

Schroeder
Construction
Services
A California Corporation

September 5, 1991

Randy Goodman
The Greenspan Company
400 Oyster Point #519
S. San Francisco, CA 94080

Re: Santa Barbara Affordable Homes
Fire Loss Claim against St. Paul
Your File #: 30694

Dear Randy:

As I discussed with Sandy last week, St. Paul has made payment in full to us per our Agreement of Value reached with them in early July 1991. I wish to sincerely thank you and your staff for being such troopers in assisting us with this claim. I truly do not believe we would have been as successful in either amount or timeliness of settlement without your help.

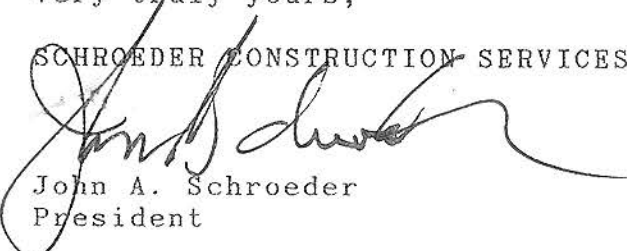
The settlement amounts are slightly different than those on your Invoice 6226. I have marked up a copy of that invoice and enclose it herewith. Per our agreement, your fee is based on the amount the insurance company pays to us, \$432,678.08, which reflects the deductible taken in the Phase II settlement amount. We are preparing a check to you which you should expect by the end of the month.

I have personally enjoyed working with you and am sorry that your busy schedule did not allow us the chance to get better acquainted. Perhaps we can accomplish that with some skiing this winter. Please also keep my firm in mind for any consulting or reconstruction work which you may need. I will be just as conscientious on that work as I have been on this claim.

I look forward to keeping in touch with you regularly. Keep me posted on your office plans for the Sacramento area.

Very truly yours,

SCHROEDER CONSTRUCTION SERVICES


John A. Schroeder
President

Enc: Invoice