

FIRST AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT

This First Amendment to Exclusive Negotiating Agreement (this “**Amendment**”) is entered into as of April 22, 2026 (the “**Amendment Effective Date**”), by and between the **Ashland School District** (the “**School District**”) and **Edlen & Co. Development, LLC**, an Oregon limited liability company (the “**Developer**”). The School District and Developer are sometimes referred to individually as a “**Party**” and collectively as the “**Parties.**”

RECITALS

A. The Parties entered into that certain Exclusive Negotiating Agreement dated July 22, 2025 (the “**ENA**”), concerning the potential development of certain real property owned by the School District in Ashland, Oregon, commonly referred to as the Ashland Attainable Housing Project (the “**Project**”).

B. Since execution of the ENA, the Parties have undertaken preliminary due diligence and refinement of the Project concept.

C. Based on further analysis, the Parties desire to amend the ENA to clarify that inclusion of an onsite Early Childhood Education Center or childcare facility is not a required element of the Project, and to establish a mutually held option and process by which the Parties may determine whether such use may be incorporated without materially impacting Project feasibility.

D. The Parties further desire to clarify the process and timing for negotiation and completion of a Disposition and Development Agreement (“**DDA**”).

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

AGREEMENT

1. Amendment to Definition of Project

Section G of the Recitals to the ENA is hereby deleted in its entirety and replaced with the following:

G. The Project proposed by Developer consists of a residential housing community with associated residential amenities, open space, and accessory improvements, consistent with the affordability objectives outlined in the ENA. The Project shall be planned, designed, financed, and executed as a housing development, and no non-residential or alternative program use shall be required as a condition of the Project.

2. Addition of Mutual Childcare Option Provision

A new **Section 2.12** is hereby added to the ENA as follows:

Section 2.12 – Mutual Option Regarding Potential Childcare Use

(a) **Childcare Not a Required Use.**

The Parties acknowledge and agree that inclusion of an onsite Early Childhood Education Center or childcare facility (collectively, “**Childcare Use**”) is not a required element of the Project and shall not be implied or inferred as a condition of the Project.

(b) Mutual Option.

The Parties may mutually agree to include Childcare Use within the Project (the “**Childcare Option**”), provided that such inclusion does not, in the reasonable determination of either Party, materially and adversely impact the design, construction, financing, operations, or overall feasibility of the Project.

(c) Condition of Feasibility.

Neither Party shall be obligated to include Childcare Use if such use would:

- reduce the number of housing units;
- adversely affect Project financing or eligibility for funding sources;
- materially increase Project costs; or
- otherwise materially impact the execution or financeability of the Project.

(d) Election Timing.

Any mutual election to include or exclude Childcare Use shall be made in writing by both Parties no later than the earlier of:

1. the date of execution of the Disposition and Development Agreement; or
2. three (3) months prior to the expiration of the Negotiating Period, including any extensions.

(e) Funding Disclosure Coordination.

In the event that inclusion or exclusion of Childcare Use requires disclosure in connection with any financing application or funding source, the Party seeking to make such disclosure shall notify the other Party in writing at least thirty (30) days prior to the date such disclosure is required, and the Parties shall confer in good faith regarding the appropriate course of action.

(f) Effect of Election.

- If the Parties mutually elect to include Childcare Use in accordance with this Section, the DDA shall incorporate mutually acceptable terms addressing scope, location, funding responsibilities, and operational considerations associated with such use.
- If the Parties do not mutually elect to include Childcare Use within the timeframes provided above, the Project shall proceed without Childcare Use, and neither Party shall have any further obligation to accommodate or reserve space for such use

(g) No Default.

The absence of Childcare Use in the Project shall not constitute a default by Developer under the ENA and shall not be a condition to negotiation or execution of the DDA.

3. Amendment Regarding DDA Timing

Section 1.2(b) of the DDA is revised to read as follows:

(b) Developer shall have three options that each extend the Negotiating Period for a period of three (3) months. The Developer shall deliver prior written notice of its intent to exercise the extension option prior to the expiration of the Negotiating Period (“Extension Notice”). Concurrently with the delivery of the first Extension Notice, the Developer shall deliver to Escrow (as defined below) an extension deposit of Five Thousand Dollars (\$5,000) in the form of a promissory note (an “Extension Deposit”). The Extension Deposit shall be non-refundable upon delivery into Escrow, except as otherwise explicitly set forth herein. Upon the execution of the DDA, the Good Faith Deposit and Extension Deposits, if any, shall be credited against any ground lease payments, purchase price, or other amounts due by the Developer to the School District or otherwise payable by Developer under the terms of the DDA. For the purpose of this Agreement, the Negotiating Period shall include the initial six-month period and any extension periods if Developer exercises the extension options.

4. No Other Changes

Except as expressly modified herein, all other terms and conditions of the ENA remain in full force and effect and are hereby ratified and confirmed.

5. Counterparts

This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed original signatures for all purposes.

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this First Amendment to Exclusive Negotiating Agreement as of the dates set forth below.

SCHOOL DISTRICT

ASHLAND SCHOOL DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

DEVELOPER

EDLEN & CO. DEVELOPMENT, LLC
an Oregon limited liability company

By: _____

Name: _____

Title: _____

Date: _____