THIRD AMENDMENT TO
OPTION AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS THIRD AMENDMENT TO OPTION AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "**Third Amendment**") shall be deemed effective as of _____ __, 2023 ("**Effective Date**") and is made by and between the **CARSON RECLAMATION AUTHORITY**, a California joint powers authority ("**Authority**") and **CARSON GOOSE OWNER, LLC**, a Delaware limited liability company ("**Developer**", together with the Authority, each individually a "**Party**", and collectively, the "**Parties**"). **FIDELITY NATIONAL TITLE INSURANCE COMPANY**, a California corporation (acting in its capacity as Title Company / Escrow Holder, as applicable) hereby acknowledges and agrees to the terms of this Third Amendment applicable to Title Company / Escrow Holder.

RECITALS:

A. Authority and Faring Capital, LLC ("**Faring**") previously entered into that certain Option Agreement and Joint Escrow Instructions, dated as of December 17, 2020 (the "**Original Option Agreement**"). Faring assigned all its rights and obligations under the Original Option Agreement to Developer, and Developer assumed the same pursuant to that certain Assignment of Option Agreement and Joint Escrow Instructions, dated January 15, 2021, between Faring and Developer (the "**Assignment**"). Subsequently, Developer and the Authority entered into that certain Amendment to Option Agreement and Joint Escrow Instructions, dated October 4, 2022 (the "**First Amendment**"), and that certain Second Amendment to Option Agreement and Joint Escrow Instructions, dated May 15, 2023 (the "**Second Amendment**", together with the Original Option Agreement and the First Amendment, collectively, the "**Option Agreement**").

B. Authority and Developer mutually desire to amend the Option Agreement as provided below.

AGREEMENT:

NOW THEREFORE, in consideration of the foregoing Recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Capitalized Terms**. All capitalized terms when used herein shall have the same meaning as is given to such terms in the Original Option Agreement, unless otherwise amended or expressly superseded by the terms of this Third Amendment.

2. **Target Closing Date**. Notwithstanding anything contrary under the Option Agreement, Authority and Developer will close the transactions contemplated under the Option Agreement pursuant to Option A on the date which is ten (10) business days following satisfaction of the conditions precedent set forth in Section 4, below. Developer and Authority acknowledge and agree that they expect a target Closing Date / Closing of no later than ninety (90) days following the Effective Date of this Third Amendment; provided however (i) that as a condition to the Closing for Developer's benefit (which may be waived by Developer, in its sole and absolute discretion), the Parties shall negotiate in good faith and execute an Amended and Restated Option Agreement whereby the Option Agreement is superseded its entirety with terms and conditions for

EXHIBIT NO. 1

the transactions contemplated by this Third Amendment, among other things (the "**Restated Option Agreement**"); or (ii) if such Restated Option Agreement cannot be finalized in time for the intended date for Closing, the Parties shall alternatively negotiate in good faith and execute an amendment to the Option Agreement to address certain specific changes required to the Option Agreement to reflect the current understanding of the Parties regarding the terms of the transaction and their respective responsibilities upon and following the Closing (to the extent necessary, such further amendment to the Option Agreement is referred to herein as the "**Fourth Amendment**").

3. **Closing Funds and Documents Required From The Parties**.

3.1 **Option A Funds and Documents by Authority**. Notwithstanding anything to the contrary set forth in the Option Agreement, on or before 12:00 noon at least one (1) business day prior to the Closing Date, Authority shall cause to be deposited with Escrow Holder the Option A Documentation, which term shall be revised to include solely the following:

(a) Grant Deed. The executed and acknowledged Grant Deed in the form attached to the Restated Option Agreement (or the Fourth Amendment, if applicable) (for avoidance of all doubt, all easements required to be granted by Authority in favor of Developer at Closing shall be as set forth in the Grant Deed).

(b) 157 Acre Covenants. The executed and acknowledged 157 Acre Covenants encumbering the Site in the form to be attached to the Restated Option Agreement or otherwise approved by Developer.

(c) Insurance Administration Agreement. Two (2) executed counterparts of the Insurance Administration Agreement in the form attached to this Third Amendment as **Attachment 1**.

(d) License Agreement. Two (2) executed counterparts of the License Agreement in the form attached to the Restated Option Agreement (or Fourth Amendment, if applicable) together with an executed and acknowledged Memorandum thereof to be recorded in the Official Records (the "**License Memorandum**").

(e) Assignment / Bill of Sale. Two (2) executed originals of the Assignment / Bill of Sale in the forms attached to the Restated Option Agreement (or Fourth Amendment, if applicable).

(f) FIRPTA. A Non-Foreign Affidavit as required by federal law.

(g) Miscellaneous. Such instruments as may be necessary in order for Escrow Holder to comply with this Third Amendment to effectuate the Closing (such as any required transfer tax form).

3.2 **Option A Funds and Documents by Developer**. Notwithstanding anything to the contrary set forth in the Option Agreement, on or before 12:00 noon at least one (1) business day prior to the Closing Date, Developer shall cause to be deposited with Escrow Holder all funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Third Amendment, including without limitation:

(a) Acceptance. An acceptance of the Grant Deed, in recordable form ("**Acceptance**").

(b) Assignment / Bill of Sale. Two (2) executed originals of the Assignment / Bill of Sale in the forms attached to the Restated Option Agreement (or the Fourth Amendment, if applicable).

(c) Insurance Administration Agreement. Two (2) executed counterparts of the Insurance Administration Agreement in the form attached to this Third Amendment as **Attachment 1**.

(d) License Agreement. Two (2) executed counterparts of the License Agreement together with the executed and notarized License Memorandum to the Restated Option Agreement (or the Fourth Amendment, if applicable).

(e) PCOR. A Preliminary Change of Ownership Statement completed in the manner required in Los Angeles County ("**PCOR**").

(f) Release Documentation. An executed release and termination agreement for the DIF Agreement in the form attached to this Third Amendment as **Attachment 2** (the "**Release Documentation**").

(g) Miscellaneous. Such funds and other items and instruments as may be necessary in order for Escrow Holder / Title Company to comply with the terms of the Option Amendment and this Third Amendment, or to effectuate the Closing (such as any required transfer tax form, Developer's Closing costs, reimbursements and adjustments pursuant to the terms of the Option Agreement, as amended).

3.3 **Recording Documents for Option A**. The term "**Recording Documents**" under the Option Agreement shall be revised to refer to (i) the License Memorandum, (ii) the 157 Acre Covenants, and (iii) the Grant Deed (with the Acceptance by Developer attached). Escrow Holder shall cause the Recording Documents to be recorded in the order set forth in the immediately preceding sentence.

4. **Conditions Precedent To The Close of Escrow**.

4.1 Developer's Conditions Precedent (Option A). Notwithstanding anything to the contrary set forth in the Option Agreement, the obligations of Developer to effectuate Option A under the Option Agreement are subject to the satisfaction or written waiver, in whole or in part, by Developer of only the following Developer's Conditions Precedent.

(a) Title Policy. Title Company is in a position to issue the Owner's Policy as specified in Section 7.2 of the Original Option Agreement.

(b) Grant Deed. The Authority has executed, notarized and delivered the Grant Deed to Escrow Holder.

(c) Subdivision/Final Map. The Subdivision shall have been approved and the final map ("**Final Map**") shall have been recorded in the Official Records (which may take place concurrently with the Closing).

(d) PPA. DTSC shall have issued to Developer, and executed, a Prospective Purchaser Agreement in a form reasonably acceptable to Developer.

(e) Amended and Restated Option Agreement. Developer and the CRA shall have entered into and executed the Restated Option Agreement (or the Fourth Amendment, if applicable).

(f) 157 Acre Covenants. The Authority has executed and acknowledged the 157 Acre Covenants in a form acceptable to Developer and delivered the same to Escrow Holder.

(g) License Agreement. The Authority has executed the License Agreement and License Memorandum and delivered the License Memorandum to Escrow Holder for recordation at Closing.

(h) No Default. The Authority is not in material default of its obligations under the Option Agreement.

(i) Insurance Administration Agreement. The Authority has executed the Insurance Administration Agreement and delivered the same to Escrow Holder.

(j) Insurance Endorsements. The following insurance endorsements shall have been issued to be effective as of the Closing Date for the Existing PLL (as defined in the Insurance Administration Agreement):

(i) Developer and its affiliates, and to the extent commercially available together with any of its lenders, ground lessees or space lessees, if any as of the Closing, have been named as an "Insured" thereunder consistent with Endorsement 32 of the Existing PLL;

(ii) The definition of "Material Change in Use" shall expressly include community amenity and commercial area with a variety of programmed passive and active open spaces, including, among other uses, retail, restaurants, a performance stage and pavilion and event lawn, a dog park, and other community-serving uses and an e-commerce/fulfillment center and distribution center/parcel hub uses as the permitted use on the Property; and

(iii) Developer shall have a dedicated and reserved limit of liability of Fifty Million Dollars ($50,000,000) pursuant to an endorsement in substantially the form set forth in the Insurance Administration Agreement attached hereto.

(k) Existing PLL and Insurance Policy Indication. The Existing PLL shall be in full force and effect. A bindable indication for the Bridge PLL in the form described in the Insurance Administration Agreement shall have been issued and be bindable as of the Closing, with the only outstanding obligation the payment of the premium, taxes and fees.

(l) Property Insurance**.** Authority shall have procured, paid in full and be maintaining property insurance with a term expiring no earlier than October 12, 2024 covering the Remedial Systems existing as of the Closing Date in form and substance reasonably acceptable to Developer and shall have obtained and delivered to Developer an endorsement to such policy insuring Developer as an additional insured thereon.

(m) General Liability Insurance**.** Authority shall have procured, paid in full and be maintaining a primary and excess commercial general liability insurance with a term expiring no earlier than September 12, 2024 covering the entire Site and meeting the requirements of Section 4.01 of the Insurance Administration Agreement and shall have obtained and delivered to Developer an endorsement to such policy insuring Developer as an additional insured thereon; provided, however, that notwithstanding anything to the contrary in Section 4.01 of the Insurance Administration Agreement, such policy(ies) shall have a combined limit of no less than $5,000,000 per incident and in the aggregate.

The conditions set forth in this Section 4.1 are for the sole benefit of the Developer, and may be waived; provided, however, that in the event such conditions are satisfied, Developer shall be required to Close on the acquisition of the Property pursuant to the Option Agreement and pay 83.5% of the total premium, surplus line taxes and applicable brokerage fees paid by the Authority for the Existing PLL Policy, prorated based on the remaining term then available under the Existing PLL Policy as of the Closing Date ("**Existing PLL Payment**") and 100% of the total premium, surplus line taxes and applicable brokerage fees for the Bridge PLL Policy ("**Bridge PLL Payment**").

4.2 Authority's Conditions Precedent (Option A). Notwithstanding anything to the contrary set forth in the Option Agreement, the obligations of Authority to effectuate Option A under the Option Agreement are subject to the satisfaction or written waiver, in whole or in part, by Authority of only the following Authority's Conditions Precedent.

(a) No Default. Developer is not in material default of its obligations under the Option Agreement or the Reimbursement Agreement.

(b) Amended and Restated Option Agreement. Developer and the Authority shall have entered into the Restated Option Agreement or the Fourth Amendment (if applicable).

(c) 157 Acre Covenants. The 157 Acre Covenants have been approved by Developer for execution and recordation.

(d) License Agreement. Developer has executed the License Agreement and License Memorandum and delivered the License Memorandum to Escrow Holder and the Authority.

(e) Insurance Premium Costs. Developer shall have paid the Authority the Insurance Premium Costs referenced in Section 6.5 below.

(f) DAF Letter. Developer has executed the DAF Letter (as such term is defined in Section 6.4 below) and provided the same to the City and Authority.

(g) HCD Approval. Authority shall have received approval from the State of California Department of Housing and Community Development ("**HCD**") for the Closing and sale of the Property to Developer; or, in the event such approval is not received by the date that all of Developer's conditions to Closing have been either satisfied or waived by Developer, then at Developer's election, in Developer's sole and absolute discretion, this condition shall be deemed satisfied if Developer provides a written indemnification to the Authority for any legal actions or penalties imposed by HCD (including all legal fees incurred by the Authority associated therewith) with respect to any non-compliance with the Surplus Land Act (Govt. Code Sect. 54220 *et seq*., as amended) associated solely with this transaction ("**SLA Indemnity**").

The conditions set forth in this Section 4.2 are for the sole benefit of the Authority, and may be waived (or deemed satisfied in the case of subparagraph (f) by the SLA Indemnity).

5. **Carry Costs**.

5.1 Remainder Cells Carry Costs – Prior to Closing. On and after the Effective Date and continuing through the day immediately preceding Closing, Developer will continue funding the Carry Costs subject to the Carry Cost Cap as set forth in Section 3.3(c)(2) of the Original Option Agreement.

5.2 Remainder Cells Carry Costs – On and After Closing.

(a) Upon the Closing, the Property will become subject to the taxes and terms set forth under Community Facilities District No. 2012-1 of the City of Carson (The Boulevards at South Bay – Remedial Systems Operations Maintenance and Monitoring) (the "**Existing CFD**"). Some of the costs now included in the Carry Costs for the Property will be paid by Developer to Authority through the Existing CFD. For the avoidance of doubt, on and after Closing, Developer shall not be responsible to pay for any Carry Costs to the extent that such Carry Costs are included within the Existing CFD and are charged against the Property.

(b) The Parties shall work together following any payments made by Developer under the Existing CFD (each, a "**Payment Under Existing CFD**") to reconcile any Carry Costs previously paid by Developer for the Property that can be attributable to a Payment Under Existing CFD (such amounts of the Carry Costs that can be attributed to the Existing CFD, the "**Carry Costs Differential**") and Developer shall receive a credit for the amount of any such Carry Costs Differential, which shall be applied to future invoices from the Authority to Developer with respect to Carry Costs incurred by the Authority with respect to the Property. Separately, following the Closing, (x) the Parties shall work in good faith to negotiate and restructure the Existing CFD to amend and restate the Existing CFD in accordance with the terms set forth under Exhibit K to the Development Agreement between Developer and the City of Carson, which restructuring shall require approval from the City Council of the City of Carson (if so amended, the "**Amended CFD**"),(y) the Authority shall work with the City Council of the City of Carson to take all actions necessary to cause Community Facilities District No. 2012-2 of the City of Carson (The Boulevards at South Bay – Infrastructure) ("**CFD 2012-2**") to be terminated, cancelled and of no force and effect and shall record such termination and cancellation documentation in the Official Records), and (z) Developer's obligations with respect to payments of Carry Costs to the Authority under the Option Agreement shall cease and terminate on the date

that is the earlier of (x) ninety (90) days following Developer's first payment under the Amended CFD or (y) December 31, 2024 if an Amended CFD has not been approved by the City and recorded before such date. If and to the extent required to true-up the payments of Carry Costs with respect to prior payments under the Existing CFD, CFD 2012-2, and or the Amended CFD, the Parties shall work in good faith to ensure that Developer has not overpaid for the Carry Costs associated with the Property.

6. **Final Second Advance**. Notwithstanding anything in the Option Agreement to the contrary, the "Second Advance" shall be paid or satisfied by Developer as follows:

6.1 Cash Payment. Three Million Dollars ($3,000,000) to be paid by Developer to the Authority at Closing.

6.2 Annual Installments. Commencing on the earlier of (a) five (5) years after the Completion of Lenardo Drive, and (b) five (5) years after issuance of the Certificate of Occupancy for the Carson Country Mart ("**Stabilization Commencement Date**"), Developer shall pay the Authority a total amount equal to Eight Million Dollars ($8,000,000) less any Developer Infrastructure Overrun Contribution (such sum, hereinafter, the "**Stabilization Fund**"). The Stabilization Fund shall be paid in equal annual installments (each, an "**Annual Installment**") over a period of sixteen (16) years after the Stabilization Commencement Date. The term "**Completion of Lenardo Drive**" shall mean that Lenardo Drive has been fully complete and the road is open for traffic.

6.3 Authority Funding Support. Commencing on January 1, 2025, Developer shall make available to the Authority an amount (the "**Authority Funding Support Payments**") of up to Two Million Dollars ($2,000,000) per year, except in any year in which CAM (or such other developer of Cell 2) is paying its proportionate share of the carry costs associated with the Cell 2 site or is making payments under the Existing CFD or Amended CFD (as such terms are defined below), as applicable, during any given year when the Authority Funding Support Payments are due hereunder, in which such annual payment amount shall not exceed One Million Two Hundred Fifty Thousand Dollars ($1,250,000) per year, for the duration of the Funding Support Payment Term (as described and defined below). The Authority Funding Support Payments shall be payable in increments of no greater than Five Hundred Thousand Dollars ($500,000) in any ninety (90) day period ("**Maximum Funding Increments**"). The Authority Funding Support Payments are to be made for the Authority to pay for its Carry Costs associated with the 157 Acre Site, Authority's administrative and legal expenses, buffer zone costs, to fund Authority reserves, and/or for the benefit of the 157 Acre Site. Developer's obligation to make Authority Funding Support Payments shall commence on January 1, 2025 and shall terminate once Developer has paid Seven Million Dollars ($7,000,000) (taking into account the $500,000 that Developer paid in August 2023 such that only $6,500,000 will actually be available to the Authority subject to this Section 6.3) to the Authority under this Section 6.3 (the "**Funding Support Payment Term**").

6.4 Infrastructure Improvements. Developer's required share for the costs of the Infrastructure Improvements shall be increased from what was estimated to be required in the Original Option Agreement by $2,500,000, such that Developer will be required to pay to the Authority a fixed amount equal to Twelve Million Five Hundred Thousand Dollars ($12,500,000)

(the "**Infrastructure Improvements Advance**"). The Infrastructure Improvements Advance shall be used to pay for the Infrastructure Improvements and Other Infrastructure and shall be paid within ninety (90) days after the Authority has given written notice to Developer with evidence that Authority has expended $15,000,000 of the full $22,400,000 under the Measure R/Measure M Bond proceeds (the "**Bond Funds**") for the construction of the Infrastructure Improvements and Other Infrastructure (the "**Infrastructure Expenditure Notice**"). In addition, the Developer shall enter into a letter agreement (the "**DAF Letter**") with the City and Authority such that the Development Agreement Fee (as such term is defined in Section 4.3.6 of the Development Agreement, dated June 8, 2022, between the City and Developer, the "**Development Agreement**") shall be paid to City by Developer within ninety (90) days after the Authority has given written notice to Developer together with evidence that Authority has expended Twenty Million Dollars ($20,000,000) of the $22,400,000 of Bond Funds, which Development Agreement Fee may be contributed to the Authority pursuant to the terms of the DAF Letter and may be used by the Authority for the construction of the Infrastructure Improvements, so long as such Infrastructure Improvements have not otherwise been completed or fully funded and if funds remain following completion of the Infrastructure Improvements and Other Infrastructure, shall be used for the benefit of the Site, consistent with the terms of the Development Agreement. Notwithstanding anything to the contrary herein or in the Option Agreement, in the event the actual costs for the Infrastructure Improvements and Other Infrastructure exceed the aggregate of the $22,400,000 of Bond Funds, the Development Agreement Fee, and the Infrastructure Improvements Advance (hereinafter, such being an "**Infrastructure Cost Overrun**"), then the Authority shall seek additional funds from the City of Carson for such Infrastructure Cost Overrun. In the event the City declines to make funds available to the Authority or provides insufficient funds to cover the Infrastructure Cost Overrun, Developer agrees to contribute up to Four Million Dollars ($4,000,000) to the Authority for the Infrastructure Cost Overrun ("**Developer Infrastructure Overrun Contribution**").

6.5 Insurance Payments. Developer shall pay the premium, taxes and fees for the Property Insurance and General Liability Insurance described in Sections 4.1(l) and (m) above, which will benefit the Authority. At Closing, Developer will be responsible for making the Existing PLL Payment and the Bridge PLL Payment, which will benefit the Authority. All of the costs for insurance paid by Developer, including any legal costs, commissions, or other associated costs, under this Section 6.5 are collectively referred to as the "**Insurance Premium Costs.**" In the event the Insurance Premium Costs are less than Three Million Five Hundred Thousand Dollars ($3,500,000), Developer shall pay to Authority such difference at Closing.

6.6 Reuse Materials. Notwithstanding anything to the contrary set forth in the Option Agreement (but subject to the last sentence of this Section 6.6), if the Authority or its agents have not removed all or a portion of the Reuse Materials (defined below) within six (6) months following the Closing (the "**Reuse Materials Transfer Date**"), then title to the Reuse Materials (as defined below) shall pass to Developer (and the Authority shall cause the execution of a bill of sale, quitclaim and/or other documentation required by Developer to so transfer the Reuse Materials). Developer's redevelopment costs for the Project have increased due to the need to manage the existing liner, geofoam and stockpiles of soil, sand, and gravel presently located on the Property (collectively, "**Reuse Materials**"), to relocate storm water and retention basins and to reconsolidate trash materials currently located on Cells 4 and 5 (collectively, "**Assumed Site Costs**"). The Assumed Site Costs are estimated at Four Million Five Hundred Thousand Dollars

($4,500,000) ("**Estimated Assumed Site Costs Amount**"). The Estimated Assumed Site Costs Amount shall be a credit against the Second Advance at Closing. Ninety (90) days following issuance of the last Remedial Action Completion Report by the DTSC for the Remainder Cells, Developer shall provide the Authority with a reconciliation between the actual Assumed Site Costs and the Estimated Assumed Site Costs Amount. In the event the Estimated Assumed Site Costs Amount is greater than the actual Assumed Site Costs incurred by Developer, the difference shall be paid to the Authority. Notwithstanding anything to the contrary herein, if written notice is given from Authority to Developer prior to the Reuse Materials Transfer Date, which specifies the specific Reuse Materials Authority requires to be transferred to Cell 2 site (and the specific location for such relocation), Developer shall coordinate to have such identified Reuse Materials transferred and relocated to the Cell 2 site within a reasonable timeframe agreed to in good faith by both Parties.

6.7 Beneficial Work Requested by the City and Authority for the Carson Country Mart. The City Council and Authority Board have requested Developer to enhance and upgrade its initial conceptual project designs and plans for the park to be located on Cell 5 (referred to as the "**Carson Country Mart**"), and Developer has accommodated such requests by significantly upgrading its plans and designs for the Carson Country Mart at a significant cost to the Developer. Based on the enhancements Developer has proposed for the Carson Country Mart (and the additional costs and expenses associated therewith), the Authority has agreed to provide a credit against the Second Advance in the amount of Four Million Dollars ($4,000,000) ("**Beneficial Work Product Costs**") which Beneficial Work Product Costs will be used to substantially benefit the City of Carson residents and serve to activate the area along Avalon Blvd. and the 405 Freeway, which is a key entry-point for the City.

7. **Buffer Zones**.

7.1 Actions for Developer. The terms of this Section 7.1 shall apply only if the DTSC-required buffer zone has not been completed on Cells 1 and 2 by the time Developer has achieved fifty percent (50%) of installation of the Remediation Systems on the Property and the buffer zones on Cells 1 and 2 (collectively, the "**Cell 1/2 Buffer Zones**") are still required by the "Management Approach to Phased Occupancy" or otherwise by DTSC in order for the Property to be legally occupied.

(a) Elections. Developer may elect, at Developer's sole option, to (i) exercise self-help to perform the Cell 1/2 Buffer Zones work ("**Buffer Zone Self Help**") or (ii) provide all necessary funding to the Authority to perform the Cell 1/2 Buffer Zones work ("**Buffer Zone Funding**"). In the case of either Buffer Zone Self Help or Buffer Zone Funding, Developer shall first use any funds remaining from the Infrastructure Improvements Advance, and then, if additional funds are required to complete the Cell 1/2 Buffer Zones after the full Infrastructure Improvements Advance has been expended, use Developer funds ("**Developer Funds**") to pay for the installation / completion the Cell 1/2 Buffer Zones. If Developer provides Developer Funds Buffer Zone Funding to Authority for the installation / completion of the Cell 1 / 2 Buffer Zones, such funds shall be paid to the Authority monthly in arrears pursuant to an invoice and request from the Authority. If Developer elects Buffer Zone Self Help, Developer shall give notice to Authority and Authority shall be required to refund Developer the amount of any unspent portion of the Infrastructure Improvements Advance and Developer shall use such amounts to directly pay

for the installation of the Cell 1/2 Buffer Zones. In the event Developer elects Buffer Zone Funding but Authority does not timely install the Cell 1/2 Buffer Zones, then Developer shall again have the right to Buffer Zone Self Help. If Developer elects or exercises Buffer Zone Self Help, Authority shall promptly enter into a commercially reasonable access license agreement (consistent with the terms of the License Agreement) in order to permit Developer to access Cells 1 and 2. Any use of Developer Funds to pay for installation of the Cell 1/2 Buffer Zones, whether by the Authority or the Developer, shall be deemed to be a loan to the Authority secured by a real property security interest in the land on which such Buffer Zones are installed (e.g., Cells 1 and/or 2) and shall be documented by means of one or more separate loans with commercially reasonable terms, with a mechanism included whereby such loan shall be assumed by the future buyer(s) or ground lessee(s) of the Surface Lots of Cells 1 and 2.

7.2 Actions for Authority. The terms of this Section 7.2 shall apply only in the following circumstance: (a) the redevelopment on Cell 2 has been undertaken and proceeded such that the opening date for the Cell 2 project is twelve (12) months or less from occurring, and (b) the redevelopment of Cells 3 through 5 has not been completed and/or the required buffer zones on Cells 3, 4 and 5 have not been completed; and (c) buffer zones on Cells 3, 4 and 5 (collectively, the "**Cell 3-5 Buffer Zones**") are still required by the "Management Approach to Phased Occupancy" or otherwise by DTSC in order for Cell 2 to be legally occupied. In such circumstance, Authority shall have the right to self-help and install the Cell 3-5 Buffer Zones and Developer shall promptly enter into a commercially reasonable access license agreement (consistent with the terms of the License Agreement) in order to permit Authority to access Cells 3, 4 and 5 to do so. Any use of Authority funds to pay for installation of the Cell 3-5 Buffer Zones that are not paid by Developer may be imposed as a lien by the Authority upon the portion of the Property subject to such Cell 3-5 Buffer Zones and/or may be deemed to be a loan to the Developer secured by a real property security interest upon the Surface Lots on which such Cell 3-5 Buffer Zones are installed and shall be documented by means of one or more separate loans with commercially reasonable terms, with a mechanism included whereby such loan shall be assumed by the future buyer(s) or ground lessee(s) of the Surface Lots of Cells 3, 4 and/or 5.

8. Lenardo Drive. Authority shall cause Lenardo Drive and the Other Infrastructure to be constructed in the timeframe set forth in **Exhibit H** to the Option Agreement (as the same may be amended / modified from time to time). Authority shall use the Bond Funds and the Infrastructure Improvements Advance for such work. If such funds are insufficient for the completion of the Infrastructure Improvements and Other Infrastructure, and/or Authority does not timely construct Infrastructure Improvements and/or the Other Infrastructure to allow for Developer's planned opening of the Project, then (A) Developer may advance Developer Funds to Authority for the construction of the Infrastructure Improvements and/or the Other Infrastructure by Authority, or (B) if all Bond Funds have been expended by the Authority and the Infrastructure Improvements and Other Infrastructure remain incomplete, Developer may act as Authority's agent, enter into contracts for and construct Infrastructure Improvements and the Other Infrastructure (or the remainder thereof) itself using Developer Funds; provided, however, that Developer shall enter into a commercially reasonable contract with the Authority for such agency role, which shall provide for supervision, management, and oversight by the City's Public Works Department to confirm construction of the Infrastructure Improvements and Other Infrastructure are built to City-standards ("**Lenardo Agent Role**"). If Developer advances Developer Funds to Authority, such funds shall be paid to the Authority monthly in arrears pursuant to an invoice and

request from the Authority. If Developer exercises Lenardo Agent Role, Authority shall promptly enter into a commercially reasonable access license agreement (consistent with the terms of the License Agreement) in order to permit Developer to access the applicable properties. All Developer Funds expended to construct Lenardo Drive and/or the Other Infrastructure shall be deemed to be a loan to the Authority secured by a real property security interest in the land benefitted by such work that is not owned by Authority (by means of one or more separate loans with commercially reasonable terms, with a mechanism included whereby such loan shall be assumed by the future buyer(s) or ground lessee(s) of such property).

9. **Covenant Regarding Existing PLL**. Following the Closing, the Existing PLL will not be cancelled or terminated by the Authority before the expiration of its term without the prior written consent of Developer.

10. **Counterparts**. This Third Amendment may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument. The signature of any Party to this Third Amendment transmitted to any other Party by e-mail shall be deemed an original signature of the transmitting Party.

11. **Recitals / Exhibits**. All exhibits/attachments attached hereto are incorporated herein by reference and the Recitals set forth above are acknowledged to be true and correct and are incorporated herein by reference.

12. **Qualification; Authority**. Each Party represents and warrants to the other that (i) such Party is duly organized and existing; (ii) the person or persons executing and delivering this Third Amendment on such Party's behalf are duly authorized to do so; (iii) by executing this third Amendment, such Party is formally bound to the provisions of this Third Amendment; and (iv) entering into this Third Amendment does not violate any provision of any other agreement to which such Party is bound.

13. **Conflict; No Further Modification**. In the event of any conflict between the terms of the Option Agreement and this Third Amendment, this Third Amendment shall prevail. Except as otherwise set forth in this Third Amendment, all of the terms and provisions of the Option Agreement shall remain unmodified and in full force and effect.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Third Amendment as of the Effective Date set forth above.

DEVELOPER:

CARSON GOOSE OWNER, LLC,
a Delaware limited liability company

By: _____
Name:
Title:

AUTHORITY:

CARSON RECLAMATION AUTHORITY,
a California joint powers authority

By: _____
Name: Lula Davis-Holmes
Title: Chair

ATTEST:

_____
Name: Dr. Khaleah K. Bradshaw
Title: Carson Reclamation Authority Secretary

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

_____
Sunny K. Soltani,
Authority Counsel

ACKNOWLEDGED AND AGREED TO
BY ESCROW HOLDER:

Fidelity National Title Insurance Company

By: _____
Name:
Title:

ATTACHMENT 1

Insurance Administration Agreement

[Attached]

ATTACHMENT 2

Release Documentation

[attached]