



Perry Diaz

PerryScope

By Perry Diaz
Sacramento, California

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The Arroyo's In Hot Water

SACRAMENTO, CALIF., Sept. 9 (PinoyGlobal) - The recent exposé of President Gloria Macapagal Arroyo's sons' real estate properties in the U.S. has sparked a maelstrom of criticism against the Arroyo family. Indeed, it has opened a can of worms that dates back before Gloria ascended to the presidency in January 2001.

Gloria's eldest son, Congressman Juan Miguel "Mikey" Arroyo, made the headlines lately when VERA Files exposed his undeclared beachfront home in Foster City, California, an upscale suburb of San Francisco. According to VERA Files, Mikey claimed that "the property was transferred to a company called Beach Way Park LLC as a way of explaining why the property did not appear in his 2007 and 2008 Statement of Assets, Liabilities and Network (SALN)." LLC is short for Limited Liability Company.

However, as of August 31, 2009, the subject property, located at 1655 Beach Park Blvd., is still in the name of Mikey's wife Angela Arroyo Montenegro. It's evidenced by a grant deed dated April 2008 recorded in the San Mateo County Assessor's Office showing Angela as the "grantee." California law stipulates that a property owned by either spouse is considered "community property." In other words, Mikey still owns 50% of the property he transferred to Angela.

Aside from not disclosing his U.S. property in his 2007 and 2008 SALN's, another issue raised was: Where did Mike get the P63.7 million that he used to pay for the property?

During a nationally televised interview by Winnie Monsod, Mikey claimed that he gained his wealth from campaign donors. But campaign donations are supposed to be used only for campaign materials and expenses. In my opinion, to pocket campaign donations and use them for buying properties and businesses is, pure and simple, corruption.

Did these campaign donors expect Mikey to repay them with favors such as government construction contracts and other profitable government projects using his pork barrel funds? If this was the case, then Mikey had indirectly used taxpayers' money to buy properties and businesses in the United States.

In a phone interview with the media, Mikey said "If you examine clearly my SAL, if you read it well, you can see we (his family) can well afford to buy properties." Yes, I believe Mikey. His family has tons of money.

This reminds me of my own experience in 1998 when I had a construction contract to perform seismic retrofit in the basement of a five-story apartment building located at 737 Bush Street, a few blocks from the Philippine Consulate in San Francisco. I was a state-licensed general building contractor at that time. Although my contract was with a certain Filipino-American business woman by the name of Lita (surname withheld for confidentiality), Lita claimed that the building was owned by then Vice President Gloria Macapagal Arroyo and her husband Jose Miguel "Mike" Arroyo. According to Lita, the Arroyos own many real

estate properties in Northern California. She claimed that she was a good friend of Gloria and was entrusted by her to manage their properties.

In 2007, the Bush St. property made the news when a certain Maria Celia Virginia Suarez -- Maricel for short -- allegedly filed a disbarment complaint against Mike Arroyo for immorality. Mike denied that a disbarment petition had been filed against him in court but Suarez's exposé of the Arroyos' real estate holdings in the U.S. makes one to wonder where did the Arroyos get all the money to acquire these properties?

Suarez claimed that she and Mike had a romantic affair since the mid-70's when she was only 26 years old. She claimed that in 2004, Mike convinced her to move to the U.S. and told her that he would divert money from Gloria's 2004 campaign funds to support her.

While she was in the U.S., Suarez said that she gathered documents regarding the property at 737 Bush St. as well as the "Figaro property" -- "Figaro" stood for "First Gentleman Arroyo" -- at the upscale Marina area in San Francisco. Suarez claimed that Mike bought the Marina mansion for \$125 million -- P6.25 billion! -- in December 2004. She claimed that Gloria was present when the payment was made. She also claimed that Mike told her that he was forced by Gloria to transfer the Bush St. property to his brother, Rep. Ignacio "Iggy" Arroyo. Accordingly, the transfer was made after Iggy's testimony during the "Jose Pidal" Senate hearing where Sen. Ping Lacson alleged that Mike laundered more than \$3.7 million in "hot money." It was revealed during the Senate hearing that Mike was having an affair with his secretary, Victoria Toh. The revelation further infuriated Suarez.

In 2005, amidst a multitude of scandals involving the First Family -- which rocked Gloria's administration and threat-

ened her own survival in office -- Mike and son Mikey left the country and went to voluntary exile in the U.S. Mikey was involved in the celebrated jueteng payola scandal. During a Senate hearing, the self-confessed "bagman" pointed to Mikey as the "Lion King" who received the lion's share of jueteng payoffs. Although the "bagman" failed to backup his claims, the furor over the scandal built to a shattering crescendo that eventually forced Mikey and his dad to flee.

They came back a month later to attend the funeral of Mike's older sister who passed away. They never left again. Since then, many more earth-shaking scandals erupted involving members of the First Family, high-ranking government officials, and cronies of the Arroyos.

Mikey's failure to satisfactorily explain where he got the money to purchase a property and businesses in the U.S. and his statement that his family "can well afford to buy properties," is bound to diminish Gloria's influence in her remaining nine months in office. It would make her an ineffectual "lame duck" president. And as such, her political allies would abandon her to look for a new patron amongst the presidential candidates.

With Gloria's attempt to pursue a Charter change to amend the constitution deemed as dead on the water, her departure from the national scene would end her dream of reemerging in the future as a national leader.