

CITY OF SAN DIEGO
CONSENT TO SUBLEASE

THIS CITY OF SAN DIEGO CONSENT TO SUBLEASE ("Consent") is made by THE CITY OF SAN DIEGO, a California municipal corporation ("CITY"), to be effective when signed by the CITY and approved by the San Diego City Attorney, as follows:

CITY ("LESSOR") and RIJO ENTERPRISES entered into that certain Percentage Lease Agreement (the "Master Lease"), dated June 23, 1986, and filed as Document No. RR-266057 in the Office of the San Diego City Clerk, and relating to that certain CITY-owned property located at 4611 Mercury Street, San Diego, CA (the "Premises"); which was first assigned to Mercury Street Investors, Ltd., a California limited partnership, on May 21, 1987; and next assigned to Arnold Belinsky and Esther Belinsky, husband and wife, on February 10, 1988, to which assignment the CITY consented on February 12, 1988, and which assignment and consent are filed in the Office of the City Clerk as Document C-02482, dated May 16, 1988; and next assigned to Arnold Belinski and Esther Belinsky, Trustees of the Arnold Belinsky and Esther Belinsky Trust No. 1, dated June 26, 1983, which assignment was made and consented to effective as of June 16, 1988, and which assignment and consent were executed on December 10, 2002 and January 23, 2003, respectively; and last assigned to MERCURY STREET ANNEX, LLC ("LESSEE"), a California limited liability company, on January 29, 2009, which assignment CITY consented to on February 5, 2009.

MERCURY STREET ANNEX, LLC, as sublessor, and ZION MARKET SAN DIEGO, INC, a California corporation ("SUBLESSEE"), as sublessee, are parties to that certain SUBLEASE dated October 16, 2014 ("Sublease"), relating to use of the Premises (the "Sublease Premises") for a full service retail grocery store, bakery and pharmacy, as further detailed in the Sublease.

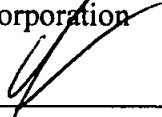
CITY hereby consents to LESSEE'S subleasing to SUBLESSEE, provided all of the following conditions are and remain true:

- A. The Sublease is subject and subordinate to this Consent and the Master Lease (as may be amended from time to time);
- B. CITY is not bound by any term or condition in the Sublease which in any way conflicts with CITY'S rights or which enlarges or otherwise increases CITY'S obligations or duties under the Master Lease;
- C. Nothing herein shall do any of the following:
 - 1. Release LESSEE from any liability, whether past, present, or future, under the Master Lease as to the Premises or any portion thereof;
 - 2. Be construed as a waiver of CITY's right to consent to any proposed sublease or assignment after the date hereof by LESSEE under the Master Lease or by SUBLESSEE under the Sublease, or as a consent to any portion of the Premises being used or occupied by any other party; or

3. Be deemed to be any type of obligation of CITY to LESSEE, SUBLESSEE, or to any governmental agent, board, commission, or agency, with regard to any other action relating to SUBLESSEE's occupancy, use, or maintenance of any portion of the Premises or improvements thereon.
- D. Prevailing Wage. LESSEE and SUBLESSEE shall ensure compliance, both respectively and by all contractors and subcontractors, with CITY's "Compliance with State Prevailing Wage Laws" Ordinance (SDMC section 22.3019) and all applicable California Labor Code provisions regarding prevailing wages, with regard to all tenant improvements and other work and services undertaken at the Premises relating to or undertaken for SUBLESSEE's use and occupancy at the Premises, including taking all necessary and retroactive measures with regarding to work or services previously rendered or completed.
- E. Insurance. SUBLESSEE shall deliver to CITY'S Real Estate Assets Department a current certificate of insurance for a separate endorsement naming "The City of San Diego, its elected officials, officers, employees, representatives, and agents" as Additional Insureds in all policies. SUBLESSEE shall maintain said endorsement at all time SUBLESSEE occupies or uses any portion of the Premises. The policy required hereby shall specify that the policy may not be terminated, altered or canceled without thirty (30) days prior written notice to CITY by insurance company. Prior to each insurance renewal period, SUBLESSEE shall submit to CITY a copy of the new policy of insurance.

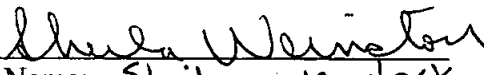
If at any time the foregoing provisions are not true, this Consent shall automatically and retroactively become null and void as of the Effective Date.

THE CITY OF SAN DIEGO, a California
municipal corporation

BY: 
Name: Cybele Thompson
Title: Director, Real Estate Assets
Date: 11/24/14

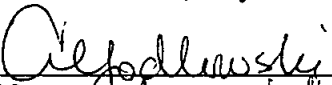
Acknowledged and agreed to by LESSEE:

MERCURY STREET ANNEX, LLC, a California
limited liability company

BY: 
Name: Sheila Weinstein
Title: manager
Date: 11/18/2014

Approved as to form and legality:

JAN I. GOLDSMITH, City Attorney

By: 
Name: Alexis Jodkowski
Title: Deputy City Attorney
Date: December 1, 2014