

HUTTON FOUNDATION

26 West Anapamu Street, 4th Floor
Santa Barbara, CA 93101

December 13, 2006

Dr. Jarrell C. Jackman
Executive Director
Santa Barbara Trust for Historic Preservation
P.O. Box 388
Santa Barbara, CA 93102-0388

Re: Jimmy's Oriental Garden
Purchase by Santa Barbara Trust for Historic Preservation

Dear Jerry:

Thanks to you and Elliott Browning for meeting yesterday with representatives of the Hutton, Santa Barbara, Wood Clayssens, James S. Bower and Outhwaite Foundations to bring us up to date on the status of the purchase of Jimmy's Oriental Garden. It is our understanding that the Santa Barbara Trust for Historic Preservation has opened escrow with the intent to purchase the property at the asking price of \$3.1 million. Due diligence requirements will be completed by December 29, 2006 with escrow scheduled to close February 15, 2007.

After hearing your update, the foundation representatives discussed the possibility of providing the Trust financing in the form of a loan to execute the purchase. Collectively, the representatives agreed if they were to provide funding toward this project, the following prerequisites must be met:

1. The Santa Barbara Trust for Historic Preservation must commit a minimum of \$500,000 toward the purchase price
2. The City of Santa Barbara, utilizing redevelopment funds, would also be a partner in the purchase ideally providing a \$1 million loan toward the total purchase price
3. Contingent upon approval from their individual boards, several local foundations would partner to provide additional loan funding toward the total purchase price
4. A local bank would be invited to become a funding partner for this project if necessary

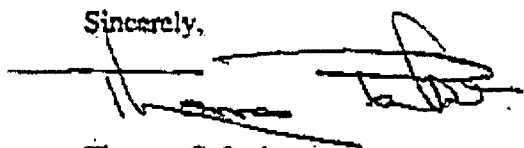
Hutton Foundation has volunteered to be the primary administrator among all the partners should this loan be executed. Specific terms of the loan are to be determined.

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As discussed, the purchase of Jimmy's Oriental Garden by the Trust for Historic Preservation has provided an opportunity to create a corporate, government and private resource funding model within the nonprofit sector. We are hopeful that together we can bring this model to fruition.

Good luck presenting to your board next week. We look forward to your response.

Sincerely,



Thomas C. Parker
President