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ATTACHMENT 1

August 18, 2004

Town of Chapel Hill
Attn: J.B. Culpepper, Development Coordinator
306 North Columbia Street
Chapel Hill, NC 27516

Re: Presque Isle - Special Use Permit - Request for extension of completion time limit
(File No. 26..42)

Dear Ms. Culpepper,

Please accept this letter as our formal request for an extension of the completion time for the Presque Isle development. Please note that the Special Use Permit required construction to be completed by June 23, 2000, and that we have been granted a twelve month extension for this date on 5/12/00 by the Town Manager, a second extension on 6/25/01 as approved by the Town Council, a third extension on 6/24/02, and a fourth extension on 3/1/04.

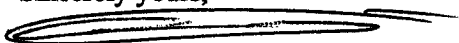
The extension granted by the Town Council on 3/1/04 extended our completion time limit through June 23, 2004. However, we require another one (1) year extension to this date, and request that you note the following in our satisfying of Section 18.6.3 of the Chapel Hill Development Ordinance. First, this written request is submitted within 60 days of the current completion date (June 23, 2004).

Second, we have proceeded with due diligence and good faith. In this regard, please note that the site work has been completed. Furthermore, construction has been completed on the first four buildings (Buildings # 100, 300, 400 and 500), as well as the clubhouse and recreational facilities. At this point, we have nearly completed construction of the fifth and final building (Building #200). All that remains to be constructed is the last two of the eight total units in this building.

Third, we believe that conditions have not changed substantially as to warrant Council reconsideration of the development. As expressed by our request for an extension last year, it is our hope that the Town of Chapel Hill views the Presque Isle as a positive contributing factor in the development and improvement of this part of town.

Thank you, and please call me at any time if you have questions regarding this request.

Sincerely yours,


E. Hani Fakhoury
Director