

1 THE HONORABLE CHRISTOPHER M. ALSTON
2 Chapter 11
3 Date: May 20, 2016
4 Time: 9:30 a.m.
5 Response Date: May 13, 2016
6 Location: Courtroom 7206

7
8 UNITED STATES BANKRUPTCY COURT
9 WESTERN DISTRICT OF WASHINGTON
10 AT SEATTLE

11 In Re

No. 16-11767-CMA

12 NORTHWEST TERRITORIAL MINT,
13 LLC,

Chapter 11

14 Debtor.

15 **DECLARATION OF GEORGE
16 HUMPHREY IN SUPPORT OF
17 LANDLORD'S REPLY IN SUPPORT
18 OF EMERGENCY MOTION TO
19 COMPEL IMMEDIATE AND
20 ONGOING COMPLIANCE WITH
21 LEASE AGREEMENT, AND FOR
22 ADEQUATE PROTECTION AND
23 ASSURANCES**

24 I, George Humphrey, hereby declare as follows:

25 1. I am the managing member of Gatewood-California, LLC (the "Landlord"),
26 formerly known as Humphrey Industries, Ltd. The statements contained in this declaration
are based on my personal knowledge and I am competent to make this declaration.

2. I make this declaration in support of the Landlord's Reply in Support of
Emergency Motion to Compel Immediate and Ongoing Compliance with Lease Agreement,
and for Adequate Protection and Assurances (the "Reply" in support of the "Motion").

3. Landlord is a Washington LLC that owns a single asset: commercial real
property located at 550 3rd Street, Building B, Auburn, Washington 98001 (the "Property").

DECLARATION OF GEORGE HUMPHREY IN SUPPORT
OF LANDLORD'S REPLY - 1
NO. 16-11767-CMA

129422.0002/6673824.1

LANE POWELL PC
1420 FIFTH AVENUE, SUITE 4200
P.O. BOX 91302
SEATTLE, WA 98111-9402
206.223.7000 FAX: 206.223.7107

1 The Property is secured by a deed of trust. I personally guaranteed the Landlord's
2 obligations under that deed of trust.

3 4. Northwest Territorial Mint, LLC (the "Debtor") is the current tenant of the
4 Property.

5 5. Throughout April, the Landlord communicated to both the Debtor and the
6 Debtor's Chapter 11 Trustee, Mark Calvert (the "Trustee") that the Debtor's rent obligation
7 for April 2016 (the "April Rent") came due on April 1, 2016 and was therefore past-due.
8 One such communication occurred on April 11, 2016, the day of the Trustee's appointment.

9 6. On April 12, I toured the Property with the Trustee. During that tour, I
10 discussed insurance issues with the Trustee. We also discussed future rent obligations. In
11 the days following that tour, I continued to communicate with the Debtor regarding the past-
12 due April Rent and insurance. Towards the end of April 2016, I found out the rent check had
13 not been sent (as I was told it had been), and that the Debtor did not know when I would get
14 paid as it had no money.

15 7. On April 21, 2016, I informed Paul Wagner, a representative of the Debtor,
16 that I would be instructing my attorneys to file a motion with the Court to enforce my rights
17 under the Bankruptcy Code due to the Debtor's failure to provide an accurate timeline of
18 when I could expect payment of the April Rent. A copy of that email is attached hereto as
19 **Exhibit A.**

20 8. On April 26, 2016, Paul Wagner, after multiple conversations, informed me
21 via email that he assumed the check for the April Rent was forthcoming. A copy of that
22 email is attached hereto as **Exhibit B.**

23 9. On April 25, 2016, with the April Rent nearly a full month past-due, and still
24 without any reliable indication of when it would get paid (if ever), I directed the filing of the
25 Motion to avoid further delay.
26

DECLARATION OF GEORGE HUMPHREY IN SUPPORT
OF LANDLORD'S REPLY - 2
NO. 16-11767-CMA

129422.0002/6673824.1

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CERTIFICATE OF SERVICE

The undersigned declares as follows:

That she is a legal assistant in the law firm of Lane Powell PC, and on May 17, 2016, she caused the attached document to be filed electronically through the CM/ECF system which caused Registered Participants to be served by electronic means, as fully reflected on the Notice of Electronic Filing.

I declare under penalty of perjury under the laws of the State of Washington and the United States that the foregoing is true and correct.

Executed on this 17th day of May, 2016, at Seattle, Washington.

/s/ Denise A. Campbell
Denise A. Campbell, Legal Assistant