

MASTER FACILITIES LEASE

This Master Facilities Lease, dated as of September 1, 2025 (the “Facilities Lease”), by and between the CITY OF FRESNO, a charter city and municipal corporation duly organized and existing under the Constitution and laws of the State of California (the “City”), as lessor, and the FRESNO JOINT POWERS FINANCING AUTHORITY, a public entity and agency, duly organized and existing pursuant to an Agreement entitled “Joint Exercise of Powers Agreement by and between the City of Fresno and the Redevelopment Agency of the City of Fresno” (the “Authority”), as lessee;

W I T N E S S E T H:

WHEREAS, the Authority is a joint exercise of powers authority duly organized and operating pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California;

WHEREAS, Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California authorizes and empowers the Authority to issue bonds to assist local agencies in financing or refinancing projects and programs consisting of certain public improvements or working capital or liability and other insurance needs whenever a local agency determines that there are significant public benefits from so doing;

WHEREAS, the Authority is empowered pursuant to the aforementioned Article 4 to issue its bonds and to apply the proceeds thereof to assist the City in financing or refinancing various capital improvements (the “Projects”);

WHEREAS, to finance certain capital improvement projects, Lease Revenue Bonds (Public Safety Projects), Series 2025A and Lease Revenue Bonds (Public Safety Projects), Series 2025B (Federally Taxable) (collectively, the “Series 2025 Bonds”), shall be issued pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of State of California and pursuant to the Master Trust Agreement (the “Trust Agreement”), dated as of September 1, 2025, by and between the Authority and The Bank of New York Trust Company, N.A., as trustee;

WHEREAS, the City intends to lease the Facilities (as hereinafter defined) to the Authority pursuant to this Facilities Lease, and the Authority intends to lease the Facilities back to the City by a lease, entitled “Master Facilities Sublease” and dated as of September 1, 2025 (the “Facilities Sublease”); and

WHEREAS, under the Facilities Sublease, the City will be obligated to make base rental payments to the Authority for the Facilities Lease of the Facilities, which base rental payments shall be applied to pay the principal of and interest on the Series 2025 Bonds; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Trust Agreement; and

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

Section 1. Lease of Facilities.

The City hereby leases to the Authority and the Authority hereby hires from the City, on the terms and conditions set forth herein, the real property and improvements thereon described in Exhibit A attached hereto and made a part hereof, as such real property descriptions may be amended or modified, including removal or substitution or addition of property in accordance with this Facilities Lease, the Facilities Sublease and the Trust Agreement, subject to Permitted Encumbrances (collectively, the "Facilities"). The Facilities initially consist of Parking Garage No. 8, Fire Station No. 18, and the Southeast Police Substation as identified in Exhibit A hereto. "Permitted Encumbrances" means (1) liens for Federal and State taxes and assessments not yet delinquent; (2) effect of this Facilities Lease and the Facilities Sublease, including any amendments thereto; (3) zoning laws, ordinances and regulations; (4) effect of all deeds and deed limitations described in the Title Policy; (5) easements, encumbrances, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions or restrictions that exist of record as of the date of recordation of this Facilities Lease in the office of the County Recorder; (6) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (7) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions that will not materially impair the use of the Facilities; and (8) all matters which would be revealed by an accurate survey of the Facilities.

Section 2. Term.

The term of this Facilities Lease shall commence on the date that this Facilities Lease is recorded in the office of the County Recorder of Fresno County, State of California, or on _____ 1, 20__, whichever is earlier, and shall end on April 1, 2055 with respect to Parking Garage No. 8, April 1, 2055 with respect to Fire Station No. 18, and April 1, 2055 with respect to the Southeast Police Substation (the "Expiry Dates") unless such term is extended or sooner terminated as hereinafter provided. If on each Expiry Date, the Base Rental Payments payable by the City attributable to the related Facilities and all other amounts due under the Trust Agreement and under the Facilities Sublease with respect to such Facilities shall not be fully paid, or if the Base Rental Payments or other amounts payable under the Facilities Sublease with respect to such Facilities (including any Additional Payments) shall have been abated at any time and for any reason or shall not have been fully paid, then the term of this Facilities Lease with respect to such Facilities shall be extended until ten days after the Base Rental Payments attributable to such Facilities and all other amounts due under the Trust Agreement and the Facilities Sublease with respect to such Facilities shall be fully paid, except that the term of this Facilities Lease as to the respective Facilities shall in no event be extended beyond ten (10) years after such respective Expiry Date. If prior to such Expiry Date, the Base Rental Payments attributable to the related Facilities and all other amounts then due under the Facilities Sublease with respect to such Facilities shall be fully paid, the term of this Facilities Lease with respect to such Facilities shall end ten (10) days thereafter or ten (10) days after written notice by the City to the Authority of such event, whichever is earlier.

Section 3. Rental.

The Authority shall pay to the City as and for rental hereunder the sum of \$_____, which amount shall be applied as set forth in a Written Request of the Authority delivered pursuant to Section 2.11 of the Trust Agreement.

Section 4. Purpose.

The Authority shall use the Facilities solely for the purpose of subleasing the Facilities to the City pursuant to the Facilities Sublease and for such purposes as may be incidental thereto; provided, that in the event the City defaults under the Facilities Sublease the Authority may exercise the remedies provided in the Facilities Sublease.

Section 5. Warranties of the City.

The City covenants and warrants to the Authority:

That the City has good and marketable title to the Facilities, has good authority to enter into, to execute and to deliver this Facilities Lease and the Facilities Sublease, and has duly authorized the execution and delivery of this Facilities Lease and the Facilities Sublease;

That Facilities are not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the financing as contemplated by the Facilities Sublease;

That all taxes, assessments, or impositions of any kind with respect to the Facilities, except current taxes, have been paid in full; and

That the Facilities are properly zoned for their intended purposes.

Section 6. Warranties of the Authority.

The Authority covenants and warrants to the City that the Authority has the power and authority to enter into and deliver the Facilities Sublease, this Facilities Lease and the Trust Agreement, and to perform all of its duties and obligations thereunder, and has duly authorized the execution and delivery of this Facilities Lease, the Facilities Sublease and the Trust Agreement. The Authority will record this Facilities Lease to secure its interest hereunder.

Section 7. Assignments and Subleases.

Unless the City shall be in default under the Facilities Sublease, the Authority may not assign its rights under this Facilities Lease (except to the Trustee pursuant to the Trust Agreement) or sublet the Facilities, without the prior written consent of the City [and the Series 2025 Bond Insurer].

Section 8. Right of Entry; Easements.

The City reserves the right for any of its duly authorized representatives to enter upon the Facilities at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination.

The Authority agrees, upon the termination of this Facilities Lease, to quit and surrender the Facilities in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Facilities at the time of the termination of this Facilities Lease shall remain thereon and title thereto shall remain in the City.

Upon the exercise of the option to purchase the Authority's interest in the Facilities set forth in Section 7.03 of the Facilities Sublease and payment of the option price required by said section the term of this Facilities Lease shall terminate as to the part of the Facilities so purchased.

Section 10. Default.

If the Authority defaults in the performance of any obligation under the terms of this Facilities Lease, and the default continues for thirty (30) days following the City's notice and demand for correction thereof to the Authority, the City may exercise any and all remedies granted by law, except that no merger of this Facilities Lease and of the Facilities Sublease shall be deemed to occur as a result thereof; provided, however, that the City shall have no power to terminate this Facilities Lease by reason of any default on the part of the Authority if such termination would affect or impair any assignment or sublease of all or any part of the Facilities then in effect between the Authority and any assignee or subtenant of the Authority (other than the City under the Facilities Sublease). So long as any such assignee or subtenant of the Authority shall duly perform the terms and conditions of this Facilities Lease and of its then existing sublease (if any), such assignee or subtenant shall be deemed to be and shall become the tenant of the City hereunder and shall be entitled to all of the rights and privileges granted under any such assignment; provided, further, that so long as any Bonds are outstanding and unpaid in accordance with the terms thereof, the rentals or any part thereof payable to the Trustee shall continue to be paid to the Trustee.

Section 11. Quiet Enjoyment.

The Authority at all times during the term of this Facilities Lease shall peaceably and quietly have, hold and enjoy all of the Facilities.

Section 12. Waiver of Personal Liability.

All liabilities under this Facilities Lease on the part of the Authority shall be solely liabilities of the Authority, as a public entity and agency, and the City hereby releases each and every member, director, officer, agent, or employee of the Authority of and from any personal or individual liability under this Facilities Lease. No member, director, officer, agent,

or employee of the Authority shall at any time or under any circumstances be individually or personally liable under this Facilities Lease to the City or to any other party for any act or omission of the Authority hereunder.

Section 13. Taxes.

The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Facilities (including both land and improvements).

Section 14. Eminent Domain.

In the event the whole or any part of the Facilities is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid principal amount of the outstanding Bonds attributable to such part of the Facilities and shall be paid to the Trustee, and the balance of the award, if any, shall be paid to the City.

Section 15. Partial Invalidity.

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

Section 16. Notices.

All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered or certified mail, return receipt requested, postage prepaid, and, if to the Authority, addressed to the Authority, Attention: City Manager, City Hall, 2600 Fresno Street, Fresno, California 93721, or if to the City, addressed to the City, Attention: City Manager, City Hall, 2600 Fresno Street, Fresno, California 93721, in either case with a copy to the City Controller at the same 2600 Fresno Street address, and a copy to the Trustee, or to such other addresses as the respective parties may from time to time designate by written notice.

Section 17. Section Headings.

All section headings contained herein are for reference only and are not intended to define or limit the scope of any provision of this Facilities Lease.

Section 18. Amendments.

The Authority and the City may at any time agree to the amendment of this Facilities Lease (with the prior written consent of the Series 2025 Bond Insurer); provided,

however, that any such amendment shall only be made or effected in accordance with and subject to the terms of the Trust Agreement.

Section 19. Execution.

This Facilities Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Lease. It is also agreed that the Authority and the City may separately execute counterparts of this Facilities Lease with the same force and effect as though the City and the Authority had both executed each counterpart.

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

CITY OF FRESNO, Lessor

By _____
[Controller]

Attest:

City Clerk

FRESNO JOINT POWERS FINANCING
AUTHORITY, Lessee

By _____
[Controller]

Attest:

Secretary

EXHIBIT A

DESCRIPTION OF FACILITIES

All of that certain real property and improvements thereon situated in the City of Fresno, State of California, described as follows:

Parking Garage No. 8

All of that certain real property and improvements thereon situated in the City of Fresno, State of California, described as follows:

Parcel 1: APN _____

Fire Station No. 18

All of that certain real property and improvements thereon situated in the City of Fresno, State of California, described as follows:

Parcel 2: APN _____

Southeast Police Substation

All of that certain real property and improvements thereon situated in the City of Fresno, State of California, described as follows:

Parcel 3: APN _____

Recording requested by
and return to:

CITY OF FRESNO
c/o Orrick, Herrington & Sutcliffe LLP
The Orrick Building
405 Howard Street
San Francisco, California 94105

Attention: Steffi Chan, Esq.

RECORDING OF THIS DOCUMENT IS
EXEMPT FROM ANY FEES CHARGED BY
THE RECORDER

MASTER FACILITIES LEASE

between the

CITY OF FRESNO

and

FRESNO JOINT POWERS FINANCING AUTHORITY

Dated as of September 1, 2025

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