

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR KING COUNTY

WINDERMERE REAL ESTATE SERVICES
COMPANY., a Washington corporation,

Plaintiff,

vs.

ELDON J. MAXWELL, II, an individual a/k/a/
JOE MAXWELL, a/k/a JOSEPH MAXWELL,
and JANE DOE MAXWELL, husband and wife
and the marital community thereof;

Defendants.

Cause No.:

VERIFIED COMPLAINT

I. PARTIES

1. Plaintiff WINDERMERE REAL ESTATE SERVICES COMPANY is a Washington corporation doing business as Windermere Services Company (WSC), with a principal place of business at 5424 Sand Point Way NE, Seattle, WA 98105.
2. Defendant ELDON J. MAXWELL, II, is a married man a/k/a/ JOE MAXWELL, a/k/a JOSEPH MAXWELL, residing in Spanaway, Washington.

- 1 3. Defendant JANE DOE MAXWELL is a married woman residing in Spanaway,
2 Washington. Together the MAXWELL Defendants comprise a marital community.

3 II. JURISDICTION AND VENUE

- 4 4. This action seeks collection of amounts owing under a promissory note and personal
5 guaranty, both of which state that jurisdiction and venue are proper in this court. See
6 Exhibits 1 and 2, attached hereto.

7 III. FACTS

- 8 5. On or about December 1, 2008, Defendant ELDON J. MAXWELL, II, (hereafter
9 "MAXWELL") executed an "Unconditional Guaranty of Payment" (the "Guaranty")
10 dated November 7, 2008, a true and correct copy of which is attached hereto as Exhibit 1.
11 6. Under the Guaranty MAXWELL agreed, individually and on behalf of his marital
12 community, to unconditionally guarantee the performance and payment of a certain
13 Promissory Note dated November 7, 2008 in the original principal amount of
14 \$185,257.66 (the "Note").
15 7. Windermere-Puyallup/Canyon Road, LLC (WPCR) was the maker of the Note.
16 MAXWELL signed the note as Manager of WPCR. A true and correct copy of the Note
17 is attached hereto as Exhibit 2.
18 8. In executing the Note and Guaranty MAXWELL was acting in furtherance of the
19 interests of his business, the profits of which accrued to the benefit of MAXWELL'S
20 marital community.
21 9. The Note required monthly payments of \$3,581.55 starting in December 2009 and
22 continuing monthly through November 2014.
23 10. The Note provided for a late fee of 10% on any payment more than ten days late. The
24 last five payments by WPCR (December 2009 through April 2010 inclusive) under the
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1 note were all more than ten days late. Late charges were therefore deducted from those
2 payments and the balance applied to principal and interest as provided in the Note.

3 11. WPCR has failed to make six payments as required by the Note (payments for May
4 through October 2010, inclusive). As of the date of this Complaint accrued and unpaid
5 late charges of \$2,148.93 are owing to WSC. See attached Exhibit 4. Additional late
6 charges of \$358.16 continue to accrue for each month that a payment is not timely made.

7 12. The last payment was received from WPCR on April 30, 2010. After application of that
8 payment there remained a principal balance owing under the Note of \$172,465.63. See
9 attached Exhibit 4.

10 13. The Note provided for interest at six percent (6%) per annum.

11 14. The Note and Guaranty contain contractual attorney fee provisions under which the
12 Maker and the Guarantors are liable for attorney fees and costs incurred by WSC in this
13 action.

14 a. IV. CAUSES OF ACTION

15 15. WPCR is in default under the terms of the Note for failure to make payments as required,
16 and WSC has declared all outstanding sums owed under the Note to be immediately due
17 and payable.

18 16. MAXWELL and his marital community are liable as guarantors under the Guaranty for
19 all amounts owing by WPCR to WSC under the Note.

20 V. PRAYER FOR RELIEF


21 Wherefore Plaintiff now requests judgment against all MAXWELL and his marital community
22 in the following amounts:

23 A. \$172,465.63, representing the principal amount owing on the Note, plus pre-
24 judgment interest on said amount at the rate of six percent per annum (6%) from
25 April 30, 2010 through the date of judgment.

- 1 B. \$2,148.93 for accrued and unpaid late charges for the months of May – October,
2 2010, inclusive, plus an additional \$358.16 for each additional month that
3 payment is not made until the date of judgment.
- 4 C. Attorney's fees and costs incurred by WSC in this matter, as provided by the Note
5 and Guaranty.
- 6 D. Post-judgment interest on the total judgment amount at the statutory rate.
- 7 E. Such other relief as the Court may deem just and proper.
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9 Dated October 12, 2010

10 PAUL STEPHEN DRAYNA, P.S.

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12 By Paul S. Drayna, WSBA #26636
13 Attorney for Plaintiff

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1 VERIFICATION

2 Geoffrey P. Wood, having been first duly sworn, hereby states:

- 3 1. I am the Chief Executive Officer of WSC, and I am authorized to execute this Verification
4 on its behalf.
- 5 2. I am familiar with the facts of the issues set forth above in this Complaint.
- 6 3. I hereby swear or affirm, under penalty of perjury under the laws of the State of
7 Washington, that the facts set forth above are true to the best of my knowledge.
- 8 4. I have reviewed all documents attached hereto, and they are true and correct copies of the
9 original documents, which were maintained by WSC in the ordinary course of business.

10 Dated this 12th day of October, 2010, at Seattle, Washington.

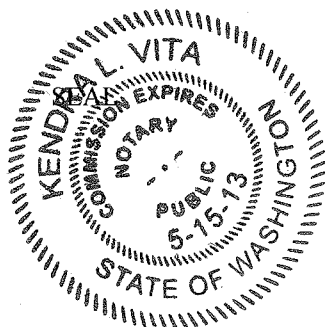
11 

12
13 Geoffrey P. Wood

14 STATE OF Washington)
15)ss.
16 COUNTY OF King)

17 I certify that I have personal knowledge or satisfactory evidence that Geoffrey P. Wood is the person who appeared
18 before me, that said person verified the statement to which this is affixed upon oath or affirmation, and that the
19 signature on the statement verified is the true signature of the person who appeared before me.

20 Dated: 10/12/10



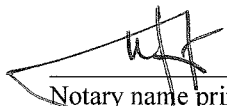
21 
22 Notary name printed or typed: KENDRA VITA
23 Notary Public in and for the State of Washington
24 Residing at SEATTLE, WA
25 My appointment expires: 5/15/13

EXHIBIT 1

UNCONDITIONAL GUARANTY OF PAYMENT

THIS UNCONDITIONAL GUARANTY OF PAYMENT ("Guaranty") is made as of November 7, 2008 by Joseph Maxwell and Teresa Streg-Maxwell, husband and wife and the marital community thereof; and Michael and Joyce Ratcliffe, husband and wife and the marital community thereof ("Guarantor", and if more than one guarantor, each a "Guarantor"), to Windermere Real Estate Services Company, a Washington corporation doing business as Windermere Services Company, and its successors, participants and assigns ("Lender").

RECITALS:

A. Lender is the franchisor entity for Windermere Real Estate offices throughout the western United States, and owns the Windermere name, trademarks and associated intellectual property.

B. Windermere-Puyallup/Canyon Road, LLC ("Borrower") is a Washington limited liability company, which on October 1, 2000 entered into a Windermere Real Estate License Agreement with Lender. The License granted Borrower the right to conduct its real estate brokerage business under the Windermere name and trademarks. In consideration of the license, Borrower agreed to pay certain ongoing franchise and other fees to Lender.

C. Borrower defaulted in payment of the franchise and other fees owed to Lender. Per the terms of the license agreement, Lender gave Borrower written notice of default, and demanded cure within fifteen days.

D. Borrower is unable to pay all amounts owing to Lender in full immediately. Lender has agreed to accept a promissory note from Lender in lieu of immediate payment of the amounts owing, on the condition that the note be personally guaranteed by the principals of Borrower.

E. Accordingly, Borrower has now executed a Promissory Note in the principal sum of \$185,257.66. The Note, this Guaranty, and all other agreements now or hereafter made by Borrower in connection with the Loan shall be collectively referred to as the "Loan Documents."

F. Guarantor has a financial or other interest in Borrower, will benefit from the making of the Loan by Lender, is familiar with and understands the terms and conditions of the Loan, the Loan Documents, and is satisfied with and approves the same in all respects without condition or reservation. As a material inducement to Lender to make the Loan, Guarantor has agreed unconditionally to guarantee the full and punctual payment and performance of the "Guaranteed Obligations" (defined below).

AGREEMENT:

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, to induce Lender to accept the Note to cure the defaults by Borrower under its Windermere franchise agreement, and to make the Loan to Borrower, Guarantor covenants and agrees:

1. **GUARANTEED OBLIGATIONS.** As used in this Guaranty, the term "**Guaranteed Obligations**" is defined in its broadest and most comprehensive sense to mean all primary, secondary, direct, indirect, fixed and contingent, debts, duties, agreements, undertakings, obligations, covenants and conditions now or at any time in the future to be paid or performed by Borrower in connection with or relating to the Loan or any financial accommodations which Lender may from time-to-time extend or provide to or for the benefit of Borrower in connection with the Loan including, without limitation, all of Borrower's obligations to pay principal, interest, and other fees, charges, sums, costs, reimbursements and expenses which at any time may be owing under or in connection with the Loan, the Loan Documents, any business or financial accommodation made or provided in connection with the Loan, as any or all of them may from time to time be modified, amended, extended, renewed or restated.

COPY

2. **GUARANTY.** Guarantor unconditionally, absolutely and irrevocably guarantees to and for the benefit of Lender the full, prompt and complete payment and performance by Borrower of the Guaranteed Obligations. If any of the Guaranteed Obligations are not paid or performed by Borrower as and when such payment or performance is due or required, then on demand from Lender, Guarantor will pay or perform the same.

3. **INDEPENDENT OBLIGATION.** This Guaranty is an independent obligation of Guarantor, separate and distinct from the Guaranteed Obligations. A separate action may be brought or prosecuted against Guarantor, whether or not any such action is brought or prosecuted against Borrower or any other Guarantor or other party, or whether Borrower or any other Guarantor or any other party is joined in any such action or actions. This Guaranty is an absolute guarantee of payment and performance, and not a guarantee of collection. The obligations of Guarantor under this Guaranty are direct and primary, regardless of the validity or enforceability of any instrument or agreement giving rise to any of the Guaranteed Obligations. Guarantor shall continue to be liable under this Guaranty even if all or part of the Guaranteed Obligations become uncollectible by operation of law or otherwise.

4. **WAIVERS.** Guarantor waives (a) notice of Lender's acceptance of this Guaranty; (b) notice of any advances made by Lender pursuant to any instrument or agreement giving rise to the Guaranteed Obligations; (c) any defense arising from or out of the exercise by Lender of any right or remedy it may have with respect to the Guaranteed Obligations; (d) grace, demand, presentment, notice of dishonor and protest with respect to the Guaranteed Obligations; (e) any defense based upon any change in the name, location, composition or structure of Borrower, or any change in the type of business conducted by Borrower, or any other change in the financial condition, identity or legal status of Borrower; (f) the benefit of suretyship defenses generally; and (g) any defense based upon any failure by Lender to obtain a similar guaranty from any other person or entity, or file a creditor's claim in the estate of any person or entity, including Borrower, whether in administration, bankruptcy or any other proceeding.

Guarantor acknowledges that Lender has no obligation to Guarantor to make further loans or advances to Borrower, or to see to the proper use and application of the funds so advanced. Guarantor understands that the Guaranteed Obligations and this Guaranty can involve substantial risks for Guarantor and agrees that Lender is not a trustee or fiduciary for Guarantor and undertakes no duty, obligation responsibility or special relationship to Guarantor to see to proper use and application of any loan or advance or otherwise to protect and not act adversely to Guarantor's interests. Any application or use of loan proceeds or advances for purposes other than those provided for in Borrower's agreements with Lender shall not defeat, limit or impair this Guaranty in whole or in part.

5. **RIGHTS OF LENDER.** Lender shall not be bound to exhaust its recourse or take any action against Borrower or against any other person or entity, or proceed against any collateral or against any particular collateral, but Lender may make such demands and take such actions as it deems advisable, and Lender, without affecting the liability of any Guarantor under this Guaranty, may with or without notice or consideration (i) release any other person or entity liable for all or any of the Guaranteed Obligations; (ii) extend the maturity, modify the terms, grant any indulgence or forbearance or postpone the time of payment or performance of all or any part of the Guaranteed Obligations or otherwise amend or modify the terms of any agreement or instrument giving rise to all or any of the Guaranteed Obligations; and (iii) release all or any part of the existing or any future security for the Guaranteed Obligations. All rights and remedies of Lender under this Guaranty, at law or in equity are separate and cumulative and may be pursued separately, successively, or concurrently, or not pursued, without affecting or limiting any other right or remedy of Lender and without affecting or impairing the liability of Guarantor under this Guaranty.

6. **WAIVER OF SUBROGATION AND REIMBURSEMENT RIGHTS.** Until the Guaranteed Obligations have been paid and performed in full, and to the fullest extent permitted by law, Guarantor releases and waives any claim, right or remedy which Guarantor may have against Borrower arising from this Guaranty and/or from the performance by Guarantor of Guarantor's obligations under this Guaranty, including any claim, remedy or right of subrogation, reimbursement, exoneration, contribution, indemnification or participation in any

claim, right or remedy of Lender against Borrower, or any security which Lender now has or hereafter acquires, whether such claim, right or remedy arises under contract, by statute, under common law or otherwise.

7. **SUBORDINATION OF DEBT.** Any present or future indebtedness of Borrower to Guarantor is hereby unconditionally subordinated to the Guaranteed Obligations. Following written request by Lender, any payment of such indebtedness of Borrower to Guarantor shall be collected, enforced and received by Guarantor in trust for the benefit of Lender and promptly paid over to Lender on account of the Guaranteed Obligations, but without reducing or affecting in any manner the liability of such Guarantor under the other provisions of this Guaranty. Failure to remit shall be equivalent to misappropriation while acting in a fiduciary capacity so as to constitute a non-dischargeable debt under the U.S. Bankruptcy Code.

8. **GUARANTY SURVIVES EXERCISE OF LENDER'S REMEDIES.** Lender, at its option and in its sole discretion, may proceed against any collateral securing any of the Guaranteed Obligations by way of judicial or non-judicial foreclosure or any other lawful remedy for the enforcement of its rights, and the obligations of Guarantor under this Guaranty shall survive Lender's exercise of any such right or remedy. Guarantor understands that Lender's exercise of its rights and remedies including, without limitation, a non-judicial foreclosure of any deed of trust securing any of the Guaranteed Obligations could impair, eliminate or destroy subrogation, reimbursement, contribution, indemnification and other rights Guarantor may have against Borrower or others for amounts paid by Guarantor under this Guaranty; nevertheless, Guarantor hereby waives and relinquishes any claim or defense based upon the loss of any such rights, election of remedies, discharge and satisfaction of the Secured Obligations to the fullest extent permitted by law.

9. **APPLICATION OF PAYMENTS.** Lender may apply any payments received by it from any source against any portion of the Guaranteed Obligations in such order and priority as Lender may deem appropriate. No payment received by Lender from any source other than a direct payment made by Guarantor pursuant to a written demand by Lender shall be credited against Guarantor's obligations under this Guaranty.

10. **CONTINUING GUARANTY.** This Guaranty covers any and all of the Guaranteed Obligations, whether presently outstanding or arising subsequent to the date of this Guaranty. This Guaranty shall continue until each and every Guaranteed Obligation is paid and performed in full. If at any time payment or performance of all or any part of the Guaranteed Obligations is rescinded or must otherwise be restored or returned by Lender as a result of the insolvency, bankruptcy or reorganization of Borrower or otherwise, this Guaranty shall be reinstated. Guarantor hereby assigns to Lender all rights against Borrower which Guarantor may have (whether or not related to the Guaranteed Obligations) in any proceedings under the United States Bankruptcy Code or in any receivership or other insolvency proceeding. This Guaranty is binding upon and enforceable against Guarantor and its, his or her heirs, devisees, personal representatives, successors and assigns. Each married individual who executes this Guaranty intends to bind both his or her separate estate and his or her marital community. This Guaranty is intended for and shall be binding upon and inure to the benefit of Lender and each and every person or entity who, by assignment, endorsement, participation agreement or otherwise, succeeds to all or any part of Lender's rights under the Guaranteed Obligations, irrespective whether such transfer is voluntary or involuntary or occurs for operation of law. Guarantor shall not, without the prior written consent of Lender, sell, lease, assign, encumber, hypothecate, transfer or otherwise dispose of all or a material part of Guarantor's assets or of any interest therein.

11. **FINANCIAL INFORMATION AND STATEMENTS.** Guarantor shall keep and maintain, at Guarantor's address stated below, or at such other place as Lender may approve in writing, complete, current and accurate financial and accounting information for Guarantor, subject to examination and copying at any reasonable time by Lender. All financial statements shall be prepared in accordance with generally accepted accounting principles, consistently applied. Guarantor shall prepare and provide to Lender financial statements, copies of tax returns, and other financial information in the form and at the times required by Lender. Guarantor authorizes and directs Lender, as Lender deems necessary, from time-to-time to obtain credit report(s) concerning Guarantor in connection with this Guaranty, or in connection with the making, administration, renewal or collection of the Loan or any other of the Guaranteed Obligations.

12. **GOVERNING LAW; JURISDICTION; VENUE.** This Guaranty shall be governed by and construed in accordance with the laws of the State of Washington. Guarantor hereby submits irrevocably to the non-exclusive jurisdiction and venue of any state or federal court in the State of Washington selected by Lender in any action relating to or arising out of the enforcement or interpretation of this Guaranty and Guarantor hereby irrevocably agrees that all claims in respect to any such action or proceeding may be heard and determined in such Washington State Court or such United States District Court sitting in the State of Washington and to all the courts to which an appeal may be taken from such courts. Guarantor expressly waives, to the fullest extent it may effectively do so under applicable law, any objection it may at any time have: (a) as to venue in such courts; (b) that any action or proceeding therein has been brought in an inconvenient forum; (c) that any such court lacks jurisdiction over it; or (d) as to service of process upon it in accordance with applicable law.

13. **COSTS AND EXPENSES.** Whether or not suit is brought, Guarantor shall pay on demand all costs and expenses, including attorneys' fees and allocated costs of in-house counsel, incurred by or on behalf of Lender in connection with the enforcement or collection from Borrower of all or any of the Guaranteed Obligations, or any security therefor, or in connection with the enforcement, interpretation or defense of this Guaranty. Without limitation, these expenses, costs and fees include those incurred at trial, on appeal, and with respect to any bankruptcy, receivership or arbitration proceedings.

14. **REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants to Lender that Guarantor is a principal of Borrower or otherwise financially interested in Borrower, and (a) is adequately informed of the financial condition of Borrower, and Borrower's operations and properties, (b) is familiar with and will stay informed regarding the terms and conditions of the Loan and the other Guaranteed Obligations, and of Borrower's resources and plans for payment and performance of the Guaranteed Obligations, (c) has not relied on any financial or other information provided by Lender, if any, about Borrower, Borrower's operations and activities, properties or prospects, and (d) does not expect Lender to provide and waives any duty on the part of Lender to provide any such information in the future including, without limitation, adverse information about the Borrower or its activities or about any collateral for any of the Guaranteed Obligations which Lender may possess or acquire and which may not be available to Guarantor. Guarantor acknowledges that Lender is under no obligation to make the Loan or provide other business and financial accommodations to Borrower without this Guaranty and would not do so without this Guaranty.

15. **DISPUTED OBLIGATIONS.** All communications concerning disputed debts and obligations of Guarantor under this Guaranty, including without limitation disputes as to the amount of any payment, fee or charge, and including any instrument tendered as full satisfaction of a disputed debt, must be in writing and must be sent to the following address, or to such other address as Lender may hereafter specify:

Windermere Services Company
5424 Sand Point Way NE
Seattle, WA 98105

Any such communication should include the name of Guarantor(s), a description of the dispute and the relief or remedy requested, and an address and telephone number where the person sending the notice can be contacted.

16. **SERVICE OF NOTICES AND PLEADINGS.** This Guaranty has been made and given with respect to commercial business transaction(s) negotiated, approved, and administered in the State of Washington, and Guarantor's and Borrower's business dealings with Lender in connection with the Loan have a material and substantial connection to the State of Washington. Guarantor agrees that delivery of any notice by Lender to Guarantor under this Guaranty, and the service of any pleadings or court papers by Lender on Guarantor in any action or proceeding on or relating to this Guaranty may be had by mailing or delivering the same to Guarantor at the address indicated on the signature page hereof.

17. MISCELLANEOUS.

(a) If there is more than one Guarantor under this Guaranty, then the obligations of all such Guarantors shall be joint and several, and in such case the obligations of each Guarantor shall be independent of those of all other Guarantors and of the obligations of Borrower and any other persons or entities obligated in any manner for the payment or performance of the Guaranteed Obligations.

(b) The obligations and liabilities of Guarantor hereunder shall not be limited in any manner by any nonrecourse or other provisions in the instruments and agreements giving rise to the Guaranteed Obligations which may limit the liability or obligations of Borrower with respect to the Guaranteed Obligations.

(c) This Guaranty may be executed in multiple counterparts, each counterpart shall be an original, but all counterparts together will constitute one and the same agreement. This Guaranty shall be binding on each person signing a counterpart of this Guaranty even though everyone listed in the Guaranty does not agree to the Guaranty.

(d) This agreement constitutes the entire agreement between Lender and Guarantor, and no course of dealings between the parties, no usage of trade, and no parole or extrinsic evidence of any nature shall be used to supplement or modify any terms, nor are there any conditions to the effectiveness of this Guaranty.

(e) If any provision of this Guaranty is invalid, illegal or unenforceable, such provision shall be considered severed from the rest of this Guaranty and the remaining provisions shall continue in full force and effect as if the invalid provision had not been included. This Guaranty may be changed, modified or supplemented only through a writing signed by both Guarantor and Lender.

NOTICES:

A. THIS GUARANTY AGREEMENT RESULTS IN YOUR WAIVER OF CERTAIN LEGAL RIGHTS AND DEFENSES, INCLUDING WITHOUT LIMITATION YOUR SUBROGATION RIGHTS AND ANY DEFENSES BASED ON THE WASHINGTON ANTI-DEFICIENCY JUDGMENT STATUTE, RCW 61.24.100, AND ANY DEFENSES BASED ON THE LENDER'S ELECTION OF REMEDIES. IT IS RECOMMENDED THAT YOU CONSULT YOUR OWN ATTORNEY BEFORE ENTERING INTO THIS AGREEMENT.

B. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

I clearly understand that lender does not have to pursue the Borrower or any other Guarantor or obligated party or foreclose or realize upon any security before demanding payment from me. I further understand that I will have to pay the amounts then due even if Borrower or any other Guarantor or obligated party does not make payment or is otherwise relieved of the obligation of making payment.

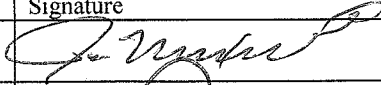

Name and Address	Signature	Date
Joe Maxwell		12-1-2008
Michael Ratcliffe		12-1-2008

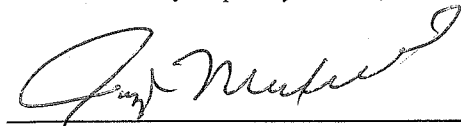
EXHIBIT 2

PROMISSORY NOTE

\$185,257.66	Seattle, WA	November 7, 2008
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1. For value received, the undersigned Windermere- Puyallup/Canyon Road, LLC, ("Maker") promises to pay to Windermere Real Estate Services Company, a Washington corporation doing business as Windermere Services Company ("Holder"), at 5424 Sand Point Way NE, Seattle, WA 98105, the principal sum of one hundred eighty-five thousand, two hundred fifty-seven dollars and sixty-six cents (\$185,257.66) with interest thereon from November 7, 2008 on unpaid principal at the rate of six percent (6%) per annum, compounded monthly. Maker shall make twelve (12) payments of interest only commencing on December 1, 2008, and continuing on the first day of each month through November 1, 2009. Thereafter Maker shall pay principal and interest in sixty (60) monthly payments of principal and interest in the amount of three thousand, five hundred eighty-one dollars and fifty-five cents (\$3,581.55) commencing on December 1, 2009 and continuing on the first of each month thereafter. The remaining balance of unpaid principal and interest shall be due in full no later than November 1, 2014.
2. Any amount may be paid in advance of the due date without penalty. If Holder receives any payment more than ten (10) days after its due date, then a late payment charge of ten percent (10%) of the delinquent amount shall be added to the payment. All payments shall be credited first to any late charges; then to interest accrued on the principal under this note; and the remainder to principal. Interest shall thereupon cease upon the principal so credited. All sums payable in lawful money of the United States of America.
3. If Maker fails to make any payment owed under this Note, then Holder may, at its option, declare all outstanding sums owed on this Note to be immediately due and payable, in addition to any other rights or remedies that Holder may have. This Note may not be transferred or negotiated by Holder to any third party.
4. Maker shall pay all costs incurred by Holder in collecting sums due under this Note after a default, including reasonable attorneys' fees, whether or not suit is brought. If Maker or Holder sues to enforce this Note or obtain a declaration of its rights hereunder, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred in the proceeding (including those incurred in any bankruptcy proceeding or appeal) from the non-prevailing party.
5. Maker waives presentment for payment, notice of dishonor, protest and notice of protest. No failure or delay by Holder in exercising Holder's rights under this Note shall be a waiver of such rights. If any clause or any other portion of this Note shall be determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other clause or portion of this Note, all of which shall remain in full force and effect. There are no verbal or other agreements which modify or affect the terms of this Note. This Note may not be modified or amended except by written agreement signed by Maker and Holder. This note shall be interpreted under the laws of the State of Washington. Venue for any action arising under this note shall be in the King County Superior Court in Seattle, Washington. Maker consents to jurisdiction and venue in said court.
6. Maker acknowledges that this loan is for business or commercial purposes only, and not for personal or household purposes. Each Maker executes this Note as a principal and not as a surety. If there is more than one Maker, each such Maker shall be jointly and severally liable under this Note. If Maker is an entity, then the individual signing on its behalf represents and warrants that he/she has authority to sign this note and bind the Maker. This Note is secured by a Personal Guaranty of even date.

Windermere- Puyallup/Canyon Road, LLC



By Joseph Maxwell, its Manager

COPY

EXHIBIT 3

[illegible]

EXHIBIT 4

Puyallup Canyon Road, LLC #1

Compound Period : Monthly

Nominal Annual Rate : 6.000 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	11/07/2008	185,257.66	1		
2 Payment	12/01/2008	730.88	1		
3 Payment	12/04/2008	1,042.50	1		
4 Payment	01/01/2009	926.29	1		
5 Payment	02/01/2009	926.29	1		
6 Payment	03/01/2009	1,852.58	1		
7 Payment	04/01/2009	926.29	1		
8 Payment	05/01/2009	926.29	1		
9 Payment	06/01/2009	926.29	1		
10 Payment	07/01/2009	926.29	1		
11 Payment	08/01/2009	926.29	1		
12 Payment	09/01/2009	926.29	1		
13 Payment	10/01/2009	926.29	1		
14 Payment	11/01/2009	926.29	1		
15 Payment	12/18/2009	3,223.40	1		
16 Payment	01/20/2010	3,223.40	1		
17 Payment	03/01/2010	3,223.40	1		
18 Payment	04/05/2010	3,223.40	1		
19 Payment	04/30/2010	3,223.40	1		
20 Payment	10/11/2010	177,140.35	1		

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	11/07/2008				185,257.66
1	12/01/2008	730.88	730.88	0.00	185,257.66
2	12/04/2008	1,042.50	91.36	951.14	184,306.52
2008 Totals		1,773.38	822.24	951.14	
3	01/01/2009	926.29	848.31	77.98	184,228.54
4	02/01/2009	926.29	921.14	5.15	184,223.39
5	03/01/2009	1,852.58	921.12	931.46	183,291.93
6	04/01/2009	926.29	916.46	9.83	183,282.10
7	05/01/2009	926.29	916.41	9.88	183,272.22
8	06/01/2009	926.29	916.36	9.93	183,262.29
9	07/01/2009	926.29	916.31	9.98	183,252.31
10	08/01/2009	926.29	916.26	10.03	183,242.28
11	09/01/2009	926.29	916.21	10.08	183,232.20
12	10/01/2009	926.29	916.16	10.13	183,222.07
13	11/01/2009	926.29	916.11	10.18	183,211.89
14	12/18/2009	3,223.40	1,430.61	1,792.79	181,419.10
2009 Totals		14,338.88	11,451.46	2,887.42	

Puyallup Canyon Road, LLC #1

	Date	Payment	Interest	Principal	Balance
15	01/20/2010	3,223.40	967.04	2,256.36	179,162.74
16	03/01/2010	3,223.40	1,251.00	1,972.40	177,190.34
17	04/05/2010	3,223.40	1,003.04	2,220.36	174,969.98
18	04/30/2010	3,223.40	719.05	2,504.35	172,465.63
19	10/11/2010	177,140.35	4,674.72	172,465.63	0.00
2010 Totals		190,033.95	8,614.85	181,419.10	
Grand Totals		206,146.21	20,888.55	185,257.66	

Last interest amount increased by 0.02 due to rounding.