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Barbara Mount
JW House
P.O. Box 3666
Santa Clara, CA 95055

May 20, 2005

Dear Barbara,

This letter is to confirm our conversation where we discussed the ongoing support of Kaiser Permanente Santa Clara Medical Center (a KFH facility) to the JW House located on the Homestead site. We will support the operating expenses for the JW House net of the daily rent collected. The cost to Kaiser Permanente Santa Clara Medical Center is estimated to be \$45,000 per year. The operating expenses include items such as housekeeping, maintenance of the grounds, minor repairs, utilities and other items which would normally be considered as day to day expenses. This does not include items that would fall into a capital expense category. The ongoing expenses and cost to operate the house will be reviewed on a regular basis by the JW House Advisory Board.

Sincerely,



Charles Koch
Senior Vice President and Area Manager
Kaiser Permanente Santa Clara Medical Center