

THIRD AMENDMENT TO  
OPTION TO LEASE REAL PROPERTY

This Third Amendment to Option to Lease Real Property ("Third Amendment") is made this 14<sup>th</sup> day of December, 2022 (the "Effective Date"), by and between CAPISTRANO UNIFIED SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and laws of the State of California ("Optionor") and TOLL BROS., INC., a Pennsylvania corporation ("Optionee") (collectively, Optionor and Optionee are referred to herein as the "Parties").

RECITALS:

WHEREAS, the Parties entered into that certain Option to Lease Real Property dated January 15, 2019 (the "Original Agreement"), as amended by that certain First Amendment to Option to Lease Real Property dated July 27, 2019 (the "First Amendment"), and as amended by that certain Second Amendment to Option to Lease Real Property dated December 17, 2020 (the "Second Amendment," and together with the Original Agreement and the First Amendment, the "Agreement") in which Optionor grants to Optionee an option to lease the Property known as 26126 Victoria Blvd., Dana Point, California and as more fully described in the Agreement (the "Property"); and

WHEREAS, the Parties desire to amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises, the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree to amend the Agreement as follows:

1. Incorporation. The Parties confirm the accuracy of the Recitals set forth above. Each capitalized term used in this Third Amendment but not otherwise defined in this Third Amendment shall have the meaning ascribed to it in the Agreement.

2. Option Term Extensions. The Parties agree that the current Option Term and the 6<sup>th</sup> and 7<sup>th</sup> Option Term Extensions described in Section 1.2 of the Agreement shall be modified as follows:

a. The current Option Term shall be extended to October 20, 2023.

b. The sixth (6<sup>th</sup>) Option Term Extension shall be for a period of One Hundred Eighty (180) days, and therefore, will extend the Option Term until April 17, 2024 upon Optionee's deposit of Two Hundred Fifty Thousand Dollars (\$250,000).

c. The seventh (7<sup>th</sup>) Option Term shall be for a period of One Hundred Eighty (180) days, and therefore, will extend the Option Term until October 14, 2024 upon Optionee's additional deposit of Two Hundred Fifty Thousand Dollars (\$250,000).

The remainder of Section 1.2 of the Agreement shall remain in full force and effect.

3. Deposits. Section 1.5(d) of the Agreement shall be deleted in its entirety and replaced with the following:

(d) An additional amount of Three Hundred Thousand Dollars (\$300,000) from the Deposit shall be deemed non-refundable to the Optionee and released to the Optionor on the date which is: ten (10) business days following the expiration of the public comment period for the Project's Draft Environmental Impact Report (DEIR) by the City of Dana Point, or 2) one (1) day after the Final Approval Date (as defined in Section 3.1 below) whichever is sooner, if Optionee chooses to not exercise its right to lease the Property for any reason whatsoever during the Option Term or should the Optionee not lease the Property for any reason.

The remainder of Section 1.5 shall remain in full force and effect (and specifically, the Parties agree that Section 1.5(e) of the Agreement shall remain unchanged).

4. Terms, Conflict. Except as otherwise expressly modified in this Third Amendment, the terms and conditions of the Agreement are and shall remain in full force and effect. In the event of any conflict or inconsistency between the terms and provisions of the Agreement and the terms and provisions of this Third Amendment, the terms and provisions of this Third Amendment shall govern and control.

5. Counterparts. This Third Amendment may be executed in any number of counterparts, all of which together shall be deemed to constitute one instrument, and each of which shall be deemed an original. The Parties acknowledge that facsimile or electronically transmitted signatures shall be valid for all purposes, and once signed and delivered in such fashion, each such party shall thereafter, upon request of any other party, execute and deliver to the requesting party a signed original counterpart of this Third Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.  
SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the Parties have caused this Third Amendment to be executed by their respective duly authorized representatives under seal, all as of the day and year first written above.

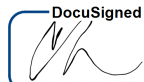
**OPTIONOR:**

CAPISTRANO UNIFIED SCHOOL DISTRICT

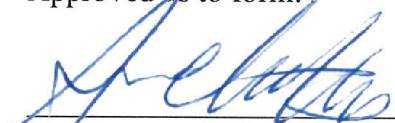
By:   
Name: Clark Hampton  
Title: Deputy Superintendent

**OPTIONEE:**

TOLL BROS., INC.,  
a Pennsylvania corporation

By:   
Name: Charles Elliott  
Title: President

Approved as to form:



Andreas C. Chialtas  
Atkinson, Andelson, Loya, Ruud & Romo,  
Counsel for Capistrano Unified School District