

HONORABLE CATHERINE SHAFFER

JUL 2 2 2013



KING COUNTY SUPERIOR COURT OF WASHINGTON

HARTLEY McGRATH,

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v.

Plaintiff.

Plaintill

VESTUS LLC; WINDERMERE REAL ESTATE/EAST, INC., and CHRISTOPHER HALL and JANE DOE HALL and the Marital Community of CHRISTOPHER AND JANE DOE HALL, NO. 12-2-08537-4 SEA

STIPULATION AND ORDER TO AMEND COMPLAINT TO REMOVE CLAIM AND PARTIES

Defendants.

STIPULATION

The parties through their attorneys of record hereby stipulate that plaintiff may amend her complaint to withdraw her claim for fraudulent concealment and to withdraw all claims against Christopher Hall, Jane Doe Hall, and the Marital Community of Christopher and Jane Doe Hall. The proposed Amended Complaint is attached to this stipulation.

REAUGH OETTINGER & LUPPERT, P.S. DEMCO LAW FIRM, P.S.

Sylvia Luppert, WSBA 14802

Attorneys for Hartley McGrath

Lars E Neste, WSBA 28781

Attorneys for Defendants

STIPULATION AND ORDER TO AMEND -1

REAUGH OETTINGER & LUPPERT, P.S.

1601 FIFTH AVENUE, SUITE 2200 SEATTLE, WA 98121-1625

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ORDER Pursuant to the foregoing Stipulation of the parties, the Court hereby approves amendment to the plaintiff's complaint as presented in the attached Amended Complaint. Dated this 22 day of July, 2013 Catherine Shaffer, Judge Presented by: REAUGH OETTINGER & LUPPERT, P.S. DEMCO LAW FIRM, P.S. Sylvia Luppert, WSBA 14802 Attorneys for Hartley McGrath Lars E Neste, WSBA-28781 Attorneys for Defendants

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KING COUNTY SUPERIOR COURT OF WASHINGTON

HARTLEY McGRATH,

Plaintiff,

VESTUS LLC; and WINDERMERE REAL ESTATE/EAST, INC.,

Defendants.

NO. 12-2-08537-4 SEA

AMENDED COMPLAINT

Plaintiff Hartley McGrath, by way of Complaint, alleges

- 1. Hartley McGrath at all times material is a resident of Seattle, King County, Washington.
- 2. Defendant Vestus, LLC ("Vestus") is a Washington limited liability corporation doing business in King County Washington. Vestus, LLC is also a trade name for Defendant Windermere Real Estate/East, Inc.
- Defendant Windermere Real Estate/East, Inc. ("Windermere") is a Washington corporation doing business in King County Washington. Vestus LLC is a trade name for Windermere.
- 4. Vestus and Windermere acted in concert, and the separate acts of each complained of herein were acts for the benefit of all.
 - 5. The acts of Defendants complained of herein occurred in King County Washington

AMENDED COMPLAINT - 1

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making jurisdiction proper in King County.

- 6. Defendants provide real estate brokerage services as defined by RCW 18.85.011, by counseling, consulting, and advising buyers and acting for buyers in connection with real estate transactions.
- 7. Windermere is a real estate licensees as defined by RCW 18.85.011. Vestus holds itself out as a licensee.
- 8. The Defendants hold themselves out as experts in the purchase of foreclosing real property. Defendants provide training and information on purchasing foreclosing property, and facilitate the financing and acquisition of foreclosing properties.
- 9. Vestus advertises that it gathers "real time market data" on foreclosing properties, "mines" the data, physically drives to the properties in order to ensure the accurate analysis of each property, and rigorously and carefully analyses the information it has collected.
 - 10. Vestus promises to make all the information it has compiled available to its Client.
- 11. Vestus requires persons who utilize Defendants' services to execute a Compensation/Confidentiality Client Agreement ("Client Agreement"). The Client Agreement provides for a payment of a commission to Vestus for its services.
- 12. Hartley McGrath executed the Client Agreement on March 22, 2011 relying upon Vestus' advertised expertise and diligence, and upon its promise to provide her with accurate and complete information.
- 13. On the evening of April 7, 2011, Hartley McGrath met with Vestus principal Christopher Hall to discuss properties scheduled for foreclosure auction the next day. Hall provided McGrath information and recommendations on properties. Based upon Hall's recommendations, McGrath selected four properties for bidding.

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- 14. On the morning of April 8, 2011, Hall bid on the properties selected by McGrath. His bid on the Property was the successful bid.
- 15. McGrath discovered after the purchase that the foundation of the building on the Property was cracked and settling.
- 16. Evidence of foundation movement was observable from public property outside the Property. A reasonably competent observer driving by the property for Vestus would have seen the settling issues.
- 17. Information readily available to real estate professionals, but not to the public, included agents' remarks that the foundation of the Property had settling issues.
 - 18. The Defendants did not disclose the settling problems to McGrath.
- 19. But for Defendants' failure to disclose settling issues, McGrath would not have purchased the Property.
 - 20. McGrath was compelled to repair the foundation problems at great expense.
- 21. The actions of Defendants violate the Client Agreement between Vestus and McGrath.
- 22. The actions of Defendants violate the laws intended to protect parties in real estate transaction, including Chapters 18.85 and 18.86 RCW.
 - 23. The actions of Defendants constitute negligent misrepresentation.
- 24. The actions of Defendants violate the Consumer Protection Act, Chapter 19.86 RCW.

Wherefore Hartley McGrath prays for the following relief against Defendants:

- 1. For an award of all damages caused by Defendants' failures;
- 2. For her attorneys fees and expenses;

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