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OUR FILE NUMBER:
005791.00260
22594344.1

January 28, 2019

VIA GSO OVERNIGHT

TO: Wendy Mendoza, Escrow Assistant to Jeanne Gould
First American Title Company
18500 Von Karman Ave, Suite 600
Irvine, CA 92612

CC: Clark Hampton, Capistrano Unified School District

FROM: *Monica B. Quinones, Legal Assistant to Stephen M. McLoughlin, Esq.*

SUBJECT: Capistrano Unified School District and Toll Bros, Inc.,
Property in the City of Dana Point, County of Orange, APN: 668-361-01

ENCLOSED: Memorandum of Ground Lease Option with original signatures

- For Your Files
- For Your Review
- For Your Information
- In Accordance with Our Telephone Conversation
- Pursuant to Your Request
- For Your Comments
- For Your Handling
- Sign and Return
- To Return Conformed Copies
- For you to obtain signatures and return to me.

MEMORANDUM OF OPTION
RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CAPISTRANO UNIFIED SCHOOL DISTRICT
Attn: Clark Hampton, Deputy Superintendent,
Business and Support Services
33122 Valle Road
San Juan Capistrano, CA 92675

With a copy to:

Toll Bros., Inc.
250 Gibraltar Road
Horsham, PA 19044
Attn: Mark J. Warshauer, Esq., Vice President and Counsel

(Space Above For Recorder's Use)

MEMORANDUM OF GROUND LEASE OPTION

THIS MEMORANDUM OF GROUND LEASE OPTION (the "Memorandum") dated as of January 15, 2019 (the "Grant Date") is entered into by and between CAPISTRANO UNIFIED SCHOOL DISTRICT, a public school district duly organized and validly existing under the Constitution and the laws of the State of California ("Optionor"), and TOLL BROS, INC., a Pennsylvania corporation ("Optionee").

WHEREAS, Optionor and Optionee are the parties to an Option to Lease Real Property dated as of the Grant Date ("Option Agreement") which grants an option to ground lease the real property legally described in Exhibit "A" attached hereto (the "Premises").

NOW THEREFORE, the parties hereby agree as follows:

1. Grant of Option. Optionor hereby grants to Optionee an option to ground lease the Premises (the "Option") on all of the terms and conditions described in the Option Agreement for a term commencing on the Grant Date and ending twenty-four (24) months following the Grant Date (the "Option Period"), subject to two (2) one hundred eighty day extension periods (each, an "Extension Period") upon payment of the extension payments and satisfaction of the other conditions provided in the Option Agreement.

2. Termination of Option. Unless the Option is validly exercised by Optionee during the Option Period (as the same may be extended), this Memorandum shall terminate ten (10) days after expiration of the Option Period (or after the Extension Periods if the Option Period has been timely extended in accordance with the Option Agreement), and be of no effect against the persons who would otherwise be affected by it under California Civil Code Sections 1213 to 1220, inclusive, as those sections may hereafter be amended, or otherwise, and anyone taking title to or an interest in the Premises after that date may conclusively presume that any and all interest in the Premises created by the Option Agreement or the Lease described therein, or otherwise held by Optionee, has been fully relinquished and extinguished.

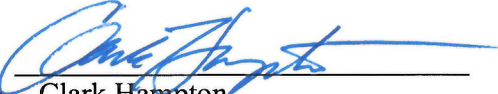
3. Purpose of Memorandum; Conflict. This Memorandum is prepared and recorded for the purpose of putting the public on notice of the Option Agreement, and this Memorandum in no way modifies the terms and conditions of the Option Agreement. In the event of any inconsistency between the terms and conditions of this Memorandum and the terms and conditions of the Option Agreement, the terms and conditions of the Option Agreement shall control.

4. Counterparts. This Memorandum may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Memorandum has been executed as of the Grant Date.

OPTIONOR:

CAPISTRANO UNIFIED SCHOOL DISTRICT

By: 
Name: Clark Hampton
Title: Deputy Superintendent

OPTIONEE:

TOLL BROS, INC.,
a Pennsylvania corporation

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Oranage)

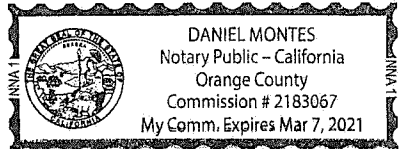
On January 15, 2019, before me, Daniel Montes, Notary Public,
(here insert name and title of the officer)

personally appeared Clark Hampton
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]



(Seal)

3. Purpose of Memorandum; Conflict. This Memorandum is prepared and recorded for the purpose of putting the public on notice of the Option Agreement, and this Memorandum in no way modifies the terms and conditions of the Option Agreement. In the event of any inconsistency between the terms and conditions of this Memorandum and the terms and conditions of the Option Agreement, the terms and conditions of the Option Agreement shall control.

4. Counterparts. This Memorandum may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Memorandum has been executed as of the Grant Date.

OPTIONOR:

CAPISTRANO UNIFIED SCHOOL DISTRICT

By: _____
Name: _____
Title: _____

OPTIONEE:

TOLL BROS, INC.,
a Pennsylvania corporation

By: Amqk
Name: John McCallough
Title: Vice President

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY MONTGOMERY) SS:

On this, the 10th day of January, 2019, before me, a notary public, personally appeared John McCullough as Vice President of Toll Bros., Inc., who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to within instrument, and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal dated the day and year first above written.


Notary

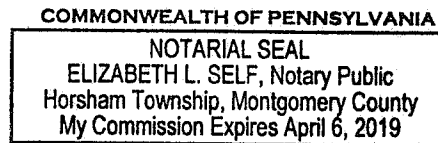


EXHIBIT "A"

DESCRIPTION OF PREMISES

Real property in the City of Dana Point, County of Orange, State of California, described as follows:

ALL OF BLOCKS FOUR AND FIVE OF TRACT NO. 735, AS SHOWN ON A MAP RECORDED IN BOOK 22, PAGES 21 TO 28, INCLUSIVE, MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA; TOGETHER WITH THE VACATED ALLEYS IN SAID BLOCKS FOUR AND FIVE, AS ABANDONED BY RESOLUTIONS OF THE BOARD OF SUPERVISORS OF ORANGE COUNTY, CALIFORNIA, CERTIFIED COPIES OF WHICH RESOLUTIONS WERE RECORDED SEPTEMBER 11, 1939 IN BOOK 1009, PAGE 367 OF OFFICIAL RECORDS, AND MAY 19, 1953 IN BOOK 2505, PAGE 505 OF OFFICIAL RECORDS; AND ALSO THAT PORTION OF AMERICAN AVENUE EXTENDING FROM THE SOUTHWESTERLY LINE OF VICTORIA BOULEVARD SOUTHWESTERLY TO THE NORTHERLY LINE OF LA PLAYA AVENUE, AS SHOWN ON THE MAP OF SAID TRACT NO. 735, AS ABANDONED BY RESOLUTION OF THE BOARD OF SUPERVISORS OF ORANGE COUNTY, CALIFORNIA, A CERTIFIED COPY OF WHICH RESOLUTION WAS RECORDED SEPTEMBER 11, 1939 IN BOOK 1009, PAGE 367 OF OFFICIAL RECORDS AND ALSO TOGETHER WITH THAT PORTION OF LA PLAYA AVENUE, 80.00 FEET IN WIDTH, AS SHOWN ON SAID MAP OF TRACT NO. 735, AS ABANDONED BY RESOLUTION NO. 71-454 OF THE BOARD OF SUPERVISORS OF ORANGE COUNTY, CALIFORNIA, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 03, 1971 IN BOOK 9627, PAGE 691 OF SAID OFFICIAL RECORDS, SAID PORTION BEING BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF VICTORIA BOULEVARD, 80.00 FEET IN WIDTH, AS SHOWN ON SAID MAP AND BOUNDED WESTERLY BY A LINE WHICH IS AT RIGHT ANGLES TO THE SOUTHERLY LINE OF BLOCK 4 OF TRACT NO. 735 AND WHICH PASSES THROUGH THE WESTERLY CORNER OF SAID BLOCK.

EXCEPTING FROM LOTS FOUR, SEVEN, EIGHT AND NINE IN SAID BLOCK FOUR ANY AND ALL COAL, OIL AND OTHER MINERALS WITHIN OR UNDERLYING SAID LAND AND THE RIGHTS RELATING TO SAID SUBSTANCES, AS EXCEPTED IN THE DEED FROM CONSOLIDATED PACIFIC INVESTMENT CO., RECORDED DECEMBER 06, 1945 IN BOOK 1364, PAGE 445 OF OFFICIAL RECORDS, THE RIGHTS SO EXCEPTED PERTAINING TO THE REMOVAL OF SUCH SUBSTANCES HAVING BEEN MODIFIED BY AN INSTRUMENT RECORDED MARCH 17, 1947 IN BOOK 1482, PAGE 421 OF OFFICIAL RECORDS, WHICH PROVIDES, AMONG OTHER THINGS, THAT CONSOLIDATED PACIFIC INVESTMENT CO. SHALL NOT HAVE THE RIGHT TO USE THE SURFACE OF SAID LAND.

APN: 668-361-01

Exhibit "A"