ORIGINAL

THIRD AMENDMENT TO
SUBLEASE AND PROPERTY MANAGEMENT AGREEMENT

THIS THIRD AMENDMENT TO SUBLEASE (this "Third Amendment"), dated for reference purposes only as of October 1, 2017, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation ("Sublandlord"), and The John Stewart Company, a California corporation ("Subtenant").

RECITALS

A. Sublandlord and Subtenant entered into that certain Sublease and Property Management Agreement dated for reference purposes as of July 1, 2014 (the "Original Sublease"), for the management of 556 Housing Units at Former Naval Station Treasure Island, San Francisco, California, as more particularly described in the Original Sublease.

B. Sublandlord and Subtenant entered into that certain First Amendment to Sublease dated for reference purposes as of March 15, 2016 (the "First Amendment") to remove several buildings and include Quarters 7 as a caretakers unit to the Premises, adjust the Subtenant's insurance requirements and increase the Common Area Maintenance Fee.

C. Sublandlord and Subtenant entered into that certain Second Amendment to Sublease dated for reference purposes as of May 1, 2017 (the "Second Amendment") to remove 1205 Bayside Dr. and 1237 Northpoint Dr., Treasure Island, San Francisco, California (the "New Premises") from the Premises, and to increase the Common Area Maintenance Fee and Utility Fee.

D. Sublandlord and Subtenant desire to amend the Original Sublease, as amended by the First Amendment and the Second Amendment to amend the Sublease to adopt a 2017 Rent Schedule as set forth in this Third Amendment.

E. The Original Sublease as amended by the First Amendment, the Second Amendment and this Third Amendment shall collectively be referred to as the "Sublease". All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Sublease.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Sublandlord and Subtenant hereby amend the Sublease as follows:

AGREEMENT

1. **Recitals.** The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.

2. **Effective Date.** The effective date of this Third Amendment shall be October 1, 2017 (the "Effective Date").

3. **Rental Rates.** As of the Effective Date, the Rental Rates described in the Sublease Section 7.4 shall be amended to read as follows:

> "The rental rates for all Rentable Units have been set by the Authority at the rates described on the Rental Rate Schedule attached hereto as Exhibit H (the "**Approved Rates**"). The Approved Rates shall increase each year in amount determined by the Authority, with such permitted increases being assessed under the Rental Agreements. The rental rates may not be changed from the Approved Rates without the prior written consent of the Authority, except upon any vacancy, the Director and Subtenant may agree in writing to increase or decrease the rental rate of any Rentable Unit by no more than fifteen percent (15%) of the rental rate for such Rentable Unit provided for in the Approved Rates."

4. **Counterparts**. This Third Amendment may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof.

5. **Full Force and Effect**. Except as specifically amended herein, the terms and conditions of the Sublease shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Sublandlord and Subtenant have executed this Third Amendment to Sublease at San Francisco, California, as of the date first above written.

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____ Richard B. Rovetti
Robert P. Beck Per Robert P. Beck
Treasure Island Director

SUBTENANT:

The John Stewart Company, Inc.
a California corporation

By: _____

Its: President + CEO

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

Amendment Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____ (initial)

IN WITNESS WHEREOF, Sublandlord and Subtenant have executed this Third Amendment to Sublease at San Francisco, California, as of the date first above written.

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Robert P. Beck
Treasure Island Director

SUBTENANT:

The John Stewart Company, Inc.
a California corporation

By: _____

Its: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

Amendment Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____
(initial)

SUBLEASE AND PROPERTY MANAGEMENT AGREEMENT

EXHIBIT H

APPROVED RENTAL RATES

The Villages at Treasure Island

2017 Rent Schedule

Unit Description	**Rent**
2 Bedroom Unit	$2,577.00
3 Bedroom Unit	$2,876.00
4 Bedroom Unit	$3,413.00