
LEASE AGREEMENT

Dated as of May 1, 2026

between the

**CITY OF MOUNTAIN VIEW CAPITAL IMPROVEMENTS FINANCING
AUTHORITY,**
as lessor

and the

CITY OF MOUNTAIN VIEW,
as lessee

Relating to

\$ _____
**City of Mountain View Capital Improvements Financing Authority
Lease Revenue Bonds, Series 2026
(Public Safety Building Project)**

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LEASE AGREEMENT

This LEASE AGREEMENT (this "**Lease**"), dated for convenience as of May 1, 2026, is between the CITY OF MOUNTAIN VIEW CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California, as lessor (the "**Authority**"), and the CITY OF MOUNTAIN VIEW, a chartered city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, as lessee (the "**City**").

BACKGROUND:

1. The City wishes to finance the demolition of the existing Mountain View Police Department building and the acquisition and construction of a Public Safety Building to be located at 1000 Villa Street in the City's Public Facility District, and such other improvements that may be identified from time to time by the City (the "**Project**").

2. The City and the Mountain View Shoreline Regional Park Community (the "**Shoreline Community**") are parties to a Joint Exercise of Powers Agreement, dated as of February 25, 1992 (the "**Joint Powers Agreement**"), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) for the purpose of providing assistance with financings that are authorized under the Joint Exercise of Powers Act.

3. The City has proposed to lease to the Authority certain real property and improvements of the City, as more particularly described in Appendix A attached hereto and by this reference incorporated herein (the "**Leased Property**"), under a Site Lease, dated the date hereof (the "**Site Lease**") in consideration of the payment by the Authority of an upfront rental payment (the "**Site Lease Payment**") which is sufficient to provide funds for the Project. The Site Lease is being recorded concurrently with a memorandum of this Lease.

4. The Authority has authorized the issuance of its City of Mountain View Capital Improvements Financing Authority Lease Revenue Bonds, Series 2026 (Public Safety Building Project) in the aggregate principal amount of \$_____ (the "**2026 Bonds**") under an Indenture of Trust dated as of May 1, 2026 (the "**Indenture**"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"), for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with this Site Lease.

5. Under Section 2.08 and Section 2.09 of the Indenture, the Authority is authorized to issue Additional Bonds (as defined in the Indenture) payable from the Lease Payments payable by the City hereunder. Together, the 2026 Bonds and any Additional Bonds are defined as "**Bonds**" under this Lease and the Indenture.

6. In order to provide revenues that are sufficient to enable the Authority to pay debt service on the Bonds, the Authority has agreed to lease the Leased Property back to the City under this Lease under which the City agrees to pay semiannual Lease Payments as the rental for the Leased Property.

7. The lease payments made by the City under this Lease have been assigned by the Authority to the Trustee for the security of the Bonds under an Assignment Agreement dated as of the date hereof, between the Authority as assignor and the Trustee as assignee, which has been recorded concurrently herewith.

8. The City and the Authority have found and determined that all acts and proceedings required by law necessary to make this Lease, when executed by the City and the Authority, the valid, binding and legal obligations of the City and the Authority, and to constitute this Lease a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Lease have been in all respects duly authorized.

A G R E E M E N T :

In consideration of the material covenants contained in this Lease, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF INTERPRETATION

SECTION 1.1. *Definitions.* Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease have the respective meanings given them in the Indenture.

SECTION 1.2. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular includes the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and includes the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

SECTION 2.1. *Covenants, Representations and Warranties of the City.* The City makes the following covenants, representations and warranties to the Authority, the Trustee as of the date of the execution and delivery of this Lease:

- (a) Due Organization and Existence. The City is a chartered city and municipal corporation duly organized and validly existing under the Constitution and laws of the State of California, has full legal right, power and authority under the laws of the State of California to enter into the Site Lease and this Lease and to carry out and consummate all transactions contemplated hereby, and by proper action the City has duly authorized the execution and delivery of the Site Lease and this Lease.
- (b) Due Execution. The representatives of the City executing the Site Lease and this Lease have been fully authorized to execute the same under a resolution duly adopted by the City Council of the City.
- (c) Valid, Binding and Enforceable Obligations. The Site Lease and this Lease have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms.
- (d) No Conflicts. The execution and delivery of the Site Lease and this Lease, the consummation of the transactions therein and herein contemplated and the fulfillment of or compliance with the terms and conditions thereof and hereof, 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 City 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 City, 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 and this Lease or the financial condition, assets, properties or operations of the City.
- (e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, 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 of the Site Lease and this Lease, or the consummation of any transaction therein and herein

contemplated, except as have been obtained or made and as are in full force and effect.

- (f) No Litigation. 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 City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City 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 and this Lease, or upon the financial condition, assets, properties or operations of the City, and the City 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 and this Lease or the financial conditions, assets, properties or operations of the City.

SECTION 2.2. *Covenants, Representations and Warranties of the Authority.* The Authority makes the following covenants, representations and warranties to the City, the Trustee as of the date of the execution and delivery of this Lease:

- (a) Due Organization and Existence. The Authority is a joint exercise of powers authority duly organized and existing under a joint powers agreement and the laws of the State of California; has power to enter into this Lease, the Site Lease, the Assignment Agreement and the Indenture; is possessed of full power to own and hold, improve and equip real and personal property, and to lease the same; and has duly authorized the execution and delivery of each of the aforesaid agreements and such agreements constitute the legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms.
- (b) Due Execution. The representatives of the Authority executing this Lease, the Site Lease, the Assignment Agreement and the Indenture are fully authorized to execute the same pursuant to official action taken by the governing body of the Authority.
- (c) Valid, Binding and Enforceable Obligations. This Lease, the Site Lease, the Assignment Agreement and the Indenture have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance with their respective terms.
- (d) No Conflicts. The execution and delivery of this Lease, the Site Lease, the Assignment Agreement and the Indenture, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, 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 Authority 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 Authority, 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 this Lease, the Site Lease, the Assignment Agreement and the Indenture or the financial condition, assets, properties or operations of the Authority.

- (e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Authority, 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 of this Lease, the Site Lease, the Assignment Agreement or the Indenture, 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.

- (f) No Litigation. 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 Authority after reasonable investigation, threatened against or affecting the Authority or the assets, properties or operations of the Authority which, if determined adversely to the Authority or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site Lease, the Assignment Agreement or the Indenture, or upon the financial condition, assets, properties or operations of the Authority, and the Authority 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 this Lease, the Site Lease, the Assignment Agreement or the Indenture or the financial conditions, assets, properties or operations of the Authority.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS; SUBSTITUTION AND RELEASE OF PROPERTY

SECTION 3.1. *Deposit of Moneys; Acquisition and Construction of the Project* .

(a) Deposit of Bond Proceeds. On the Closing Date, the Authority will cause the proceeds of sale of the 2026 Bonds to be deposited with the Trustee. The Trustee shall deposit such proceeds in accordance with Section 3.02 of the Indenture.

(b) Acquisition and Construction of the Project. The Authority hereby appoints the City as its agent to carry out all phases of the of the Project under and in accordance with the provisions hereof. The City hereby accepts its appointment as agent of the Authority and assumes all rights, liabilities, duties and responsibilities of the Authority regarding the the Project. The City, as agent of the Authority hereunder, shall enter into, administer and enforce all purchase orders or other contracts relating to the the Project. The City shall requisition the payment of Project Costs from amounts held by the Trustee in the Project Fund (and the applicable accounts therein), pursuant to and in accordance with Section 3.04 of the Indenture. All contracts for, and all work relating to, the Project are subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like facilities and property by the City.

As agent of the Authority, the City hereby agrees to supervise and provide for, or cause to be supervised and provided for, the Project in accordance with the plans and specifications, purchase orders, construction contracts and other documents relating thereto and approved by the City under all applicable requirements of law.

SECTION 3.2. *Substitution of Property.* The City has the option at any time and from time to time, to substitute other real property (the "**Substitute Property**") for the Leased Property or any portion thereof (the "**Former Property**"), upon satisfaction of all of the following requirements which are hereby declared to be conditions precedent to such substitution:

- (a) No Event of Default has occurred and is continuing, as certified in writing by the City.
- (b) The City has filed with the Authority and the Trustee, and caused to be recorded in the office of the Santa Clara County Recorder sufficient memorialization of an amendment hereof that adds the legal description of the Substitute Property to Appendix A and deletes therefrom the legal description of the Former Property, and has filed and caused to be recorded corresponding amendments to the Site Lease and Assignment Agreement.
- (c) The City has obtained a CLTA policy of title insurance insuring the City's leasehold estate hereunder in the Substitute Property, subject only to Permitted Encumbrances, together with (i) an endorsement thereto making such policy payable to the Trustee for the benefit of the Owners, (ii) if applicable, a tie-in endorsement such that the total

insured amount under the title insurance policies then in effect with respect to the Leased Property following the proposed substitution will be at least equal to the aggregate principal amount of outstanding Bonds at the time of the substitution, and (iii) a certificate of the City to the effect that the exceptions, if any, contained in such policy do not interfere with the beneficial use and occupancy of the Leased Property by the City.

- (d) The City has certified in writing to the Authority and the Trustee that the Substitute Property serves the municipal purposes of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City.
- (e) The Substitute Property does not cause the City to violate any of its covenants, representations and warranties made herein, as certified in writing by the City.
- (f) The City has filed with the Authority and the Trustee a written certificate of the City or other written evidence stating that the useful life of the Substitute Property at least extends to May 1, _____, that the estimated value of the Leased Property, after substitution of the Substitute Property and release of the Former Property, is at least equal to the aggregate Outstanding principal amount of the Bonds, and the fair rental value of the Leased Property, after substitution of the Substitute Property and release of the Former Property, is at least equal to the Lease Payments thereafter coming due and payable hereunder.
- (g) The City has mailed written notice of such substitution to each rating agency which then maintains a rating on the Bonds.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of any substitution of property under this Section. The Authority and the City will execute, deliver and cause to be recorded all documents required to discharge the Site Lease, this Lease and the Assignment Agreement of record against the Former Property and to cause the Substitute Property to become subject to all of the terms and conditions of the Site Lease, this Lease and the Assignment Agreement.

SECTION 3.3. *Release of Property.*

(a) General. The City has the option at any time and from time to time to release any portion of the Leased Property from this Lease (the "**Released Property**") provided that the City has satisfied all of the following requirements which are hereby declared to be conditions precedent to such release:

- (i) No Event of Default has occurred and is continuing, as certified in writing by the City.
- (ii) The City has filed with the Authority and the Trustee, and caused to be recorded in the office of the Santa Clara County Recorder sufficient memorialization of an amendment hereof, the Site Lease and the Assignment Agreement which removes the Released Property from the Site Lease, the Assignment Agreement and this Lease.
- (iii) The City has certified in writing to the Authority and the Trustee that the value of the property which remains subject to this Lease following such release is at least equal to the aggregate Outstanding principal amount of the Bonds, and the fair rental value of the property which remains subject to this Lease following such release is at least equal to the Lease Payments thereafter coming due and payable hereunder.
- (i) The City has mailed written notice of such release to each rating agency which then maintains a rating on the Bonds.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Released Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Authority and the City shall execute, deliver and cause to be recorded all documents required to discharge the Site Lease, this Lease and the Assignment Agreement of record against the Released Property.

(b) Release of Civic Center Parcels. Notwithstanding any other provision hereof, including the provisions of Section 3.3(a), or any provision of the Indenture, upon Final Completion of the Public Safety Building, the City shall have the absolute right to make the Public Safety Building and its related site, as described in Appendix A hereto, the Leased Property subject to this Lease Agreement and the Site Lease, and to release the real property constituting the Civic Center Parcels (as described in Appendix A) and the related improvements from this Lease Agreement and the Site Lease without meeting the conditions set forth in subsection (a). The City shall effectuate such release by (1) certifying, in a certificate of completion provided to the Trustee, that the Final Completion of the Public Safety Building has occurred and the fair rental value of the Public Safety Building and its related site is at least equal to the Lease Payments, (2) causing a certificate of the City to be delivered to the Trustee evidencing that the insurance policies required by this Lease Agreement are in full force and effect with respect to the Public Safety Building and (3) causing a Notice of Release of Leased Property, substantially in the form attached hereto as Appendix D, to be recorded in the real property records of Santa Clara County. Subsequent to the execution and recordation of such Notice of Release of Leased Property, subject to any future authorized substitution, release or addition of the Leased Property pursuant to Section 3.2, 3.3 or 3.4 of this Lease Agreement, references to the Leased Property herein shall be deemed to refer to the Public Safety Building and the related site, and shall not be deemed to refer to the Civic Center Parcels and the related improvements so released. For the avoidance of doubt, the City shall have the right to make the Public Safety Building and its related site the Leased Property subject to this Lease Agreement and the Site Lease, and to release the

Civic Center Parcels and the related improvements from this Lease Agreement and the Site Lease, as described in this Section 3.3(b), regardless of whether the existing Mountain View Police Department building has been demolished.

SECTION 3.4. *Addition of Property.* The City may, at any time it deems it necessary or advisable, amend this Lease, and enter into any necessary or advisable site or ground lease, to add additional property to the property originally leased hereunder.

If the addition to the Leased Property (the “**Addition**”) is being done in connection with the issuance of Additional Bonds, the following requirements shall apply:

(a) The City shall have certified in writing to the Authority and the Trustee that (i) the Addition serves the purposes of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City, (ii) the useful life of the Addition at least extends to May 1, ___ or such later date specified in Section 4.2, (iii) the estimated value of the Leased Property (including the Addition) is at least equal to the aggregate Outstanding principal amount of the Bonds, and (iv) the fair rental value of the Leased Property (including the Addition) is at least equal to the Lease Payments thereafter coming due and payable hereunder. For the purposes of the certification described in clause (iv), the City may, if necessary to make such certification, assume completion of construction of the Addition if the Addition is being constructed with proceeds of the Additional Bonds as long as capitalized interest has been deposited in accordance with Section 2.08(h) of the Indenture.

(b) The City shall have delivered to the Authority and the Trustee an Opinion of Bond Counsel to the effect that the amendment hereto has been duly authorized, executed and delivered and the Lease as so amended represents a valid and binding obligation of the City and the Authority and that the Addition will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

(c) The City shall cause to be recorded in the Office of the Santa Clara County Recorder sufficient memorialization of an amendment hereof that adds the legal description of the Addition to Appendix A, and has filed and caused to be recorded corresponding amendments to the Site Lease and Assignment Agreement.

(d) The City shall have delivered to the Authority and the Trustee a CLTA standard form policy of title insurance in substantially the same form as delivered in connection with the issuance and delivery of the Bonds insuring the City’s leasehold interest in the Addition to the Leased Property hereunder, together with (i) an endorsement thereto making such policy payable to the Trustee for the benefit of the Owners, (ii) a tie-in endorsement such that the total insured amount under the title insurance policies then in effect with respect to the Leased Property following the proposed Addition will be at least equal to the aggregate principal amount of outstanding Bonds at the time of the Addition, and (iii) a certificate of the City to the effect that the exceptions, if any, contained in such policy do not interfere with the beneficial use and occupancy of the Leased Property by the City.

(e) The City shall have delivered to the Authority and the Trustee a copy of a written notice that the City mailed to each rating agency then rating the Bonds notifying the rating agency of the Addition.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon commence as to the Addition, and all references to the Leased Property will apply with full force and effect to the Addition.

SECTION 3.5. *Amendment of Site Lease and Assignment Agreement.* The Authority and the City shall amend the Site Lease and the Assignment Agreement as necessary in order to accomplish any Substitution, Release or Addition of property pursuant to this Article III.

ARTICLE IV

LEASE OF LEASED PROPERTY; TERM OF THIS LEASE; LEASE PAYMENTS

SECTION 4.1. *Lease of Leased Property.* The Authority hereby leases the Leased Property to the City and the City hereby leases the Leased Property from the Authority, upon the terms and conditions set forth in this Lease.

SECTION 4.2. *Term.* The Term of this Lease commences on the Closing Date and ends on the date on which the Indenture is discharged in accordance with Section 10.03 thereof, but under any circumstances not later than May 1, _____, or if Additional Bonds have been issued under the Indenture, the day that is 10 years after the final maturity date of Additional Bonds (if later than May 1, _____). The provisions of this Section are subject to the provisions of Sections 6.2 and 6.3 relating to the taking in eminent domain, damage and destruction of the Leased Property in whole or in part and interference with completion of the Project.

SECTION 4.3. *Lease Payments.*

(a) Obligation to Pay. Subject to the provisions of Sections 6.2 and 6.3 and the provisions of Article IX, the City agrees to pay to the Authority, its successors and assigns, the Lease Payments in the respective amounts specified in Appendix B attached to this Lease, to be due and payable in immediately available funds on the Interest Payment Dates immediately following each of the respective Lease Payment Dates specified in Appendix B (as it may be amended in connection with the issuance of Additional Bonds), and to be deposited by the City with the Trustee on each of the Lease Payment Dates specified in Appendix B (as it may be amended in connection with the issuance of Additional Bonds). Any amount held in the Bond Fund, the Interest Account and the Principal Account on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole under Article IX, and amounts required for payment of past due principal or interest on any Bonds not presented for payment) will be credited towards the Lease Payment then required to be paid hereunder. The City is not required to deposit any Lease Payment with the Trustee on any Lease Payment Date if the amounts then held in the Bond Fund, the Interest Account and the Principal Account are at least equal to the Lease Payment then required to be deposited

with the Trustee. The Lease Payments payable in any Rental Period are for the use of the Leased Property during that Rental Period.

(b) Effect of Prepayment. If the City prepays all Lease Payments in full under Sections 9.2 or 9.3, the City's obligations under this Section will thereupon cease and terminate. If the City prepays the Lease Payments in part but not in whole under Sections 9.2 or 9.3, the principal components of the remaining Lease Payments will be reduced in integral multiples of \$5,000 among Lease Payment Dates on a basis which corresponds to the principal maturities of the Bonds which are redeemed thereby; and the interest component of each remaining Lease Payment will be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Bonds thereby redeemed under Section 4.01 of the Indenture.

(c) Rate on Overdue Payments. If the City fails to make any of the payments required in this Section, the payment in default will continue as an obligation of the City until the amount in default has been fully paid, and the City agrees to pay the same with interest thereon, from the date of default to the date of payment at the highest rate of interest on any Outstanding Bond.

(d) Fair Rental Value. The aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and are payable by the City in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of, the Leased Property during each Rental Period. The parties hereto have agreed and determined that the total Lease Payments represent the fair rental value of the Leased Property. In making that determination, consideration has been given to the estimated value of the Leased Property, other obligations of the City and the Authority under this Lease, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the City and the general public.

(e) Assignment. The City understands and agrees that all Lease Payments have been assigned by the Authority to the Trustee in trust, under the Assignment Agreement, for the benefit of the Owners of the Bonds, and the City hereby assents to such assignment. The Authority hereby directs the City, and the City hereby agrees to pay to the Trustee at its Office, all payments payable by the City under this Section and all amounts payable by the City under Article IX.

SECTION 4.4. *Source of Payments; Covenant to Budget and Appropriate.* The Lease Payments are payable from any source of available funds of the City, subject to the provisions of Section 6.3. The City covenants to take all actions required to include the Lease Payments in each of its budgets during the Term of this Lease and to make the necessary appropriations for all Lease Payments and Additional Rental Payments. The foregoing covenant of the City constitutes a duty imposed by law and each and every public official of the City is required to take all actions required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the City.

SECTION 4.5. *Additional Rental Payments.* In addition to the Lease Payments, the City shall pay when due the following amounts of Additional Rental Payments in consideration of the lease of the Leased Property by the City from the Authority hereunder:

- (a) all fees and expenses incurred by the Authority in connection with or by reason of its leasehold estate in the Leased Property, when due,
- (b) all reasonable compensation to the Trustee for all services rendered under the Indenture and for all reasonable expenses, charges, costs, liabilities, legal fees and other disbursements incurred in and about the performance of its powers and duties under the Indenture,
- (c) the reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Lease or the Indenture,
- (d) amounts coming due and payable as Excess Investment Earnings in accordance with Section 7.6(e), and
- (e) the reasonable out-of-pocket expenses of the Authority in connection with the execution and delivery of this Lease or the Indenture, or in connection with the issuance of the Bonds, including but not limited to any and all expenses incurred in connection with the authorization, sale and delivery of the Bonds, or incurred by the Authority in connection with any litigation which may at any time be instituted involving this Lease, the Bonds, the Indenture or any of the other documents contemplated hereby or thereby, or otherwise incurred in connection with the administration of this Lease.

SECTION 4.6. *Quiet Enjoyment.* Throughout the Term of this Lease, the Authority shall provide the City with quiet use and enjoyment of the Leased Property and the City will peaceably and quietly have and hold and enjoy the Leased Property, without suit, trouble or hindrance from the Authority, except as expressly set forth in this Lease. The Authority will, at the request of the City and at the City's cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the Authority may lawfully do so. Notwithstanding the foregoing, the Authority has the right to inspect the Leased Property as provided in Section 7.2.

SECTION 4.7. *Title.* Upon the termination of this Lease (other than under Section 8.2(b) hereof), all right, title and interest of the Authority in and to the Leased Property transfers to and vests in the City. The Authority shall take any and all steps and execute and record any and all documents reasonably required by the City to consummate any such transfer of title.

ARTICLE V

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

SECTION 5.1. *Maintenance, Utilities, Taxes and Assessments.* Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property are the responsibility of the City, and the City will pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and will pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Authority agrees to provide only the Leased Property. The City waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code, but such waiver does not limit any of the rights of the City under the terms of this Lease.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the City affecting the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

The City may, at its expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority notifies the City that, in its reasonable opinion, by nonpayment of any such items the interest of the Authority in the Leased Property will be materially endangered or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority and the Trustee.

SECTION 5.2. *Modification of Leased Property.* The City has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of this Lease. Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the City must certify to the Trustee that the estimated value of the Leased Property, upon completion of any additions, modifications and improvements made thereto under this Section, is at least equal to the aggregate Outstanding principal amount of the Bonds and the fair rental value of the Leased Property is at least equal to the Lease Payments thereafter coming due and payable hereunder. The City will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City under this Section; except that if any such lien is established and the City first notifies or causes to be notified the Authority of the City's

intention to do so, the City may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Authority with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Authority. The Authority will cooperate fully in any such contest, upon the request and at the expense of the City.

During the term of this Lease, the City will construct the Public Safety Building on the Public Safety Building Site and demolish the Police Department building on the Public Safety Building Site. The limitations set forth in this Section 5.2 shall not apply to the construction of the Public Safety Building on the Public Safety Building Site or demolition of the Police Department building on the Public Safety Building Site.

SECTION 5.3. *Liability and Property Damage Insurance.* The City shall maintain or cause to be maintained throughout the Term of this Lease, but only if and to the extent available from reputable insurers at reasonable cost in the reasonable opinion of the City, a standard commercial general liability insurance policy or policies in protection of the Authority, the City, and their respective members, officers, agents, employees and assigns. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such policy or policies shall provide coverage in such liability limits and be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.7, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance must be applied toward extinguishment or satisfaction of the liability with respect to which paid.

SECTION 5.4. *Property Insurance.* The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, property insurance against loss or damage to all insurable improvements situated on the Leased Property, in an amount at least equal to the lesser of (a) 100% of the aggregate of the replacement value of each insured improvement considered separately, or (b) 100% of the aggregate principal amount of the Outstanding Bonds. Such insurance must, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and must include earthquake insurance if available at commercially reasonable cost from reputable insurers in the judgment of the City. Such insurance may be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained by the City in the form of self-insurance. The Net Proceeds of such insurance must be applied as provided in Section 6.1.

SECTION 5.5. *Rental Interruption Insurance.* The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of

any portion of the Leased Property constituting buildings or other improvements as a result of any of the hazards covered in the insurance required by Section 5.4, in an amount at least equal to the maximum such Lease Payments coming due and payable during any consecutive two Fiscal Years. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained by the City in the form of self-insurance. The Net Proceeds of such insurance, if any, must be paid to the Trustee and deposited in the Bond Fund, to be applied as a credit towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

SECTION 5.6. *Recordation Hereof; Title Insurance.* On or before the Closing Date the City shall, at its expense, (a) cause the Site Lease, the Assignment Agreement and this Lease, or a memorandum hereof or thereof in form and substance approved by Bond Counsel, to be recorded in the office of the Santa Clara County Recorder, and (b) obtain a CLTA title insurance policy insuring the City's leasehold estate hereunder in the Leased Property, subject only to Permitted Encumbrances, in an amount at least equal to the aggregate principal amount of the Bonds. All Net Proceeds received under any such title insurance policy must be deposited with the Trustee in the Bond Fund to be credited towards the prepayment of the remaining Lease Payments under Section 9.3.

SECTION 5.7. *Insurance Net Proceeds; Form of Policies.* Each policy of insurance maintained under Sections 5.4, 5.5 and 5.6 must name the Trustee as loss payee so as to provide that all proceeds thereunder are payable to the Trustee. The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease. All such policies shall provide that the Trustee is given 30 days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The City must file with the Trustee annually, within 90 days following the close of each Fiscal Year, a certificate of the City stating that all policies of insurance required hereunder are then in full force and effect. The Trustee has no responsibility for the sufficiency, adequacy or amount of any insurance or self-insurance herein required and is fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss.

If any insurance maintained under Section 5.3 is provided in the form of self-insurance, the City must file with the Trustee annually, within 90 days following the close of each Fiscal Year, a statement of the risk manager of the City or an independent insurance adviser engaged by the City identifying the extent of such self-insurance and stating the determination that the City maintains sufficient reserves with respect thereto. If any such insurance is provided in the form of self-insurance by the City, the City has no obligation to make any payment with respect to any insured event except from those reserves.

SECTION 5.8. *Installation of City's Personal Property.* The City may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Leased Property. All such items shall remain the sole property of the City, in which neither the Authority nor the Trustee has any interest, and may be modified or removed by the City at any time, provided that the City must repair all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in this Lease

prevents the City from purchasing or leasing items to be installed under this Section under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, so long as no such lien or security interest attaches to any part of the Leased Property.

SECTION 5.9. *Liens.* The City may not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, other than as herein contemplated and except for such encumbrances as the City certifies in writing to the Trustee do not materially and adversely affect the leasehold estate of the City in the Leased Property hereunder. If any such mortgage, pledge, lien, charge, encumbrance or claim does materially and adversely affect the leasehold estate of the City in the Leased Property hereunder, the City will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible; provided that the City is not required to do so prior to the time when such mortgage, pledge, lien, charge, encumbrance or claim actually causes such material adverse effect. The City will reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

SECTION 5.10. *Advances.* If the City fails to perform any of its obligations under this Article V, the Authority may (but is not required to) take such action as it deems necessary to cure such failure, including the advancement of money, and the City shall repay all such advances as Additional Rental Payments hereunder, with interest at the rate set forth in Section 4.3(c).

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

SECTION 6.1. *Application of Net Proceeds.* The Trustee, as assignee of the Authority under the Assignment Agreement, has the right to receive all Net Proceeds. As provided in the Indenture, the Trustee will deposit all Net Proceeds in the Insurance and Condemnation Fund to be applied as set forth in Section 5.07 of the Indenture.

SECTION 6.2. *Termination or Abatement Due to Eminent Domain.* If the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Lease thereupon ceases as of the day possession is taken. If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, then:

- (a) this Lease shall continue in full force and effect with respect thereto and does not terminate by virtue of such taking, and the parties waive the benefit of any law to the contrary; and

- (b) the Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property.

SECTION 6.3. *Abatement Due to Damage or Destruction.* The Lease Payments are subject to abatement during any period in which by reason of damage or destruction (other than by eminent domain which is hereinbefore provided for) there is substantial interference with the use and occupancy by the City of the Leased Property or any portion thereof. The Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property not damaged or destroyed. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Lease continues in full force and effect and the City waives any right to terminate this Lease by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this Section 6.3 to the extent that the proceeds of hazard insurance or rental interruption insurance are available to pay Lease Payments which would otherwise be abated under this Section 6.3, it being hereby declared that such proceeds constitute a special fund for the payment of the Lease Payments.

SECTION 6.4. *Abatement Due to Non-Completion of the Project.*

The Leased Property initially consists of the Public Safety Building Site and the Civic Center Parcels described in Appendix A. During the term of this Lease, the City will construct the Public Safety Building on the Public Safety Building Site and demolish the Police Department building on the Public Safety Building Site.

The City has determined in its Resolution No. _____, adopted by the City Council on April 28, 2026, that the City will have substantial use and occupancy of the Leased Property during construction of the Project, including construction of the Public Safety Building and demolition of the Police Department building. In addition, the City expects the Civic Center Parcels and the related improvements to be components of the Leased Property until the Public Safety Building is completed. Consequently, the City does not expect the Lease Payments to be abated as a result of a failure to complete the Project.

ARTICLE VII

OTHER COVENANTS OF THE CITY

SECTION 7.1. *Disclaimer of Warranties.* THE AUTHORITY AND THE TRUSTEE MAKE NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE LEASED PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. THE CITY ACKNOWLEDGES THAT THE AUTHORITY IS NOT A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE CITY LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY. The Authority has no liability for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease for the existence, furnishing, functioning or use of the Leased Property by the City.

SECTION 7.2. *Access to the Leased Property.* The City agrees that the Authority and any Authorized Representative of the Authority, and the Authority's successors or assigns, have the right at all reasonable times to enter upon and to examine and inspect the Leased Property or any part thereof. The City further agrees that the Authority, any Authority Representative and the Authority's successors or assigns may have such rights of access to the Leased Property or any component thereof as reasonably necessary to cause the proper maintenance of the Leased Property if the City fails to perform its obligations hereunder; *provided, however*, that neither the Authority nor any of its assigns has any obligation to cause such proper maintenance.

SECTION 7.3. *Release and Indemnification Covenants.* The City agrees to indemnify the Authority, the Trustee and their respective officers, agents, successors and assigns, against all claims, losses and damages, including legal fees and expenses, arising out of any of the following:

- (a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property by the City,
- (b) any breach or default on the part of the City in the performance of any of its obligations under this Lease,
- (c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property,
- (d) any intentional misconduct or negligence of any sublessee of the City with respect to the Leased Property,

- (e) the acquisition, construction, improvement and equipping of the Leased Property, or the authorization of payment of the costs thereof, or
- (f) the acceptance and performance of the duties of the Trustee under the Indenture, the Assignment Agreement and under this Lease.

No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or negligence under this Lease by the Authority, the Trustee or their respective officers, agents, employees, successors or assigns.

SECTION 7.4. *Assignment and Subleasing by the City.* The City may sublease the Leased Property, or any portion thereof, subject to all of the following conditions:

- (a) this Lease and the obligation of the City to make Lease Payments hereunder must remain obligations of the City, as certified in writing by the City;
- (b) the City must, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of such sublease;
- (c) no such sublease by the City may cause the Leased Property to be used for a purpose which is not authorized under the provisions of the laws of the State of California, as certified in writing by the City; and
- (d) the City must furnish to the Authority and the Trustee a written opinion of Bond Counsel stating that such sublease does not cause the interest on the Bonds to become included in gross income for purposes of federal income taxation or to become subject to personal income taxation by the State of California.

SECTION 7.5. *Amendment Hereof.* The Authority and the City may at any time amend or modify any of the provisions of this Lease, but only: (a) with the prior written consents of the Owners of a majority in aggregate principal amount of the Outstanding Bonds; or (b) without the consent of the Trustee or any of the Bond Owners, but only if such amendment or modification is for any one or more of the following purposes:

- (i) to add to the covenants and agreements of the City contained in this Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;
- (ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, to conform to the original intention of the City and the Authority;

- (iii) to modify, amend or supplement this Lease in such manner as to assure that the interest on the Bonds remains excluded from gross income under the Tax Code;
- (iv) to amend the description of the Leased Property to reflect accurately the property originally intended to be included therein, or in connection with any substitution or release of property under Sections 3.2 or 3.3;
- (v) in the event of the issuance of Additional Bonds in order to obligate the City to pay additional amounts of Lease Payments such that the scheduled amount of Lease Payments payable after such amendment shall be sufficient to pay the principal of and interest on the 2026 Bonds and such Additional Bonds but only if (A) the City has certified to the Trustee that the estimated value of the Leased Property is at least equal to the aggregate Outstanding principal amount of the Bonds and the fair rental value of the Leased Property is at least equal to the Lease Payments thereafter coming due and payable hereunder (for the purposes of the certification described in this clause (A), the City may, if necessary to make such certification, assume completion of construction of the project being financed by the Additional Bonds if such project is all or a portion of the Leased Property as long as either (1) capitalized interest has been deposited in accordance with Section 2.08(h) of the Indenture or (2) the City has made a finding that the annual fair rental value of the Leased Property prior to the completion of the project is equal to or greater than the aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period during the remaining term of the Lease), and (B) the City has filed with the Trustee written evidence that the amendments made under this clause (v) will not of themselves cause a reduction or withdrawal of any rating then assigned to the then-outstanding Bonds; or
- (vi) in any other respect whatsoever as the Authority and the City deem necessary or desirable, if in the opinion of Bond Counsel such modifications or amendments do not materially adversely affect the interests of the Owners of the Bonds.

No such modification or amendment may (a) extend or have the effect of extending any Lease Payment Date or reducing any Lease Payment or any premium payable upon the prepayment thereof, without the express consent of the Owners of the affected Bonds, or (b) modify any of the rights or obligations of the Trustee without its written assent thereto. If the Trustee's consent to such modification or amendment is required, the Trustee shall be entitled to the same documents as it would be entitled to under Article IX of the Indenture for such type of modification or amendment.

SECTION 7.6. *Tax Covenants Relating to the 2026 Bonds.*

(a) Private Business Use Limitation. The City shall assure that the proceeds of the 2026 Bonds are not used in a manner which would cause the 2026 Bonds to satisfy

the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The City may not take any action or permit or suffer any action to be taken if the result of the same would be to cause the 2026 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The City may not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2026 Bonds or of any other obligations which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the 2026 Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Tax Code.

(d) Maintenance of Tax Exemption. The City shall take all actions necessary to assure the exclusion of interest on the 2026 Bonds from the gross income of the Owners of the 2026 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date.

(e) Rebate of Excess Investment Earnings to United States. The City shall calculate or cause to be calculated the Excess Investment Earnings in all respects at the times and in the manner required under the Tax Code. The City shall pay the full amount of Excess Investment Earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code. Such payments shall be made by the City from any source of legally available funds of the City, and shall constitute Additional Rental Payments hereunder.

The City shall keep or cause to be kept, and retain or cause to be retained for a period of six years following the retirement of the 2026 Bonds, records of the determinations made under this subsection (e). In order to provide for the administration of this subsection (e), the City may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the City may deem appropriate. The Trustee has no duty or obligation to monitor or enforce compliance by the City of any of the requirements under this subsection (e).

(f) Record-Keeping. The City will retain its records of all accounting and monitoring it carries out with respect to the 2026 Bonds for at least 3 years after the 2026 Bonds mature or are redeemed (whichever is earlier); however, if the 2026 Bonds are redeemed and refunded, the City will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the 2026 Bonds.

(g) Compliance with Tax Certificate. The City will comply with the provisions of the Certificate as to Arbitrage and the Use of Proceeds Certificate with respect to the 2026 Bonds, which are incorporated herein as if fully set forth herein. The covenants of this subsection will survive payment in full or defeasance of the 2026 Bonds.

SECTION 7.7. *Continuing Disclosure*. The City shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed by the City as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with its terms. Notwithstanding any other provision of this Lease, failure of

the City to comply with such Continuing Disclosure Certificate will not constitute an Event of Default, although any Participating Underwriter (as that term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under this Section, including seeking mandate or specific performance by court order.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.1. *Events of Default Defined.* Any one or more of the following events constitute an Event of Default hereunder:

- (a) Failure by the City to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.
- (b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority or the Trustee. If in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such 30-day period, the failure will not constitute an Event of Default if the City commences to cure the failure within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time, such period of time not to be longer than 180 days after the delivery of such default notice.
- (c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

SECTION 8.2. *Remedies on Default.* Whenever any Event of Default has happened and is continuing, the Authority may exercise any and all remedies available under law or granted under this Lease. Notwithstanding anything herein or in the Indenture to the contrary, neither the Authority nor the Trustee may accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each covenant hereof to be kept and performed by the City is expressly made a condition and upon the breach thereof the Authority may exercise any and all rights granted hereunder; except that no termination of this Lease may be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the

Authority may exercise each and every one of the following remedies, subject in all respects to the limitations set forth in Section 8.3.

- (a) Enforcement of Payments Without Termination. If the Authority does not elect to terminate this Lease in the manner hereinafter provided for in subparagraph (b) hereof, the City agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Authority for any deficiency arising out of the re-leasing of the Leased Property, or, if the Authority is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of this Lease, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any other remedy by the Authority. The City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Leased Property, to place the Leased Property in storage or other suitable place in the County of Santa Clara for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of the Leased Property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The City agrees that the terms of this Lease constitute full and sufficient notice of the right of the Authority to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Lease shall vest in the Authority to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b) hereof. The City agrees to surrender and quit possession of the Leased Property upon demand of the Authority for the purpose of enabling the Leased Property to be re-let under this paragraph, and the City further waives the right to any rental obtained by the Authority in excess of the Lease Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-leasing the Leased Property.
- (b) Termination of Lease. If an Event of Default occurs and is continuing hereunder, the Authority at its option may terminate this Lease and re-lease all or any portion of the Leased Property. If the Authority

terminates this Lease at its option and in the manner hereinafter provided on account of default by the City (and notwithstanding any re-entry upon the Leased Property by the Authority in any manner whatsoever or the re-leasing of the Leased Property), the City nevertheless agrees to pay to the Authority all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and Additional Rental Payments. Any surplus received by the Authority from such re-leasing shall be deposited in the Bond Fund. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Authority shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written notice to the City of the election on the part of the Authority to terminate this Lease. The City covenants and agrees that no surrender of the Leased Property, or of the remainder of the Term hereof or any termination of this Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

- (c) Proceedings at Law or In Equity. If an Event of Default occurs and continues hereunder, the Authority may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

SECTION 8.3. *No Remedy Exclusive*. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive and every such remedy is cumulative and in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default impairs any such right or power or operates as a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article VIII it is not necessary to give any notice, other than as expressly required in this Article VIII or by law.

SECTION 8.4. *Agreement to Pay Attorneys' Fees and Expenses*. If the Authority or the City defaults under any of the provisions of this Lease and the nondefaulting party employs attorneys or incurs other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party; *provided, however*, that the Trustee shall not be required to expend its own funds for any payment described in this Section.

SECTION 8.5. *No Additional Waiver Implied by One Waiver*. If the Authority or the City breaches any agreement in this Lease and thereafter the other party waives the breach, such waiver is limited to the particular breach so waived and does not operate to waive any other breach hereunder.

SECTION 8.6. *Application of Proceeds.* All net proceeds received from the re-lease of the Leased Property under this Article VIII, and all other amounts derived by the Authority or the Trustee as a result of the occurrence of an Event of Default, must be paid to and applied by the Trustee in accordance with Section 7.03 of the Indenture.

SECTION 8.7. *Trustee and Bond Owners to Exercise Rights.* Such rights and remedies as are given to the Authority under this Article VIII have been assigned by the Authority to the Trustee under the Assignment Agreement for the benefit of the Bond Owners, to which assignment the City hereby consents. The Trustee and the Bond Owners shall exercise such rights and remedies in accordance with the Indenture.

ARTICLE IX

PREPAYMENT OF LEASE PAYMENTS

SECTION 9.1. *Security Deposit.* Notwithstanding any other provision of this Lease, the City may on any date secure the payment of the Lease Payments allocable to the Leased Property in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts on deposit in the funds and accounts established under the Indenture, is either:

- (a) sufficient to pay such Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in Appendix B, or
- (b) invested in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an independent certified public accountant, (which opinion must be addressed and delivered to the Trustee), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due under Section 4.3(a), as the City instructs at the time of said deposit.

If the City makes a security deposit under this Section with respect to all unpaid Lease Payments, and notwithstanding the provisions of Section 4.2, (a) the Term of this Lease will continue, (b) all obligations of the City under this Lease, and all security provided by this Lease for said Lease Payments, will thereupon cease and terminate, excepting only the obligation of the City to make, or cause to be made all of said Lease Payments from such security deposit, and (c) under Section 4.7, title to the Leased Property will vest in the City on the date of said deposit automatically and without further action by the City or the Authority. Said security deposit constitutes a special fund for the payment of Lease Payments in accordance with the provisions of this Lease.

SECTION 9.2. *Optional Prepayment.* The City has the option to prepay the principal components of the Lease Payments in whole, or in part in any integral multiple of \$5,000, from any source of legally available funds, on any date on or after May 1, _____ (or such earlier date on which the Bonds are eligible for optional redemption), at a prepayment price equal to the aggregate principal components of the Lease Payments to be prepaid,

together with the interest component of the Lease Payment required to be paid on such date, and together with a prepayment premium equal to the premium (if any) required to be paid on the resulting redemption of Bonds under Section 4.01(a) of the Indenture. Such prepayment price shall be deposited by the Trustee in the Redemption Fund to be applied to the redemption of Bonds under Section 4.01(a) of the Indenture. The City shall give 10 days' written notice to the Trustee of its intention to prepay the Lease Payments under this Section.

SECTION 9.3. *Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.* The City shall prepay the principal components of the Lease Payments allocable to the Leased Property in whole or in part on any date, from and to the extent of any Net Proceeds of insurance award or eminent domain award with respect to the Leased Property theretofore deposited in the Redemption Fund for that purpose under Article VI hereof and Section 5.07 of the Indenture. Such Net Proceeds, to the extent remaining after payment of any delinquent Lease Payments, will be credited towards the City's obligations under this Section and applied to the corresponding redemption of Bonds under Section 4.01(b) of the Indenture.

SECTION 9.4. *Credit for Amounts on Deposit.* If the principal components of the Lease Payments are prepaid in full under this Article IX, such that the Indenture is discharged by its terms as a result of such prepayment, at the written election of the City filed with the Trustee any or all amounts then on deposit in the Bond Fund (and the accounts therein) will be credited towards the amounts then required to be so prepaid.

ARTICLE X

MISCELLANEOUS

SECTION 10.1. *Notices.* Any notice, request, complaint, demand or other communication under this Lease shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

*If to the Authority
or the City:*

City of Mountain View
500 Castro St.
Mountain View, CA 94041
Attention: City Manager
Fax: _____

If to the Trustee: U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, California 94111
Fax: _____

SECTION 10.2. *Binding Effect.* This Lease inures to the benefit of and binds the Authority, the City and their respective successors and assigns.

SECTION 10.3. *Severability.* If any provision of this Lease is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

SECTION 10.4. *Net-net-net Lease.* This Lease is deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Lease Payments are an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 10.5. *City Direction of Investments.* The City may direct the Authority as to the investment of funds under the Indenture, subject to compliance with the provisions of Article V and Section 6.07 of the Indenture.

SECTION 10.6. *Third Party Beneficiary.* The Trustee is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

SECTION 10.7. *Further Assurances and Corrective Instruments.* The Authority and the City shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

SECTION 10.8. *Execution in Counterparts.* This Lease may be executed in several counterparts, each of which is an original and all of which constitute but one and the same instrument.

SECTION 10.9. *Applicable Law.* This Lease is governed by and construed in accordance with the laws of the State of California.

SECTION 10.10. *Authority and City Representatives.* Whenever under the provisions of this Lease the approval of the Authority or the City is required, or the Authority or the City is required to take some action at the request of the other, such approval or such request shall be given for the Authority and for the City by an Authorized Representative thereof, and any party hereto may conclusively rely upon any such approval or request.

SECTION 10.11. *Captions.* The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease.

IN WITNESS WHEREOF, the Authority and the City have caused this Lease to be executed in their respective names by their duly authorized officers, all as of the date first above written.

**CITY OF MOUNTAIN VIEW CAPITAL
IMPROVEMENTS FINANCING AUTHORITY, as
lessor**

By _____
Manager

Attest:

Secretary

CITY OF MOUNTAIN VIEW, as lessee

By _____
City Manager

Attest:

City Clerk

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of that certain real property situated in the City of Mountain View, County of Santa Clara, which is more particularly described as follows:

Public Safety Building Site

Parcel B, as shown on the map entitled, Parcel Map, filed for record in the Office of the Recorder of the County of Santa Clara, State of California on May 09, 1984 in [Book 528 of Maps, Page 28](#).

(End of Legal Description)

APN: 158-15-027

Civic Center Parcels

Parcel One:

All of Lots 53, 54, 55, 56, 57 and 58, as shown upon that certain map entitled, "Amended Map of the J.B. Graham Subdivision", which map was filed for Record in the Office of the recorder of the County of Santa Clara, State of California on July 17, 1928 in [Book "X" of Maps, Pages 8 and 9](#).

Parcel Two:

Beginning at a Stake Marked B.1 standing in fence line between lands now or formerly of Williams and Cumberland Presbyterian Church of Mountain View, said stake being North 60° 45' West 215.70 feet from the Westerly line of Castro Street where the line between said land formerly of Williams and the aforesaid Church Lands intersects the Westerly line of said Castro street; thence along the fence line between said land formerly of Williams and the aforesaid church, North 60° 45' West 364.20 feet; thence following fence, North 28° 51' East 492 feet; thence following fence South 66° 18' East 256.80 feet; thence running South 17° 59' West 525 feet to the point of beginning, being a portion of the Pastoria Rancho.

Excepting therefrom that Parcel of land conveyed by the City of Mountain View to the Mountain View American Legion Building Company, by deed dated May 06, 1931 and recorded August 17, 1931, in [Book 576 of Official Records, Page 323](#), Records of Santa Clara County, California, described as follows:

Beginning at a point in the Northerly line of Church Street, 91.85 feet distant from the Easterly line of Franklin Street, as the same are shown on the Official Map of the City of Mountain View, California, said point being the Southeasterly corner of Lot 50 of the J. B. Graham Subdivision in the City of Mountain View, California, as the same is shown on Maps on file in the Office of the County Recorder, Santa Clara County, State of California,

at [Page 29, Volume "W", in the Book of Maps](#), and running thence Northeasterly along the Easterly line of said Lot 50 and of Lot 51 of the J. B. Graham Subdivision a distance of 100.25 feet to the Northeasterly corner of the said Lot 51; Thence Southwesterly along a course parallel to the Easterly line of the above mentioned Franklin Street to its intersection with the Northerly line of the above mentioned Church street; thence Northwesterly along the Northerly line of the said Church street to the point of beginning, all of such parcel of land being a part of that tract of land known as the old presbyterian cemetery granted to The City of Mountain View, by deed dated September 19, 1930 said deed being filed at [Page 229, Volume 538](#) of Official Records in the Office of the County Recorder, Santa Clara County, California.

Parcel Three:

Beginning at the point of intersection of the Southwesterly line of Mercy street with the Southeasterly line of franklin street; thence running South $64^{\circ} 05'$ East and along the Southwesterly line of mercy Street 70.84 feet; thence running South $27^{\circ} 37'$ West 100 feet; thence running North $64^{\circ} 05'$ West and parallel with the Southwesterly line of Mercy street, 67.54 feet, more or less, to a point on the Southeasterly line of Franklin street; Thence running North $25^{\circ} 55'$ East and along the Southeasterly line of Franklin street, 100 feet, more or less, to the point of beginning, and being a portion of the Rancho Pastoria De Las Borregas.

Excepting therefrom that portion thereof described in the deed from E. Madeleine Maritz, who acquired to the herein described property as Madeline E. Maritz to Henry Jassen, Sr., et ux, dated January 28, 1947, recorded February 03, 1947 in [Book 1413 of Official Records, Page 367](#), more particularly described as follows:

Beginning at a point in the Southeasterly line of Franklin Street at the most Northerly corner of that certain parcel of land conveyed to Dorothy Graham to Frances E. Tuban, by deed dated April 05, 1944, recorded April 06, 1944 in [Book 1189 of Official Records, Page 489](#); thence along said line of Franklin street, North $25^{\circ} 55'$ East 39.50 feet; thence leaving said line of Franklin street and running parallel with the Southwesterly line of Mercy street, South $64^{\circ} 05'$ East 68 feet, more or less, to a point in the Northwesterly line of that certain Parcel of land conveyed by the Estate of V. Manfredi to Attilio Manfredi, by decree dated August 22, 1941, recorded August 22, 1941 in [Book 1055 of Official Records, Page 334](#); thence along said Northwesterly line, South $27^{\circ} 37'$ West 40 feet, more or less, to the most Easterly corner of said Parcel of land so conveyed to Frances E. Tuban; thence along the Northeasterly line of said parcel so conveyed to Tuban, and parallel with the said line of Mercy street, North $64^{\circ} 05'$ West 67.54 feet, more or less, to the point of beginning and being a portion of the Rancho Pastoria De Las Borregas.

Parcel Four:

Beginning at a point on the Southerly line of Mercy Street, distant thereon South $64^{\circ} 05'$ East 790.84 feet from the point of intersection of said line of Mercy street with the Easterly line of Bailey Avenue, as said street and avenue are shown upon the amended map of the J. B. Graham Subdivision, Mountain View, California, filed July 17, 1928 in the Office of the recorder of the County of Santa Clara, State of California in [Book "X" of Maps, Pages 8 and 9](#), said point of beginning also being distant along said line of Mercy street, South $64^{\circ} 05'$ East 70.84 feet from the point of intersection of said line of Mercy Street, with the Easterly line of Franklin Street, as shown on said map; thence along said line of

Mercy Street, South 64° 05' East 50 feet; thence South 27° 37' West 150.06 feet; thence North 64° 05' West 50 feet; thence North 27° 37' East 150.06 feet to the point of beginning and being a portion of the Rancho Pastoria De Las Borregas.

Parcel Five:

Beginning at a point in the Southeasterly line of Franklin Street at the most Northerly corner of that certain parcel of land described in the deed from Dorothy Graham to Frances E. Tuban, dated April 05, 1944, recorded April 06, 1944 in [Book 1189 of Official Records, Page 489](#); thence along said line of Franklin Street, North 25° 55' East 39.50 feet; thence leaving said line of Franklin Street and running parallel with the Southwesterly line of Mercy Street, South 64° 05' East 68 feet, more or less, to a point in the Northwesterly line of that certain Parcel of land conveyed by the Estate of V. Manfredi to Attilio Manfredi, by Decree dated August 22, 1941, recorded August 22, 1941 in [Book 1055 of Official Records, Page 334](#); thence along said Northwesterly line, South 27° 37' West 40 feet, more or less, to the most Easterly corner of said Parcel of land so conveyed to Frances E. Tuban; thence along the Northeasterly line of said Parcel so conveyed to Tuban, and parallel with the said line of Mercy Street, North 64° 05' West 67.54 feet, more or less, to the point of beginning and being a portion of the Rancho Pastoria De Las Borregas.

Parcel Six:

Beginning at a point in the Southeasterly line of Franklin Street, distant thereon South 25° 55' West 99.96 feet from the intersection thereof with the Southwesterly line of Mercy Street, said point of beginning being the Southwesterly corner of that Parcel of land conveyed by Dorothy B. Graham, to Paul Maritz, et ux, by deed dated November 21, 1933 and recorded November 21, 1933 in [Book 665 of Official Records, Page 301](#), Santa Clara County Records; thence along said line of Franklin Street, South 25° 55' West 50.04 feet to the Southwesterly corner of that Parcel of land conveyed by Joseph B. Graham, et ux, to Felix Grabarkiewiez, et ux, by deed dated May 11, 1925 and recorded May 12, 1925, in [Book 158 of Official Records, Page 294](#), Santa Clara County Records; thence along the Southwesterly line of said last mentioned lands and parallel with said line of Mercy Street, South 64° 05' East 66.39 feet to the Southeasterly corner thereof; thence along the Southeasterly line of said last mentioned lands, North 27° 37' East 50.06 feet to the Southeasterly corner of said lands so conveyed to Maritz aforementioned; thence North 64° 05' West and parallel with Mercy Street 67.54 feet, more or less, to the point of beginning, being a portion of the Rancho Pastoria De Las Borregas.

Parcel Seven:

All of Lots 1, 2, 3, 4, 5, 6 and 7, as shown upon that certain map entitled, "Map of the Bailey Addition to the Town of New Mountain View", which map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on September 17, 1888 in [Book "D" of Maps, Page 23](#).

Parcel Eight:

Beginning at a point in the Northwesterly line of Castro Street, distant thereon Southwesterly 58.65 feet from the point of intersection thereof with the Southwesterly line of Mercy Street, said point of beginning also being the Southernmost corner of Lot 1, as

said streets and lot are shown upon that certain map entitled, "Map of the Bailey Addition to the Town of New Mountain View", which map was recorded on September 17, 1888 in [Book "D" of Maps, Page 23](#), Santa Clara County Records; thence from said point of beginning Northwesterly along the Southwesterly line of said Lot 1 for a distance of 150 feet, more or less, to the Westernmost corner thereof in the Southeasterly line of Lot 2, as said Lot is shown upon the map above referred to; thence Southwesterly along said Southeasterly line of said Lot 2 for a distance of 30.00 feet to the Southernmost corner thereof in the Northeasterly line of Lot 9, as said lot is shown upon that certain map entitled, "Map of the Oaks Subdivision", as said map was recorded on July 31, 1912 in [Book "O" of Maps, Page 5](#), Santa Clara County Records; thence Southeasterly along said Northeasterly line of Lot 9 for a distance of 150 feet, more or less, to the point of intersection thereof with the Northwesterly line of Castro Street; thence Northeasterly along said last mentioned line 30.00 feet to the point of beginning.

Parcel Nine:

All of Lots 1, 2, 3, 4, 6, 7, 8 and 9, as shown upon that certain map entitled, "Map of the Oaks Subdivision", which map was filed for Record in the Office of the Recorder of the County of Santa Clara, State of California on July 31, 1912, in [Book "O" of Maps, Page 5](#).

Excepting therefrom said Lots 1, 2, 3 and 4, that portion conveyed to Wells Fargo Bank, American Trust Company, a corporation, in grant deed recorded April 19, 1961 in [Book 5140 of Official Records, Page 483](#), Santa Clara County Records, described as follows:

Beginning at the most Southerly corner of Lot 1, as said Lot is shown upon that certain map entitled, "Map of the Oaks Subdivision in the Town of Mountain View", which map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 31, 1912, in [Book "O" of Maps, Page 5](#); running thence North 60° 45' West a distance of 185.45 feet, along the most Southwesterly boundary of said Lot 1, to a point; thence leaving said boundary North 26° 00' East a distance of 189.49 feet to a point on the most Northeasterly boundary of Lot 4 of said Oaks Subdivision; thence South 64° 00' East, a distance of 185.15 feet along the aforementioned Northeasterly boundary of said Lot 4 to a point on the most Southeasterly boundary of the Oaks Subdivision, said point also being the most Easterly corner of Lot 4; thence South 26° 00' West a distance of 200.00 feet along the aforementioned Southeasterly boundary of the Oaks Subdivision to the point of beginning.

Parcel Ten:

Portion of Lot 5, as shown upon that certain map entitled, "Map of the Oaks Subdivision", which map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 31, 1912, in [Book "O" of Maps, Page 5](#), described as follows:

Beginning at the most Southerly corner of Lot 1, as said lot is shown upon that certain map entitled, "Map of the Oaks Subdivision in the Town of Mountain View", which map was filed for record in the Office of the recorder of the County of Santa Clara, State of California on July 31, 1912, in [Book "O" of Maps, Page 5](#); running thence North 60° 45' West a distance of 185.45 feet, along the most Southwesterly boundary of said Lot 1, to

a point; thence leaving said boundary North 26° 00' East a distance of 189.49 feet to the true point of beginning, on the most Southwesterly boundary of Lot 5 of said Oaks Subdivision; thence continuing North 26° 00' East a distance of 50.00 feet to a point on the most Northeasterly boundary of said Lot 5; thence North 64° 00' West a distance of 63.53 feet along the aforementioned Northeasterly boundary of said Lot 5 to a point on the most Northwesterly boundary of the Oaks Subdivision, said point also being the most Northerly corner of said Lot 5; thence South 17° 58' West, a distance of 50.49 feet, along the aforementioned Northwesterly boundary of the Oaks Subdivision, to the Southwesterly boundary of said Lot 5; thence along last said line South 64° 00' East a distance of 56.47 feet to the true point of beginning.

(End of Legal Description)

APN: 158-10-032

APPENDIX B
SCHEDULE OF LEASE PAYMENTS*

Lease Payment Date**	Principal Component	Interest Component	Aggregate Lease Payment
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Totals

- * This Appendix B shall be amended in connection with the issuance of any Additional Bonds.
** Lease Payment Dates are the Business Day immediately preceding each date listed in the schedule

APPENDIX C

DESCRIPTION OF PROJECT

The Project to be financed by the 2026 Bonds consists of the demolition of the existing Mountain View Police Department building and the acquisition and construction of a Public Safety Building to be located at 1000 Villa Street in the City's Public Facility District.

This Appendix C may be amended in connection with the issuance of Additional Bonds to supplement the description of the Project.

APPENDIX D

FORM OF NOTICE OF RELEASE OF LEASED PROPERTY

RECORDING REQUESTED BY, AND
WHEN RECORDED, RETURN TO:

Christopher K. Lynch, Esq.
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

NOTICE OF RELEASE OF LEASED PROPERTY

The CITY OF MOUNTAIN VIEW, a chartered municipal corporation duly organized and existing under the Constitution and the laws of the State of California (the "City") is party to (i) that certain Lease Agreement, dated as of May 1, 2026, by and between the CITY OF MOUNTAIN VIEW CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority") as lessor, and the City, as lessee, recorded as Document No. [] in the Official Records of the Santa Clara County Recorder (the "Lease Agreement") and (ii) that certain Site Lease, dated as of May 1, 2026, by and between the Authority, as lessee, and the City, as lessor, recorded as Document No. [] in the Official Records of the Santa Clara County Recorder (the "Site Lease"). Capitalized terms used but not defined herein have the meanings ascribed to them in the Lease Agreement.

As contemplated by the Lease Agreement, the proceeds of the 2026 Bonds have been utilized to finance the acquisition and construction of a Public Safety Building, the City has completed the acquisition and construction of the Public Safety Building, and the City hereby provides notice of its release of the real property constituting the Civic Center Parcels (as described in Appendix A) and the related improvements as a portion of the Leased Property under the Lease Agreement and the Site Lease.

In accordance with Section 3.5 of the Lease Agreement, the City has provided to the Trustee (i) a certificate certifying that the Final Completion of the Public Safety Building has occurred and the fair rental value of the Public Safety Building and its related site is at least equal to the Lease Payments and (ii) a certificate of the City evidencing that the insurance policies required by the Lease Agreement are in full force and effect with respect to the Public Safety Building as the Leased Property.

Upon the recordation of this Notice of Release of Leased Property, and subject to any future authorized substitution or release of or addition to the Leased Property pursuant to the Lease Agreement, references to the Leased Property in the Lease Agreement and in the Property Lease shall be deemed to refer to only the Public Safety Building and the related site, and shall not be deemed to refer to the real property constituting the Civic Center Parcels and the related improvements.

In accordance with the Lease Agreement, the City has caused, as of the date of recordation hereof, a certificate of the City to be delivered to the Trustee evidencing that the insurance policies required by this Lease Agreement are in full force and effect with respect to the Public Safety Building as the Leased Property.

[signature page follows]

CITY OF MOUNTAIN VIEW

By _____
City Manager

Attest:

By _____
City Clerk

Consented to and accepted by:

CITY OF MOUNTAIN VIEW
CAPITAL IMPROVEMENTS FINANCING AUTHORITY

By _____
Manager

U.S. Bank Trust Company, National Association

By _____
Authorized Officer

[Signature Page to Notice of Release of Leased Property]

[Notary Page]

ATTACHMENT 1
DESCRIPTION OF LEASED PROPERTY

The land referred to herein is situated in the State of California, County of Santa Clara, City of Mountain View and described as follows:

Public Safety Building Site

Parcel B, as shown on the map entitled, Parcel Map, filed for record in the Office of the Recorder of the County of Santa Clara, State of California on May 09, 1984 in Book 528 of Maps, Page 28.

(End of Legal Description)

APN: 158-15-027

Civic Center Parcels

Parcel One:

All of Lots 53, 54, 55, 56, 57 and 58, as shown upon that certain map entitled, "Amended Map of the J.B. Graham Subdivision", which map was filed for Record in the Office of the recorder of the County of Santa Clara, State of California on July 17, 1928 in Book "X" of Maps, Pages 8 and 9.

Parcel Two:

Beginning at a Stake Marked B.1 standing in fence line between lands now or formerly of Williams and Cumberland Presbyterian Church of Mountain View, said stake being North 60° 45' West 215.70 feet from the Westerly line of Castro Street where the line between said land formerly of Williams and the aforesaid Church Lands intersects the Westerly line of said Castro street; thence along the fence line between said land formerly of Williams and the aforesaid church, North 60° 45' West 364.20 feet; thence following fence, North 28° 51' East 492 feet; thence following fence South 66° 18' East 256.80 feet; thence running South 17° 59' West 525 feet to the point of beginning, being a portion of the Pastoria Rancho.

Excepting therefrom that Parcel of land conveyed by the City of Mountain View to the Mountain View American Legion Building Company, by deed dated May 06, 1931 and recorded August 17, 1931, in Book 576 of Official Records, Page 323, Records of Santa Clara County, California, described as follows:

Beginning at a point in the Northerly line of Church Street, 91.85 feet distant from the Easterly line of Franklin Street, as the same are shown on the Official Map of the City of Mountain View, California, said point being the Southeasterly corner of Lot 50 of the J. B. Graham Subdivision in the City of Mountain View, California, as the same is shown on Maps on file in the Office of the County Recorder, Santa Clara County, State of California, at Page 29, Volume "W", in the Book of Maps, and running thence Northeasterly along the Easterly line of said Lot 50 and of Lot 51 of the J. B. Graham Subdivision a distance of 100.25 feet to the Northeasterly corner of the said Lot 51; Thence Southwesterly along a course parallel to the Easterly line of the above

mentioned Franklin Street to its intersection with the Northerly line of the above mentioned Church street; thence Northwesterly along the Northerly line of the said Church street to the point of beginning, all of such parcel of land being a part of that tract of land known as the old presbyterian cemetery granted to The City of Mountain View, by deed dated September 19, 1930 said deed being filed at Page 229, Volume 538 of Official Records in the Office of the County Recorder, Santa Clara County, California.

Parcel Three:

Beginning at the point of intersection of the Southwesterly line of Mercy street with the Southeasterly line of franklin street; thence running South 64° 05' East and along the Southwesterly line of mercy Street 70.84 feet; thence running South 27° 37' West 100 feet; thence running North 64° 05' West and parallel with the Southwesterly line of Mercy street, 67.54 feet, more or less, to a point on the Southeasterly line of Franklin street; Thence running North 25° 55' East and along the Southeasterly line of Franklin street, 100 feet, more or less, to the point of beginning, and being a portion of the Rancho Pastoria De Las Borregas.

Excepting therefrom that portion thereof described in the deed from E. Madeleine Maritz, who acquired to the herein described property as Madeline E. Maritz to Henry Jassen, Sr., et ux, dated January 28, 1947, recorded February 03, 1947 in Book 1413 of Official Records, Page 367, more particularly described as follows:

Beginning at a point in the Southeasterly line of Franklin Street at the most Northerly corner of that certain parcel of land conveyed to Dorothy Graham to Frances E. Tuban, by deed dated April 05, 1944, recorded April 06, 1944 in Book 1189 of Official Records, Page 489; thence along said line of Franklin street, North 25° 55' East 39.50 feet; thence leaving said line of Franklin street and running parallel with the Southwesterly line of Mercy street, South 64° 05' East 68 feet, more or less, to a point in the Northwesterly line of that certain Parcel of land conveyed by the Estate of V. Manfredi to Attilio Manfredi, by decree dated August 22, 1941, recorded August 22, 1941 in Book 1055 of Official Records, Page 334; thence along said Northwesterly line, South 27° 37' West 40 feet, more or less, to the most Easterly corner of said Parcel of land so conveyed to Frances E. Tuban; thence along the Northeasterly line of said parcel so conveyed to Tuban, and parallel with the said line of Mercy street, North 64° 05' West 67.54 feet, more or less, to the point of beginning and being a portion of the Rancho Pastoria De Las Borregas.

Parcel Four:

Beginning at a point on the Southerly line of Mercy Street, distant thereon South 64° 05' East 790.84 feet from the point of intersection of said line of Mercy street with the Easterly line of Bailey Avenue, as said street and avenue are shown upon the amended map of the J. B. Graham Subdivision, Mountain View, California, filed July 17, 1928 in the Office of the recorder of the County of Santa Clara, State of California in Book "X" of Maps, Pages 8 and 9, said point of beginning also being distant along said line of Mercy street, South 64° 05' East 70.84 feet from the point of intersection of said line of Mercy Street, with the Easterly line of Franklin Street, as shown on said map; thence along said line of Mercy Street, South 64° 05' East 50 feet; thence South 27° 37' West 150.06 feet; thence North 64° 05' West 50 feet; thence North 27° 37' East 150.06 feet to the point of beginning and being a portion of the Rancho Pastoria De Las Borregas.

Parcel Five:

Beginning at a point in the Southeasterly line of Franklin Street at the most Northerly corner of that certain parcel of land described in the deed from Dorothy Graham to Frances E. Tuban, dated April 05, 1944, recorded April 06, 1944 in Book 1189 of Official Records, Page 489; thence along said line of Franklin Street, North 25° 55' East 39.50 feet; thence leaving said line of Franklin Street and running parallel with the Southwesterly line of Mercy Street, South 64° 05' East 68 feet, more or less, to a point in the Northwesterly line of that certain Parcel of land conveyed by the Estate of V. Manfredi to Attilio Manfredi, by Decree dated August 22, 1941, recorded August 22, 1941 in Book 1055 of Official Records, Page 334; thence along said Northwesterly line, South 27° 37' West 40 feet, more or less, to the most Easterly corner of said Parcel of land so conveyed to Frances E. Tuban; thence along the Northeasterly line of said Parcel so conveyed to Tuban, and parallel with the said line of Mercy Street, North 64° 05' West 67.54 feet, more or less, to the point of beginning and being a portion of the Rancho Pastoria De Las Borregas.

Parcel Six:

Beginning at a point in the Southeasterly line of Franklin Street, distant thereon South 25° 55' West 99.96 feet from the intersection thereof with the Southwesterly line of Mercy Street, said point of beginning being the Southwesterly corner of that Parcel of land conveyed by Dorothy B. Graham, to Paul Maritz, et ux, by deed dated November 21, 1933 and recorded November 21, 1933 in Book 665 of Official Records, Page 301, Santa Clara County Records; thence along said line of Franklin Street, South 25° 55' West 50.04 feet to the Southwesterly corner of that Parcel of land conveyed by Joseph B. Graham, et ux, to Felix Grabarkiewiez, et ux, by deed dated May 11, 1925 and recorded May 12, 1925, in Book 158 of Official Records, Page 294, Santa Clara County Records; thence along the Southwesterly line of said last mentioned lands and parallel with said line of Mercy Street, South 64° 05' East 66.39 feet to the Southeasterly corner thereof; thence along the Southeasterly line of said last mentioned lands, North 27° 37' East 50.06 feet to the Southeasterly corner of said lands so conveyed to Maritz aforementioned; thence North 64° 05' West and parallel with Mercy Street 67.54 feet, more or less, to the point of beginning, being a portion of the Rancho Pastoria De Las Borregas.

Parcel Seven:

All of Lots 1, 2, 3, 4, 5, 6 and 7, as shown upon that certain map entitled, "Map of the Bailey Addition to the Town of New Mountain View", which map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on September 17, 1888 in Book "D" of Maps, Page 23.

Parcel Eight:

Beginning at a point in the Northwesterly line of Castro Street, distant thereon Southwesterly 58.65 feet from the point of intersection thereof with the Southwesterly line of Mercy Street, said point of beginning also being the Southernmost corner of Lot 1, as said streets and lot are shown upon that certain map entitled, "Map of the Bailey Addition to the Town of New Mountain View", which map was recorded on September 17, 1888 in Book "D" of Maps, Page 23, Santa Clara County Records; thence from said point of beginning Northwesterly along the Southwesterly line of said Lot 1 for a distance of 150 feet, more or less, to the Westernmost corner thereof in the Southeasterly line of Lot 2, as said Lot is shown upon the map above referred to; thence Southwesterly along said Southeasterly line of said Lot 2 for a distance of 30.00 feet to the Southernmost corner thereof in the Northeasterly line of Lot 9, as said lot is shown upon that certain map entitled, "Map of the Oaks Subdivision", as said map was recorded on July 31, 1912

in Book "O" of Maps, Page 5, Santa Clara County Records; thence Southeasterly along said Northeasterly line of Lot 9 for a distance of 150 feet, more or less, to the point of intersection thereof with the Northwesterly line of Castro Street; thence Northeasterly along said last mentioned line 30.00 feet to the point of beginning.

Parcel Nine:

All of Lots 1, 2, 3, 4, 6, 7, 8 and 9, as shown upon that certain map entitled, "Map of the Oaks Subdivision", which map was filed for Record in the Office of the Recorder of the County of Santa Clara, State of California on July 31, 1912, in Book "O" of Maps, Page 5.

Excepting therefrom said Lots 1, 2, 3 and 4, that portion conveyed to Wells Fargo Bank, American Trust Company, a corporation, in grant deed recorded April 19, 1961 in Book 5140 of Official Records, Page 483, Santa Clara County Records, described as follows:

Beginning at the most Southerly corner of Lot 1, as said Lot is shown upon that certain map entitled, "Map of the Oaks Subdivision in the Town of Mountain View", which map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 31, 1912, in Book "O" of Maps, Page 5; running thence North 60° 45' West a distance of 185.45 feet, along the most Southwesterly boundary of said Lot 1, to a point; thence leaving said boundary North 26° 00' East a distance of 189.49 feet to a point on the most Northeasterly boundary of Lot 4 of said Oaks Subdivision; thence South 64° 00' East, a distance of 185.15 feet along the aforementioned Northeasterly boundary of said Lot 4 to a point on the most Southeasterly boundary of the Oaks Subdivision, said point also being the most Easterly corner of Lot 4; thence South 26° 00' West a distance of 200.00 feet along the aforementioned Southeasterly boundary of the Oaks Subdivision to the point of beginning.

Parcel Ten:

Portion of Lot 5, as shown upon that certain map entitled, "Map of the Oaks Subdivision", which map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 31, 1912, in Book "O" of Maps, Page 5, described as follows:

Beginning at the most Southerly corner of Lot 1, as said lot is shown upon that certain map entitled, "Map of the Oaks Subdivision in the Town of Mountain View", which map was filed for record in the Office of the recorder of the County of Santa Clara, State of California on July 31, 1912, in Book "O" of Maps, Page 5; running thence North 60° 45' West a distance of 185.45 feet, along the most Southwesterly boundary of said Lot 1, to a point; thence leaving said boundary North 26° 00' East a distance of 189.49 feet to the true point of beginning, on the most Southwesterly boundary of Lot 5 of said Oaks Subdivision; thence continuing North 26° 00' East a distance of 50.00 feet to a point on the most Northeasterly boundary of said Lot 5; thence North 64° 00' West a distance of 63.53 feet along the aforementioned Northeasterly boundary of said Lot 5 to a point on the most Northwesterly boundary of the Oaks Subdivision, said point also being the most Northerly corner of said Lot 5; thence South 17° 58' West, a distance of 50.49 feet, along the aforementioned Northwesterly boundary of the Oaks Subdivision, to the Southwesterly boundary of said Lot 5; thence along last said line South 64° 00' East a distance of 56.47 feet to the true point of beginning.

(End of Legal Description)

APN: 158-10-032