

**TO BE RECORDED AND WHEN RECORDED
RETURN TO:**

Orrick, Herrington & Sutcliffe LLP
2050 Main Street, Suite 1100
Irvine, California 92614-8255
Attention: Donald S. Field, Esq.

**THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER
TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND
TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES
PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.**

ASSIGNMENT AGREEMENT

by and between

AZUSA UNIFIED SCHOOL DISTRICT FACILITIES CORPORATION

and

**FIRST FOUNDATION PUBLIC FINANCE,
as Assignee and as Servicer**

Dated as of June 1, 2022

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ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (as originally executed and as it may from time to time be amended or supplemented, this “Assignment Agreement”), executed and entered into as of June 1, 2022, is by and between the AZUSA UNIFIED SCHOOL DISTRICT FACILITIES CORPORATION, a nonprofit public benefit corporation organized and existing under and by virtue of the laws of the State of California (the “Corporation”), and FIRST FOUNDATION PUBLIC FINANCE, as Assignee (the “Assignee,” as further defined in the Lease Agreement) and as Servicer (as defined herein).

WITNESSETH:

WHEREAS, pursuant to a Ground Lease, dated as of the date hereof (as originally executed and as it may from time to time be amended or supplemented, the “Ground Lease”), which Ground Lease is recorded concurrently herewith, the Azusa Unified School District (the “District”) has leased to the Corporation certain real property owned by the District and the improvements thereon (the “Property”); and

WHEREAS, the Property, commonly known as Henry Dalton Elementary School and located at 500 East Tenth Street in Azusa, California 91702, is more particularly described in Exhibit A hereto; and

WHEREAS, pursuant to a Lease Agreement, dated as of the date hereof (as originally executed and as it may from time to time be amended or supplemented, the “Lease Agreement”), a memorandum of which Lease Agreement is recorded concurrently herewith, the Corporation has leased the Property back to the District; and

WHEREAS, under the Lease Agreement, the District is obligated to make Base Rental Payments (as defined in the Lease Agreement) to the Corporation for the lease of the Property; and

WHEREAS, the Corporation desires to assign, without recourse, certain of its rights in the Ground Lease and the Lease Agreement, including its rights to receive the Base Rental Payments under the Lease Agreement, to the Assignee; and

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

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. Payment; Application. In consideration of the sale, assignment and transfer to the Assignee of all of the Corporation’s right, title and interest in and to the Ground Lease and the Lease Agreement, as provided herein, the Assignee shall pay to, or upon the order

of, the Corporation an amount equal to \$[_____]. Upon receipt thereof, the Corporation shall apply such amount, or cause the same to be applied, to the payment of the Ground Lease Payment pursuant to the Ground Lease.

Section 2. Assignment. The Corporation, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign and transfer to the Assignee, irrevocably and absolutely, without recourse, all of its right, title and interest in and to the Ground Lease and the Lease Agreement, including, without limitation, its right to receive, and enforce payment of, the Base Rental Payments to be paid by the District under and pursuant to the Lease Agreement, the right to receive and collect any proceeds of any insurance or eminent domain award to the extent provided in the Lease Agreement and the right to exercise rights and remedies conferred on the Corporation under the Lease Agreement as may be necessary or convenient to enforce payment of the Base Rental Payments, or otherwise to protect the interests of Assignee in the event of a default by the District under the Lease Agreement (collectively, the “Assigned Property”). This assignment is absolute and is presently effective.

Section 3. Acceptance. The Assignee hereby accepts the foregoing assignment for the purpose of securing the payments due under the Lease Agreement to, and the rights under the Ground Lease and the Lease Agreement of, the Corporation, and the rights so assigned shall be exercised by the Assignee as provided in the Lease Agreement.

Section 4. Conditions. Excepting only the sale, assignment and transfer to the Assignee of the Corporation’s right, title and interest in and to the Ground Lease and the Lease Agreement pursuant to Section 1 hereof, this Assignment Agreement shall impose no obligations whatsoever upon the Assignee beyond those expressly provided in the Lease Agreement.

Section 5. Representations and Warranties of the Corporation. The Corporation represents and warrants to the Assignee as follows:

(a) The Corporation is a nonprofit public benefit corporation duly organized, existing and in good standing under the laws of the State.

(b) The Corporation, pursuant to action of its governing board, has duly authorized and executed the Ground Lease, the Lease Agreement and this Assignment Agreement in accordance with the laws of the State.

(c) The Corporation has the power to enter into the Ground Lease, the Lease Agreement and this Assignment Agreement, has, by action of its governing board, duly authorized the execution and delivery of this Assignment Agreement, and each of the Ground Lease, the Lease Agreement and this Assignment Agreement constitutes the legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(d) There are no present and outstanding claims on or involving the Corporation’s right, title and interest in and to the Ground Lease or the Lease Agreement,

or the Base Rental Payments payable thereunder, sold, assigned and transferred by the Corporation to the Assignee hereunder.

(e) The Corporation has sold, assigned and transferred to the Assignee good and marketable title to the Corporation's right, title and interest in and to the Ground Lease and the Lease Agreement, free and clear of any liens, security interests, encumbrances or other claims, and the Corporation has not sold, assigned or transferred any of such right, title and interest assigned hereunder to any party other than the Assignee.

(f) As of the date hereof, the Lease Agreement and the Ground Lease are in full force and effect and the District is not in default of any of the terms set forth therein.

(g) The execution and delivery of the Ground Lease, the Lease Agreement, and this Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation.

(h) 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 or otherwise is necessary in connection with the execution and delivery by the Corporation of the Ground Lease, the Lease Agreement or this Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

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

Section 6. No Right to Amend; No Impairment. The Corporation acknowledges and agrees that, as a consequence of the sale, assignment and transfer of the Corporation's right, title

and interest in and to the Ground Lease and the Lease Agreement hereunder, the Corporation has no right to amend, modify, compromise, release or terminate the Ground Lease or the Lease Agreement without the prior written consent of the Assignee. The Corporation shall not take any action that may impair the payment of the Base Rental Payments or the validity or enforceability of the Ground Lease or the Lease Agreement.

Section 7. Limitation on Further Assignment. The Assignee hereby acknowledges that Section 10.06 of the Lease Agreement places certain limitations on any future assignment of the Assigned Property. The Assignee hereby acknowledges and agrees that it must comply with the provisions of Section 10.06 of the Lease Agreement in case of any future assignment of the Assigned Property. This Section shall not be amended or revised without the express prior written consent of the District.

Section 8. Corporation's Receipt of Base Rental Payments. Any Base Rental Payment received by the Corporation or other amounts to which Assignee is entitled shall be received in trust for the Assignee, and the Corporation shall immediately deliver such Base Rental Payment or other amount to the Assignee in the form received and, if applicable, duly endorsed by the Corporation for deposit by the Assignee.

Section 9. Further Assurances. The Corporation shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and for the better assuring and confirming to the Assignee, the right, title and interest intended to be sold, assigned and transferred pursuant hereto. The Corporation shall cooperate fully with the Assignee, at the expense of the District, in filing any proof of loss with respect to any insurance policy maintained pursuant to Article VII of the Lease Agreement and shall cooperate fully with the District in contesting any lien filed or established against the Property, upon the request and at the expense of the District, pursuant to Article VII of the Lease Agreement.

Section 10. Financing Statements. The Corporation shall execute and deliver to the Assignee such notices of assignment, UCC financing statements, assignments of financing statements and other documents, in form and substance reasonably satisfactory to the Assignee, and the Corporation shall take such other actions, as the Assignee may reasonably request from time to time to evidence, perfect, maintain and enforce the Assignee's rights in the right, title and interest of the Corporation assigned hereunder. The Assignee may, where permitted by law, file such UCC financing statements without the Corporation's signature.

Section 11. Waiver of Jury Trial; Judicial Reference; Venue. To the extent permitted by law, the Corporation and the Assignee hereby irrevocably waive any and all right to trial by jury in any legal proceeding arising out of or relating to this Assignment Agreement or any of the related documents or the transaction contemplated hereby or thereby. If and to the extent that the foregoing waiver of the right to a jury trial is unenforceable for any reason in such forum, the Corporation and the Assignee hereby consent to the adjudication of any and all claims pursuant to judicial reference as provided in California Code of Civil Procedure Section 638, and the judicial referee shall be empowered to hear and determine any and all issues in such reference whether fact or law. The Corporation and the Assignee represent that each has reviewed this waiver and consent and each knowingly and voluntarily waives its jury trial rights and consents to judicial reference

following the opportunity to consult with legal counsel of its choice on such matters. In the event of litigation, a copy of this Assignment Agreement may be filed as a written consent to judicial reference under California Code of Civil Procedure Section 638 as provided herein. To the extent permitted by law, the parties hereto consent and submit to jurisdiction only in Superior Court of the State of California in and for the County or in U.S. District Court in or nearest to the County for the purposes of any suit, action or other proceeding arising in connection with this Assignment Agreement, and each party expressly waives any objections that it may have to the venue of such courts.

Section 12. Attorneys' Fees, Costs and Expense. In the event of civil action or proceeding arising from or relating to this Assignment Agreement or a party's performance under this Assignment Agreement, the prevailing party shall be entitled to recover from the other party all costs and expenses, including attorneys' fees which may be those of in-house counsel, incurred by the prevailing party in exercising any of its rights or remedies hereunder or enforcing any the terms, conditions or provisions of this Assignment Agreement.

Section 13. Servicer for Title Insurance Policy. (a) The Corporation and the Assignee hereby agree that First Foundation Public Finance, shall act as servicer (in such capacity, the "*Servicer*") solely for the purpose of being named and acting as an insured under the Title Insurance Policy (as hereinafter defined) and, as such insured, making any claim and exercising related rights or interests of an insured thereunder for the benefit of the Assignee (including its successors by operation of law and any successor Servicer as provided in subsection (e) of this Section 13) and any assignees of the rights and interests of the Assignee under Section 10.06 of the Lease Agreement (herein referred to as "*Subsequent Assignees*"). First Foundation Public Finance hereby agrees to act as Servicer for the purpose and on the terms provided in this Section 13 from the date hereof to the date on which the Ground Lease expires or terminates in accordance with its terms subject to the provisions hereof. As used herein, "*Title Insurance Policy*" shall mean the Policy of Title Insurance issued by Fidelity National Title Insurance Company, dated [_____], 2022, obtained by the District pursuant to Section 7.02 of the Lease Agreement.

(b) Upon being advised of the Assignee's discovery of any material defect in title to the Property or upon the Servicer's receipt of written notice from any Subsequent Assignee with respect to a material defect in title to the Property, in either case that has given, or may give, rise to a claim under the Title Insurance Policy, the Servicer shall take such actions as it may determine to be necessary or advisable to make a claim and otherwise exercise its rights and interests as a named insured under the Title Insurance Policy; *provided*, that if the Assignee or a Subsequent Assignee has transferred all of its rights and interests in the Ground Lease and the Lease Agreement to a Subsequent Assignee that then owns 100% of the Assignee's rights and interests in the Ground Lease and the Lease Agreement, the Servicer shall have no obligation to take any action under this Section 13 except at the written direction and expense of such Subsequent Assignee; and *provided, further, however*, that if the Assignee or a Subsequent Assignee has transferred its rights and interests in the Ground Lease and the Lease Agreement to more than one Subsequent Assignee that then own (by fractional, participation or other interest) 100% of the Assignee's rights and interests in the Ground Lease and the Lease Agreement, the Servicer shall have no obligation to take any action under this Section 13 except at the written direction and expense of such Subsequent Assignees that then own at least a majority in aggregate principal component of Base Rental Payments under the Lease Agreement. Nothing in this Section 13 is intended, or shall be

construed, to obligate the Servicer at any time to seek out or determine whether any material title defect exists or may hereafter exist.

(c) All proceeds received by the Servicer with respect to a claim under the Title Insurance Policy shall be applied *first* to pay all expenses incurred in the collection and administration thereof (including to the Servicer to the extent not otherwise paid as provided in subsection (b) of this Section 13) and then the Net Proceeds shall be applied as provided in Section 7.02 of the Lease Agreement. For any period during which such insurance proceeds are held by the Servicer, the Servicer shall hold Net Proceeds in a non-interest bearing account as fiscal agent for the ratable benefit of the then owners of 100% in aggregate principal component of Base Rental Payments under the Lease until applied in accordance with Section 7.02 of the Lease, but need not be segregated in any manner from any other monies of the Servicer and may be deposited by the Servicer in any general account maintained by the Servicer.

(d) The Servicer undertakes to perform, as Servicer for the Title Insurance Policy as herein provided, such duties and only such duties as are specifically set forth herein, and no implied covenants or obligations shall be read into this Section 13 against the Servicer. The Servicer shall not be liable to the Assignee or any Subsequent Assignee for any action taken or omitted to be taken by it in good faith as Servicer under this Section 13. The Servicer may rely and shall be protected in acting or refraining from acting upon any written direction or certificate of the Assignee or a Subsequent Assignee reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties. The Servicer shall not be bound to make any investigation into the facts or matters stated in any such written direction or certificate. The Servicer shall not be required to take any action nor shall any provision set forth in this Section 13 be deemed to impose a duty on the Servicer to take any action, if the Servicer shall have been advised by counsel that such action is contrary to the terms of the Title Insurance Policy or is otherwise contrary to law.

(e) The owners of at least a majority in aggregate principal component of Base Rental Payments may at any time remove the Servicer initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing. The Servicer may at any time resign by giving written notice of such resignation to the then owners of 100% in aggregate principal component of Base Rental Payments. Upon receiving such notice of resignation, the then owners of at least a majority in aggregate principal component of Base Rental Payments shall promptly appoint a successor Servicer. Any removal or resignation of a Servicer and appointment of a successor Servicer shall become effective only upon the acceptance of appointment by the successor Servicer. The successor Servicer shall send written notice of its acceptance to the owners of 100% in aggregate principal component of Base Rental Payments.

Section 14. Governing Law. This Assignment Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Section 15. Amendments. This Assignment Agreement may be altered, amended, or modified in writing as may be mutually agreed by the Assignee and the Corporation with the consent of the District.

Section 16. Execution in Counterparts. This Assignment Agreement may be simultaneously executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 17. Captions. The captions or headings in this Assignment Agreement are for convenience only and in no way define or limit the scope or intent of any provision of this Assignment Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

**AZUSA UNIFIED SCHOOL DISTRICT
FACILITIES CORPORATION**

By: _____

**FIRST FOUNDATION PUBLIC
FINANCE, AS ASSIGNEE AND AS
SERVICER**

By: _____

Name: _____

Title: _____

[Signature page to Assignment Agreement]

EXHIBIT A

DESCRIPTION OF THE PROPERTY

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

PARCEL 1:

LOTS 7, 8, 9, 10 AND 11 IN BLOCK 85 OF AZUSA, IN THE CITY OF AZUSA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 15, PAGES 93](#) THROUGH 96 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM SAID LOT 11, THAT PORTION WITHIN THE LINES OF LEMON TRACT, AS PER MAP RECORDED IN [BOOK 11, PAGE 108](#), OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM THE NORTH 30 FEET OF SAID LOT 7, CONVEYED TO THE CITY OF AZUSA FOR ROAD AND STREET PURPOSES BY DEED RECORDED IN [BOOK 310, PAGE 281, OF OFFICIAL RECORDS](#) OF SAID COUNTY.

[APN: 8608-017-900](#)

PARCEL 2:

THE WESTERLY 360 FEET OF THAT PORTION OF LOT 85, SUBDIVISION NO. 2, AZUSA LAND AND WATER COMPANY, IN THE CITY OF AZUSA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 43, PAGE 94](#) OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF THE NORTHERLY LINE OF THE RIGHT OF WAY 80 FEET WIDE, GRANTED TO THE LOS ANGELES INTERURBAN RAILWAY COMPANY, BY DEED RECORDED IN [BOOK 2712, PAGE 207](#), OF DEEDS, RECORDS OF SAID COUNTY AND SHOWN ON MAP ATTACHED THERETO

[APN: 8625-029-903](#)

[END OF LEGAL DESCRIPTION]

[The above-described property is commonly referred to as Henry Dalton Elementary School, located at 500 East Tenth Street in Azusa, California 91702.]

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

STATE OF CALIFORNIA)
) ss
 COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Seal]
