

ARTICLE X

MISCELLANEOUS

Section 10.01. Parties Not Liable.

Neither the Authority, the Commission, their respective members, officers, agents and employees nor the Trustee or the Liquidity Bank shall be liable to the City or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Leased Premises. The City shall, to the extent permitted by law, indemnify and hold the Commission, the Authority, their respective members, officers, agents and employees and the Trustee, harmless from, and defend each of them against, any and all claims, liens and judgments for death of or injury to any person or damage to property whatsoever occurring in, on or about the Leased Premises.

Section 10.02. Assignment.

Neither this Lease nor any interest of the City hereunder shall be mortgaged, pledged, assigned, sublet or transferred by the City by voluntary act or by operation of law or otherwise, except with the prior written consent of the Authority, which shall not be unreasonably withheld.

Section 10.03. Development Agreements.

Concurrently with the execution hereof, the Commission and the Authority are executing and delivering the Authority Lease.

The Commission has entered into the Development Agreements. The City hereby agrees that, subject to the limitations set forth below, all of its rights and this Lease shall be and are subject and subordinate to the Development Agreements (including, without limitation, the easements, licenses and rights of way granted or to be granted pursuant to the Development Agreements) and all amendments thereto.

The City agrees to execute, acknowledge and deliver to the Developer any and all documents deemed by the Commission necessary or appropriate to evidence the foregoing subordination agreements and further agrees that the same may be recorded, provided, however, with respect to any documents or amendments to be entered into by the Commission with the Developer after the Closing Date only if such documents or amendments do not reduce the fair rental value of the Leased Premises as set forth in the certificate of the City delivered to the Authority, the Commission and the Trustee on the Closing Date setting forth the fair rental value of the Leased Premises.

Section 10.04. Assignment of Certain Amounts Under the Development Agreements.

The Authority hereby assigns and transfers to the City without recourse all of its rights to receive Parking Operation Net Income (as such term is defined in, and pursuant to the terms of, the POMA) in an amount not to exceed in any Lease Year the aggregate Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent due and payable by the City pursuant to this Lease.

Section 10.05. Title To Leased Property.

Title to the Leased Premises and all structural additions thereto shall remain in the Commission during the term of this Lease. At the termination of this Lease in accordance with its terms, the Authority and the City, if not then in default hereunder, shall quitclaim all right, title and interest of the Authority and the City in and to the Leased Premises to the Commission.

Section 10.06. Law Governing.

This Lease shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 10.07. Notices.

All notices, certificates or other communications hereunder to the Authority, the City, the Commission and the Trustee shall be sufficiently given and shall be deemed to have been received five business days after deposit in the United States mail in certified form, postage prepaid, to the Authority, the City, the Commission or the Trustee, as the case may be, at the following addresses:

If to the City: City of Pasadena
100 N. Garfield, Room 345
Pasadena, California 91109
Attention: Director of Finance

If to the Authority: City of Pasadena
100 N. Garfield, Room 345
Pasadena, California 91109
Attention: Treasurer

If to the Commission: City of Pasadena
100 N. Garfield, Room 222
Pasadena, California 91109
Attention: Chief Executive Officer

If to the Trustee: Wells Fargo Bank, National Association
E2818-176 MAC
707 Wilshire Boulevard, 17th Floor
Los Angeles, California 90017
Attention: Corporate Trust Services

Section 10.08. Validity and Severability.

If for any reason this Lease shall be held by a court of competent jurisdiction to be void, voidable, or unenforceable by the Authority or by the City, or if for any reason it is held by such a court that any of the covenants and conditions of the City hereunder, including the covenant to pay rentals hereunder, is unenforceable for the full term hereof, then and in such event this Lease

is and shall be deemed to be a lease from year to year under which the rentals are to be paid by the City monthly in consideration of the right of the City to possess, occupy and use the Leased Premises, and all of the rental and other terms, provisions and conditions of this Lease, except to the extent that such terms, provisions and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 10.09. Purpose of Lease; Personal Property.

The City covenants that during the term of this Lease, except as hereinafter provided, (a) it will use, or cause the use of, the Leased Premises for a public off-street vehicular parking facility, for all purposes incidental thereto, (b) it will not vacate or abandon the Leased Premises or any part thereof, and (c) it will not take any action or omit to take any action which will result in a default under the terms of the Development Agreements.

Section 10.10. Anti Discrimination.

By execution hereof the City hereby agrees to be bound by all of the provisions of Section 6.12 of the Authority Lease and agrees that such provisions shall be binding upon and obligate the City or any transferee under this Lease.

Section 10.11. Amendments.

This Lease Agreement may be amended in writing as may be mutually agreed by the Authority and the City, with the written consent of the Commission and the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding pursuant to the Trust Agreement, provided that no such amendment shall (a) extend the payment date of any Lease Payment, or reduce the amount of any Lease Payment without the prior written consent of the Owner of each Bond so affected, or (b) reduce the percentage of Bonds the consent of the Owners of which is required for the execution of any amendment of this Lease.

This Lease Agreement and the rights and obligations of the Authority and the City hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution by the Authority and the City, with the written consent of the Commission, but without the written consents of any Owners, but only to the extent permitted by law and after receipt of an unqualified Opinion of Counsel and only for any one or more of the following purposes:

(a) to add to the agreements, conditions, covenants and terms required by the Authority or the City to be observed or performed herein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the City, or to surrender any right or power reserved herein to or conferred herein on the Authority or the City, and which in either case shall not adversely affect the interests of the Owners; or

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which the Authority or the City may deem desirable or

necessary and not inconsistent herewith, and which shall not adversely affect the interests of the Owners; or

(c) for any other reason, provided such amendment or supplement does not adversely affect the interests of the Owners, provided further that the Authority or the City may rely in entering into any such amendment or supplement upon an Opinion of Counsel stating that the requirements of this subsection (c) have been met with respect to such amendment or supplement.

Section 10.12. Execution.

This 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.

[Signature Page to Follow]

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

PASADENA PUBLIC FINANCING AUTHORITY

By: _____
Steven B. Mermell
Treasurer

ATTEST:

By: _____
Mark Jomsky, CMC
Secretary

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
General Counsel

CITY OF PASADENA

By: _____
Steven B. Mermell
Interim Finance Director

[SEAL]

ATTEST:

By: _____
Mark Jomsky, CMC
City Clerk

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
City Attorney

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.

Signature

[Seal]

EXHIBIT A

SCHEDULE OF PRINCIPAL COMPONENTS OF LEASE PAYMENTS

Lease
Payment Dates
(June 1)

Principal
Component

EXHIBIT B

LEGAL DESCRIPTION OF THE LEASED PREMISES

The Leased Premises consist of the following real property, together with all improvements thereon:

[Legal Description to Come]