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KING COUNTY
SUPERIOR COURT CLERK
SEATTLE, WA

MICHAEL C. HAYDEN

IN THE SUPERIOR COURT OF WASHINGTON
FOR KING COUNTY

PETER DOORISH,

Plaintiff,

vs.

WINDERMERE REAL ESTATE SERVICES
COMPANY, a Washington corporation;
WINDERMERE REAL ESTATE/WALL
STREET, INC., a Washington corporation;
RICHARD GANGNES and JANE DOE
GANGNES, husband and wife; KAREN
LAVALLEE and JOHN DOE LAVALLEE,
wife and husband,

Defendants.

08-2-42345-0 SEA
NO.

COMPLAINT

I. PARTIES, JURISDICTION AND VENUE

1.1 Plaintiff Peter Doorish is a resident of King County Washington.

1.2 Defendant Windermere Real Estate Services Company is a Washington
corporation domiciled in Seattle, King County, Washington.

1.3 Defendant Windermere Real Estate/Wall Street, Inc., is a Washington
corporation domiciled in Seattle, King County, Washington.

COMPLAINT - 1

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ORIGINAL

1 Inc., Gangnes, Lavallee, and Windermere Real Estate Services Company are collectively
2 referred to in this Complaint as "Windermere" or "the defendants."

3 2.2 Windermere formally employed as a real estate salesperson Cheryl Jonet, who is
4 presently deceased. On information and belief, Windermere first employed Ms. Jonet in early
5 2000, in its West Seattle office managed by defendant Lavallee. Ms. Jonet also first received a
6 real estate salesperson license in 2000. She was a Windermere employee throughout the period
7 of the events and transactions giving rise to this Complaint. Windermere had authority to
8 supervise, to direct, and to control the conduct and activities of Cheryl Jonet in connection with
9 her employment.

10 2.3 Before her employment by Windermere, Cheryl Jonet was a defendant and
11 judgment debtor in numerous legal actions in courts in King County and Snohomish County
12 including, but not limited to, a suit by a property vendor for mishandling earnest money years
13 before she obtained a real estate license, suits for breaches of promissory notes, and unlawful
14 detainer actions.

15 2.4 Peter Doorish believes and, therefore, alleges, that Windermere failed to conduct
16 a reasonably diligent inquiry into the background of Cheryl Jonet, including her legal and
17 financial background, before employing her or, if it was actually aware of such background,
18 failed to act reasonably in deciding to hire her and to retain her in its employ despite it. Such
19 failure or failures to use reasonable care in hiring and in retaining Cheryl Jonet enabled her, in
20 the capacity of and with the aid of the status afforded by her by her employment by
21 Windermere, to perpetuate a continuing course of intentional or negligent wrongdoing and
22 breaches of contract and other legal duties throughout the years of her employment.
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1 2.5 Cheryl Jonet's entanglement as a defendant in civil legal proceedings continued
2 throughout her employment with Windermere. Windermere had cause to be aware of one or
3 more of these proceedings but continued Ms. Jonet in its employment despite them.

4 2.6 During her employment with Windermere, Cheryl Jonet arranged, oversaw, and
5 took charge of several real estate transactions, including the transactions involving Peter
6 Doorish, in which she arranged for clients to purchase properties with her as selling agent and
7 then secured, in relation thereto, loans from third parties to the purchasers, to herself or entities
8 she controlled, or all of the foregoing, for the supposed purpose of remodeling. It is believed
9 and, therefore, alleged, that Ms. Jonet positioned herself in relation to these transactions so as
10 to enable her control of the disbursement of loan funds. It is further alleged that, in more than
11 one of these transactions, she caused disbursements of loaned funds in a manner enabling her
12 wrongfully to appropriate and to convert all or a portion them to her own possession and use.
13 In at least several of these transactions, the remodeling of properties was not completed and the
14 owners were left with damaged or partially demolished homes.

15 2.7 Peter Doorish believes and, therefore, alleges, that Windermere failed to engage
16 in reasonable supervision over Cheryl Jonet's activities over the years of her employment,
17 either by failing to take reasonable actions to be apprised her activities and conduct or by
18 failing to take appropriate actions as her employer in relation to information about her activities
19 and conduct of which it was aware. In either event, Windermere failed to exercise sufficient
20 oversight of Ms. Jonet's activities.

21 2.8 In February 2005, Cheryl Jonet, as a Windermere employee, acted as the selling
22 agent in the sale of a home owned by Peter Doorish, located at 13051 - 27th Avenue Northeast,
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1 Seattle, to Laurie Olson (hereinafter "the home"). Ms. Jonet represented to Mr. Doorish that
2 Ms. Olson was an attorney when, on information and belief, she was actually a clerical
3 employee in the health services industry, as well as a single mother with four children.

4 2.9 It is believed and, therefore, alleged that Ms. Jonet promised Ms. Olson that she,
5 Ms. Jonet, would take charge of payment of all continuing expenses entailed in Ms. Olson's
6 acquisition of the home, including the monthly mortgage payments and arranging for a remodel
7 project to add an accessory dwelling unit (ADU) in the home.

8 2.10 Before Peter Doorish's conveyance of the home to Laurie Olson, Cheryl Jonet
9 raised with him the possibility his loaning funds to Ms. Olson for the proposed ADU project.
10 Ms. Jonet did not mention any possibility that the remainder of the home, including portions
11 that had recently been updated, would be subject to demolition.

12 2.11 After the closing of the sale of the home from Peter Doorish to Laurie Olson,
13 Cheryl Jonet approached him to solicit a loan to Ms. Olson in the amount of \$50,000,
14 purportedly to install the ADU in the home. Ms. Jonet told Mr. Doorish that his interests were
15 aligned with those of Ms. Olson, that he did need independent counsel, and she would have
16 Windermere lawyers prepare all necessary documents. Mr. Doorish agreed to these
17 arrangements and Ms. Olson signed a promissory note to him to be paid off with interest
18 several years subsequent. Ms. Olson also executed a deed of trust in Mr. Doorish's favor.

19 2.12 On information and belief, Cheryl Jonet obtained control of the funds loaned by
20 Peter Doorish and hired a contractor who performed work on the home unrelated to the
21 proposed ADU project, including, but not limited to, gutting an extensive part of the home's
22 interior and removing appliances. Plaintiff believes and, therefore, alleges that, Laurie Olson
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1 resided elsewhere at the time of these activities and was not aware of and did authorize the
2 work Jonet was having done on the home. Peter Doorish was also unaware of these activities.

3 2.13 The home had not been restored to a level equivalent to its former condition
4 when, in the Fall of 2005, Cheryl Jonet told Peter Doorish that Laurie Olson was overextended
5 on the remodel project and would be declaring bankruptcy. Ms. Olson petitioned for Chapter 7
6 bankruptcy protection on or about October 14, 2005.

7 2.14 Following Laurie Olson's petition for bankruptcy protection, Cheryl Jonet
8 advised Peter Doorish that he should recover title to the home through a deed in lieu of
9 foreclosure. Ms. Jonet further advised that she would arrange for the work on the home to be
10 completed and obtain a buyer for it. Mr. Doorish followed this advice and, in December 2005,
11 received a deed in lieu of foreclosure from Ms. Olson.

12 2.15 After Laurie Olson's execution of the deed in lieu of foreclosure, Cheryl Jonet
13 retained control over the property and access to it, including retaining the keys. Peter Doorish
14 consented to this arrangement in view of his reliance on Ms. Jonet's representations that she
15 would oversee the work to restore the home and secure its sale to a new buyer.
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17 2.16 Cheryl Jonet failed to take any action whatsoever to correct of the condition of
18 the home or to obtain a new buyer following Ms. Olson's execution of the deed in lieu of
19 foreclosure. She died in August 2006.

20 2.17 Peter Doorish was not aware and Cheryl Jonet did not inform him of the fact
21 that there were substantial liens against the value of the home superior to the deed of trust that
22 Laurie Olson had executed in his favor. He did not become aware of the existence of these
23 liens until Summer of 2006, when he learned that the home was subject to a notice of trustee's
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1 sale. It was only then that he gained access to the interior home and discovered its gutted
2 condition.

3 2.18 Because of the encumbered and damaged state of the home, Peter Doorish was
4 required to expend hundreds of thousands of dollars in order to payoff lien holders to avoid
5 foreclosure and to restore the home to a habitable and tenantable condition. Mr. Doorish also
6 never received any payment from any source in relation to the \$50,000 that he loaned for the
7 supposed ADU remodel at the instigation of Cheryl Jonet.

8 III. CLAIMS FOR RELIEF

9 COUNT 1. DIRECT LIABILITY OF DEFENDANTS.

10 A. Negligent Hiring, Retention, and Supervision.

11 3.1 The allegations in the foregoing paragraphs 1.1 through 2.18 are hereby
12 incorporated by reference in the following claims for relief.

13 3.2 The defendants had duties to use ordinary care in hiring, in retaining, and in
14 supervising Cheryl Jonet, their employee, in order to avoid to the maximum extent practicable
15 the risk of harm to foreseeable victims of Ms. Jonet's activities in the course of her
16 employment.

17 3.3 In their hiring, retention, and supervision of Cheryl Jonet, defendants had a duty
18 to use ordinary care to prevent the tasks, premises, and instrumentalities entrusted to her from
19 endangering others in relation in relation to risks of which they were aware or, in an exercise of
20 reasonable care, should have been aware.

21 3.4 The defendants breached the foregoing duties with respect to Peter Doorish in
22 the manner described in this Complaint, including, but not limited to, by failing to exercise
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1 reasonable diligence to investigate Cheryl Jonet's background before hiring her and by failing
2 to exercise an appropriate degree of supervision of her activities and conduct. Alternatively,
3 the defendants breached the foregoing duties by deciding to hire and to retain Cheryl Jonet in
4 their employment and by not adequately supervising her activities despite having knowledge of
5 the risks that she posed to foreseeable victims.

6 3.5 The defendants are liable for the plaintiffs' damages, in an amount that will be
7 established at trial, proximately caused by their breaches of their duties of ordinary care in
8 hiring, retaining, and supervising Cheryl Jonet.

9 **B. Violation of the Consumer Protection Act.**

10 3.6 The allegations in the foregoing paragraphs 1.1 through 3.5 are hereby
11 incorporated by reference in the following claim for relief.

12 3.7 The defendants, through Cheryl Jonet, committed unfair or deceptive acts or
13 practices in the course of the transactions giving rise to this Complaint, in violation of Chapter
14 19.86 RCW, that affected the public interest and injured him in his property in an amount that
15 will be proven at trial.

16 3.8 The defendants are liable to the plaintiff for their violations of the Consumer
17 Protection Act, including for treble damages and reasonable attorneys' fees, in an amount that
18 will be proven at trial.

19
20 **COUNT II. VICARIOUS LIABILITY OF THE DEFENDANTS.**

21 **A. Fraud and Fraudulent Concealment.**

22 3.9 The allegations in the foregoing paragraphs 1.1 through 3.8 are hereby
23 incorporated by reference in the following claim for relief.

1 3.10 Cheryl Jonet, in the course of her employment by the defendants, falsely
2 represented material facts pertinent to the transactions giving rise to this Complaint, through
3 both affirmative statements and silence implying the absence of adverse material facts, with
4 knowledge of the falsity of her representations or with reckless disregard of their truth or
5 falsity. Cheryl Jonet made these representations intending that the plaintiff rely upon them.
6 The plaintiff was unaware that these representations were false and reasonably relied on them
7 in taking actions and making decisions related to the transaction giving rise to this Complaint,
8 to his substantial damage.

9 3.11 Cheryl Jonet, in the course of her employment by the defendants, failed to
10 disclose to plaintiff material facts regarding the transactions giving rise to this Complaint of
11 which she was aware and that were not known or reasonably discoverable by the plaintiff.
12 Cheryl Jonet's concealment of material facts damaged the plaintiff by inducing him to
13 undertake detrimental decisions and actions, as described in this Complaint.

14 3.12 The defendants are vicariously liable for the plaintiff's damages caused by
15 Cheryl Jonet's fraud and fraudulent concealment in an amount that will be established at trial.
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17 **B. Negligent Misrepresentation.**

18 3.13 The allegations in the foregoing paragraphs 1.1 through 3.12 are hereby
19 incorporated by reference in the following claim for relief.

20 3.14 Cheryl Jonet, in the course of her employment by the defendants, failed to
21 exercise reasonable care and competence to obtain and communicate to the plaintiff complete
22 and accurate information regarding the transactions and occurrences giving rise to this
23 Complaint. The plaintiff, in taking actions and making decisions related to these transactions,
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1 reasonably relied on Cheryl Jonet's negligent false representations and silence as to adverse
2 material facts.

3 3.15 The defendants are variously liable for the plaintiff's damages proximately
4 caused by Cheryl Jonet's negligent misrepresentations in an amount that will be proven at trial.

5 **C. Negligence.**

6 3.16 The allegations in the foregoing paragraphs 1.1 through 3.15 are hereby
7 incorporated by reference in the following claim for relief.

8 3.17 Cheryl Jonet, in the course of her activities in the scope of her employment by
9 the Windermere defendants, and in accordance with both common law and statute, owed the
10 plaintiff a duty of ordinary care, consistent with the standard of care applicable to real estate
11 salespersons in the state of Washington, in relation to the transactions and occurrences giving
12 rise to this action.

13 3.18 Cheryl Jonet breached her duty of ordinary care to the plaintiff in the course of
14 her employment by the Windermere defendants in the manner set forth in this Complaint.

15 3.19 The Windermere defendants are vicariously liable to the plaintiff for his
16 damages proximately caused by Cheryl Jonet's breach of her duty of ordinary care in an
17 amount that will be established at trial.
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19 **IV. REQUEST FOR RELIEF**

20 Plaintiff, having pled a cause of action, requests judgment in his favor and the following
21 relief:

22 1. An award of his damages in an amount that will be proven at trial, including
23 treble damages pursuant to the Consumer Protection Act;
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