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1 MARC A. LEVINSON (STATE BAR NO. 57613)  
 malevinson@orrick.com  
 2 NORMAN C. HILE (STATE BAR NO. 57299)  
 nhile@orrick.com  
 3 PATRICK B. BOCASH (STATE BAR NO. 262763)  
 pbocash@orrick.com  
 4 ORRICK, HERRINGTON & SUTCLIFFE LLP  
 400 Capitol Mall, Suite 3000  
 5 Sacramento, California 95814-4497  
 Telephone: +1-916-447-9200  
 6 Facsimile: +1-916-329-4900

7 Attorneys for Debtor  
 City of Stockton  
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9 UNITED STATES BANKRUPTCY COURT  
 10 EASTERN DISTRICT OF CALIFORNIA  
 11 SACRAMENTO DIVISION  
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13 In re:  
 14 CITY OF STOCKTON, CALIFORNIA,  
 15 Debtor.

Case No. 2012-32118  
 D.C. No. OHS-9  
 Chapter 9

**ORDER PURSUANT TO 11 U.S.C.  
 § 365(D)(4) EXTENDING THE TIME  
 WITHIN WHICH THE CITY MUST  
 ASSUME OR REJECT UNEXPIRED  
 LEASES OF NON-RESIDENTIAL  
 REAL PROPERTY**

Date: July 18, 2013  
 Time: 10:00 a.m.  
 Dept: Courtroom 35  
 Judge: Hon. Christopher M. Klein

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July 19, 2013

CLERK, U.S. BANKRUPTCY COURT  
 EASTERN DISTRICT OF CALIFORNIA  
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ORDER EXTENDING TIME FOR ASSUMPTION OR  
 REJECTION OF UNEXPIRED REAL PROPERTY LEASES

1 Based on the City Of Stockton’s Revised And Amended Motion For Order Pursuant To  
2 11 U.S.C. § 365(d)(4) Extending Time Within Which The City Must Assume Or Reject Its  
3 Unexpired Leases Of Non-Residential Real Property (the “Motion”), and good cause appearing  
4 therefor:

5 **IT IS HEREBY ORDERED** that the period within which the City must assume or reject  
6 the following six leases of non-residential real property (collectively, the “Leases”) is extended  
7 by 90 days through and including October 28, 2013:

8 1. Lease Agreement, dated as of June 1, 2003, by and between the Stockton Public  
9 Financing Authority (the “Authority”), as sublessor, and the City, as sublessee, Certificates of  
10 Participation (Redevelopment Housing Projects), Series 2003A and Taxable Series 2003B;

11 2. Lease Agreement, dated as of March 1, 2004, by and between the Redevelopment  
12 Agency of the City of Stockton (the “Agency”), as lessor, and the City, as lessee, relating to  
13 Redevelopment Agency of the City of Stockton Revenue Bonds, Series 2004 (Stockton Events  
14 Center–Arena Project) as amended;

15 3. Lease Agreement, dated as of June 1, 2004, by and between the Authority, as  
16 lessor, and the City, as lessee, relating to Stockton Public Financing Authority Lease Revenue  
17 Bonds, Series 2004 (Parking and Capital Projects);

18 4. Lease Agreement, dated as of March 1, 2006, by and between the Authority, as  
19 lessor, and the City, as lessee, relating to Stockton Public Financing Authority 2006 Lease  
20 Revenue Refunding Bonds, Series A;

21 5. Lease Agreement, dated as of November 1, 2007, by and between the Authority, as  
22 lessor, and the City, as lessee, relating to Stockton Public Financing Authority Variable Rate  
23 Demand Lease Revenue Bonds, 2007 Series A (Building Acquisition Financing Project) and  
24 Taxable Variable Rate Demand Lease Revenue Bonds, 2007 Series B (Building Acquisition  
25 Financing Project); and

26 6. Lease Agreement, dated as of September 1, 2009, by and between the Authority,  
27 as lessor, and the City, as lessee, relating to Stockton Public Financing Authority Lease Revenue  
28 Bonds, 2009 Series A (Capital Improvement Projects); and

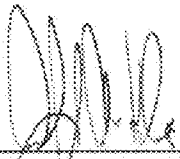
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**IT IS FURTHER ORDERED** that all parties in interest reserve all rights, defenses and arguments other than those solely with respect to the 90-day extension of the time within which the City must assume or reject the Leases. The rights reserved by the parties include, but are not limited to, the following: (1) all rights, defenses and arguments as to whether the Leases are “leases” within the meaning of section 365 of the Bankruptcy Code; and (2) all rights, defenses and arguments with respect to the unlawful detainer suits against the City in the California Superior Court for the County of San Joaquin, case numbers 39-2012-00277622-CU-UD-STK and 39-2012-280741-CU-UD-STK. Moreover, no party in interest waives any rights, defenses and arguments by virtue of any failure to seek payment under the Leases during the periods prior to the assumption of rejection of the Leases, and there shall be no implication drawn from or prejudice resulting from any party’s failure to seek such payment.

APPROVED AS TO FORM AND CONTENT  
Mintz, Levin, Cohn, Ferris, Glovsky And Popeo, P.C.

/s/ William W. Kannel  
WILLIAM W. KANNEL  
Attorneys for Wells Fargo Bank,  
National Association as Indenture Trustee

Dated: July 24, 2013

  
United States Bankruptcy Judge