Attachment 1 Notification of Default

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By Certified Mail

Bryan Stone and Jillian Martin 111 Apple Lane Port Angeles, WA 98362

Re: Notice of Default; Landlord's right to place the Apple Lane property up for sale; your interference with that right: tortious interference with a business expectancy

Dear Mr. Stone and Ms. Martin

The above law firm represents the First United Methodist Church, the owner of the 111 Apple Lane property (hereinafter "Property") which you are renting from my client as Landlord, under the lease that you signed on January 10, 2020. Said lease shall be referred to herein as the "Lease." Our client, First United Methodist Church, shall be referred to herein as the "Landlord."

The purpose of this letter is to (1) place you on Notice of Default of the Lease, as per Section 25 (b) of the Lease, and (2) remind you that the Landlord is within its right to sell the Property without your input and certainly without your interference.

Your Lease expires in January 2021. But you have taken actions that may result in the early termination of the Lease if these actions are not cured.

You are being placed on Notice of Default for two reasons:

1. You changed various locks on the Property. This violates Section 14 of the Lease, which states that you, as tenants, "shall not change existing locks" on the Property and may not add locks without providing keys to those new locks to the Landlord. Any action taken "in contravention" of the duties enumerated in the Lease constitutes a Default, as per Section 25 (b). Because changing locks or adding new locks without providing keys to the Landlord to those new locks is in contravention of Section 14, you are being placed on Notice of Default. Failure to cure this Default within ten days of notice constitutes a material Default, which may result in termination of the Lease and will subject you to an award of reasonable attorney fees and costs as per Section 36 of the Lease; and

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2. You are interfering with the ability of the Landlord to sell the Property. The Landlord is entitled to enter into for showing and sell the Property as per Section 20 of the Lease. You have taken actions that have prevented the Landlord from effectuating the sale of the Property. This is in contravention of the Lease and is therefore a Default. Failure to cure this Default within ten days of notice constitutes a material Default, which may result in termination of the Lease and will subject you to an award of reasonable attorney fees and costs as per Section 36 of the Lease, and a claim for money damages—see below.

As per the terms of the Lease, you shall be provided with 48 hours' notice for interior access to the Property.

You have argued to the Landlord that its attempt to effectuate the sale of the Property is interfering with your "quiet enjoyment" of the Property. With respect, the Lease does not guarantee you any right to "quietly enjoy" the Property. Furthermore, there is no express or implied duty of the Landlord not to attempt to sell the Property during your tenancy. Thus, the Landlord has not engaged in action that is "wrongful" under the common law authorities pertaining to the covenant of quiet enjoyment. The Landlord's attempt to effectuate sale of the Property does not constitute a breach of the covenant of quiet enjoyment, either under the Lease or the common law.

More importantly, your interference with the Landlord's right to effectuate sale of the Property may constitute a tortious interference with a business expectancy, which may subject you to a claim for money damages in Clallam County Superior Court. <u>See Westmark Dev. Corp. v. City of Burien</u>, 140 Wn.App. 540 (2007).

In closing, the Landlord has engaged with you in good faith and will continue to do so until such time as you continue Defaulting on the Lease. Please cure the above Defaults within ten days of your receipt of this notice or you shall receive a Notice to Vacate the Property.

Very truly yours,

ERIC T. QUINN