

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

BAJ CAPITAL, INC., a Washington
corporation,

Plaintiff,

vs.

SEATTLE CAPITAL CORPORATION,
INC., a Washington corporation; and
FAUNTLEROY PLACE LLC, a Washington
limited liability corporation,

Defendants.

NO. 09-2-11860-4 SEA

**DEFENDANTS' ANSWER AND
AFFIRMATIVE DEFENSES**

Defendants Seattle Capital Corporation, Inc. and Fauntleroy Place LLC ("FP LLC")
hereby admit, deny, and allege as follows in Answer to the Complaint of Plaintiff BAJ
Capital, Inc.:

I. PARTIES

1. Defendants deny this allegation for lack of information.
2. Admit.
3. Admit.

II. JURISDICTION AND VENUE

4. Admit.

1 20. Defendants admit that Amendment 3 establishes an interest rate for a loan, and
2 deny all other allegations.

3 21. Defendants admit that Seattle Capital and FP LLC entered into a Construction
4 Loan Agreement on June 2, 2008, and deny all other allegations.

5 22. Defendants admit that, as of June 2, 2008, Seattle Capital was the Manager of
6 FP LLC, and deny all other allegations.

7 23. Deny.

8 24. Deny.

9 25. Deny.

10 26. Deny.

11 27. Deny.

12 **IV. BREACH OF FIDUCIARY DUTY**

13 28. Defendants repeat the foregoing answers and incorporate them herein.

14 29. Deny.

15 30. Deny.

16 31. Deny.

17 **V. BREACH OF CONTRACT**

18 32. Defendants repeat the foregoing answers and incorporate them herein.

19 33. Deny.

20 34. Deny.

21 35. Deny.

22 **VI. REQUEST FOR DECLARATORY RELIEF**

23 36. Defendants repeat the foregoing answers and incorporate them herein.

24 37. Deny.

25 38. Deny.

26 39. Deny.

27 40. Deny.

1 **VII. REQUEST FOR DECLARATORY RELIEF – CONSTRUCTION LOAN**

2 41. Defendants repeat the foregoing answers and incorporate them herein.

3 42. Deny.

4 **VIII. AFFIRMATIVE DEFENSES**

5 BY WAY OF FURTHER ANSWER, Defendants hereby allege the following
6 affirmative defenses:

- 7 1. Plaintiff has failed to state a claim upon which relief can be granted.
8 2. Plaintiff has unclean hands.
9 3. Defendants have fully performed all contractual obligations.
10 4. Plaintiff's alleged damages are the result of actions by third parties.
11 5. Complete relief cannot be granted without joining at least one additional party.
12 6. Plaintiff's claims are barred by the doctrines of waiver and estoppel.
13 7. Plaintiff's claims are barred by the doctrine of laches.
14 8. Plaintiff has failed to mitigate its damages.
15 9. Defendant had business justifications for the alleged actions.

16 **IX. PRAYER FOR RELIEF**

17 WHEREFORE, having admitted, denied, and alleged the foregoing, Defendants
18 hereby respectfully pray for the following relief:

- 19 1. Dismissal of Plaintiffs' claims in this action with prejudice;
20 2. An award of the reasonable attorneys' fees and expenses that Defendants incur
21 in connection with this action, as may be permitted by law or equity; and
22 3. Such other relief as the Court deems just and equitable.

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1 DATED this 1 day of April, 2009.

2 HILLIS CLARK MARTIN & PETERSON, P.S.

3
4
5 By: 

6 Michael R. Scott, WSBA #12822

7 Joseph A.G. Sakay, WSBA #24667

8 Amit D. Ranade, WSBA #34878

9 Attorneys for Defendants

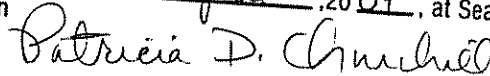
10 ND: 18388 026 4851-1559-7827v1 3/31/2009

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12
13 **CERTIFICATE OF SERVICE**

14 The undersigned certifies that on this day she caused a
15 copy of the document to which this certificate is attached to be
16 hand delivered ~~faxed and mailed~~ to the last known address of
the attorney of record for plaintiff/defendant.

17 I certify under penalty of perjury under the laws of the state
of Washington and the United States that the foregoing is
18 true and correct.

19 DATED this 1st day of April, 2009, at Seattle,
Washington

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ANSWER
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HILLIS CLARK MARTIN &
PETERSON, P.S.

1221 Second Ave, Suite 500
Seattle WA 98101-2925
206 623 1745; fax 206 623 7789

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Case Number: 09-2-11860-4  
Case Title: BAJ CAPITAL VS SEATTLE CAPITAL CORPORATION ET ANO  
Document Title: ANSWER OF HILLIS CLARK MARTIN & PETERSON RE DEFENDANTS SEATTLE  
CAPITAL CORPORATION AND FAUNTLEROY PLACE  
User's Name: Amit Ranade  
Filed Date: 4/1/2009 9:52:11 AM

User Signed

Signed By: Amit Ranade  
WSBA #: 34878  
Date: 4/1/2009 9:50:02 AM