

Ms. Cheryl Strickland
Atlanta Development Authority
Underground Atlanta
86 Pryor Street, SW
Atlanta, Georgia 30303

November 21, 2005

RE: Oakland Park – TAD Grant

Dear Cheryl,

Thank you for meeting with me on Wednesday, November 16. Please accept this letter as our formal request that the Atlanta Development Authority (ADA) extend our February 1, 2006 TAD Grant deadline (see section 6.4 of the Oakland Park Development Agreement) to April 12, 2006. We remain committed to Oakland Park (the “Project”) and have been working throughout the fall to bring the project to fruition. However, the dramatic rise in construction prices seen since Hurricane Katrina has created delays in our project timeline. We have now reconciled the construction pricing and are ready to commit the additional cost to close for the project but need through April 12 to proceed with the project in an orderly fashion.

To enable your bond holders to evaluate our request we have outlined below the exact request of the ADA and the current state of readiness of the project.

Requested Extension: We request that the Paragraph 6.4(g) be changed to provide that the Developer must satisfy the conditions precedent to dispersing TAD Bond proceeds prior to April 12, 2006.

State of Readiness: We are ready to invest the additional \$303,000 in The Oakland Park Project because we believe the project will be successful and is now ready to close. Specific points we have considered in making our commitment to invest are listed below:

- Property: The property has been purchased by our joint venture partner, Melaver Inc., and will be contributed to the project at the commencement of construction (Note: this is a legal obligation). Melaver will remain involved in the project both as an investor and assisting with elements of the development of the project.
- Financing – Development Loan: We continue working with Regions Bank for the project financing and have completely negotiated the terms of the development loan including guaranty structures, bonding requirements, arrangement fees, interest cost and the project proforma. Regions is familiar with the TAD Bonds and accepts this funding source into the transaction. They have reviewed both the

Oakland Park Development Agreement and a copy of the standard recognition agreement.

- Financing – Equity: The project requires a total of \$2.9 million in equity of which \$1.7 million will be invested in the project prior to close. The remaining funds will come from Urban Realty Partners and associated investors.
- Financing – Completion Guarantor: The Developer Completion Guarantor has been identified (the same as on the Reynolds) and the terms of this documents are accepted.
- Drawings: We have completed Design Development Drawings, completed extensive structural drawings and submitted for the site development permit. We have completed additional soil borings to verify the foundation system. We previously found contaminated soil on site and have completely cleaned the site and obtained a No Further Action letter from the Department of Natural Resources. Pricing is confirmed and the architect is beginning final construction drawings with full cooperation and assistance from the general contractor.
- Construction Pricing: We have completed an extensive pricing exercise and have now completed a final round of value engineering. The pricing has been bid to two or three subcontractors in all categories. Pricing is thorough and accurate and can be converted to a Guaranteed Maximum Price at the point the construction drawings are 75% completed. The projected construction cost is included in the current proforma.
- Project Proforma: The project proforma has been revised based on the current information including higher costs and revenue. This proforma is approved by the bank and our joint venture partners.
- Schedule and Predevelopment Cost: To complete the project, we primarily need to complete the construction drawings, confirm the construction price with a GMP contract and close the development loan and TAD Grant. Our schedule to complete this work is listed below with the corresponding commitment of predevelopment funds.

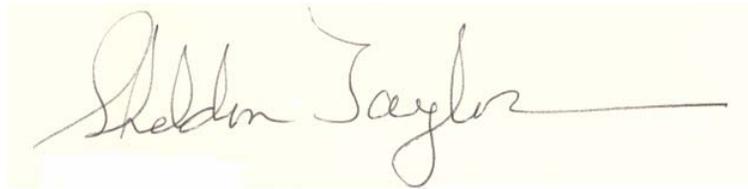
Date	Action	Cost
Nov 30	Release work for 75% Construction Drawings	\$145,000
Dec 15	Pay additional TAD Bond fees	\$52,000
Jan 2	Release Bank for Legal Documentation	\$106,000
Jan 25	75% Construction Documents completed	
Jan 25	Submit drawings for final GMP pricing	
Feb 15	Receive final GMP Pricing – begin final Value Engineering	

Mar 1	Complete Value Engineering and GMP Contract Complete	
March 15	Close Development Loan and begin project	
April 12	Outside date of extension request – 4 week contingency period	
	Total Projected Cost	\$303,000
	Total Costs to Date	\$1,530,000
	Total Projected Invested Investment Prior to Close	\$1,737,000

We are ready to quickly and effectively move to the close of the Oakland Development project. However, we request additional time to compensate for the time lost in responding to the recent fluctuations in construction prices.

Thank you for your consideration and please call if you have any questions.

Sincerely,



Sheldon Taylor
CFO of Urban Realty Partners LLC the Development Agent Oakland Park
Development

Cc: Mark B. Riley