SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

BY AND BETWEEN THE CITY OF LATHROP, WATT-MCKEE LLC, LATHROP ASSOCIATES, STEVEN R. MCKEE ROBERT E. MCKEE 1997 BYPASS TRUST AND WESTERN PACIFIC HOUSING INC. REGARDING THE MOSSDALE LANDING EAST PROJECT

PREAMBLE This SECOND AMENDMENT TO DEVELOPMENT AGREEMENT ("Second Amendment") dated for reference as of January 14, 2019, but effective as of the Effective Date defined herein, is made and entered into in Lathrop, California, by and among the CITY OF LATHROP, a municipal corporation ("City"), RAMONA CHACE, LLC, a California limited liability company (Ramona Chace"), MOSSDALE LANDING LLC, a California limited liability company ("Mossdale") and TOWNE CENTRE, LATHROP, INC., a California corporation ("Towne Center"). Ramona Chace, Mossdale and Towne Center collectively are referred to as the "Party Owners." Collectively, City, Ramona Chace, Mossdale and Towne Center are the "Parties" hereto; separately, City, Ramona Chace, Mossdale and Towne Center each is a "Party" hereto. This Second Amendment is entered into by the Parties based on this Preamble and on the following facts, understandings and intentions:

RECITALS A. The City approved that certain agreement entitled, "Development Agreement By and Between the City of Lathrop, Watt-McKee LLC, Lathrop Associates, Steven R. McKee, Robert E. McKee 1997 Bypass Trust and Western Pacific Housing Inc. Regarding the Mossdale Landing East Project," dated as of March 9, 2004, and recorded in the Official Records of the County of San Joaquin on March 18, 2004, as Document #2004-055103 (the "Development Agreement"), pursuant to which the City and the owners of the properties subject to the Development Agreement (collectively, "Original Owner"), all as more particularly described in the Development Agreement (hereinafter, the "Subject Property"), agreed that the development of the Mossdale Landing East Project (the "Project") would be done in accordance with and subject to the conditions, rights and obligations set forth in the Development Agrcement.

B. The City approved a document entitled "First Amendment to the Development Agreement by and between the City of Lathrop and Watt McKee LLC Regarding the Mossdale Landing East Project" dated as of June 6, 2016, and recorded in the Official Records of the County of San Joaquin on July 28, 2016, as Document #2016-087664 ("First Amendment"), and on June 20, 2016, adopted by Ordinance No. 16-358, pursuant to which the City and Watt McKee LLC, an Original Owner, made certain modifications to the Development Agreement that included extending the Term of the Development Agreement pertaining to the "Watt Commercial Property" (as defined in the First Amendment) to March 16, 2029, and making other changes, as stated therein, that modified certain definitions and other provisions in the Development Agreement.

C. By this Second Amendment, Section 1.04(a)(1) and Section 1.04(a)(2) of the Development Agreement are modified exclusively with respect to the Affected Properties (as defined herein). When this Second Amendment becomes effective, development of the Affected Properties will proceed, if at all, in accordance with and be subject to the conditions, rights and obligations in the Development Agreement as hereby modified.

D. This Second Amendment concerns, affects and alters the Development Agreement only with respect to the "Affected Properties," each of which is owned by one of the Party Owners and all of which are part of the Subject Property, as described generally below and more specifically in the superseding legal descriptions attached as Exhibits 1-4: (1) 18149 S. Manthey Road (APN 241-020-66); Fee interest owned by Mossdale, a 204 Unit Apartment Site (Exhibit 1); (2) 201 Towne Centre Drive (APN 191-550-74) and 231 Towne Centre Drive (APN 191-550-75); Fee interest owned by Towne Center, an Apartment Site (Exhibit 2); (3) 17100 Golden Valley Parkway (APN 191-190-49); Fee interest owned by Ramona Chace, the 12.4 acre Sprayfield (Exhibit 3); and (4) 17991 South Manthey Road (APN 241-020-52); Remainder interest owned by Ramona Chace, Pond C, a 7.81 acre treated wastewater detention pond (Exhibit 4).

E. Each Party Owner represents that it is a successor-in-interest to an Original Owner. Towne Center, as successor-in-interest to Ramona Chace, became a Party Owner of certain properties including the property described on Exhibit 2 pursuant to a Grant Deed recorded in the Office of the San Joaquin County Recorder on November 5, 2018, as Document Number 2018-122480.

F. The Parties agree that: (1) the Affected Properties are the only properties in the Project that are being modified by the approval, execution, effectiveness, and recording of this Second Amendment and (2) the Affected Properties are the only properties in the Subject Property that are being modified by the approval, execution, effectiveness, and recording of this Second Amendment. The Party Owners represent that immediately before this Second Amendment becomes effective, the Party Owners are all of, and the only, owners of the Affected Properties.

G. Nothing in this Second Amendment is intended to affect or affects the rights, obligations or interests of any Original Owner or, other than Party Owners, any successor in interest to any Original Owner under the Development Agreement (collectively, "Other Owners"). This Amendment preserves, without altering, the respective rights and obligations of all Other Owners, arising under the Development Agreement and, consistent therewith: (1) none of the Other Owners is, or is required to be, a party to or to consent to this Second Amendment and (2) all of the Other Owners and all properties in the Subject Property other than the Affected Properties intentionally and expressly are excluded from the operative effect of this Second Amendment. Accordingly, only the approval of the Parties hereto, as evidenced by their execution of this Second Amendment, and the approvals of the City Planning Commission and the City Council, as reflected herein, are required for this Second Amendment to become effective upon the date the ordinance approving this Second Amendment takes effect.

H. Due to various economic and market conditions, industry factors and other business considerations that occurred after the Effective Date of the Development Agreement, Party Owners and their predecessors in interest have not completed development of the Affected Properties. To facilitate development activity with respect to the Affected Properties, the Parties desire to extend the Term of the Development Agreement applicable to the Affected Properties until 12:01 a.m., March 16, 2029, so that Term is consistent with the Term extension approved in the First Amendment.

I. Each Party Owner, for itself, represents that as of the Effective Date of this Second Amendment, it is in full compliance with the terms, conditions, and obligations under the Development Agreement applicable to it. City's approval of this Amendment is not a confirmation by the City of the Party Owner's representations in this Recital 1.

J. On December 19, 2018, the City Planning Commission held a duly noticed public meeting wherein the Planning Commission reviewed this Second Amendment.

K. On January 14, 2019, the City Council held a duly noticed public hearing on this Second Amendment in accordance with Government Code Section 65868 and introduced Ordinance No. 19-400 approving and authorizing execution of this Second Amendment.

L On February 11, 2019, the City Council approved this Second Amendment to the Development Agreement.

On the terms stated herein, this Second Amendment amends certain provisions of the Development Agreement applicable to the Subject Property. The City finds that (1) this Second Amendment is consistent with and falls within the scope of the previously granted Project Approvals, and therefore, is not a new project, but is covered by, and requires no modification of, the existing Final Supplemental Environmental Impact Report (FSEIR) (SCH #2002052083) certified for the Project and (2) constitutes a Subsequent Approval within the meaning of Section 1.02(a) (66) of the Development Agreement.

AGREEMENT NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions contained herein, the Parties agree as follows and as set forth in the foregoing Preamble and Recitals Sections and each Exhibit attached hereto, all of which also are material parts hereof and are incorporated herein by reference, hereby modify the Development Agreement exclusively with respect to the Affected Properties as follows:

SECTION 1. AMENDMENT TO SECTION 1.04(a) (1), Section 1.04 (a)(1) of the Development Agreement is amended as follows: "Section 1.04. Term. (a) In General. As applicable to the Affected Properties only: (1) The "Term" of the Development Agreement is: (A) twenty-five (25) years for all properties constituting Residential Property and Commercial Property, as shown on Exhibits "B" and "C" to the Development Agreement; and (B) twenty-five (25) years for Unit 2 of the VTM for the storage ponds and spray field areas, identified in Exhibits 3 and 4 and as shown on Exhibits "A, B, and C" to the Development Agreement, only if these areas shall continue to be used as storage ponds and spray fields at the buildout of the Project."

SECTION 2. AMENDMENT TO SECTIONS 1.04(a) (2). As applicable only to the Affected Properties, Section 1.04(a)(2) of the Development Agreement is amended to read as follows: "(2) The Term shall commence on the Effective Date and shall continue until, and then terminate upon 12:01 a.m., March 16, 2029, unless the Development Agreement is otherwise terminated, modified or extended."

SECTION 3. EFFECTIVE DATE. This Second Amendment automatically shall take effect upon the date the ordinance approving this Second Amendment takes effect ("Effective Date"). Subject to the superseding terms of this Second Amendment, the Development Agreement remains in full force and effect and, as of the Effective Date, hereby is reaffirmed.

SECTION 4. RECORDING AND ADDITIONAL CONFORMING PROVISIONS. Within ten (10) calendar days after the Effective Date, the City shall record this Second Amendment with the San Joaquin County Recorder's Office. Any delay in the recording of this Second Amendment does not and will not affect or impair its effectiveness, validity or enforceability. Each capitalized term used and not otherwise defined herein has the meaning ascribed to it in the Development Agreement. The Development Agreement, as hereby amended, remains in full force and effect as of the Effective Date of this Second Amendment.

IN WITNESS WHEREOF, the Parties have executed this Second Amendment to Development Agreement to be effective as of the Effective Date (as herein defined) regardless of the date(s) on which it is signed.

CITY OF LATHROP, a Municipal corporation By: Sonny Dhaliwal Its: Mayor ATTEST: By: Teresa Vargas Its: City Clerk APPROVED AS TO FORM: By: Salvador Navarrete Its: City Attorney

RAMONA CHACE, LLC, a California limited liability company By: Scott McMahon Its: Managing Member

MOSSDALE LANDING, LLC, a California limited liability company By: SEED DEVELOPMENT COMPANY LLC, a California Limited Liability Company Its: Manager By: RUBIK INVESTMENTS LLC, a California Limited Liability Company Its: Manager Nicholas J. Whetstone, Vice President Its: Manager

TOWNE CENTRE, LATHROP, INC., a California corporation By: Name: Steven Brown Its: CEO