

AFTER RECORDATION PLEASE RETURN TO:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726  
Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

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**SITE AND FACILITY LEASE**

**Dated as of July 1, 2024**

**by and between the**

**TOWN OF MAMMOTH LAKES, as Lessor**

**and the**

**MAMMOTH LAKES MUNICIPAL SERVICE CORPORATION, as Lessee**

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(2024 Capital Improvement Financing Project)

## SITE AND FACILITY LEASE

THIS SITE AND FACILITY LEASE (this "Site and Facility Lease"), dated as of July 1, 2024, is by and between the TOWN OF MAMMOTH LAKES, a municipal corporation and general law city duly organized and existing under and by virtue of the laws of the State of California, as lessor (the "Town"), and the MAMMOTH LAKES MUNICIPAL SERVICE CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California, as lessee (the "Corporation");

WITNESSETH:

WHEREAS, the Corporation intends to assist The Town to finance the cost of constructing and equipping a new Town Hall facility and the cost of acquiring certain land and improvements (collectively, the "Project"), by leasing certain land and improvements to The Town pursuant to a Lease Agreement, dated as of July 1, 2024, a memorandum of which is recorded concurrently herewith (the "Lease Agreement"); and

WHEREAS, The Town proposes to enter into this Site and Facility Lease with the Corporation as a material consideration for the Corporation's agreement to lease such land and improvements to The Town;

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

Section 1. Definitions. Capitalized terms used, but not otherwise defined, in this Site and Facility Lease shall have the meanings ascribed to them in the Lease Agreement.

Section 2. Site and Facility Lease. The Town hereby leases to the Corporation and the Corporation hereby leases from The Town, on the terms and conditions hereinafter set forth, those certain parcels of real property situated in Mono County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the "Site"), and those certain improvements located on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (collectively, the "Facility").

Section 3. Term. The term of this Site and Facility Lease shall commence on the Closing Date, and shall end on June 1, \_\_\_\_, unless the Term of the Lease Agreement is extended as hereinafter provided. If, on June 1, \_\_\_\_, the Trust Agreement shall not be discharged by its terms or if the Lease Payments or Additional Payments, if any, payable under the Lease Agreement shall have been abated at any time and for any reason, then the term of this Site and Facility Lease shall be extended without the need to execute any amendment to this Section 3 until there has been deposited with the Trustee an amount sufficient to pay all obligations due under the Lease Agreement, but in no event shall the term of this Site and Facility Lease extend beyond June 1, \_\_\_\_. If, prior to June 1, \_\_\_\_, the Trust Agreement shall be discharged by its terms, the term of this Site and Facility Lease shall thereupon end.

Notwithstanding the foregoing, the term of this Site and Facility Lease shall not end so long as any amounts are owed to the Municipal Bond Insurer with respect to the Municipal Bond Insurance Policy or the Reserve Policy (as such capitalized terms are defined in the Lease Agreement).

Section 4. Advance Rental Payment. The Town agrees to lease the Site and the Facility to the Corporation in consideration of the payment by the Corporation of an advance rental payment of \_\_\_\_\_ dollars (\$\_\_\_\_). The Town and the Corporation agree that by reason of the sale of the Certificates and deposit of proceeds pursuant to the provisions of the

Trust Agreement, dated as of July 1, 2024, by and among The Town, the Corporation and U.S. Bank Trust Company, National Association, as trustee thereunder (the "Trust Agreement"), the advance rental payment referenced in the preceding sentence shall be deemed to have been paid.

Section 5. Purpose. The Corporation shall use the Site and the Facility solely for the purpose of leasing the Site and the Facility to The Town pursuant to the Lease Agreement and for such purposes as may be incidental thereto; *provided, however*, that in the event of default by The Town under the Lease Agreement, the Corporation and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. Town's Interest in the Site and the Facility. The Town covenants that it is the owner in fee of the Site and the Facility.

Section 7. Assignments and Subleases. Unless The Town shall be in default under the Lease Agreement, the Corporation may not assign its rights under this Site and Facility Lease or sublet the Site or the Facility, except as provided in the Lease Agreement, without the prior written consent of the District and the Municipal Bond Insurer.

Section 8. Right of Entry. The Town reserves the right for any of its duly authorized representatives to enter upon the Site and the Facility 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 Corporation agrees, upon the termination of this Site and Facility Lease, to quit and surrender the Site and the Facility 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 Site at the time of the termination of this Site and Facility Lease shall remain thereon and title thereto shall vest in The Town.

Section 10. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facility Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Corporation, The Town may exercise any and all remedies granted by law, except that no merger of this Site and Facility Lease and of the Lease Agreement shall be deemed to occur as a result thereof and The Town shall have no right to terminate this Site and Facility Lease as a remedy for such default; *provided, however*, that so long as any Certificates are Outstanding and unpaid in accordance with the terms thereof, the Lease Payments assigned by the Corporation to the Trustee under the Assignment Agreement shall continue to be paid to the Trustee.

Section 11. Quiet Enjoyment. The Corporation, at all times during the term of this Site and Facility Lease, shall peaceably and quietly have, hold and enjoy all of the Site subject to the provisions of the Lease Agreement and the Trust Agreement.

Section 12. Waiver of Personal Liability. All liabilities under this Site and Facility Lease on the part of the Corporation are solely liabilities of the Corporation and The Town hereby releases each and every, member, director, officer, employee and agent of the Corporation of and from any personal or individual liability under this Site and Facility Lease. No member, director, officer, employee or agent of the Corporation shall at any time or under any circumstances be individually or personally liable under this Site and Facility Lease for anything done or omitted to be done by the Corporation hereunder.

Section 13. Taxes. All assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site and the Facility (including both land and improvements) will be paid in accordance with the Lease Agreement.

Section 14. Eminent Domain. In the event the whole or any part of the Site or the Facility thereon is taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of then unpaid Certificates including the unpaid principal and interest with respect to any then outstanding Certificates and, subject to the provisions of the Lease Agreement and payment of all amounts owed to the Municipal Bond Insurer, the balance of the award, if any, shall be paid to The Town.

Section 15. Use of the Proceeds. The Town and the Corporation hereby agree that the lease to the Corporation of The Town's right and interest in the Site and the Facility pursuant to Section 2 serves the public purposes of The Town by providing funds to enable The Town to finance the 2024 Project.

Section 16. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site and Facility Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facility Lease shall be affected thereby, and each provision of this Site and Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. 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 mail, return receipt requested, postage prepaid, and, if to the Town, addressed to The Town in care of the Town Manager, Town of Mammoth Lakes, 437 Old Mammoth Road, Suite 230, Mammoth Lakes, CA 93546, or if to the Corporation, addressed to the Corporation in care of the Town Manager, Town Manager, Town of Mammoth Lakes, 437 Old Mammoth Road, Suite 230, Mammoth Lakes, CA 93546, if to the Municipal Bond Insurer, addressed to \_\_\_\_\_, Attention: \_\_\_\_\_, Re: Policy No. \_\_\_\_\_, Telephone: (\_\_\_\_) \_\_\_\_-\_\_\_\_; Fax: (\_\_\_\_) \_\_\_\_-\_\_\_\_, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 18. Municipal Bond Insurer as Third Party Beneficiary. To the extent that this Site and Facility Lease confers upon or give or grant to the Municipal Bond Insurer any right, remedy or claim under or by reason of the Trust Agreement or the Lease Agreement, the Municipal Bond Insurer is explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 19. Binding Effect. This Site and Facility Lease shall inure to the benefit of and shall be binding upon The Town and the Corporation and their respective successors and assigns.

Section 20. Amendment. This Site and Facility Lease may not be amended except as permitted under Section 10.01 of the Trust Agreement.

Section 21. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site and Facility Lease.

Section 22. Applicable Law. This Site and Facility Lease shall be governed by and construed in accordance with the laws of the State of California.

Section 23. Execution in Counterparts. This Site and Facility 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 instrument.

[Remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, The Town and the Corporation have caused this Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

TOWN OF MAMMOTH LAKES

By \_\_\_\_\_  
Town Manager

MAMMOTH LAKES MUNICIPAL  
SERVICE CORPORATION

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

[NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

## EXHIBIT A

### DESCRIPTION OF THE SITE

The land referred to herein is situated in the State of California, County of Mono and described as follows:

Community Recreation Center Site  
(686 Old Mammoth Road, Mammoth Lakes)

APN: 040-140-002-000

Police Station Site  
(58 Thompsons Way, Mammoth Lakes)

APN: 035-010-070-000



## EXHIBIT B

### DESCRIPTION OF THE FACILITY

Community Recreation Center  
(686 Old Mammoth Road, Mammoth Lakes)

The Community Recreation Center is a 40,300 square foot [Sprung Performance Arena](#) located on the southwest corner of the Mammoth Creek Park site, completed in 2023. The approximate 56-foot tall and 140-foot wide facility will provide year-round programming for the community and our thousands of visitors. The facility includes locker rooms, public/community space, seating, additional “use areas” (recreational activities, food/beverage sales, rentals, back of house, etc.) restrooms, and administrative areas.

Police Station  
(58 Thompsons Way, Mammoth Lakes,

The Police Station is an 5,790 square foot facility, completed in 2017, located on a 2.36 acre site, that provides for Town Police services – sworn and non-sworn activities. The facility includes an armory, a covered entrance, reception area, a sally port, holding cells, a training room and a locker room.