees, and the most recent inspection report for Peters Place apartments.

The Burnsville man said in an interview with the Pioneer Press that he was dumbfounded when city employees told him he wasn’t the first to get stiffed by the Jaweeds.

Roofing two 6,000-square-foot garages at the apartment complex was the biggest job his small company, Hi-Tech Roofing, had landed in its first year of existence. Ali persuaded Casas to reduce his bid, and the pair agreed to \$6,000 — barely enough to cover paychecks for his crew, Casas said.

When the job was over, Ali told Casas he’d get a check the next week. It never came. At first, Ali assured Casas the money would arrive, and then he stopped taking the contractor’s phone calls.

“Why do they do that?” Casas asked in an interview with the Pioneer Press. “I want to do something — of course I want it to be legal. But everything costs so much. ... I couldn’t believe people would

MANY PROPERTY TROUBLES

Over the past 10 years, the Jaweeds have owned at least 17 properties (generally duplexes and multifamily apartment buildings) in Brooklyn Center, Burnsville, Columbia Heights, Forest Lake, Fridley, Minneapolis, Newport, Robbinsdale, New Brighton and Rochester. They once owned a Days Inn in Indiana, which was riddled with housing-code violations and was lost through foreclosure, and they owned at least one rental property in the Milwaukee area. Currently, they own six properties in the Twin Cities area.

In that time, the Jaweeds or their companies:

- Have had rental licenses revoked at least nine times because of unresolved housing-code violations.
- Have generated resident complaints and housing-code violations at their properties ranging from exposed electrical wires to moldy walls to vermin and bug infestations. One property alone averages 50 violations per year.
- Have had at least 30 liens, totaling more than \$250,000, filed against their properties for unpaid bills and taxes. In addition, CenterPoint Energy has had more than \$218,000 in judgments against the Jaweeds’ companies for unpaid utilities; about three-quarters of that is still unpaid.
- Have filed for bankruptcy protection five times, most recently in October.
- Have lost three properties through foreclosure, and banks have launched foreclosure proceedings on at least six other buildings.
- Have at least \$434,000 in past-due taxes in Washington, Hennepin and Anoka counties and more than \$100,000 in Wisconsin.



Tenant Jerome Aderman holds a cockroach he bagged to show inspectors. The entire Columbia Heights building where he lives is infested, Aderman said, which means that he may not be able to bring his belongings with him when he moves. “If I bring anything with me, I’m liable to bring roaches with me,” he said.

do that to other people.” Minnetonka-based Dorglass Inc., which didn’t get paid more than \$72,000 for window and door installation at properties in Fridley and Brooklyn Center, is one of at least 25 contractors that filed liens against Jaweed properties. Dorglass threatened to sue, which prompted the Jaweeds to settle, and Dorglass got about two-thirds of its money. Dorglass President Harvey

Schmidt said one statement Asgher Ali made to him several years ago sticks with him.

In an interview with the Pioneer Press in November, Schmidt recalled, “He told me: ‘This is America; you don’t have to pay your bills.’”

Elizabeth Mohr can be reached at 651-228-5162 or [emohr@pioneerpress.com](#). MaryJo Webster can be reached at 651-228-5507 or [mwebster@pioneerpress.com](#).

Many complaints resolved just in time

Owners narrowly avoid license revocation for Columbia Heights complex

By Elizabeth Mohr and MaryJo Webster
Pioneer Press

Hyder Jaweed and his brother Asgher Ali bought the 17-unit Peters Place apartment building in Columbia Heights for \$926,000 in October 2004.

Inspectors first visited the property on a resident complaint five months later. Since then, inspectors have averaged about 20 visits a year and have logged more than 300 violations — mostly as a result of complaints from residents.

The city came close to revoking the building’s rental license this month, which would have prevented the landlords from collecting rent — the third time in about five years that the brothers have faced revocation proceedings.

The Peters Place complex is an example of a building with numerous problems that have continued over the course of the Jaweeds’ ownership.

The Jaweeds did not respond to multiple phone messages and e-mails from the Pioneer Press requesting an interview.

During inspectors’ first visit in March 2005, they found seven violations in one third-floor apartment, including a broken window, a bathroom ceiling that needed to be replaced, a broken toilet and possible electrical problems evidenced by burn marks around the outlets. Inspectors returned four times in the next two months before they found the problems had been repaired.

On the same day inspectors OK’d the repairs, they issued a new list of violations for another Peters Place unit. The problems were similar and included mold on the bedroom walls. Three months

later, the repairs had been made.

“It has not been unusual in the past to go out to do a final inspection (of a Jaweed property) and have the guys come back with a list of new violations,” said Columbia Heights assistant fire chief John Larkin. “So (the landlords) are done with the stuff they’re supposed to have taken care of, and we come back with a new list. ... So we’re sending out a new letter and starting the process all over again.”

The cycle of inspections, new complaints and unresolved violations went on at Peters Place all year in 2005, according to city inspection reports. In July that year, inspectors started the process of revoking the building’s rental license because nine units lacked working smoke detectors. The Jaweeds had the detectors installed by the time inspectors came back nine days later.

The city council did revoke the rental license the following year because one unit didn’t have a smoke detector. At the Feb. 13, 2006, city council meeting, when the council voted unanimously to revoke the license, the fire chief told council members that inspectors had been to visit the property 35 or 36 times since the previous March and noted tenants had been to the council asking for help, according to meeting minutes.

The Jaweeds’ attorney, Kenneth Hertz, attended the meeting and told the council the owners were in the process of evicting tenants from 14 of the 17 units. According to the minutes, he also said there was a new property manager and that they had put in new carpeting and new flooring in the entrance and had repaired walls. Hertz said that after the



Peters Place Apartments in Columbia Heights averages 20 housing inspector visits a year resulting in an average of 50 violations, ranging from broken windows to mold to fire safety issues. **See more photos from Peters Place at [TwinCities.com](#).**

tenant in the unit without the smoke detector moved out, the property manager found six smoke detectors in a drawer in the unit.

Hertz said the owners “have learned an expensive lesson.” Council member Bruce Nawrocki asked for the name of the property owner. Hertz answered Peters Place Apartments LLC, the minutes show. Nawrocki then asked Hertz for whom he worked. Hertz said the owner hired him.

Council member Tammera Diehm then asked Hertz for names of the members of the company that owned the building. Hertz said he didn’t know, only that he communicates with Hyder Jaweed.

Diehm asked Hertz to take a message back to the owner “that this has been disrespectful to Council and staff, as revocation repeatedly comes back before Council with only small steps take(n) to avoid revocation for that time. If the owners are committed to improvement, they should have had the consideration to come before Council and state that.”

Three days after that meet-

ing pipes and mold in one unit.

Former caretaker Jerome Aderman said he called city inspectors last fall to complain about the building’s condition. Inspectors came in November and looked at a few units, but Aderman wasn’t satisfied. He wanted them to see every unit to understand the scope of the problems, because “seeing the conditions (tenants) were living in just made me sick,” he said.

In late December, the fire department posted notices on every apartment door about the pending revocation.

When he called Asgher Ali to tell him about the notices, Aderman said Ali’s response was, “What do you mean?”

“He was here in five minutes,” Aderman said. “He went to every door and took the letters down and said there was a misunderstanding.”

Aderman said the city resent the notices to all the renters through the mail.

Inspectors returned Wednesday for a final visit before the city council’s hearing to consider license revocation and found the repairs had been made, assistant fire chief Larkin said. That stopped the revocation process.

However, as a result of a new complaint that resulted in 35 violations late last month, inspectors will return Feb. 2. If the repairs aren’t done by then, the revocation process begins anew.

Larkin said the Jaweeds know that if they make the necessary repairs to correct housing-code violations before that final visit, they can avoid losing the rental license.

“I would say that we’ve run into that with this particular building owner on more than one occasion,” Larkin said. “There’s no way for me to know if they’re doing it intentionally or not.”

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SANCTIONS? FINES? CHARGES?
NONE HAVE PUT
THE LANDLORDS
OUT OF BUSINESS.



PIONEER PRESS: BEN GARVIN

Luwah Carter, a 29-year-old single mother, puts dinner in the microwave on the floor of her apartment at Brookhaven Apartments in Brooklyn Center last month. None of the power outlets in her kitchen works, she said. She called the property manager about the outlets when she first moved in. "He told me he'd be right up to fix it, and I'm still waiting," she said.

Notorious brothers have stayed
in business with last-minute fixes,
confusing web of companies.

By Elizabeth Mohr and MaryJo Webster
Pioneer Press

Hyder Jaweed and Asgher Ali have figured out how to skirt the rules, say numerous housing inspectors. The landlords — who have owned at least 17 rental properties in the Twin Cities and Rochester over the past 10 years — allow problems such as bedbugs, cockroaches, mold and leaking pipes to fester, ignoring complaints from residents and failing to make repairs until faced with sanctions that would hit their pocketbook, according to public records and interviews with tenants and former employees.

NOTORIOUS LANDLORDS, 3A >



PIONEER PRESS: JEAN PIERI

Asgher Ali covers his face as he and his lawyer, Kenneth Hertz, leave the Ramsey County Courthouse after a Dec. 2 hearing.

ABOUT THE SERIES

Sunday: A look at the Jaweeds and the buildings they own

Today: How have the Jaweeds stayed in business for 10 years?

Tuesday: Ideas for how to deal with problem properties and owners

NAACP's
new head:
We need
diversity

St. Paul chapter
should recruit others
besides blacks, he says

By Frederick Melo
fmelo@pioneerpress.com

Jeffry Martin wants to grow the ranks of the St. Paul chapter of the NAACP. Martin, a criminal defense attorney, former probation officer and ordained minister who replaced Nathaniel Khaliq as chapter president in late December, is reaching back to the origins of the national organization in 1909. Then, writer- orator W.E.B. DuBois and journalist Ida B. Wells met with some 60 concerned activists following a race riot in Springfield, Ill. Seven of those at the gathering were black. The rest were white, many of them the descendants of abolitionists. As a result, the first few presidents

NAACP'S NEW HEAD, 5A >

A legacy
of recession:
tumble from
middle class

Many Americans lose
comfort and security,
fall into life with less

By Annys Shin
Washington Post

WASHINGTON — Five years ago, an automated voice on the phone would not have reduced Sondi Moore to tears. But five years ago, she was not behind on her electric bill. Just after Christmas, Moore, 63, called Dominion Virginia Power to pay her bill, which was overdue — again. She was desperate to avoid having her power cut off, as happened in November after she racked up a tab of \$1,026. Not so long ago, Moore and her husband, Seymour, 46, made more than \$200,000 a year, vacationed in Fiji and thought nothing of picking up a \$400 dinner tab with friends.

MIDDLE CLASS, 5A >

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CONTINUED FROM 1A

> Notorious Landlords

Inspectors say the properties owned by the Jaweed brothers are usually a revolving door of problems, taxing overworked and underfunded rental inspection programs. Jaweed, 34, and Ali (aka Jaweed), 29, are “the worst of the worst,” said Rochester’s manager of housing inspections, Susan LeGare-Gulden. Despite rental license revocations, multiple citations for code violations, liens, bankruptcies and foreclosures, the brothers have remained in the rental business for 10 years — while their tenants often live in problem-riddled buildings.

Inspectors say the Jaweeds are great at stalling — not applying for a rental license in a timely manner, not showing up for scheduled inspections and not fixing housing-code violations until after inspectors make two or three return visits. Then, at the last minute, they pay the bills to keep the utilities from being shut off or fix the housing code violations to avoid being sanctioned.

“They pull through when it’s clutch time,” said John Crelly, Fridley’s assistant fire chief.

The Jaweeds declined multiple requests for interviews.

Public records and interviews with city inspectors show the back-and-forth between them and the officials who repeatedly try to make them comply with regulations.

Court documents also show how the brothers have made it difficult for tenants, creditors and city officials to pinpoint who owns their buildings and is responsible for payments.

EACH CITY IS ON ITS OWN

The lack of an overarching statewide system for regulating rental housing means that each city is on its own in dealing with problem landlords. There isn’t anything stopping a landlord who gets in trouble in one city from moving on and doing the same thing elsewhere.

Some cities rely on the courts, sometimes resorting to criminal charges that carry heavy fines. Others rely on rental licensing and administrative fines.

In most cities, a building must pass inspection before a rental license is granted, and the license serves as something valuable the city can take away if housing code violations are not remedied. Typically, buildings are inspected

annually.

Inspectors say the vast majority of landlords take care of their properties as part of doing good business or respond swiftly when told of a housing-code violation.

If a landlord doesn’t comply and has multiple violations, then the revocation process might begin.

If a license is revoked, sometimes all tenants must move out. Other cities that revoke a rental license prohibit the landlord from collecting rent or from renting vacant units. The goal is to hit landlords financially.

“It is a big deal,” said Dave Holt, an instructor for the National Association of Residential Property Managers and owner of a property-management company in the Twin Cities. “And that’s why I’m sure a city does have some leverage there.”

But examples from Fridley, Columbia Heights and Brooklyn Center show that leverage comes at a cost.

‘NOT A GOOD USE OF TAXPAYER DOLLARS’

Fridley’s inspectors feel like they’ve been running in circles for the past decade trying to keep up with two Jaweed properties.

The city revoked rental licenses for apartment complexes on Island Park Drive and Channel Road in 2006, because of a string of unresolved violations.

“We’d go around and around and around with (correction orders). We had complaints coming in nonstop,” Crelly, the assistant fire chief, said about the two properties the brothers owned. “It got to be such a mess, we didn’t know when we were coming or going. It was hard to tell where one inspection stopped and another started.”

Within five months of the revocation, the Jaweeds had the buildings back up to code and were able to rent units again. They sold the Island Park property the following year, but the Channel Road property is still eating up inspectors’ time. Officials were back in late December and found the owners were installing a new heating system without the requisite permit.

“We’re talking about creating minimal living standards for residents, and it’s a challenge,” Crelly said. “When a landlord doesn’t jump on the inspections, you turn to citations and courts. It takes a lot of effort.”

“It’s not a good use of taxpayer dollars,” Crelly said.

In Columbia Heights, assis-



PIONEER PRESS: RICHARD MARSHALL

Columbia Heights Fire Department inspectors Matt Field, left, and Anthony Cuzzupe leave the Peters Place apartment complex owned by Hyder Jaweed after the complex was inspected in November.

tant fire chief John Larkin said the Jaweeds, who have owned three properties in his city, are reactive rather than proactive. “Things get done when we send letters,” he said.

“The majority of our landlords, if we write them up and we say we’ll be back in 30 days, most of them are done. That’s closer to the perfect scenario,” said Larkin. “That’s not been the case (with the Jaweeds).”

For Columbia Heights, each hour spent on a property eats up \$150 in taxpayer money, Larkin said. He couldn’t estimate how much time his staff spends on Jaweed properties, but records show inspectors visit the Jaweeds’ Peters Place apartments about 20 times a year, spending 30 to 60 minutes at each visit. At the most conservative end of that estimate, the city is spending \$1,500 a year to inspect Peters Place.

Brooklyn Center’s attempt to revoke a rental license on a Jaweed property in late 2007 is an example of how hard it can be for cities to enforce housing regulations.

After the city filed criminal charges against the brothers, the Jaweeds fired back with a lawsuit accusing city officials of trying to run them out of business because most tenants in their 252-unit Center Pointe complex were minorities.

Their lawsuit said the city conducted “unusually aggressive inspections,” including unannounced visits by police

officers, and imposed “maintenance demands that were far more stringent than anything required of other dwellings in Brooklyn Center.”

The suit also alleged city officials “coerced, intimidated, threatened, and interfered with (the Jaweeds) because of the Jaweeds’ national origin.”

An affidavit by Ali said he and his brother are of “Islamic heritage,” and that Hyder Jaweed was born in India, then immigrated with his parents to the United States. Ali was born in the United States.

In January 2008, the Jaweeds and Brooklyn Center reached a settlement. The city dropped its criminal charges and revocation proceedings. The Jaweeds dropped their lawsuit, and both sides agreed to a lengthy list of things the Jaweeds would do at Center Pointe.

But six months later, the city asked a judge to find the brothers in default of the agreement. In April 2009, the judge ruled in the city’s favor. The city revoked the rental license and the Jaweed-run company that owned the building filed for bankruptcy.

A COMPLEX MAZE OF COMPANIES

The Jaweeds have set up so many companies in connection with their rental business that it is hard to track who owns certain buildings. They frequently move properties from



PIONEER PRESS: RICHARD MARSHALL

Maintenance worker Craig Desmarais replaces a front door latch at the Peters Place apartments in Columbia Heights. Desmarais said he was hired to make repairs 48 hours before inspectors were scheduled to visit the property.

one company to another, which confuses city officials and others.

Over the years, the Jaweeds have created at least 45 companies to buy rental properties, according to Minnesota secretary of state records.

Property records show that it’s common for one Jaweed company to buy a property, only to transfer it to another Jaweed company later — sometimes on the same day, sometimes months or years later. One property changed hands five times in six years.

In addition to using a variety of company names, the Jaweeds are known to use different personal names. Tenants say they know the brothers as “Jay” and “Lee,” and lawyers and court officials have had to untangle whether or not cases were filed against the right person, since Ali has a different name from his brother but leads people to believe his last name is Jaweed.

Attorneys for Dorglass Inc., a company that claimed it hadn’t been paid for work at two Jaweed properties, were perplexed when they couldn’t find any trace of a person named Asgher Jaweed. Under oath in a deposition, Asgher Ali confirmed his real name. But when asked why he had a different last name from his brother, he said only, “I don’t know,” and wouldn’t elaborate when pressed, said Harvey Schmidt, president of Dorglass.

Mike Vraa of HOME Line, a Twin Cities-based tenant advocacy group, said it’s uncommon to have so many different companies and to transfer properties so frequently.

“If you ask them under oath, they’ll tell you there are tax benefits to all this,” Vraa said. “But there are certainly benefits from a legal process standpoint. The harder you make it to sue somebody, the less likely they’ll do it successfully.”

Fridley prosecutors have run into this problem more than once when trying to bring criminal charges, including fines, against the brothers for not meeting housing codes.

City attorney Fritz Knaack said the Jaweeds use a “run-around” technique, claiming in front of a judge that they don’t own the building or that they don’t know the owner or even that they don’t own the company.

Knaack and other city officials say it’s been hard to prove the Jaweeds wrong.

A Robbinsdale staff member spent several hours a few years ago trying to determine whether a company called HJ22 LLC was connected to the Jaweeds. The registration paperwork filed with the secretary of state didn’t include names or addresses for corporate officers, even though that



PIONEER PRESS: BEN GARVIN

A cable jack hangs from the wall in the apartment of Luwh Carter at Brookhaven Apartments in Brooklyn Center.

information is required, the staffer said.

Recently, former tenants and an unpaid contractor argued that the Jaweeds, not their companies, should be held responsible. Two former tenants of the Jaweeds’ Charleswood apartments in Burnsville started personal injury lawsuits in late 2009, claiming hazardous living conditions — largely because of a bedbug infestation.

The Jaweeds argued that the building was owned by a company called Z114S LLC.

J. Ashwin Madia, the tenants’ lawyer, discovered the Jaweeds had not filed the necessary annual renewal paperwork for the company. As a result, the company effectively didn’t exist.

Madia asked the judge to hold the brothers personally accountable.

In a May motion, Madia argued that the company was fraudulent and “serves as an alter ego” for the Jaweeds.

The Jaweeds agreed to a settlement in early December, before the judge could rule. Madia declined to discuss the terms.

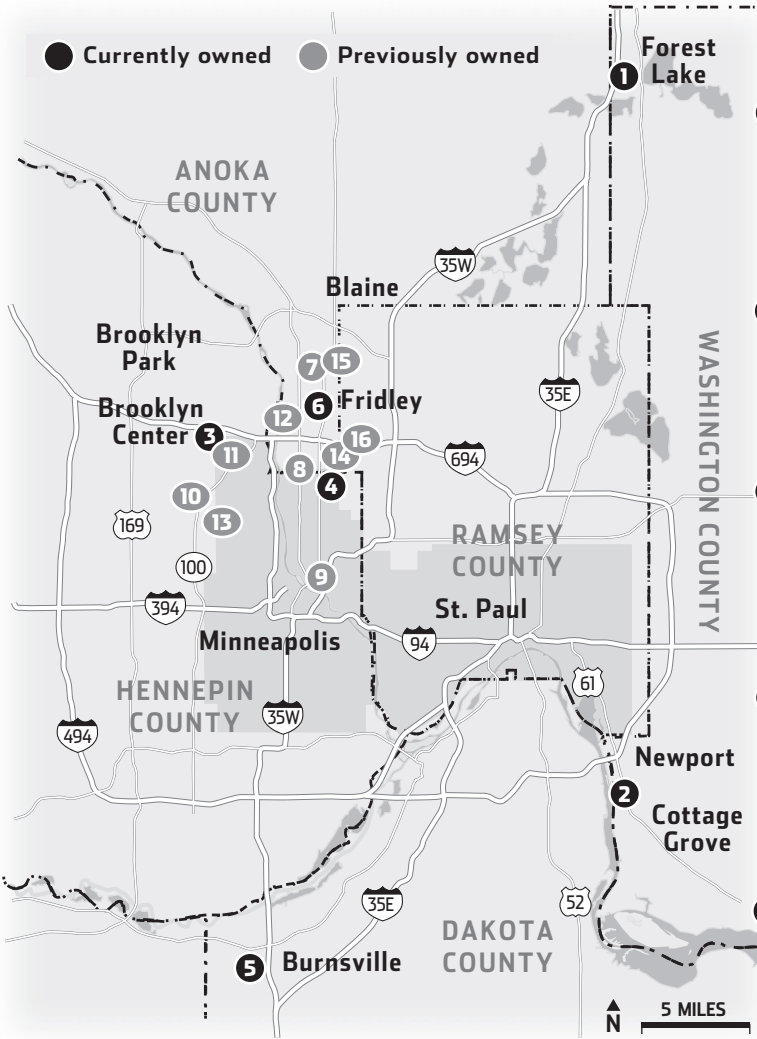
A year ago, Ramsey County Judge Dale Lindman called the Jaweeds’ business operation “a morass” and ordered them to pay \$6,400 to Tony Kromrey and his son. Kromrey, of New Brighton, had worked on and off for them for a dozen years doing repairs at various properties. The Jaweeds had argued that one of their companies, not they, owed the Kromreys the money.

Lindman wrote: “Whether by purpose or otherwise, (the Jaweeds) have set up a scheme of ownership through corporations, limited liability companies and various management agencies to effectively hide from contractors and creditors the true identity of the owners of the property.”

Elizabeth Mohr can be reached at 651-228-5162 or emohr@pioneerpress.com. MaryJo Webster can be reached at 651-228-5507 or mwebster@pioneerpress.com.

The Jaweeds’ properties

Twin Cities-area rental properties Hyder Jaweed and his brother Asgher Ali have owned over the past 10 years:



Previously owned:

- 7** 1261-1263 Norton Ave. N.E., Fridley — Purchased in June 2009. Sold 10 days later.

8 679 46th Ave. N.E., Columbia Heights — Purchased in May 2009. Sold the following month.

9 University Court Apartments, 729 Eighth Ave. S.E., Minneapolis — Purchased in Oct. 2005. The city revoked its rental license in 2006. Sold the following year.
- 10** Coachlite Apartments, 4259 W. Broadway Ave., Robbinsdale — Purchased in April 2007. The city revoked its rental license twice between 2007 and 2008. Sold to a new owner in August 2008.

11 Center Pointe Apartments, 2900 Northway Drive, Brooklyn Center — In 2005, the Jaweeds purchased a stake in a limited liability partnership that owned this 252-unit complex. Bank foreclosed in

- March 2009.

12 190-191 Island Park Drive N.E., Fridley — Purchased in March 2001. City revoked rental licenses for the two buildings in 2006. Sold in 2007.

13 Robinwood Apartments, 3848 W. Broadway Ave., Robbinsdale — Purchased in December 2003. The Jaweeds voluntarily surrendered it to the bank in May 2008.
- 14** 4616 Tyler Street NE, Columbia Heights — Purchased in June 2001. Sold in July 2002.

15 5612-5640 Seventh St. N.E., Fridley — Purchased in 2002. Sold in 2005.

16 Emerald Court Apartments, 1360 Seventh St. N.W., New Brighton — Purchased in January 2002. Sold in March 2005.

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VIKINGS PULL OFF SCRAMBLE DRILL

Dome’s fall brings changes galore > 1B



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A MediaNews Group NEWSPAPER

TUESDAY, JANUARY 18, 2011

CLASSIFIED, 6-8C

AT TROUBLED RENTAL SITES, MORE PAIN FOR THE LANDLORDS

ABOUT THE SERIES

Sunday: A look at the Jaweeds and the buildings they own
Monday: How have the Jaweeds stayed in business for 10 years?
Today: Ideas on dealing with problem properties and owners

Cities are learning from the property owners who disregard codes, and are cracking down — even trying public shame — to rein them in.



PIONEER PRESS: CHRIS POLYDOROFF
Broken glass is seen on the secure entry door at one of the buildings at Hillcrest Apartments in Forest Lake on Nov. 12.

By Elizabeth Mohr and MaryJo Webster
Pioneer Press

Hyder Jaweed and his brother Asgher Ali (aka Jaweed) have caused several Minnesota cities to rethink, and in some cases change, the way they deal with landlords.

The landlords, who live in North Oaks, have left a long trail of unhappy residents, frustrated city inspectors, unpaid bills and housing code violations at the 17 rental properties they’ve owned in the Twin Cities and Rochester, Minn., over the past dozen years.
The Jaweeds have frustrated city officials but also have brought to

light flaws in the systems that regulate rental properties.
Rochester passed a new law last fall that tightened rules regarding landlord conduct. City officials said they were motivated, in part, by the Jaweeds’ three-year ownership of Trail Ridge apartments.

NOTORIOUS LANDLORDS, 5A >

Study shows surgeons at higher risk of suicide

Mayo finds 1 in 16 considered it, stigma kept most from help

By Christopher Snowbeck
csnowbeck@pioneerpress.com

Research into physician burnout is now looking at links between suicide and the surgical suite.
A new study finds that one in 16 surgeons reported having suicidal thoughts in the previous year — a worrisome rate, according to researchers at the Mayo Clinic.
Death from suicide is more common among physicians than the general population, researchers say. Yet the study, published Monday in the journal Archives of Surgery, found that surgeons were substantially less likely than those in the general population to seek help from mental health

SUICIDE STUDY, 6A >

Drug wars put ugly stain on tourist trade in Acapulco

Soldiers summoned as violence touches resort area, hurts economy

By Ken Ellingwood
Los Angeles Times

ACAPULCO, Mexico — The black-and-white photos still hang in the faded Hotel Los Flamingos. Over there is the muscled star of “Tarzan,” Johnny Weissmuller, who owned the hotel for a time during Acapulco’s heyday. There’s Maureen O’Sullivan. Tyrone Power. Errol Flynn. Fred MacMurray.
They all came, mixed booze in a coconut — called it a Coco Loco.
When mortals gazed at Acapulco, they saw romance itself smiling back. So they came, too. As did a fortress of high-rise hotels that packed the beach and diminished the very thing

ACAPULCO, 6A >



PIONEER PRESS: JOHN DOMAN

Marchers carry images of Martin Luther King Jr. down Marshall Avenue toward Concordia University in St. Paul, one of the many commemorations Monday of Martin Luther King Jr. Day in the Twin Cities. For more photos, go to [TwinCities.com](#).

SERVICE AND CELEBRATION

People from all walks of life mark Martin Luther King Jr. Day with breakfasts, rallies and projects. Rather than a day off, some saw it as a ‘day on.’

King’s legacy of peace praised after the shootings in Arizona > Page 2A

By Frederick Melo and Dave Orrick
Pioneer Press

Noah Gagner and Vic Rosenthal are next-door neighbors of different races, faiths and generations. Despite their differences, Rosenthal, 55, and Gagner, 25, showed up for a Martin Luther King Jr. Day rally at St. Paul’s Central High School in similar frames of mind: to celebrate the mission and birthday of the nation’s most famous civil rights leader.
“Dr. King’s legacy about economic justice and racial justice should be something we do every day,” said Rosenthal, who arrived representing Jewish Community Action, a St. Paul-based social action group.
“A lot of my opportunities are the result

SERVICE AND CELEBRATION, 6A >



Reince Priebus was elected to the RNC chairmanship last week.

New GOP committee chief walks tea party tightrope

Priebus says he handled the groups in Wisconsin well, but not all liked his efforts

By Kenneth P. Vogel
Politico

Reince Priebus faces many challenges in taking over the Republican National Committee, but among the trickiest will be building support from the

anti-establishment tea party without offending big GOP donors or the independent voters the party needs in 2012.
The GOP’s ability to strike that balance could go a long way toward determining the outcome of Election Day 2012.

And Priebus’ experience as Republican chairman in Wisconsin shows just how difficult it can be to bring along the fractious tea party — full of feuding groups and relatively new activists who abhor the philosophical compromises often

necessary to build broad coalitions.
While Priebus boasted of his good relations with Wisconsin tea party groups during his campaign for RNC chairman,

GOP CHIEF, 6A >





PIONEER PRESS: BEN GARVIN

A note on the bulletin board at the unlocked entrance of a building in the Hillcrest Apartments complex in Forest Lake on Dec. 29.

CONTINUED FROM 1A

> Notorious landlords

The brothers bought the already-occupied building and began renting it out before applying for a rental license, said Susan LeGare-Gulden, manager of housing inspections for Rochester. Resident complaints started soon after the Jaweeds took over. City inspectors noted safety issues such as an inoperable fire-alarm system and problems with the fire-suppression system, she said.

“Neglect. Just total neglect and disregard for their tenants’ safety,” LeGare-Gulden said of the Jaweeds’ ownership.

In the end, the Jaweeds paid a fine and were cooperative, but city officials wanted a way to prevent landlords from “slipping through the cracks” and to get safety problems resolved more quickly, LeGare-Gulden said. So the city passed a law last fall strengthening landlord oversight.

The new law requires landlords to get a license before offering units for rent, which is slightly more stringent than the previous rule requiring a license only once a tenant moved in. Violating this provision is punishable by jail or hefty fines.

The city also can place a chronically noncompliant landlord’s rental license on probation or revoke it for up to five years. Previously, the city could revoke a license but lacked the option to set a time frame.

“This is an ordinance that will address landlords like (the Jaweeds),” LeGare-Gulden said.

Fridley is tightening its licensing process, too. Officials cite the time spent on return inspections at problem properties and the difficulty they’ve had in keeping track of which Jaweed company owns which property. Specifically, they will ask anyone who applies for a rental license under a corporation name to also provide the articles of incorporation. The new rules have yet to go into effect.

And in Columbia Heights, staff members said they were spending so much time on problem properties — the Jaweed-owned Peters Place in particular — that the city changed its licensing rules in late 2007.

Where the city once had no limits on the number of times a license could be reissued, now a landlord can be banned from having a rental license in town

for five years after two revocations.

“Our experience was, we were revoking rental licenses in town and reissuing the licenses once the violations were corrected. It was happening with enough frequency that we wanted it to be a little more painful to lose your license,” Columbia Heights Assistant Fire Chief John Larkin said.

Brooklyn Center instituted new rental-property oversight rules last year. The city now places each landlord in a category based on violation history and number of police calls to the property. The category determines how closely city officials watch properties, the frequency of inspections and terms of the rental licenses.

TIGHTENING STANDARDS

During last year’s legislative session, Minnesota lawmakers updated tenant-landlord laws to protect tenants during a foreclosure, require landlords to provide receipts to tenants who pay rent in cash and prohibit landlords from keeping fees from multiple applicants if one renter already is approved.

“I think it’s a good start,” said Sen. Scott Dibble, DFL-Minneapolis. “I think there’s a lot more to do.”

Dibble said he would like tenants to have more power to organize and fight bad landlords. He also thinks tenants who complain need protection against retaliation.

For the sake of uniformity, directors of the Minnesota Association of Housing Code Officials would like to see a statewide code about what constitutes a violation. Such a code also would make it easier for cities without regulatory programs to create one, said the group’s president, Vonnice Linnell.

HOME Line, a tenant-advocacy group that worked with lawmakers last year, would like a statewide heating code that would address problems caused by landlords who don’t pay utility bills or those who limit the temperature in their rental buildings, said Eric Hauge, a tenant organizer with HOME Line.

But the more aggressive and proactive local efforts — such as the new rules in Columbia Heights, Fridley and Rochester — are the best way to combat bad landlords, Hauge said.

“Overall, it would be good to have stronger statewide tenant rights,” Hauge said. “But when you’re working with tenants in buildings like these, you’re working with low-income (people). ... It can be a barrier to get into court and



PIONEER PRESS: BEN GARVIN

Inspectors with the Columbia Heights Fire Department leave the Peters Place apartment complex after carrying out an inspection last week. For more photos, go to TwinCities.com.



PIONEER PRESS: JEAN PIERI

Kenneth Hertz, an attorney for Hyder Jaweed and Asgher Ali (aka Jaweed), tries to keep a photographer from photographing Ali, who covers his face as he leaves the Ramsey County Courthouse after a hearing Dec. 2.

take time off to assert the law. It’s to their benefit to have a city inspector who’s making sure (the landlords are) abiding by the law.”

Hauge said Minnesota is behind other states in regulating landlords.

New York City is trying new approaches. In August, it launched an online “slumlord watchlist.” Tenants can call the city’s public advocate office to suggest that their building be included. Employees use housing-inspection records to determine if the building qualifies. Potential renters can look up — and steer clear of — landlords on the list.

The watchlist of more than 400 buildings has been deemed a success, says Wiley Norvell, spokesman for the public advocate’s office. The site prompted the city’s worst landlord to pay the \$140,000 he owed the city for making emergency repairs on his buildings, and about a dozen buildings have been removed from the list because owners cleaned them up, Norvell said.

DEBT DOES SOME IN

Financial implosion does in some landlords, according to some local experts.

Five of the six properties the Jaweeds currently own are facing significant financial problems. The brothers or their companies owe more than \$850,000 in past due taxes, liens and civil judgments. In the past three years, the Jaweeds lost three properties to foreclosure and sold five.

In Brooklyn Center, Century Point Energy asked a court last month to appoint a receiver to control the Jaweeds’ Brookhaven apartments because it was owed \$75,000. The judge agreed.

on an \$850,000 mortgage.

The Jaweeds’ Burnsville property is floating in debt, including a \$60,000 judgment lien filed by CenterPoint Energy. Last May, Column Financial filed a foreclosure notice on the property’s \$6.4 million mortgage.

Complexes in Newport and Forest Lake are now in bankruptcy. The two Jaweed companies owning those buildings filed for Chapter 11 protection, which results in reorganization, in October.

Tait Danielson-Castillo, director of the Frogtown Neighborhood Association, said foreclosure is what ultimately sank two of the worst landlords in his St. Paul neighborhood four years ago.


“Nine times out of 10, that’s what it comes down to,” Danielson-Castillo said. “They end up killing themselves. ... If the slumlord’s not making any money, then what’s the point.”

Mary Jo Webster can be reached at 651-228-5507. Elizabeth Mohr can be reached at 651-228-5162.




PIONEER PRESS: BEN GARVIN

Black mold collects last month in the corner of a child’s room at the Peters Place apartment complex. The tenants didn’t want to be identified.



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SUNDAY PIONEER PRESS

A MediaNews Group NEWSPAPER MARCH 13, 2011 \$1

Nuclear threat grips Japan



ASAHI SHIMBUN VIA ASSOCIATED PRESS: NOBORU TOMURA
A resident of Natori in Japan's northern Miyagi prefecture is pulled from the debris Saturday. More than 1,800 are dead or missing. See more photos at TwinCities.com.

Second reactor crippled by quake's effects; 200,000 evacuated amid the wreckage

By Michael Wines and Matthew L. Wald
New York Times
TOKYO — Japanese officials announced today that the cooling system at a second nuclear reactor had failed completely, even as they took the extraordinary step of flooding a separate reactor with seawater in a last-ditch effort to avoid a total nuclear meltdown.
The announcement today compounded what already was the worst nuclear accident in Japan's history — and perhaps the worst involving a nuclear plant since the Chernobyl disaster 25

years ago.
The cooling systems at three other reactors at a second nuclear plant had also failed, officials said. While backup systems might still be revived, if they could not, these reactors too could require emergency cooling, they said.
For now, the most pressing concern stemmed from a radiation leak and explosion at the Fukushima Dai-ichi Nuclear Power Station on Saturday, which prompted the government to expand an evacuation order to affect 170,000 people in the plant's vicinity.



THE YOMIURI SHIMBUN VIA ASSOCIATED PRESS: KANAME YONEYAMA
Police officers wearing gas masks patrol the area of the Fukushima nuclear power plant in northern Japan on Saturday.

More inside: Soaring toll: Number of dead surges as Japan looks for survivors. 4A Reactor fight: Scientists take risky steps to try to avert meltdown. 4A

BATTERED JAPAN, 5A >

Notorious Twin Cities landlords slip toward financial ruin

Two brothers face bankruptcy and foreclosure proceedings

By Elizabeth Mohr
emohr@pioneerpress.com

Financial problems are piling up for Twin Cities landlord brothers Hyder Jaweed and

Asgher Ali, and their rental empire shows signs of crumbling under the weight.
In the past month, an appeals court and a bankruptcy court have ruled against Jaweed,

holding him accountable for his companies' debts. Of the brothers' six rental properties, three are now under court-ordered management. One property, which was facing

sanctions for numerous housing code violations, was sold. Another is in foreclosure. And a Jaweed-Ali home in North Oaks is being foreclosed on.
"With any luck, it looks like the Jaweeds are on the edge of collapse," said Eric Hauge of HOMELine, a tenant advocacy

group that has been dealing with the brothers' properties for years.
Jaweed, 34, and Ali, 29, who until recently lived in the six-bedroom, 4,800-square-foot home in North Oaks, are prolific property owners with a history of neglecting their

buildings, mostly occupied by low-income tenants.
One or both brothers have owned at least 17 rental properties in cities including Burnsville, Brooklyn Center, Newport, Forest Lake, Fridley

NOTORIOUS LANDLORDS, 7A >

Arab League asks for no-fly zone over Libya

By Hadeel Al-Shalchi and Paul Schemm
Associated Press

RAS LANOUF, Libya — The world moved a step closer to a decision on imposing a no-fly zone over Libya but Moammar Gadhafi was swiftly advancing Saturday on the poorly equipped and loosely organized rebels who have seized much of the country.

In Cairo, the Arab League asked the U.N. Security Council to impose a no-fly zone to protect the rebels, increasing pressure on the U.S. and other Western powers to take action that most have expressed deep reservations about.

In surprisingly swift action, the 22-member Arab bloc said after an emergency meeting that the Libyan government had “lost its sovereignty.” It asked the United Nations to “shoulder its responsibility ... to impose a no-fly zone over the movement of Libyan military planes and to create safe zones in the places vulnerable to airstrikes.”

Western diplomats have said Arab and African approval was necessary before the Security Council voted on imposing a no-fly zone, which would be imposed by NATO nations to protect civilians from air attack by Gadhafi’s forces. The U.S. and many

allies have expressed deep reservations about the effectiveness of a no-fly zone.

Meanwhile, Gen. Abdel-Fattah Younis, the country’s interior minister before defecting, said that Gadhafi’s forces had driven even further into rebel territory, past the refinery at Ras Lanouf, and were now just 25 miles outside Brega, the site of another major oil terminal.

The Libyan government took reporters from the capital, Tripoli, 375 miles east by plane and bus to show off its control of the former front-line town of Bin Jawwad, the scene of brutal battles six days earlier between insurgents and Gadhafi loyalists using artillery, rockets and helicopter gunships.

A police station was completely destroyed, its windows shattered, walls blackened and burned and broken furniture inside. A nearby school had holes in the roof and a wall. Homes nearby were empty and cars were overturned or left as charred hulks in the road.

The tour continued 40 miles to the east in Ras Lanouf, an oil port of boxy, sand-colored buildings with satellite dishes on top.

The area was silent and devoid of any sign of life, with laundry still fluttering on lines strung across balconies. About 50 soldiers or militia

members in 10 white Toyota pickups, holding up portraits of Gadhafi, smeared with mud as camouflage guarded it.

A playground was strewn with bullet casings and medical supplies looted from a nearby pharmacy whose doors had been shot open.

The defeat at Ras Lanouf, which had been captured by rebels a week ago and only fell after days of fierce fighting and shelling, was a major setback for opposition forces who just a week ago held the entire eastern half of the country and were charging toward the capital.

A massive column of black smoke billowed from Ras Lanouf’s blazing oil refinery. A Libyan colonel asserted the rebels had detonated it as they retreated.

A resident also reported fighting between government forces and rebels inside Gadhafi’s territory in Misrata, Libya’s third-largest city, 125 miles southeast of Tripoli.

“There’s the sound of firing, tanks and rockets,” he said by telephone. “We can hear the sound of tanks, but it’s hard to go near. It feels like there is a battle at the edge of the city.”

Government forces also have recaptured the strategic town of Zawiya, near Tripoli, sealing off a corridor around the capital, which has been Gadhafi’s main stronghold.



ASSOCIATED PRESS: MUHAMMED MUHEISEN

Medics help an injured anti-government protester Saturday after clashes with Yemeni police in Sanaa, Yemen. Yemeni security forces stormed a square in a pre-dawn raid that killed at least one person.

MIDEAST DEVELOPMENTS SATURDAY

> In Yemen, fighting escalated between protesters and security forces, and four people were reported killed even as President Ali Abdullah Saleh promised the White House that he would not use violence against the demonstrators. The confrontations came a day after the largest protest yet in the uprising, when an estimated 100,000 people staged a sit-in in Sanaa.

Their numbers had dwindled to about 10,000 when police moved in with water cannons outside Sanaa University. “We finished our morning prayers, then they rushed at us with a water cannon and then live bullets and tear gas,” said Sadeq al-Haijazy, a protester whose head was bandaged.

> In the wake of a violent clash between protesters and Bahrain’s security forces, U.S. Defense Secretary Robert Gates warned this tiny kingdom’s ruling family that “baby steps” toward reform would not be enough to deal with emerging political grievances. Gates

cautioned Bahrain’s king during two hours of meetings in Manama, Bahrain’s capital. But Gates said he was convinced that the king, Hamad bin Isa Al Khalifa, was serious about reform.

> An Al-Jazeera cameraman was killed in an ambush near the eastern Libyan city of Benghazi, the first journalist slain in the nearly monthlong conflict, the satellite station said. Ali Hassan al-Jaber, a Qatari national, was killed and a correspondent was wounded.

> Tunisia’s interim government refused to legalize five political parties, ruling they didn’t adhere to a law requiring parties to be organized democratically. The parties included Hizb Ettahrir, or the Liberation Party — a movement with historic ties to the Egyptian-based Muslim Brotherhood. Ridha Belhaj, a Hizb Ettahrir spokesman, said his party wants a regime based on sharia law and doesn’t rule out “rebellion and civil disobedience” to create an Islamic state.

— Associated Press

CONTINUED FROM 1A

> Notorious landlords

and Columbia Heights over the past 10 years.

They are known for allowing their properties to fall into disrepair, for dodging inspectors and delaying compliance on housing code violations, and for failing to pay their debts, according to numerous housing officials, former employees and court documents. Details of their operations were presented in a three-part series published by the Pioneer Press in January.

Jaweed and Ali did not respond to e-mails seeking comment for this story, as they did not with the original stories. There also was no answer at any of their many phone numbers, and their longtime attorney, Kenneth Hertz, did not return a message seeking comment.

BANKRUPTCY REJECTED

Recent events signal that the brothers’ businesses may be circling the drain of financial demise.

“This case fits nearly all the criteria set out by the courts for bad faith,” U.S. Bankruptcy Court Judge Robert Kressel said at a March 2 hearing, when he dismissed Jaweed’s bankruptcy case.

Attorneys for Commerce Bank, which holds the \$2.7 million mortgage for the 53-unit Newport Ponds apartment building in Newport, had asked

the court to dismiss the case.

Kressel said he wasn’t particularly fond of using the word “evade” in a bankruptcy case, but for this one, “it fits.”

Jaweed in October filed for Chapter 11 bankruptcy on behalf of his company, Newport Investments, which owns the property. Chapter 11 bankruptcy is designed to allow a debtor to reorganize and repay debts. The filing came just five days after a Washington County district court judge gave the bank approval to appoint a receiver to take over Newport Ponds as part of the foreclosure process.

The court’s decision to dismiss the case was an unusual move but not unheard of, said Craig Andresen, a Bloomington bankruptcy attorney and Minnesota chairman of the National Association of Consumer Bankruptcy Attorneys.

“Reorganization bankruptcy is a bankruptcy where the debtor is going to find a way to repay things, to pay back debts and catch up,” Andresen said. “Whenever there’s a reorganization bankruptcy filed on the eve of foreclosure, the lawyer for the bank is always going to wonder: What’s different? How are you going to start making the payments? Was this filed in bad faith for delay only? Because that’s not a permissible purpose.”

Jaweed had argued that he was arranging for the Newport property to be sold.

But the proposed sale raised eyebrows for bank officials for a few reasons: Jaweed said the property could be sold in 60 days for more than it was purchased three years ago, despite its declining physical condition. And the



PIONEER PRESS FILE PHOTO: JEAN PIERI
Asgher Ali leaves the Ramsey County Courthouse after a Dec. 2 court hearing related to his property management business. Ali and his brother Hyder Jaweed have owned at least 17 rental properties in the Twin Cities over the past 10 years.

purported buyer was Dr. Syed Raza of Chicago, a man whose name has been connected to Jaweed and Ali since he funded a failed hotel franchise of theirs in Indiana in the late 1990s. His name also appears on rental license documents for properties in Fridley and Minneapolis that the brothers were known to operate.

“Circumstantial evidence in this case clearly shows that this guy is a straw man,” the bank’s attorney, Richard Jensen, said.

Kressel called the projected sales price and the timing “wildly optimistic.”

The dismissal means the foreclosure proceedings, which were stalled by the bankruptcy filing, can continue.

Also in October, Jaweed filed for bankruptcy for Forest Lake Housing Associates, which owns the 72-unit Hillcrest Apartments in Forest Lake.

U.S. quietly helped seed Egypt’s revolt

Young leaders learned key skills from programs

By Charles J. Hanley
Associated Press

CAIRO — Hosni Mubarak’s woes could be traced back to Egypt’s 2005 election, when an army of tech-savvy poll watchers, with a little help from foreign friends, exposed the president’s customary “landslide” vote as an autocrat’s fraud.

In nearby Jordan, too, an outside assist on Election Day 2007 helped put that kingdom’s undemocratic political structure in a harsh spotlight — and the king in a bind.

And when 2011’s winter of discontent exploded into a pro-democracy storm in Tunisia, then Egypt, opposition activist Bilal Diab broke away from his six-month “young leaders school” and put his new skills to use in Cairo’s Tahrir Square.

“It helped us organize the revolution,” Diab, 23, said of his made-in-America training. “People were scattered, but we had learned how to bring them together and we did, and when we opened our tent, we announced formation of the Revolution Youth Union.”

The revolutionary roar from the Arab street, shaking the palaces of the privileged, toppling presidents, has echoed around the globe. But behind this story of political upheaval lies another, quieter story of outside organizations that, with U.S. government and other money, tutored a young Arab generation in the ways of winning in a political world.

All involved emphasize that what has happened sprang from deeply rooted grievances, not from outside inspiration. But they say the confidence-building work of democratic coaches, led by the U.S. but also including Europeans, was one catalyst for success.

That success, meanwhile, points to a core paradox: A U.S. government that long stood by Mubarak and other Arab leaders as steadfast allies was, at the same time, financing programs that ultimately contributed to his and potentially others’ downfall.

Some see American shrewdness at work, covering multiple political bets. Others see an America too complex to be consistent.

“Speaking as a Canadian, one of the beauties of the U.S. system is that there are many, many entry points in many centers of power, and they can have conflicting policies,” said Les Campbell, Middle East chief for the U.S. National Democratic Institute for International Affairs.

The NDI, affiliated with the Democratic Party, and the GOP-affiliated International Republican Institute (IRI) are links in the nurturing “democratic assistance” web, key conduits for grants from the State Department’s Agency for International Development (USAID) and from the National Endowment for Democracy, a private organization funded by the U.S. Congress.

National Endowment money, \$100 million-plus a year, is at work in more than 90 countries worldwide. But it’s the USAID grants, from an \$800 million budget for developing “political competition” and “civil society” in 67 nations, that have proved vital to activists in a half-dozen Arab

lands, from Morocco to Yemen. Some \$104 million was requested for them in the proposed 2011 budget.

It’s estimated that more than 10,000 Egyptians since 2005 have participated in USAID-financed democracy and governance programs, carried out by NDI, IRI and 28 other international and Egyptian organizations — not only political training, but also projects to prepare judges, build PTA-style school associations and otherwise deepen civic involvement.

The American democracy-promotion campaign dates to the 1980s, when Poland’s Solidarity movement was one beneficiary.

But for Egypt, 2005 was the watershed year, when Campbell’s NDI opened a Cairo office and through Egyptian groups trained 5,500 election observers to monitor a referendum giving Mubarak another six-year term, his fifth.

From Egypt’s polling places that September, NDI-paid teams reported election violations via innovative cell-phone texting in code, deciphered by headquarters computers. The report was immediate: Widespread manipulation of the polls, and a turnout of a mere 23 percent, shattering the myth of 90 percent landslides.

The government reacted, ordering host hotels to cancel training sessions and putting security men in institute offices.

But Mubarak couldn’t be too tough on the Americans, donors of \$1.5 billion in annual military and economic aid. And the democracy promoters carried on.

Bassem Samir is one example. A 23-year-old poll watcher in 2005, since then this leader of the activist Egyptian Democratic Academy has been flown to Washington, Hungary, Dubai and elsewhere to learn about political organization, use of new media, protest campaigning and other skills, under both IRI and NDI sponsorship.

This was “good one-on-one contact” and led to useful advice from afar, he said, when Cairo’s protesters struggled to counter the government’s suppression of Internet communications.

A blogger, Samir also took part in an NDI conference in Morocco last year as the U.S. institute developed a new web portal, Aswat, gathering dissident postings from around the Arab world, some by NDI-trained bloggers.

Such networking is spreading under the U.S. groups’ umbrella. Oraib al-Rantawi, a leading NDI-backed activist in Jordan, said he had been flown to Yemen twice to advise counterparts there on policymaking.

With NDI support, al-Rantawi’s Al Quds Center for Political Studies is monitoring the work of Jordan’s parliament via regular online reports, the first such scrutiny for a body whose makeup is widely viewed as unrepresentative.

Weekly marches by thousands in Amman, Jordan’s capital, have been demanding an overhaul of anachronistic election laws and a stripping of the king’s power to appoint prime ministers.

Those demands, in good part, sprang from a years-long process that began with NDI support for monitoring Jordan’s 2007 elections.

That case is still open.

OTHER TROUBLES

In addition to the bankruptcy cases, there are other signs that the Jaweed-Ali empire may be crumbling.

On Feb. 3, Alliance Bank filed a notice of foreclosure on the brothers’ North Oaks home. Mark Duea, an attorney for the bank, said a sheriff’s sale of the home is scheduled to occur within the next month or so.

On Feb. 8, the Brooklyn Center City Council voted to revoke the rental license for the brothers’ Brookhaven apartments, citing more than \$63,000 in past-due property taxes and delinquent city utilities of nearly \$10,000. The license is suspended for one year, meaning no vacant units can be rented.

On Feb. 15, the Minnesota Court of Appeals upheld a district court decision holding Jaweed personally liable for money that one of his companies owes a contractor for work on a rental property. The court, however, found that Ali is not responsible because he is not a registered agent of that company. The district court decision found both brothers liable.

On March 4, the brothers sold their Columbia Heights apartment complex at 1000 Peters Place, which was facing license revocation for the second time because of unresolved housing code violations, including extensive mold. A representative for Cedar Management, which has been hired to run the building, would not disclose the name of the new owner. City officials said the violations have been resolved.

On March 7, a judge ordered the

Jaweed-Ali Channel Road apartment complex in Fridley be released from receivership because an outstanding debt to CenterPoint Energy for \$44,000 was satisfied. But the next day, CenterPoint filed a motion to amend the complaint because “there’s an additional amount that’s come due since the judgment,” CenterPoint attorney Keith Moheban said. The current balance is about \$14,000, he said.

Jack Cann, senior staff attorney for the St. Paul-based Housing Preservation Project, said he has been following the brothers’ financial trail, with hopes that something might be done to stop them.

“In terms of what kind of legal actions might be in their future, we’ve thought about it,” Cann said. “But at this point, they’re still in the formative stage.”

Cann has worked on housing legal issues for more than 40 years and said he has never encountered landlords “as bad as the Jaweeds.”

“The only other cases I can think of where the owners’ behavior was as outrageous ... was typically restricted to one or two small buildings, not massive complex after complex like these guys,” he said.

The attorney said he’s unsure how the brothers operated for so long or how they managed to secure so much money from banks to buy their properties.

“We certainly want to hold them accountable,” he said. “And a lot of these bank transactions don’t pass the smell test.”

Elizabeth Mohr can be reached at 651-228-5162.

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Landlord shuffle

Two Twin Cities brothers with a reputation for managing squalid apartments have lost or sold most of their properties. But at least two have been transferred to longtime associates.



Mold grows on the wall above an air conditioner in 2-year-old Isabella Glaze's family's apartment in a Fridley complex formerly owned by Twin Cities landlords and brothers Hyder Jaweed and Asgher Ali. View more photos at TwinCities.com.

By Elizabeth Mohr and MaryJo Webster | Pioneer Press

On paper, it appears that notorious Twin Cities landlords Hyder Jaweed and Asgher Ali are out of the rental business. ¶ In reality, that might not be the case. ¶ In recent months, the brothers have lost or sold nearly all of their known properties because of financial difficulties. But they also have handed off at least two properties, just before pending foreclosures, to longtime associates who took out new mortgages to allow Jaweed and Ali to pay off the faltering ones.

The brothers have been swapping properties like this for nearly as long as they've been in the rental business, according to public records. At one property in Fridley, this handoff has left dozens of residents in limbo. The city has declared the two buildings uninhabitable while they wait for the new owner to make needed repairs. The city isn't forcing residents to move out, but it is encouraging them to do so for

safety reasons. "At first when they put (notices) up, I thought it was a scare tactic to get the new owners to step forward," said Sue Kohls, a resident of the Fridley complex owned by the brothers until last month. "But city officials said it's not a scare tactic, it's true. ... They suggested people get out, and that's what people are doing." Jaweed, 34, and Ali, 30, have a track

record in the Twin Cities and elsewhere for running ramshackle properties, dodging inspectors and narrowly avoiding sanctions for their questionable business practices. One or both brothers have owned at least 17 rental properties in several cities over the past decade. The Pioneer Press exposed their rental empire in a three-part series in January.

LANDLORD SHUFFLE, 6A >

Under new management: New owners make big difference at properties in Brooklyn Center, Forest Lake, Newport and Burnsville, 7A

East Coast battens down as Hurricane Irene roars ever closer

By Brian Stelter
New York Times

KILL DEVIL HILLS, N.C. — John Woolard, who is 79 years old, cannot remember how many hurricanes he has confronted at his home, also 79, which sits on stilts overlooking the

Atlantic Ocean here. Is it 12? Or 14? "I have never left," he said proudly Thursday, showing off a photograph he took of a storm in 1962. "But I think I'm going to leave this time. "This one," he said, referring to Hurricane Irene, "is dead on us." It was a day of weather wake-up

calls for residents from North Carolina to Maine as the storm pummeled the Bahamas. A forecast track that a day earlier predicted the hurricane would pass just off North Carolina's fragile Outer Banks shifted west Thursday morning, putting a weekend bull's-

eye on Wilmington, N.C.; Virginia Beach, Va.; Atlantic City, N.J.; and New York City, and jolting beachgoers and old-timers alike. The National Hurricane Center said Thursday night that maximum

HURRICANE IRENE, 9A >



PIONEER PRESS: JOHN DOMAN

MEDTRONIC CEO EYES THE WORLD

Medtronic's new CEO had a simple message for shareholders Thursday: The entire world must have access to the medical device maker's life-saving technology. That, said Omar Ishrak, must be the Fridley-based company's mission. More, 10A



Steven Cross, 60, wrote his son two notes before disappearing last month.

A desperate dad flees foreclosure — and his son

Lakeville boy, 11, left behind when father disappears

By Maricella Miranda
mmiranda@pioneerpress.com

Eleven-year-old Sebastian Cross woke up July 18 to find his dad gone. Left behind were two notes. In the first, his father, Steven Alexander Cross, said there were no jobs for architects in the current economy. It went on to say their Lakeville home was in foreclosure and they would be evicted the following week. Cross instructed Sebastian in the note to take his PlayStation and go to a neighbor's house. The second note asks the neighbors to take care of his son. "If this paper is wet, it's because I am crying so bad," the father wrote to the boy. "You know your dad loves you more than anything." Authorities have issued an arrest warrant for Cross, 60, who was charged this month with a gross misdemeanor of

DAD FLEES, 3A >

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CONTINUED FROM 1A

> Landlord shuffle

In the midst of their financial troubles, the brothers have all but disappeared. Attorneys representing banks don't know where to send paperwork. Law enforcement officials trying to serve subpoenas and other documents have had no luck finding them. Even their own attorneys say they have trouble getting in touch with them.

However, the brothers are expected to be in a Washington County courtroom Sept. 2 to answer allegations that they are in contempt of court for taking rent checks, documents and keys from the office at their former Newport property and for persuading tenants to pay rent in advance while the property was under control of a court-appointed manager, according to a court document. They are accused of taking more than \$23,000 in rent money.

The brothers have not responded to numerous phone and email messages from the Pioneer Press in recent weeks.

NEAR COLLAPSE

The brothers' financial demise appeared imminent late last year, when they defaulted on nearly every mortgage, filed bankruptcy on behalf of two rental properties, owed more than \$900,000 in unpaid taxes and utilities, and ignored lawsuits from unpaid contractors and others.

Of the six rental properties they owned at the start of this year, three have been lost to foreclosure, a Burnsville property was sold to an unrelated new owner, and two others — including the Fridley complex — were sold to people with long ties to the brothers.

This year, their Channel Road property in Fridley and the Peters Place apartments in Columbia Heights were both facing the threat of foreclosure and had long lists of unresolved housing code violations.

Then abruptly, in March, the brothers sold the Peters Place apartments to a company controlled by a Chicago-area doctor, Syed M. Raza. They sold the Channel Road property in July to Zehra Sultana, a woman who lived in their North Oaks home until it was sold at a sheriff's sale this year.

Public records show that the brothers, Raza and Sultana



PIONEER PRESS PHOTOS: JEAN PIERI

Peter Cooper describes the frustrations of living in a Fridley apartment complex formerly owned by Twin Cities landlords and brothers Hyder Jaweed and Asgher Ali. "Me and my mom are on disability," Cooper said, explaining that they had limited means to move to a new residence.

have all sold properties to each other numerous times in the past.

Jaweed and Ali also have a history of frequently moving properties from one company to another, confusing city officials and others. Property records show it's common for one of their companies to buy a property, only to transfer it to another of their companies later — sometimes on the same day, sometimes after months or years.

Public records show the brothers have a long history of doing business with Sultana and Raza. The records also show that both Raza and Sultana have listed the North Oaks home as their residence at some point in the past.

Fridley Assistant Fire Chief John Creilly said he and others in his office were suspicious from the start that the ownership transfer of the Channel Road property was merely a way for Jaweed and Ali to avoid foreclosure. Inspectors there and in neighboring Columbia Heights say the brothers have

been the ones to respond in recent years to problems at other properties owned by Sultana and Raza.

THE ASSOCIATES

Sultana, 61, owns at least four properties in Anoka and Hennepin counties, including Channel Road, mostly under names of corporations set up using a lawyer's name and address.

In March and April, Sultana sold three other Anoka County properties to Raza, including one that she had bought from Jaweed and Ali.

On the documents related to the purchase of the Channel Road property in July, Sultana reported living at an apartment building she recently bought in Minneapolis. When a reporter knocked on the door there Aug. 11, the current tenant said Sultana had moved out Aug. 2. The tenant did not know Sultana owned the building and said she dealt with two Indian men who had not provided their names. (Jaweed and Ali are of Indian descent.)

Sultana did not respond to messages left at a number she provided to inspectors.

Raza, 64, helped Jaweed get his start in the rental property business in the late 1990s, including helping to finance the purchase of a Days Inn hotel in Indiana, according to property and court documents.

In March 2004, Raza filed for personal bankruptcy and off-loaded more than \$1.8 million in debt for the company that owned the hotel. As a result, Raza forfeited his interest in the hotel. Three years later, Days Inn sued Jaweed and the remaining owner for breaching the franchise contract by not keeping the property up to required standards.

Also in the late 1990s, Raza owned some rental properties in Fridley. City inspectors say Jaweed was the primary contact for problems at those properties. Raza gave Jaweed power of attorney to sell one of the properties to a third party, and he sold the other property to Jaweed, according to property records.

When Jaweed and Ali started getting into trouble with their own rental properties, Raza stepped up. In 2006, Raza bought their Minneapolis apartment complex, University Court Apartments, after the city revoked its rental license because of rampant criminal problems. Under Raza's ownership, the city agreed to reinstate the license. A city spokesman said recently that there have only been a handful of complaints in the last couple of years.

Raza, an anesthesiologist at Jesse Brown Veterans Affairs Medical Center in Chicago, declined to comment when reached at his office. He referred calls to Amy Hanson, an employee of a management company that oversees four properties Raza owns in the Twin Cities, including Peters Place.

Hanson said Raza is not affiliated with Jaweed and Ali, and that Raza bought all the properties through a real estate agent. In the past few months, Hanson said, she has overseen exten-

sive repairs at Peters Place, including complete remodels of several units. A new roof was expected to be installed soon, she said.

"We're getting things taken care of that have been neglected for so long," Hanson said. "The residents have been really happy."

COMPLEX IN LIMBO

The Fridley apartments at 6551 and 6571 Channel Road have had a litany of housing code violations since Jaweed and Ali bought them in January 2001.

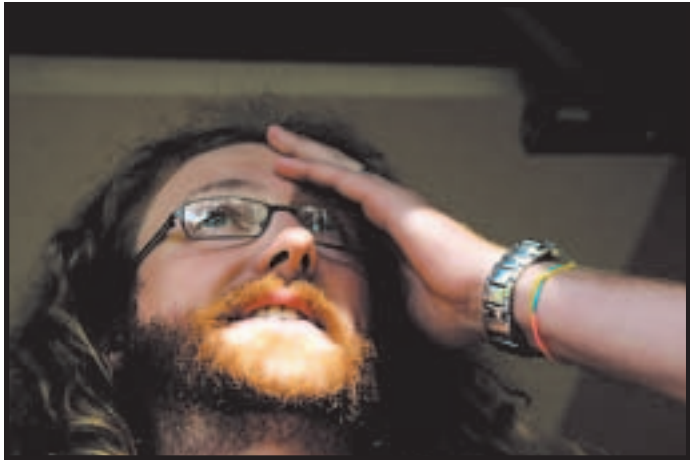
Longtime Channel Road resident Kohls called it "a constant battle, going downhill with the (brothers' ownership)."

This spring, the bank holding the mortgage on the property filed foreclosure proceedings and, in June, a court approved its request to have a receiver take control of the complex.

The brothers abruptly sold the apartments in July to Sultana, who took out a \$1.1 million mortgage and paid off their fal-



The Channel Road complex has been deemed uninhabitable by Fridley officials while they wait for the new owner to make needed repairs. The city isn't forcing residents to move out, but it's encouraging them to do so for safety reasons.



Eric Hauge, an organizer for Home Line, a Twin Cities-based organization that advocates for Minnesota renters' rights, speaks with residents at the Fridley apartment complex earlier this month. The organization is urging residents to move out because of the unsafe living conditions and offering them resources to find comparable housing.

tering one.

The change of ownership prompted a full sweep of the two buildings by city fire inspectors. They identified several concerns and called in the building inspector to examine structural issues, including a roof so neglected it is at risk of collapse.

As a result, the city posted the building uninhabitable Aug. 4 and said no vacant units could be rented because Sultana had not yet applied for a rental license.

Some tenants began to move out. Others stayed behind.

Peter Cooper, who lives in the Channel Road complex with his mother, both of whom subsidize rent with disability funds, said he hoped they wouldn't be forced out.

The management company appointed by the court during the foreclosure process had collected rent just before the notices were posted, and Cooper, like many other tenants in the low-rent complex, said he had nothing left to find a new home.

"We all want to leave, because of the bugs and stuff, but they shouldn't be able to force you out," Cooper said. "Especially if you don't have any money."

While city officials didn't want to evict residents, they said, they had an obligation to protect their safety and enforce the rules for rental property owners.

"Conditions have gotten worse over last month, and at some point you just have to put your foot down and say, 'No, this isn't right and it isn't good for the tenants,'" said Creilly, Fridley's assistant fire chief.

City code gives a new property owner five business days to obtain a rental license. Sultana's attorney contacted the city Thursday a bout six weeks after the purchase. Creilly told him no rental license would be issued until necessary repairs were made.

The city could invoke its authority to evacuate the buildings at any time. As of Thursday, Creilly said, city officials were still discussing what to do.

Home Line, a Twin Cities-based advocate group for renters' rights, is urging tenants to move out because of the unsafe living conditions. In addition, it is offering the tenants resources to find comparable housing. The group also is prepared to

sue the court-appointed manager and the bank to reclaim August rents paid by residents who didn't know there wasn't a license in place and, therefore, no legal right for anyone to collect rent.

"I've told the tenants, the minute somebody shows up, call us and let us know. We're worried that someone will show up on Sept. 1 and demand rent. Some people will probably pay it because they're scared," said Eric Hauge, tenant organizer for Home Line.

Kohls said she's frustrated by both the uncertainty of the building's future and her lack of housing options due to her limited income.

"We don't know which way to turn. We don't know from day to day what's going to happen. We don't know if the city of Fridley is going to come out and put up orange tape and make everybody leave," Kohls said.

"Basically what we're all waiting for is the new owner to step up and say, 'We're here and we're going to take care of this.' But that hasn't happened."

Elizabeth Mohr can be reached at 651-228-5162 or emohr@pioneerpress.com.

MaryJo Webster can be reached at 651-228-5507 or mwebster@pioneerpress.com.

4 troubled properties improve in new hands

By Elizabeth Mohr and MaryJo Webster
Pioneer Press

Four properties formerly owned by Hyder Jaweed and Asgher Ali appear to be headed in a better direction.

The apartment complexes in Brooklyn Center, Forest Lake, Newport and Burnsville all went into foreclosure as distressed properties because of vermin, broken appliances and leaking pipes or safety issues, including broken locks and missing smoke alarms.

Now, under either new ownership or the control of professional management companies, conditions are improving at each of the properties, according to residents and city officials.

Jaweed, 34, and Ali, 30, brothers who go by different last names, once owned as many as 17 rental properties in the Twin Cities and elsewhere. They had a reputation for allowing buildings to fall into disrepair, making fixes only at the last minute and racking up huge utility, tax and contractors' bills.

They've lost or sold the six properties they owned at the beginning of the year.

The brothers tried to save the Newport and Forest Lake properties by filing bankruptcy in October.

A federal bankruptcy judge threw out one of the cases on the grounds that it was filed in bad faith. Jaweed and Ali voluntarily withdrew the other case at a judge's urging.

As a result, banks launched foreclosure actions against both properties.

Jaweed forfeited the Forest Lake complex to the bank, which has hired a management company to run the property and make repairs.

The brothers' apartment complexes in Brooklyn Center and Newport remain in the foreclosure process and are being run by court-appointed managers.

The brothers' troubled Burnsville apartment complex, Charleswood, went into foreclosure and was sold to an unrelated party earlier this year. Over the last two years, the complex drew public attention as a result of lawsuits filed by tenants over

unresolved maintenance issues and a severe bed bug infestation.

In January, both suits were settled and the disgruntled tenants received an undisclosed sum.

During the lawsuits, the court appointed a management company to take over operations of the complex and city officials say residents' complaints stopped.

The new owners — who specialize in buying distressed properties — say things were in bad shape when they took over in June.

"Charleswood was probably more distressed than the average distressed apartment (complex)," said Jon Taxdahl, one of the owners of PRC Acquisitions IV LLC, which purchased the property after a March sheriff's sale. "My partner and I are very experienced investors in distressed properties. Everything's bad. This I would consider to be on the poorer side of bad."

Two of the five buildings were not rentable because of their poor condition and the other three had high vacancy rates, Taxdahl said. Problems ranged from mechanical issues to broken cabinets to non-functioning appliances.

"The previous owners did not apply funds to fix things when they broke," Taxdahl said.

Taxdahl and his partner are in the middle of a multimillion-dollar renovation, fixing or changing every aspect of the 114-unit complex, including the name.

They're installing new carpet, cabinets, appliances, and water heaters, and painting all the units as they become vacant. They'll also build new fitness rooms, renovate laundry rooms and upgrade common areas.

"Our intention is to completely rebrand this to remove any past bad feelings, bad karma from the previous owners," Taxdahl said.

Elizabeth Mohr can be reached at 651-228-5162 or emohr@pioneerpress.com.

MaryJo Webster can be reached at 651-228-5507 or mwebster@pioneerpress.com.

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