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SUPERIOR COURT OF WASHINGTON FOR KING COUNTY

REDMOND-FALL CITY LLC, a Washington  
limited liability company; and ELAINE  
COLES, a single individual,

Plaintiffs,

v.

MARIA DANIELI, INC., a Washington  
corporation; MARIA DANIELI, individually,  
and the marital community composed of  
MARIA DANIELI and JEFF KRUEGER;  
WINDERMERE REAL ESTATE/EAST, Inc.,  
aka WINDERMERE BELLEVUE WEST, a  
Washington corporation; MICHAEL S. and  
JILL M. PHILPOTT, husband and wife, and  
the marital community composed thereof; and  
ROBERT J. and SHARMA L. BOSTWICK,  
husband and wife, and the marital community  
composed thereof,

Defendants

No.

COMPLAINT FOR DAMAGES AND TO  
QUIET TITLE

COME NOW Plaintiffs Redmond-Fall City LLC (“RFC”) and Elaine Coles and for  
claims and causes of action allege as follows:

**I. PARTIES**

1.1 Plaintiff Redmond-Fall City LLC is and was at all times relevant to this  
action a Washington limited liability company with its principal place of business in King  
County, Washington. RFC has paid all fees and other sums due to the State of Washington

1 and is an active limited liability company in good standing. RFC previously owned all four  
2 contiguous parcels described below and now is the owner of "Parcel 2," also described  
3 below. All the real property at issue in this action is located in King County, Washington.

4 1.2 Plaintiff Elaine Coles was at all times relevant to this action a single  
5 individual residing in King County, Washington, and the managing member of RFC.

6 1.3 Maria Danieli, Inc., ("MDI") was at all times relevant to this action a  
7 Washington corporation engaged in providing real estate brokerage services and with its  
8 principal place of business in King County, Washington.

9 1.4 Defendant Maria Danieli was at all times relevant to this action a licensed  
10 real estate salesperson in the State of Washington working for and/or under the auspices of  
11 MDI and Windermere Real Estate/East, Inc. Ms. Danieli is married to Jeff Krueger and  
12 resides in King County, Washington. All of Ms. Danieli's acts or omissions alleged herein  
13 were undertaken on behalf of herself individually, her marital community, MDI, and  
14 Windermere Real Estate/East, Inc.

15 1.5 Windermere Real Estate/East, Inc., aka Windermere Bellevue West  
16 ("Windermere"), was at all times relevant to this action a Washington corporation engaged  
17 in providing real estate brokerage services and with its principal place of business at 11100  
18 Main Street, Suite 200, Bellevue, King County, Washington, 98004.

19 1.6 Ms. Danieli, MDI and Windermere are collectively referred to herein as "the  
20 Windermere Defendants."

21 1.7 On information and belief, Defendants Michael S. and Jill M. Philpott ("the  
22 Philpotts") are husband and wife residing in King County, Washington. The Philpotts are  
23 the owners of "Parcel 4," described below. All the acts or omissions herein alleged of  
24 Michael or Jill Philpott were undertaken on behalf of themselves individually and on behalf  
25 of their marital community.



1 to Parcel 2. This water line was Parcel 2's sole source of water. Water access was and is  
2 necessary for the use, enjoyment and development of Parcel 2.

3 3.4 After Ms. Coles met Ms. Danieli, Ms. Danieli portrayed herself as an  
4 experienced expert in acreage parcels, country estates, equestrian facilities and other luxury  
5 properties. Ms. Danieli claimed to have experience and expertise in subdividing and  
6 parceling off larger properties like RFC's and in selling off the resulting parcels. At the  
7 suggestion of and urging of Ms. Danieli, Ms. Coles and RFC agreed to sell off the  
8 westernmost parcel of the Property ("Parcel 1") to the Cowens on or about August 31,  
9 2006. Ms. Danieli served a dual-agency role in that transaction, acting as both seller's  
10 agent and buyer's agent.

11 3.5 After the Cowen sale, Ms. Danieli encouraged Ms. Coles and RFC to sell off  
12 more of the Property. Ms. Danieli told Ms. Coles that \$850,000 was a good price for Parcel  
13 3 and that \$350,000 was a good price for Parcel 4. Ms. Danieli brought Ms. Coles an offer  
14 from the Philpotts for those two parcels at those prices. When Ms. Coles expressed  
15 reservations, Ms. Danieli assured Ms. Coles that the proposed Purchase and Sale  
16 Agreements were only place-holders to allow negotiations to continue, that there were  
17 plenty of contingencies and that she (Ms. Coles) could get out of the deals if she wanted to.

18 3.6 In light of and in reliance on Ms. Danieli's assurances and other  
19 representations, Ms. Coles executed Purchase and Sale Agreements with the Philpotts for  
20 Parcels 3 and 4 for \$850,000 and \$350,000, respectively, on or about June 5, 2007.  
21 Unbeknownst to RFC and Ms. Coles, Ms. Danieli had attached an incorrect legal  
22 description to the Purchase and Sale Agreement for Parcel 3, the proposed purchase prices  
23 were too low and RFC and Ms. Coles were not able to get out of the deals. The Philpotts  
24 closed on their purchase of Parcel 4 on or about August 28, 2007.

1           3.7 By an Addendum/Amendment to Purchase and Sale Agreement, dated  
2 September 21 and 25, 2007, the Philpotts' rights and obligations under the Purchase and  
3 Sale Agreement to purchase Parcel 3 for \$850,000 were assigned to the Bostwicks.

4           3.8 Throughout these transactions Ms. Danieli continued to act as dual agent to  
5 buyers and seller. Ms. Danieli knew and acknowledged that Ms. Coles and RFC intended  
6 to keep Parcel 2 and subdivide and develop it. Ms. Danieli also knew that access to water  
7 was necessary for development of Parcel 2 and that such access needed to be preserved.  
8 Nevertheless, in advising Plaintiffs and serving as seller's agent, Ms. Danieli failed to  
9 timely advise Plaintiffs regarding expressly reserving a water easement for Parcel 2, failed  
10 to ensure that a water easement was expressly reserved in the relevant documents and failed  
11 to advise Plaintiffs to obtain other counsel or expertise regarding water access.

12           3.9 After execution of the Purchase and Sale Agreements for Parcels 3 and 4, in  
13 September or October 2007, the Bostwicks and Philpotts complained to Ms. Coles that the  
14 water line serving the Bostwicks' Parcel 3 (and RFC's Parcel 2) ran through the Philpotts'  
15 Parcel 4. The Philpotts threatened to sue Ms. Coles and/or RFC as a result.

16           3.10 Faced with the threat of legal action by the Philpotts, Ms. Coles agreed to a  
17 pair of agreements with the Philpotts and Bostwicks. By Waiver of Claims and Indemnity  
18 Agreement dated December 24, 2007, in exchange for Ms. Coles's agreement to accelerate  
19 the Bostwick closing and agree to certain other terms, the Philpotts released and waived any  
20 claim for damages against RFC regarding the water line crossing the Philpotts' Parcel 4 and  
21 agreed to indemnify RFC against any claim by the Bostwicks or by RFC's tenant on Parcel  
22 2 regarding the removal or relocation of the water line.

23           3.11 In conjunction with the Waiver of Claims and Indemnity Agreement, Ms.  
24 Coles agreed to certain concessions to the Bostwicks in an Addendum to Purchase and Sale  
25 Agreement dated January 4, 2008. In the Addendum, the Bostwicks specifically  
26

1 acknowledged RFC's intent to subdivide and develop Parcel 2 and agreed not to oppose any  
2 such subdivision or development.

3 3.12 On information and belief, the Philpotts and Bostwicks subsequently reached  
4 an agreement pursuant to which the Philpotts moved the then-existing water line but  
5 continued to provide water to the Bostwicks on Parcel 3. The new water line does not  
6 provide water to Parcel 2.

7 3.13 The Philpotts and Bostwicks have refused to grant Ms. Coles and RFC an  
8 express easement for water access to cross their respective parcels. In addition, when Ms.  
9 Coles and RFC attempted to negotiate a water-line easement across the Drinkwine property,  
10 immediately west of Parcel 4 and south of Parcel 2, the Philpotts and Bostwicks opposed  
11 such an easement and convinced the Drinkwines to deny Plaintiffs any such easement.

12  
13 **IV. FIRST CAUSE OF ACTION – THE WINDERMERE DEFENDANTS’**  
14 **BREACHES OF FIDUCIARY DUTIES**

15 4.1 Plaintiffs re-allege paragraphs 1.1 through 3.13 of this Complaint as though  
16 set fully set forth here.

17 4.2 As licensed real estate salespeople, agents and brokers, by state statute  
18 (RCW 18.86) and by common law, Ms. Danieli, MDI and Windermere owed fiduciary  
19 duties as seller's agents to Plaintiffs. In her acts and omissions as dual agent in the sales of  
20 Parcel 3 and Parcel 4 to the Philpotts and the Bostwicks, respectively, Ms. Danieli,  
21 individually and as a representative of MDI and Windermere, fell beneath the standard of  
22 care for real estate licensees in the State of Washington and breached the Windermere  
23 Defendants' fiduciary duties to Plaintiffs.

24 4.3 As a result of the Windermere Defendants' breaches of their fiduciary duties,  
25 Plaintiffs have been damaged and are entitled to recover the resulting monetary damages in  
26 an amount to be proven at trial.





1           4.     For judgment quieting title via implied reservation in a water-line easement  
2 for the benefit of Plaintiffs' Parcel 2 and burdening the Bostwicks' Parcel 3 and the  
3 Philpotts' Parcel 4;

4           5.     For judgment quieting title via private condemnation to a portion of Parcels  
5 3 and 4 to allow the installation and maintenance of a water line for the benefit of Parcel 2  
6 and sufficient for Parcel 2's use, enjoyment and development; and

7           6.     For such other relief as the Court may deem just, equitable and proper.

8  
9 Dated this 15<sup>th</sup> day of June, 2010.

10  
11 **WALLACE CAMPBELL, PLLC**

12 By:   
13 Scott W. Campbell, WSBA #18491  
14 Counsel for Plaintiffs RFC and Coles

15 s/Scott Campbell  
16 WSBA No. 18491  
17 Wallace Campbell, PLLC  
18 1700 7<sup>th</sup> Avenue, Suite 2100  
19 Seattle, WA 98101  
20 Telephone: 206-357-8424  
21 Fax: 206-357-8425  
22 Email: [scampbell@wallacecampbell.com](mailto:scampbell@wallacecampbell.com)

1 **DECLARATION OF SERVICE**

2 I hereby certify that I am over the age of 18 years and not a party to the above action  
3 and that on the date below, I served a true and correct copy of the foregoing **SUMMONS** and  
4 **COMPLAINT** on the parties listed below in the manner indicated:  
5

6 Maria Danieli  
7 15861 SE 16<sup>th</sup> St.  
8 Bellevue, WA 98008

- via ABC messenger service
- via special process service
- via first class mail
- via facsimile
- via e-mail

9 Maria Danieli, Inc.  
10 15861 SE 16<sup>th</sup> St.  
11 Bellevue, WA 98008

- via ABC messenger service
- via special process service
- via first class mail
- via facsimile
- via e-mail

12 Windermere Real Estate/East, Inc.  
13 aka Windermere Bellevue West  
14 11100 Main St. Ste. 200  
15 Bellevue, WA 98004

- via ABC messenger service
- via special process service
- via first class mail
- via facsimile
- via e-mail

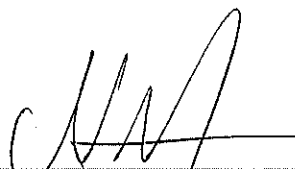
16 Robert and Sharma Bostwick  
17 2432 278<sup>th</sup> Ct. SE  
18 Fall City, WA 98024

- via ABC Messenger Service
- via special process service
- via certified mail
- via facsimile
- via e-mail

19 Michael and Jill Philpott  
20 31608 SE 40<sup>th</sup> St.  
21 Fall City, WA 98024

- via ABC messenger service
- via special process service
- via first class mail
- via facsimile
- via e-mail

22  
23  
24 DATED: June 1, 2010

25   
26 \_\_\_\_\_  
Natasha Johnston, Legal Assistant