

SDA INC.
The Denver Tech Center
5655 South Yosemite Street, Suite 301
Greenwood Village, Colorado 80111
Telephone: (303) 220-0500
Facsimile: (303) 220-0596

Real Estate: Construction
Development
Investment
Management

SDA

VIA FEDERAL EXPRESS

October 20, 2006

Stephen K. Harsin, AICP
Director
Neighborhood Services Division
City Hall, Second Floor
400 Stewart Avenue
Las Vegas, Nevada 89101
Telephone: (702) 229-2330
Facsimile: (702) 382-3045

**RE: Downtown Affordable Apartment Community
Bridger Avenue Apartments**

Dear Mr. Harsin:

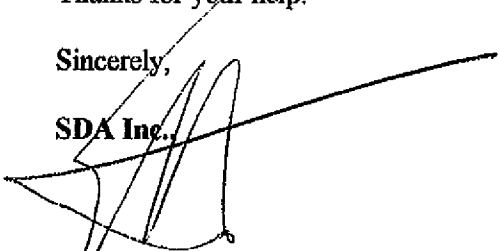
We have been very pleased with the assistance from your department as we move forward on the Bridger Avenue Apartment Community. We think this new 300-unit apartment community will perform and satisfy an exceptional need for quality, secure, dignified permanent resident living in downtown. This property will be very similar to the adjacent 300-unit City Center Apartment Community, as we will copy many of the successful aspects of that community.

Since this project started, however, land cost has increased from \$20 per square foot to \$100 per square foot. Additionally, construction costs have increased about 35%. Accordingly, we need the City's assistance to cover the funding gap on this development. We request that you make available \$1,500,000 in a combination of low-income housing trust funds and HOME funds, based on availability.

Thanks for your help.

Sincerely,

SDA Inc.


Stephen M. Biagiotti
President

SMB/lb

Cc: Tim Whitright - Manager
Sue Prescott - Supervisor