September 12, 2011

TO: TOWN OF SKYKOMISH FROM: SKYKOMISH HOTEL LLC

RESPONSE TO:

1. Received 2011-09-03 – Notice and Complaint ('Complaint')

2. Received 2011-09-03 – Skykomish Building Department Notice ('Notice') Dated 2011-07-20

In response to the above referenced Complaint and Notice, please be advised as follows:

- 1. Investors Property Services LLC has no ownership or financial interest in the Skykomish Hotel and never has had any such interest. The property is owned by Skykomish Hotel LLC ('Hotel Owner'), formerly known as Investors Property Service LLC (note difference between 'Services' and 'Service'). Investors Property Services LLC acts as Registered Agent and Managing Agent for Hotel Owner. The Complaint is brought against a party who does not own the building.
- 2. In response to Paragraph 2.2 and Exhibit B of the Complaint, Managing Agent for Hotel Owner first received the Notice from Skykomish Building Department on September 3, 2011, which requests from Hotel Owner 'an action plan including a schedule of repairs and commitment dates for making those repairs' to be submitted to the Building Department 'within 30 days and carried out within 60 days' of its 'receipt of' the Notice'. Insufficient time has elapsed to allow Hotel Owner to comply with the Notice prior to the scheduled hearing date.
- 3. Based on the foregoing two items, the Complaint and service thereof are defective. The Complaint must be re-filed and re-served on the correct party and the hearing date must be rescheduled to allow for the plan requested by the Building Department to be devised, presented and carried out. Investors Property Services LLC, a real estate management company, serves as Registered Agent for the Hotel Owner and will accept service of the revised and re-filed Complaint via email and United States Postal Service mail.
- 4. Hotel parties believe the sole basis for the Complaint is the Town's continued discrimination, retaliation and harassment of the Hotel Owner. We request: documentation of all building inspector reports, permitting and actions taken prior to July 20, 2011, and separately documentation of all building inspector reports, permitting and actions for the period between July 20, 2011 through the date of response to this request, for all derelict and/or offensive properties including but not limited to

those shown in attached photos (except as to the burned out Aydelotte property – photo 14, please provide documentation as to the Town plan to protect citizens from harm, injury and offense). See photos (below) which show actual derelict properties in violation of Skykomish Municipal Code Section 15.25.060 that do not appear to have been, or are, being treated similarly by the Town.

5. <u>Previous incidents of ongoing discrimination, retaliation and harassment of the Hotel Owner are extremely well documented</u>. In the event the Town elects to proceed with this Complaint, Hotel parties will pursue all appropriate remedies necessary to protect their interests and investment. This will result in extensive costs for the Town, citizens and taxpayers and upon final judgment will likely, based upon the evidence, be in Hotel Owner's favor.

In order to provide clarity of misrepresentations contained in the defective Complaint:

- 1. Contrary to the statements contained in Paragraph 1.4 of the Complaint, <u>no tax warrant was ever received by Hotel Owner and all taxes are current on the property</u>. Town legal counsel failed to attach a copy of their purported Warrant Judgment.
- 2. In response to Paragraph 3.1, the Complaint references Skykomish Municipal Code Section 15.25.060 in determining the Hotel 'constitutes a nuisance' as the 'condition of the improvements annoy and endangers the health and safety of others.' The Skykomish Building Department has made no investigation to support these statements. In the absence of such investigation, the Skykomish Building department has insufficient information to determine the condition of the Hotel building. Hotel Owner received no notice from the Skykomish Building Department until September 3, 2011. No other notice or request from the Skykomish Building Department has been received by Hotel Owner for a formal inspection to determine the actual condition of the Hotel building.
- 3. In response to Paragraph 3.2, <u>discussion of assessed value of the Hotel is irrelevant</u> because assessed values typically represent 30-60% of actual market value. <u>An agreement between a willing buyer and a willing seller is what determines the market value of all real estate.</u>
- 4. In response to paragraph 3.3, Skykomish Municipal Code Section 15.25.070 requires there to be a preliminary investigation. No such investigation has occurred. A few exterior photos does not constitute an investigation. No other notice or request from the Skykomish Building Department has been received by Hotel Owner for a formal inspection to determine the actual condition of the Hotel building. The Skykomish Building department has insufficient information to determine the actual condition of the Hotel building and fails to provide documentation to support the statements made.

OTHER DERELICT PROPERTY PHOTOS (14 total) below:



























