

STONEY CREEK ASSOCIATES LLP

7841 Wayzata Boulevard
Minneapolis, MN 55426

July 13, 2006

Vicki Fisher
Growth Management Department
City of Rapid City
300 6TH Street
Rapid City, SD 57701

RECEIVED

JUL 13 2006

**Rapid City Growth
Management Department**

**RE: Planned Residential Development
Lot 1 of Stoney Creek South No. 2 Subdivision
Rapid City, South Dakota**

Dear Vicki:

This will serve as a letter of intent to develop a Planned Residential Development on Lot 1 of Stoney Creek South No. 2 Subdivision, Rapid City, South Dakota.

The development will include a total of 16 apartment buildings with 278 housing units a club house/housing office and 20 garage buildings with a total of 104 garage units.

Ten (10) of apartment buildings will have 17 units per building and six (6) of the buildings will have 18 units per building.

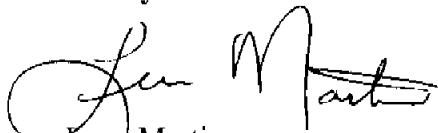
The club house/office building will house the offices for the apartment complex, exercise rooms and meeting rooms. The club house/office building is a two level structure with a foot print of 3,228 square feet on each level; a total area of 6,456 square feet.

The club house/office building is intended to be used only by the Owner and apartment residents. The meeting rooms can be used by residents for birthday parties, anniversary parties, etc.

If you have any questions or need additional information, please contact me.

Sincerely,

Stoney Creek Associates LLP


Leon Martin