

West Bluff Condominium Association
c/o Snow's Management, Inc.
200 West 34th Avenue PMB No. 966
Anchorage, AK 99503

July 23, 2002

To: All West Bluff Homeowners

Re: Fireplace Inspections/Disclosure

Dear Homeowner:

As many of you may be aware, the recent fire in Unit 309 was caused by a fireplace ember which dropped through a gap between the fireplace and hearth into the combustible structure beneath the floor. The repair contractor brought this issue to West Bluff's attention and the association subsequently retained a consultant to determine whether similar problems may exist in other units. The results have been inconclusive, as the particular problem cannot readily be observed without dismantling the fireplace.

In the interest of caution, the association has amended its resale certificate to disclose this potential safety issue. We are also providing a copy to all homeowners with a strong recommendation that owners who utilize their fireplaces retain a competent professional to provide routine inspection and maintenance. All West Bluff homeowners have a vested interest in maintaining safety within the complex, and we thank you in advance for your cooperation.

Sincerely,

Board of Directors

enclosure

Resale Certificate Part N: Violations of Codes, Laws, or Other Legal Documents:

The association is not aware of any violation of applicable codes, laws or other legal documents. The association is aware, however, of a potential safety issue relating to fireplace installation.

On October 23, 2001, Unit 309 experienced a fire loss originating from the fireplace. The hearth was installed with heavy slate at the same vertical height as the firebox, and the area between the firebox and hearth was not effectively sealed to prevent sparks from entering the combustible area beneath the floor. Because the affected area is concealed from view after installation, it is impossible to absolutely certify the presence or absence of a similar defect in other fireplaces without removal/reinstallation of the fireplace and surrounding masonry.

The association retained a consultant to inspect other fireplaces within the building, but has been unable to determine whether the type of installation in Unit 309 was "typical" of original construction. A limited inspection of some additional units indicates there are varying types of fireplace installations throughout the building, and the association is unsure which installations constitute "original construction" as opposed to later homeowner modifications. The association is not presently aware of any other installation defects, although not all fireplaces have been inspected and the type of problem which caused the Unit 309 fire cannot be detected from a brief visual (non-destructive) inspection.

Owners are advised to exercise extreme caution when using their fireplaces, and to have their fireplace and chimney periodically inspected by a trained professional. Inspection and maintenance of fireplaces and chimneys is an individual homeowner responsibility pursuant to Article IV, Section 6 of the declaration.