

WILLIAM G. PARDEE

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April 19, 2006

VIA FACSIMILE ONLY

Mr. Gary Tomsic
City Manager
City of Blaine
344 "H" Street
Blaine, WA 98230

City Clerk
City of Blaine

Mr. Terry Galvin
Director, Community Development Department
City of Blaine
344 "H" Street
Blaine, WA 98230

Mr. Jon Sitkin, Esq.
Blaine City Attorney
1500 Railroad Ave.
Bellingham, WA 98225

RE: SEASCAPE OCCUPANCY ISSUES (1300 PEACE PORTAL DR.)

Ladies and Gentlemen:

The developer of the Seascape project, Harbor Lands, requests time for me to speak at next Monday's City Council meeting regarding the delay to their request for a unit occupancy permit for Unit 106, a pending ground floor investment transaction. Consider the following:

1. Harbor Lands will warrant the property under the state required circular on the Declaration of Covenants for the Seascape;
2. If required, the elevator will be operational;
3. Fire doors will follow as needed for upper floors;

4. Utilities are operational, as are heating, plumbing, electrical and a choice of gas or electric ranges;
5. Floor coverings are being installed by the buyer;
6. Harbor Lands has presented the Blaine City Attorney with the legal description for the easement to be granted on Alder St. for an easement for a sidewalk;
7. Harbor Lands' landscape architect has given notice or concluded that he has done all he can do to satisfy Planning Department head Terry Galvin on landscaping;
8. Harbor Lands has not received a deed for the conveyance of 4th Street land (per city council-approved vacation), as paid for nearly two (2) months ago;
9. Fire alarms, hydrants, phone lines, and gas and utilities are in place;
10. Harbor Lands will recording the Declaration of Covenants which contain declarations for use, in addition to city drainage maintenance covenants, consecutive with the closing or before. This will be recorded by the developer and deeds executed for closing at Select Escrow within days. There will be penalties to the developer for the delay to date or possible loss of transaction in the event we cannot demonstrate the ability to occupy by April 25, 2006,;
11. A deposit or surety has been made in favor of the City for \$59,000.00 for completion of drainage and landscape on-site;
12. The seller (Harbor Lands) provides buyer all warranties required by the state plus added warranties;

Harbor Lands has submitted this request to all departments requiring immediate reply as to why they are upholding our request for occupancy as of the current date. The developer does not believe it is appropriate to convey until occupancy can be issued the buyer.

Sincerely,



William Pardee
Harbor Lands Co.

cc: File, Client