

5. During the discussion, Mr. Bailey said that I should either sell the equipment to him, pay him storage charges of some amount, or work out some other arrangement that would be mutually beneficial.

6. I took it from the conversation that TGAAR was not demanding that I immediately remove the equipment, but was instead receptive to the idea that the equipment could remain in place for some period of time to see if a grocery store tenant could be found to purchase the equipment.

7. It was clear to me from my conversation with Mr. Bailey that he understood that \$15,000 per month for storage was much more than the equipment was worth, and was excessive. I have no idea how Mr. Bailey came up with the figure of \$15,000 per month, or the figure of \$10,000 per month used for later months. I never agreed to either figure, and never agreed to pay TGAAR any other amount.

8. After our discussion in February, 2002, my records indicate that Mr. Bailey called me on March 19, 2002. Mr. Bailey left a message about the invoices, said that the store was full of equipment, and said that he needed a decision from me about what I wanted to do.

9. My records indicate that on April 18, 2002, Mr. Bailey called again and left a message with his fax number and e-mail address. There was no other message.

10. In response to the messages left by Mr. Bailey and the small amount of money TGAAR had previously offered for the equipment (I had never received any indication that TGAAR was willing to pay more than about \$5,000), I asked my attorneys to file a motion to allow an auction of the equipment at store #966. Such a motion was filed April 24, 2002.

11. My records indicate that on April 26, 2002, Mr. Bailey called and left another message. The message said nothing other than that he had called.

