Michael S. Laham and Elana Laham P. O. Box 66 Renton, WA 98057-0066

8 June 2008

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PPC Newport LLC c/o National Registered Agents, Inc. 1780 Barnes Boulevard SW, Building G Tumwater, WA 98512 Phone: (800) 722-0708 FAX: (800) 531-1717

ATTENTION: President, PPC Newport LLC

SUBJECT: \$229.97 owed to us from Newport Crossing Apartment Homes, from Diminished Rental Value

As owners of Newport Crossing Apartment Homes, per King County, WA Recording Number 20061221001546, Parcel Number 2824059026, you owe us \$229.97 as compensation for diminished rental value, per RCW 59.18.110. Your property management caused us this loss when we had to vacate our unit E-304 on Thursday, 18 September 2008, to allow their contractor to fix the "surround" of the bathtub and shower enclosure, or the walls surrounding the bathtub, on an apartment that (a) was supposed to be fully renovated but (b) was not even ready for habitation when we began our tenancy on Monday, 1 September 2008. Documentation of this repair, and of our need to vacate, on 18 September 2008, is per a 2-page facsimile (FAX) from RedRock Resurfacing that we received on Monday, 15 September 2008.

Our apartment E-304 was not habitable on Thursday, 18 September 2008, so we had to stay in a hotel that would accept cash for payment, as we do not have a credit card. Per our bill from SpringHill Suites Marriott (200 SW 19th St., Renton, WA 98505), it cost us \$190.80 for a hotel room:

Room Charge:	\$ 169.00
Occupancy Sales Tax:	15.21
City Tax:	1.69
County Tax:	<u> </u>
TOTAL Hotel Cost for 9/18/2008:	\$ 190.80

Also, on Thursday, 18 September 2008, we lost a day's rent on our apartment E-304. Since the monthly rent was \$1,175, the pro-rated rent lost on 18 September 2008 was \$1,175 divided by 30 days in September, which equals #39.17 per day. When this per diem loss is added to the hotel bill, the total is a loss of \$229.97.

Newport Crossing Apartment Home's contractor, RedRock Resurfacing, specifically instructed us that we must be out of our apartment for that whole day of 18 September 2008. Page 1 of 2 of a FAX sent to us on Monday, 15 September 2008, specifically states, "ALL RESIDENTS, INCLUDING PETS, MUST VACATE THE APARTMENT upon our arrival, until early evening of the same day." That same FAX goes on to say that, even then, the curing process will continue, thereby generating fumes and continuing to make this apartment uninhabitable for that evening: "PLEASE ALLOW 24 – 48 HOURS for our surfaces to cure . . . " This made our apartment E-304 uninhabitable for a full day, diminishing our rental value by a day in September 2008 and making it necessary for us to use a hotel for that day.

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What makes this a case of diminished value per RCW 59.18.110 was the **fraud** that Newport Crossing Apartment Homes committed by leading us to believe that this apartment E-304 would be fully renovated and ready for occupancy when we moved in on Monday, 1 September 2008, the day on which we began our tenancy. To substantiate this claim, we cite the following two artifacts:

- 1. Newport Crossing Apartment Homes ran an advertisement in *ForRent* magazine on 20 August 2008, offering "Newly Renovated Luxury 1, 2 & 3 Bedroom Apartment Homes." This was only eleven days before we signed our lease and began our tenancy of apartment E-304.
- 2. The <u>DEPOSIT AND RENT STATUS</u> Form that we filled out with Jennifer Engel, your leasing agent, on Sunday, 24 August 2008, listed Unit E-304 as fully renovated by stating, "This unit will be fully renovated . . . "

We first reported the problem with the bathtub "surround" to Newport Crossing Apartment Homes on page 5 of 5 of our List of Defects, sent on Thursday, 4 September 2008 to Newport Crossing Apartment Homes. This problem was specifically listed under the category of "BATHROOM" with the following text: " (*) -> Caulking and finishing in tub area not completed" The problem with the bathtub "surround" was not fixed until Thursday, 18 September 2008 – 14 days later. That is 4 days beyond the limit from Item (3) of RCW 59.18.070.

And this condition of the bathtub "surround" was itself a violation of Item (5) of RCW 59.18.060, which requires Newport Crossing Apartment Homes to "make repairs and arrangements necessary to put and keep the premises in as good condition as it by law or rental agreement should have been, at the commencement of the tenancy."

In addition to the uncompleted bathtub "surround," at least half of the surface of the balcony of Apartment E-304 was covered with numerous caked-on bird droppings all over the balcony walls and all over the balcony floor. As soon as we moved in, the bird abandoned its nest, which was located in the eaves of Apartment E-304. We substantiate this claim by citing the following two artifacts:

- We reported this problem with excessive bird droppings on the balcony to Newport Crossing Apartment Homes on page 1 of 5 of our List of Defects, sent on Thursday, 4 September 2008 to Newport Crossing Apartment Homes. This problem was specifically listed under the category of "PATIO" with the following text:
 - "(*) > Bird droppings all over patio walls, floor, and railing, and light fixture "

Incidentally, under that same page and category was this problem:

"-> Flaked off paint and gouges on storage door of patio "

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PPC Newport LLC

2. PPI MANAGEMENT, INC. Work Order No. 9888, Date Call 9/2/2008 1:19 pm, documents a power wash to clean up the bird droppings on the balcony of Apartment E-304, with the following text under the heading of "Problem Description":

"POWER WASH AND SANITIZE THE PATIO AND MAKE SURE ALL BIRD CRAP IS REMOVED."

Incidentally, this same work order also lists other repairs that were supposed to be finished as part of the renovation by the time we moved in:

"REPLACE THE DRAWER RAILINGS ON ALL DRAWERS IN KITCHEN AND BATHROOM SO THEY SLIDE CORRECTLY."

"NO BLINDS IN BATHROOM."

"BLINDS ON BIG WINDOW IN BEDROOM ARE WARPED -REPLACE."

Therefore, because of (a) the fraud committed by Newport Crossing Apartment Homes about the condition of its Apartment E-304 at the commencement of our tenancy thereof, and because of (b) failure by Newport Crossing Apartment Homes to comply with RCW 59.18.060, RCW 59.18.070, and RCW 59.18.110, as well as its own advertisement and <u>DEPOSIT AND RENT STATUS</u> completed and signed on Sunday, 24 August 2008, the owners of Newport Crossing Apartment Homes owe us \$229.97.

We expect payment of this \$229.97 owed to us promptly, within two weeks of your receipt of this letter. Please send the payment to Michael S. Laham and Elana Laham, to the address of this letterhead: P. O. Box 66, Renton, WA 98057-0066

If we do not receive, payment by then, you will be forcing us to pursue legal action on this matter.

Sincerely_

Michael S. Laham

Elana Laham

cc: Robert Kennis and Jason Biggs, PPC, 777 California Avenue, Palo Alto, CA 94304, Phone: (650) 856-9800, FAX: (650) 213-8849.

Pacific Property Company, 1601 5th Avenue, Suite 2230, Seattle, WA 98101, Phone: (206) 973-2323, FAX: (206) 838-4530.

Newport Crossing Apartment Homes, 7311 Coal Creek Parkway SE, Newcastle, WA 98059, Phone: (425) 228-7368, FAX: (425) 271-8754.

Transmission Log

The Boeing Company			Monday, 2009-06-08 07:00			4259658590				
	Date	Time	Туре	Job #	Length	Speed	Station Name/Number	Pgs	Status	
	2009-06-08	06:58	SCAN	02360	1:37	14400	816502138849		OK V.17 BM31	



Transmission Log

The Boeing Company				Monday, 2009-06-08 07:06			4259658590	
Date	Time	Туре	Job #	Length	Speed	Station Name/Number	Pgs	Status
2009-06-08	07:04	SCAN	02362	1:35	14400	92068384530		OK V.17 BM31



Transmission Log

The Boeing Company Monday,			, 2009-	06-08 07:13	42	59658590		
Date	Time	Туре	Job #	Length	Speed	Station Name/Number	Pgs	Status
2009-06-08	07:10	SCAN	02364	2:16	9600	14252718754	3	OK V.17 BM31



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	SEATTLE WA 981 -		
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature		
1. Article Addressed to: PPC Newport 22.C Contentional Registered Againts Inc 1780 Barnes, BLOD SW			
Borkhong G Tunnester, WA 98512	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.		
	4. Restricted Delivery? (Extra Fee)		
2. Article Number 700 (Transfer from service label)	8 2810 0000 8670 4179		
PS Form 3811, February 2004 Domestic Retu	urn Receipt 102595-02-M-1540		

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