

**THIRD AMENDMENT TO
MARCH LIFECARE CAMPUS
DISPOSITION AND DEVELOPMENT AGREEMENT**

This **THIRD AMENDMENT TO MARCH LIFECARE CAMPUS DISPOSITION AND DEVELOPMENT AGREEMENT** (“**Third Amendment**”) is entered into by and between MARCH JOINT POWERS AUTHORITY, a California joint powers authority (“**Authority**”), as successor-in-interest to the March Joint Powers Redevelopment Agency; and MARCH1 LLC, a California limited liability company (“**Developer**”), as successor-in-interest to the March Healthcare Development, LLC, a California limited liability company. Authority and Developer are sometimes referred to, individually, in this Third Amendment as a “**Party**” and, collectively, as the “**Parties.**”

This Third Amendment is entered into by the Parties based upon the facts and circumstances set forth in the following Recitals.

RECITALS

A. The March Joint Powers Redevelopment Agency, a California public agency (“**Agency**”), and March Healthcare Development, LLC, a California limited liability company (“**MHD**”), entered into that certain March LifeCare Campus Disposition and Development Agreement dated April 7, 2010 (the “**Original Agreement**”), as amended by the “**First Amendment to March LifeCare Campus Disposition and Development Agreement**” dated March 7, 2012 (“**First Amendment**”) and the “**Second Amendment to March LifeCare Campus Disposition and Development Agreement**” dated September 29, 2018 (“**Second Amendment**”). As used herein, the term “**DDA**” means the Original Agreement as amended by the First Amendment and Second Amendment.

B. Authority is the successor-in-interest to Agency, pursuant to that certain “**Assignment and Assumption of March Lifecare Campus Disposition and Development Agreement**” dated March 2, 2011, a memorandum of which is recorded in the Official Records of the County of Riverside as Document No. 2011-0107853.

C. On January 22, 2016, MHD assigned its rights in and to the DDA to Developer, an affiliate of MHD.

D. The DDA, among other things, requires Developer to complete by October 3, 2021, certain horizontal improvements described on Exhibit D-1 to the Schedule of Performance (“**Exhibit D-1 Improvements**”), as agreed to by the Parties in the Second Amendment.

E. The Authority and the Developer wish to amend the DDA to grant Developer an extension of time (“**Extension**”) to allow Developer to complete the amended Exhibit D-1 Improvements, subject to the provisions of this Third Amendment.

F. The Extension would facilitate the continued development of the LifeCare Campus project in a way that would increase funds to the taxing entities and does not extend the outside deadline to complete the overall project.

G. The extension is not an action requiring approval of the Oversight Board of the Agency under Section 34180 of the California Health & Safety Code, and as such, the Authority is authorized to enter into this Third Amendment in its capacity as the assignee to the Agency’s rights and obligations under Section 6.03 of the DDA.

NOW, THEREFORE, for good and valuable consideration described below, the adequacy of which is hereby acknowledged by the Parties agree as follows:

OPERATIVE PROVISIONS

1. Effect Upon Agreement. The Parties ratify and reaffirm each and every one of their rights and obligations as set forth in the Agreement. All initially capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the DDA. From and after this Third Amendment Effective Date, wherever the term "Agreement" appears in the DDA and its exhibits, it will be read and understood to mean the DDA as modified by this Third Amendment. Except as so expressly modified, all other terms, conditions and requirements of the DDA and its exhibits remain unchanged and in full force and effect.

2. Consideration. As valuable consideration ("Consideration") for Authority to enter into this Third Amendment, Developer shall pay to Authority by wire transfer of immediately available funds, an amount equal to Two Hundred and Fifty Thousand Dollars (\$250,000), no later than three (3) business days following the Effective Date. Failure of Developer to timely deposit the full amount of Consideration as specified in this Paragraph 2 shall be interpreted to mean that Developer has forfeited any extension of time granted to it under this Third Amendment and shall entitle Authority to all remedies available to it under the DDA and any applicable law, and to terminate the DDA without incurring any liability whatsoever to Developer.

3. Effective Date. This Third Amendment shall become effective on the date ("**Effective Date**") on which it has been approved and executed by the authorized representative of each Party.

4. Extension of Time to Complete Amended Exhibit D-1 Improvements. The (a) description of Action No.1 described as "*Construction of Exhibit D-1 Horizontal Improvements*" and illustrated on attached Amended Exhibit D-1 and new Exhibit D-1.1; (b) the deadline to complete the items described thereunder, are hereby modified as follows:

(i) The description of Action No. 1 is replaced in its entirety with the following:

"Construction of Amended Exhibit D-1 and Exhibit D-1.1 Horizontal Improvements. Developer shall complete the Horizontal Improvements which consist of the following:

- (1) PRV Facility, in accordance with the plans approved by Western Municipal Water District in the area identified on the attached Amended Exhibit D-1 (including the portion of the 24" pipeline connecting the PRV to the main portion of the 24" pipeline identified in item (3) below, the structural grind and overlay (as described in item (5) below) for only the first 200 feet of the roadway adjacent to the PRV site, and any landscape improvements in the area affected by the PRV Facility);
- (2) Landscape improvements along Riverside Drive-pursuant to plans to be resubmitted by Developer to the Authority for approval as the 2018 approvals of the previously submitted plans have expired (excepting those landscape improvements described in item (1) above);
- (3) Backbone water infrastructure to be completed per plans to be prepared by Developer consistent with the attached Amended Exhibit D-1 and submitted to Authority Engineer for approval of any required encroachment permits or other necessary permits, which includes the

following: (i) a 24” pipeline along that portion of Riverside Dr. between Cactus Ave. and Meyer Dr. (excepting the connecting portion described in item (1) above); (ii) a 12” pipeline along that portion of Riverside Dr. between Meyer Dr. and the boundary line of the project site; (iii) a 12” pipeline along that portion of N St between Riverside Dr. and 6th Street; and (iv) a 12” pipeline along that portion of 6th St. south of Meyer Dr. ending at the boundary of the project site (Note: for any of the items (i) through (iv) which have already been completed, satisfaction of this condition may be achieved through the presentation of as-built plans to the Authority Engineer);

- (4) Slurry seal and restripe existing pavement on those roadway sections identified in the attached Amended Exhibit D-1;
- (5) Structural grind and overlay with restripe on those roadway sections identified on Amended Exhibit D-1 (minimum 0.15-ft grind and AC overlay as more specifically identified by Developer and approved by Authority Engineer after coring/trenching of road structural sections) (excepting the portion adjacent to the PRV described in item (1) above);
- (6) Correction of road cross-slopes to match County of Riverside standards as identified on Exhibit D-1.1 and subject to Authority Engineer approval;
- (7) Repair of the long sewer trench failure in the outside southbound lane of Riverside Drive as identified on Exhibit D-1.1 and subject to Authority Engineer approval;
- (8) Repair of drainage inlets including the replacement of exposed metal with galvanized steel as identified on Exhibit D-1.1 and subject to Authority Engineer approval; and
- (9) Remove and replace broken, buckled and distressed concrete sidewalk, curb, and gutter as identified on Exhibit D-1.1 and subject to Authority Engineer approval.”

- (ii) The completion date of Action No.1 shall be replaced in its entirety with the following:

“Item (2) and Items (4) through (9) shall be completed within eight (8) months of the Effective Date of this Third Amendment but in no event later than September 30, 2022, except if tolled in accordance with the provisions herein. The deadline for each specific Item(s) shall be tolled by the number of days during which the Authority Engineer is reviewing documents submitted by Developer for the Authority Engineer’s review and approval pertaining to the specific item. This tolling does not apply to other Items that are not being reviewed by the Authority Engineer and the deadline applicable to those items shall remain the same (unless otherwise tolled consistent with this provision). The tolling provision shall only apply to plans and documents submitted by the Developer to the Authority Engineer that substantially meet the standard of work expected for each item based on generally accepted industry standards applicable to the specific item and following confirmation of the expected standard of work with the Authority Engineer.

Item (3) shall be completed within six (6) months of the Effective Date of this Third Amendment but in no event later than July 30, 2022.

Notwithstanding the foregoing, Developer shall resubmit landscape improvement plans necessary for the completion of Item (2) for Authority's approval no event later than February 25, 2022.

Item (1) shall be completed within six (6) months of the date Developer receives a Notice to Proceed from the agency having approval jurisdiction over this item."

(iii) The description of Action No. 4 is replaced in its entirety with the following:

"Developer shall complete construction of Exhibit D-I Horizontal Improvements and will also complete the Monumentation which was originally part of Exhibit D-1. The Monumentation shall be constructed in accordance with a design to be created by Developer and approved by Authority and completed no later than the completion date of the Exhibit D-IV Horizontal Improvements."

5. Opportunity to Cure. The Developer hereby agrees that any right to cure and notices related thereto, as provided in Section 6.03 of the DDA, a failure to comply with any of the time periods for the completion of Action No. 1 under this Third Amendment are hereby waived.

6. No other Modification. Except as specifically modified herein, all other terms of the DDA, including but not limited to the remainder of Exhibit D remain unchanged and in full force and effect. Notwithstanding anything in the contrary contained in the DDA, failure of Developer to meet any of the deadlines set forth herein shall entitle Authority to all remedies available to it under the DDA and any applicable law, and to terminate the DDA without incurring any liability whatsoever to Developer. Developer waives the right to assert the existence of any force majeure event it is, or should be, presently aware of. Notwithstanding the foregoing, the force majeure provision of the DDA shall remain in effect as to new and unforeseen force majeure events.

7. Memorandum of Agreement. A Memorandum of this Third Amendment shall be recorded in the Official Records of the County of Riverside in a form reasonably acceptable to the Parties, within ten (10) days of the Effective Date.

[SIGNATURES ON FOLLOWING PAGE]

MARCH JOINT POWERS AUTHORITY, a
California joint powers authority

By: _____
Grace I. Martin, DPPD
Executive Director

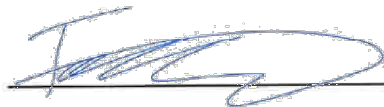
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ATTEST:

By: _____

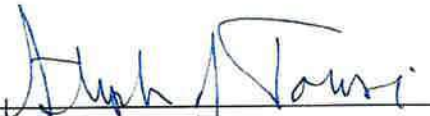
Name: _____
Secretary

APPROVED AS TO FORM:
Best Best & Krieger LLP

By:  _____

Name: Thomas Rice
Authority General Counsel

MARCH1 LLC, a California limited liability
company

By:  _____
Name: Stephen J. Tomassi
Its: Co-Manager

Dated: 1/25/2022

By: _____
Name: Daniel Niemann
Its: Co-Manager

Dated: _____

ACKNOWLEDGMENT

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)
) ss
COUNTY OF Orange)

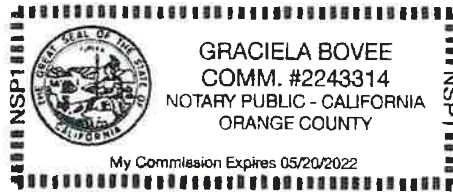
On January 25, 2022, before me, Graciela Bovee, Notary Public
Notary Public, personally appeared Stephen Joseph Tomassi,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed 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.

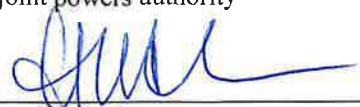
WITNESS my hand and official seal.

Signature: Gracie Bovee

(Seal)




MARCH JOINT POWERS AUTHORITY, a
California joint powers authority

By: 
Grace I. Martin, DPPD
Executive Director

Dated: 01/26/22

ATTEST:

By: 
Name: Cindy Camargo
Secretary

APPROVED AS TO FORM:
Best Best & Krieger LLP

By: _____

Name: Thomas Rice
Authority General Counsel

MARCH1 LLC, a California limited liability
company

By: _____
Name: Stephen J. Tomassi
Its: Co-Manager

Dated: _____

By: 
Name: Daniel Niemann
Its: Co-Manager

Dated: 01.25.22

ACKNOWLEDGMENT

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)
) ss
COUNTY OF Los Angeles)

On 11/25/22, before me, Tarren Uy,
Notary Public, personally appeared Daniel Niemann,
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: Tarren Uy

(Seal)



Exhibit D-1 Amended

EXHIBIT D-1 AMENDED

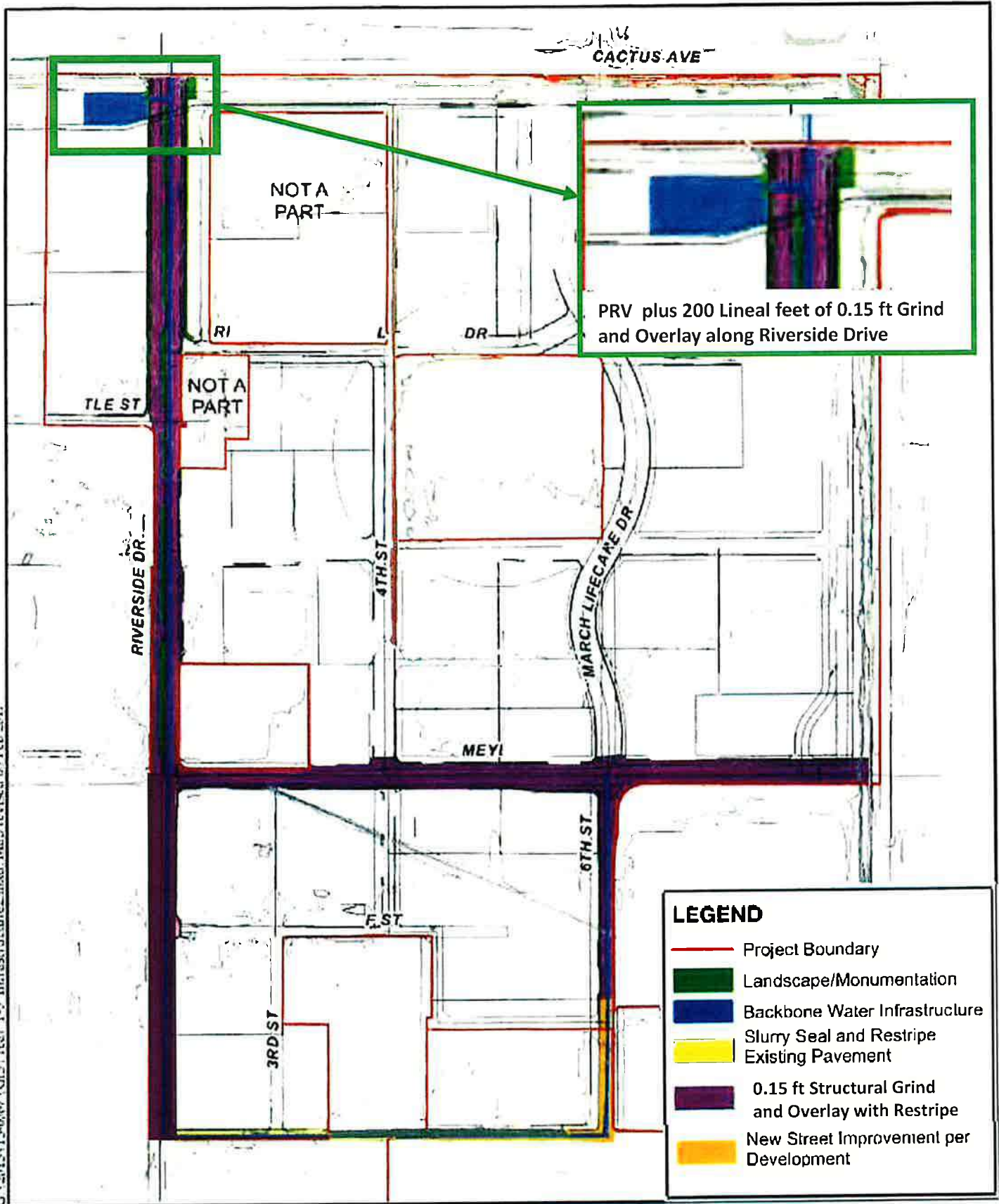
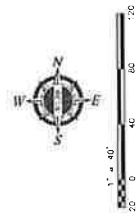
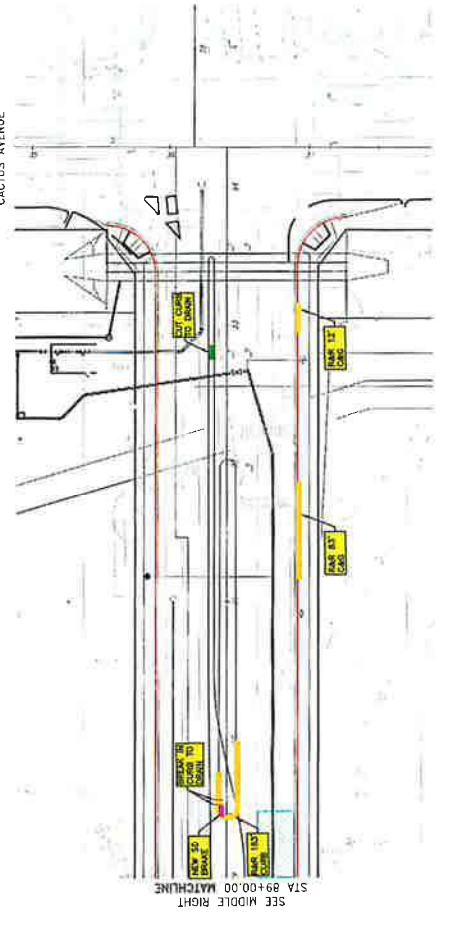
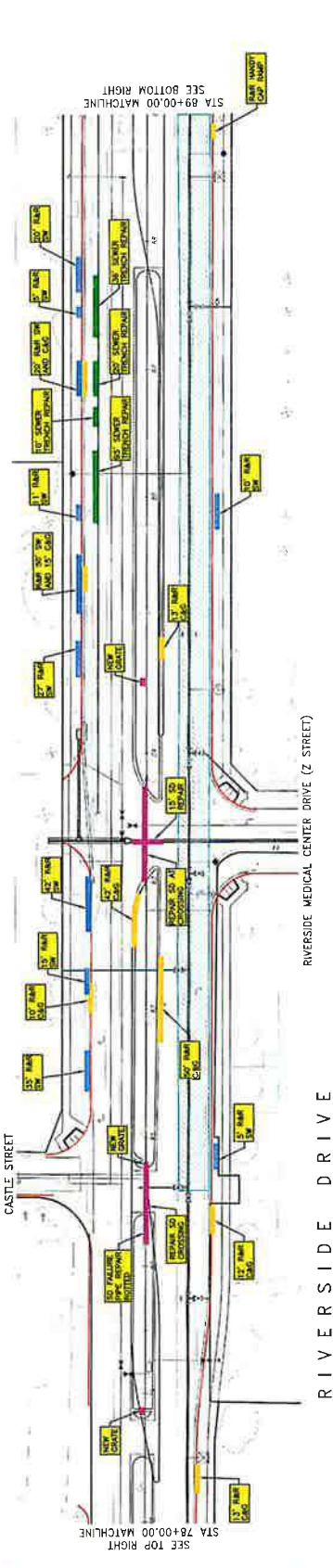
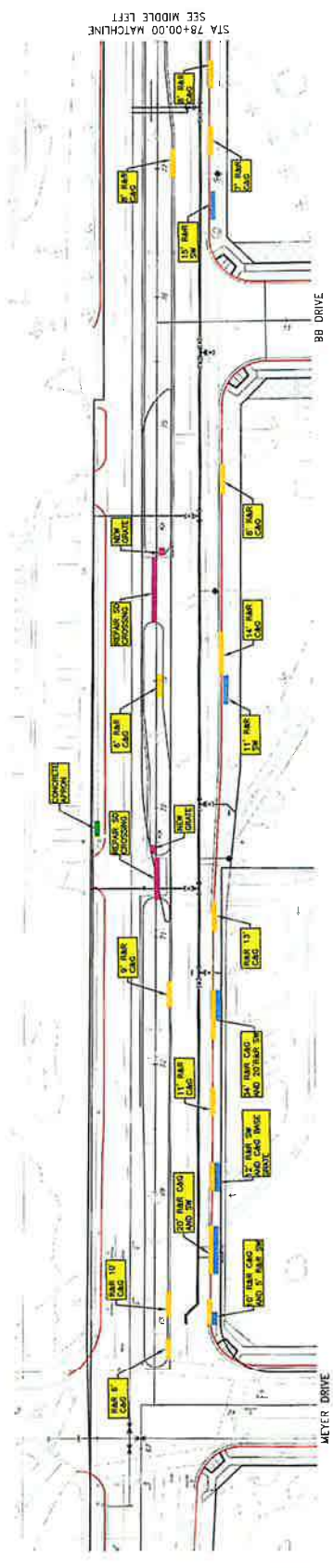


EXHIBIT D-1.1



- LEGEND:
- CON - CONE & CUPPER
 - CP - CONC. PATCH
 - EP - EXIST. PATCH
 - SP - STOP SIGN
 - SHDS - SHIMS
 - CONC - CONCRETE
 - CR - CORRECT ROAD CROSS SLOPE
 - REP - REPAIR & REPLACE