OPTION AGREEMENT

THIS OPTION AGREEMENT (this **"Agreement"**) is made effective as of the Effective Date (defined below) by and between the **Mammoth Unified School District**, a school district organized and existing under the State of California ("***District***") and the **Town of Mammoth Lakes,** a California municipal corporation ("***Town***") (District and Town being collectively referred to herein as the "***Parties***" and each as a "***Party***").

A. District is the owner of certain real property known as 461 Sierra Park Road, Mammoth Lakes, California and known as Assessor Parcel Number 035010056000 (the "***District Office Property***").

B. Town is the owner of certain real property known as Lots 4 and 5 within the "Parcel" Master Plan area for the Town of Mammoth Lakes (the "***Master Planned Property***").

C. District desires to transfer not less than 2.5 acres and not more than 6.5 acres of the District Office Property (the "***Pickleball Property***") to Town; provided the Pickleball Property shall be one parcel bearing APN 035-010-056-000 and be inclusive of the area containing pickleball courts (as of the Effective Date) at the District Office Property, but shall not include (a) the District's office building, (b) parking adjacent to the District's office building, or (c) a cellular service tower.

D. Town desires to transfer a minimum of 2.11 acres up-to 2.5 acres of the Parcel Master Planned Property (the "***Housing Property***") to District; provided the Housing Property conveyed to the District shall be two parcels comprising Lots 9 and 10 of Tract Map 22-001, subject to completion of a lot line adjustment to Lot 9 if requested by District to yield an aggregate size of 2.5 acres in Lots 9 and 10.

E. If the exchange discussed in this Agreement is effectuated (the "***Property Exchange***"), the Pickleball Property and the Housing Property will be exempt surplus land under Government Code Sections 54221(f)(1)(D).

F. The Town has determined that the disposition of the Housing Property pursuant to this Agreement is consistent with the Town's General Plan.

G. California Government Code Section 37350 et seq. provides that a city may acquire or exchange real property for the common benefit or the benefit of the city.

H. The Town finds that the transactions contemplated hereby further the health, safety and welfare of the Town's residents and are in conformity with the Town's development plans and municipal code.

I. California Education Code Section 17536 et seq. provides that the governing board of a school district, upon a two-thirds vote of its members, may exchange any of its real property for real property of another person upon such terms and conditions as the parties thereto may agree, without complying with any provisions in the Education Code except as provided therein.

J. The District finds that the transactions contemplated hereby further the District's purpose of developing workforce housing.

K. The District intends to construct a workforce housing project ("***Project***") on the Housing Property and desires to select a contractor to provide preconstruction services for the Project pursuant to the lease-leaseback construction delivery method ("***Lease-Leaseback Structure***") in Education Code section 17406.

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L. The Town is aware that upon execution of this Agreement, the District will enter into a site lease, facility lease and lease-leaseback agreement, as required under the Lease-Leaseback Structure, for the benefit of its selected contractor.

AGREEMENT

In consideration of the foregoing recitals and the mutual covenants set forth herein, and other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Option. Town hereby grants to District an exclusive option ("***Option***") to acquire the Housing Property. If the District elects to exercise its Option, the District and Town shall enter into an Exchange Agreement which shall memorialize the final terms of the Property Exchange ("***Exchange Agreement***"). The form and substance of the Exchange Agreement shall be mutually agreed to by the Parties. The Exchange Agreement shall provide for the conveyance of the Housing Property to the District and the conveyance of the Pickleball Property to the Town. The District shall have the sole, exclusive, and absolute right to exercise the Option as provided herein. District may exercise the Option by delivering written notice to the Town ("***Exercise Notice***") prior to the Termination Date (defined below). The Exercise Notice shall (a) affirmatively state that the District is exercising its Option, (b) propose a closing date for the Property Exchange that is no more than three hundred sixty five (365) days from the date of the Exercise Notice ("***Proposed Closing Date***"), (c) if this Agreement has not been amended to add a legal description of the Housing Property as an exhibit, provide the size and location of the Housing Property that will be transferred to the District (including a proposed legal description of such Housing Property), and (d) if this Agreement has not been amended to add a legal description of the Pickleball Property as an exhibit, provide the size and location of the Pickleball Property that will be transferred to the Town (including a proposed legal description of such Pickleball Property). Notwithstanding the foregoing, if the District exercises its Option and the Parties cannot agree to an Exchange Agreement prior to the then-current Proposed Closing Date, the District may elect (in its sole discretion and in addition to any other remedies available at law) to extend the Proposed Closing Date by up to 90-days, per extension, until an Exchange Agreement is agreed upon, by providing written notice to the Town.

    a. From and after the Effective Date, Town shall not (and hereby agrees not to) solicit or accept any offers to purchase, lease, license, or otherwise transfer, convey, and/or assign any easement or other interests, rights, and/or title in and/or to all or any portion of the Housing Property, or continue negotiations with other potential purchasers or other third parties with respect to the same, until the expiration of this Agreement.

    b. From and after the Effective Date, District shall not (and hereby agrees not to) solicit or accept any offers to purchase, lease, license, or otherwise transfer, convey, and/or assign any easement or other interests, rights, and/or title in and/or to all or any portion of the Pickleball Property, or continue negotiations with other potential purchasers or other third parties with respect to the same, until the expiration of this Agreement.

2. Consideration. District shall pay Town the sum of One Hundred Dollars ($100) as consideration for the option granted herein ("***Option Consideration***"). If District fails to exercise its Option, Town shall retain the Option Consideration. If the District exercises the Option, the Option Consideration shall be applied to the District's costs upon closing.

3. Option Term. Unless otherwise agreed to in writing by the Parties, the District must exercise the Option on or before August 1, 2027 ("***Termination Date***"), or the Option shall automatically expire. Between the

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Effective Date and the Termination Date; District and its agents, employees, contractors, and designees may hereafter enter the Master Planned Property for the purposes of inspecting, surveying or otherwise evaluating the Master Planned Property to determine whether District will, in its sole discretion, exercise the Option. Such access shall be governed by the terms of an Access Agreement between the Parties dated as of June 6, 2026 attached hereto and incorporated herein as **Exhibit A** ("Access Agreement") for as long as the Access Agreement remains in effect. The term of this Agreement ("***Term***") shall begin on the Effective Date and continue until either (a) the District fails to exercise its option on or before the Termination Date, or (b) if the District exercises its Option prior to the Termination Date, upon the earlier of (i) the date the Parties mutually execute an Exchange Agreement and (ii) the date the Housing Property is conveyed to the District in accordance with this Agreement.

4. Exchange Properties. If the legal description of the Pickleball Property has not been added to this Agreement as an exhibit prior to delivery of the Exchange Notice, the District shall indicate the size and legal description of the Housing Property in the Exercise Notice; provided, such Housing Property shall be one parcel which is adjacent to the intersection of Tavern Road and Inyo Road in the Town of Mammoth Lakes, and the northern property line shall be contiguous with Tavern Road. The size of the Pickleball Property to be exchanged with the Town shall be equal, in square feet, to the size of the Housing Property received by the District unless otherwise agreed by the Parties.

    a. *Pickleball Property Description*. If the legal description to the Pickleball Property has not been added to this Agreement as an exhibit prior to delivery of the Exchange Notice; within thirty (30) days of receipt of the Exchange Notice which describes the Pickleball Property in accordance with the size and other restrictions described in this Section 4, the Town may propose an alternative legal description of the Pickleball Property ("***Response Notice***") to the District; provided, (i) the Pickleball Property legal description shall describe one parcel which includes the area which contains pickleball courts at the District Office Property, but shall not include the area containing (a) the District's District Office building, (b) parking for the District's office building and access from the District Office facilities to a public street , or (c) a cellular service tower and related equipment owned by the District, and (ii) if the Town fails to timely deliver a Response Notice it will have been deemed to accept the District's proposed legal description for the Pickleball Property. If the Town delivers a Response Notice to District which describes the Pickleball Property in accordance with the size and other restrictions described in this Section 4; within fifteen (15) days of the District's receipt thereof, the District may deliver a written notice objecting to the Town's proposed legal description of the Pickleball Property ("***Objection Notice***"), and the District's failure to timely deliver an Objection Notice shall be deemed acceptance of the Town's proposed legal description for the Pickleball Property. If the District delivers an Objection Notice, the Parties use best efforts to shall determine the legal description of the Pickleball Property within thirty (30) days of the Objection Notice. If there has been no resolution within thirty (30) days of the Objection Notice, either Party may submit the matter for resolution pursuant to an expert resolution process defined in Section 4(b) of this Agreement by written notice ("***Resolution Notice***"). Town agrees to accept the Pickleball Property as full and final compensation for conveying the Housing Property.

    b. *Expert Resolution*. If the Parties are unable to agree to a legal description for the Pickleball Property in accordance with this Agreement, the matter shall be submitted to a panel of three (3) independent, third-party experts with substantial experience in real property matters. Each expert shall have no material prior relationship with either Party that would be expected to affect the expert's independence. Each Party shall appoint one qualified expert within ten

business (10) days after delivery of a Resolution Notice, and the two appointed experts shall appoint a third qualified expert within ten (10) business days thereafter. Once the panel has been appointed, each Party will submit its proposed legal description and a justification for such legal description to the panel within ten (10) business days of the date the third expert is appointed to the panel. The panel shall determine, by majority decision, which Party's proposed Pickleball Property legal description complies with the requirements expressly set forth in this Agreement and, if both proposals comply, which proposal most closely effectuates the Parties' expressed intent. The panel shall select one of the Parties' proposals in its entirety and shall not modify either proposal or adopt a compromise. Absent fraud or manifest error, if the panel's determination complies with all restrictions listed in this Agreement (including, without limit, the restrictions in Section 4) the determination shall be binding on the Parties. Each Party shall bear the fees and expenses of its appointed expert, and the fees and expenses of the third expert shall be shared equally.

i. *Intent*. For purposes of this Section 4, the District intends to acquire the Housing Property to construct approximately twenty-four (24) workforce housing units in compliance with applicable law. The Town intends to acquire the Pickleball Property to provide continued community access to the existing pickleball courts and adjacent parking spaces and potential construction/expansion of additional recreational facilities.

c. *Easements*. To the extent the Property Exchange severs road access from the District's District Office building to the District's cellular tower, the remainder of the District Office Property or public streets; the Parties agree the District shall have an access easement to access such tower, related equipment, the remainder of the District Office Property, and such public streets, as may be required for operation of the District Office for its intended purpose. Further, to the extent the Pickleball Property does not have road access to Meridian Boulevard, the District shall grant an access easement across the District Office Property and agrees to cooperate with the Town in obtaining necessary access easements from other adjacent property owners to provide access to Meridian Boulevard. The Parties agree to use reasonable efforts to negotiate such easements and include the form of such easements as attachments to the Exchange Agreement.

5. Exchange Agreement. The Parties shall use best efforts to negotiate the Exchange Agreement that conforms to the provisions of this Agreement; and shall execute and deliver the Exchange Agreement, together with any other documents reasonably necessary for District to acquire the Housing Property with the appropriate recorder's office and to obtain CLTA standard title insurance insuring the District's fee ownership in the Housing Property.

a. *Minimum Terms*. The Parties agree the Exchange Agreement shall, at minimum, conform to the terms and conditions agreed to in Sections 2, 3, 4, 5, 6, 7, 9, 10, and 11 of a Letter of Intent between the Parties which was made effective June 6, 2026, and is attached hereto and incorporated herein as **Exhibit B** ("***LOI***").

b. *Planning Commission Review*. Notwithstanding any provision of this Agreement to the contrary, Town shall not be required to execute the Exchange Agreement until Town's Planning and Economic Development Commission has completed its review of the conformity of the Property Exchange with Town's General Plan, pursuant to Government Code Section 65402(a).

c. *Affordable Housing Covenant*. The Exchange Agreement shall provide for Town's recordation of an affordable housing covenant against the Housing Property prior to the conveyance of the Housing Property to District (***"Covenant"***). The Covenant shall include the following terms, and may include other terms mutually satisfactory to the Parties:

i. The use of the Housing Property shall be restricted to residential uses only, with up to 60 local workforce housing units, either for rent or for sale as determined by District;

ii. A 55-year term for each housing unit commencing upon the issuance of a certificate of occupancy for such unit;

iii. The Covenant shall run with the land and bind any future owners for the term thereof;

iv. District employees with household incomes of not more than 200% of the Area Median Income shall have priority in renting housing units;

v. If District is unable to find qualified District employees to occupy units, other local workers (as defined in the Covenant) with household incomes of not more than 150% of the Area Median Income may rent units, and local workers with household incomes of not more than 200% of the Area Median Income may purchase units, in compliance with Town's For-Sale Workforce Housing Guidelines;

vi. The Covenant shall require annual compliance reporting/monitoring.

d. *Development Timing*. The Exchange Agreement shall require District to complete the first phase of development on the Housing Property within 10 years of conveyance of the Housing Property to District, and to complete any subsequent phase without 10 years of the completion of the previous phase.

e. *Town Repurchase Right*. The Exchange Agreement shall provide that in the event that District fails to complete the initial phase of development, or any subsequent phase, within 10 years as provided in paragraph 5.d above, Town shall have the right to purchase all remaining portions of the Housing Property which remain undeveloped for a price constituting fair market value. If the Parties cannot agree on the fair market value of the property to be purchase, the dispute shall be resolved as set forth in paragraph 4.b above.

f. *Town Right of First Refusal*. The Exchange Agreement shall provide that in the event that District wishes to sell any portion of the Housing Property (whether developed or undeveloped), Town shall have the right of first refusal to purchase such portion on the terms agreed to in principle by District and a prospective buyer.

6. Effect, Assignment, Subletting. The Parties agree and intend for this Agreement to be a legally binding. Any permitted assignment of this Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and assigns. Each Party's rights and obligations under this Agreement shall not be assigned or subleased without the prior written consent of the other Party, which consent may be withheld in such Party's sole discretion. Notwithstanding the foregoing, District may lease its interests under this Agreement, without obtaining Town's prior written consent, so long as the lease and resulting sublease is a part of a Lease-Leaseback Structure of agreements with a third-party contractor; provided,

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the Option provided in this Agreement is personal to the District and may only be executed by the District. This Agreement shall not run to or be enforceable by any contractor or other any third party.

7. Counterparts. This Agreement, and any amendments and/or escrow instructions, shall be valid if signed in duplicate counterparts. Facsimile and electronic signatures are acceptable to effectuate the terms of this Agreement.

8. Governing Law and Venue. This Agreement shall be governed and construed by the laws of the State of California without regard to its conflicts of laws provisions. Venue for any action to interpret or enforce this Agreement shall be the Mono County Superior Court.

9. Notice. Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person with delivery effective upon receipt; (b) by certified mail, postage prepaid, return receipt requested, with delivery effective upon the earlier of (i) receipt and (ii) three (3) days after deposit with the courier; (c) by electronic mail with delivery effective upon confirmation of delivery, provided that any delivery may only be effective between 8:00 am and 5:00 pm Pacific Time on a business day, and any electronic mail delivered outside of the foregoing times shall not be effective until the next business day; or (d) by a commercial overnight courier, with delivery effective one (1) business day after deposit with such courier. All such notices shall be addressed as follows:

To Town: Town of Mammoth Lakes
437 Old Mammoth Road, Suite 230
Mammoth Lakes, CA 93546
Attn: Rob Patterson, Town Manager
Email: rpatterson@townofmammothlakes.ca.gov

With copy to: Town of Mammoth Lakes
437 Old Mammoth Road, Suite 230
Mammoth Lakes, CA 93546
Attn: Andrew Morris, Town Attorney
Email: amorris@townofmammothlakes.ca.gov

To District: Mammoth Unified School District
461 Sierra Park Road
Mammoth Lakes, California 93546
Attn: Casey O'Neill
Email: coneill@mammothusd.org

With copy to: Fagen Friedman & Fulfrost LLP
5901 Priestly Drive, Suite 200
Carlsbad, California 92008
Attn: Sarah Polito, Esq., Andrew McCraven, Esq.
Email: spolito@f3law.com; amccraven@f3law.com

Or to such other address as either Party may from time to time specify in writing to the other Party. The inability to deliver a notice because of any rejection or other refusal to accept any notice, shall be deemed to be the delivery of the notice as of the date of such inability to deliver or rejection or refusal to accept.

10. Effective Date. This Agreement, when executed by District and delivered to Town, must be approved by the District's Board of Trustees and the Town's Council prior to its effectiveness. The "***Effective Date***" of

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this Agreement shall be the date when this Agreement has been approved by both the District's Board of Trustees (as evidenced by District's execution below) and by the Town's Council (as evidenced by Town's execution below).

11. Expenses. Each Party shall bear its own costs and expenses incurred in negotiating and performing this Agreement.

12. Amendment, Waiver. This Agreement may only be amended or modified only by a written instrument signed by District and Town. No waiver of any provision of this Agreement is effective unless in writing and signed by the Party granting the waiver. No waiver of any breach or default constitutes a waiver of any other or subsequent breach or default.

13. Further Assurances. In addition to the actions recited herein and contemplated to be performed, executed, and/or delivered by Town and District; Town and District agree to perform, execute, and/or deliver or cause to be performed, executed, and/or delivered any and all such further acts, instruments, deeds, and assurances as may be reasonably required to consummate the transaction contemplated hereby; including, without limitation, cooperating to determine the final legal descriptions of the Housing Property and the Pickleball Property and amending this Agreement to reflect the same.

14. Entire Agreement. This Agreement, together with the exhibits (which are incorporated herein by this reference), contains all representations, warranties and covenants made by District and Town and constitutes the entire understanding between the Parties. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement together with the exhibits. For avoidance of doubt, this Agreement does not supersede the terms of the LOI or Access Agreement; provided, (a) the Parties intend for this Agreement to be binding and (b) to the extent of a conflict between the terms of the LOI or Access Agreement and the terms of this Agreement, the terms of this Agreement shall control to the extent of such conflict.

15. Attorneys' Fees. If a dispute arises concerning the performance, meaning or interpretation of any provision of this Agreement, then the Party not prevailing in such dispute (as the court shall determine) shall pay any and all costs and expenses incurred by the prevailing Party in enforcing or establishing its rights, including, without limitation, arbitration and court costs and reasonable attorneys' fees and disbursements and experts' fees. Any such attorneys' fees and other expenses incurred by either Party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment.

16. Time. Time is of the essence in this Agreement. The time in which any act under this Agreement is to be done shall be computed by excluding the first day and including the last day. If the last day of any time period stated herein falls on a Saturday, Sunday, day on which nationally chartered commercial banks in the State of California are authorized or required by applicable law to close, or on days officially designated as District holidays or Town holidays (each, a "Holiday"), then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or Holiday. Unless preceded by the word "business," the word "day" shall mean a calendar day. The phrase "business day" or "business days" shall mean any day other than Saturday, Sunday or Holiday.

17. Force Majeure. If at any time during the Term, a Party is unable to perform under this Agreement or deliver any required notice due to a Force Majeure Event, the time within which a Party is required to perform an obligation or deliver such notice shall be extended for a period of time equivalent to the period of delay

caused by a Force Majeure Event. For purposes of this Agreement, a "***Force Majeure Event***" shall mean any of the following events or circumstances which are out of the Party relying on the Force Majeure Events control: (i) storms, earthquake, flood or other act of God; (ii) war, act of terrorism, riot or other civil unrest; (iii) epidemics or other public health restrictions imposed by a government entity; (iv) strikes or lockouts or other labor interruptions; or (v) disruption to transport services.

18. Severability. Any provision of this Agreement prohibited by law or by court decree shall be ineffective to the extent of such prohibition without in any way invalidating or affecting the remaining provisions of this Agreement. Further, if any provision of this Agreement is held unenforceable by virtue of its scope, but may be made enforceable by a limitation thereof, such provision shall be deemed to be amended to the minimum extent necessary to render it enforceable under the laws of the jurisdiction in which enforcement is sought

[SIGNATURES ON FOLLOWING PAGES]

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The Parties have executed this Option Agreement as of the Effective Date.

DISTRICT:
Mammoth Unified School District,
a school district organized and existing under the State of California

Signature: _____
Print Name: _____
Title: _____
Date: _____

TOWN:
Town of Mammoth Lakes, a California municipal corporation

Signature: _____
Print Name: _____
Title: _____
Date: _____

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EXHIBIT A
Access Agreement

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ACCESS AGREEMENT

THIS ACCESS AGREEMENT (this "**Agreement**") is made and entered into as of May 21, 2026 (the "**Effective Date**"), by and between the Mammoth Unified School District, a California public school district ("**District**"), and Town of Mammoth Lakes, a California municipal corporation (the "**Landowner**").

RECITALS

A. Landowner is the fee owner of real property certain real property commonly known as a portion of Lot 4 and Lot 5 within the "Parcel" Master Plan area for the Town of Mammoth Lakes which is approximately 1.5 acres in total.

B. The District has potential interest in exchanging the Property, and Landowner has agreed to provide the District with access to the Property on the terms and conditions hereinafter set forth in this Agreement for the purposes of investigating certain conditions of the Property, prior to entering into any formal, binding exchange agreement between Landowner and District (an "**Exchange Agreement**").

NOW, THEREFORE, in consideration of access to the Property, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landowner and District agree as follows:

1. Inspection. During the period commencing on the Effective Date and expiring on the date on which this Agreement may be terminated pursuant to Section 5 hereof (the "**Inspection Period**"), Landowner will provide the District and the District's agents, employees, engineers, consultants, and representatives (collectively, "**District's Agents**") access to the Property for the sole purpose of conducting investigations, inspections, audits, analyses, surveys, tests, examinations, studies, and appraisals of the Property as the District reasonably deems necessary or desirable, at the District's sole cost and expense, in order to determine if the Property is suitable for the District's purposes; provided, however, that the District shall not perform any invasive testing (including, without limitation, the drilling of holes) in, on or about the Property without Landowner's prior written consent. The District will conduct any such investigations, inspections, audits, analyses, surveys, tests, examinations, studies, and appraisals only during normal business hours and shall not materially interfere with operations at the Property. The District shall give not less than twenty-four (24) hours prior notice (which may be by electronic mail or telephonic) to Landowner prior to any entry upon the Property for the purpose of conducting its inspections. At Landowner's election, a representative of Landowner can be present during any entry by the District or any of the District's Agents.

2. Insurance. Prior to any entry by the District or the District's Agents on the Property to conduct the inspections and tests described above, the District shall obtain or shall cause the District's Agents to obtain and maintain commercial general liability insurance, from an insurer reasonably acceptable to Landowner, in the amount of ONE MILLION and 00/100 Dollars ($1,000,000.00) combined single limit for personal injury and property damage per occurrence, which insurance shall provide coverage against any claim for personal liability or property damage resulting from such inspections and tests by the District or the District's Agents. The District shall

obtain an endorsement to the insurance policy naming Landowner and its officials, officers, and employees as additional insureds.

3. Legal Compliance. The District and the District's Agents shall fully comply with all laws and regulations applicable to their investigations and other activities on the Property.

4. Indemnity. The District agrees to indemnify, defend and hold Landowner and any agent, advisor, representative, affiliate, or trustee or other person or entity acting on Landowner's behalf or otherwise related to or affiliated with Landowner (collectively, **"Landowner Related Parties"**) harmless from and against any and all liens, claims, or damages of any kind or nature whatsoever, including, without limitation, any and all demands, actions or causes of action, assessments, losses, costs, expenses, liabilities, interest and penalties, and reasonable attorneys' fees suffered, incurred or sustained by Landowner or any Landowner Related Parties as a result of the District's negligent conduct and/or intentional misconduct while conducting investigations on the Property under this Agreement.

5. Termination of Agreement. Either Landowner or the District may terminate this Agreement at any time for any reason or no reason upon written notice to the other. If not expired or earlier terminated by Landowner or the District, this Agreement shall automatically terminate upon the date on which Landowner and the District enter into an Exchange Agreement (if at all).

6. Assignment. The District shall not have the right to assign this Agreement except with the prior written consent of Landowner, which consent may be granted or withheld in the sole discretion of Landowner. Any attempted assignment of this Agreement in violation of the foregoing sentence shall, at the option of Landowner, be void and without force or effect.

7. No Obligation Regarding Possible Transaction. Notwithstanding the rights granted to the District under this Agreement, and notwithstanding any negotiations or other communications between Landowner and the District, neither Landowner nor the District shall have any obligation whatsoever to enter into any agreement concerning Landowner's conveyance or the District's potential acceptance of the Property or any portion thereof, or to otherwise consummate any transaction of any kind concerning the Property or any portion thereof. Neither this Agreement nor any other negotiations or communications between Landowner and the District shall constitute evidence of a binding agreement to exchange the Property by Landowner or an offer to accept the Property by the District, and, other than as set forth in this Agreement, neither Landowner nor the District shall have any obligations whatsoever regarding the Property, unless and until Landowner and the District execute and enter into a binding exchange agreement regarding the Property, which any person or entity may or may not do in its sole and absolute discretion.

8. Miscellaneous.

(a) Any notice, demand, consent, authorization, or other communication (collectively, a **"Notice"**) which either party is required or may desire to give to or make upon the other party pursuant to this Agreement shall be effective and valid only if in writing, signed by the party giving such Notice, and delivered personally (upon an officer of the other party or to such individual as may be noted in the addresses stated below) to the other party or sent by a nationally

recognized overnight courier or by registered or certified mail of the United States Postal Service, return receipt requested, and addressed to the other party as follows (or to such other address or person as either party or person entitled to notice may by Notice to the other specify) or sent by email in PDF format to the email address below, and followed by a hard copy notice received by the second business day following the email notice (in which case notice shall be deemed delivered upon receipt of confirmation of transmission of such email notice).

The addresses for proper notice under this Agreement are as follows:

The District:

Mammoth Unified School District
461 Sierra Park Road
Mammoth Lakes, CA 93546

Attn: Casey O'Neill, Chief Business Officer

with a copy to:

Fagen, Friedman & Fulfrost LLP
Attn: Sarah Polito, Esq.
5901 Priestly Drive, Suite 200
Carlsbad, CA 92008
Email: spolito@f3law.com

Landowner:

Town of Mammoth Lakes
437 Old Mammoth Road, Suite 230
P.O. Box 1609
Mammoth Lakes, CA 93546

Attn: Rob Patterson, Town Manager

with a copy to:

Andrew Morris, Town Attorney
Town of Mammoth Lakes
437 Old Mammoth Road, Suite 230
P.O. Box 1609
Mammoth Lakes, CA 93546
Email: amorris@townofmammothlakes.ca.gov

Either party may from time to time by written notice to the other party designate a different address for notices within the United States of America.

(b) This Agreement will be construed under, governed by, and enforced in accordance with the laws of the State of California.

(c) This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns.

(d) In the event any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein, provided, however, that the parties hereto shall endeavor in good faith to rewrite the affected provision to make it (i) valid and (ii) consistent with the intent of the original provision.

(e) This Agreement embodies the entire agreement between the parties with respect to the subject matter hereof and cannot be varied except by the written agreement of the parties and supersedes all prior agreements and undertakings.

(f) Notwithstanding anything set forth herein to the contrary, the obligations of the District under this Agreement will survive the expiration or earlier termination, for any reason, of this Agreement.

(g) Time is important to both Landowner and the District in the performance of this Agreement, and both parties have agreed that TIME IS OF THE ESSENCE with respect to any date set out in this Agreement.

(h) This Agreement may be executed in multiple counterparts which shall together constitute a single document. Signatures to this Agreement transmitted by e-mail or PDF will be valid and effective to bind the party so signing. However, this Agreement shall not be effective unless and until all counterpart signatures have been obtained. An unsigned draft of this Agreement shall not be considered an offer by either party.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Access Agreement as of the date first written above.

THE DISTRICT:

Mammoth Unified School District,
a California public school district

By: Casey B. O'Neill

Name: Casey O'Neill

Title: Chief Business Officer

Date: June 6th, 2026

LANDOWNER:

The Town of Mammoth Lakes, a California municipal corporation

By: Robert Patterson

Name: Rob Patterson

Title: Town Manager

Date: 5-21-2026

EXHIBIT B
Letter of Intent (LOI)

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May 21, 2026

Town of Mammoth Lakes
437 Old Mammoth Road, Suite 230
Mammoth Lakes, CA 93546
Attn: Rob Patterson, Town Manager
CC: Andrew Morris, Town Attorney

Mammoth Unified School District
461 Sierra Park Road
Mammoth Lakes, CA 93546
Attn: Casey O'Neill, Chief Business Officer
CC: Sarah Polito, Esq., Andrew McCraven, Esq.

RE: Letter of Intent and Offer to Negotiate Exchange of Properties

The Mammoth Unified School District, a California public school district ("District") and the Town of Mammoth Lakes ("Town") desire to negotiate a property exchange between (a) a pickleball court and surrounding property composing a portion of the real property commonly known as a portion of 461 Sierra Park Road, Mammoth Lakes, California, APN: 035010056000 ("District Property") which is owned by the District, and (b) certain real property commonly known as a portion of Lot 4 and Lot 5 within the "Parcel" Master Plan area for the Town of Mammoth Lakes ("Town Property") which is currently owned by the Town. The Town Property and District Property will be referred to collectively as the "Properties". This Letter of Intent, once approved by the District and the Town, is a non-legally binding, conceptual agreement that is to be succeeded by a legally binding Exchange Agreement ("Exchange Agreement") between the parties. The parties hereby offer to exchange the Properties in accordance with the following terms:

1. Exchange. The parties shall exchange ownership of the District Property and the Town Property. As a part of the exchange process, the parties shall contract with a third party to appraise each property and, if necessary, the parties shall attempt to negotiate an additional exchange amount to be paid from one party to the other party to account for any potential discrepancy in value between the Town Property and the District Property.

2. Due Diligence Period. There shall be a due diligence period of one hundred eighty (180) days during which the District and Town will each conduct investigations, studies, and tests as each deems necessary and appropriate, in each party's discretion with regard to its to-be-acquired property, to assess its proposed use and/or the suitability of each respective property (the "Due Diligence Period"). Each party may exercise a one-time extension of the Due Diligence Period for up to ninety (90) days upon written notice to the other party. At the end of the Due Diligence Period, each party shall determine, in its sole discretion with regard to its desired property, the acceptability of such property. Should the District find the Town Property acceptable, it will issue a written notice to the Town. Should the Town find the District Property acceptable, it will issue a written notice to the District.

3. Deposits. Upon full execution of the Exchange Agreement by both Town and District, each party shall deposit thirty thousand dollars ($30,000) to an interest-bearing escrow account (each a "Deposit"). A party's Deposit shall be fully refundable at any point during the Due Diligence Period and shall be applied to costs upon closing in accordance with prorations described in the Exchange Agreement.

4. Escrow Period. The Escrow Period shall run from the date of execution by both parties of the Exchange Agreement, and close of escrow ("Close of Escrow") shall be on or before thirty (30) days after both (a) the release of all contingencies as referenced in Section 2 above, including any extensions; and (b) the satisfaction of all Conditions to Close of Escrow described in Section 5 below. The Escrow Holder shall be Inyo-Mono Title Company. The District shall have the right to extend the Close of Escrow date in order to ensure receipt of the entitlements necessary for construction of its Workforce Housing development, as described in Section 5(d), below.

5. Conditions to Close of Escrow. The Close of Escrow shall be conditioned, in part, upon the following:

   a. Title to Town Property. District's approval of a Preliminary Title Report for the Town Property and any supplemental reports, all exceptions to the Preliminary Title Report, and copies of all recorded documents. Inyo-Mono Title Company, located at 218 Sierra Park Rd, Mammoth Lakes, CA 93546, with the phone number (760) 872-4741 shall also be the title company responsible for issuing the title policy; and the title company's willingness to issue a ALTA Extended Owner's Policy of Title Insurance, insuring District as the owner of the Town Property as of the Close of Escrow.

   b. Title to District Property. Town's approval of a Preliminary Title Report for the District Property and any supplemental reports, all exceptions to the Preliminary Title Report, and copies of all recorded documents. Inyo-Mono Title Company, located at 218 Sierra Park Rd, Mammoth Lakes, CA 93546, with the phone number (760) 872-4741 shall also be the title company responsible for issuing the title policy; and the title company's willingness to issue a ALTA Extended Owner's Policy of Title Insurance, insuring Town as the owner of the District Property as of the Close of Escrow.

   c. Physical Inspection. District shall have the right to conduct soils tests, engineering studies, and other investigations regarding the condition of the Town Property as it considers prudent at a mutually convenient time. District, with reasonable notice, shall have the ongoing right to access the Town Property prior to the Close of Escrow to inspect and test the Town Property. Town shall have the right to conduct soils tests, engineering studies, and other investigations regarding the condition of the District Property as it considers prudent at a mutually convenient time. Town, with reasonable notice, shall have the ongoing right to access the District Property prior to the Close of Escrow to inspect and test the District Property.

   d. Entitlements and Cooperation. Receipt by the District of design approval and a lot line adjustment, and such other approvals as are deemed necessary to entitle the Town Property for development of Workforce Housing consistent with the District's development plans for the Property including, any CEQA clearance or approvals necessary to development and approval of any necessary site development permit and an unrestricted grading permit. The parties shall reasonably cooperate in the application for and review of required entitlements and approvals.

e. Environmental Review. District's approval of environmental studies, hazardous substance conditions, and any required documentation regarding the environmental condition of the Town Property as required by law. Town's approval of environmental studies, hazardous substance conditions, and any required documentation regarding the environmental condition of the District Property as required by law.

f. Governing Board Approval. Approval of the purchase by District's Board of Trustees ("Board").

g. Council Approval. Approval of the purchase by Town's Council ("Council").

h. Governmental Regulations and Entitlements. Approval by appropriate governmental entities of zoning, land use, entitlements, and other governmental regulations, laws, permits and approvals that apply to the Town Property and are deemed necessary by the District (acting in its reasonable discretion) to develop the Town Property into the District's planned residential development, including those that may be required specifically for property acquisition by a public school district. The parties agree to submit a joint letter to the California Department of Housing and Community Development justifying the classification of both the Town Property and the District Property as "exempt surplus land" as defined in the Surplus Land Act.

i. Parcel Line Adjustment/Subdivision. Final approval, beyond any appeal period, and completion of lot line adjustments, development entitlements, and subdivision of the District Property and the Town Property to reflect the parcel boundaries agreed upon in the Exchange Agreement.

j. Other Agreements. District's approval after receipt of legible copies of all other agreements known to Town that will affect the Town Property or Closing. Town's approval after receipt of legible copies of all other agreements known to District that will affect the District Property or Closing.

6. Right of Entry. The parties agree that the Town has an existing right to access the District Property. In advance of, or concurrent with, execution of this LOI the parties will also execute an access agreement containing terms mutually agreed upon, allowing the District to access the Town Property.

7. Exclusive Rights. Town will not market or enter into negotiations concerning the Town Property with any other party so long as this Letter of Intent is in effect. Town shall not accept any offers for the Town Property so long as this Letter of Intent is in effect. District will not market or enter into negotiations concerning the District Property with any other party so long as this Letter of Intent is in effect. District shall not accept any offers for the District Property so long as this Letter of Intent is in effect.

8. Exchange Agreement. Following approval of this Letter of Intent, the parties shall then attempt to negotiate a mutually acceptable Exchange Agreement, which shall be consistent with this Letter of Intent.

9. Costs. Costs shall be split between the parties as further defined in the Exchange Agreement. Each party shall be responsible for the costs associated with approvals or services associated with effectuating the features necessary for use of the property it intends to acquire.

10. Delivery of Title. The Properties shall be delivered as clear, fee-simple title. Condition of Title shall be subject to inspection and objection by each party through the Due Diligence Period.

11. Easements. The Exchange Agreement shall include the negotiation of required easement agreements and dedications of public right of way to allow for the intended use of the Properties. The Town anticipates needing an access easement through the Town Property for purposes of accessing parcels located behind the Town Property not otherwise connected to a public roadway. The District anticipates needing easement access to the cell tower located beyond the pickleball facilities on the District Property. The Parties also anticipate dedication of a public right of way that that would bifurcate the Town Parcel.

12. Non-Binding Agreement. Nothing in this letter is meant to pre-commit the Board or Council or otherwise limit the options available to the Board or Council. Consequently, this Letter of Intent, if accepted, is conditional upon and requires the independent approval of the Board and Council to the terms of sale. In addition, approval of the Exchange Agreement itself shall be at the discretion of the Board and Council.

Each party should indicate acceptance of the proposed terms in the appropriate space provided below. A written Exchange Agreement will then be prepared for the parties' review and approval.

[SIGNATURE PAGE TO FOLLOW]

TOWN SIGNATURE

Town of Mammoth Lakes,
a California municipal corporation

By: _____
Date: 5-21-2026
Name: Rob Patterson
Title: Town Manager

DISTRICT SIGNATURE

Mammoth Unified School District,
a California public school district

By: _____
Date: June 6th, 2026
Name: Casey O'Neill
Title: Chief Business Officer