

TO: MEMBERS, BOARD OF EDUCATION **AMENDED**

FROM: DR. ANTHONY W. KNIGHT, SUPERINTENDENT

DATE: OCTOBER 20, 2015

SUBJECT: B.2.b RESOLUTION 15-19, AUTHORIZING PROJECT 15-15F, ACQUISITION OF RELOCATABLE CLASSROOM AND LEASE WITH OPTION TO PURCHASE AGREEMENT FOR OAK HILLS ELEMENTARY SCHOOL

ACTION

ISSUE: Shall the Board adopt Resolution 15-19, authorizing Project 15-15F, Acquisition of Relocatable Classroom and Lease with Option to Purchase Agreement for Oak Hills Elementary School?

BACKGROUND: Education Code (EC) 17292, amended by Senate Bill (SB) 1324, requires school district governing boards to adopt a resolution by October 30, 2015, certifying that any Department of Housing and Community Development (HCD) structures owned or leased by a district are "no longer being used as a school building" after September 30, 2015. Two HCD structures are located on the Oak Hills Elementary School campus. In compliance with EC 17292 and SB 1324, the intervention programs utilizing the two structures have been relocated effective September 30, 2015, pending the acquisition and installation of a relocatable classroom approved by the Division of the State architect (DSA).

To fully comply with SB 1324 and EC 17292, staff is requesting that the Board adopt Resolution 15-19, authorizing Project 15-15F, to include the following:

- 1) Board ratification of the acquisition and installation of one DSA-approved 24'x40' relocatable classroom through Class Leasing LLC, utilizing the piggyback provisions of Chawanakee Unified School District Bid No. 2011-01.
- 2) Approval of financing of the classroom acquisition through a lease-with- option-to-purchase agreement with All American Investment Group, LLC.
- 3) District's general counsel opinion regarding the District's compliance with all applicable laws governing the purchase and financing of personal property.

District's general counsel has concluded its final review of the resolution, the proposal from Class Leasing LLC, and lease-purchase agreement with All American Investment Group, LLC, which are attached for the Board's review and information. The documents have also been posted with the Board's agenda on the District's website.

BOARD MEETING, OCTOBER 20, 2015

Amended - Resolution 15-19, Authorizing Project 15-15F, Acquisition of Relocatable Classroom and Lease with Option to Purchase for Oak Hills Elementary School

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- ALTERNATIVES:**
1. Adopt Resolution 15-19, authorizing Project 15-15F, Acquisition of Relocatable Classroom and Lease with Option to Purchase Agreement for Oak Hills Elementary School.
 2. Do not adopt Resolution 15-19.

RECOMMENDATION: Alternative No. 1

Prepared by: Martin Klauss, Assistant Superintendent, Business and Administrative Services

Respectfully submitted,

Anthony W. Knight, Ed.D.
Superintendent

Board Action: On motion of _____, seconded by _____, the Board of Education:

VOTE	AYES	NOES	ABSTAIN	ABSENT
Hazelton	_____	_____	_____	_____
Helfstein	_____	_____	_____	_____
Laifman	_____	_____	_____	_____
Rosen	_____	_____	_____	_____
Ross	_____	_____	_____	_____
Student Rep	_____	_____	_____	_____

**OAK PARK UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 15-19**

**RESOLUTION OF THE BOARD OF EDUCATION OF THE OAK PARK UNIFIED
SCHOOL DISTRICT AUTHORIZING ACQUISITION OF RELOCATABLE
AND APPROVING AND AUTHORIZING EXECUTION OF LEASE WITH OPTION TO
PURCHASE AGREEMENT**

WHEREAS, the Board of Education ("Board") of the Oak Park Unified School District ("District") has determined that it is in the best interests of the District to authorize the lease-purchase of one 24x40 relocatable classroom building (the "Relocatable"); and

WHEREAS, Education Code section 17280.5(e) authorizes the District to lease or purchase a building that is determined to have the equivalent pupil safety performance standard as a building constructed according to the Field Act and implementing regulations; and

WHEREAS, the Chawanakee Unified School District ("CUSD") conducted a cooperative bidding process for the purchase, lease, relocation, dismantling, and removal of Division of the State Architect ("DSA") approved temporary portable classrooms and named Oak Park Unified School District as a district that could participate in the contract; and

WHEREAS, on March 7, 2011, the CUSD Board of Trustees awarded Bid No. 2011-01 to Class Leasing, Inc. ("Vendor") as the lowest responsive and responsible bidder, and on February 26, 2015, the CUSD Board extended Bid No. 2011-01 for an additional year from March 7, 2015 through March 6, 2016; and

WHEREAS, California Public Contract Code section 20118 authorizes the Board to lease the Relocatable from Vendor under existing contracts, leases, purchase orders, or requisitions, such as Bid No. 2011-01, without advertising for bids, if the Board determines it is in the best interests of the District and the District's contract is based on the same terms and conditions as set forth in the underlying bid; and

WHEREAS, the District desires to enter into a Lease With Option to Purchase Agreement ("Lease") with All American Investment Group, LLC ("Lessor") to finance the acquisition of the Relocatable; and

WHEREAS, the Board has been presented with the form of the Lease and its accompanying documents, all of which are on file with the District and incorporated herein by this reference.

NOW, THEREFORE, the Board of Education of the Oak Park Unified School District hereby finds, determines, declares, orders, and resolves as follows:

1. The foregoing recitals are true and correct.

2. The Board hereby approves the acquisition of the Relocatable from Class Leasing, Inc. under the same terms and conditions as the CUSD Bid No. 2011-01.
3. The Board has determined that entering into the Lease with Lessor is in the best interests of the District for the acquisition of the Relocatable.
4. The Superintendent and the Assistant Superintendent, Business and Administrative Services, or their designee (collectively "Authorized Representatives") are each authorized in the name of and on behalf of the District to execute the Lease, with such additions and changes as are recommended or approved by counsel to the District and any of the Authorized Representatives, with such approval to be conclusively evidenced by the execution and delivery of the Lease.
5. All actions taken by the Authorized Representatives prior to the adoption of this Resolution with respect to the Lease are approved, confirmed and ratified, and the Authorized Representatives are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the execution of the Lease and delivery of the Relocatable, in accordance with the provisions and directives of this Resolution.

PASSED AND ADOPTED by the Board of Education of the Oak Park Unified School District at its regularly held meeting on October 20, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President, Oak Park Unified School District
Board of Education

Attest:

Secretary, Oak Park Unified School District
Board of Education

CLASS LEASING, LLC.

1221 Harley Knox Blvd. Perris, Ca 92571-7408
Voice (951) 943-1908 * FAX (951) 943-5768

September 4, 2015

Oak Park USD

Attn: Martin Klauss (e-mail: MKlauss@oakparkusd.org)

RE: Proposal for (1) 24' x 40' Portable Classroom At Oak Hills Elementary School

The following proposal is based upon the Oak Park USD utilizing the Open Piggyback Contract Bid with Chawanakee USD (Bid No. 2011-01)

Item I – Lease-Purchase Option for (1) 24'x40' DSA Classroom (5-year lease-purchase* with Wood Foundation System)

Item	Charge		Total
A) 24x40 DSA Classroom (per year, billed annually in advance)	13,926.89*	1	13,926.89*
B) WUI Modifications (see inclusions)	INC	1	INC
C) Delivery	1,850	1	1,850
D) Installation	2,025	1	2,025

General Note: Payment terms are per the Chawanakee Piggyback & Contract with All American Investment Group, LLC.

**** Financing is subject to credit review and the execution of mutually acceptable documentation between All American Investment Group, LLC and the customer.***

Item II – Inclusions

- Used classroom, based upon existing stockpile that is modified (modification applies to existing stockpiled building/drawings per site specific submission and approval) per Item IIA, below.
- Standard carpet and white marker boards in classrooms.
- Right Hand door floor plan.
- Standard delivery and installation.
- DSA drawings to Architect for DSA submittal. (Std. Building DSA Stockpile approved drawings)
- Class Leasing standard wood foundation, ramp and landing.
- Standard wall mount HVAC, standard lights and electrical.
- Units as available in stock (selection by Class Leasing).
- Exterior color selection by Class Leasing (wood siding).
- Door hardware per Class Leasing's existing stockpiled unit.
- Standard 5'x7' landing with 4'x11' (fixed) ramp; transition to grade by others.

Item II-A – Wildfire exposure building protection Inclusions

- Based upon a used, existing stockpile building modified to include 2013 CBC Chapter 7A)
- Class A Roof
- Leaf guards on roof gutters.
- Corrosion resistant metal wire mesh at exterior vent openings (if applicable)
Including under-floor foundation vents (mesh openings not less than 1/16" and not

- more than 1/8" in size)
- (7/16" LP Smart-Panel exterior panel siding) at exterior wall coverings with exposed metal beam, roof soffit (if applicable) and skirting.
- Hollow metal frame and exterior door.
- Exterior windows: Multi-pane glazing with a minimum of one tempered pane.

Item III - Exclusions

- DSA submittal, and final site & building approval including site specific WUI Design requirements.
- City Permits, Escorts, Pilot Cars.
- Closure panels between classrooms.
- Access in-out of site for all equipment, trucking & workmen.
- Level asphalt or dirt pad for building & ramp.
- Transition of ramp toe to grade; ramps fixed at 11'.
- Transition of handrail extensions beyond 12" to meet site ADA compliance.
- Special 4" separations (if required).
- On site / In Plant DSA Inspection's.
- Craning, shuttling, side loading or special unloading of building (if required due to limited site access).
- Connection of site utilities, FA & low voltage systems.
- Low voltage systems, components & wire (including fire alarm).
- Classroom plumbing, building signage.
- Bonds
- Fire sprinklers or rated building (if required).
- Anything not included is excluded.

If the above is acceptable, please sign below or provide a Letter of Intent and return by September 11th.

If you have any questions please do not hesitate to contact me at (951) 943-1908 or on my cell at (951) 293-1668.

Sincerely,
CLASS LEASING, LLC.

Dave Morgan

Dave Morgan
Sales Representative

ACCEPTED X DATE 09/14/15

BY


Martin Klauss

TITLE Asst. Supt., Business Services

ESTIMATED SITE READY DATE 10/01/15
(Month/Year)

LEASE WITH OPTION TO PURCHASE AGREEMENT

Agreement No. TE-2093

Lessee

Oak Park Unified School District
5801 Conifer Street
Oak Park, California 91377

Lessor

All American Investment Group, LLC
730 17th Street #830
Denver, Colorado 80202

Dated as of October 22, 2015

This Lease With Option to Purchase Agreement dated as of the date listed above is between Lessor and Lessee listed directly above. Lessor desires to lease the Equipment described in Exhibit "A" to Lessee and Lessee desires to lease the Equipment from Lessor subject to the terms and conditions of this Agreement which are set forth below.

I. Definitions:

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Lease with Option to Purchase Agreement and all Exhibits and Appendices attached hereto.

"Budget Year" means the Lessee's fiscal year.

"Commencement Date" is the date when Lessee's obligation to pay rent begins.

"Equipment" means all of the items of Equipment listed on Exhibit "A" and all replacements, restorations, modifications and improvements.

"Legally Available Funds" means funds that the governing body of Lessee duly appropriates or are otherwise legally available for the purpose of making Rental Payments under this Agreement, including monies held in the Vendor Payable Account to the extent that such moneys are used to prepay Rental Payments or Purchase Option Price.

"Lessee" means the entity listed above as Lessee and which is leasing the Equipment from Lessor under the provisions of this Agreement.

"Lessor" means the entity originally listed above as Lessor or any of its assignees.

"Lease Term" means the Original Term and all Renewal Terms.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Lessee.

"Partial Prepayment Date" means the first Rental Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Lessee has accepted all the Equipment and all of the Equipment has been paid for from the Vendor Payable Account.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Lessee, subject to the security interest granted to and retained by Lessor as set forth in this Agreement, and otherwise incurred in connection with the financing of this Equipment.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Lessee's Budget Year.

"Rental Payments" means the payments Lessee is required to make under this Agreement as set forth on Exhibit "B".

"State" means the state in which Lessee is located.

"Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.

"Vendor Payable Account" means the separate account of that name established pursuant to Section X of this Agreement.

II. Lessee Warranties

Section 2.01. Lessee represents, warrants and covenants as follows for the benefit of Lessor or its assignees:

- (a) Lessee is an "issuer of tax exempt obligations" because Lessee is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Lessee is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b).
- (b) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Lessee has followed all proper procedures of its governing body in executing this Agreement. The Officer of Lessee executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Lessee in accordance with its terms.
- (c) Lessee has complied with all statutory laws and regulations that may be applicable to the execution of this Agreement.
- (d) Lessee shall use the Equipment only for essential, traditional government purposes.

- (e) Should the IRS disallow the tax-exempt status of the Interest Portion of the Rental Payments as a result of the failure of the Lessee to use the Equipment for governmental purposes, then Lessee shall be required to pay additional sums to the Lessor or its assignees so as to bring the after tax yield to the same level as the Lessor or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Should the Lessee cease to be an issuer of tax exempt obligations or if the obligation of Lessee created under this Agreement ceases to be a tax exempt obligation for any reason, then Lessee shall be required to pay additional sums to the Lessor or its assignees so as to bring the after tax yield on this Agreement to the same level as the Lessor or its assignees would attain if the transaction continued to be tax-exempt.
- (g) Lessee has never non-appropriated funds under an agreement similar to this Agreement.
- (h) Lessee will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (i) Upon request by Lessor, Lessee will provide Lessor with current financial statements, reports, budgets and other audited fiscal information.
- (j) Lessee presently intends to continue this Agreement for the Original Term and all Renewal Terms, if any, as set forth on Exhibit "B" hereto. The official of Lessee responsible for budget preparation will include in the budget request for each Budget year the Rental Payments to become due in such Budget year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Rental Payments coming due therein. Lessee reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.

III. Acquisition of Equipment, Rental Payments and the Purchase Option Price

Section 3.01. Acquisition, Installation and Acceptance. Lessee shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Lessor shall have no liability for any delay in delivery or failure by the supplier to deliver any Equipment or to fill any purchase order. Lessee will pay or cause the supplier to pay all transportation, packing, taxes, duties, insurance, installation, testing and other charges in connection with the delivery, installation and use of the Equipment. As soon as practicable after the receipt of the Equipment, Lessee shall furnish Lessor with an Acceptance Certificate. Execution of the Acceptance Certificate by any employee, official or agent of Lessee having managerial, supervisory or procurement authority with respect to Equipment of the same general type as the Equipment shall constitute acceptance of the Equipment on behalf of the Lessee. Regardless of whether Lessee has furnished an Acceptance Certificate pursuant to this Section, by making a Rental Payment after its receipt of the Equipment pursuant to this Agreement, Lessee shall be deemed to have accepted the Equipment on the date of such Rental Payment for purposes of this Agreement. All Rental Payments paid prior to delivery of the Acceptance Certificate shall be credited to Rental Payments as they become due as shown on the Rental Payment Schedule attached as Exhibit B hereto.

Section 3.02. Rental Payments. Lessee shall pay Rental Payments exclusively to Lessor or its assignees in lawful, legally available money of the United States of America. The Rental Payments shall be sent to the location specified by the Lessor or its assignees. The Rental Payments shall be payable solely from Legally Available Funds, shall constitute a current expense of the Lessee and shall not constitute an indebtedness of the Lessee. Lessor shall have the option to charge interest at the highest lawful rate on any Rental Payment received later than the due date. The Rental Payments will be payable without notice or demand at the time and in the amounts shown on Exhibit B.

Section 3.03. Rental Payments Unconditional. Except as provided under Section 4.01, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE. Lessee understands and agrees that neither the manufacturer, seller or supplier of any Equipment, nor any salesman or other agent of any such manufacturer, seller or supplier, is an agent of Lessor. No salesman or agent of the manufacturer, seller or supplier of any Equipment is authorized to waive or alter any term or condition of this Agreement, and no representation as to Equipment or any other matter by the manufacturer, seller or supplier of any Equipment shall in any way affect Lessee's duty to pay the Rental Payments and perform its other obligations as set forth in this Agreement.

Section 3.04. Purchase Option Price. Upon 30 days written notice, Lessee shall have the option to pay on any payment date, in addition to the Rental Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. If Lessee chooses this option and pays the Purchase Option Price to Lessor then Lessor will transfer any and all of its rights, title and interest in the Equipment to Lessee.

Section 3.05. Lease Term. The Lease Term of the Agreement shall be the Original Term and all Renewal Terms, if any, until all the Rental Payments are paid as set forth in Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Lessee has not non-appropriated as provided for in this Agreement then the Lease Term shall be extended into the next Renewal Term, if any, and the Lessee shall be obligated to make all the Rental Payments that come due during such Renewal Term, as applicable.

Section 3.06. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY LESSEE.

IV. Non-Appropriation

Section 4.01. Non-Appropriation. If insufficient funds are available in Lessee's budget for the next budget year to make the Rental Payments for the next Renewal Term, if any, and the funds to make such Rental Payments are otherwise unavailable by any lawful means whatsoever, then Lessee shall have the option to non-appropriate the funds to pay the Rental Payments for the next Renewal Term, as applicable. Lack of a sufficient appropriation shall be evidenced by the passage of a resolution by the governing body of Lessee specifically prohibiting Lessee from performing its obligations under this Agreement and from using any moneys to pay the Rental Payments due under this Agreement for a designated Budget Year and all subsequent Budget Years. If Lessee chooses this option, then all obligations of the Lessee under this Agreement regarding Rental Payments for all remaining Renewal Terms, if any, shall be terminated at the end of the then current Original Term or Renewal Term, as applicable, without penalty or liability to the Lessee of any kind provided that if Lessee has not delivered possession of the Equipment to Lessor as provided herein and conveyed to Lessor or released its interest in the Equipment by the end of the last Budget Year for which Rental Payments were paid, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments thereafter coming due under the Payment Schedule in Exhibit "B" which are attributable to the number of days after such Budget Year during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. Lessee shall immediately notify the Lessor as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Lessee shall deliver the Equipment to Lessor or to a location designated by Lessor at Lessee's expense. Lessee shall be liable for all damage to the Equipment other than normal wear and tear. If Lessee fails to deliver the equipment to Lessor, then Lessor may enter the premises where the Equipment is located and take possession of the Equipment and charge Lessee for costs incurred.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01. Insurance. Lessee shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Lessee shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Lessee is required to make Rental Payments. Lessee shall provide Lessor with a Certificate of Insurance which lists the Lessor and/or Assigns as a Loss Payee and an Additional Insured on the policies with respect to the Equipment.

- (a) Lessee shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Lessee may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Lessor from liability and property damage in any form and amount reasonably satisfactory to Lessor.
- (c) Lessee may self-insure against the casualty risks and liability risks described above. If Lessee chooses this option, Lessee must furnish Lessor with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Lessor and its assignees are named additional insureds and loss payees and that all losses are payable to Lessee and Lessor or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Lessor or its assignees. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

Section 5.02. Damage to or Destruction of Equipment. Lessee assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Lessee will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Lessor, Lessee shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price, if Lessee elects to purchase the Equipment. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03. Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Lessee shall, at the option of Lessor, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price, if Lessee elects to purchase the Equipment, and pay the deficiency, if any, to the Lessor.

Section 5.04. Lessee Negligence. Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any state or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Lessee) which is proximately caused by the negligent conduct of Lessee, its officers, employees and agents. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01. Title. Title to the Equipment shall vest in Lessee when Lessee acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Lessor in the event Lessee non-appropriates under Section 4.01 or in the event Lessee defaults under Section 9.01. In either of such events, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Equipment to Lessor.

Section 6.02. Security Interest. To secure the payment of all Lessee's obligations under this Agreement, Lessee hereby grants to Lessor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit "A". The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Lessee agrees that Lessor or its Assignee may execute such additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Lessee which Lessor deems necessary or appropriate to protect Lessor's interest in the Equipment and in this Agreement.

VII. Assignment

Section 7.01. Assignment by Lessor. All of Lessor's rights, title and/or interest in and to this Agreement may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees (including a Registered Owner for Lease Participation Certificates) by Lessor at any time without the consent of Lessee. No such assignment shall be effective as against Lessee until the assignor shall have filed with Lessee written notice of assignment identifying the assignee. Lessee shall pay all Rental Payments due hereunder relating to such Equipment to or at the direction of Lessor or the assignee named in the notice of assignment. Lessee shall keep a complete and accurate record of all such assignments.

Section 7.02. Assignment by Lessee. None of Lessee's right, title and interest under this Agreement and in the Equipment may be assigned by Lessee unless Lessor approves of such assignment in writing before such assignment occurs and only after Lessee first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01. Lessee shall keep the Equipment in good repair and working order. Lessor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Lessee will be liable for all damage to the Equipment, other than normal wear and tear, caused by Lessee, its employees or its agents. Lessee shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Lessee is responsible for obtaining such title(s) from the State and also for ensuring that Lessor is listed as First Lien holder on all of the title(s). Lessee shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Lessee shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. The Equipment is and shall at all times be and remain personal property. Lessee shall allow Lessor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01. Events of Default defined. The following events shall constitute an "Event of Default" under this Agreement:

- (a) Failure by Lessee to pay any Rental Payment listed on Exhibit "B" for thirty (30) days after such payment is due according to the Payment Date listed on Exhibit "B".
- (b) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of thirty (30) days after written notice by Lessor that such payment must be

made. If Lessee continues to fail to pay any payment after such period, then Lessor may, but will not be obligated to, make such payments and charge Lessee for all costs incurred plus interest at the highest lawful rate.

- (c) Failure by Lessee to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Lessee by Lessor, unless Lessor agrees in writing to an extension of time. Lessor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Lessee. Subsection (c) does not apply to Rental Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Lessee in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Lessee's intent and which materially adversely affects the rights or security of Lessor under this Agreement.
- (e) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Lessor.
- (f) Lessee admits in writing its inability to pay its obligations. Lessee defaults on one or more of its other obligations. Lessee applies or consents to the appointment of a receiver or a custodian to manage its affairs. Lessee makes a general assignment for the benefit of creditors.

Section 9.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Agreement, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Budget Year to be immediately due and payable.
- (b) With or without terminating this Agreement, Lessor may require Lessee at Lessee's expense to redeliver any or all of the Equipment to Lessor to a location specified by Lessor. Such delivery shall take place within thirty (30) days after the event of default occurs. If Lessee fails to deliver the Equipment, Lessor may enter the premises where the Equipment is located and take possession of the Equipment and charge Lessee for cost incurred. Notwithstanding that Lessor has taken possession of the Equipment, Lessee shall still be obligated to pay the remaining Rental Payments due up until the end of the then current Original Term or Renewal Term. Lessee will be liable for any damage to the Equipment caused by Lessee or its employees or agents.
- (c) Lessor may retain all amounts credited to the Vendor Payable Account and Lessee shall have no further interest therein.
- (d) Lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights.

Section 9.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

X. Vendor Payable Account

Section 10.01. Establishment of Vendor Payable Account. On the date that the Lessor executed this Agreement, which is on or after the date that the Lessee executes this Agreement, Lessor agrees to (i) make available to Lessee an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, non-interest bearing account (the "Vendor Payable Account"), as agent for Lessee's account, with a financial institution that Lessor selects that is acceptable to Lessee (including Lessor or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Exhibit B in the Vendor Payable Account. Lessee hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in Exhibit C attached hereto. Upon Lessee's delivery to Lessor of a Payment Request Form in the form set forth in Exhibit J attached hereto, Lessee authorizes Lessor to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Lessee. The Payment Request Form must be signed by an authorized individual acting on behalf of Lessee.

Section 10.02. Disbursement upon Non-Appropriation. If an Event of Non-Appropriation occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Lessor and Lessee will have no interest therein.

Section 10.03. Surplus Amount. Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

Section 10.04. Recalculation of Rental Payments. Upon payment of a portion of the Purchase Option Price as provided in Section 10.03 above, each Rental Payment thereafter shall be reduced by an amount calculated by Lessor based upon a fraction the numerator of which is the Surplus Amount and the denominator of which is the Purchase Option Price on such Partial Prepayment Date. Within 15 days after such Partial Prepayment Date, Lessor shall provide to Lessee a revised Exhibit B to this Agreement, which shall take into account such payment of a portion of the Purchase Option Price thereafter and shall be and become thereafter Exhibit B to this Agreement. Notwithstanding any other provision of this Section 10, this Agreement shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Lessee

as provided in this Agreement, and the portion of the principal component of Rental Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Agreement, including revised Exhibit B hereto which shall be binding and conclusive upon Lessor and Lessee.

XI. Miscellaneous

Section 11.01. Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 11.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessee and Lessor and their respective successors and assigns.

Section 11.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.04. Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed or modified only by written agreement duly executed by both Lessor and Lessee.

Section 11.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06. Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 11.07. Master Lease. This Agreement shall be construed to be a Master Lease Agreement whereby Lessor and Lessee may agree to the lease of additional Equipment, provided that Lessor and Lessee properly execute and deliver amendments to Exhibits "A" and "B" reflecting the additional Equipment and the revised schedule of Rental Payments, and that an additional certificate in the form attached hereto as Exhibit "C", additional resolution in the form attached hereto as Exhibit "E", and additional information reporting statement relating to the additional Equipment are provided by Lessee. Upon any such amendment, such additional Equipment shall thereafter be subject to all terms and conditions of this Agreement to the same extent as if originally set forth herein. Each such amendment relating to such additional Equipment shall constitute a separate single lease relating only to such Equipment and the Exhibits relating thereto shall be identified by a separate schedule number. All provisions of this Agreement, including without limitation those relating to the grant of a security interest, Rental Payments, Purchase Option Price, Lease Term, Vendor Payable Account, Insurance, Non-Appropriation, Events of Default and the exercise of remedies, shall be construed to reflect the separateness and independence of such leases, including the intention of the parties that such leases not having the same lessor are not to be considered to be cross-collateralized or cross-defaulted with each other.

Section 11.08. Entire Writing. This Agreement constitutes the entire writing between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other documents submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

Agreement No. TE-2093

OAK PARK UNIFIED SCHOOL DISTRICT

ALL AMERICAN INVESTMENT GROUP, LLC

By: _____

By: _____

Printed: Martin Klauss

Printed: Cheri A. Cattoor

Title: Assistant Superintendent

Title: Chief Operating Officer

Date: _____

Date: _____

EXHIBIT A
SCHEDULE OF PROPERTY

RE: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

1. Defined Terms. All terms used herein have the meanings ascribed to them in the above-referenced Lease With Option To Purchase Agreement (the "Equipment Lease").

2. Equipment. The following items of Equipment are hereby included under this Schedule of the Lease With Option To Purchase Agreement.

<u>Quantity</u>	<u>Description / Model No.</u>
One (1)	New 24x40 Relocatable Classroom Building

Location: 1010 North Kanan Road, Oak Park, CA 91377

Lessee's current Fiscal Period extends from July 1 to June 30.

3. Payment Schedule.

- (a) Rental Payments. The Rental Payments shall be in such amounts and on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit B.
- (b) Purchase Option Price. The Purchase Option Price at any particular time for the Equipment listed in this Schedule shall be the amount set forth for such time in the "Purchase Option Price" column of the Rental Payment Schedule contained in this Schedule. The Purchase Option Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

4. Representations, Warranties and Covenants. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of commencement of Rental Payments on this Schedule.

5. Certification as to Arbitrage. Lessee hereby represents as follows:

- (a) The estimated total costs of the Equipment listed in this Schedule will not be less than the total Principal Portion of the Rental Payments listed in this Schedule.
- (b) The Equipment listed in this Schedule has been ordered or is expected to be ordered within six months of the commencement of this Schedule and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within one year from the commencement of this Schedule.
- (c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments listed in this Schedule, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments listed in this Schedule.
- (d) The Equipment listed in this Schedule has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments listed in this Schedule.
- (e) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable.

(f) Lessee has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose arbitrage certificates may not be relied upon.

6. The Lease With Option To Purchase Agreement. This Schedule Number 1, dated October 22, 2015 is hereby made a part of the Lease With Option To Purchase Agreement, and Lessor and Lessee hereby ratify and confirm the Lease With Option To Purchase Agreement. The terms and provisions of the Lease With Option To Purchase Agreement (other than to the extent that they relate solely to other schedules or Equipment listed on other schedules) are hereby incorporated by reference and made a part hereof.

7. Tax Designations and Covenants and Certificate as to Arbitrage. Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation. Lessee will use the proceeds of this Schedule as soon as practicable and with all reasonable dispatch for the purpose for which this Schedule has been entered into. No part of the proceeds of this Schedule shall be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Schedule, would have caused any portion of this Schedule to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(a) Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including the Agreement but excluding private activity bonds other than qualified 501(c)(3) bonds) during the Issuance Year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of the Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

(b) Lessee represents and warrants that it is a governmental unit under the laws of the State with general taxing powers; the Agreement is not a private activity bond as defined in Section 141 of the Code; 95% or more of the net proceeds of the Agreement will be used for local governmental activities of Lessee; and the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued or to be issued by the Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$5,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$5,000,000 of tax-exempt bonds (including the Agreement but excluding private activity bonds) during the issuance year without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the excludability of the interest on the agreement from gross income for federal tax purposes will not be adversely affected.

OAK PARK UNIFIED SCHOOL DISTRICT
5801 Conifer Street
Oak Park, California 91377

ALL AMERICAN INVESTMENT GROUP, LLC
730 17th Street, Suite 830
Denver, CO 80202

By: _____

By: _____

Printed: Martin Klauss

Printed: Cheri A. Cattoor

Title: Assistant Superintendent

Title: Chief Operating Officer

Date: _____

Date: _____

**EXHIBIT B
PAYMENT SCHEDULE**

RE: Schedule No 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

Rental Payments shall be made as follows:

Payment Number	Payment Date	Payment Amount	Interest Amount	Principal Amount	Purchase Option Price *
1	At Delivery	13,926.89	0.00	13,926.89	53,171.68
2	10/22/2016	13,926.89	2,248.33	11,678.56	40,249.73
3	10/22/2017	13,926.89	1,722.79	12,204.10	27,083.56
4	10/22/2018	13,926.89	1,173.61	12,753.28	13,668.55
5	10/22/2019	13,926.89	599.72	13,327.17	0.00
Grand Totals		69,634.45	5,744.45	63,890.00	

Contract Rate: The Contract Rate is 4.500% per annum.

LESSEE: Oak Park Unified School District

By: _____

Printed: Martin Klauss

Title: Assistant Superintendent

Date: _____

* Assumes all Rental Payments and Additional Payments otherwise due on that date have been paid.

**EXHIBIT C
ACCEPTANCE OF OBLIGATION
TO COMMENCE RENTAL PAYMENTS UNDER EXHIBIT B**

RE: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Acceptance of Obligation to Commence Rental Payments with respect to the above referenced Agreement. I hereby certify that:

1. The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Agreement.
2. Lessee acknowledges that Lessor has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A;
3. The principal amount of the Rental Payments in the Exhibit B accurately reflects the Purchase Price;
4. Lessee agrees to execute a Payment Request Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to, or accepted by, Lessee on the date of execution of the Agreement hereby warrants that:

- (a) Lessee's obligation to commence Rental Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Agreement;
- (b) immediately upon delivery and acceptance of all the Equipment, Lessee will notify Lessor of Lessee's final acceptance of the Equipment by delivering to Lessor the "Acceptance Certificate" in the form set forth in Exhibit I attached to the Agreement;
- (c) in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an Event of Non-Appropriation under the Agreement occurs, then those amounts shall be applied as provided in Section 10 of the Agreement;
- (d) regardless of whether Lessee delivers a final Acceptance Certificate, all Rental Payments paid prior to delivery of all the Equipment shall be credited to Rental Payments as they become due under the Agreement as set forth in Exhibit B.

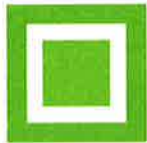
LESSEE: Oak Park Unified School District

By: _____

Printed: Martin Klauss

Title: Assistant Superintendent

Date: _____



Fagen Friedman & Fulfroft LLP

1525 Faraday Avenue, Suite 300
Carlsbad, California 92008
Main: 760-304-6000
Fax: 760-304-6011
www.f3law.com

Kathleen McKee
Direct Dial: 760-304-6030
kmckee@f3law.com

October __, 2015

All American Investment Group, LLC 730
17th Street #830
Denver, Colorado 80202

Re: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee).

Ladies and Gentlemen:

We have acted as special counsel for Oak Park Unified School District ("District") in connection with the Lease With Option to Purchase Agreement described above (the "Agreement"). In this capacity, we have reviewed a copy of the Agreement and the following exhibits, appendices, and forms to the Agreement and other related documents (all dated October 22, 2015), unless otherwise noted:

- Exhibit A – Schedule of Property
- Exhibit B – Payment Schedule
- Exhibit C – Acceptance of Obligation To Commence Rental Payments Under Exhibit B
- Exhibit D – Opinion of Counsel (form)
- Exhibit E – Lessee Resolution
- Exhibit F – Officers Certificate
- Exhibit G – Bank Qualified Certificate
- Exhibit H – Insurance Requirements
- Exhibit I – Certificate of Acceptance
- Exhibit J – Payment Request Form
- Appendix A – Fixed Rate
- Appendix B – Complex Risks
- Lessee Invoice Information
- Form 8038-GC
- Form W-9

Any terms, representations, or certifications in the Agreement relating, whether directly or indirectly, to the Internal Revenue Code of 1986, as amended, including regulations promulgated thereunder ("Code"), or pertaining to the District as an issuer of tax-exempt obligations, are excluded from the Agreement and no opinion is expressed as to those excluded

items. We have also examined a copy of Resolution No. 15-19 of the District's Governing Board adopted on October 20, 2015, which is represented to us as being a true copy of said resolution (the "District Resolution"). Attention is called to the fact that we have not been requested to examine and have not examined any documents or information relating to the District other than the Agreement and the documents named herein.

The opinions expressed herein are based solely on our review of the above-referenced documents and an analysis of existing laws, regulations, rulings and court decisions of the State of California (the "State"), and are made in reliance upon the representations, warranties, and certifications of the District in the Agreement. The opinions may be affected by actions or events occurring (or not occurring) after the date hereof, which potential actions or events have not been analyzed for the purposes of the opinion herein.

We express no opinion with respect to whether any interest component of the installment payments paid pursuant to the Agreement is excluded from gross income for federal income tax purposes or is exempt from State personal income tax, or with respect to any other federal or State tax consequences related to the accrual or receipt of such interest under the Code or State law. We express no opinion as to certifications of the District related to matters described in the foregoing sentence, or related to the Code or federal or State tax law, or related representations of the District, including but not limited to those set forth in the Agreement. Further, we express no opinion as to the District's covenants and certifications set forth in the Agreement related to the Code, or federal or State tax law.

We express no opinion on the purchase or use of the relocatable classroom building equipment and any accompanying services, and we assume compliance by the District with all applicable laws relating to such purchase and use. We express no opinion as to any financial or other information, or the adequacy thereof, which has been or may be supplied to you by the District or other persons or entities in connection with the Agreement, or any opinion as to the insurance requirements and insurance certified by the District in connection with the Agreement.

Based upon such examination, and such research and investigation as we deemed necessary, we are of the opinion that:

1. The District is a public school district organized and operating under the laws of the State of California, authorized to issue obligations on behalf of a California public school district.
2. The District is authorized and has power under applicable law to enter into the Agreement and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Agreement has been duly authorized, approved, executed and delivered by and on behalf of the District. The Agreement is a legal, valid and binding contract of the District enforceable in accordance with its terms, except to the extent limited by State and federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights
4. The authorization, approval, and execution of the Agreement and all other proceedings of the District relating to the transactions contemplated thereby, have been or will be performed in accordance with all applicable open meeting, public bidding, and all other laws, rules, and regulations of the State.
5. The execution of the Agreement and the appropriation of moneys to pay Rental Payments coming due under the Agreement do not result in the violation of any constitutional or other statutory laws of the State.
6. To the best of our knowledge, as of October ___, 2015, there is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the authority of the District or any of the District's officers or employees to enter into this Agreement.
7. The above opinion is for the sole benefit of the Lessor listed above and can only be relied upon by the Lessor or any permitted assignee or sub-assignee of Lessor under the Agreement.

We express no opinion with respect to the effect of laws, other than the laws and regulations of the State in full force and effect on the date hereof, upon the validity and binding effect of the Agreement or upon any other matter set forth in this opinion.

No attorney-client relationship has existed or exists between our firm and the Lessor, or any future assignee under the Agreement, in connection with the authorization, execution, and delivery of the Agreement or related matters thereto. Our firm does not represent Lessor and does not consent to the creation of any duty to Lessor.

This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters expressly so stated. This opinion is delivered to you in connection with the above-referenced transaction for your information and is not to be relied upon by any other person other than the Lessor.

All American Investment Group, LLC 730

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Sincerely,

FAGEN FRIEDMAN & FULFROST, LLP

KM:CY:LL

cc: Martin Klauss, Assistant Superintendent, Business & Administrative Services, Oak Park
Unified School District

**OAK PARK UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 15-19**

**RESOLUTION OF THE BOARD OF EDUCATION OF THE OAK PARK UNIFIED
SCHOOL DISTRICT AUTHORIZING ACQUISITION OF RELOCATABLE
AND APPROVING AND AUTHORIZING EXECUTION OF LEASE WITH OPTION TO
PURCHASE AGREEMENT**

WHEREAS, the Board of Education ("Board") of the Oak Park Unified School District ("District") has determined that it is in the best interests of the District to authorize the lease-purchase of one 24x40 relocatable classroom building (the "Relocatable"); and

WHEREAS, Education Code section 17280.5(e) authorizes the District to lease or purchase a building that is determined to have the equivalent pupil safety performance standard as a building constructed according to the Field Act and implementing regulations; and

WHEREAS, the Chawanakee Unified School District ("CUSD") conducted a cooperative bidding process for the purchase, lease, relocation, dismantling, and removal of Division of the State Architect ("DSA") approved temporary portable classrooms and named Oak Park Unified School District as a district that could participate in the contract; and

WHEREAS, on March 7, 2011, the CUSD Board of Trustees awarded Bid No. 2011-01 to Class Leasing, Inc. ("Vendor") as the lowest responsive and responsible bidder, and on February 26, 2015, the CUSD Board extended Bid No. 2011-01 for an additional year from March 7, 2015 through March 6, 2016; and

WHEREAS, California Public Contract Code section 20118 authorizes the Board to lease the Relocatable from Vendor under existing contracts, leases, purchase orders, or requisitions, such as Bid No. 2011-01, without advertising for bids, if the Board determines it is in the best interests of the District and the District's contract is based on the same terms and conditions as set forth in the underlying bid; and

WHEREAS, the District desires to enter into a Lease With Option to Purchase Agreement ("Lease") with All American Investment Group, LLC ("Lessor") to finance the acquisition of the Relocatable; and

WHEREAS, the Board has been presented with the form of the Lease and its accompanying documents, all of which are on file with the District and incorporated herein by this reference.

NOW, THEREFORE, the Board of Education of the Oak Park Unified School District hereby finds, determines, declares, orders, and resolves as follows:

1. The foregoing recitals are true and correct.

2. The Board hereby approves the acquisition of the Relocatable from Class Leasing, Inc. under the same terms and conditions as the CUSD Bid No. 2011-01.
3. The Board has determined that entering into the Lease with Lessor is in the best interests of the District for the acquisition of the Relocatable.
4. The Superintendent and the Assistant Superintendent, Business and Administrative Services, or their designee (collectively "Authorized Representatives") are each authorized in the name of and on behalf of the District to execute the Lease, with such additions and changes as are recommended or approved by counsel to the District and any of the Authorized Representatives, with such approval to be conclusively evidenced by the execution and delivery of the Lease.
5. All actions taken by the Authorized Representatives prior to the adoption of this Resolution with respect to the Lease are approved, confirmed and ratified, and the Authorized Representatives are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the execution of the Lease and delivery of the Relocatable, in accordance with the provisions and directives of this Resolution.

PASSED AND ADOPTED by the Board of Education of the Oak Park Unified School District at its regularly held meeting on October 20, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

President, Oak Park Unified School District
Board of Education

Attest:

Secretary, Oak Park Unified School District
Board of Education

**EXHIBIT F
OFFICERS CERTIFICATE**

RE: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Officers Certificate with respect to the above referenced Agreement. I hereby certify that:

1. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
2. Lessee has obtained insurance coverage as required under the Agreement from an insurer qualified to do business in the State.
3. Lessee is exempt from all personal property taxes and is also exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.
4. No known event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
5. The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.
6. During the term of the Agreement, the Equipment will be used for essential governmental functions. Such functions are:

Elementary school classroom used for teaching and learning

7. Please list the Source of Funds (Fund Item in Budget) for the Rental Payments that come due under Exhibit B of this Agreement.

Oak Park Unified School District General Fund operating budget

8. Please state why you reasonably expect and anticipate adequate funds will be available for all future Rental Payments that will come due under Exhibit B.

Continued funding of public schools by the State of California

LESSEE: Oak Park Unified School District

By: _____

Printed: Martin Klauss

Title: Assistant Superintendent

Date: _____

EXHIBIT G
BANK QUALIFIED CERTIFICATE

RE: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

Whereas, Lessee hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Agreement is executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations during the calendar year).

Now, therefore, Lessee hereby designates this Agreement as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the Agreement as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents that the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the Agreement is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents that the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Agreement is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

By: _____
(Signature of individual authorized to execute this Exhibit)

Typed Name: Martin Klauss, Assistant Superintendent
(Typed name of individual who signed directly above)

Dated: _____

**EXHIBIT H
INSURANCE REQUIREMENTS**

Pursuant to Article V in the Lease With Option to Purchase Agreement, Lessee has agreed to provide Lessor evidence of insurance covering the Equipment in the Agreement. A Certificate of Insurance naming all insured parties and coverages must be returned to Lessor as soon as possible, but no later than the date on which delivery of equipment occurs.

In the case of self-insurance, the amounts of liability and physical damage coverage are to be listed on some form of certificate supplied by Lessee. In addition, information regarding the nature of Lessee's self-insurance program should also be forwarded to Lessor as soon as possible.

INSURANCE REQUIREMENTS BY ALL AMERICAN INVESTMENT GROUP, LLC:

1. LIABILITY

- Minimum of \$1,000,000.00 combined single-limit on bodily injury and property damage.
- All American Investment Group, LLC and/or Its Assigns **MUST** be listed as additional insured and loss payee.
- Please include the Agreement Number TE-2093-1 in the description section of the Certificate.

2. PHYSICAL DAMAGE

- All risk coverage to guarantee proceeds sufficient to pay the applicable Purchase Option Price as set forth in Exhibit B of the Agreement. All American Investment Group, LLC and/or Its Assigns **MUST** be listed as additional insured and loss payee.

3. ENDORSEMENT

- Lessor will receive at least thirty (30) days written notice from Insurer prior to alteration, cancellation or reduction of insurance coverage.

PLEASE FAX THE CERTIFICATE TO LESSOR AS SOON AS POSSIBLE AT (303) 623-5180, AND MAIL THE ORIGINAL TO:

**All American Investment Group, LLC and/or Its Assigns
730 17th Street #830
Denver, Colorado 80202**

**YOUR ASSISTANCE IS GREATLY APPRECIATED TO COMPLETE THIS TRANSACTION, IF YOU HAVE ANY
QUESTIONS, PLEASE GIVE US A CALL AT (800) 899-9404.**

**Agreement No. TE-2093
Schedule No. 1**

Insurance Company: Tolman & Wiker Insurance Services LLC

Agent's Name: Pam Ayerle Email: payerle@tolmanandwiker.

Telephone Number: (805) 585-6737 Fax Number: (805) 585-6837

Address: 196 S. Fir Street, P.O. Box 1388, Ventura, CA 93002-1388

EXHIBIT I
CERTIFICATE OF ACCEPTANCE

RE: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement Number TE-2093 dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the governing body of Lessee to sign this Certificate of Acceptance with respect to the above referenced Agreement. I hereby certify that:

1. The Equipment described in Exhibit A has been delivered and installed in accordance with Lessee's specifications.
2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
4. Lessee has obtained insurance coverage as required under the Agreement from an insurer qualified to do business in the State.
5. Lessee is exempt from all personal property taxes and is also exempt from sales and/or use taxes with respect to the Equipment and the Rental Payments.
6. No known event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
7. The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.

LESSEE: Oak Park Unified School District

Acceptance Date: _____

By: _____

Printed: _____

Title: _____

EXHIBIT J
PAYMENT REQUEST FORM

RE: Schedule Number 1, dated October 22, 2015 of Lease With Option to Purchase Agreement dated as of October 22, 2015, between All American Investment Group, LLC (Lessor) and Oak Park Unified School District (Lessee)

Pursuant to Section 10.01 of the Agreement, the undersigned individual hereby acknowledges that they have been authorized to release funds from the Vendor Payable Account to pay for the Purchase Price of the Equipment and thus hereby request a disbursement from the Vendor Payable Account to pay the amounts to the Payees identified herein for certain Equipment costs.

The Lessee hereby represents and warrants for all purposes that;

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$ _____.
Payment to Equipment Vendor
2. Payment is to be made to: Payee: _____

3. The amount to be disbursed constitutes the Purchase Price, or a portion thereof, of the Equipment cost, said amount is required to be disbursed pursuant to a purchase contract entered into therefore by and on behalf of the Lessee, or was necessarily or reasonably incurred, and said amount is being paid when due pursuant to such purchase contract.
4. The Equipment relating to such Purchase Price, or portion thereof, has been delivered and accepted or the materials have been furnished for which disbursement is required.
5. No amount set forth in this Payment Request Form was included in any Payment Request Form previously submitted.
6. Acquisition and installation of the applicable portion of the Equipment for which payment is being requested has been completed to the Lessee's satisfaction, but this statement is made without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being.
7. If the amount to be disbursed constitutes the final payment for all of the Equipment, there is attached hereto an original of the final Acceptance Certificate, Exhibit I to the Agreement, executed by an authorized officer of Lessee.
8. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Lessee as reimbursement for any expenditure paid by Lessee more than 60 days prior to the date of execution and delivery of the Agreement.

Please forward this document and any correspondence relating to vendor payment to: All American Investment Group, LLC, Attn: Cheri A. Cattoor, 730 17th Street #830, Denver, Colorado 80202 Fax: 303-623-5180. Please call 800-899-9404 if you have any questions

Lessee: Oak Park Unified School District

Approved:

Lessor/Assignee: All American Investment Group, LLC

Signature

Signature

Name Printed

Cheri A. Cattoor

Name Printed

Title

Chief Operating Officer

Title

Date

Date