

RECORDING REQUESTED BY:  
Stewart Title Guaranty Company  
Commercial Services San Francisco

TO BE RECORDED MAIL TO:  
Jones Hall, A Professional Law Corporation  
475 Sansome Street, Suite 1700  
San Francisco, California 94111  
Attention: Charles F. Adams, Esq.

File No.

APN:

THIS TRANSACTION IS EXEMPT FROM DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE AND EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 6103 OF THE CALIFORNIA GOVERNMENT CODE.

## **ASSIGNMENT AGREEMENT**

This ASSIGNMENT AGREEMENT (this "Assignment Agreement"), dated for convenience as of October 1, 2020, is between the HERMOSA BEACH PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the "Authority") and U.S. BANK NATIONAL ASSOCIATION, a national banking association, as Trustee (the "Trustee").

### ***B A C K G R O U N D :***

1. The Authority has previously issued its Hermosa Beach Public Financing Authority 2015 Lease Revenue Bonds in the aggregate principal amount of \$11,600,000 (the "2015 Bonds") for the purpose of providing funds to enable the City to discharge its obligation to settle certain claims made against the City, pursuant to that certain Settlement Agreement and Release dated as of March 2, 2012 between MacPherson Oil Company, Woodward Associates, E & B Natural Resources Management Corporation and the City.

2. In order to secure the payment of the 2015 Bonds, the City has previously leased certain property, consisting generally of the land and improvements which constitute the existing civic center of the City, as described more fully in Appendix A which is attached hereto and by this reference incorporated herein (the "Leased Property"), to the Authority under a Site Lease dated as of August 1, 2015, which was recorded on August 13, 2015, as Document No. 2015-0994372 in the Office of the Los Angeles County Recorder (the "2015 Site Lease"); and the Authority has leased the Leased Property back to the City under a Lease Agreement dated as of August 1, 2015, which was recorded on August 13, 2015, as Document No. 2015-0994373 in the Office of the Los Angeles County Recorder (the "2015 Lease Agreement").

3. The 2015 Bonds are subject to redemption at the option of the Authority on November 1, 2020, at a redemption price equal to 100% of the principal amount thereof together with accrued interest thereon to the redemption date, without premium.

4. The City and the Authority have determined that it is in their best interests to refund the 2015 Bonds, and in order to provide funds for that purpose the Authority has authorized the issuance of its 2020 Refunding Lease Revenue Bonds in the aggregate principal amount of \$\_\_\_\_\_ (the "Bonds"), under an unrecorded Indenture of Trust dated as of October 1, 2020 (the "Indenture"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee").

5. The City and the Authority have amended and restated the 2015 Lease Agreement pursuant to an Amended and Restated Lease Agreement dated as of October 1, 2020, which has been recorded concurrently herewith (the "Lease Agreement"), for the purpose of providing for the payment of lease payments by the City (the "Lease Payments") which have been pledged for the security of the Bonds.

6. The Authority has requested the Trustee to enter into this Assignment Agreement for the purpose of assigning certain of its rights under the Lease Agreement to the Trustee for the benefit of the Bond owners.

#### A G R E E M E N T :

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

SECTION 1. *Defined Terms.* All capitalized terms not otherwise defined herein have the respective meanings given those terms in the Indenture.

SECTION 2. *Assignment.* The Authority hereby assigns to the Trustee, for the benefit of the Owners of all Bonds which are issued and Outstanding under the Indenture, all of the Authority's rights under the Lease Agreement (excepting only the Authority's rights under Sections 4.4, 5.10, 7.3 and 8.4 of the Lease Agreement), including but not limited to:

- (a) the right to receive and collect all of the Lease Payments from the City under the Lease Agreement;
- (b) the right to receive and collect any proceeds of any insurance maintained thereunder with respect to the Leased Property, or any eminent domain award (or proceeds of sale under threat of eminent domain) paid with respect to the Leased Property; and
- (c) the right to exercise such rights and remedies conferred on the Authority under the Lease Agreement as may be necessary or convenient (i) to enforce payment of the Lease Payments and any amounts required to be deposited in the Insurance and Condemnation Fund established under Section 5.06 of the Indenture,

or (ii) otherwise to protect the interests of the Bond Owners in the event of a default by the City under the Lease Agreement.

The Trustee shall administer all of the rights assigned to it by the Authority under this Assignment Agreement in accordance with the provisions of the Indenture, for the benefit of the Owners of Bonds. The assignment made under this Section is absolute and irrevocable, and without recourse to the Authority.

SECTION 3. *Acceptance.* The Trustee hereby accepts the assignments made herein for the purpose of securing the payments due under the Lease Agreement and Indenture to, and the rights under the Lease Agreement and Indenture of, the Owners of the Bonds, all subject to the provisions of the Indenture. The recitals contained herein are those of the Authority and not of the Trustee, and the Trustee assumes no responsibility for the correctness thereof.

SECTION 4. *Termination of Prior Assignment Agreement.* The Authority and the Trustee hereby terminate that certain Assignment Agreement dated as of August 1, 2015, which was recorded on August 13, 2015, as Document No. 2015-0994374 in the Office of the Los Angeles County Recorder.

SECTION 5. *Conditions.* This Assignment Agreement confers no rights and imposes no duties upon the Trustee beyond those expressly provided in the Indenture. The assignment hereunder to the Trustee is solely in its capacity as Trustee under the Indenture.

SECTION 6. *Execution in Counterparts.* This Assignment Agreement may be executed in any number of counterparts, each of which is an original and all together constitute one and the same agreement. Separate counterparts of this Assignment Agreement may be separately executed by the Trustee and the Authority, both with the same force and effect as though the same counterpart had been executed by the Trustee and the Authority.

SECTION 7. *Binding Effect.* This Assignment Agreement inures to the benefit of and binds the Authority and the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 8. *Governing Law.* This Assignment Agreement shall be governed by the Constitution and laws of the State of California.

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

**HERMOSA BEACH PUBLIC FINANCING  
AUTHORITY**

By \_\_\_\_\_  
Executive Director

Attest:

\_\_\_\_\_  
Secretary

**U.S. BANK NATIONAL ASSOCIATION,  
*as Trustee***

By \_\_\_\_\_  
Authorized Signatory

## **APPENDIX A**

### **DESCRIPTION OF THE LEASED PROPERTY**

The Leased Property consists of that certain real property which is situated in the County of Los Angeles, State of California, and is more particularly described as follows:

#### **PARCEL 1:**

LOTS 1, 2 AND 3 IN BLOCK 73, OF THE SECOND ADDITION TO HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM SAID LOT 3 THAT PORTION THEREOF CONVEYED TO THE COUNTY OF LOS ANGELES, A BODY CORPORATE AND POLITIC, BY GRANT DEED RECORDED AUGUST 3, 1964 AS INSTRUMENT NO. 168, OFFICIAL RECORDS.

#### **PARCEL 2:**

LOTS 7, 8, 9, 10, 11 AND 12 IN BLOCK 73, OF THE SECOND ADDITION TO HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION THEREOF CONVEYED TO THE COUNTY OF LOS ANGELES, A BODY CORPORATE AND POLITIC, BY GRANT DEED RECORDED AUGUST 3, 1964 AS INSTRUMENT NO. 168, OFFICIAL RECORDS.

#### **PARCEL 3:**

THAT PORTION OF LOT 2 IN BLOCK 74, OF THE SECOND ADDITION TO HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT, DISTANT WESTERLY THEREON 69 FEET FROM THE SOUTHEASTERLY CORNER THEREOF; THENCE NORTHERLY PARALLEL TO THE EASTERLY LINE OF SAID LOT 2, A DISTANCE OF 300 FEET TO A POINT IN THE SOUTHERLY LINE OF 11TH PLACE, FORMERLY OF ELM STREET; THENCE WESTERLY ALONG SAID SOUTHERLY LINE OF SAID ELM STREET, 69 FEET; THENCE SOUTHERLY PARALLEL WITH THE EASTERLY LINE OF SAID LOT, 300 FEET TO THE SOUTHERLY LINE OF SAID LOT; THENCE EASTERLY ALONG SAID SOUTHERLY LINE 69 FEET TO THE POINT OF BEGINNING.

EXCEPT THE SOUTHERLY 150 FEET OF SAID LAND.

**PARCEL 4:**

LOT 1 OF TRACT NO. 780, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16, PAGE 41 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE SOUTHERLY 150 FEET OF SAID LOT.

**PARCEL 5:**

THAT PORTION OF THE UNNAMED ALLEY, BEING A PART OF BLOCK 73 OF THE SECOND ADDITION TO HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, VACATED BY RESOLUTION NO. N.S. 2192 OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, A CERTIFIED COPY OF WHICH RECORDED OCTOBER 27, 1958, AS INSTRUMENT NO. 3982 IN BOOK D257, PAGE 352 OF OFFICIAL RECORDS, SAID PORTION BEING MORE PARTICULARLY DESCRIBED IN SAID RESOLUTION AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 1 IN SAID BLOCK 73; THENCE NORTH 77 DEGREES, 10 MINUTES EAST, 180 FEET TO THE SOUTHEAST CORNER OF LOT 6 IN SAID BLOCK 73; THENCE SOUTH 12 DEGREES 50 MINUTES EAST, 20 FEET TO THE NORTHEAST CORNER OF LOT 7 IN SAID BLOCK 73; THENCE SOUTH 77 DEGREES, 10 MINUTES WEST, 180 FEET TO THE NORTHWEST CORNER OF LOT 12; THENCE NORTH 12 DEGREES, 50 MINUTES WEST, 20 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION THEREOF CONVEYED TO THE COUNTY OF LOS ANGELES, A BODY CORPORATE AND POLITIC, BY GRANT DEED RECORDED AUGUST 3, 1964 AS INSTRUMENT NO. 168, OFFICIAL RECORDS.

**PARCEL 6:**

THAT PORTION OF THE ELEVENTH PLACE, FORMERLY ELM ST., BEING A PART OF BLOCK 73 OF THE SECOND ADDITION TO HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, VACATED BY RESOLUTION NO. N.S. 2192 OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, A CERTIFIED COPY OF WHICH RECORDED OCTOBER 27, 1958, AS INSTRUMENT NO. 3982 IN BOOK D257, PAGE 352 OF OFFICIAL RECORDS, SAID PORTION BEING MORE PARTICULARLY DESCRIBED IN SAID RESOLUTION AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 12 IN SAID BLOCK 73; THENCE NORTH 77 DEGREES, 10 MINUTES EAST, 180 FEET TO THE SOUTHEAST CORNER OF LOT 7 IN SAID BLOCK 73; THENCE SOUTH 12 DEGREES, 50 MINUTES EAST, 30 FEET ON THE WEST PROPERTY LINE OF VALLEY DRIVE, SHOWN AS "WEST RAILROAD DRIVE" ON SAID MAP, TO AN INTERSECTION WITH THE CENTER LINE OF SAID ELEVENTH PLACE; THENCE SOUTH 77 DEGREES, 10 MINUTES WEST, 180 FEET TO AN INTERSECTION WITH THE EAST PROPERTY LINE OF BARD STREET; THENCE NORTH 12 DEGREES, 50 MINUTES WEST, 30 FEET TO THE POINT OF BEGINNING.

**PARCEL 7:**

THAT PORTION OF ELEVENTH PLACE VACATED BY RESOLUTION NO. N.S. 2385 OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, A CERTIFIED COPY OF WHICH RECORDED OCTOBER 11, 1961 AS INSTRUMENT NO. 4079, IN BOOK D1384, PAGE 472, OF OFFICIAL RECORDS, SAID PORTION BEING MORE PARTICULARLY DESCRIBED THEREIN AS FOLLOWS:

THE SOUTHERLY ONE-HALF OF ELEVENTH PLACE, FORMERLY ELM ST., BEING A PART OF BLOCK 74 OF THE SECOND ADDITION TO HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHERLY EXTENSION OF THE WESTERLY LINE OF VALLEY DRIVE, FORMERLY WEST RAILROAD DRIVE, AND THE SOUTHERLY EXTENSION OF THE EASTERLY LINE OF BARD STREET.

**PARCEL 8:**

THAT PORTION OF LOT 2 IN BLOCK 74 OF THE SECOND ADDITION OF HERMOSA BEACH, IN THE CITY OF HERMOSA BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 3, PAGES 11 AND 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 2; THENCE SOUTHWESTERLY ALONG THE SOUTHEASTERLY LINE OF SAID LOT 2, 69 FEET; THENCE NORTHERLY PARALLEL TO THE EASTERLY LINE OF SAID LOT 2, A DISTANCE OF 300 FEET TO A POINT IN THE SOUTHERLY LINE OF ELM STREET; THENCE NORTHEAST ALONG SAID SOUTHERLY LINE TO THE EASTERLY LINE OF SAID LOT 2; THENCE SOUTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE 300 FEET TO THE POINT OF BEGINNING.

EXCEPT FROM PARCELS 1 THROUGH 8 DESCRIBED HEREINABOVE THE INTEREST IN SAID LAND WHICH WAS CONVEYED BY CITY OF HERMOSA BEACH, A CALIFORNIA MUNICIPAL CORPORATION, TO MACPHERSON OIL COMPANY, A CALIFORNIA CORPORATION, BY DEED RECORDED APRIL 11, 2012 AS INSTRUMENT NO. 20120541608, OF OFFICIAL RECORDS, WHICH DEED DESCRIBES A ROYALTY OF 3-1/3% OF 100% OF ALL ROYALTY SUBSTANCES (AS DEFINED IN SAID DEED) WHICH MAY THEREAFTER AT ANY TIME BE PRODUCED FROM ANY BURDENED WELL (AS DEFINED AND DESCRIBED IN SAID DEED).

**APN: 4187-020-904; 4187-020-907**