

June 23, 2015

Curtis Banks  
Community Development Director  
City of Foster City, City Hall  
610 Foster City Boulevard  
Foster City, CA 94404

Re: Pilgrim- Triton: Amended Phase C Project Applications

Dear Mr. Banks,

As you know, Pilgrim Triton Phase III FC LP, a Delaware limited partnership ("Sares Regis") is the owner of approximately 3.57 acres of land in Foster City, which is subject to the Master Development Agreement ("MDA") and is "Phase C" of the approved Master Plan for the Pilgrim-Triton Project. As you know, The Northwestern Mutual Life Company ("Northwestern") is the owner of the Phase A of the (commonly referred to as the "Plaza" Project), AREOF VI US Pilgrim-Triton LLC ("AREOF") is owner of Phase B (commonly referred to as the "Waverly" Project, and CV Triton, LLC ("CV") is the owner of Phase D (commonly referred to as the "Triton Point" Project).

Sares Regis, Northwestern, AREOF and CV are each party to the MDA, and are also each party to that certain private Cooperation Agreement dated November 22, 2010 and recorded in the official records of San Mateo County as Document No. 2010-122951 ("Coop Agreement").

In connection with its interests in the MDA and Coop Agreement, each of Northwestern, AREOF, and CV are signing below to confirm the following:

- (1) Each party is aware of Sares Regis's intent to submit applications to the City to amend the current vested entitlements to change from the 172,943 sf of commercial uses and 17 residential homes currently vested by the MDA to approximately 65 to 70 for-sale residential homes ("Amended Phase C Project").
- (2) Each party is aware that the anticipated required entitlements for the Amended Phase C Project include a MDA Major Amendment, a Master Plan Amendment (zoning amendment), and CEQA Compliance (comparing proposed project to the project analyzed in the Pilgrim Triton Environmental Impact Report) ("Phase C Entitlements").
- (3) Each party confirms that it is not opposed to Sares Regis's proposal to submit applications for the Phase C Entitlements for the Amended Phase C Project. Each party also confirms that it will, consistent with the terms of the Coop Agreement, cooperate in good faith with Sares Regis to negotiate and amend the MDA as the entitlement process proceeds.

Sares Regis also hereby reconfirms its commitment to the City and the Waverly Project to, upon City approval of the Phase C Entitlements for the Amended Phase C Project, cooperate with AEROF to negotiate and execute any necessary amendment to the Coop Agreement to change the current park phasing to allow the entire park to be completed concurrent with the construction of the Waverly Project.

Sincerely,



David Hopkins  
Senior Vice President  
Sares Regis Group of Northern California, LLC  
Regis Homes Bay Area, LLC

Dave Hopkins

Cc: Jean Saveree, City Attorney  
Tamsen Plume, Holland & Knight LLP  
Kristina Lawson, Manatt | Phelps | Phillips

**ACKNOWLEDGED AND AGREED**

*Signatures to follow on separate pages*

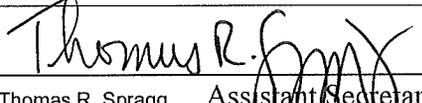
**"NORTHWESTERN"**

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY, a Wisconsin corporation

By: Northwestern Mutual Investment Management Company, LLC, a  
Delaware limited liability company, its wholly-owned affiliate



By:   
Daniel C. Knuth, Director

Attest:   
Thomas R. Spragg, Assistant Secretary

(corporate seal)



**“AREOF”**  
AREOF VI US PILGRIM-TRITON LLC,  
a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**“CV”**

CV Triton, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_