

**RECORDING REQUESTED BY:**

Atascadero Financing Authority

**AND WHEN RECORDED MAIL TO:**

Stradling Yocca Carlson & Rauth LLP

660 Newport Center Drive, Suite 1600

Newport Beach, California 92660

Attn: Vanessa S. Legbandt, Esq.

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[Space above for Recorder's use.]

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE AND THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE BECAUSE THE ASSIGNOR IS A GOVERNMENTAL AGENCY. LEASE TERM LESS THAN 35 YEARS.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

**MEMORANDUM OF LEASE AGREEMENT**

**by and between**

**CITY OF ATASCADERO**

**and**

**ATASCADERO FINANCING AUTHORITY**

**Dated as of October 1, 2025**

**Relating to**

**\$ \_\_\_\_\_**

**ATASCADERO FINANCING AUTHORITY  
LEASE REVENUE BONDS, SERIES 2025A**

## MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT (the “Memorandum”) is made and entered into as of the 1st day of October, 2025, by and between the CITY OF ATASCADERO, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and the laws of the State of California (the “City”) and the ATASCADERO FINANCING AUTHORITY, a joint exercise of powers entity organized and existing under and by virtue of the laws of the State of California (the “Authority”).

The City has pursuant to a Ground Lease, dated as of October 1, 2025 (the “Ground Lease”), by and between the City and the Authority, which Ground Lease is being recorded concurrently herewith, leased to the Authority all of the real property legally described in Exhibit A attached hereto, subject to the terms and conditions set forth in the Ground Lease.

FOR VALUABLE CONSIDERATION, the Authority hereby leases to the City, and the City hereby leases back from the Authority, all of the real property legally described in Exhibit A attached hereto, subject to the terms and conditions of that certain unrecorded Lease Agreement, dated as of October 1, 2025 (the “Lease”), by and between the City and the Authority, which by this reference is incorporated herein. All capitalized terms in this Memorandum not otherwise defined herein shall have the same meaning as set forth in the Lease.

The Authority’s rights under the Lease, including the right to receive and enforce payment of the Rental Payments to be made by the City under the Lease, have been assigned and transferred to The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States, as trustee pursuant to the unrecorded Indenture (the “Trustee”), without recourse for the benefit of the Owners of the Bonds, pursuant to the Assignment Agreement, dated as of October 1, 2025, by and between the Authority and the Trustee, to which assignment, transfer and sale the City hereby consents.

The term of the Lease shall commence on the Closing Date and shall end on May 1, 20\_\_, unless such term is extended as provided in the Lease. If on May 1, 20\_\_ the Bonds shall not be fully paid, or provision therefor made in accordance with the Indenture, or the Indenture shall not be discharged by its terms, or if the Rental Payments shall remain due and payable or shall have been abated at any time and for any reason, then the term of the Lease shall be extended until the date upon which (i) all Bonds shall be fully paid, or provision therefor made in accordance with the Indenture, or (ii) the Indenture shall be discharged by its terms and all Rental Payments shall have been paid in full. Notwithstanding the foregoing, the term of the Lease shall in no event be extended more than ten years beyond May 1, 20\_\_, such extended date being the “Maximum Lease Term.” If prior to May 1, 20\_\_ all Bonds shall be fully paid, or provision therefor made in accordance with the Indenture, the Indenture shall be discharged by its terms, and all Rental Payments shall have been paid in full, the term of the Lease shall end simultaneously therewith.

Furthermore, pursuant to the terms and conditions set forth in the Lease, the City may substitute additional real property for the property described in Exhibit A or delete portions of the real property described therein from the Lease.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

IN WITNESS WHEREOF, each of the parties hereto has executed this Memorandum of Lease as of the day and year first hereinabove written.

CITY OF ATASCADERO

By: \_\_\_\_\_  
James R. Lewis, City Manager

ATTEST:

\_\_\_\_\_  
Lara K. Christensen  
City Clerk

ATASCADERO FINANCING AUTHORITY

By: \_\_\_\_\_  
James R. Lewis, Executive Director

ATTEST:

\_\_\_\_\_  
Lara K. Christensen  
Secretary

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in the Property conveyed under the foregoing to the City of Atascadero, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the City Council of the City of Atascadero, pursuant to authority conferred by resolution of said City Council adopted on September 23, 2025, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: October 1, 2025

CITY OF ATASCADERO

By: \_\_\_\_\_  
James R. Lewis, City Manager

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

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF SAN LUIS OBISPO )

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public,

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

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

WITNESS my hand and official seal

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

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

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF SAN LUIS OBISPO )

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

WITNESS my hand and official seal

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

City Hall Parcel

Real property in the City of Atascadero, County of San Luis Obispo, State of California, described as follows:

LOT 4 OF ADMINISTRATION PARK, ACCORDING TO AMENDMENT "D" TO MAP OF ATASCADERO, RECORDED APRIL 15, 1918, IN BOOK 4 OF MAPS, PAGE 67A, RECORDS OF SAID COUNTY.

APN: 029-345-001

Fire Station 1 Parcel

All that Part of Lot 5 of Administration Park of Amendment "D" to Map of Atascadero, in the City of Atascadero, County of San Luis Obispo, State of California, according to Map recorded October 21, 1914 in Book 4, Page 67A of Maps, described as follows:

Commencing at the most Westerly corner of Lot 5 of Administration Park, said corner being the point of intersection of the Center lines of Traffic Way and South Mall, and running thence from said point of commencement North 28° 37' East, along the Center line of said Traffic Way, 275.00 feet to a point; Thence South 61° 23' East, 242.00 feet to a point in said Lot; Thence South 28° 37' West, 275.00 feet to a point in the Center line of South Mall; Thence North 61° 23' West along the Center line of said South Mall, 242.00 feet to the point of commencement.

APN: 029-332-004

Fire Station 2 Parcel

Parcel 2 of PARCEL MAP CO 75-180, in the City of Atascadero, County of San Luis Obispo, State of California, according to map recorded October 31, 1975 in Book 18, Page 51 of Parcel Maps, in the Office of the county recorder of said county.

Excepting therefrom all minerals and oil in, under or upon said land.

APN: 056-151-033

Police Department Headquarters Parcel

Lots 22-E and 22-F in Block LA of Atascadero, in the City of Atascadero, County of San Luis Obispo, State of California, according to Amendment "C" to Map of Atascadero, recorded August 10, 1917 in Book 4, Page 22-A of Maps, in the office of the County Recorder of said County.

EXCEPTING from Lot 22-F, that portion described as follows:

Beginning at the most Southerly corner of said Lot; Thence North 58°56'00" West along the Southwesterly line thereof, 4.09 feet; Thence North 43°03'00" East, and parallel with the Southeasterly line of said Lot, 146.73 feet to the Northeast line of said Lot; Thence South 43°04'00"

East along said Northeast line, 4.01 feet to the most Easterly corner of said Lot; Thence South 43°03'00" West along the Southeast line of said Lots, 145.66 feet to the point of beginning.

ALSO EXCEPTING THEREFROM all streets, roads and alleys as shown on Map above referred to.

ALSO EXCEPTING THEREFROM all oil or other hydrocarbon products and all other mineral products, without the right, however, to prospect for or take the same from said land while said land is used for residential, agricultural or horticultural purposes, as reserved by Colony Holding Corporation, a Corporation, in Deed recorded May 20, 1919 in Book 139, Page 45 of Deeds.

APN: 029-323-016