

Letter of Intent
For
Rumours Coffee & Wine

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JUL 25 2014

**RAPID CITY COMMUNITY PLANNING
& DEVELOPMENT SERVICES****Executive Summary**

Rumours Coffee and Wine is determined to become a daily necessity for local coffee drinkers on their way to work or relaxing in the morning. Rumours will capitalize on its proximity to two high traffic roads, Sheridan Lake and Catron Blvd. Rumours will offer its customers the best prepared coffee in the area along with simple foods that go with coffee, wine and micro brewed beers.

Company Ownership

Rumours is a registered SD corporation wholly owned by Lawrence Adams and Tara Little. Lawrence is a lifelong resident of Rapid City. Graduated from Central HS and SD School Mines & Technology and is currently working for BankWest in their insurance department as a commercial insurance representative. Tara Little has been in Rapid City for a little over a year but was a resident of Phoenix AZ and Spearfish SD the previous 15 years. Her son Trace will be a sophomore at Stevens HS this year. Tara will be a full time owner operator of Rumours.

Company Location & Facilities

Rumours will be located at 5509 Bendt Drive Suite 305. This location is by Sheridan Lake Road and Catron Blvd. This location has numerous advantages as there are 13K cars that travel Catron and Sheridan Lake Road daily. The building was designed for a drive up window and has plenty of parking. The floor plan of 1400 square feet will include about 300 square feet of food prep area a bar area and two bathrooms. There is room for about 40 patrons in the seating area. The interior design of Rumours is very unique for the Rapid City area. We will be using reclaimed wood beams from my family's farm and other reclaimed wood to help decorate. Along with different sheet steel from a local supplier Rumours will have a very unique and inviting atmosphere. The signage is set to be similar as to what is on the building from other tenants. The building owner wants channel letters. The previous tenant has a backlight square sign that was approximately 4' x 16. We are planning a channel letter sign that will be much smaller than what was previously up.

The hours of operation are scheduled to be from 6:30 am to 9 pm Monday thru Thursday and 6:30 am to 10 pm Friday and Saturday. The drive thru window will only be used to sell coffee drinks and will not be selling beer or wine through the drive up window.

Products

Rumours will be offering its customers the best tasting coffee in the area. We have secured a supplier of coffee from an Australian that has a unique take on roasting the beans. Our food in the mornings will be simple fair, such as oatmeal, caramel & cinnamon rolls, bagels etc. The food for lunch will consist of sandwiches, wraps and salads. The evening offerings will be food such as cheese & meat plates and other appetizer style offerings that pair with a wine or beer. The wine and beer will only sold from 3 pm until 9pm. The wine and beer will be sold in compliance with all liquor requirements.

Market Analysis Summary

The coffee, wine and microbrew market keeps growing. These types of customers that like good coffee are also inclined to drink wine and micro beers. This market transformation of just coffee to offer other drinks for the evening patrons is working its way across the country. This transformation has even caught the eye of Starbucks a large corporation who is adding wine and beer to test locations in California. The transformation of the coffee market to add other beverages that cater to the same customers is a natural fit. Coffee only shops have lots of open table in the evening as most people have gotten their caffeine and went about their day. Hence the transformation of coffee shops adding wine and micro beers.

Rumours wants to add the wine and beer selections due to the market place and a need for this service. In the area we are located there are thousands of residence with little offerings. There are two other establishments that offer alcohol. One is Wing & Rings which is a high volume sports theme restaurant. The other is Uncorked which is being sold from Deb Michaelree to Pete Franklin who is planning on making the space a higher end restaurant and is changing the name to "Juniper". I also believe there is some sort of fitness/yoga studio that has a beverage license.

We believe Rumours is offering something different, we are looking to offer wine and beer selections that the local people may have with some appetizers before they go home for the evening. Another idea that we want to implement is on Friday and Saturday evenings have local musicians play for the evening. We are a small place so "one man band" type of music, acoustic guitar style with the emphasis on intimate setting for the local people to see a musician practice their craft.

Lawrence Adams
Tara Little

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