

FROM: SILVER PALM HOMES, LLC (“Silver Palm Homes” or “SPH”)

DATE: JULY 20, 2021

RE: **NOTICE OF CORRECTION OF FALSE STATEMENTS PUBLISHED BY MR. RICHARD RIVERA OF SOLAR X HOMES, LLC.**

The purpose of this Notice is to correct false statements published by Mr. Richard Rivera of Solar X Homes, LLC (“Solar X”) in the story posted on the Palm Bay Live website titled – **Palm Bay, Consumer Alert-Solar X Homes** dated March 25, 2021 (the “Consumer Alert”). The false statements published by Mr. Richard Rivera are defamatory in nature and are intended to cause damage to the reputation and goodwill of Silver Palm Homes.

MR. RICHARD RIVERA’S STATEMENTS CONCERNING SILVER PALM HOMES, ARE BALD-FACED LIES AND HE KNOWS IT.

ACCORDINGLY, A DEMAND IS HEREBY MADE THAT MR. RICHARD RIVERA RETRACT THE FOLLOWING FALSE STATEMENTS IMMEDIATELY.

Specifically, Mr. Rivera represents as follows:

[S]olar X is not a builder or general contractor. We are just the owner of the plans and brand as well as the manufacturer of the steel frame intellectual property. The builder we usually work with is Silver Palm homes. They manage the construction and the building project by subcontracting out various work. Admittedly, Solar X has had issues with Silver Palm as a builder. For example, subcontractors have come to us due to non-payment by Silver Palm. (Emphasis added).

The first statement, [S]olar X is not a builder or general contractor, is only true to the extent that Solar X is not a *licensed* builder or a general contractor, but otherwise purports to act as a builder or general contractor, and thus, **this statement is manifestly false and deceptive.**

In fact, as of the date of this correspondence Mr. Rivera, principal of Solar X, is being investigated by the Florida Department of Business and Professional Regulation for conducting activities in the State of Florida as an unlicensed contractor.ⁱ

Mr. Rivera also states “[t]he builder we usually work with is Silver Palm Homes. They manage the construction and the building project by subcontracting out various work.” This statement is **patently false and Mr. Rivera knew of its falsity when made.** In particular, on November 12, 2019, SPH, as owner, and Solar X, as manager, entered into a Development Management Agreement (the “Agreement”),ⁱⁱ which provides, in part, as follows:

- A. As of the date hereof, the Owner [SPH] owns that certain real property located in Palm Bay, Florida. . .ⁱⁱⁱ
- B. Owner [SPH] desires to develop a residential housing project on the

Property (the “Project”)

C. [Solar X] is engaged in the business of constructing, developing and managing residential development projects and has the requisite experience and expertise to manage and develop the Project pursuant to Prudent Industry Practices...

D. [Solar X] desires to manage the Project and perform the Services, and the Owner [SPH] desires to engage [Solar X] to manage the Project and provide the Services, in each case as set forth in this Agreement. (Emphasis added).

Pursuant to the Agreement, Solar X agreed to provide Silver Palm Homes with the following services:

the Services, including, without limitation, pre-development studies, zoning approval, site plan approval, permitting, development, design, and construction management services with respect to the design and construction of the Project, and to assist [SPH] in the development of the Project in accordance with the Plans and Specifications, each and every Approved Budgets, the Project Schedule, and the terms and conditions of this Agreement. (Emphasis added).

Moreover, the Agreement also expressly provides that:

[Solar X] shall exercise reasonable and due care to select reasonably well-qualified Subcontractors based on their experience, availability, reputation and creditworthiness. [Solar X] shall exercise reasonable and due care in the negotiation, preparation, execution, performance and monitoring of each contract entered into by [Solar X] with a Subcontractor. . . [and e]ach such subcontract shall . . . be solely the obligation and liability of [Solar X]. (Emphasis added).

By the plain language of the Agreement, Silver Palm Homes hired Solar X to 1) provide the Services as a contractor, including without limitation, to develop, design and construct the Project; and 2) to provide general contractor and project manager related services by hiring qualified subcontractors to perform services in connection with the Project. **For Mr. Rivera to publicly represent anything to the contrary is manifestly false.**

In fact, Solar X, at the behest of Mr. Rivera, filed two separate lawsuits against Silver Palm Homes in April 2021 in the Circuit Court in and for Brevard County, Florida claiming, among other things, reimbursement for payment Solar X claims it paid subcontractors who purportedly performed work on the Project. In response, SPH filed motions to strike each frivolous lawsuit as a sham, among other things, because Solar X: 1) failed to provide any evidence to support its claims; and 2) at all material times it was conducting illegal activity as an unlicensed contractor. Both lawsuits were voluntarily dismissed by Solar X within weeks of being filed.

Notwithstanding the foregoing, on multiple occasions, SPH has requested Solar X to provide it with this so-called list of subcontractors who are claiming payment, including supporting documents such as, invoices, notices to owner, inspection reports, subcontractor agreements, among other things, all of which Solar X is contractually obligated to provide under the

Agreement. On each and every occasion, Solar X failed or refused to provide such information. As such, Mr. Rivera's statement that subcontractors have come to us due to non-payment by Silver Palm is misleading and denied as false.

**ACCORDINGLY, A DEMAND IS HEREBY MADE THAT MR. RICHARD RIVERA
RETRACT THE FOREGOING FALSE STATEMENTS IMMEDIATELY**

Sincerely,

Management of
Silver Palm Homes, LLC

Notice to Consumers and Vendors: Silver Palm Homes, LLC has terminated and severed all business relationships with Solar X Homes, LLC, Mr. Richard Rivera, Ms. Cathy Rivera (also known as Amira C. Rebolledo), and Mr. Paavo Salmi and any related entity, which includes without limitation, Solar X Power, LLC, Eco Solar Company, LLC, RM Distribution Company, LLC, X Distribution, LLC, X Construction Services, LLC, Steel X Homes, LLC, and CJRM Holdings, LLC.

ⁱ No person shall . . . [e]ngage in the business or act in the capacity of a contractor or advertise himself or herself or a business organization as available to engage in the business or act in the capacity of a contractor without being duly registered or certified. § 489.127, Fla. Stat.

ⁱⁱ The Agreement was terminated on February 1, 2021.

ⁱⁱⁱ The Property consists of various lots located in the City of Palm Bay, Florida.