

Sean Butler

From: Sean Butler <sbutler@iinet.net.au>
Sent: Friday, 19 August 2011 3:22 PM
To: 'Daniel.Smith@bankwest.com.au'
Subject: Concerns on Administrators of Butler Constructions & Media WITHOUT PREJUDICE
Attachments: S W Times Lighthouse Article 4.8.2011.pdf

Hi Daniel.

WITHOUT PREJUDICE

I have some concerns about the wisdom of having receiver Managers appointed over Butler Constructions. (I can accept over the other entities at this stage).

Butler Constructions was a solvent profitable company with a good track record.

The rent for the Lighthouse was up to date and AHEAD by about \$30,000.

We had record forward bookings.

We had a record turnover in the 2010-2011 year.

Profits for the June Quarter were the best ever.

The only reason things have gone bad is that Brian Benari gave a date for settlement that couldn't be met and then tried to make me accept a lesser offer. As it is my company Butler Constructions is owed \$275,000 by National Hotel Partnership (ultimately Brian Benari) which if paid would settle any outstanding interest I have.

Butler Constructions is not a borrower as such but co guarantees the loans. Has Brian Benari (the other guarantor) been asked to contribute?

It is important to me and the Bank that Butler Constructions profits are not eroded as I fear they may be now.

If normal Bank interest rates were charged the group could pay all interest on an ongoing basis if Brian paid what he owed and paid the interest on the National Partnership loans which he had agreed to and half any shortfall on the LBUT loans

Since Manager Receivers have been appointed 5 weeks ago:

- 1) The Builder pricing the National has quit even though he was nearly done.
- 2) Another Builder has not been appointed yet to price it. The architect quoted \$60,000 to do what I could do in a month.
- 3) The Administrators have no real understanding of the issues involved in the National as its technical and Building related.
- 4) The front page article attached (done with receivers knowledge that an article was being done) had had an impact on the Lighthouse Hotel business.
- 5) Lighthouse Staff are stressed, in tears in some cases and some are looking for alternative employment (all heard from other business people in Bunbury who have called me).
- 6) The Managers (Taylor Woodings) are doing work at the lighthouse without a Registered Builder involved (I have been removed) which is illegal.
- 7) I have been sacked without notice or any paperwork and with no entitlements or outstanding wages paid.
- 8) I have been told I am not allowed to contact staff at the Lighthouse (and I have not interfered in any way or received any information from staff regarding the business) and they are under the impression if they so much as talk to me even after hours on a personal basis they will be sacked.
- 9) I have not received any of the information I have requested on the Lighthouse Trading conditions.
- 10) The receivers requested an "urgent meeting" with their lawyers last Thursday 11th but when we asked for an agenda for that meeting none has been supplied.
- 11) I have been asked to assist with providing information however I am not allowed at the Lighthouse where some is, some is in boxes in Perth, some in boxes in my office (all boxed by Receivers), some I still have and

my server computer and also accounts/admin laptop has been taken. It's almost impossible to do anything under these circumstances.

- 12) I feel it's almost destructive economic vandalism. The Administrators may be well meaning but they have caused more problems and their cost is not justified in the case of Butler Constructions and trading as The Lighthouse Beach Resort.
- 13) I have been contacted on several occasions by Journalists from other papers, and one National Paper have told me they want me to talk to them as they are doing an article on Bankwest Behaviour since taken over by the CBA. I have not agreed to this request as yet.

I am at the point where I am beginning to think I should go to the media and tell all

If at all possible I request an urgent meeting with someone from the Bank to address these issues

Regards

Sean Butler

TIME TO LIGHT THE NIGHT **AT THE MOVIES** **CAPTAIN AMERICA REIGNS** **MX STAR'S BIG STUNT**

Page 5 Page 39 Back Page

FOR THE LATEST NEWS GO TO www.swtimes.com.au

OLD TVs SWAMP WASTE SITE AS DIGITAL TAKES OVER



Dozens of old plasma and analogue televisions, once worth thousands of dollars, have been piling up at Bunbury's waste sites as people splash out on new flat screens to make the most of the digital revolution. Jai Pearce, from the city's waste services department, has been inundated with old televisions and says many are still in perfect working condition. **REPORT PAGE 6.** PICTURE: DAVID BAILEY

City icon hits crisis

ADAM ORLANDO

THE iconic Lighthouse Beach Resort has been placed in the hands of receivers as the owners and accounting firm Taylor Woodings are locked in crisis talks in a bid to save the beachfront hotel.

The Perth-based firm confirmed it was last week appointed receivers and managers due to the resort experiencing severe financial difficulty, but was unable to provide specific details.

The resort is listed with commercial real estate firm Burgess Rawson for sale at \$14 million, but Bunbury real estate experts believe the site could fetch as little as \$3 million due to the ageing buildings and current market.

Burgess Rawson agent Graeme Clarke, who is dealing with the property, declined to comment.

The resort was formerly owned by the Kozyski family, which put the property on the market for \$3 million in 2003 after the State Government blocked plans to redevelop the site.

The *South Western Times* understands Brian Benari and Sean Butler bought the property for \$1.85 million in May that year and in mid-2006 bought two adjoining lots for \$1.2 million and \$900,000, adding another 784sq m and 533sq m respectively.

They unsuccessfully tried to sell the site later that year, which was then tipped to fetch towards \$20 million.

Real Estate Industry of WA Bunbury spokeswoman Roslyn Ierace said the resort, which is perched on 10,375sq m of coastal land, "would have to be one Bunbury's most prime pieces of land given the location, the views, and its size".

"The Lighthouse Beach Resort has been iconic in Bunbury's history, many remember the days of the Cellars disco, many a wedding held there, and a great choice for functions with the views; (it) would be a shame to lose it completely," Ms Ierace said.

◆ More page 4

Take them for a thrill.
 The new generation C-Class.

From the outside it commands attention. But step inside and you'll be acutely aware that something is very different, with new interior styling and optional enhanced active safety systems,* available for the first time on C-Class.

Visit Coastal Automotive Centre and discover the thrill of the new generation Mercedes-Benz C-Class for yourself.

*Active safety systems optional on all C-Class models.

Mercedes-Benz