

March 12, 2014

Trustees
UNITE HERE Local 25 and Hotel Association
of Washington, D.C. Group Legal Services Fund
1003 K. Street, N.W., 7th Floor
Washington, D.C. 20001

RE: Client Name: BM
Matter No.: 13-3701

Greetings,

The following is our response to the above-referenced client's complaint to the Board of Trustees that our firm improperly denied service.

BM (hereinafter the "Client") personal residence is located at XXXX Medford Drive in Annandale, Virginia (hereinafter "Personal Residence"). The Client owns an investment property/boarding house located at XXXX Hamilton Street, Annandale, Virginia (hereinafter "Investment Property #1)."

This matter involves Client's attempt to build a second investment property (hereinafter referred to as "Investment Property #2") which is adjacent to and, on the same lot as Investment Property #1.

BACKGROUND:

1. In 2012 Client attempted to get zoning approval from Fairfax County to build Investment Property #2, as a stand-alone home, on the same lot as Investment Property #1.
2. Fairfax denied approval.
3. In 2013 the Client attempted to get zoning approval on a new design on Investment Property #2. This new design created a passageway between Investment Properties #1 and #2.
4. This approval was also denied.
5. The Client again redesigned Investment Property #2. This time by creating a more substantial connection to Investment Property #1 and by making the

- connection appear as an addition and/or enlargement of the existing Investment Property#1.
6. Client intended to add an interior door which would presumably keep her boarders from Investment Property #1 from accessing, at least for the time being, Investment Property #2.
 7. Client claimed Investment Property #2 would be used as a home for her and a minor son.
 8. The Client contacted our office March 2013 alleging that the contractor she hired to design and build Investment Property#2 had breached their design/build contract.
 9. Upon meeting with the Client, our firm determined that both the Client and her adult son (a banker) had signed a series of contracts with a contractor to build Investment Property #2.
 10. The Client paid the contractor approximately \$30,000.
 11. The Client is seeking her money back from the contractor.

DECISION:

Upon investigation into the facts of this case, we have determined that the matter is not covered based upon the following exclusions outlined in the Summary Plan Description sections:

1(c) “real estate matters other than those related to the participant’s personal residence...”

1(m) “matters primarily involving the legal interest of individuals other than the employee...”

1(b) “any matter arising out of the participant’s ownership or management of a rental property or out of the production or collection of income by participant...”

This determination relies on the following facts uncovered during the course of the representation:

- 1) **This matter does not involve the Client’s personal residence:**
 - a. The Client’s personal residence, as she indicated under oath on her 2012 federal tax return, is XXXX Medford Drive, Annandale, Virginia.
 - b. The address that is the subject of this litigation is her investment property located at XXXX Hamilton Street. When asked to explain the discrepancy, the Client offered no satisfactory explanation.

- c. The Client volunteered to Paul K. Regan and John Boardman that she rents out rooms to several boarders at Investment Property #1.

2) This matter primarily involves the legal interest of her alleged son, GA:

- a. The Client's son is a party to the contract involved in this dispute.
- b. The Client's son indicated to the firm that he is a partial owner of the Client's Investment Property #1, having gifted only a partial interest in the property to the Client, via a deed. The Client claims that she has a deed granting her the entire property despite the fact that she is not in any way obligated on the mortgage.
- c. The Client's son is the sole person financially responsible for the mortgage that currently exists on the Client's boarding house/Investment Property #1.
- d. The Client's son has been heavily involved in the decision-making process that gave rise to this contract dispute and would greatly benefit from any litigation commenced by Regan Associates. In fact, during the course of representing the mother, we quickly learned that nothing can be decided without the express approval of the son.

3) This matter arises out of the Client's ownership of a rental property from which she collects income:

- a. At a meeting about this matter on December 9th, 2013 in the presence of John Boardman, the Client admitted to at least three tenants in the boarding house/Investment Property #1 (and possibly two more in the basement).
- b. These boarders provide the Client with rental income.

Based on the foregoing, we believe that the matter is not covered and the Client is attempting to obtain legal services for her son and/or for a matter excluded from coverage by the Legal Plan.

Respectfully submitted,

REGAN ASSOCIATES, CHARTERED

PAUL K. REGAN
Attorney at Law