

**REQUESTED BY:**

Parker & Covert  
for the benefit of the  
Santa Clara Unified School District

**WHEN RECORDED RETURN TO:**

Parker & Covert  
2520 Venture Oaks Way, Suite 190  
Sacramento, CA 95833  
Attn: Stacy Toledo

**This document is recorded for the benefit of the Santa Clara Unified School District, and recording is exempt from recording fees pursuant to Government Code §27383.**

**The term of this lease is less than 35 years. This transaction is exempt from documentary transfer tax under Revenue & Taxation Code §11922.**

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**LEASE-PURCHASE AGREEMENT**

between the

**SANTA CLARA TEACHER HOUSING FOUNDATION**

and the

**SANTA CLARA UNIFIED SCHOOL DISTRICT**

Dated as of April 1, 2022

\$6,488,000  
2022 Refunding Lease-Purchase Financing  
(Forward Delivery)

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## LEASE-PURCHASE AGREEMENT

This Lease-Purchase Agreement, dated as of April 1, 2022, between the SANTA CLARA TEACHER HOUSING FOUNDATION (the “Corporation”), a nonprofit public benefit corporation duly organized and existing under the laws of the State of California, as lessor, and the SANTA CLARA UNIFIED SCHOOL DISTRICT (the “District”), a political subdivision of the State of California duly organized and validly existing under and by virtue of the laws of the State of California, as lessee;

### WITNESSETH:

WHEREAS, the Education Code of the State of California authorizes the District to provide for the financing and refinancing of facilities and site acquisition for the use of the District;

WHEREAS, the District intends to refinance prior obligations of the District originally issued to finance the acquisition and construction of apartments for teachers and associated costs that were refinanced, on a current basis, by the District’s 2013 Certificates of Participation (the “Prior Certificates”), by prepaying and defeasing the outstanding Prior Certificates;

WHEREAS, such refinancing will be accomplished by (i) the District leasing property to the Corporation pursuant to the Site Lease dated as of April 1, 2022 (the “Site Lease”), and recorded concurrently herewith, in exchange for an advance rental, (ii) the Corporation leasing back to the District the property leased under the Site Lease pursuant to this Lease-Purchase Agreement, under which the District will be obligated to make Rental Payments (as such term is defined herein) to the Corporation, (iii) the Corporation’s assignment without recourse of all rights to receive such Rental Payments to JPMorgan Chase Bank, N.A. (the “Assignee”), pursuant to the Assignment Agreement dated as of April 1, 2022 (the “Assignment Agreement”), and recorded concurrently herewith, in exchange for the amount of the advance rental payable under the Site Lease, and (iv) the application of the amount payable as advance rental under the Site Lease along with certain other funds to prepay and defease the Prior Certificates, and to pay the transaction costs;

WHEREAS, in order to take advantage of current interest rates and to be able to treat the obligations evidenced by the Site Lease, Lease-Purchase Agreement, and Assignment Agreement (the “Financing Documents”) as a federally tax-exempt current refunding, it is necessary to engage in this refinancing on a forward delivery basis, with issuance and delivery of the Financing Documents occurring not earlier than ninety days before the July 1, 2022 date for the Prior Certificates to be prepaid and defeased;

WHEREAS, the District is authorized to enter into this Lease-Purchase Agreement for the purposes and subject to the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereby agree as follows:

ARTICLE 1  
DEFINITIONS; OTHER PROVISIONS OF GENERAL APPLICABILITY

Section 1.1 Definitions. For all purposes of this Lease-Purchase Agreement and of any certificate, opinion, or other document herein mentioned, unless the context otherwise requires:

(A) The terms defined in this Section shall have the meanings herein specified and include the plural as well as the singular.

(B) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.

(C) All references herein to “generally accepted accounting principles” refer to such principles as they exist at the date of applicability thereof.

(D) All references herein to “Articles,” “Sections,” and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Lease-Purchase Agreement as originally executed.

(E) The words “herein,” “hereof,” “hereby,” “hereunder,” and other words of similar import refer to this Lease-Purchase Agreement as a whole and not to any particular Article, Section, or other subdivision.

(F) Words of any gender shall mean and include words of all other genders.

**Applicable Environmental Laws** means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act (“RCRA”), 42 USC Sections 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42 USC Sections 7401 et seq.; the California Hazardous Waste Control Law (“HWCL”), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act (“HSAA”), California Health & Safety Code Sections 25300 et seq.; the Porter-Cologne Water Quality Control Act (the “Porter-Cologne Act”), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:

- (1) the existence, cleanup, and/or remedy of contamination on property;
- (2) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;
- (3) the control of hazardous wastes; or
- (4) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

**Assignee** means JPMorgan Chase Bank, N.A., as assignee of the Corporation under the Assignment Agreement.

**Assignment Agreement** means the assignment agreement dated as of April 1, 2022, between the Corporation and the Assignee pursuant to which the Corporation assigns all of its rights under the Site Lease and this Lease-Purchase Agreement to the Assignee, as supplemented and amended.

**Business Day** means any day other than a Saturday, Sunday, or a day on which banking institutions in the State of California are authorized or obligated by law or executive order to be closed.

**Code** means the Internal Revenue Code of 1986, as amended, and the regulations applicable to or issued thereunder.

**Corporation** means the Santa Clara Teacher Housing Foundation, or its successors or assigns as lessee under the Site Lease and lessor hereunder.

**Default Rate** means the applicable annual interest rate, plus 4.00%.

**District** means the Santa Clara Unified School District.

**Effective Interest Rate** means the rate of interest per annum specified on Exhibit B, computed on the basis of a 360-day year composed of twelve 30-day months; provided that, if the interest component of the Rental Payments shall become taxable pursuant to the terms of Section 5.11 (Federal Income Tax Covenants) hereof, the Effective Interest Rate shall equal the Taxable Rate; provided, further, that upon the occurrence and continuance of Event of Default, the Effective Interest Rate shall equal the Default Rate.

**Event of Default** means any of the events specified in Section 7.1 (Events of Default).

**Fiscal Year** means the period beginning on July 1 of each year and ending on the next succeeding June 30 or any other twelve-month period hereafter selected and designated as the official fiscal year period of the District.

**Funding Date** means the date payment is made by or on behalf of the Corporation to or for the account of the District under the Site Lease, agreed to be April 5, 2022.

**Hazardous Substance** means any substance that shall, at any time, be listed as “hazardous” or “toxic” in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Leased Property, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.).

**Leased Property** means the real property described in Exhibit A attached to this Lease-Purchase Agreement together with all present and future improvements located thereon and

equipment installed or located therein, consisting of Laurelwood Elementary School located at 955 Teal Drive, Santa Clara, California.

**Lease-Purchase Agreement** means this Lease-Purchase Agreement between the Corporation and the District, dated as of April 1, 2022, wherein the Corporation leases the Leased Property to the District, as originally executed and as it may from time to time be supplemented, modified, or amended pursuant to the provisions hereof.

**Net Proceeds** means the amount remaining from the gross proceeds of any insurance claim or condemnation award made in connection with the Leased Property, after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

**Payment Date** means (i) with respect to the interest components of Rental Payments, March 1 and September 1 in each year, commencing September 1, 2022, and (ii) with respect to the principal components of Rental Payments, September 1, in each year, commencing September 1, 2022.

**Permitted Encumbrances** means (1) liens for general *ad valorem* taxes and assessment, if any, not then delinquent, or that the District may, pursuant to this Lease-Purchase Agreement, permit to remain unpaid, (2) easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions that exist of record as of the commencement date of this Lease-Purchase Agreement and that the District certifies in writing will not materially impair the use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held, (3) the Site Lease, as it may be amended from time to time, (4) the Assignment Agreement, as it may be amended from time to time, (5) any right or claim of any mechanic, laborer, materialman, supplier, or vendor not filed or perfected in the manner prescribed by law, (6) easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions, or restrictions established following the commencement date of this Lease-Purchase Agreement, which the District certifies in writing will not materially adversely affect the value of the Leased Property, and to which the Assignee consents in writing, (7) liens in connection with the installation of solar improvements, established following the commencement date of this Lease-Purchase Agreement, which the District certifies in writing will not materially adversely affect the value of the Leased Property, and to which the Assignee consents in writing, and (8) liens relating to special assessments levied with respect to the Leased Property. Permitted Encumbrances shall be deemed not to materially impair the District's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held.

**Person** means an individual, a corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

**Rental Payments** means the Rental Payments payable by the District pursuant to the provisions of this Lease-Purchase Agreement, as set forth in Exhibit B hereto.

**Rental Period** means the annual period ending on the Payment Date.

**Site Lease** means the Site Lease between the District and the Corporation, dated as of April 1, 2022, wherein the District leases the Leased Property to the Corporation, as originally

executed and as it may from time to time be supplemented, modified, or amended pursuant to the provisions hereof and thereof.

**State** means the State of California.

**Statement, Certificate, Request, Requisition, and Order of the District** mean, respectively, a written statement, certificate, request, requisition, or order signed in the name of the District by its Superintendent, or the Chief Business Official of the District, their designees, or any other person authorized by the District to execute such instruments. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

**Tax Certificate** means the tax certificate delivered by the District at the time of the execution and delivery of this Lease-Purchase Agreement, as the same may be further amended or supplemented in accordance with its terms.

**Taxable Rate** means, for each day that the interest component of Rental Payments is taxable for Federal income tax purposes, an interest rate equal to the amount that will maintain the after tax yield of the Assignee based on the highest marginal corporate tax rate.

Section 1.2 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electric confirmation) to the parties hereto:

District: Santa Clara Unified School District  
1889 Lawrence Road  
Santa Clara, CA 95051  
Attention: Chief Business Official

or, if to the Corporation, addressed to the Corporation as follows:

Corporation: Santa Clara Teacher Housing Foundation  
c/o of Santa Clara Unified School District  
1889 Lawrence Road  
Santa Clara, CA 95051  
Attention: Chief Financial Officer

or, if to the Assignee, addressed to the Assignee as follows:

Assignee: JPMorgan Chase Bank, N.A.  
560 Mission Street, Floor 4  
San Francisco, CA 94105  
Attention: Executive Director

The District, the Corporation, and the Assignee may, by notice given hereunder, designate any further or different address to which subsequent notices shall be sent.



Section 1.3 Successors and Assigns. Whenever in this Lease-Purchase Agreement either the District, the Corporation, or the Assignee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Lease-Purchase Agreement contained by, on behalf of, or for the benefit of the District, the Corporation, or the Assignee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 1.4 Benefits of Agreement. Nothing in this Lease-Purchase Agreement expressed or implied is intended or shall be construed to give to any person other than the District, the Corporation, and the Assignee, as the Corporation's assignee, any legal or equitable right, remedy, or claim under or in respect of this Lease-Purchase Agreement or any covenant, condition, or provision therein or herein contained; and all such covenants, conditions, and provisions are and shall be held to be for the sole and exclusive benefit of the District, the Corporation, and the Assignee, as the Corporation's assignee.

Section 1.5 Amendments. This Lease-Purchase Agreement may be altered, amended, or modified in writing as may be mutually agreed by the District and the Corporation (or its assignee).

Section 1.6 Effect of Headings and Table of Contents. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this Lease-Purchase Agreement.

Section 1.7 Validity and Severability. If any one or more of the provisions contained in this Lease-Purchase Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Lease-Purchase Agreement and such invalidity, illegality, or unenforceability shall not affect any other provision of this Lease-Purchase Agreement, and this Lease-Purchase Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The District and the Corporation hereby declare that they would have entered into this Lease-Purchase Agreement and each and every other Section, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Lease-Purchase Agreement may be held illegal, invalid, or unenforceable.

If for any reason it is held that any of the covenants and conditions of the District hereunder, including the covenant to pay Rental Payments hereunder, is unenforceable for the full term hereof, then and in such event this Lease-Purchase Agreement is and shall be deemed to be a lease from year to year under which the Rental Payments are to be paid by the District annually in consideration of the right of the District to possess, occupy, and use the Leased Property, and all of the rental and other terms, provisions, and conditions of this Lease-Purchase Agreement, except to the extent that such terms, provisions, and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 1.8 Governing Law; Waiver of Jury Trial; Agreement for Judicial Reference; Immunity. This Lease-Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California. To the fullest extent permitted by law, each of the District

and the Corporation hereby waives its right to trial by jury in any action, proceeding and/or hearing on any matter whatsoever arising out of, or in any way connected with, this Lease-Purchase Agreement or any related documents, or the enforcement of any remedy under any law, statute, or regulation.

To the extent the foregoing waiver of a jury trial is unenforceable under applicable California law, each of the District and the Corporation agrees to refer, for a complete and final adjudication, any and all issues of fact or law involved in any litigation or proceeding (including all discovery and law and motion matters, pretrial motions, trial matter and post-trial motions up to and including final judgment), brought to resolve any dispute (whether based on contract, tort or otherwise) between the parties hereto arising out of, in connection with or otherwise related or incidental to this Agreement to a judicial referee who shall be appointed under a general reference pursuant to California Code of Civil Procedure Section 638, which referee's decision will stand as the decision of the court. Such judgment will be entered on the referee's statement of judgment in the same manner as if the action had been tried by the court. The parties shall select a single neutral referee, who shall be a retired state or federal judge with at least five years of judicial experience in civil matters; provided that the event the parties cannot agree upon a referee, the referee will be appointed by the court.

The District hereby represents that it does not possess and will not invoke a claim of sovereign immunity for disputes arising out of contractual claims relating to this Lease.

Section 1.9 Execution in Counterparts. This Lease-Purchase Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

## ARTICLE 2 REPRESENTATIONS OF CORPORATION AND DISTRICT

Section 2.1 Representations of Corporation. The Corporation represents and covenants for the benefit of the District and its assignees as follows:

(A) Valid Existence. The Corporation has been duly organized and is validly existing as a nonprofit public benefit corporation under the laws of the State of California.

(B) Power to Enter into Agreements; Consents and Approvals. The Corporation is authorized under the terms of its articles of incorporation and bylaws to enter into the Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement, and perform all of its obligations thereunder and hereunder. No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery by the Corporation of the Site Lease, this Lease-Purchase Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect, or except as would not materially adversely affect the transactions contemplated hereby.

(C) Due Authorization and Execution. The Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement have been duly authorized by all necessary action on

the part of the Corporation. The representatives of the Corporation executing the Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement are fully authorized to execute the same under official action taken by the Board of Directors of the Corporation.

(D) Enforceability of Agreements. The Corporation represents, covenants, and warrants that all requirements have been met and procedures have occurred in order to ensure the enforceability of the Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement, and each of the Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement have been duly authorized, executed, and delivered by the Corporation and constitute the legal, valid, and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms (except as such enforceability may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and by the application of equitable principles).

(E) Not a Municipal Advisor. The Corporation is not acting as a "Municipal Advisor," as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or fiduciary of the District.

Section 2.2 Representations of District. The District hereby represents to the Corporation as follows:

(A) Valid Existence. The District is duly organized and is validly existing as a political subdivision of the State of California under the Constitution and laws of the State of California.

(B) Power to Enter into Agreements; Consents and Approvals. The District is authorized under the laws of the State of California to enter into the Site Lease and this Lease-Purchase Agreement and perform all of its obligations thereunder and hereunder. No consent or approval of any trustee or holder of any indebtedness of the District or of the voters of the District, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery by the District of the Site Lease and this Lease-Purchase Agreement, or the consummation of any transaction therein or herein contemplated, except as have been obtained or made and as are in full force and effect, or except as would not materially adversely effect the transactions contemplated hereby.

(C) Due Authorization and Execution. The District has been duly authorized to execute and deliver the Site Lease and this Lease-Purchase Agreement under the terms and provisions of a resolution of the Board of Trustees of the District, approving the form and authorizing the execution of the Site Lease and this Lease-Purchase Agreement.

(D) Enforceability of Agreements. The District represents, covenants, and warrants that the Site Lease and this Lease-Purchase Agreement have each been duly authorized, executed, and delivered and each constitutes the legal, valid, and binding obligations of the District, enforceable against the District in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally and by the application of equitable principles.

(E) No Violation of Law or Breach of Contract. The execution and delivery of the Site Lease and this Lease-Purchase Agreement and compliance with the provisions thereof and hereof will not (i) violate any applicable provision of statutory law or regulation, (ii) breach or otherwise violate any existing obligation of the District under any court order or administrative decree to which the District is subject, or (iii) breach, or result in a default under, any loan agreement, note, resolution, indenture, contract, agreement, or other instrument to which the District is a party or is otherwise subject or bound.

(F) No Adverse Litigation. No litigation is pending (service of process having been accomplished) before any court or administrative agency or, to the knowledge of the District, threatened against the District (i) regarding the Leased Property or the District's use of the Leased Property for the purposes contemplated by the Site Lease or the Lease-Purchase Agreement or (ii) that will materially adversely affect the ability of the District to perform its obligations under the Site Lease or the Lease-Purchase Agreement, including the District's ability to make Rental Payments. The District 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 Lease-Purchase Agreement, or the financial condition, assets, properties or operations of the District.

(G) No Defaults. At no time in the last ten (10) years has the District failed to appropriate funds for or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease-Purchase Agreement, or under any of its bonds, notes, or other debt obligations.

(H) Fee Title; Encumbrances. The District is the owner in fee of title to the Leased Property. No lien or encumbrance on the Leased Property materially impairs the District's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held. The Site Lease and this Lease-Purchase Agreement are the only leases that encumber the Leased Property.

(I) Use of the Leased Property. During the term of this Lease-Purchase Agreement, the Leased Property will be used by the District only for the purpose of performing one or more governmental or proprietary functions of the District consistent with the permissible scope of the District's authority.

(J) Essential Facilities. The Leased Property is essential to the fulfillment of the District's governmental purposes.

(K) Current Compliance. The District is in all material respects in compliance with all laws, regulations, ordinances, and orders of public authorities applicable to the Leased Property.

(L) Hazardous Substances. To the best of the District's knowledge, the Leased Property is free of all Hazardous Substances that would impair the District's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held or that will materially adversely affect the ability of the District to perform its obligations under the Site Lease and this Lease-Purchase Agreement.

(M) Flooding Risk. To the best of the District's knowledge, the Leased Property is not located in a "Special Flood Hazard Area" shown on a Flood Hazard Boundary Map or a Flood Insurance Rate Map used in connection with the National Flood Insurance Program.

(N) Value of Leased Property. The insured value of the Leased Property is at least \$8,300,000.

(O) Useful Life. The Leased Property consisting of Laurelwood Elementary School was constructed in 1964 and has a remaining useful life that extends to at least September 2, 2031.

(P) Financial Condition. The financial statements of the District for the year ended June 30, 2020, provided to the Assignee (i) were prepared in accordance with generally accepted accounting principles, consistently applied, and (ii) fairly present the District's financial condition as of the date of the statements. Changes in the District's financial condition subsequent to June 30, 2020 were reported in the District's 2020-21 unaudited actual financial report and the 2021-22 adopted budget.

(Q) Education Code Section 17150.1 Notification. By e-mail correspondence dated on or about September 27, 2021, which date was at least 30 days before the District approved the execution and delivery of this Lease-Purchase Agreement on October 28, 2021, the District notified the Santa Clara County Superintendent of Schools and the Santa Clara County Auditor-Controller. Attached to the notice were a preliminary repayment schedule for this Lease-Purchase Agreement, evidence of the ability of the District to repay this Lease-Purchase Agreement, and a preliminary summary of the related costs of issuance, which information was also provided to the members of the Board of Trustees of the District and the public.

(R) Interim Status. The District's certifications of its financial status pursuant to California Education Code Section 42131 for the prior Fiscal Year was positive.

(S) Budget. The obligations of the District under this Lease-Purchase Agreement, including without limitation the obligation to make Rental Payments, are obligations payable from legally available revenues of the District, including the District's general fund.

(T) Available Funds. The District has funds available for the payment of Rental Payments due during the current Fiscal Year and reasonably believes that sufficient funds can be obtained to make all Rental Payments and payments of other amounts required to be paid hereunder.

(U) Role of the Assignee. The District acknowledges that:

(1) the Assignee is acting solely as assignee of the Corporation's interests in the Lease-Purchase Agreement for its own loan account and not as a fiduciary for the District or in the capacity of broker, dealer, municipal securities underwriter, placement agent, or municipal advisor;

(2) the Assignee is not a registered municipal advisor as defined under the Dodd-Frank Wall Street Reform and Consumer Protection Act and its related rules and regulations;

(3) the Assignee has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the District (including to any municipal advisor or placement agent engaged by the District) with respect to the structuring of the financing or the execution and delivery of this Lease-Purchase Agreement;

(4) the Assignee has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934, as amended, to the District with respect to the transactions relating to the structuring of the financing or the execution and delivery of this Lease-Purchase Agreement and the discussions, undertakings, and procedures leading thereto;

(5) each of the District, its municipal advisor, and its placement agent has sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the lease financing transaction from its financial, legal, tax, and other advisors (and not the Assignee or its affiliates) to the extent that the District, its municipal advisor, or its placement agent desires to, should, or needs to obtain such advice;

(6) the Assignee has expressed no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including, but not limited to, the District's municipal advisor or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including, but not limited to, counsel to the District's municipal advisor or placement agent, with respect to any such matters; and

(7) the transactions between the District and the Assignee are arm's length, commercial transactions in which the Assignee is acting and has acted solely as a principal and for its own interest, and the Assignee has not made recommendations to the District with respect to the transactions relating to this Lease-Purchase Agreement.

### ARTICLE 3 LEASE OF LEASED PROPERTY

Section 3.1 Lease of Leased Property. The Corporation hereby demises and leases to the District, and the District hereby rents and hires from the Corporation, the Leased Property in accordance with the provisions of this Lease-Purchase Agreement, to have and to hold for the term of this Lease-Purchase Agreement, for and in consideration of the Rental Payments to be made by the District hereunder.

Section 3.2 No Merger of Estates. The leasing by the Corporation to the District of the Leased Property pursuant to this Lease-Purchase Agreement shall not effect or result in a merger of the District's leasehold estate pursuant hereto and its fee estate. The Corporation shall continue to have and hold a leasehold estate in the Leased Property pursuant to the Site Lease throughout the term thereof and the term of this Lease-Purchase Agreement. As to the Leased Property, this Lease-Purchase Agreement shall be deemed and constitute a sublease.

Section 3.3 Lease Term; Occupancy.

(A) Term. The term of this Lease-Purchase Agreement shall commence on the date of recordation of this Lease-Purchase Agreement (which is expected to be the Funding Date, as that term is defined herein), and shall end on September 1, 2031, unless such term is extended or sooner terminated as hereinafter provided. If on September 1, 2031, the obligation to make Rental Payments hereunder shall have been abated at any time and for any reason and not otherwise paid from rental abatement insurance or other sources, or the District shall have defaulted in its payment of Rental Payments hereunder or any Event of Default has occurred and continues without cure by the District, then the term of this Lease-Purchase Agreement shall be extended for the actual period of abatement or for so long as the default remains uncured, but not to exceed ten (10) years. When the aggregate amount of Rental Payments paid under this Lease-Purchase Agreement equals the total amount of Rental Payments originally scheduled herein, and the District has paid and performed in full all of its other obligations under this Lease-Purchase Agreement, the term of this Lease-Purchase Agreement shall end ten (10) days thereafter or ten (10) days after written notice by the District to the Corporation, whichever is earlier.

(B) Occupancy. The District will take possession of the Leased Property upon commencement of the term of this Lease-Purchase Agreement.

Section 3.4 Modifications to the Leased Property. Subject to Section 5.5 (Liens and Encumbrances) hereof, the District shall, at its own expense, have the right to remodel, make alterations or improvements to, or attach fixtures, solar equipment, structures, or signs to the Leased Property if the alterations, improvements, fixtures, solar equipment, structures, or signs are necessary or beneficial for the use of the Leased Property by the District, provided, however, that such actions by the District shall not materially adversely affect the value of the Leased Property.

Section 3.5 Title to the Leased Property. At all times during the term of this Lease-Purchase Agreement, the District will hold fee title to the Leased Property, subject to the Site Lease and Permitted Encumbrances. During the term of this Lease-Purchase Agreement, the Corporation does and shall hold a leasehold interest in the Leased Property pursuant to the Site Lease. Upon the termination or expiration of the term of this Lease-Purchase Agreement (other than under Section 7.2(A) (Remedies on Default – Termination of Lease) hereof) or upon payment in full of all Rental Payments, the Corporation's leasehold interest in the Leased Property will automatically terminate.

Section 3.6 Actions in the Event of Uninsured Casualty.

(A) Substitution of Property. If the Leased Property is damaged or destroyed owing to a risk (such as earthquake) against which the District is not insured and for which rental abatement insurance is not available, the District shall substitute under the Site Lease and this Lease-Purchase Agreement one or more parcels of real property owned by the District, to the extent available, (a) that are subject only to encumbrances that do not materially impair the ability of the District to perform its obligations under the Site Lease and this Lease-Purchase Agreement and (b) the insured value or market value of which is at least one hundred ten percent (110%) of the unpaid principal components of the Rental Payments. Any substitution of property under this Section 3.6(A) shall be made in accordance with the provisions of Section 3.7 (Substitution, Addition or Deletion).

(B) Refinancing. If the District is unable to substitute real property for the Leased Property in the amount required under subsection (A) above, the District may prepay principal components of the Rental Payments in accordance with Section 4.9 (Prepayment) of this Lease-Purchase Agreement, in an amount such that the insured value or market value of the undamaged Leased Property is at least one hundred ten percent (110%) of the remaining unpaid principal components of the Rental Payments, and that the Assignee has been provided reasonably satisfactory evidence of such insured or market value.

(C) Subordination. If the District is unable to implement subsection (A) above or does not exercise its option under subsection (B) above, the District and the Corporation hereby agree that the obligations evidenced by this Lease-Purchase Agreement shall be the senior encumbrance on the Leased Property and any future encumbrance, including without limitation, any lease, mortgage, deed of trust or security interest, shall be subordinate to this Lease-Purchase Agreement, and there shall be no payments during the term of this Lease-Purchase Agreement on the obligations evidenced or secured thereby until all of the scheduled Rental Payments set forth on Exhibit B hereto have been paid in full.

Section 3.7 Substitution, Addition or Deletion. The District may substitute alternate real property for any real property that constitutes the Leased Property, or add or delete real property that constitutes the Leased Property for purposes of the Site Lease and this Lease-Purchase Agreement, or alter the term of the Site Lease and this Lease-Purchase Agreement as to any portion of the property constituting the Leased Property with the prior written consent of the Assignee, which consent shall not be unreasonably withheld. Any substitution, addition, or deletion of real property hereunder shall occur only after the District shall have filed with the Assignee all of the following:

(A) Documents. Executed copies of the amended Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement containing the amended description of the Leased Property.

(B) Recording. A Statement of the District certifying that the amended Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement, or memoranda thereof, have been duly recorded in the official records of the County of Santa Clara.

(C) Value. Reasonably satisfactory evidence showing that the insured value or market value of the property that will constitute the Leased Property after such substitution, addition, deletion, or change of term will be at least equal to 110% of the outstanding principal component of Rental Payments.

(D) Fair Rental Value. A Statement of the District certifying that the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term has a fair rental value, for each Rental Period and in the aggregate, that is at least equal to the remaining Rental Payments for each Rental Period and in the aggregate.

(E) No Prior Liens. A Statement of the District certifying that the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term is not subject to any liens securing monetary obligations (other than Permitted Encumbrances),



unless such liens are subordinate to the interest of the Corporation created by this Lease-Purchase Agreement.

(F) Essential Leased Property; No Abatement. A Statement of the District certifying that the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term (i) is essential to the fulfillment of the District's governmental purposes and (ii) is not subject to an event giving rise to an abatement of Rental Payments under Section 4.6 (Abatement of Rental) hereof.

(G) No Effect on Occupancy; Useful Life. A Statement of the District certifying that such substitution, addition, deletion, or change of term does not adversely affect the District's use and occupancy of the Leased Property and that the Leased Property, as amended, has a useful life extending at least to the date of termination of this Lease-Purchase Agreement.

(H) Opinion of Counsel. An opinion of counsel, in form and substance satisfactory to the Assignee, stating that the amendments to the Site Lease, this Lease-Purchase Agreement, and the Assignment Agreement that implement the substitution, addition, deletion, or change of term (1) are authorized or permitted by and comply with the Constitution and laws of the State of California; and (2) upon execution and delivery will be valid, binding, and enforceable obligations of the District; and (3) does not cause, in and of itself, the interest components of the Rental Payments to be includible in gross income for federal income tax purposes and does not cause a reissuance for federal tax purposes.

(I) Insurance. Evidence of insurance consistent with the provisions of Article 6 (Insurance; Eminent Domain) herein, along with a policy of title insurance satisfying the requirements of Section 6.6 (Title Insurance) of this Lease-Purchase Agreement.

Upon the submission to the Assignee of the information set forth above following designation of the alternate property, the Assignee may initially request additional evidence or other such information from the District regarding the insurable value of the property that will constitute the Leased Property after the substitution, addition, deletion, or change of term, indicating that such value is in excess of the then unpaid principal component of the Rental Payments. The District shall promptly respond to any such reasonable request from the Assignee for additional information, documents, or instruments.

#### ARTICLE 4 RENTAL PAYMENTS

Section 4.1 Rental Payments. The District agrees to pay to the Corporation, its successor or assigns, as rental for the use of the Leased Property (subject to the provisions of Section 4.6 (Abatement of Rental) hereof) the following amounts, at the following times, in the manner hereinafter set forth:

(A) Amount and Timing. The District shall pay Rental Payments, comprising principal and interest components, in installments of the amounts and at the times set forth in the Schedule of Rental Payments attached as Exhibit B hereto. The interest components of the Rental Payments shall be paid by the District as and constitute interest paid on the principal components

of the Rental Payments. In addition, from and after the occurrence and continuance of an Event of Default, the interest component shall be at the Default Rate.

At least thirty (30) days prior to each Payment Date (unless otherwise agreed upon between the District and the Assignee), the Assignee, as assignee of the Corporation, shall deliver to the District an invoice stating the aggregate amount of interest and principal becoming due and payable on the Rental Payments on such Payment Date. The Assignee has agreed to send such invoice or similar notice solely as an accommodation to the District, and any failure of the Assignee to timely deliver such invoice or similar notice shall not affect the District's obligation to make Rental Payments and shall result in no liability of any kind to the Assignee. The invoice to the District shall, unless otherwise directed in the future by the District, be mailed to:

Santa Clara Unified School District  
Attention: Accounts Payable  
1889 Lawrence Road  
Santa Clara, CA 95051

(B) Extension of Lease Term. If the term of this Lease-Purchase Agreement shall have been extended pursuant to Section 3.3 (Lease Term; Occupancy) hereof because of an abatement of rental pursuant to Section 4.6 (Abatement of Rental) hereof, Rental Payments shall continue to be due as described herein. The interest portion of Rental Payment installments shall continue to be payable in installments on March 1 and September 1 in each year, and the principal portion of Rental Payment installments shall continue to be payable on September 1 in each year, continuing to and including the date of termination of this Lease-Purchase Agreement. Upon such extension of this Lease-Purchase Agreement, the principal and interest components of the Rental Payments shall be established so that the principal components will, in the aggregate, be sufficient to pay all unpaid principal components and the interest components will be sufficient to pay all unpaid interest components plus interest on the extended principal components at the Effective Interest Rate, computed on the basis of a 360-day year composed of twelve 30-day months.

(C) Rental Period. Each payment of Rental Payments shall be for the use of the Leased Property for the six-month period ending on the Payment Date.

(D) Medium and Place of Payment. Each installment of rental payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Assignee, as assignee of the Corporation.

(E) Rate on Overdue Rental Payments. Any Rental Payment installment that is not paid when due shall bear interest at the rate that is the lesser of five percent (5%) or the maximum lawful rate, from the date the installment was due hereunder until the same shall be paid.

Section 4.2 Allocation of Rental Payments. All Rental Payments received shall be applied first to the interest components of the Rental Payments due hereunder, then to the principal components of the Rental Payments due hereunder, but no such application of any payments that are less than the total amount of Rental Payments due and owing shall be deemed a waiver of any default hereunder.

Section 4.3 No Offsets. Notwithstanding any dispute between the Corporation and the District, the District shall make all Rental Payments when due without deduction or offset of any kind and shall not withhold any Rental Payments pending the final resolution of such dispute. If it is determined that the District was not liable for the Rental Payments or any portion thereof, the payments or excess payments, as the case may be, shall, at the option of the District, be credited against subsequent Rental Payments due hereunder or be refunded at the time of such determination.

Section 4.4 Net Lease. This Lease-Purchase Agreement shall be deemed and construed to be a “net-net-net lease” and the District hereby agrees that the Rental Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges, or setoffs whatsoever.

Section 4.5 Covenant to Budget and Appropriate. The District covenants and agrees to take such action as may be necessary to include all Rental Payments due hereunder in its annual budgets and to make the necessary annual appropriations for all such Rental Payments out of legally available revenues of the District. Annually within thirty (30) days of the adoption of the budget, the District will furnish to the Assignee a Certificate of the District certifying that such budget contains the necessary appropriation for all Rental Payments along with a copy of such budget.

The agreements and covenants on the part of the District herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the agreements and covenants in this Lease-Purchase Agreement agreed to be carried out and performed by the District.

Section 4.6 Abatement of Rental. Rental Payments shall be abated proportionately during any period in which, by reason of damage to, destruction of, taking under the power of eminent domain (or sale to any entity threatening the use of such power) of, or title defect with respect to any portion of the Leased Property, there is substantial interference with the use and possession of the Leased Property or a portion thereof. The amount of abatement shall be such that the resulting Rental Payments represent fair consideration for the use and possession of the portion of the Leased Property not so interfered with. Such abatement shall commence with the date of such interference and shall end only with cure thereof.

Section 4.7 No Termination Upon Damage or Destruction. The District waives the benefits of Civil Code Sections 1932, subd. 1 and subd. 2, and 1933, subd. 4, and any and all other rights to terminate this Lease-Purchase Agreement by virtue of any damage to or destruction of the Leased Property.

Section 4.8 Contributions/Advances. Nothing contained in this Lease-Purchase Agreement shall prevent the District from making contributions or advances to the Corporation from time to time for any purpose now or hereafter authorized by law, including the making of repairs to, or the restoration of, the Leased Property in the event of damage to or the destruction of the Leased Property.

Section 4.9 Prepayment. The District may prepay its obligations hereunder in whole or in part, on or after September 1, 2025 by paying to the Assignee a prepayment price computed upon the principal components of the Rental Payments to be prepaid, plus interest thereon from the last Payment Date to the date fixed for prepayment at the Effective Interest Rate, computed on the basis of a 360-day year composed of twelve 30-day months, plus the amount of any interest components of the Rental Payments then in default or that were abated and that have not been otherwise paid from rental abatement insurance or other sources or paid during an extension of the Lease Term.

The District shall, at least thirty (30) days prior to such prepayment, notify the Assignee in writing of its intention to prepay its obligations hereunder (unless the Assignee shall agree to a shorter notice period). The District agrees that, if, following such prepayment, the Leased Property is damaged or destroyed or taken by eminent domain, it is not entitled to, and by such prepayment waives the right of, abatement of such prepaid Rental Payments and shall not be entitled to any reimbursement of such Rental Payments. Upon such prepayment, and satisfaction of all other obligations of the District hereunder, the term of this Lease-Purchase Agreement shall terminate.

## ARTICLE 5 COVENANTS AND RESTRICTIONS

Section 5.1 Quiet Enjoyment. The Corporation hereby covenants to provide the District during the term of this Lease-Purchase Agreement with quiet use and enjoyment of the Leased Property, and the District shall during the term of this Lease-Purchase Agreement peaceably and quietly have, hold, and enjoy the Leased Property without suit, trouble, or hindrance from the Corporation, so long as the District observes and performs its covenants and agreements and is not in default hereunder.

Section 5.2 Right of Entry. Upon reasonable notice and in accordance with District policies (including policies regarding entry into school sites), the Corporation and its assignees shall have the right (but not the duty) to enter the Leased Property during reasonable business hours (and in emergencies at all times) (a) to inspect the same, (b) for any purpose connected with the Corporation's or the District's rights or obligations under this Lease-Purchase Agreement, and (c) for all other lawful purposes.

Section 5.3 Maintenance of the Leased Property by District. The District agrees that, at all times during the term of this Lease-Purchase Agreement, the District will, at the District's own cost and expense, maintain, preserve, and keep the Leased Property and every portion thereof in good repair, working order, and condition and that the District will from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals.

Section 5.4 Taxes and Other Governmental Charges; Utility Charges; Contest of Charges.

(A) Taxes and Other Governmental Charges on the Leased Property. The parties to this Lease-Purchase Agreement contemplate that the Leased Property will be used for governmental purposes of the District and, therefore, that the Leased Property will be exempt from all taxes presently assessed and levied with respect to property. In the event that the use, possession, or acquisition by the District, the Corporation, or the Assignee of the Leased Property,

or the assignment of the Corporation's interests therein to the Assignee, is found to be subject to taxation in any form, the District will pay during the term of this Lease-Purchase Agreement, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property, and any equipment or other property acquired by the District in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Leased Property; provided that, with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the District shall be obligated to pay only such installments as are accrued during such time as this Lease-Purchase Agreement is in effect.

(B) Utility Charges. The District shall pay or cause to be paid all gas, water, steam, electricity, heat, power, air conditioning, telephone, utility, and other charges incurred in the operation, maintenance, use, occupancy, and upkeep of the Leased Property.

(C) Contest of Charges. The District may, at the District's expense and in its name, in good faith contest any such taxes, assessments, or 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 Assignee shall notify the District that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Assignee 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 District shall promptly pay such taxes, assessments, or charges or provide the Assignee with full security against any loss that may result from nonpayment, in form satisfactory to the Assignee.

#### Section 5.5 Liens and Encumbrances.

(A) Liens. If the District shall at any time during the term of this Lease-Purchase Agreement cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Leased Property, the District shall pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies, or equipment furnished or alleged to have been furnished to or for the District in, upon or about the Leased Property and shall keep the Leased Property free of any and all mechanics' or materialmen's liens or other liens against the Leased Property or the Corporation's interest therein. In the event any such lien attaches to or is filed against the Leased Property or the Corporation's or the Assignee's interest therein, the District shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due, except that if the District desires to contest any such lien it may do so in good faith. If any such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and the stay thereafter expires, the District shall forthwith pay (or cause to be paid) and discharge such judgment. The District agrees to and shall, to the maximum extent permitted by law, indemnify and hold the Corporation, the Assignee, their directors, agents, successors and assigns, harmless from and against, and defend each of them against, any claim, demand, loss, damage, liability or expense (including reasonable attorney's fees) as a result of any such lien or claim of lien against the Leased Property or the Corporation's or the Assignee's interest therein.

(B) Encumbrances. Except as provided in this Article 5 and except for the Permitted Encumbrances, the District shall not, directly or indirectly, create, incur, assume or

suffer to exist any pledge, lien, charge, encumbrance, or claim on or with respect to the Leased Property that materially impairs the District's use of the Leased Property for the purposes for which it is, or may reasonably be expected to be, held (referred to herein as an "encumbrance"), or that materially adversely affects the value of the Leased Property. Except as expressly provided in this Article 5 and except for the Permitted Encumbrances, the District shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such encumbrance for which it is responsible, if the same shall arise at any time; provided that the District may in good faith contest any such encumbrance, if it provides security to the Assignee against any loss or forfeiture. The District shall reimburse the Assignee for any expense incurred by it in order to discharge or remove any such encumbrance. If the District is unable to discharge or remove any such encumbrance, the District shall substitute under the Site Lease and this Lease-Purchase Agreement one or more parcels of real property owned by the District, to the extent available, (a) that are subject only to encumbrances that do not materially impair the ability of the District to perform its obligations under the Site Lease and this Lease-Purchase Agreement and (b) the insured value or market value of which is at least one hundred ten percent (110%) of the unpaid principal components of the Rental Payments. Any substitution of property under this Section 5.5(B) shall be made in accordance with the provisions of Section 3.7 (Substitution, Addition or Deletion).

#### Section 5.6 Environmental Covenants.

(A) Compliance with Laws; No Hazardous Substances. The District will comply with all Applicable Environmental Laws with respect to the Leased Property and will not use, store, generate, treat, transport, or dispose of any Hazardous Substance thereon or in a manner that would cause any Hazardous Substance to later flow, migrate, leak, leach, or otherwise come to rest on or in the Leased Property. The District shall indemnify and hold the Corporation, and the Assignee harmless from any liabilities, damages, or expenses incurred in connection with a violation by the District of this Section 5.6(A).

(B) Remediation. The District shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal, and other actions necessary to clean up and remove all Hazardous Substances on, from, or affecting the Leased Property, in accordance with all Applicable Environmental Laws and (b) in accordance with the orders and directives of all Federal, State and local governmental authorities.

(C) Notification of the Assignee. The District will transmit copies of all notices, orders, or statements received from any governmental entity concerning violations or asserted violations of Applicable Environmental Laws with respect to the Leased Property and any operations conducted thereon or any conditions existing thereon to the Assignee, and the District will notify the Assignee in writing immediately of any release, discharge, spill, or deposit of any Hazardous Substance that has occurred or is occurring that in any way affects or threatens to affect the Leased Property, or the people, structures, or other property thereon, provided that no such notification shall create any liability or obligation on the part of the Assignee.

(D) Access for Inspection. The District will permit the Assignee, its agents, or any experts designated by the Assignee to have full access to the Leased Property during reasonable business hours for purposes of such independent investigation of compliance with all

Applicable Environmental Laws, provided that the Assignee has no obligation to do so, or any liability for any failure to do so, or any liability should it do so.

Section 5.7 Assignment and Subleasing by District. Neither this Lease-Purchase Agreement nor any interest of the District hereunder shall be pledged, assigned, sublet, or transferred by the District by voluntary act or by operation of law or otherwise, except with the prior written consent of the Assignee, which, in the case of subletting, shall not be unreasonably withheld. No such pledge, assignment, sublease, or transfer shall in any event affect or reduce the obligation of the District to make the Rental Payments required hereunder.

Notwithstanding the foregoing, the District may allow occasional use of the Leased Property by civic groups pursuant to the provisions of the Civic Center Act (California Education Code sections 38130 and following), or other applicable laws, and by State and local agencies for their governmental purposes pursuant to joint use agreements and similar arrangements.

Section 5.8 District Consent to Assignments. The Corporation's rights under the Site Lease and this Lease-Purchase Agreement, including the right to receive and enforce payment of the Rental Payments, are being assigned to the Assignee pursuant to the Assignment Agreement. The District hereby consents to such assignment and to any additional assignment of such rights by the Assignee or its assignees. The District agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, that may be reasonably requested by the Assignee or its assignees to protect their interests in the Leased Property and in this Lease-Purchase Agreement.

The Assignee, as assignee of the Corporation pursuant to the Assignment Agreement, reserves the right – without the consent of (but with written notice to) the District – to assign, sell or otherwise transfer this Lease-Purchase Agreement to a Qualified Assignee. “Qualified Assignee” means (a) any “qualified institutional buyer” as defined in Rule 144A promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, or an “accredited investor” as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, and in either case, if the assignee or transferee is purchasing the Lease-Purchase Agreement (or any interest therein) for its own account with no present intention to resell or distribute Lease-Purchase Agreement (or interest therein), subject to each investor's right at any time to dispose of the Lease-Purchase Agreement (or any interest therein) as it determines to be in its best interests, and so long as such assignment, sale or other transfer does not result in more than 35 owners of the Lease-Purchase Agreement or the creation of any interest in the Lease-Purchase Agreement in an aggregate principal component that is less than \$100,000, or (b) any affiliate of the Assignee. Upon any assignment or transfer of this Lease-Purchase Agreement, the District agrees to execute such instrument of transfer as may be reasonably requested by the Assignee, including but not limited to acknowledgement of an assignment or other evidence of transfer of this Lease-Purchase Agreement. The District shall keep, or cause to be kept, a complete and accurate record of all assignments in form necessary to comply with Section 149(a) of the Code. For this purpose, the District shall act as its Registration Agent. Upon any assignment or transfer of this Lease-Purchase Agreement, the District agrees to execute such instrument of transfer as may be reasonably required by the Assignee, including but not limited to an endorsement or other evidence of transfer to this Lease-Purchase Agreement. Following any such assignment, transfer or conveyance by the Assignee to the assignee or the Loan Servicer (as hereafter provided), if the Assignee receives any notices or disclosures from the

District under this Lease-Purchase Agreement, the Site Lease, or the Assignment Agreement, or as otherwise related to the Leased Property, the Assignee shall deliver the same to the assignee or the Loan Servicer in the form received. Nothing herein shall limit the right of the Assignee or its assignees to sell or assign participation interests in this Lease-Purchase Agreement to one or more entities listed in (a) or (b), provided that any participation, custodial or similar agreement under which multiple ownership interests in this Lease-Purchase Agreement are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the "Loan Servicer") to act on their behalf with respect to the rights and interests of the Assignee under this Lease-Purchase Agreement, including with respect to the exercise of rights and remedies of the Assignee on behalf of such owners upon the occurrence of an event of default under this Lease-Purchase Agreement.

Section 5.9 Corporation's Disclaimer of Warranties. THE CORPORATION MAKES NO AGREEMENT, WARRANTY, OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, HABITABILITY, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR FITNESS FOR USE OF THE LEASED PROPERTY, OR WARRANTY WITH RESPECT THERETO. THE DISTRICT ACKNOWLEDGES THAT THE CORPORATION HAS NOT CONSTRUCTED THE LEASED PROPERTY AND IS NOT A REAL ESTATE BROKER, THAT THE DISTRICT LEASES THE LEASED PROPERTY AS-IS, ITS BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE DISTRICT. In no event shall the Corporation, or the Assignee be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Lease-Purchase Agreement or the existence, furnishing, functioning, or the District's use of the Leased Property or any item or products or services provided for in this Lease-Purchase Agreement.

Section 5.10 Corporation and Assignee Not Liable; Indemnification of the Corporation, and the Assignee. The Corporation and the Assignee and their directors, officers, agents, and employees shall not be liable to the District or to any other party whomsoever for any death, injury, or damage that may result to any person or property by or from any cause whatsoever in, on or about the Leased Property.

The District shall to the full extent permitted by law then in effect, indemnify, protect, hold harmless, save, and keep harmless the Corporation and its assignees (including the Assignee) and their directors, officers, and employees from and against any and all liability, obligations, losses, claims, and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, reasonable counsel fees and expenses, penalties and interest arising out of or as the result of (i) the District's performance of any of its obligations under this Lease-Purchase Agreement or any other agreement entered into in connection herewith or therewith, (ii) the District's maintenance of the Leased Property, (iii) the design or ownership of the Leased Property, (iv) the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage, or return of any part of the Leased Property, or (v) any accident in connection with the operation, use, condition, possession, storage, or return of any item of the Leased Property resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the District, the Corporation, or the Assignee; any claim for patent, trademark, or copyright infringement; and any



claim arising out of strict liability in tort. The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease-Purchase Agreement or the termination of the term of this Lease-Purchase Agreement for any reason. The District and the Corporation, mutually agree to promptly give notice to each other and to the Assignee of any claim or liability hereby indemnified against following either's learning thereof.

No indemnification is made under this Section or elsewhere in this Lease-Purchase Agreement for claims, losses or damages, including legal fees and expenses arising out of the willful misconduct or negligence under this Lease-Purchase Agreement by the Corporation or the Assignee, their respective directors, officers, agents, employees, successors or assigns.

Section 5.11 Federal Income Tax Covenants. The District shall at all times do and perform all acts and things permitted by law and this Lease-Purchase Agreement that are necessary and desirable in order to assure that the interest component of the Rental Payments will be excludable from gross income for federal income tax purposes and shall take no action that would result in such interest not being so excludable. Without limiting the generality of the foregoing, the District agrees to comply with the provisions of the Tax Certificate. This covenant shall survive the payment in full of the District's obligations hereunder.

If the Assignee either (i) receives notice, in any form, from the Internal Revenue Service; or (ii) reasonably determines, based on an opinion of independent tax counsel selected by the Assignee and approved by the District, which approval the District shall not unreasonably withhold or delay, that the Assignee may not exclude any interest component of any Rental Payment (whether paid or payable) from federal gross income, then the District shall pay to the Assignee, within thirty (30) days after the Assignee notifies the District of such determination, the amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the interest component of all Rental Payments due through the date of such event) that are imposed on Rental Payments as a result of the loss of the exclusion, will restore the Assignee to the same after tax yield on the transaction evidenced by this Lease-Purchase Agreement (assuming tax at the highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, the District agrees that upon the occurrence of such an event, the Effective Interest Rate shall thereafter equal the Taxable Rate.

Section 5.12 Further Assurances. The District, the Corporation, and the Assignee agree that they will, 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 be necessary or proper to carry out the intention or to facilitate the performance of this Lease-Purchase Agreement.

Section 5.13 Financial Statements. During the term of this Lease-Purchase Agreement, the District shall furnish or cause to be furnished to the Assignee, at the District's expense, (i) the audited financial statements of the District within two hundred seventy (270) days after the end of the Fiscal Year, or as soon as practicable thereafter, (ii) the adopted annual budget within thirty (30) days of adoption, and (iii) any other information that may be reasonably requested by the Assignee as soon as available. Any audited financial statements furnished to the Assignee shall be

prepared in accordance with generally accepted accounting principles, consistently applied, and shall fairly present the District's financial condition as of the date of the statement.

Section 5.14 Restrictions on the Financing. This lease-purchase financing will not be registered with the Depository Trust Company and will not be assigned a CUSIP or a rating.

No disclosure document or purchase contract has been prepared, posted, filed, or entered into in connection with this lease-purchase financing.

Section 5.15 Release and Indemnification Covenants. The District hereby indemnifies the Corporation, the Assignee and their respective officers, agents, successors and assigns against all claims, losses and damages, including legal fees and expenses, arising out of (a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property by the District, (b) any breach or default on the part of the District in the performance of any of its obligations under this Lease-Purchase Agreement, (c) any negligence or willful misconduct of the District 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 District with respect to the Leased Property, (e) the acquisition, construction, improvement and equipping of the Leased Property, or (f) the clean-up of any hazardous materials or toxic wastes from the Leased Property, or the authorization of payment of the costs thereof. No indemnification is made under this Section or elsewhere in this Lease-Purchase Agreement for willful misconduct or gross negligence under this Lease-Purchase Agreement by the Corporation, the Assignee, or their respective officers, agents, employees, successors or assigns.

## ARTICLE 6 INSURANCE; EMINENT DOMAIN

Section 6.1 Insurance Coverage. At its own expense, the District shall maintain (i) "all risk" property insurance (which may exclude the risk of earthquake and may exclude the risk of flood, unless the Leased Property is mapped into a flood hazard zone) insuring the Leased Property against loss or damage, which insurance shall be provided by an insurer rated no less than "A" by A.M. Best, or as otherwise approved by the Assignee, in an amount equal to 100% of the replacement cost without deduction for depreciation; (ii) liability insurance that protects the Assignee from liability in all events in a reasonable amount satisfactory to the Assignee; (iii) rental abatement insurance in an amount equal to at least the maximum Rental Payments coming due and payable during any future 24-month period; and (iv) workers' compensation insurance covering all employees working on, in, near or about the Leased Property.

In the future, if the Leased Property is mapped into a flood hazard zone, at its own expense, the District shall also maintain insurance insuring the Leased Property against loss or damage by flood as required by law.

Section 6.2 Alternative Risk Management. The District may provide the insurance required by Section 6.1 (Insurance Coverage) through (1) a self-insurance method or plan of protection, (2) a program involving captive insurance companies, (3) participation in state or federal insurance programs, (4) participation with other public agencies in mutual or other cooperative insurance or other risk management programs, including those made available through joint exercise of powers agencies, or (5) establishment or participation in other alternative risk

management programs; provided that the District may not self-insure against the risk of rental abatement. The District may not increase any of its self-insurance retention amounts with respect to the insurance required by Section 6.1 (Insurance Coverage) without the Assignee's prior written consent.

Section 6.3 General Provisions. All such insurance shall be with insurers that are authorized to issue such insurance in the State of California, (other than the workers' compensation insurance) shall name the Assignee as an additional insured, and shall contain a provision to the effect that such insurance shall not be cancelled or modified materially and adversely to the interest of the Assignee without first giving written notice thereof to the Assignee in accordance with the policy terms or memorandum of coverage. The District shall not agree to such changes becoming effective without the Assignee's prior consent, which consent shall not be unreasonably withheld. The District shall, at the Assignee's request, furnish to the Assignee certificates evidencing such coverage.

The "all risk" insurance shall contain a provision making any losses payable to the Assignee and the District as their respective interests may appear. All insurance proceeds from rental abatement insurance shall be paid to the Assignee or its assigns and shall be credited toward the payment of Rental Payments in the order in which the Rental Payments come due and payable.

Section 6.4 Advances. In the event the District shall fail to maintain the full insurance coverage required by this Lease-Purchase Agreement or shall fail to keep the Leased Property in good repair and operating condition, the Assignee may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and the District agrees to reimburse the Assignee all amounts so advanced within thirty (30) days of a written request therefor.

Section 6.5 Damage, Destruction, and Condemnation. If (a) the Leased Property or any portion thereof is damaged or destroyed, in whole or in part, or (b) title to, or the temporary use of, the Leased Property or any part thereof is taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, the District, the Corporation, and the Assignee shall cause the Net Proceeds or proceeds from a sale under threat of condemnation to be applied to the prompt repair, reconstruction, or replacement of the Leased Property, unless the District has exercised its right to prepay this Lease-Purchase Agreement (if any) as provided herein. Any balance of the proceeds not required for such repair, reconstruction, or replacement shall be paid to the District.

Section 6.6 Title Insurance. On or prior to the Funding Date, the District shall, at its sole expense, cause to be provided to the Corporation and the Assignee an owner's policy of title insurance, insuring the Corporation's and the Assignee's respective interests under the Site Lease, Lease-Purchase Agreement, and the Assignment Agreement, in an amount equal to the initial aggregate principal portion of Rental Payments set forth on Exhibit B, on the standard CLTA forms, subject only to such exceptions as shall be acceptable to the Assignee, with such endorsements and affirmative coverages as may be reasonably required by the Assignee, including endorsements respecting access to public roads, and otherwise in form and substance reasonably satisfactory to the Assignee, and issued by a company reasonably acceptable to the Assignee.

ARTICLE 7  
DEFAULT AND REMEDIES

Section 7.1 Events of Default. The following events shall be Events of Default:

(A) Payment Default. Failure of the District to pay any Rental Payments payable hereunder when the same become due and payable, time being expressly declared to be of the essence of this Lease-Purchase Agreement;

(B) Breach of Covenant. Failure of the District to keep, observe, or perform any other term, covenant or condition contained herein (other than as described in Section 7.1(C) below) to be kept or performed by the District for a period of thirty (30) days after notice of the same has been given to the District by the Assignee; provided that the Assignee shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected, except that such grace period shall not exceed thirty (30) days without the prior written consent of the Assignee;

(C) Transfer of District's Interest. Assignment or transfer of the District's interest in this Lease-Purchase Agreement or any part hereof without the written consent of the Assignee, either voluntarily or by operation of law or otherwise;

(D) Bankruptcy or Insolvency. Institution of any proceeding under the United States Bankruptcy Code or any federal or state bankruptcy, insolvency, reorganization, moratorium, or similar law or any law providing for the appointment of a receiver, liquidator, trustee, custodian, or similar official of the District or of all or substantially all of its assets, by or with the consent of the District, or institution of any such proceeding without its consent that is not permanently stayed or dismissed within sixty (60) days, or agreement by the District with the District's creditors to effect a composition or extension of time to pay the District's debts, or request by the District for a reorganization or to effect a plan of reorganization, or for a readjustment of the District's debts, or a general or any assignment by the District for the benefit of the District's creditors;

(E) Abandonment of the Leased Property. Abandonment by the District of any part of the Leased Property.

Section 7.2 Remedies on Default. Upon the occurrence and during the continuance of an Event of Default, it shall be lawful for the Corporation to exercise any and all remedies available pursuant to law or the following remedies granted pursuant to this Lease-Purchase Agreement:

(A) Termination of Lease.

(1) Notice of Termination; Re-Entry. By written notice to the District, to terminate this Lease-Purchase Agreement and to re-enter the Leased Property and remove all persons in possession thereof and all personal property whatsoever situated upon the Leased Property and place such personal property in storage in any warehouse or other suitable place in the County of Santa Clara. In the event of such termination, the District agrees to surrender immediately possession of the Leased Property, without let or hindrance, and to pay the

Corporation all damages recoverable at law that the Corporation may incur by reason of default by the District, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Leased Property and removal or storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained.

(2) No Termination Except by Notice. Neither (a) notice to pay rent or to deliver up possession of the Leased Property given pursuant to law, nor (b) any entry or re-entry by the Corporation, nor (c) any proceeding brought by the Corporation to recover possession of the Leased Property, nor (d) the appointment of a receiver upon initiative of the Corporation to protect the Corporation's interests under this Lease-Purchase Agreement shall of itself operate to terminate this Lease-Purchase Agreement. No termination of this Lease-Purchase Agreement on account of default by the District shall be or become effective by operation of law or acts of the parties hereto, unless and until the Corporation shall have given written notice to the District of the election on the part of the Corporation to terminate this Lease-Purchase Agreement. The District covenants and agrees that no surrender of the Leased Property or of the remainder of the term hereof or any termination of this Lease-Purchase Agreement shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

(3) Default Rate. Upon the occurrence of an Event of Default, the interest component of the Rental Payments shall bear interest at the Default Rate, until such Event of Default has been cured.

(B) Continuation of Lease; Reletting.

(1) Continuation Remedies. Without terminating this Lease-Purchase Agreement, (a) to collect each Rental Payment as it becomes due and enforce any other term or provision hereof to be kept or performed by the District, regardless of whether or not the District has abandoned the Leased Property, and/or (b) to enter, retake possession of, and re-let the Leased Property. The term "re-let" or "re-letting" as used in this Article shall include, but not be limited to, re-letting by means of the operation by the Corporation of the Leased Property.

(2) District to Remain Liable If the Corporation does not elect to terminate this Lease-Purchase Agreement in the manner provided for in subsection (A) hereof, the District shall remain liable and agrees to keep or perform all covenants and conditions herein contained to be kept or performed by the District. If the Leased Property is not re-let, the District agrees to pay the full amount of the Rental Payments to the end of the term of this Lease-Purchase Agreement; if the Leased Property is re-let, the District agrees to pay any deficiency in rent that results therefrom. The District further agrees to pay the rent punctually at the same time and in the same manner as for the payment of Rental Payments hereunder (without acceleration), notwithstanding the fact that the Corporation may have received in previous years or may receive thereafter in subsequent years rental in excess of the Rental Payments herein specified and notwithstanding any entry or re-entry by the Corporation or proceeding brought by the Corporation to recover possession of the Leased Property.

(3) Agency. Should the Corporation elect to enter or re-enter the Leased Property as herein provided, the District hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the District to re-let the Leased Property, or any item or part thereof, from

time to time, either in the Corporation's name or otherwise, upon such terms and conditions and for such use and period as the Corporation may deem advisable. The District further appoints the Corporation as its agent to remove all Persons in possession of the Leased Property and all personal property whatsoever situated upon the Leased Property and to place such personal property in storage in any warehouse or other suitable place in the County of Santa Clara, for the account of and at the expense of the District. The District hereby exempts and agrees to save harmless the Corporation from any costs, loss, or damage whatsoever arising out of, in connection with, or incident to any such retaking of possession and re-letting of the Leased Property and removal and storage of such property by the Corporation or its duly authorized agents in accordance herewith.

(4) Adequate Notice. The District agrees that the terms of this Lease-Purchase Agreement constitute full and sufficient notice of the right of the Corporation to re-let the Leased Property and to do all other acts to maintain or preserve the Leased Property as the Corporation deems necessary or desirable in the event of such retaking or re-entry without effecting a surrender of this Lease-Purchase Agreement, and further agrees that no acts of the Corporation in attempting such re-letting shall constitute a surrender or termination of this Lease-Purchase Agreement, irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on the contrary, in the event of such default by the District the right to terminate this Lease-Purchase Agreement shall vest in the Corporation to be effected in the sole and exclusive manner provided for in subsection (A) hereof.

(5) Waiver of Right to Excess Rent; Agreement to Pay Costs. The District further waives the right to rental obtained by the Corporation in excess of the Rental Payments herein specified and hereby conveys and releases such excess to the Corporation as compensation to the Corporation for its services in re-letting the Leased Property or any items or part thereof. The District further agrees to pay the Corporation the cost of any alterations or repairs or additions to the Leased Property or any items or part thereof necessary to place the Leased Property or any items or part thereof in condition for re-letting immediately upon notice to the District of the completion and installation of such additions or repairs or alterations.

The District hereby waives any and all claims for damages caused or that may be caused by the Corporation in entering or re-entering and taking possession of the Leased Property as herein provided and all claims for damages that may result from the destruction of or injury to the Leased Property and all claims for damages to or loss of any property belonging to the District, or any other person, that may be in or upon the Leased Property.

(C) Remedies under the Site Lease. If an Event of Default occurs and continues hereunder, the Corporation may exercise its rights under the Site Lease.

(D) Such rights and remedies as are given to the Corporation under this Article 7 have been assigned by the Corporation to the Assignee, to which assignment the District hereby consents. Such rights and remedies shall be exercised solely by the Assignee.

Section 7.3 No Acceleration. Notwithstanding anything herein to the contrary, there shall be no right under any circumstance to accelerate the Rental Payments or otherwise declare any Rental Payments not yet due to be immediately due and payable.

Section 7.4 No Remedy Exclusive. Each and all of the remedies given to the Corporation hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Corporation to any or all other remedies. If any statute or rule of law validly shall limit the remedies given to the Corporation hereunder, the Corporation nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

Section 7.5 Corporation Defaults; District Remedies.

(A) Corporation Defaults. The Corporation shall in no event be in default in the performance of any of its obligations hereunder or imposed by any statute or rule of law unless and until the Corporation shall have failed to perform such obligation within thirty (30) days or such additional time as is reasonably required to correct any such default after notice by the District to the Corporation properly specifying wherein the corporation has failed to perform such obligation.

(B) District Remedies. The Corporation's failure to perform any of its obligations hereunder shall not be an event permitting the nonpayment of Rental Payments by the District. The parties hereto agree that the performance of the Corporation is unique, that the remedies at law for the Corporation's nonperformance would be inadequate, and that the District shall institute a suit for specific performance by the Corporation upon any default by the Corporation.

Section 7.6 Attorneys' Fees. Upon the occurrence of an Event of Default, the District agrees to pay all costs of collection, including without limitation reasonable attorneys' fees incurred by the Corporation and the Assignee in attempting to enforce any of the remedies available to the Corporation and the Assignee hereunder, whether or not a lawsuit has been filed and whether or not any lawsuit culminates in a judgment. Any such costs shall be due and payable upon written notice and demand given to the District. If suit or action is instituted to enforce any of the terms of this Lease-Purchase Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

Section 7.7 No Additional Waiver. Failure of the Corporation to take advantage of any default on the part of the District shall not be, or be construed as, a waiver thereof, nor shall any custom or practice that may grow up between the parties in the course of administering this Lease-Purchase Agreement be construed to waive or to lessen the right of the Corporation to insist upon performance by the District of any term, covenant or condition hereof, or to exercise any rights given the Corporation on account of such default. A waiver of a particular default shall not be deemed to be a waiver of the same or any subsequent default. The acceptance of rent hereunder shall not be, nor be construed to be, a waiver of any term, covenant or condition of this Lease-Purchase Agreement.

Section 7.8 Application of Amounts Collected. All amounts collected by the Corporation under this Article shall be credited towards the Rental Payments in order of Payment Dates.

IN WITNESS WHEREOF, the Corporation and the District have caused this Lease-Purchase Agreement to be executed by their respective officers thereunto duly authorized.

**SANTA CLARA TEACHER HOUSING  
FOUNDATION, Lessor**

By: \_\_\_\_\_  
Mark Schiel,  
Chief Financial Officer

**SANTA CLARA UNIFIED SCHOOL  
DISTRICT, Lessee**

By: \_\_\_\_\_  
Stella M. Kemp, Ed.D.,  
Superintendent



*[Insert CA Notary Acknowledgement]*

*[Insert CA Notary Acknowledgement]*

**EXHIBIT A**  
**DESCRIPTION OF LEASED PROPERTY**

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

PARCEL ONE:

BEGINNING AT AN ANGLE POINT IN THE EASTERLY BOUNDARY OF TRACT NO. 1829, LA LINDA MEADOWS UNIT NO. 1, AT THE MOST EASTERLY TERMINUS OF KERRY AVENUE AS SHOWN ON THE MAP OF SAID TRACT NO. 1829 WHICH MAP WAS FILED FOR RECORD IN [BOOK 76 OF MAPS AT PAGES 10 AND 11](#), SAID ANGLE CORNER BEING ALSO THE NORTH-WESTERLY CORNER OF THE LANDS NON OR FORMERLY OF NICK STEPOVICH, ET UX; THENCE FROM SAID POINT OF BEGINNING ALONG THE COMMON LINE BETWEEN THE LANDS OF BUTCHER AND STEPOVICH, SOUTH 88° 31' EAST 385.22 FEET TO THE SOUTHWEST CORNER OF THAT CERTAIN THREE ACRE TRACT OF LAND DESCRIBED IN THE DEED FROM A.C. BUTCHER, ET UX, TO MASA KISHMOTO, ET UX, DATED FEBRUARY 20, 1950 AND RECORDED MARCH 16, 1950 IN [BOOK 1945 OF OFFICIAL RECORDS AT PAGE 371](#), SANTA CLARA COUNTY RECORDS; THENCE ALONG THE WESTERLY LINE OF SAID THREE ACRE TRACT, NORTH 0° 16' 20" WEST, 574.90 FEET, TO THE NORTHWEST CORNER THEREOF; THENCE ALONG THE NORTHERLY LINE OF SAID THREE ACRE TRACT, SOUTH 89° 10' 10" EAST, 234.43 FEET TO THE NORTHEAST CORNER THEREOF; THENCE ALONG THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID THREE ACRE TRACT, NORTH 1° 10' EAST 147.64 FEET TO A POINT DISTANT 655.00 FEET MEASURED AT RIGHT ANGLES SOUTHERLY FROM THE NORTHERLY LINE OF SAID LANDS OF BUTCHER; THENCE ALONG A LINE PARALLEL WITH SAID LAST NAMED NORTHERLY LINE, NORTH 86° 36' 20" WEST, 694.76 FEET TO A POINT DISTANT 131.00 FEET MEASURED AT RIGHT ANGLES EASTERLY FROM THE EASTERLY LINE OF "TRACT 1830, LA LINDA MEADOWS UNIT NO, 2", AS SAID LAST NAMED TRACT IS RECORDED IN [BOOK 84 OF MAPS AT PAGES 28 AND 29](#), SANTA CLARA COUNTY RECORDS; THENCE ALONG A LINE PARALLEL WITH THE EASTERLY BOUNDARY OF ' SAID "TRACT 1830" AND SAID "TRACT 1829" SOUTH 9° 16' EAST, 476.29 FEET; THENCE AT RIGHT ANGLES, NORTH 89° 44' EAST, 54.00 FEET TO A POINT DISTANT 185.00 FEET MEASURED AT RIGHT ANGLES EASTERLY FROM SAID EASTERLY BOUNDARY OF SAID "TRACT, 1829"; THENCE ALONG A LINE PARALLEL WITH SAID LAST NAMED EASTERLY BOUNDARY, SOUTH 0° 16' EAST, 273.80 FEET TO THE NORTHERLY LINE OF THE HEREINABOVE MENTIONED KERRY AVENUE; THENCE ALONG SAID LAST NAMED NORTHERLY LINE, SOUTH 88° 28' 30" EAST 16.28 FEET TO THE POINT OF BEGINNING.

PARCEL TWO:

BEGINNING AT AN ANGLE CORNER IN THE EASTERLY BOUNDARY LINE OF TRACT NO. 1829 LA LINDA MEADOWS, UNIT NO. 1, A MAP OF WHICH WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JANUARY 10, 1957 IN [BOOK 76 OF MAPS AT PAGES 10 AND 11](#), AT THE NORTHWESTERLY CORNER OF THAT CERTAIN 15 ACRE TRACT OF LAND DESCRIBED AS PARCEL ONE IN THE DEED FROM SAN JOSE ABSTRACT & TITLE INSURANCE CO., A CORPORATION TO NICK STEPOVICH, ET UX, DATED MAY 14, 1948, RECORDED MAY 14, 1948 IN [BOOK 1615 OFFICIAL RECORDS, PAGE 351](#), SANTA CLARA COUNTY RECORDS; THENCE FROM SAID POINT OF BEGINNING SOUTH 88° 31' EAST ALONG THE NORTHERLY LINE OF SAID 15 ACRE TRACT FOR A DISTANCE OF 385.22 FEET TO THE SOUTHWESTERLY CORNER OF THAT CERTAIN 3 ACRE TRACT OF LAND DESCRIBED IN THE DEED FROM A.C. BUTCHER ET UX, TO MASA KISHIMOTO, ET UX, DATED FEBRUARY 20, 1950, RECORDED MARCH 16, 1950 IN [BOOK 1945 OF OFFICIAL RECORDS AT PAGE 371](#), SANTA CLARA COUNTY RECORDS AND THE TRUE POINT OF BEGINNING OF THE TRACT OF LAND TO BE DESCRIBED; THENCE FROM SAID TRUE POINT OF BEGINNING SOUTH 88° 31' EAST ALONG THE NORTHERLY LINE OF SAID 15 ACRE TRACT AND ALONG THE NORTHERLY LINE OF THAT CERTAIN 0.36 ACRE TRACT OF LAND DESCRIBED AS PARCEL TWO IN THE DEED TO SAID STEPOVICH

ABOVE REFERRED TO FOR A DISTANCE OF 121.65 FEET TO THE NORTHEASTERLY CORNER OF SAID 0.36 ACRE TRACT ALSO BEING THE NORTHWESTERLY CORNER OF TRACT NO. 1578 LAURON PARK, A MAP OF WHICH WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON OCTOBER 21, 1955 IN [BOOK 63 OF MAPS, AT PAGES 24, 25, 26 AND 27](#); THENCE SOUTH 88° 30' EAST ALONG THE NORTHERLY LINE OF SAID TRACT NO. 1578 FOR A DISTANCE OF 98.35 FEET TO THE SOUTHEASTERLY CORNER OF SAID 3 ACRE TRACT; THENCE NORTH 1° 10' EAST ALONG THE EASTERLY LINE OF SAID 3 ACRE TRACT FOR A DISTANCE OF 577.34 FEET TO THE NORTHEASTERLY CORNER THEREOF; THENCE NORTH 89° 10' 10" WEST ALONG THE NORTHERLY LINE OF SAID 3 ACRE TRACT FOR A DISTANCE OF 234.43 FEET TO THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 0° 16' 20" EAST ALONG THE WESTERLY LINE OF SAID 3 ACRE TRACT FOR A DISTANCE OF 574.90 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING FROM PARCEL ONE ABOVE THAT PORTION THEREOF CONVEYED TO CITY OF SANTA CLARA, FOR PUBLIC STREET PURPOSES, BY INSTRUMENT RECORDED SEPTEMBER 17, 1962 IN [BOOK 5721 PAGE 495](#), OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIPE IN THE NORTHWESTERLY CORNER OF THAT CERTAIN 11.242 ACRE PARCEL SHOWN UPON THAT CERTAIN MAP ENTITLED, "RECORD OF SURVEY OF A PORTION OF THE QUITO RANCHO LYING WITHIN THE COUNTY OF SANTA CLARA, CALIFORNIA", PREPARED AT THE REQUEST OF JEFFERSON UNION SCHOOL DISTRICT FILED IN [BOOK 122 OF MAPS AT PAGE 6](#), SANTA CLARA COUNTY RECORDS; THENCE FROM SAID POINT OF BEGINNING ALONG THE NORTHERLY LINE OF SAID 11.242 ACRE PARCEL SOUTH 86° 36' 20" EAST 30.06 FEET TO A POINT BEING DISTANT 30.00 FEET EASTERLY MEASURED AT RIGHT ANGLES FROM THE MOST WESTERLY LINE OF SAID 11.242 ACRE PARCEL; THENCE RUNNING PARALLEL WITH AND DISTANT 30.00 FEET EASTERLY MEASURED AT RIGHT ANGLES FROM SAID WESTERLY LINE, F SOUTH 0° 16' 00" EAST 406.27 FEET; THENCE ALONG A TANGENT CURVE TO THE LEFT WITH A RADIUS OF 20.00 FEET, THROUGH A CENTRAL ANGLE OF 24° 20' 25", AN ARC DISTANCE OF 8.50 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 70.00 FEET, THROUGH A CENTRAL ANGLE OF 50° 37' 44", AN ARC DISTANCE OF 61.85 FEET TO A POINT IN A SOUTHERLY LINE OF SAID 11.242 ACRE PARCEL; THENCE ALONG SAID SOUTHERLY LINE SOUTH 89° 44' 00" WEST 30.76 FEET TO AN IRON PIPE; AT AN ANGLE CORNER IN THE WESTERLY LINE OF SAID 11.242 ACRE PARCEL; THENCE ALONG THE MOST WESTERLY LINE OF SAID 11.242 ACRE PARCEL, NORTH 0° 16' 00" WEST 476.29 FEET TO THE IRON PIPE AT THE POINT OF BEGINNING OF THIS DESCRIPTION.

ALSO EXCEPTING FROM PARCELS ONE AND TWO ABOVE THAT PORTION THEREOF CONVEYED TO CITY OF SANTA CLARA, FOR PUBLIC STREET PURPOSES, BY INSTRUMENT RECORDED JUNE 16, 1964 IN [BOOK 6543 PAGE 135](#), OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF THAT CERTAIN 11.242 ACRE TRACT OF LAND AS SHOWN UPON THAT CERTAIN MAP ENTITLED, "RECORD OF SURVEY OF A PORTION OF QUITO RANCHO", A MAP OF WHICH IS FILED FOR RECORD IN [BOOK 122 OF MAPS, PAGE 6](#), SANTA CLARA COUNTY RECORDS, SAID POINT OF BEGINNING BEING ALSO ON THE MONUMENT LINE OF KENSINGTON AVENUE, 61 FEET IN WIDTH; THENCE ALONG THE SOUTHERLY LINE OF SAID 11.242 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES: SOUTH 88° 26' 30" EAST 16.28 FEET; SOUTH 88° 31' 00" EAST 506.87 FEET; AND SOUTH 88° 30' 00" EAST 98.35 FEET TO THE SOUTHEASTERLY CORNER THEREOF; THENCE NORTH 1° 10' EAST, 181.26 FEET ALONG THE PROPOSED CENTER LINE OF BENTON STREET, 30 FEET ONE HALF WIDTH, AND THE EASTERLY LINE OF SAID 11.242 ACRE TRACT TO THE BEGINNING OF SAID PROPOSED CENTER LINE OF BENTON STREET; THENCE A LEAVING THE SAID PROPOSED CENTER LINE OF BENTON STREET AND CONTINUING ALONG SAID EASTERLY LINE OF 11.242 ACRE TRACT NORTH 1° 10' EAST., 118.74 FEET TO THE INTERSECTION THEREOF WITH THE NORTHWESTERLY LINE OF SAID PROPOSED BENTON STREET; THENCE ALONG SAID NORTHWESTERLY LINE OF PROPOSED BENTON STREET ON A CURVE TO THE LEFT IN A SOUTHWESTERLY DIRECTION, HAVING A RADIUS OF 250 FEET, THROUGH A CENTRAL ANGLE OF 28° 21' 27", FOR AN ARC DISTANCE OF 123.73 FEET TO THE END OF A CURVE; THENCE SOUTH 1° 10' WEST, 130.97 FEET ALONG THE

WESTERLY LINE OF SAID PROPOSED BENTON STREET TO BEGINNING OF THE RETURN; THENCE FOLLOWING THE RETURN ON A CURVE TO THE RIGHT, HAVING A RADIUS OF 20 FEET, THROUGH A CENTRAL ANGLE OF 90° 20', FOR AN ARC DISTANCE OF 31.53 FEET TO THE END OF THE RETURN; THENCE ALONG THE PROPOSED NORTHERLY LINE OF SAID KENSINGTON AVENUE, THE FOLLOWING COURSES AND DISTANCES: NORTH 88° 30' 00" WEST, 48.06 FEET; NORTH 88° 31' 00" WEST, 506.86 FEET; AND NORTH 88° 28' 30" WEST, 17.21 FEET TO THE INTERSECTION THEREOF WITH THE WESTERLY LINE OF SAID 11.242 ACRE TRACT; THENCE SOUTH 0° 16' EAST, 30.01 FEET ALONG SAID WESTERLY LINE OF 11.242 ACRE TRACT TO THE POINT OF BEGINNING.

APN: [313-30-001](#)

Said property being commonly known as the Laurelwood Elementary School, 955 Teal Drive, Santa Clara, California.

**EXHIBIT B****SCHEDULE OF RENTAL PAYMENTS**

<b>Due Date</b>	<b>Amount Attributable to Principal</b>	<b>Amount Attributable to Interest</b>	<b>Total Rental Payment</b>	<b>Outstanding Balance</b>	<b>Prepayment Price*</b>
9/1/2022	\$110,000.00	\$50,519.89	\$160,519.89		
3/1/2023	--	61,228.80	61,228.80		
9/1/2023	196,000.00	61,228.80	257,228.80		
3/1/2024	--	59,347.20	59,347.20		
9/1/2024	203,000.00	59,347.20	262,347.20		
3/1/2025	--	57,398.40	57,398.40		
9/1/2025	215,000.00	57,398.40	272,398.40		
3/1/2026	--	55,334.40	55,334.40		
9/1/2026	222,000.00	55,334.40	277,334.40		
3/1/2027	--	53,203.20	53,203.20		
9/1/2027	230,000.00	53,203.20	283,203.20		
3/1/2028	--	50,995.20	50,995.20		
9/1/2028	238,000.00	50,995.20	288,995.20		
3/1/2029	--	48,710.40	48,710.40		
9/1/2029	247,000.00	48,710.40	295,710.40		
3/1/2030	--	46,339.20	46,339.20		
9/1/2030	261,000.00	46,339.20	307,339.20		
3/1/2031	--	43,833.60	43,833.60		
9/1/20341	4,566,000.00	43,833.60	4,609,833.60		

Effective Interest Rate: 1.92%