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KING COUNTY SUPERIOR COURT CLERK E-FILED

CASE NUMBER: 13-2-36032-2 SEA

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

ZHONGHUA CHANG and ZHILIN QIN,) No.
husband and wife,)
) PLAINTIFFS' COMPLAINT FOR
Plaintiffs,) DAMAGES AND INJURIES AND
) FOR INJUNCTIVE RELIEF
vs.)
WINDERMERE REAL FOTATE/EAST INC.)
WINDERMERE REAL ESTATE/EAST, INC.,)
a Washington Corporation; and)
STEPHEN C. HENDER, as agent and/or employee of WINDERMERE REAL)
ESTATE/ EAST, INC., and JOHN DOES I-V,)
as agents and/or as employees of	
WINDERMERE REAL ESTATE/EAST, INC.;)
)
Defendants.)
	')
	

I.

PARTIES & JURISDICTION

been residents of the State of Washington at all times material mentioned herein, and

Plaintiffs Zhonghua Chang and Zhilin Qin, husband and wife, are and have

COME NOW Plaintiffs and state and allege as follows:

are currently residents of King County of the State of Washington.

1.1

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- 1.2 Based upon information and belief and at all times material mentioned herein, Defendant Windermere Real Estate/East, Inc., was and is a Washington corporation (hereinafter "Defendant Windermere East").
- 1.3 Based upon information and belief and at all times material mentioned herein, Defendant Windermere East was doing business as "Windermere Real Estate/East" with a place of business in the City of Bellevue, State of Washington.
- 1.4 Based on information and belief and at all times material mentioned herein,
 Defendant Stephen C. Hender was a resident of the State of Washington and an
 employee of, and/or an agent of, Defendant Windermere East.
- 1.5 Based on information and belief and at all time material mentioned herein,

 Defendants John Does I V were employees and/or agents of Defendant Windermere

 East with supervisory and managerial responsibilities to the relevant real estate agent business of Defendant Windermere East and Defendant Stephen C. Hender.
- 1.6 At all times material hereto, all acts and omissions of Defendant Stephen C. Hender complained of herein were made for the benefit of, and/or under the supervision of, Defendant Windermere East, and as such, Defendant Windermere East is vicariously and legally liable, for any of the tortious acts and conduct of Defendant Stephen C. Hender as alleged herein, under the doctrine of *Respondeat Superior*.
- 1.7 At all times material hereto, all acts and omissions of Defendant John Does I V were each made for the benefit of Defendant Windermere East and/or for the benefit of Defendant Stephen C. Hender, and as such, Defendant Windermere East is vicariously and legally liable, for any of the tortious acts and conduct of Defendants John Does I V as alleged herein, under the doctrine of *Respondeat Superior*.

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- 1.8 At all times material hereto, all acts and omissions of Defendant Stephen C. Hender were also made for the benefit of Defendants John Does I-V, and such, Defendants John Does I-V are each respectively vicariously and legally liable, for any of the tortious acts and conduct of Defendant Stephen C. Hender as alleged herein, under the doctrine of *Respondeat Superior*.
- 1.9 The acts and omissions complained of herein occurred in the State of Washington, and this Court has jurisdiction over the subject matter of this Complaint and over the parties hereto.
- 1.10 Venue is proper and appropriate in King County Superior Court because the tortious conduct which is the subject matter of this Complaint occurred in the County of King.

II. CLAIMS

CLAIM FOR NEGLIGENT BREACH OF DUTY

- 2.1 On the Eighteenth (18th) day of the Third Month, in Calendar Year 2013 at the offices of Defendant Windermere East, Plaintiff Zhilin Qin was assisted by Defendant Hender in preparing and tendering an offer, on behalf of her husband and herself, to purchase a residential property (hereinafter "the property") from Steven D. Smith Construction, Inc. (hereinafter "Smith Construction").
- 2.2 At the aforesaid time and place, Defendant Hender prepared and counseled Plaintiff Qin in filling in and completing the customary Northwest Multiple Listing Services ("NMLS") Buyer's forms, as part of Defendant Hender's assistance to Plaintiff Qin and her husband. Also at the aforesaid time and place, Defendant Hender

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recruited Jean Chase, another Agent of Defendant Windermere East, to assist Defendant Hender in translating from English to Chinese for the benefit of Plaintiff Qin, the NMLS Buyer's forms tendered in Plaintiff Qin's aforesaid purchase offer.

- 2.3 On the Eighteenth (18th) day of the Third Month, 2013, Defendant Hender transmitted Plaintiffs' aforesaid purchase offer to Smith Construction, along with Plaintiffs' One Hundred Thousand (\$100,000.00) Dollar earnest money deposit.
- 2.4 On the Nineteenth (19th) day of the Third Month, 2013, Smith Construction made a counter-offer to Plaintiffs. Said Smith Construction's counter-offer was transmitted to Plaintiff Qin through Defendant Hender.
- 2.5 The aforesaid 3/19/2013 Smith Construction's counter-offer contained Smith Construction's Addendum SDS-1 with terms that were complicated and difficult to understand and that were adverse to the interests of Plaintiffs.
- 2.6 On the Twentieth (20th) day of the Third Month, 2013, Defendant Hender met with Plaintiff Qin and recommended that Plaintiffs accept Smith Construction's aforesaid counter-offer containing the aforesaid Addendum SDS-1.
- 2.7 At the aforesaid meeting on 3/20/2013 with Plaintiff Qin, Defendant Hender again recruited Agent Jean Chase to assist Defendant Hender in translating from English to Chinese, for the benefit of Plaintiff Qin, the terms of the aforesaid 3/19/2013 Smith Construction counter-offer containing the aforesaid Addendum SDS-1.
- 2.8 At the aforesaid meeting on 3/20/2013 with Defendant Hender and in reliance on Defendant Hender's explanation of the terms of the aforesaid 3/19/2013 Smith Construction counter-offer, Plaintiff Qin accepted Smith Construction's aforesaid 3/19/2013 counter-offer containing the aforesaid Addendum SDS-1.

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- 2.9 At the aforesaid meeting on 3/20/2013, Defendant Hender's explanation of the terms of the aforesaid 3/19/2013 Smith Construction counter-offer was translated from English to Chinese, for the benefit of Plaintiff Qin, by Agent Jean Chase.
- 2.10 In a good faith effort to secure conventional financing for the purchase of the property from Smith Construction, Plaintiff Qin and Plaintiff Zhonghua Chang applied to HSBC for conventional financing.
- 2.11 Having learned that they had become unable to transfer the requisite funds necessary to meet the terms of the requested conventional financing with HSBC, Plaintiffs met with Defendant Hender on April 6, 2013, who counseled and assisted them in signing a standard NMLS Notice Of Termination form. Said Notice Of Termination form gave formal notice to Smith Construction of the Plaintiffs' unavailability of financing and demanded return of the Plaintiffs' aforesaid earnest money deposit.
- 2.12 On April 6, 2013, Defendant Hender transmitted to Smith Construction Plaintiffs' signed Notice Of Termination incorporating Plaintiffs' demand for return of Plaintiffs' One Hundred Thousand (\$100,000.00) Dollar earnest money deposit.
- 2.13 Thereafter and continuing into the present, Smith Construction has refused to return Plaintiffs' aforesaid earnest money deposit, based on the terms of the aforesaid 3/19/2013 Smith Construction SDS-1 Addendum.
- 2.14 Based on the foregoing facts set forth in the foregoing paragraphs 2.1 through 2.13, Plaintiffs claim that Defendant Hender owed them, and each of them, a duty to adequately and clearly explain to Plaintiff Qin the legal effects on Plaintiffs' legal right to obtain the return of any tendered earnest money deposit, if Plaintiffs, through

Plaintiff Qin, were to accept the aforesaid 3/19/2013 Smith Construction counter-offer containing the SDS-1 Addendum.

- 2.15 Based on the foregoing facts set forth in the foregoing paragraphs 2.1 through 2.13 and based on Defendant Hender's duty set forth in paragraph 2.14, Defendant Hender negligently failed to adequately and clearly explain to Plaintiff Qin the legal effects of her 3/20/2013 acceptance of the aforesaid 3/19/2013 Smith Construction counter-offer containing the SDS-1 Addendum.
- 2.16 Without Plaintiff Qin's adequate and clear understanding of the legal effects of said acceptance upon Plaintiffs' legal right to return of their aforesaid earnest money, Defendant Hender's aforementioned negligence has caused Plaintiffs the legal forfeiture and irretrievable loss of Plaintiffs' aforesaid One Hundred Thousand (\$100,000.00) Dollar earnest money deposit to Smith Construction.
- 2.17 The aforementioned loss of Plaintiffs' aforesaid One Hundred Thousand (\$100,000.00) Dollar earnest money deposit to Smith Construction has also caused Plaintiffs, and each of them, emotional distress and mental anguish, disruption of their family life, and loss of enjoyment of life.

CLAIM FOR NEGLIGENT BREACH OF ATTORNEY DUTY AND FOR UNAUTHORIZED PRACTICE OF LAW

- 2.18 Plaintiffs restate their allegations contained in the above paragraphs 2.1through 2.17.
- 2.19 Because of the complexity of the terms of the aforesaid 3/19/2013 Smith Construction counter-offer, Defendant Hender's aforesaid counsel to Plaintiff Qin regarding Defendant Hender's interpretation of the aforesaid 3/19/2013 Smith

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Construction counter-offer constituted the unauthorized practice of law in violation of RCW 2.48.170–190, and as under all applicable State of Washington case law, inclusive of (but not limited to) <u>Cultum v. Heritage House Realtors</u>, 103 Wn.2d 623 (1985).

- 2.20 Defendant Hender's aforesaid recommendation to Plaintiff Qin on 3/20/2013 to accept the aforesaid 3/19/2013 Smith Construction counter-offer also constituted the unauthorized practice of law in violation of RCW 2.48.170-190, and as under all applicable State of Washington case law, inclusive of (but not limited to) <u>Cultum</u> v. Heritage House Realtors, 103 Wn.2d 623 (1985).
- 2.21 By Defendant Hender's aforesaid tortious conduct of practicing law in violation of RCW 2.48.170-190, Defendant Hender breached his attorney duty to advise Plaintiffs against accepting the aforesaid 3/19/2013 Smith Construction counter-offer, failing to give Plaintiffs a clear and certain understanding of the risks of such acceptance.
- 2.22 In their unknowing reliance upon Defendant Hender's aforesaid tortious conduct of practicing law in violation of RCW 2.48.170-190 and because of Defendant Hender's failure to give competent legal advice, Plaintiffs accepted on 3/20/2013 the aforesaid 3/19/2013 Smith Construction counter-offer, without understanding the risks of such acceptance to the potential legal forfeiture of Plaintiffs' aforesaid One Hundred Thousand (\$100,000.00) Dollar earnest money deposit.
- 2.23 Plaintiffs' aforesaid irretrievable loss and legal forfeiture of Plaintiffs' aforesaid One Hundred Thousand (\$100,000.00) Dollar earnest money deposit was proximately caused by Defendant Hender's aforesaid tortious conduct of practicing law in violation of RCW 2.48.170-190.
 - 2.24 Plaintiffs restate, and incorporate by reference, Paragraph 2.17.

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CLAIM FOR VIOLATION OF CONSUMER PROTECTION ACT AND FOR ATTORNEY FEES

- 2.25 Plaintiffs restate, and incorporate by reference, their allegations contained in the above paragraphs 2.1 through 2.24.
- 2.26 Defendant Hender's aforesaid tortious conduct of practicing law in violation of RCW 2.48.170-190 also constitutes a *per se* violation of the Consumer Protection Act, RCW 19.86.
- 2.27 Defendant Hender's aforesaid tortious conduct of practicing law in violation of RCW 2.48.170-190 has caused Plaintiffs to incur to their special damage, attorneys fees and costs, the total of such amounts are presently unknown and are to be determined at trial.

CLAIM FOR INJUNCTIVE RELIEF UNDER THE PROVISIONS OF THE CONSUMER PROTECTION ACT

- 2.28 Plaintiffs restate, and incorporate by reference, their allegations contained in the above paragraphs 2.1 through 2.27.
- 2.29 Plaintiffs allege that the unauthorized practice of law tortious actions of Defendant Hender and related negligent supervision of Defendant Windermere East are of such nature that other consumers are likely to be harmed by the Defendants' joint and several ongoing and continued repetition of such unauthorized practice of law.
- 2.30 Plaintiffs hereby request the issuance of injunctive relief against Defendants, jointly and severally, from the continued unauthorized practice of law, specifically when representing Buyers who receive legally complex and complicated counter-offers from commercial Sellers, such as developers and/or builders.

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APPLICABLE TO ALL CLAIMS

- 2.31 Defendant Windermere East and Defendant Stephen C. Hender are each jointly and severally liable for all of Plaintiffs' damages as proximately caused by the aforesaid tortious conduct of Defendant Stephen C. Hender.
- 2.32 Defendants John Does I-V are each respectively jointly and severally liable for all of Plaintiffs' damages as proximately caused by the aforesaid tortious conduct of Defendant Stephen C. Hender.
- 2.33 Although Plaintiff Zhilin Qin has attempted to limit the causal effects of said tortious conduct of Defendant Hender, said tortious conduct has resulted in Plaintiff Qin's emotional distress, mental distress, loss of enjoyment of life, and inconvenience, all of which prevail and will continue to prevail indefinitely into the future, and all of which entitle Plaintiff Zhilin Qin to recover general damages, all to be proved at the time of trial and all in exact amounts not now precisely known.
- 2.34 It is impossible at this time to fix the full nature, extent, severity and duration of said injuries to Plaintiff Zhilin Qin, but said injuries are alleged to be impairing in nature.
- 2.35 Although Plaintiff Zhonghua Chang has attempted to limit the causal effects of said Defendant Hender's tortious conduct, said tortious conduct has resulted in Plaintiff Chang's emotional distress, mental distress, loss of enjoyment of life and inconvenience, all of which prevail and will continue to prevail indefinitely into the future, and all of which entitle Plaintiff Zhonghua Chang to recover general damages, all to be proved at the time of trial and all in exact amounts not now precisely known.

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2.36 It is impossible at this time to fix the full nature, extent, severity and duration of said injuries to Plaintiff Zhonghua Chang, but said injuries are alleged to be impairing in nature.

III.

PHYSICIAN / PATIENT PRIVILEGE

PATIENT HEALTH CARE PROVIDER PRIVACY

- 3.1 Plaintiff Zhilin Qin asserts the physician / patient privilege for eighty-eight(88) days following the filing of this Complaint.
- 3.2 On the 89th day following the filing of this Complaint, Plaintiff Zhilin Qin hereby waives the physician / patient privilege.
- 3.3 Such waiver of the physician / patient privilege is conditioned upon, and limited by, Plaintiff Zhilin Qin's constitutional rights of privacy, statutory and contractual rights of privacy, and the ethical obligation of physicians and/or health care providers and attorneys not to engage in <u>ex parte</u> contact between a treating physician and/or health care provider and the patient's legal adversaries.
- 3.4 The Plaintiffs do not authorize contact with any of their respective health care providers of any kind except by judicial proceeding authorized by the Rules of Civil Procedure.
- 3.5 Representatives of the Defendants are specifically instructed not to attempt ex parte contacts with any of each Plaintiff's health care providers.
- 3.6 Representatives of the Defendants are specifically instructed not to write letters to any of each Plaintiff's health care providers, telling them that the health care

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providers may mail copies of records to the Defendants and/or to their representatives, except by judicial proceeding authorized by the Rules of Civil Procedure.

IV.

PRAYER FOR RELIEF

PLAINTIFFS PRAY FOR JUDGMENT against Defendants in an amount that will be proved at trial, and in an amount that will compensate Plaintiffs for all damages sustained, including but not limited to:

- 1. Past and future medical expenses, other past and future health care and remedial and supportive expenses.
 - 2. Past and future loss of wages and earnings.
 - 3. Permanent partial impairment of earnings and earning capacity.
 - 4. Past and future physical pain and suffering.
 - 5. Past and future emotional distress and mental suffering.
- 6. Past and future loss of enjoyment of life and for reduction of life expectancy.
- 7. Past and future loss of marital consortium, of spousal companionship, and of spousal services.
 - 8. Past and future special damages.
 - 9. Loss of a chance.
- 10. Interest calculated at the maximum amount allowable by law, including any allowable prejudgment interest.
 - 11. Statutory and reasonable attorney fees, costs, and disbursements.

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- 12. Punitive damages and attorney fees, under the Consumer Protection Act, RCW 19.86.
 - 13. Injunctive relief under the Consumer Protection Act, RCW 19.86.
 - 14. Such other relief as the Court may deem just and equitable.

day of October, 2013.

LAW OFFICE OF R. E. BODKIN

E. Bodkin, WSBA # 19728

Attorney for Plaintiff Zhonghua Chang

and for Plaintiff Zhilin Qin