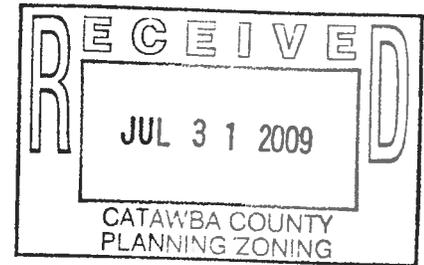


Syn-R-G, LLC
104 Creeksedge Lane
Troutman, NC 28166

July 30, 2009

Mr. Michael Poston
Catawba County Planning and Board of Adjustments
PO Box 389
Newton, NC 28658



Dear Mr. Poston,

I am writing you this letter to first request that you reconsider your determination to rescind your approval of my request to reconfigure the "Hangar Lot" at the Long Island Airport subdivision. If you are unwilling to do so based upon the discussion below I am requesting an appeal of your decision to deny my request to reconfigure the lot designated as "hangar lot" to residential zoning. I am appealing for the following reasons:

As some of you in the planning department know the Long Island Airport subdivision is a unique community centered around aviation and boating activities. The community began back in 1991 when Mr. Steve Griff and two partners bought approximately 40 acres that included and surrounded a turf runway created in the early 1960's. Mr. Griff and his partners envisioned building condominiums along the airstrip along with a lot for hangars to accommodate the condominium owners' aircraft. While approval was granted for the hangar lot the condominiums never received approval. Over the next several years Mr. Griff's lost his partners and the project made only minimal progress until 1999. At that time I partnered with Mr. Griff, we purchased an additional 76 acres from Crescent resources and set about the business of planning the community. The new vision for the project included large lots that could accommodate both a house and a hangar on each lot. This removed any necessity for providing a site where hangars could be purchased by the lot owners. Mr. Griff the original declarant has stated unequivocally that the hangar lot was never intended for common area or community access area. He has stated that the lot has always been offered on a "for sale" basis. As we viewed the "hangar lot" as having potential for income for our company by selling it in whole or in part for this purpose we did not attempt to reconfigure the lot at that time. Despite the change, throughout the period from 1991 to the present both Mr. Griff and I have attempted to sell the "hangar lot" for that use. In 2006 I had an attorney draw up a legal framework for multiple owners of a single lot in an effort to sell the hangar bays much like condo's. This effort was coordinated with the planning department. I also had several hangar manufacturers bid the buildings to determine the cost structure when and if I sold the hangars. The costs proved to be very high given the large structures required.

I have attempted to sell the lot for hangars through internet advertising, word of mouth, and in recent times through a realtor. In 2005 I bought Mr. Griff out of the project and continued my attempts to sell lots in the community including the "hangar lot." In the 18 years since the inception of the community this lot has never been represented to anyone on any basis as common area, or a community access area. Despite all of Mr. Griff's and my efforts in all of that time we have been unable to find any buyers for the lot as a hangar only lot. It has always been represented as being for sale as a lot for hangars or as a lot that might be owned in common by those who would purchase a hangar and own the lot for lack of a better term as, "tenants in common." With the economy and the real estate business doing poorly last year and unable to find any hangar or hangar lot buyers in 18 years I decided to explore the possibility of selling the lot as a residential lot. As discussed below I worked with your county planners to accomplish this. In the course of doing so however I advised two of the Long Island Airport Homeowners Association (HOA) board of directors members beginning in February of this year that I was contemplating the change and wanted them to discuss with the board whether or not the homeowners association had any interest in purchasing the lot as a common area for the community to preserve it for their use. To essentially give the HOA a first right of refusal. The board members did not follow up on this in any manner. Again prior to placing the lot under contract for sale as a residential lot I emailed the president of the board and asked him why I had not had any response from the board. I received no response from him until 3 weeks later. His

response came after some homeowners expressed concern over the sale of the lot. Only then did he finally acknowledged receipt of the email. Despite acknowledging the email the board still did not take the item under discussion or disseminate it to the HOA at large. As I had no response from the elected governing body for our homeowners I had to assume they had no interest. As such I began the process of reconfiguring the lot for sale as one that could be zoned for a residence along with a hangar. I quickly had the lot under contract for sale if I could make the changes required by your office.

Over the many years the airpark has had visitors fly in to look at lots and visit their friends. As the "hangar lot" had not been sold or built on I allowed the prospective buyers and lot owners' friends to park on the lot as a courtesy as most lots had not been cleared or prepared for parking. It appears that my generosity has backfired on me as some who live in the community have taken it to mean that they were given this area for their use as common area, or a community access area, or a community aircraft tie down area. This is a misconception on their part. Apparently my efforts to advertise this lot for sale as a lot for those who want to build or purchase a hangar at their expense was misunderstood as well by some in the community. After all of my efforts to sell the lot as a hangar lot to individual lot owners, outside buyers, and our HOA I finally put the lot under contract as a residential lot. Those lot owners who had mistakenly assumed that they had some rights to the lot sent out emails, objected to the board, and claimed I had no right to sell the lot as a residential lot. To date they have never paid one dime of taxes on the lot, only my company has paid the tax bill. After it came to light that there were those opposed to the sale as a residential lot I met with the board as well as sent out emails to all of our lot owners explaining the situation and again offered to sell the lot to either the homeowners association or to any and all individual lot owners who might want to purchase the lot. The board of directors said they would not oppose or support the sale, not lead any effort to effect it's purchase on behalf of the HOA. No lot owners to date have expressed any serious interest in purchasing the lot for their use. With seemingly no interest in buying the lot, a few lot owners then went to the county attorney and showed her my advertising materials claiming that they were owed this lot as a common area. To date they have not identified themselves to me or many others in the community whom they have claimed to represent. Nor have they made any attempt to contact me directly to discuss the situation or offer to buy this lot. The lot owners who opposed the sale also said that I had promised them a designated tie down area on the lot. This was never stated in any form or fashion. As I said before I was nice enough to let their visitors park there as a courtesy. None the less in trying to resolve the complainants concerns I did offer to create a tie down area for the community on this parcel. I have also had no response to this offer from anyone. The complainants have apparently brought forth advertising information that I used in my attempts to sell this lot to those who might want to purchase a hangar and interest in the lot whether they were existing lot owners or outside buyers. They are attempting to say that because I used terms like "planned hangars and docks" I somehow owe them a lot with hangars even though they have no desire to purchase this right. They also say that because I used the term "community hangar lot" that this meant it was to be part of the common area. It was simply a convenient term given that the lot was zoned for hangars as opposed to residential and was the only such lot in the community.

To illustrate my logic in advertising the hangars as amenities I will use the situation with the "planned docks." Did I plan to build and sell docks, yes. As such I sought the necessary permits to do so. Once it was apparent after nearly 7 years of obtaining the permits that it might be possible I sent out emails to my lot owners to determine how many were actually interested in purchasing the docks. I had about 20 lot owners tell me they wanted to purchase a boat slip. As such I took deposits on the docks and began construction on the docks. The hard lesson I learned from the docks is that not everyone who says they want something are willing to spend the purchase price to buy this ammenity. While I had 20 folks say they wanted docks only a fraction actually put up the money and I wound up building more docks than I had customers for. This left me holding the note for the unsold docks until the present. Applying this same logic to the hangars I set forth with the plans for the hangars and let the homeowners as well as outside buyers know that they were available for purchase if they were interested. While I did have one or two that said they might like to purchase one when it came to actually making a financial commitment to the purchase there were no takers. To this day the only person that has ever expressed a true willingness to purchase the lot is the buyer who has it under contract for residential and hangar purposes. Did I hope to build a hangar facility in the community and sell



the hangars to earn a profit, and offer them to qualified buyers, definitely yes. But at the end of the day the situation is as follows: I have a lot that no one wants to pay to own for the purpose of building or owning only hangars there on. The banks would never lend the money in the current financial climate for the construction of such hangars absent hard contracts. A more than significant amount of time, effort, and money have been spent in efforts to utilize the lot for hangars only with no success. With no buyers, no way to build hangars, and zoning that does not allow me to do anything else with the lot I now have a worthless asset with a contract to purchase that I cannot execute. The action of the planning board to deny me the right to lawfully reconfigure and dispose of my asset per the covenants that everyone signed who bought in the community effectively denies me the income I will generate from it's purchase. I believe that the county planners should realize that they are denying my legal rights under the covenants and that this is if anything a civil matter between the complainants and my company. Having reasonably relied upon and complied with the guidelines set forth by the county planners and county attorney they should allow me the rightful reconfiguration and disposition of my property.

Even if I am unsuccessful with the reconfiguration of this lot the complainants have no claim on this lot and if sold as solely a hangar lot they still will have no rights to use the lot. The only effect it has is preventing me from selling the lot for residential purposes. Given the track record for selling the lot over the last 18 years it is unlikely that it will sell in any meaningful time frame unless reconfigured. This is a lose-lose situation for all including the Catawba County. If I can move forward with the reconfiguration the buyer gets a lot to build his home on, the HOA gets the annual dues from the buyer which it badly needs, the county gets increased tax revenue, the HOA gains a tie down area, and I get the income from the lot. Which in current times is badly needed. If I can't sell the lot in it's current configuration and it takes me another 18 years if ever to sell the lot nobody wins. I truly believe that since there is no real upside for the complainants in this it is merely a convenient way to seek retribution on the developer and there is no down side for them to do so. They incur no costs as the county is acting as their agent and attorney in the matter.

The original homeowners covenants were created prior to my joining Mr. Griff's efforts to create the community. The community is operated by these covenants and bound by their words. These covenants were signed by everyone who bought a lot in the community. In the covenants it is clearly written which areas were to be turned over to the lot owners as "common area". No where in the covenants, or anywhere else for that matter, is this lot included in the list of common areas. The covenants also state the even those areas listed in the covenants could be removed by the declarant without recourse by the HOA or lot owners. The covenants also give the declarant the right to reconfigure and redraw any lots at their discretion without consent of the HOA or lot owners. The covenants also give the declarant the right to create or move tie down areas without the consent of the HOA or lot owners. There was never a tie down area created anywhere in the community and with lots being large enough to accomodate tie downs there is no need. The action of denying my request to reconfigure the lot by the Catawba County Planning Dept. has completely disregarded and ignored the legal rights that were established, for the declarant (Syn-R-G, LLC) and the lot owners in our recorded homeowners covenants. The denial also ignores the legal opinion letter that the Planning Dept. required me to provide as certification that I had the right to reconfigure the lot as discussed below.

Last year I contacted Susan Baubach to discuss the requirements to reconfigure the lot from non conforming hangar only designation to conforming residential zoning. She explained the requirements that I would need to meet in terms of lot dimensions but was uncertain about the requirements the county might have with regard to public hearings, documentation, etc. I subsequently spoke to Mary George with these questions and Mary referred them to Catawba County Attorney Deborah Bechtal for a decision on how to proceed. Ms. Bechtal decided that I would need to have an attorney review all of the recorded documents such as plats, homeowners covenants, deeds, etc. and confirm that there was no representation of this lot as common area or community access area contained therein. Attorney Alan Carpenter provided this certification as required by your office and at my expense for his services. I spoke to Mary George again and was given verbal approval that I had met Ms. Bechtal's criteria and could proceed with the lot reconfiguration. I asked her at the time what if there are lot owners in the community that do not like the reconfiguration. I was told that "Catawba County would stand on the opinion letter provided by Alan Carpenter and support my right to reconfigure the lot" if I met the lot dimension requirements and septic approval. Having reasonably relied upon and complied with the

requirements proscribed by Catawba County officials I proceeded with the necessary steps to accomplish the lot reconfiguration. This included obtaining a septic improvement permit, surveying and deed prep with the surveyors, and negotiations with the adjacent lot owner to meet your requirements. This was done at my expense based on the approval received from Mary George.

Subsequently a small and as yet unidentified group of lot owners visited Catawba County attorney Deborah Bechtal's office with what I was told are advertising materials which I have not seen and claimed that I had promised the lot as common area. I received a call from Ms. Bechtal stating that she had decided to rescind the approval of my reconfiguration based on the false claims of this group. When I tried to discuss the matter with Ms. Bechtal she refused to discuss the matter with me directly stating that since I had used an attorney to provide the opinion letter I could only address the situation through my attorney. It was Ms. Bechtal's decision that I had to retain an attorney for the opinion letter, not mine. As such I have been put in a position where I have not been given the opportunity to show the county attorney or planning dept. documentation that would refute the claims of this group of homeowners without spending even more money for attorney fees and now \$425 fee for the appeal. When my attorney did try to talk to Ms. Bechtal, she according to my attorney refused to cooperate with him in giving him information on who filed the complaint or what materials they have shown her to support their claims. Given that a decision was rendered by the county attorney (a public official) based on complaints made by individuals I do not understand why their identities are not a matter of public record. As such I have no way to directly address the situation with the complainants or to take civil action against them should I choose to do so despite the financial harm they have caused me. My only option as I understand it is to appeal this decision in a board of adjustment hearing. All of this has left me spending money for attorneys, septic permits, and no opportunity to even find out who has made the complaint or what their basis is for this claim.

The person or persons who met with Attorney Bechtal claimed to represent our homeowners as a group. In fact our duly elected board of directors have said that they are not in any way affiliated with these folks and don't know who they are. The board has taken a neutral position with regard to the sale and are not opposing the reconfiguration. What this amounts to is an attempt to steal a piece of real estate or ascribe a right of use that was never intended or granted to them. The worst part is I am being denied the right to reconfigure property that I law fully own and have the right to modify per the homeowners covenants that everyone who bought in the community signed prior to their purchasing. This is resulting in financial damages to my business and preventing a buyer from purchasing the property. Having spent a good bit of time and money with the county to meet their requirements to reconfigure the lot it is difficult to understand why 2 or 3 people can walk in to the county attorneys office without being held to the same requirements I had to meet, such as attorney representation, and reverse all of the commitments made by the county planners office after I have attempted to comply fully with their guidelines. If the complainants are truly interested in opposing my decision to reconfigure the lot it should be in the venue of civil court as opposed to a board of appeals hearing. Having met all of the requirements the county specified to accomplish the reconfiguration it seems that I have been held to a much higher standard and resultant cost than those who oppose the idea and have been granted direct access to the county attorney at no cost or inconvenience. This seems from my perspective to be highly biased against my interests and it is unclear why this has been handled in this manner. I feel that the county has ignored my rights as recorded in our covenants and preempted my right to resolve this matter either directly or through civil court. Catawba County officials are essentially acting as defacto attorneys for plaintiffs who have not even demonstrated any clear right to the property and at no charge. I find this difficult to understand as I have always tried to work with Catawba County officials without discord and thought we had a good working relationship. Having been given approval to proceed, having spent the money, time, and effort based on that approval it seems highly questionable that things have been handled in this manner. I mean no disrespect to anyone involved in the process but this seems to be a very biased approach on behalf of the complainants.

Given that I have been given no other recourse by the county to directly address the situation I am requesting an appeal to your decision. I will provide the board of adjustment with documentation to support the above statements in the next two weeks.

To summarize: