



July 19, 2007

Helen Holmes Peak
Lounsbury Ferguson Altona & Peak
960 Canterbury Place, Suite 300
Escondido, CA 92026

Re: CCDC Consistency Determination Matrices (the "Matrices")

Dear Helen:

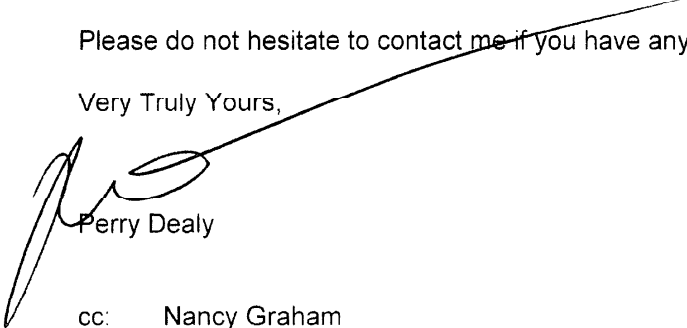
Manchester Pacific Gateway, LLC hereby strikes from its July 2, 2007 submittal (the "**Submittal**") all references to condominiums (whether in the context of "condo hotels" or "office condos") without waiving the right to amend the Submittal to include condominium and/or fractional interest ownership.

We therefore appreciate CCDC staff's deleting all references to the terms "condo/hotel", "hotel/condo" and "office/condo" in item DP-2 of the Matrices. In addition, the following note under the "Consistency Analysis" column in item DP-2 of the Master Plan Consistency Determination Matrix should be deleted:

"Subdivisions (office or hotel condominiums) are a financing mechanism to allow the sale of individual units. The Development Agreement is silent with respect to a subdivision. However, the subdivision could be a potential issue with the Coastal Commission because it regulates such subdivisions in order to maintain the visitor-serving character of coastal property within its jurisdiction."

Please do not hesitate to contact me if you have any questions about these matters.

Very Truly Yours,



Perry Dealy

cc: Nancy Graham
Eli Sanchez
Suzanne Drolet
Michael S. Levinson
Steven Strauss, Esq.
Mr. Richard V. Gibbons

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