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April 11, 2005

Mr. Keith Megginson Chatham County Planning Department Post Office Box 54 Pittsboro, NC 27312

VIA HAND DELIVERY

Re: Chapel Ridge -- Phase 2A (Owner: "Jordan Lake Preserve Corporation")

Dear Keith:

Enclosed please find an application for preliminary and final plat review; Chapel Ridge -- Phase 2A. Phase 2A of Chapel Ridge consists of 210 lots, none of which are located in the flood plain.

In addition to the application for preliminary and final plat review, we would like to request Commissioner approval of two issues:

(1) As a result of cooperative negotiations between Jordan Lake Preserve Corporation and the owners of the tracts adjacent to the south (Polk-Sullivan LLC and Chatham Partners LLC), the southern boundary of Chapel Ridge nearest the rotary area has been modified. We request that the boundary of the Chapel Ridge planned unit development be modified to reflect the revised boundary as shown in the attached survey.

(2) A condition of the final plat approval for Phase 1 of Chapel Ridge required that the roadway from North Carolina Highway 87 be constructed "prior to final approval of lots in Phase 2 or the issuance of building permits for 50 houses, whichever occurs first." The intention of that condition was to insure that, when a critical mass of residents have moved into the Chapel Ridge subdivision, the access to Highway 87 will be completed for safety and other purposes. The lots in Phase 1 have sold so quickly that they have outpaced the construction schedule for the roadway to new 87. Further, Jordan Lake Preserve Corporation and the owners of the property over which the access road to new 87 travels have spent a significant amount of time having investigations done to insure that the roadway is placed in an area that is the most sound from an environmental perspective. Fortunately, while the lots at Chapel Ridge have sold quickly, homes have not yet begun to be constructed in earnest. As of this writing I believe no building permits have been issued for homes in Phase 1. This is to request that the original condition for Phase 1 and any

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similar condition for Phase 2A be modified to require that the road to North Carolina Highway 87 simply be completed prior to issuance of 50 building permits in the Chapel Ridge subdivision.

Submitted herewith for the Phase 2A preliminary and final plat application are:

1. Application for preliminary and final plat review, "Chapel Ridge – Phase 2A," including a schedule of adjacent property owners.

2. A copy of the final plat for Phase 2A (we will submit the additional 25 copies after your review and at a time designated by you).

3. Transmittal Letter evidencing application for sewer permit dated February 28, 2005.

4. Copy of the approved wastewater treatment plant permit (#WQ0022870) in the name of Heater Utilities, dated 11-29-04. This approval accommodates up to 726 residences. Phase 1 of the project consisted of 302 lots and Phase 2A will consist of 210 lots. That total of 512 units is well below the approved capacity of 726 units.

5. DOT commercial driveway permit for entrance onto North Carolina 87 (the commercial driveway permit for the Old Graham Road entrance was submitted with the Phase 1 final plat application).

6. Erosion Control Plan: Permit applied for (submitted to NCDENR on March 14, 2005). Comments have been received from NCDENR and the plans have been resubmitted. Approval is pending and expected soon.

7. The U.S. Army Corps of Engineers permit (404 permit and the 401 permit were both received for the entire 700 unit subdivision). The 404 permit was approved on September 23, 2003 and the 401 permit was approved on June 2, 2003.

8. The road name request form (attached and approved).

9. Chatham County Public Works Department has reviewed and approved the sealed water plans for conformity with County standards and specifications (See letter dated April 8, 2005 from Will Baker).

10. The State public water approval was received on March 29, 2005 (attached).

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11. The plans have been submitted to the Chatham County School Superintendent for comments.

12. Storm water plans have been submitted to the County on March 2, 2005 and approval is pending.

13. The economic and environmental impact studies for the entire subdivision were previously submitted and approved with the Phase 1 approval.

14. Bond: Financial guarantee, including breakdown of cost estimates, along with application letter to Interstate Land Sales/RESPA submitting the statement of record to follow.

Please let us know if there is any additional information needed. With regard to the permits applied for but not yet obtained, in all cases, we anticipate receipt of those permits within days.

Very truly yours,

Nicolas P. Robinson

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Enclosures

c: J. David Edwards Fred Ward Mark P. Ashness