

**APTON PROPERTIES, LLC**  
**720 Montague Expway, Suite B, Milpitas, CA-95035**

**RA6**

May 8, 2008  
Mr. Tom Williams  
Manager  
City of Milpitas  
455 East Calaveras Boulevard  
Milpitas, California 95035

**RECEIVED**

**JUN 03 2008**

**HNP DIVISION**

Re: **The Apton**  
**230 North Main Street, Milpitas, CA**  
**Assessor's Parcel Numbers 028-24-035, 037, 038 and 040**

Dear Mr. Williams:

I am writing on behalf of Apton Properties, LLC ("Owner") to request minor modifications to the existing plans for The Apton Condominiums (the "Project") located at 230 North Main Street in the City of Milpitas (the "City").

With respect to the Project we respectfully request that the City allow Owner the following proposed modifications:

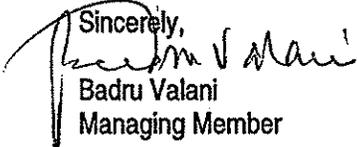
1. Allow the addition of 1,000 square feet of commercial space thus changing the total retail space to 3,864 square feet;
2. Allow the change in unit count to the following:
  - 34 - ONE BEDROOMS;
  - 31 - TWO BEDROOMS;
  - 27 - THREE BEDROOMS; AND
  - 1 - FOUR BEDROOM;TOTAL: 93 units;
3. Modification of the existing MOU between Apton Properties, LLC and Redevelopment Agency of the City of Milpitas to allow a re-characterization from a grant of \$852,560.00 to a soft loan (residual receipts loan) of \$852,560.00; for a total of \$ 1,230,560.00
4. Modification of the current City approvals to allow 55 of the units to be classified as affordable and allow submission of the same to the California Tax Credit Allocation Committee for receipt of a tax credit award; and 38 of the units to be classified as market rate.

I am enclosing for your review and consideration of the above request the following documents:

1. Copy of Plans;
2. Draft Modification to existing MOU.

Please feel free to contact me should you require any additional information, or should you have any questions.

Sincerely,

  
Badru Valani  
Managing Member