

CHN-09

Fiscally Irresponsible

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Lawsuits mounting against Courtyard owner

Lousy Landlord

CHAPEL HILL -- Spencer Young, the landlord who drove 3Cups coffee shop out of its downtown location, faces lawsuits seeking more than \$3 million related to his Franklin Street property, The Courtyard of Chapel Hill.

Last week, Benjamin Construction Inc. of Raleigh sued Young for more than \$550,000. The suit alleges that Young failed to pay for construction of the Baba Ghannouj restaurant at a cost of nearly \$257,000 and other improvements at The Courtyard valued at nearly \$300,000. Benjamin claims the bill was due March 8. Efforts to reach Young on Thursday were unsuccessful.

Last month, Wachovia Bank sued Young for \$2.6 million the bank says he borrowed to buy The Courtyard in 2005. The suit claims that Young has defaulted on the loan and that interest is accruing at a rate of \$550.78 per day.

On June 12, Crown Asset Management, a collection agency in Duluth, Ga., sued Young for allegedly defaulting on a \$15,000 credit line from Citibank.

Last month, Wright Co. Electrical and Maintenance Services also sued Young in Orange County small-claims court for nearly \$3,000 in unpaid services at The Courtyard and a larger shopping center he owns at N.C. 54 and N.C. 55 in Durham.

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Historic inn under new management

CHAPEL HILL -- The Carolina Inn and Rizzo Conference Center are under new management.

The Chapel Hill attractions are owned by UNC and until July 2, they were managed by Aramark Harrison Lodging.

But the university's agreement with the company expired, and a Denver- company, Destination Hotels & Resorts, has taken over.

Destination is the fourth-largest independent hospitality-management company in the country and oversees the operations of more than 30 resorts.

The university's associate vice chancellor for campus services, Carolyn Elfland, said Destination specializes in managing unique and historic facilities and was therefore a better fit.

The 184-room inn, which is listed on the National Register of Historic Places, opened in 1924. It underwent a \$16.5 million renovation in 1996. The 120-room Rizzo Conference Center has meeting spaces, classrooms and guest rooms.