

RECORDING REQUESTED BY:
Coronado Unified School District

WHEN RECORDED RETURN TO:
Dannis Woliver Kelley
275 Battery Street, Suite 1150
San Francisco, California 94111
Attn: Jocelyn Pietsch

ASSIGNMENT AGREEMENT

By and between

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA

and

STERLING NATIONAL BANK

Dated as of June 1, 2020

This recording is exempt from recording fees pursuant to California Government Code section 27383. This transfer is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code section 11922.

ASSIGNMENT AGREEMENT

This Assignment Agreement, dated as of June 1, 2020 (the "Assignment Agreement"), is made by the Public Property Financing Corporation of California (the "Corporation") and is accepted by Sterling National Bank (together with its successors and assigns, the "Lender");

WITNESSETH:

WHEREAS, the Corporation and the Coronado Unified School District (the "District") have executed and entered into a Lease Purchase Agreement (the "Lease Purchase Agreement") dated the date hereof and recorded with the San Diego County Recorder concurrently herewith, whereby the Corporation has agreed to lease to the District the real property described on Exhibit A hereto (the "Facilities");

WHEREAS, under and pursuant to the Lease Purchase Agreement, the District is obligated to make Rental Payments, as defined therein, to the Corporation for the lease of the Facilities;

WHEREAS, the Corporation desires to assign without recourse all of its rights to receive the Rental Payments scheduled to be paid by the District under and pursuant to the Lease Purchase Agreement to the Lender;

WHEREAS, in consideration of such assignment, the Lender has agreed to deliver \$_____ to the Corporation in satisfaction of the Corporation's obligation to make a payment to or for the account of the District under the Site Lease (the "Site Lease") dated the date hereof by and between the Corporation and the District and recorded with the San Diego County Recorder concurrently herewith; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law and the parties hereto are now duly authorized to execute and enter into the Assignment Agreement;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

**ARTICLE I.
ASSIGNMENT AND ACCEPTANCE**

Section 1.01 Assignment. The Corporation hereby transfers, assigns and sets over to the Lender all of the Corporation's rights, title and interest in, to and under the Site Lease and the Lease Purchase Agreement (hereinafter, collectively, the "Assigned Property"), including but not limited to:

(A) the right to receive and collect all of the Rental Payments from the District under the Lease Purchase Agreement;

(B) the right to take all actions and give all consents under the Site Lease and the Lease Purchase Agreement;

(C) the right to exercise such rights and remedies conferred on the Corporation

pursuant to the Site Lease and the Lease Purchase Agreement as may be necessary or convenient (i) to enforce payment of the Rental Payments and any amounts required to be applied to the prepayment of the Rental Payments, or (ii) otherwise to protect the interests of the Lender (as assignee of the Corporation) in the event of default by the District under the Lease Purchase Agreement; and

(D) the right to receive and collect any proceeds of any insurance maintained under the Lease Purchase Agreement with respect to the Facilities, or any eminent domain award (or proceeds of sale under threat of eminent domain) paid with respect to the Facilities.

This assignment is absolute and irrevocable.

Section 1.02 Acceptance. The Lender hereby accepts the foregoing assignment. The above assignment is intended to be an absolute and unconditional assignment to the Lender and is not intended as a loan by the Lender to the Corporation. Accordingly, in the event of bankruptcy of the Corporation, the Assigned Property shall not be part of the Corporation's estate. However, if the above assignment is deemed to be a loan by the Lender to the Corporation, then the Corporation shall be deemed to have granted to the Lender, and hereby grants to the Lender, a continuing first priority security interest in the Assigned Property and all proceeds thereof as collateral security for all obligations of the Corporation hereunder and all obligations of the District under the Lease Purchase Agreement and this Assignment Agreement shall be deemed a security agreement with respect to such loan. This Assignment Agreement shall impose no obligations whatsoever upon the Lender beyond those expressly provided in the Lease Purchase Agreement.

ARTICLE II. CORPORATION REPRESENTATIONS AND COVENANTS

Section 2.01 Representations. The Corporation represents and warrants to the Lender that:

(A) Enforceability of Assignment Agreement. The Corporation is a nonprofit public benefit corporation duly organized, existing and in good standing under the laws of the State of California. The Corporation has the power, authority, and legal right to execute, deliver and perform this Assignment Agreement, the Site Lease and the Lease Purchase Agreement, and this Assignment Agreement, the Site Lease and the Lease Purchase Agreement are valid, binding, and enforceable obligations of the Corporation, enforceable in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and by the application of equitable principles;

(B) Marketable Title. Good and marketable title to the Assigned Property has been duly vested in the Lender free and clear of any liens, security interests, encumbrances or other claims other than the rights of the District under the Lease Purchase Agreement, and the Corporation has not assigned or transferred any of the Assigned Property or any interest in the Assigned Property to any party other than the Lender;

(C) Claims. There are no present and outstanding claims on or involving the Corporation's right, title and interest in and to the Assigned Property or the Rental Payments payable thereunder, assigned and transferred by the Corporation to the Lender hereunder;

(D) No Defaults. As of the date hereof, the Lease Purchase Agreement and the Site Lease are in full force and effect and the District is not in default of any of the terms set forth therein;

(E) No Violation. The execution and delivery of the Site Lease, the Lease Purchase Agreement, and this Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease, the Lease Purchase Agreement, and this Assignment Agreement, or the financial condition, assets, properties or operations of the Corporation;

(F) No Consent. No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery by the Corporation of the Site Lease, the Lease Purchase Agreement, or this Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect, or except as would not materially adversely affect the transactions contemplated hereby; and

(G) No Pending Actions. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Site Lease, the Lease Purchase Agreement, or this Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease, the Lease Purchase Agreement, this Assignment Agreement, or the financial condition, assets, properties or operations of the Corporation.

Section 2.02 Covenants.

(A) Nonimpairment of Lease Purchase Agreement. The Corporation agrees that it (1) shall not have any right to amend, modify, compromise, release, terminate or permit prepayment of the Lease Purchase Agreement or Site Lease, and (2) shall not take any action that may impair the payment of Rental Payments or the validity or enforceability of the Lease Purchase Agreement and the Site Lease.

(B) Rental Payments. If the Corporation receives any Rental Payments, then the Corporation shall receive such payments in trust for the Lender and shall immediately deliver the same to the Lender in the form received, duly endorsed by the Corporation for deposit by the Lender.

(C) Further Assurances. The Corporation shall execute and deliver to the Lender such documents, in form and substance reasonably satisfactory to the Lender, and the

Corporation shall take such other actions, as the Lender may reasonably request from time to time to evidence, perfect, maintain, and enforce the Lender's rights in the Assigned Property and/or to enforce or exercise the Lender's rights or remedies under the Lease Purchase Agreement.

ARTICLE III. TRANSFERS

Section 3.01 Transfers. The Lender reserves the right – without the consent of (but with written notice to) the District – to assign, sell or otherwise transfer the Lender's right, title and interest in, and to and under the Assigned Property to a Qualified Lender. Any such transfer does not change the rights or obligations of the District, the Corporation or the Assignee under the Site Lease, the Lease Agreement or hereunder. "Qualified Lender" means (a) any "qualified institutional buyer" as defined in Rule 144A promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Securities Act"), (b) an "accredited investor" as that term is defined in Regulation D under the Securities Act or (c) any affiliate of the Lender. Upon any assignment or transfer of the Assigned Property, the District agrees to execute such instrument of transfer as may be reasonably requested by the Lender, including but not limited to acknowledgement of an assignment or other evidence of transfer of the Assigned Property. The District shall keep, or cause to be kept, a complete and accurate record of all assignments in form necessary to comply with Section 149(a) of the Code. For this purpose, the District shall act as its Registration Agent. Upon any assignment or transfer of the Assigned Property, the District agrees to execute such instrument of transfer as may be reasonably required by the Lender, including by not limited to an endorsement or other evidence of transfer to the Assigned Property. Following any such assignment, transfer or conveyance by the Lender to the assignee, if the Lender receives any notices or disclosures from the District under the Assigned Property or this Assignment Agreement, the Lender shall deliver the same to the assignee in the form received.

ARTICLE IV. GENERAL PROVISIONS

Section 4.01 Execution in Counterparts. This Assignment Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and which together shall constitute but one and the same instrument.

Section 4.02 Binding Effect. This Assignment Agreement inures to the benefit of and binds the Corporation and the Lender, and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 4.03 Definitions. Unless the context otherwise requires, capitalized terms used herein shall have the meanings specified in the Lease Purchase Agreement.

Section 4.04 Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Assignment Agreement shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Assignment Agreement shall be affected thereby, and each provision of this Assignment Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 4.05 Applicable Law. This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

**PUBLIC PROPERTY FINANCING
CORPORATION OF CALIFORNIA**

Name: Stefan A. Morton
Title: Treasurer

STERLING NATIONAL BANK

Name: Kevin C. King
Title: Senior Managing Director

NOTARY ACKNOWLEDGEMENT

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

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ before me, _____,
Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

(Seal)

CONSENT TO ASSIGNMENT

The Coronado Unified School District hereby consents to the assignment of the Corporation's rights under the Site Lease and the Lease Purchase Agreement pursuant to the above Assignment Agreement and agrees to comply with the terms and conditions thereof.

CORONADO UNIFIED SCHOOL DISTRICT

Donnie Salamanca, CPA
Assistant Superintendent

EXHIBIT A

DESCRIPTION OF THE FACILITIES

The Facilities shall consist of Coronado Village Elementary located at 600 6th Street, Coronado, California.

The legal description of the Facilities is as follows:

All of Resubdivision of Block 93 of Coronado Beach South Island, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 1616, filed in the Office of the County Recorder of San Diego County December 9, 1913, together with that portion of Del Rey Drive vacated and closed to public use in that certain Resolution No. 1655, filed in the Office of the County Recorder of San Diego County, May 18, 1945, in Book 1861, Page 214 of Official Records. Also together with Northwest half of Lot G Avenue adjoining said Block on the Northeast, and those portions of H Street, Sixth Street and Seventh Street all adjoining said Block as said Streets were vacated and closed to public use in that certain Resolution No. 4103, filed in the Office of the County Recorder of San Diego County, January 3, 1973 as File No. 73-002189 of Official Records and recorded January 17, 1973 as File No. 73-015016 of Official Records.

APN: 536-442-05-00; 536-442-06-00; 536-442-07-00; 536-442-08-00