

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

Charles C. Wolf, Esq.
NIXON PEABODY LLP
555 West Fifth St., 46th Floor
Los Angeles, California 90013

(Space above for Recorder's use)

This document is recorded for the benefit of the County of Riverside and the recording is fee-exempt under Section 6103 of the California Governmental Code.

SITE LEASE

by and between the

COUNTY OF RIVERSIDE

and the

RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY

Dated as of October 1, 2015

relating to the

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2015A
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

SITE LEASE

This Site Lease (this "Site Lease"), dated as of October 1, 2015, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (the "County"), and the RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority");

W I T N E S S E T H:

WHEREAS, the Authority is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of September [15], 2015 (the "Joint Powers Agreement"), by and between the County and the Riverside County Flood Control and Water Conservation District, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and is authorized and empowered pursuant to Article 4 (commencing with Section 6584) of the Act to issue bonds for the purposes of financing and refinancing public capital improvements;

WHEREAS, pursuant to a Trust Agreement, dated as of April 1, 2005, by and among Wells Fargo Bank, National Association, as trustee (the "2005A Trustee"), the County and the County of Riverside Asset Leasing Corporation ("CORAL"), the 2005A Trustee executed and delivered \$51,665,000 aggregate principal amount of County of Riverside Certificates of Participation, 2005 Series A (Capital Improvement and Family Law Court Refunding Projects) (the "2005A Certificates");

WHEREAS, the proceeds of the 2005A Certificates were used to (i) finance the acquisition, construction, installation and delivery of certain capital facilities of the County, and (ii) refund all of the outstanding County of Riverside Certificates of Participation (Family Law Court Project) executed and delivered on March 13, 1997;

WHEREAS, pursuant to a Trust Agreement dated as of April 1, 1997, as supplemented and amended by a First Supplemental Trust Agreement dated as of December 1, 2003 and a Second Supplemental Trust Agreement, dated as of April 1, 2005, by and between The Bank of New York Trust Company, N.A., as trustee (the "2005B Trustee"), and the County, the 2005B Trustee executed and delivered \$22,610,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2005 Series B (Historic Courthouse Refunding) (the "2005B Certificates");

WHEREAS, the proceeds of the 2005B Certificates were used to refund all of the outstanding County of Riverside Certificates of Participation (Historic Courthouse Project) executed and delivered on May 7, 1997;

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2006, by and among Wells Fargo Bank, National Association, as trustee (the "2006 Trustee"), the County and CORAL, the 2006 Trustee executed and delivered \$34,675,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2006 Series A (Capital Improvement

Projects) (the “2006A Certificates,” and together with the 2005A Certificates and the 2005B Certificates, the “Prior Certificates”);

WHEREAS, the proceeds of the 2006A Certificates were used to finance the acquisition, construction, installation and delivery of certain capital facilities of the County;

WHEREAS, the County has now determined that it is in its best interest to refund all of the outstanding Prior Certificates with the proceeds of the Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the “Series 2015A Bonds”), in the aggregate principal amount of \$[_____], to be issued under and pursuant to the Indenture, dated as of October 1, 2015 (the “Indenture”), by and among the Authority, the County and Wells Fargo Bank, National Association, as trustee (the “Trustee”);

WHEREAS, pursuant to this Site Lease, the County will lease certain real property and the improvements thereon more particularly described in Exhibit A hereto and made a part hereof (the “Leased Property”), to the Authority;

WHEREAS, concurrently with the execution of this Site Lease, the County and the Authority are entering into a Facility Lease (the “Facility Lease”), dated as of October 1, 2015, whereby the Authority will lease back the Leased Property to the County;

WHEREAS, the Series 2015A Bonds will be secured by the payments to be made by the County pursuant to the Facility Lease;

WHEREAS, the County is authorized by law to lease the Leased Property and the Leased Property is necessary and proper for public purposes; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Site Lease;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

Section 1. Leased Property. The County hereby leases to the Authority and the Authority hereby rents and hires from the County the Leased Property, on the terms and conditions hereinafter set forth. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Facility Lease.

Section 2. Term.

(a) The term hereof will commence on the Closing Date and shall end on the Expiry Date (as defined in the Facility Lease) unless such term is sooner terminated or is

extended as hereinafter provided. If prior to the Expiry Date all Base Rental Payments under the Facility Lease shall have been paid, or provision therefor has been made in accordance with Article X of the Indenture, the term hereof shall end simultaneously therewith.

(b) If the Facility Lease is extended beyond the Expiry Date pursuant to the terms thereof, this Site Lease shall also be extended to the day following the date of termination of the Facility Lease.

Section 3. Rent. The Authority shall pay to the County an advance rent of \$1, which, together with the execution and delivery of the Facility Lease, shall constitute full consideration for this Site Lease over its term. The Authority hereby waives any right that it may have under the laws of the State of California to receive a rebate of such rent in full or in part in the event there is a substantial interference with the use and right of possession by the Authority of the Leased Property or portion thereof as a result of material damage, destruction or condemnation

Section 4. Purpose. The Authority shall use the Leased Property solely for the purpose of subleasing the same to the County; *provided*, that in the event of default by the County under the Facility Lease, the Authority may exercise the remedies provided in the Facility Lease.

Section 5. Owner in Fee. The County covenants that it is the owner of the Leased Property free and clear of all liens, claims or encumbrances which affect marketability.

Section 6. Assignments and Leases. Unless the County shall be in default under the Facility Lease, the Authority may not, without the prior written consent of the County, assign its rights hereunder or sublet the Leased Property except that the County expressly approves and consents to the assignment and transfer of the Authority's right, title and interest in this Site Lease to the Trustee pursuant to the Assignment Agreement.

Section 7. Right of Entry. The County reserves the right for any of its duly authorized representatives to enter upon the Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 8. Termination. The Authority agrees, upon the termination hereof, to quit and surrender the Leased Property in the same good order and condition as the same was in at the time of commencement of the terms hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements to the Leased Property at the time of the termination hereof shall remain thereon and title thereto shall vest in the County.

Section 9. Default. In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms hereof, which default continues for thirty (30) days following notice and demand for correction thereof to the Authority, the County may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Facility Lease shall be deemed to occur as a result thereof; *provided*, that so long as the Bonds executed and delivered pursuant to the Indenture are Outstanding, the County shall have no power to terminate this Site Lease by reason of any default on the part of

the Authority, if such termination would affect or impair any assignment of the Facility Lease then in effect between the Authority and the Trustee that authenticates and delivers the Bonds.

Section 10. Quiet Enjoyment. The Authority at all times during the term hereof shall peaceably and quietly have, hold and enjoy the Leased Property.

Section 11. Waiver of Personal Liability. All liabilities hereunder on the part of the Authority shall be solely corporate liabilities of the Authority, and the County hereby releases each and every director, officer and employee of the Authority of and from any personal or individual liability hereunder. No director, officer or employee of the Authority shall at any time or under any circumstances be individually or personally liable hereunder for anything done or omitted to be done by the Authority hereunder.

Section 12. Eminent Domain. In the event the whole or any portion of the Leased Property is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid Base Rental Payments payable under the Facility Lease, and the amount of the unpaid Additional Payments due under the Facility Lease, and the balance of the award, if any, shall be paid to the County.

Section 13. Amendments. This Site Lease may be amended for the purpose of affecting a Substitution or Removal, as further described in the Facility Lease, and in the manner and under the circumstances described in connection with the amendment of the Facility Lease, as further described in the Facility Lease.

Section 14. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 15. Notices. All written notices to be given shall be given by first-class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the County:

County of Riverside
4080 Lemon Street, Fourth Floor
Riverside, CA 92501-3651
Attention: County Finance Director

If to the Authority:

Riverside County Infrastructure Financing Authority
4080 Lemon Street, Fourth Floor
Riverside, CA 92501-3651
Attention: Chair

If to the Trustee:

Wells Fargo Bank, National Association
333 South Grand Avenue
Los Angeles, California 90071
Attention: [_____]

Section 16. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit scope of any provision hereof.

Section 17. Counterparts. This Site Lease may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute one and the same instrument.

Section 18. Governing Law. This Site Lease is made in the State of California under the Constitution and laws of the State of California and is to be so construed.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Site Lease by their officers thereunder duly authorized as of the day and year first written above.

COUNTY OF RIVERSIDE

By: _____
County Executive Officer

RIVERSIDE COUNTY INFRASTRUCTURE
FINANCING AUTHORITY

By: _____
Chairman

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss.

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

Signature of Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss.

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

Signature of Notary Public

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property, situated in the County of Riverside, State of California, described as follows:

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

Charles C. Wolf, Esq.
NIXON PEABODY LLP
555 West Fifth St., 46th Floor
Los Angeles, California 90013

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FACILITY LEASE

by and between the

RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY

and the

COUNTY OF RIVERSIDE

Dated as of October 1, 2015

relating to the

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2015A
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

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FACILITY LEASE

This Facility Lease (this “Facility Lease”), executed and entered into as of October 1, 2015, by and between the RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”), and the COUNTY OF RIVERSIDE, a political subdivision duly organized and existing under the Constitution and laws of the State of California (the “County”);

W I T N E S S E T H:

WHEREAS, the Authority is a joint exercise of powers authority, duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated as of September [15], 2015 (the “Joint Powers Agreement”), by and between the County and the Riverside County Flood Control and Water Conservation District, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, and is authorized and empowered pursuant to Article 4 (commencing with Section 6584) of the Act to issue bonds for the purposes of financing and refinancing public capital improvements;

WHEREAS, pursuant to a Trust Agreement, dated as of April 1, 2005, by and among Wells Fargo Bank, National Association, as trustee (the “2005A Trustee”), the County and the County of Riverside Asset Leasing Corporation (“CORAL”), the 2005A Trustee executed and delivered \$51,665,000 aggregate principal amount of County of Riverside Certificates of Participation, 2005 Series A (Capital Improvement and Family Law Court Refunding Projects) (the “2005A Certificates”);

WHEREAS, the proceeds of the 2005A Certificates were used to (i) finance the acquisition, construction, installation and delivery of certain capital facilities of the County, and (ii) refund all of the outstanding County of Riverside Certificates of Participation (Family Law Court Project) executed and delivered on March 13, 1997;

WHEREAS, pursuant to a Trust Agreement dated as of April 1, 1997, as supplemented and amended by a First Supplemental Trust Agreement dated as of December 1, 2003 and a Second Supplemental Trust Agreement, dated as of April 1, 2005, by and between The Bank of New York Trust Company, N.A., as trustee (the “2005B Trustee”), and the County, the 2005B Trustee executed and delivered \$22,610,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2005 Series B (Historic Courthouse Refunding) (the “2005B Certificates”);

WHEREAS, the proceeds of the 2005B Certificates were used to refund all of the outstanding County of Riverside Certificates of Participation (Historic Courthouse Project) executed and delivered on May 7, 1997;

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2006, by and among Wells Fargo Bank, National Association, as trustee (the “2006 Trustee”), the County and CORAL, the 2006 Trustee executed and delivered \$34,675,000 aggregate principal amount of the County of Riverside Certificates of Participation, 2006 Series A (Capital Improvement

Projects) (the “2006A Certificates,” and together with the 2005A Certificates and the 2005B Certificates, the “Prior Certificates”);

WHEREAS, the proceeds of the 2006A Certificates were used to finance the acquisition, construction, installation and delivery of certain capital facilities of the County;

WHEREAS, the County has now determined that it is in its best interest to refund all of the outstanding Prior Certificates with the proceeds of the Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the “Series 2015A Bonds”), in the aggregate principal amount of \$[_____], issued under and pursuant to the Indenture, dated as of October 1, 2015 (the “Indenture”), by and among the Authority, the County and Wells Fargo Bank, National Association, as trustee (the “Trustee”);

WHEREAS, the Series 2015A Bonds will be secured by the payments to be made by the County pursuant to this Facility Lease;

WHEREAS, concurrently with the execution of this Facility Lease, the County and the Authority are entering into a Site Lease (the “Site Lease”), dated as of October 1, 2015, whereby the Authority will lease certain real property and the improvements thereon more particularly described in Exhibit A hereto and made a part hereof (the “Leased Property”) from the County;

WHEREAS, the County will then sublease the Leased Property back from the Authority pursuant to this Facility Lease;

WHEREAS, the County is authorized by law to sublease the Leased Property and the Leased Property is necessary and proper for public purposes; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Facility Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facility Lease;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof have the meanings defined herein, the following definitions to be equally applicable to both the singular

and plural forms of any of the terms defined herein. All other capitalized terms used herein without definition shall have the meanings as set forth in the Indenture.

Additional Payments

“Additional Payments” means all amounts payable by the County pursuant to Section 5.01(b) hereof.

Assignment Agreement

“Assignment Agreement” means that certain Assignment Agreement executed and entered into as of October 1, 2015, by and between the Authority and the Trustee, as it may from time to time be amended.

Authority

“Authority” means the Riverside County Infrastructure Financing Authority, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California.

Base Rental Payment Date

“Base Rental Payment Date” means 15th day of the month preceding each Interest Payment Date.

Base Rental Payments

“Base Rental Payments” means all amounts payable by the County as base rental pursuant to Section 5.01(a) hereof.

Closing Date

“Closing Date” means the date on which the Bonds are initially delivered to the Underwriter.

Code

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations of the United States Department of the Treasury issued thereunder, and in this regard reference to any particular section of the Code shall include reference to all successors to such section of the Code.

County

“County” means the County of Riverside, a political subdivision duly organized and existing under the Constitution and laws of the State of California.

Expiry Date

“Expiry Date” means [_____].

Facility Lease

“Facility Lease” means this Facility Lease, dated as of October 1, 2015, by and between the Authority and the County, as originally executed and entered into and as it may from time to time be amended in accordance herewith.

Fiscal Year

“Fiscal Year” means the fiscal year of the County which, as of the date hereof, is the period from July 1 to and including the following June 30.

Indenture

“Indenture” means that certain Indenture executed and entered into as of October 1, 2015, by and among the Trustee, the County and the Authority, as originally executed and entered into and as it may from time to time be amended or supplemented in accordance therewith.

Insurance Consultant

“Insurance Consultant” means an individual or firm retained by the County as an independent insurance consultant, experienced in the field of risk management.

Insurer

“Insurer” means the issuer or issuers, if any, of a policy or policies of municipal bond insurance obtained by the County to insure the payment of the principal of or interest on a Series of Bonds issued under the Indenture, when due otherwise than by acceleration, and which, in fact, are at any time insuring such Series of Bonds. There is no Insurer with respect to the Series 2015A Bonds.

Leased Property

“Leased Property” means the real property more particularly described in Exhibit A attached hereto (as the same may be changed from time to time by Removal or Substitution), together with the improvements thereon.

Lease Year

“Lease Year” means the period from each November 1 to and including the following October 31 during the term hereof; provided that the initial Lease Year shall commence on the Closing Date and end on October 31, 2016, and the final Lease Year shall terminate on the Expiry Date.

Opinion of Counsel

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the County.

Owner

“Owner” means the registered owner of any Outstanding Bond.

Permitted Encumbrances

“Permitted Encumbrances” means, as of any particular time: (i) liens for general *ad valorem* taxes and assessments, if any, not then delinquent, or which the County may, pursuant to Section 6.02 hereof, permit to remain unpaid; (ii) the Assignment Agreement, as it may be amended from time to time; (iii) this Facility Lease, as it may be amended from time to time; (iv) the Site Lease, as it may be amended from time to time; (v) the Indenture, as it may be amended from time to time; (vi) any right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law; (vii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the date of recordation of the Facility Lease in the office of the County Recorder of the County of Riverside; (viii) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions, all of a non-monetary nature, established following the date of recordation of this Facility Lease and to which the Authority and the County consent in writing and certify to the Trustee will not materially impair the leasehold interests of the Authority or use of the Leased Property by the County; and (ix) subleases and assignments of the County which will not adversely affect the exclusion from gross income of interest on the Series 2015A Bonds.

Removal

“Removal” means the release of all or a portion of the Leased Property from the leasehold hereof and of the Site Lease as provided in Section 2.06 hereof.

Site Lease

“Site Lease” means that certain Site Lease, executed and entered into as of June 1, 2015, by and between the County and the Authority, as originally executed and entered into and as it may from time to time be amended in accordance herewith and therewith.

Substitution

“Substitution” means the release of all or a portion of the Leased Property from the leasehold hereof and of the Site Lease, and the lease of substituted real property and improvements hereunder and under the Site Lease as provided in Section 2.06 hereof.

Tax Certificate

“Tax Certificate” means the Tax and Nonarbitrage Certificate of the County and the Authority executed on the Closing Date and relating to the Series 2015A Bonds.

Trustee

“Trustee” means Wells Fargo Bank, National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee acting in its capacity as such under the Indenture, or any successor as therein provided.

The singular form of any word used herein, including the terms defined in this Section 1.01, shall include the plural, and vice versa, unless the context otherwise requires. The use herein of a pronoun of any gender shall include correlative words of the other genders. All references herein to “Sections” and other subdivisions hereof are to the corresponding Sections or subdivisions of this Facility Lease as originally executed; and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Facility Lease as a whole and not to any particular Section or subdivision hereof.

ARTICLE II

THE LEASED PROPERTY

Section 2.01 Lease of the Leased Property. The Authority hereby leases to the County, and the County hereby rents and hires from the Authority, the Leased Property on the conditions and terms hereinafter set forth. The County hereby agrees and covenants that during the term hereof, except as hereinafter provided, it will use the Leased Property for public purposes so as to afford the public the benefits contemplated hereby and so as to permit the Authority to carry out its agreements and covenants contained herein and in the Indenture, and the County hereby further agrees and covenants that during the term hereof that it will not abandon or vacate the Leased Property.

Section 2.02 Quiet Enjoyment. The parties hereto mutually covenant that the County, so long as it observes and performs the agreements, conditions, covenants and terms required to be observed or performed by it contained herein and is not in default hereunder, shall at all times during the term hereof peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Authority.

Section 2.03 Right of Entry and Inspection. The Authority shall have the right to enter the Leased Property and inspect the Leased Property during reasonable business hours (and in emergencies at all times) for any purpose connected with the Authority’s rights or obligations hereunder and for all other lawful purposes.

Section 2.04 Prohibition Against Encumbrance or Sale. The County and the Authority will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon the Leased Property, except Permitted Encumbrances, and except incident to the execution and delivery of Additional Bonds as contemplated by Section 5.07 hereof. The

County and the Authority will not sell or otherwise dispose of the Leased Property or any property essential to the proper operation of the Leased Property, except as otherwise provided herein. Notwithstanding anything to the contrary herein contained, the County may assign, transfer or sublease any and all of the Leased Property or its other rights hereunder, *provided that* (a) the rights of any assignee, transferee or sublessee shall be subordinate to all rights of the Authority hereunder, (b) no such assignment, transfer or sublease shall relieve the County of any of its obligations hereunder, (c) the assignment, transfer or sublease shall not result in a breach of any covenant of the County contained in any other Section hereof, (d) any such assignment, transfer or sublease shall by its terms expressly provide that the fair rental value of the Leased Property for all purposes shall be first allocated to this Facility Lease, as the same may be amended from time to time before or after any such assignment, transfer or sublease and (e) no such assignment, transfer or sublease shall confer upon the parties thereto any remedy which allows reentry upon the Leased Property unless concurrently with granting such remedy the same shall be also granted hereunder by an amendment to this Facility Lease which shall in all instances be prior to and superior to any such assignment, transfer or sublease.

Section 2.05 Liens. In the event the County shall at any time during the term hereof cause any improvements to the Leased Property to be constructed or materials to be supplied in or upon or attached to the Leased Property, the County shall pay or cause to be paid when due all sums of money that may become due or purporting to be due for any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the County in, upon, about or relating to the Leased Property and shall keep the Leased Property free of any and all liens against the Leased Property or the Authority's interest therein. In the event any such lien attaches to or is filed against the Leased Property or the Authority's interest therein, and the enforcement thereof is not stayed or if so stayed such stay thereafter expires, the County shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due. If any such lien shall be reduced to final judgment and such judgment or any process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and such stay thereafter expires, the County shall forthwith pay and discharge or cause to be paid and discharged such judgment. The County shall, to the maximum extent permitted by law, indemnify and hold the Authority and its assignee and its directors, officers and employees harmless from, and defend each of them against, any claim, demand, loss, damage, liability or expense (including attorneys' fees) as a result of any such lien or claim of lien against the Leased Property or the Authority's interest therein.

Section 2.06 Substitution or Removal of Leased Property.

(a) The County may amend this Facility Lease and the Site Lease to substitute other real property and/or improvements (the "Substituted Property") for existing Leased Property and/or to remove real property (including undivided interests therein) and/or improvements from the definition of Leased Property, upon compliance with all of the conditions set forth in subsection (b) below. After a Substitution or Removal, the part of the Leased Property for which the Substitution or Removal has been effected shall be released from the leasehold hereunder and under the Site Lease.

(b) No Substitution or Removal shall take place hereunder until the County delivers to the Authority and the Trustee the following:

(1) A Certificate of the County containing a description of all or part of the Leased Property to be released and, in the event of a Substitution, a description of the Substituted Property to be substituted in its place;

(2) A Certificate of the County (A) stating that the annual fair rental value of the Leased Property after a Substitution or Removal, in each year during the remaining term of this Facility Lease, is at least equal to the maximum annual Base Rental Payments payable hereunder following said Substitution or Removal, as determined by the County on the basis of commercially reasonable evidence of the annual fair rental value of the Leased Property after said Substitution or Removal, and (B) demonstrating that the useful life of the Leased Property after Substitution or Removal equals or exceeds the remaining term of this Facility Lease;

(3) An Opinion of Counsel to the effect that the amendments hereto and to the Site Lease contemplating Substitution or Removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the County and the Authority enforceable in accordance with their terms;

(4) (A) In the event of a Substitution, a policy of title insurance in an amount equal to the same proportion of the principal amount as the principal portion of the Base Rental Payments for the Substituted Property bears to the total principal portion of the Base Rental Payments payable hereunder, insuring the County's leasehold interest in the Substituted Property (except any portion thereof which is not real property) subject only to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Trustee for the benefit of the Owners of the Series 2015A Bonds and any Additional Bonds, and (B) in the event of a partial Removal, evidence that the title insurance in effect immediately prior thereto is not adversely affected;

(5) In the event of a Substitution, an opinion of the County Counsel of the County to the effect that the exceptions, if any, contained in the title insurance policy referred to in clause (4) above do not interfere with the beneficial use and occupancy of the Substituted Property described in such policy by the County for the purposes of leasing or using the Substituted Property;

(6) An Opinion of Counsel that the Substitution or Removal does not cause the interest with respect to the Bonds to be includable in gross income of the Owners thereof for federal income tax purposes; and

(7) Evidence that the County has complied with the covenants contained in clauses (1), (2) and (3) of Section 6.03 hereof with respect to the Substituted Property.

ARTICLE III

TERM OF THE FACILITY LEASE

Section 3.01 Commencement of the Facility Lease. The effective date of this Facility Lease is the Closing Date, and the term of this Facility Lease shall end on the Expiry Date, unless such term is extended or sooner terminated as hereinafter provided. If on the Expiry Date, the rental payable hereunder shall not be fully paid and all Bonds shall not be fully paid and retired, or if the rental payable hereunder shall have been abated at any time and for any reason, then the term of this Facility Lease shall be extended until ten days after the rental payable hereunder shall be fully paid and all Bonds shall be fully paid, except that the term of this Facility Lease shall in no event be extended beyond [_____, 20__]. If prior to the Expiry Date, the rental payable hereunder shall be fully paid and all Bonds shall have been fully paid, or deemed fully paid, in accordance with Article X of the Indenture, the term of this Facility Lease shall end ten days thereafter or ten days after written notice by the County to the Authority to the effect that the rental payable hereunder shall be fully paid and all Bonds have been fully paid, whichever is earlier, and this Facility Lease shall thereupon terminate.

ARTICLE IV

USE OF PROCEEDS; TAX COVENANTS

Section 4.01 Use of Proceeds. The parties hereto agree that the proceeds of the Series 2015A Bonds will be used by the Authority to refund all of the outstanding Prior Certificates, to fund the Reserve Fund and to pay Costs of Issuance and incidental and related expenses.

Section 4.02 Tax Covenants.

(a) The County will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Series 2015A Bonds pursuant to Section 103 of the Code, and specifically the County will comply with the provisions of the Tax Certificate and not directly or indirectly use or make any use of the proceeds of the Series 2015A Bonds or any other funds of the County or take or omit to take any action that would cause the Series 2015A Bonds to be “arbitrage bonds” subject to federal income taxation by reason of Section 148 of the Code or “private activity bonds” subject to federal income taxation by reason of Section 141(a) of the Code or obligations subject to federal income taxation because they are “federally guaranteed” as provided in Section 149(b) of the Code; and to that end the County, with respect to the proceeds of the Series 2015A Bonds and such other funds, will comply with all requirements of such sections of the Code to the extent that such requirements are, at the time, applicable and in effect; *provided* that if the County shall obtain an Opinion of Counsel to the effect that any action required under this section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the Series 2015A Bonds pursuant to Section 103 of the Code, the County may rely conclusively on such opinion in complying with the provisions hereof. In the event that at any time the County is of the opinion that for purposes of this section it is necessary to restrict or limit the yield on the investment of any moneys held by the Trustee

under the Indenture or otherwise the County shall so instruct the Trustee in writing, and the Trustee shall take such action in accordance with such instructions.

(b) To the ends covenanted in this Section, the County hereby specifically agrees to ensure that the following requirements are met:

(1) The County will not invest or allow to be invested proceeds of the Series 2015A Bonds at a yield in excess of the yield on the Bonds, except to the extent allowed under the Tax Certificate; and

(2) The County will rebate or cause to be rebated any amounts due to the federal government, as provided in the Tax Certificate.

(c) The provisions of this Section shall not apply to any Series of Bonds which the County shall certify to the Trustee is not intended to comply with the requirements of the Code necessary to make interest on such Series of Bonds excludable from gross income for federal income tax purposes.

ARTICLE V

RENTAL PAYMENTS

Section 5.01 Rental Payments. The County agrees to pay to the Authority, its successors or assigns, without deduction or offset of any kind, as rental for the use and occupancy of the Leased Property, the following amounts at the following times:

(a) Base Rental. Subject to the immediately following sentence, the County shall pay to the Authority rental hereunder as Base Rental Payments for the use and occupancy of the Leased Property for each Lease Year or portion thereof, at the times and in the amounts set forth in the Base Rental Payment Schedule attached hereto as Exhibit B, and made a part hereof. The interest components of the Base Rental Payments shall be paid by the County as and constitute interest paid on the principal components of the Base Rental Payments to be paid by the County hereunder.

If the term of this Facility Lease shall have been extended pursuant to Section 3.01 hereof, Base Rental Payment installments shall continue to be payable on the Base Rental Payment Dates, continuing to and including the date of termination of this Facility Lease. Upon such extension of this Facility Lease, the County shall deliver to the Trustee a Certificate setting forth the extended rental payment schedule, which schedule shall establish the Base Rental Payments at an amount sufficient to pay all unpaid principal and interest on the Series 2015A Bonds.

(b) Additional Payments. The County shall also pay in addition to the Base Rental Payments, to the Authority or the Trustee, as hereinafter provided, such amounts (“Additional Payments”) in each year as follows:

(i) All taxes and assessments of any type or character charged to the Authority or to the Trustee affecting the amount available to the Authority

or the Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby but excluding franchise taxes based upon the capital and/or income of the Trustee and taxes based upon or measured by the net income of the Trustee; provided, however, that the County shall have the right to protest any such taxes or assessments and to require the Authority or the Trustee, at the County's expense, to protest and contest any such taxes or assessments levied upon them and that the County shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Authority or the Trustee;

(ii) All reasonable fees, charges and expenses of the Trustee for services rendered under the Indenture as provided in Section 8.03 of the Indenture, as and when the same become due and payable;

(iii) The reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Facility Lease, the Site Lease or the Indenture; and

(iv) The reasonable fees and expenses of the Authority or any agent or attorney selected by the Authority to act on its behalf in connection with this Facility Lease, the Site Lease, the Series 2015A Bonds or the Indenture, including, without limitation, any and all reasonable expenses incurred in connection with the authorization, issuance, sale and delivery of any such Series 2015A Bonds or in connection with any litigation, investigation or other proceeding which may at any time be instituted involving this Facility Lease, the Site Lease, the Series 2015A Bonds or the Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the County, the Leased Property, its properties, assets or operations or otherwise in connection with the administration of this Facility Lease, the Site Lease, the Series 2015A Bonds or the Indenture.

Such Additional Payments shall be billed to the County by the Authority or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by the Authority or the Trustee for one or more of the above items. After such a demand, amounts so billed shall be paid by the County within thirty (30) days after receipt of the bill by the County.

(c) Consideration.

(i) Such payments of Base Rental Payments for each Lease Year or portion thereof during the term of this Facility Lease shall constitute, together with the Additional Payments, the total amount due for such Lease Year or portion thereof and shall be paid or payable by the County for and in consideration of the right of the use and possession of, and the continued quiet use

and enjoyment of, the Leased Property. On the Closing Date, the County shall deliver a certificate to the Authority and the Trustee, which shall set forth the annual fair rental value of the Leased Property. The parties hereto have agreed and determined that the annual fair rental value of the Leased Property is not less than the maximum Base Rental Payments payable hereunder in any year. In making such determinations of annual fair rental value, consideration has been given to a variety of factors including the replacement costs of the existing improvements on the Leased Property, other obligations of the parties under this Facility Lease, the uses and purposes which may be served by the improvements on the Leased Property and the benefits therefrom which will accrue to the County and the general public.

(ii) The parties hereto hereby acknowledge that the parties hereto may amend this Facility Lease from time to time to increase the Base Rental Payments payable hereunder so that Additional Bonds may be executed, authenticated and issued pursuant to Section 5.07 hereof and Sections 2.11 and 2.12 of the Indenture. The proceeds of such Additional Bonds shall be used for any lawful purpose. Notwithstanding anything to the contrary herein contained, this Facility Lease may not be amended in a manner such that the sum of Base Rental Payments, including Base Rental Payments payable pursuant to such amendment, in any year is in excess of the annual fair rental value of the Leased Property and other land and improvements leased to the County hereunder.

(d) Payment; Credit. Each installment of Base Rental Payments payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Authority at the designated corporate trust office of the Trustee in Los Angeles, California, or such other place as the Authority shall designate. Any such installment of rental accruing hereunder which shall not be paid when due shall remain due and payable until received by the Trustee, except as provided in Section 5.04 hereof, and to the extent permitted by law shall bear interest at the rate of ten percent per annum from the date when the same is due hereunder until the same shall be paid. Notwithstanding any dispute between the County and the Authority or between the County and the Trustee, the County shall make all rental payments when due, without deduction or offset of any kind, and shall not withhold any rental payments pending the final resolution of any such dispute. In the event of a determination that the County was not liable for said rental payments or any portion thereof, said payments or excess of payments, as the case may be, shall, at the option of the County, be credited against subsequent rental payments due hereunder or be refunded at the time of such determination. Amounts required to be deposited by the County with the Trustee pursuant to this Section 5.01(d) on any date shall be reduced to the extent of available amounts on deposit on such date in the Revenue Fund, the Interest Fund or the Principal Fund. Any payment scheduled to be made on a date which is not a Business Day shall be made on the next succeeding Business Day.

Section 5.02 Annual Budgets; Reporting Requirements. The County covenants to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under this Facility Lease in its operating budget for each Fiscal Year

commencing after the date hereof (an "Operating Budget") and to make all necessary appropriations for such Base Rental Payments and Additional Payments.

Section 5.03 Application of Rental Payments. All Base Rental Payments received shall be applied first to the interest components of the Base Rental Payments due hereunder, then to the principal components (including any prepayment premium components) of the Base Rental Payments due hereunder and thereafter to all Additional Payments due hereunder, but no such application of any payments which are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

Section 5.04 Rental Abatement. Except to the extent of (a) amounts held by the Trustee in the Revenue Fund or in the Reserve Fund (if any), (b) amounts received in respect of rental interruption insurance, and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Bonds, during any period in which, by reason of material damage, destruction, title defect, condemnation, or other reason there is substantial interference with the use and possession by the County of any portion of the Leased Property, rental payments due hereunder with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments, in which case rental payments shall be abated only by an amount equal to the difference. In the event the County shall assign, transfer or sublease any or all of the Leased Property or other rights hereunder, as permitted by Section 2.04 hereof, for purposes of determining the annual fair rental value available to pay Base Rental Payments, annual fair rental value of the Leased Property shall first be allocated to this Facility Lease as provided in clause (d) of Section 2.04 hereof. Any abatement of rental payments pursuant to this Section shall not be considered an Event of Default as defined in Article X hereof. The County waives the benefits of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate this Facility Lease by virtue of any such interference and this Facility Lease shall continue in full force and effect. Such abatement shall continue for the period commencing with the date of such damage, destruction, title defect or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Leased Property so damaged, destroyed, defective or condemned.

In the event that rental is abated, in whole or in part, pursuant to this Section due to damage, destruction, title defect or condemnation of any part of the Leased Property and the County is unable to repair, replace or rebuild the Leased Property from the proceeds of insurance, if any, the County agrees to apply for and to use its best efforts to obtain any appropriate state and/or federal disaster relief in order to obtain funds to repair, replace or rebuild the Leased Property.

Section 5.05 Prepayment of Rental Payments. The County may prepay, from eminent domain proceeds or net insurance proceeds received by it pursuant to Section 7.01 hereof, all or any portion of the components of Base Rental Payments payable hereunder relating to any portion of the Leased Property then unpaid, in whole on any date, or in part on any date in integral multiples of an Authorized Denomination so that the aggregate annual amounts of principal components of Base Rental Payments payable under this Facility Lease represented by the Series 2015A Bonds and any Additional Bonds which shall be payable after such prepayment date shall each be in an integral multiple of an Authorized Denomination and shall be as nearly

proportional as practicable to the aggregate annual amounts of principal components of Base Rental Payments payable under this Facility Lease represented by the Series 2015A Bonds and any Additional Bonds.

The County may prepay, from any source of available moneys pursuant to Section 4.01(b) of the Indenture, all or any part (in an integral multiple of an Authorized Denomination) of the principal components of Base Rental Payments payable under this Facility Lease then unpaid so that the aggregate annual amounts of principal components of Base Rental Payments under this Facility Lease which shall be payable after such prepayment date shall be as nearly proportional as practicable to the aggregate annual amounts of principal components represented by the Series 2015A Bonds and any Additional Bonds unpaid prior to the prepayment date, at a prepayment amount equal to the principal component prepaid plus accrued interest thereon to the date of prepayment plus any applicable premium.

Before making any prepayment pursuant to this Section, at least [45] days before the prepayment date the County shall give written notice to the Authority and the Trustee describing such event, specifying the order of Principal Payment Dates and specifying the date on which the prepayment will be made, which date shall be not less than [30] nor more than 60 days from the date such written notice is given to the Authority and the Trustee.

Section 5.06 Obligation to Make Rental Payments. The agreements and covenants on the part of the County contained herein shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform the agreements and covenants contained herein agreed to be carried out and performed by the County.

THE OBLIGATION OF THE COUNTY TO MAKE BASE RENTAL PAYMENTS AND TO PAY ADDITIONAL RENT DOES NOT CONSTITUTE AN OBLIGATION OF THE COUNTY FOR WHICH THE COUNTY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE COUNTY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. NEITHER THE SERIES 2015A BONDS NOR THE OBLIGATION TO MAKE RENTAL PAYMENTS AND TO PAY ADDITIONAL RENT CONSTITUTES AN INDEBTEDNESS OF THE COUNTY, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

Section 5.07 Additional Bonds. In addition to the Series 2015A Bonds to be executed, authenticated and issued under the Indenture the County and the Authority may, from time to time, but only upon satisfaction of the conditions to the issuance of Additional Bonds set forth in Sections 2.11 and 2.12 of the Indenture, enter into a Supplemental Indenture to issue Additional Bonds on a parity with the Series 2015A Bonds and any previously executed, authenticated and issued Additional Bonds (unless otherwise provided in the related Supplemental Indenture), the proceeds of which may be used for any lawful purpose by the County, as provided in the Supplemental Indenture; *provided* that prior to or concurrently with the execution and delivery of the Additional Bonds, the County and the Authority shall have

entered into an amendment to this Facility Lease, providing for an increase in the Base Rental Payments to be made hereunder subject to the limitations set forth in Section 5.01(c)(ii) hereof.

ARTICLE VI

MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES

Section 6.01 Maintenance of the Leased Property by the County. The County agrees that, at all times during the term hereof, it will, at its own cost and expense, maintain, preserve and keep, or cause to be maintained, preserved and kept, the Leased Property and every portion thereof in good repair, working order and condition and that it will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. The Authority shall have no responsibility in any of these matters or for the making of additions or improvements to the Leased Property.

Section 6.02 Taxes, Other Governmental Charges and Utility Charges. The parties hereto contemplate that the Leased Property will be used for public purposes by the County and, therefore, that the Leased Property will be exempt from all taxes presently assessed and levied with respect to real and personal property, respectively. In the event that the use, possession or acquisition by the County or the Authority of the Leased Property is found to be subject to taxation in any form, the County will pay during the term hereof, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property and any other property acquired by the County in substitution for, as a renewal or replacement of, or a modification, improvement or addition to, the Leased Property, as well as all gas, water, steam, electricity, heat, power, air conditioning, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Leased Property; *provided*, that with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are accrued during such time as this Facility Lease is in effect.

Section 6.03 Insurance. The County shall secure and maintain or cause to be secured and maintained at all time with insurers of recognized responsibility all coverage on the Leased Property required by this Section. Such insurance shall consist of:

(1) A policy or policies of insurance against loss or damage to the Leased Property known as "all risk," including flood, but excluding earthquake, which shall be maintained at any time in an amount per occurrence at least equal to the lesser of (i) the cumulative replacement values of the Leased Property and, in the case of a policy covering more than the Leased Property, as permitted by the next succeeding sentence, any other property which is the subject of a lease, installment purchase agreement or other financing arrangement for which bonds, certificates of participation or other obligations shall have been issued ("Obligations") or (ii) the aggregate amount of the principal component of the then-remaining Base Rental Payments payable hereunder; *provided* that the amount of coverage required by this sentence may be reduced to a smaller amount if an Insurance Consultant retained by the County provides written advice

to the Trustee that, based upon its evaluation of the County's maximum foreseeable loss in the event of a major conflagration, windstorm, explosion, riot, flood or similar event, a specified smaller amount is believed to be reasonable given the nature of the risks insured and the proximity of the insured properties to each other. Such insurance may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property leased or owned by the County which may be limited in an amount per occurrence in the aggregate to the amount required by the preceding sentence. Such insurance may at any time include a deductible clause providing for a deductible not to exceed \$100,000 for any one loss (except for flood, in which case the deductible may not exceed \$250,000 for any one loss). The County may obtain such coverage as a joint insured with one or more other public agencies located within or outside of the County which may be limited in an amount per occurrence in the aggregate for all insureds as described in the first sentence of this paragraph (1) and which may be limited in a cumulative amount of claims during a 12-month period in the aggregate for all insureds in an amount not less than \$500,000,000. Otherwise conforming policies satisfying the requirements of this paragraph (1) may provide that amounts payable as coverage for rental interruption under this paragraph (1) may be reduced by amounts payable under paragraph (3) below for the same occurrence, and vice versa. The County is, however, under no obligation to provide insurance against loss or damage occasioned by the perils of earthquake.

(2) In the event that such coverage is not included in paragraph (1) above, boiler and machinery coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus now or hereafter installed on the Leased Property in an amount not less than \$75,000,000 per accident; *provided, however*, that the amount of coverage required by this sentence may be reduced to a smaller amount if an Insurance Consultant retained by the County provides written advice to the Trustee that, based upon its evaluation of the County's maximum foreseeable loss in the event of loss or damage by steam boilers, pressure vessels and similar apparatus now or hereafter installed on the Leased Property, a specified smaller amount is believed to be reasonable. Such insurance may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property leased or owned by the County which may be limited in amount to \$75,000,000 per accident. Such insurance may at any time include a deductible clause providing for a deductible not to exceed \$100,000 for any one loss. The County may obtain such coverage as a joint insured with one or more public agencies located within or without the County which may be limited in amount to \$75,000,000 per accident. Otherwise conforming policies satisfying the requirements of this paragraph (2) may provide that amounts payable as coverage for rental interruption under this paragraph (2) may be reduced by amounts payable under paragraph (3) below for the same occurrence, and vice versa.

(3) So long as any Bonds are Outstanding, rental interruption insurance to cover loss, total or partial, of the use of any part of the Leased Property as a result of any of the hazards covered by the insurance required pursuant to paragraph (1) or (2) above, as the case may be, in an amount sufficient at all times to pay the total rent payable under this Facility Lease for a period of not less than two years' Base Rental Payments for the Leased Property; *provided* that such rental interruption insurance may

be included in the policy or policies provided pursuant to paragraph (1) or (2) above without increasing the aggregate limits for coverage with respect to any hazard covered thereby. Such insurance also may be in the form of a policy which covers the Leased Property and one or more additional parcels of real property leased or owned by the County. The County also may obtain an otherwise conforming policy required by this paragraph (3) as a joint insured with one or more other public agencies within or without the County which may, with respect to any hazard, be limited in aggregate amount for all insureds to the amount of the policy or policies required pursuant to paragraph (1) or (2) above, as the case may be, which insures against such hazard. Otherwise conforming policies satisfying the requirements of this paragraph (3) may provide that amounts payable as coverage under this paragraph (3) may be reduced by amounts payable for rental interruption under paragraph (1) or (2) above, as the case may be, for the same occurrence, and vice versa.

The County shall collect, adjust and receive all moneys which may become due and payable under any policies contemplated by paragraphs (1) and (2) above, and, may compromise any and all claims thereunder and shall transfer the net proceeds of such insurance as provided herein or in the Indenture. The Trustee shall not be responsible for the sufficiency of any insurance herein required. The Trustee shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the County.

Any insurance policy issued pursuant to paragraph (1) or (2) above shall be so written or endorsed as to make losses, if any, payable to the County, the Authority and the Trustee as their respective interests may appear and the net proceeds of the insurance required by paragraphs (1) or (2) above shall be applied as provided in Section 7.01 hereof. The net proceeds, if any, of the insurance policy described in paragraphs (1) and (2) above shall be payable to the County for deposit in the Insurance Proceeds and Condemnation Awards Fund. The net proceeds, if any, of the insurance policy described in paragraph (3) above shall be payable to the Trustee and deposited in the Revenue Fund. Each insurance policy provided for in this Section shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interests of the Authority or the Trustee without first giving written notice thereof to the Authority and the Trustee at least 30 days in advance of such intended cancellation or modification.

The County shall file a Certificate of the County with the Trustee and the Insurer not later than January 31 of each year certifying that the insurance policies required by this Section are in full force and effect and that the Authority and/or the Trustee is named as a loss payee on each insurance policy which this Facility Lease requires to be so endorsed. The County will provide the Insurer with copies of such insurance policies upon request. The Trustee shall have no responsibility whatsoever for determining the adequacy of any insurance required hereunder.

Section 6.04 Advances. In the event the County shall fail to maintain the full insurance coverage required hereby or shall fail to keep the Leased Property in good repair and operating condition, the Authority may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or

replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by the Authority shall become Additional Payments, which amounts the County agrees to pay within 30 days of a written request therefor, together with interest thereon at the maximum rate allowed by law.

Section 6.05 Title Insurance. The County covenants and agrees to deliver or cause to be delivered to the Trustee on the Closing Date a CLTA leasehold owner's policy or policies, or a commitment for such policy or policies, with respect to the Leased Property with liability in the aggregate amount equal to the principal component of all Base Rental Payments payable hereunder. Such policy or policies, when issued, shall name the Trustee as the insured and shall insure the leasehold estate of the County in the Leased Property subject only to Permitted Encumbrances.

ARTICLE VII

DAMAGE, DESTRUCTION, TITLE DEFECT AND CONDEMNATION

Section 7.01 Damage, Destruction, Title Defect and Condemnation; Use of Net Proceeds. If prior to the termination of the term hereof (a) the Leased Property or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (b) title to, or the temporary use of, the Leased Property or any portion thereof or the estate of the County or the Authority in the Leased Property or any portion thereof is defective or shall be taken under the exercise of the power of eminent domain by any governmental body or by any person or firm or Authority acting under governmental authority, then the County and the Authority will cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification, improvement or replacement of the damaged, destroyed, defective or condemned portion of the Leased Property, and any balance of the net proceeds remaining after such work has been completed shall be paid to the County; *provided* that the County, at its option and provided the proceeds of such insurance or condemnation award together with any other moneys then available for such purpose are at least sufficient to prepay the aggregate annual amounts of principal and interest components of the Base Rental Payments due hereunder attributable to the portion of the Leased Property so destroyed, damaged, defective or condemned (determined by reference to the proportion which the annual fair rental value of the destroyed, damaged, defective or condemned portion thereof bears to the annual fair rental value of the Leased Property), may elect not to repair, reconstruct or replace the damaged, destroyed, defective or condemned portion of the Leased Property and thereupon shall cause said proceeds to be used for the prepayment of Outstanding Bonds pursuant to the provisions of Section 4.01(a) of the Indenture. Notwithstanding any other provision herein, the County shall only prepay less than all of the principal component of the then-remaining Base Rental Payments if the annual fair rental value of the Leased Property after such damage, destruction, title defect or condemnation is at least equal to the aggregate annual amount of the principal and interest components of the Base Rental Payments not being prepaid.

In the event that the proceeds, if any, of said insurance or condemnation award are insufficient either to (i) repair, rebuild or replace the Leased Property so that the fair rental value of the Leased Property would be at least equal to the Base Rental Payments or (ii) to redeem all the Outstanding Bonds, both as provided in the preceding paragraph, then the County may, in its

sole discretion, budget and appropriate an amount necessary to effect such repair, rebuilding or replacement or redemption; *provided* that the failure of the County to so budget and/or appropriate shall not be a breach of or default under this Facility Lease.

ARTICLE VIII

DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE LEASED PROPERTY

Section 8.01 Disclaimer of Warranties. NEITHER THE TRUSTEE NOR THE AUTHORITY MAKES ANY AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY, OR WARRANTY WITH RESPECT THERETO. THE COUNTY ACKNOWLEDGES THAT NEITHER THE TRUSTEE NOR THE AUTHORITY IS A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE COUNTY LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE COUNTY. In no event shall the Authority or the Trustee be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Facility Lease or the existence, furnishing, functioning or the County's use of the Leased Property as provided hereby.

Section 8.02 Use of the Leased Property; Improvements. The County will not use, operate or maintain the Leased Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. The County shall provide all permits and licenses, if any, necessary for the use of the Leased Property. In addition, the County agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each portion of the Leased Property) with all laws of the jurisdictions in which its operations involving any portion of the Leased Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Leased Property; *provided* that the County may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the County adversely affect the estate of the Authority in and to the Leased Property or its interest or rights hereunder.

ARTICLE IX

ASSIGNMENT; INDEMNIFICATION; NON-LIABILITY

Section 9.01 Assignment by Authority. The parties understand that certain of the rights of the Authority hereunder and under the Site Lease will be assigned to the Trustee pursuant to the Assignment Agreement, and accordingly the County agrees to make all payments due hereunder to the Trustee, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach hereof or otherwise) that the County may from time to time have against the Authority. The County agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, which may be reasonably

requested by the Authority or the Trustee to protect their interests in the Leased Property during the term hereof.

Section 9.02 Assignment by County. This Facility Lease and the interest of the County in the Leased Property may not be assigned or encumbered by the County except as permitted by Section 2.04 hereof.

Section 9.03 Indemnification. The County shall, to the full extent then permitted by law, indemnify, protect, hold harmless, save and keep harmless the Authority and the Trustee and their respective directors, officers and employees from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the issuance of the Bonds, the entering into of this Facility Lease, the use of the Leased Property and each portion thereof or any accident in connection with the operation, use, condition or possession of the Leased Property or any portion thereof resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the County or the Authority; any claim arising out of the use, presence, storage, disposal or release of any Hazardous Substances on or about the Leased Property; any claim for patent, trademark or copyright infringement; and any claim arising out of strict liability in tort. The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations hereunder or the termination hereof for any reason. The County the Trustee and the Authority mutually agree to promptly give notice to each other of any claim or liability hereby indemnified against following the learning thereof by such party.

Section 9.04 Non-Liability of the Authority. The Authority shall not be obligated to pay the principal (or redemption price) of or interest on the Series 2015A Bonds, except from Revenues and other moneys and assets received by the Trustee pursuant to this Facility Lease. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof, nor the faith and credit of the Authority or any member is pledged to the payment of the principal (or redemption price) or interest on the Series 2015A Bonds. The Authority shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Facility Lease, the Series 2015A Bonds or the Indenture, except only to the extent amounts are received for the payment thereof from the County under this Facility Lease.

The County hereby acknowledges that the Authority's sole source of moneys to repay the Series 2015A Bonds will be provided by the payments made by the County to the Trustee pursuant to this Facility Lease, together with investment income on certain funds and accounts held by the Trustee under the Indenture, and hereby agrees that if the payments to be made hereunder shall ever prove insufficient to pay all principal (or redemption price) and interest on the Series 2015A Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the County shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or redemption price) or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the

County, the Authority or any third party, subject to any right of reimbursement from the Trustee, the Authority or any such third party, as the case may be, therefor.

Section 9.05 Waiver of Personal Liability. No member, officer, agent or employee of the Authority or any director, officer, agent or employee of the County shall be individually or personally liable for the payment of any principal (or redemption price) or interest on the Series 2015A Bonds or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Facility Lease; but nothing herein contained shall relieve any such member, director, officer, agent or employee from the performance of any official duty provided by law or by this Facility Lease.

ARTICLE X

DEFAULT

Section 10.01 Default.

(a) The following events shall be “Events of Default” under this Facility Lease and the terms “Event of Default” and “Default” shall mean, whenever they are used in this Facility Lease, any one or more of the following events:

(1) The County shall fail to deposit with the Trustee any Base Rental Payment required to be so deposited by the close of business on the day such deposit is required pursuant to Section 5.01(a) hereof, *provided* that the failure to deposit any Base Rental Payments abated pursuant to Section 5.04 hereof shall not constitute an Event of Default;

(2) The County shall fail to pay any item of Additional Payments when the same shall become due and payable pursuant to Section 5.01(b) hereof; or

(3) The County shall breach any other terms, covenants or conditions contained herein or in the Indenture, and shall fail to remedy any such breach with all reasonable dispatch within a period of 30 days after written notice thereof from the Authority to the County; *provided, however*, that if the failure stated in the notice cannot be corrected within such period, then the Authority shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the County within such period and is diligently pursued until the default is corrected.

(b) Upon the happening of any of the Events of Default specified in Section 10.01(a) or (e) hereof, it shall be lawful for the Authority or its assignee, subject to the terms of this Facility Lease, to exercise any and all remedies available or granted to it pursuant to law or hereunder.

(c) If the Authority does not elect to terminate this Facility Lease in the manner hereinafter provided for in subparagraph (d) hereof, the County agrees to and shall remain liable for the payment of all Base Rental Payments and the performance of all conditions herein contained and shall reimburse the Authority for any deficiency arising out of the re-leasing of the Leased Property or, in the event the Authority is unable to re-lease the Leased

Property, then for the full amount of all Base Rental Payments to the end of the term of this Facility Lease, but said Base Rental Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Base Rental Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of obtaining possession of the Leased Property or exercise of any other remedy by the Authority. The County hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the County to obtain possession and re-lease the Leased Property in the event of default by the County in the performance of any covenants herein contained to be performed by the County and to remove all personal property whatsoever situated upon the Leased Property and to place such property in storage or other suitable place in the County of Riverside, for the account of and at the expense of the County, and the County hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such possession and re-leasing of the Leased Property and the removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The County hereby waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Leased Property as herein provided and all claims for damages that may result from the destruction of or injury to the Leased Property and all claims for damages to or loss of any property belonging to the County that may be in or upon the Leased Property. The County agrees that the terms of this Facility Lease constitute full and sufficient notice of the right of the Authority to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Facility Lease, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Facility Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the County the right to terminate this Agreement shall vest in the Authority to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (d) hereof. The County further waives the right to any rental obtained by the Authority in excess of the Base Rental Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its service in re-leasing the Leased Property.

(d) In any Event of Default hereunder, the Authority at its option may terminate this Facility Lease and re-lease all or any portion of the Leased Property. In the event of the termination of this Facility Lease by the Authority at its option and in the manner hereinafter provided on account of default by the County (and notwithstanding any re-entry upon the Leased Property by the Authority in any manner whatsoever or the re-leasing of the Leased Property), the County nevertheless agrees to pay to the Authority all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Base Rental Payments. Any surplus received by the Authority from such re-leasing shall be the absolute property of the Authority and the County shall have no right thereto, nor shall the County be entitled to apply any surplus as a credit in the event of a subsequent deficiency in the rentals received by the Authority from the Leased Property. Neither notice to pay rent or to deliver up possession of the Leased Property given pursuant to law nor any proceeding taken by the Authority shall of itself operate to terminate this Facility Lease, and shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written notice to the County of the election on the part of the Authority to terminate this Facility Lease. The County covenants and agrees that no surrender of

the Leased Property or of the remainder of the term hereof or any termination of this Facility Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

(e) In addition to any Event of Default resulting from breach by the County of any agreement, condition, covenant or term hereof, if the County's interest herein or any part thereof be assigned, sublet or transferred without the written consent of the Authority (except as otherwise permitted by Section 2.04 hereof), either voluntarily or by operation of law; or the County or any assignee shall file any petition or institute any proceedings under any act or acts, state or federal, dealing with or relating to the subject of bankruptcy or insolvency or under any amendment of such act or acts, either as a bankrupt or as an insolvent or as a debtor or in any similar capacity, wherein or whereby the County asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of its debts or obligations, or offers to its creditors to effect a composition or extension of time to pay its debts, or asks, seeks or prays for a reorganization or to effect a plan of reorganization or for a readjustment of its debts or for any other similar relief, or if the County shall make a general or any assignment for the benefit of its creditors; or the County shall abandon or vacate the Leased Property or any portion thereof (except as permitted by Section 2.04 hereof); then in each and every such case the County shall be deemed to be in default hereunder.

(f) The Authority expressly waives the right to receive any amount from the County pursuant to Section 1951.2(a)(3) of the California Civil Code.

(g) Neither the County nor the Authority shall be in default in the performance of any of its obligations hereunder (except for the obligation to make Base Rental Payments pursuant to Section 5.01 hereof) unless and until it shall have failed to perform such obligation within 30 days after notice by the County or the Authority, as the case may be, to the other party properly specifying wherein it has failed to perform such obligation.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Notices. All written notices to be given hereunder shall be given by first-class mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Authority:

Riverside County Infrastructure Financing Authority
4080 Lemon Street, 4th Floor
Riverside, CA 92501-3651
Attention: Chair

If to the County:

County of Riverside
4080 Lemon Street, 4th Floor
Riverside, CA 92501-3651
Attention: County Finance Director

If to the Trustee:

Wells Fargo Bank, National Association
333 South Grand Avenue
Los Angeles, California 90071
Attention: [_____]

Section 11.02 Binding Effect. This Facility Lease shall inure to the benefit of and shall be binding upon the Authority and the County and their respective successors and assigns.

Section 11.03 Trustee as Third Party Beneficiary. The Trustee is hereby designated a third party beneficiary hereunder for the purpose of enforcing any of the rights hereunder assigned to the Trustee under the Assignment Agreement.

Section 11.04 Net Lease. It is the purpose and intent of the Authority and the County that lease payments hereunder shall be absolutely net to the Authority so that this Facility Lease shall yield to the Authority the lease payments, free of any charges, assessments or impositions of any kind charged, assessed or imposed on or against the Leased Property, and without counterclaim, deduction, defense, deferment or set-off by the County except as herein specifically otherwise provided. The Authority shall not be expected or required to pay any such charge, assessment or imposition, or be under any obligation or liability hereunder except as herein expressly set forth, and all costs, expenses and obligations of any kind relating to the maintenance and operation of the Leased Property which may arise or become due during the term of this Facility Lease shall be paid by the County.

Section 11.05 Amendments. This Facility Lease may be amended in writing as may be mutually agreed by the Authority and the County, subject to the written approval of the Trustee; *provided* that no such amendment which materially adversely affects the rights of the Owners shall be effective unless it shall have been consented to by the Owners of more than 50% in principal amount of the Bonds Outstanding, and *provided further*, that no such amendment shall (a) extend the payment date of any Base Rental Payment, or reduce the interest, principal or prepayment premium component of any Base Rental Payment, without the prior written consent of the Owner of each Bond so affected, or (b) reduce the percentage of the principal amount of the Bonds Outstanding the consent of the Owners of which is required for the execution of any amendment hereof.

This Facility Lease and the rights and obligations of the Authority and the County hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution without the written consents of

any Owners, but only to the extent permitted by law 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 County to be observed or performed herein and other agreements, conditions, covenants and terms thereafter to be observed or performed by the Authority or the County, or to surrender any right or power reserved herein to or conferred herein on the Authority or the County, and which in either case shall not materially adversely affect the interests of the Owners;

(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 County may deem desirable or necessary and not inconsistent herewith, and which shall not materially adversely affect the interests of the Owners;

(c) to effect a Substitution or Removal in accordance with Section 2.06 hereof;

(d) to facilitate the issuance of Additional Bonds as provided in Section 5.07 hereof; or

(e) to make any other addition, amendment or deletion which does not materially adversely affect the interests of the Owners or the Insurer.

Section 11.06 Discharge of County. Upon the payment of all Base Rental Payments and Additional Payments payable hereunder, all of the obligations of the County hereunder shall thereupon cease, terminate and become void and shall be discharged and satisfied; *provided, however,* if any Outstanding Bonds shall be deemed to have been paid by virtue of a deposit of Base Rental Payments hereunder pursuant to Section 10.01(b) of the Indenture, then the obligation of the County hereunder to make Base Rental Payments hereunder shall continue in full force and effect until the Outstanding Bonds so deemed paid have in fact been paid, but such payments shall be made solely and exclusively from moneys and securities deposited with the Trustee as contemplated by Section 10.01(b) of the Indenture, and that shall be the sole source of satisfaction of the County's obligation to make Base Rental Payments. The time period for giving notice by the County to the Authority and the Trustee specified in the third paragraph of Section 5.05 hereof shall not apply incident to the payment to the Owners of all Outstanding Bonds in accordance with Section 10.01, including Section 10.01(b), of the Indenture.

Section 11.07 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms hereof shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining agreements, conditions, covenants or terms hereof shall be affected thereby, and each provision of this Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 11.08 California Law. This Facility Lease shall be governed by and construed and interpreted in accordance with the laws of the State of California.

Section 11.09 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 hereof.

Section 11.10 Execution. This Facility Lease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Facility Lease by their officers thereunto duly authorized as of the day and year first written above.

RIVERSIDE COUNTY INFRASTRUCTURE
FINANCING AUTHORITY

By: _____
Chairman

COUNTY OF RIVERSIDE

By: _____
County Executive Officer

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss.

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

Signature of Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss.

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

Signature of Notary Public

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property, situated in the County of Riverside, State of California, described as follows:

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Facility Lease, dated as of October 1, 2015, by and between the Riverside County Infrastructure Financing Authority (the "Authority") and the County of Riverside (the "County"), from the Authority to the County, is hereby accepted by the undersigned on behalf of the County pursuant to authority conferred by resolution of the Board of Supervisors of the County adopted on September 22, 2015, and the County consents to recordation thereof by its duly authorized officer.

Dated as of [____ _], 2015

COUNTY OF RIVERSIDE

By: _____
Authorized Officer

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

Charles C. Wolf, Esq.
NIXON PEABODY LLP
555 West Fifth St., 46th Floor
Los Angeles, California 90013

(Space above for Recorder's use)

This transaction is exempt from California documentary transfer tax pursuant to Section 11929 of the California Revenue and Taxation Code. This document is recorded for the benefit of the County of Riverside and the recording is fee-exempt under Section 6103 of the California Government Code.

ASSIGNMENT AGREEMENT

by and between the

RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY

and

**WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee**

Dated as of October 1, 2015

relating to the

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2015A
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

ASSIGNMENT AGREEMENT

This ASSIGNMENT AGREEMENT (the "Assignment Agreement"), executed and entered into as of October 1, 2015, by and between the RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY (the "Authority"), a joint powers authority duly organized and existing under and pursuant to California Government Code Sections 6500 et seq. and WELLS FARGO BANK, NATIONAL ASSOCIATION (the "Trustee"), a banking association existing under and by virtue of the laws of the United States, as trustee under the Indenture (as hereinafter defined);

W I T N E S S E T H:

WHEREAS, the Authority and the County of Riverside (the "County") have executed and entered into the Site Lease*, dated as of October 1, 2015 (the "Site Lease"), pursuant to which the County has leased that certain real property, as more particularly described in the Site Lease and the Facility Lease (as defined below) (the "Leased Property") to the Authority, as described in Exhibit A attached hereto and incorporated herein;

WHEREAS, the Authority and the County have executed and entered into the Facility Lease*, dated as of October 1, 2015 (the "Facility Lease"), pursuant to which the Authority has leased the Leased Property to the County, as described in Exhibit A;

WHEREAS, under and pursuant to the Facility Lease, the County is obligated to make rental payments to the Authority for the lease of the Leased Property to it;

WHEREAS, the Authority desires to assign without recourse all its rights to receive the Base Rental Payments (as defined in the Facility Lease) and certain other payments scheduled to be paid by the County under and pursuant to the Facility Lease to the Trustee;

WHEREAS, in consideration of such assignment and the execution and entering into of an Indenture (the "Indenture"), dated as of October 1, 2015, by and among the Trustee, the Authority and the County, the Authority has agreed to issue its Lease Revenue Refunding Bonds, Series 2015A (Capital Improvements Projects Refunding) in an aggregate principal amount of \$[_____] (the "Bonds"); and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR

* Recorded concurrently herewith.

OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. Assignment. The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby unconditionally grant, transfer and assign to the Trustee without recourse (i) all its rights to receive Revenues (as defined in the Indenture) under and pursuant to the Facility Lease, (ii) the right to take all actions under the Site Lease and the Facility Lease, (iii) the right of access more particularly described in the Site Lease and the Facility Lease, and (iv) any and all other rights and remedies of the Authority in the Site Lease, as lessee thereunder, and in the Facility Lease, as lessor thereunder; *provided* such assignment shall not include any of the Authority's rights to indemnification and payment or reimbursement for any costs or expenses under the Facility Lease, including without limitation, those rights specified in Section 5.01(b) and Section 9.03 of the Facility Lease; *and provided further* that so long as no default in payment of Base Rental Payments under the Facility Lease shall have occurred or be continuing, the Authority shall have and may exercise all rights of the Authority under the Site Lease and the Facility Lease other than the right to receive the Base Rental Payments.

SECTION 2. Acceptance. The Trustee hereby accepts the foregoing assignment for the benefit of the Owners of the Bonds, subject to the conditions and terms of the Indenture, and all such Base Rental Payments shall be applied and all such rights so assigned shall be exercised by the Trustee as provided in the Indenture.

SECTION 3. Conditions. This Assignment Agreement shall confer no rights and shall impose no obligations upon the Trustee beyond those expressly provided in the Indenture.

SECTION 4. California Law. This Assignment Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California.

SECTION 5. Severability. If any agreement, condition, covenant or term hereof or any application hereof should be held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all agreements, conditions, covenants and terms hereof and all applications thereof not held invalid, void or unenforceable shall continue in full force and effect and shall in no way be affected, impaired or invalidated thereby.

SECTION 6. Execution in Counterparts. This Assignment Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same Assignment Agreement.

[Remainder of Page Intentionally Left Blank.]

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

RIVERSIDE COUNTY
INFRASTRUCTURE FINANCING
AUTHORITY

By _____
Chairman

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Signatory

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss.

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

Signature of Notary Public

STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss.

On _____, 2015, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person 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.

[Affix seal here]

Signature of Notary Public

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the County of Riverside, State of California, described as follows:

\$ _____
Riverside County Infrastructure Financing Authority
Lease Revenue Bonds
(Capital Facilities Refunding Project) Series 2015

PURCHASE CONTRACT

_____, 2015

Riverside County Infrastructure Financing Authority
c/o County of Riverside
County Administrative Center, 4th Floor
4080 Lemon Street
Riverside, CA 92501

County of Riverside
Board of Supervisors
County Administrative Center, 4th Floor
4080 Lemon Street
Riverside, CA 92501

Ladies and Gentlemen:

J.P. Morgan Securities LLC, acting on behalf of itself and as Representative (the “Representative”) of the underwriters listed in Exhibit A hereto (collectively, the “Underwriters”), hereby offers to enter into this Purchase Contract with you, the County of Riverside (the “County”) and the Riverside County Infrastructure Financing Authority (the “Authority”), for the purchase by the Underwriters and the delivery by you of the \$_____ aggregate principal amount of Riverside County Infrastructure Financing Authority Lease Revenue Bonds (Capital Facilities Refunding Project) Series 2015 (the “Bonds”). The Bonds are being issued by the Authority to provide funds to (i) refund certain outstanding certificates of participation issued by the County of Riverside Asset Leasing Corporation, as more particularly described in the Official Statement (defined herein)(the “Refunded Bonds”); (ii) make a deposit to the reserve fund for the Bonds; and (iii) pay the costs of issuance of the Bonds. This offer is made subject to acceptance by you prior to 11:59 p.m., Los Angeles time, on the date hereof. Upon such acceptance, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriters. All terms not defined herein shall have the meanings set forth in the Indenture (defined below).The Representative is authorized to execute this Purchase Contract and act on behalf of the Underwriters.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters agree to purchase from the Authority, and the Authority agrees to sell to the Underwriters, all (but not less than all) of the \$_____ aggregate principal amount of the Bonds at the purchase price of \$_____ (being the principal amount of the Bonds of \$_____, less an Underwriter’s discount in the amount of \$_____, and plus a net original issue premium of \$_____).

The Bonds shall be dated their date of delivery and shall mature on the dates and bear interest at the rates and have the prices or yields, all as set forth on Exhibit B attached hereto. The Bonds will be subject to redemption as set forth in the herein described Official Statement. Interest on the Bonds is payable on May 1 and November 1 of each year, commencing on May 1, 2016. The Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only.

The County and the Authority acknowledge and agree that (i) the primary role of the Underwriters, as underwriters, is to purchase the Bonds, for re-sale to investors pursuant to this Purchase Contract, which is an arm’s-length commercial transaction among the County, the Authority and the Underwriters, and the Underwriters have financial and other interests that differ from those of the County and the Authority, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principal and are not acting as the agent, financial advisor, municipal advisor or fiduciary of the County or the Authority, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the County or the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the County or the Authority on other matters) and the Underwriters have no obligation to the County or the Authority with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract and (iv) the County and the Authority have consulted their own legal, financial, municipal and other advisors to the extent they have deemed appropriate.

2. Authorizing Instruments and Law. The Bonds shall be issued pursuant to the provisions of a resolution (the “Authority Resolution”) adopted by the Authority authorizing the issuance of the Bonds, the provisions of a resolution (the “County Resolution”) adopted by the County authorizing the issuance of the Bonds and certain matters relating thereto and an Indenture, dated as of October 1, 2015 (the “Indenture”), by and among the County, the Authority and Wells Fargo Bank, National Association, as trustee (the “Trustee”). The Bonds shall be as described in the Indenture and the Official Statement.

In connection with the issuance of the Bonds, the County will lease the certain real property and existing improvements thereon described in the Official Statement (collectively, the “Leased Property”) to the Authority pursuant to a Site Lease, dated as of October 1, 2015 (the “Site Lease”), by and between the County, as lessor, and the Authority, as lessee. The County will lease the Leased Property, under a Facility Lease, dated as of October 1, 2015 (the “Facility Lease”), by and between the Authority, as lessor, and the County, as lessee. The Bonds will be payable and secured solely from Revenues (as defined in the Indenture), consisting primarily of base rental payments to be made by the County pursuant to the Facility Lease (the “Base Rental Payments”).

In connection with the refunding of the Refunded Bonds, the Authority and [ESCROW AGENT] will enter into the Escrow Agreement, dated as of October 1, 2015 (the “Escrow Agreement”).

3. Offering the Bonds. The Underwriters agree to offer all the Bonds to the public initially not in excess of the prices (or less than the yields) set forth on the inside cover page of the

Official Statement pertaining to the Bonds, dated _____, 2015 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Representative, are herein called the "Official Statement"). Subsequent to the initial public offering of the Bonds, the Underwriters reserve the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. "Public Offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold. In connection with the sale and delivery of the Bonds, the Representative will deliver an Issue Price Certificate substantially in the form attached hereto as Exhibit C attached hereto.

4. Delivery of Official Statement on the Date Hereof. The County, on behalf of itself and as agent for the Authority, shall deliver to the Representative a copy of the Official Statement manually executed on behalf of the Authority and the County by authorized representatives thereof and a copy of the Official Statement in electronic word-searchable portable format in order to assist the Underwriters with complying with paragraph (b)(4) of Rule 15c2-12 (the "Rule") promulgated by the U.S. Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended, and the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Authority shall deliver the Official Statement to the Underwriter within seven (7) business days after the execution of this Purchase Contract, and no later than two (2) business days prior to the date of Closing. The Underwriters shall inform the County in writing of the End Date (herein defined), and covenants to file the Official Statement with the MSRB on a timely basis.

"End Date" as used herein is that date which is the earlier of:

(a) ninety (90) days after the end of the underwriting period, as defined in SEC Rule 15c2-12 adopted by the Securities and Exchange Commission on June 28, 1989 (as amended, "Rule 15c2-12"); or

(b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the underwriting period (as defined in Rule 15c2-12) ends.

The Authority and the County have authorized the use by the Underwriters of the Official Statement, the herein described County Documents and the herein described Authority Documents in connection with the public offering of the Bonds. The Authority and the County also have consented to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement dated _____, 2015, relating to the Bonds in connection with the public offering of the Bonds (which, together with all appendices thereto, is herein called the "Preliminary Official Statement"). Authorized officers of the County and the Authority have certified to the Underwriters that such Preliminary Official Statement was deemed to be final as of its date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriters have distributed a copy of each Preliminary Official Statement to potential customers on request.

5. The Closing. At 9:00 A.M., California time, on October __, 2015, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority, the County and the Underwriters, the Authority will deliver (i) the Bonds in book-entry form through the facilities of DTC in New York, New York, and (ii) the closing documents

hereinafter mentioned at the offices of Nixon Peabody LLP, Los Angeles, California (“Bond Counsel”), or another place to be mutually agreed upon by the Authority, the County and the Representative. Subject to the terms and conditions hereof, the Underwriters will accept such delivery of the Bonds and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer of immediately available funds. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the “Closing.”

6. County Representations, Warranties and Covenants. The County represents, warrants and covenants to the Underwriters that:

(a) The County is a political subdivision of the State of California (the “State”), duly organized and validly existing pursuant to the Constitution and laws of the State, and has all necessary power and authority to adopt the County Resolution and enter into and perform its duties under the Site Lease, the Facility Lease, the Continuing Disclosure Certificate, dated as of the date of Closing (the “Continuing Disclosure Certificate”) from the County, the Official Statement and this Purchase Contract (collectively, the “County Documents”).

(b) None of the adoption of the County Resolution, the execution and delivery of the County Documents, the approval and execution of the Official Statement or this Purchase Contract, compliance with the provisions on the County’s part contained therein, the consummation of any other of the transactions herein and therein contemplated, nor the fulfillment of the terms hereof and thereof, materially conflicts with or constitutes a material breach of or default under nor materially contravenes any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in the security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the County under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the County Documents.

(c) The County Documents have been duly authorized, executed and delivered by the County, and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against counties in the State of California.

(d) Except as may be required under blue sky or other securities laws of any state, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory agency having jurisdiction over the County required for the execution and delivery of the Bonds and the County Documents or the consummation by the County of the other transactions contemplated by the Official Statement, the County Resolution and the other County Documents.

(e) To the best of the knowledge of the County, there is, and on the Closing (as hereinafter defined) there will be, no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the County to restrain or enjoin the delivery of any of the Bonds, or the payments to be made pursuant to the Facility Lease, or in any way contesting or affecting the validity of the County Documents or the

Bonds or the authority of the County to approve or enter into the County Documents or contesting the powers of the County to enter into or perform its obligations under any of the foregoing or in any way contesting the powers of the County in connection with any action contemplated by this Purchase Contract or the other County Documents or to restrain or enjoin the execution, sale and delivery of the Bonds or, except as described in the Preliminary Official Statement and the Official Statement, the payment of Base Rental Payments, nor is there any basis for any such action, suit, proceeding or investigation.

(f) The Preliminary Official Statement provided to the Underwriters has been deemed final by the County, as required by Rule 15c2-12. As of the date thereof and the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except for information permitted to be omitted therefrom by the Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the End Date, the information contained in the Official Statement was and will be complete for its intended purposes. The information contained in the Official Statement is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

(g) The County agrees to cooperate with the Underwriters in endeavoring to qualify the Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriters may request; provided, however, that the County will not be required to execute a special or general consent to service of process in any jurisdiction in which it is not now so subject or to qualify to do business as a foreign corporation in any jurisdiction where it is not so qualified.

(h) By official action of the County prior to or concurrently with the execution hereof, the County has duly approved the distribution of the Official Statement, has duly adopted the County Resolution and has duly authorized and approved the execution and delivery of, and the performance by the County of the obligations on its part contained in the County Documents and the consummation by it of all other transactions contemplated by the Official Statement, the County Resolution, this Purchase Contract and the other County Documents.

(i) To the best knowledge of the County, it is not in breach of or default under any material applicable law or administrative regulation of the State of California or the United States or any material applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the County is a party or is otherwise subject and in connection with which the County is obligated to make payments from its own funds, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument the consequence of which could be the material and adverse effect on the performance of the County under the County Documents.

(j) If between the date of this Purchase Contract and the End Date an event occurs, of which the County has knowledge, which might or would cause the information in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in

any material respect, the County will notify the Representative, and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will cooperate with the Representative in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Representative, provided all expenses thereby incurred will be paid for by the County.

(k) If the information contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of the End Date, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading.

(l) The County covenants that it will comply with all tax covenants relating to it in the County Documents, the Tax Certificate of the County (the "Tax Certificate") and this Purchase Contract.

(m) The County will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided in Lease and the Tax Certificate.

(n) The County will deliver or cause to be delivered all opinions, certificates, letters and other instruments and documents reasonably required by the Representative and this Purchase Contract.

(o) Any certificate of the County delivered to the Underwriters shall be deemed a representation and warranty by the County to the Underwriters as to the statements made therein.

(p) As of the time of acceptance hereof and as of the Closing the County does not and will not have outstanding any indebtedness which is secured by a lien on the County's general fund except as disclosed in the Official Statement.

(q) The financial statements of, and other financial information regarding the County in the Official Statement fairly present the financial position and results of the operations of the County as of the dates and for the periods therein set forth and the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied.

(r) Between the date of this Purchase Contract and the date of Closing, the County will not, except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by a lien on the County's general fund.

(s) Except as reflected in the Official Statement, the County has complied in all material respects during the previous five years with its continuing disclosure obligations in accordance with the Rule.

7. Authority Representations, Warranties and Covenants. The Authority represents, warrants and covenants to the County and the Underwriters that:

(a) The Authority is a joint powers authority duly organized and validly existing pursuant to the laws of the State of California, with full right, power and authority to adopt the Authority Resolution and enter into, execute and deliver the Authority Documents (defined below) and to perform its obligations hereunder.

(b) By all necessary official action, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in this Purchase Contract, the Bonds, the Indenture, the Site Lease, the Facility Lease, [the Escrow Agreement,] the Official Statement and the Agency Agreement (collectively, the "Authority Documents") and has approved the use by the Underwriters of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties hereto, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. The Authority has complied, and will at the Closing be in compliance in all respects, with the terms of the Authority Documents.

(c) The Bonds, when issued in accordance with the Indenture, will be legally valid and binding special obligations of the Authority, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(d) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, the Authority is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the adoption of the Authority Resolution, the authorization and the execution and delivery of the Authority Documents and compliance by the Authority with the provisions thereof do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as provided in the Authority Documents.

(e) As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending, or to the best knowledge of the Authority threatened against the Authority:

(i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices;

(ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby, or contesting the exclusion of the interest on the Bonds from federal or state taxation, as applicable, or contesting the powers of the Authority or its authority to adopt the Authority Resolution or enter into the Authority Documents and to pledge the Revenues for repayment of the Bonds;

(iii) which may result in any material adverse change relating to the financial condition of the Authority; or

(iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of all the circumstances under which they were made, not misleading.

(f) All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Authority of its obligations in connection with, the Authority Documents have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(g) Any certificate signed by any authorized officer of the Authority and delivered to the Underwriters shall be deemed to be a representation and warranty by the Authority to the Underwriters as to the statements made therein.

(h) As of the time of acceptance hereof and as of the date of Closing, the Authority has complied with the filing requirements relating to joint power agencies.

(i) The Authority will undertake, or cause the County to undertake, pursuant to the Indenture and the Continuing Disclosure Certificate, to provide or cause to be provided annual financial reports and notices of certain events; a description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth as an appendix to the Official Statement.

(j) The Authority will advise the Representative promptly of any proposal to amend or supplement the Official Statement from the delivery of the Official Statement to the End Date, and will not effect or consent to any such amendment or supplement without the consent of the

Representative, which consent will not be unreasonably withheld. The Authority will advise the Representative promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(k) For a period beginning on the date hereof and continuing until the End Date, (a) the Authority will not adopt any amendment of, or supplement to, the Official Statement to which the Representative shall object in writing or which shall be disapproved by the Underwriter's Counsel and (b) if any event relating to or affecting the Authority shall occur as a result of which it is necessary, in the opinion of Underwriter's Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser of the Bonds, the Authority will forthwith cause the preparation and furnishing to the Underwriters a reasonable number of copies of an amendment of, or supplement to, the Official Statement (in form and substance satisfactory to Underwriter's Counsel) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser of the Bonds, not misleading.

8. Closing Conditions. The Underwriters have entered into this Purchase Contract in reliance upon the representations, warranties and covenants herein and the performance by the Authority and the County of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriters' obligations hereunder are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Authority and the County contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the County Documents and the Authority Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Representative;

(ii) there shall be in full force and effect the County Resolution, the Authority Resolution, and any other such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions on the part of the Authority and the County contemplated by this Purchase Contract, the Official Statement, the County Documents and the Authority Documents;

(iii) the Authority shall perform or have performed its obligations required or specified in the Authority Documents to be performed at or prior to Closing;

(iv) the County shall perform or have performed its obligations required as specified in the County Documents to be performed at or prior to Closing; and

(v) the Official Statement shall not have been supplemented or amended, except pursuant to Section 6(j), 7(j) or 7(k), or as otherwise may have been agreed to in writing by the Representative.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing under the Authority Documents or the County Documents and neither the Authority nor the County shall be in default in the payment of principal or interest on any of its bonded indebtedness which default shall adversely impact the ability of the Authority to make payments on the Bonds or the County to make payments pursuant to the Facility Lease.

(d) Termination Events. The Underwriters shall have the right to terminate this Purchase Contract, without liability therefor, by written notification to the Authority and the County if at any time at or prior to the Closing:

(i) any event shall occur which causes the Official Statement to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(ii) the marketability of the Bonds or the market price thereof, in the opinion of the Representative, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of the Authority Documents or the County Documents in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the President or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other Federal or State authority materially adversely affecting the Federal or State tax status of the Authority or the County, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the United States or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Representative, materially adversely affects the market price of the Bonds; or

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the

issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriters' ability to market the Bonds; or

(vi) a general banking moratorium shall have been established by federal or State authorities; or

(vii) the United States has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States, being such as, in the reasonable opinion of the Representative, would affect materially and adversely the ability of the Underwriters to market the Bonds; or

(viii) the commencement of any action, suit or proceeding described in Sections 6(e) or 7(e) hereof which, in the judgment of the Representative, materially adversely affects the market price of the Bonds; or

(ix) there shall be in force a general suspension of trading on the New York Stock Exchange; or

(x) an event described in Section 6(j) or Section 7(k) hereof shall have occurred which, in the reasonable professional judgment of the Representative, requires the preparation and publication of a supplement or amendment to the Official Statement; or

(xi) any rating or credit outlook of the Bonds or other obligations of the County by a national rating agency shall have been withdrawn or downgraded; or

(xii) any event occurring, or information becoming known which, in the reasonable judgment of the Representative, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(e) **Closing Documents.** At or prior to the Closing, the Representative shall receive with respect to the Bonds (unless the context otherwise indicates) the following documents:

(1) Bond Opinion. The approving opinion of Bond Counsel dated the date of the Closing and substantially in the form included as APPENDIX F to the Official Statement, together with a letter from such counsel, dated the date of the Closing and

addressed to the Underwriters to the effect that the foregoing opinion may be relied upon by the Underwriters to the same extent as if such opinion was addressed to them.

(2) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in substantially the form and to the following effect:

(a) The statements and information contained in the Official Statement on the cover page and under the captions “THE SERIES 2015 BONDS” (except for the information under the captions “The Book Entry System”), “SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2015 BONDS” and “TAX MATTERS,” and in APPENDICES D and F, are true and accurate in all material respects; and

(b) The Bonds are exempt from registration under the Securities Act of 1933, as amended (the “1933 Act”), and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

(3) County Counsel Opinion. An opinion of the County Counsel, dated as of the Closing and addressed to Bond Counsel and the Underwriters, in form and substance acceptable to Bond Counsel and counsel for the Underwriters, to the following effect:

(i) The County is a political subdivision of the State of California duly organized and validly existing under the Constitution and the laws of the State of California.

(ii) The County Resolution approving and authorizing the execution and delivery of the County Documents and approving the Official Statement was duly adopted at a meeting of the Board of Supervisors which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout.

(iii) Except as disclosed in the Official Statement, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against or affecting the County, which would materially and adversely impact the County’s ability to complete the transactions described in and contemplated by the Official Statement, to restrain or enjoin the payments under the Facility Lease or in any way contesting or affecting the validity of the County Documents, the County Resolution or the Bonds or the transactions relating to the Facility Leased Premises as described and defined in the Official Statement.

(iv) The execution and delivery of the County Documents, the adoption of the County Resolution and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the County a breach of or default under any agreement or other instrument to which the County is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the County is subject.

(v) The County Documents have been duly authorized, executed and delivered by the County, and, assuming due authorization, execution and delivery by the other parties

thereto constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally and by the application of equitable principles if equitable remedies are sought and by the limitations on legal remedies imposed on actions against counties in the State of California.

(vi) No authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California, other than the Board of Supervisors, is required for the valid authorization, execution and delivery of the County Documents and the approval of the Official Statement.

(vii) Based upon examinations which he has made and his discussions in conferences with certain officials of the County and others with respect to the Official Statement and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement (including the Appendices attached thereto), nothing has come to his attention which would lead him to believe that the Official Statement (other than financial and statistical data therein and incorporated therein by reference and DTC and its book-entry system, as to which no opinion need be expressed) contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(4) Authority Counsel Opinion. An opinion of Counsel to the Authority, dated the date of the Closing and addressed to Bond Counsel and the Underwriters, in form and substance acceptable to counsel for the Underwriters substantially to the following effect:

(i) The Authority is a joint powers agency duly organized and existing under and by virtue of the laws of the State;

(ii) The Authority has full legal power and lawful authority to enter into the Authority Documents and to lease its properties and to carry on its business as now conducted and as contemplated by the Authority Documents and the Official Statement;

(iii) The Authority Resolution has been duly adopted at a meeting of the governing board of the Authority, which was called and held pursuant to the law and with all public notice required by law and at which a quorum was present and acting throughout and the Authority Resolution is in full force and effect and has not been modified, amended or rescinded;

(iv) The execution and delivery of the Authority Documents, the adoption of the Authority Resolution and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject.

(v) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the valid, legal and binding obligation of the Authority enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors rights and by the application of equitable principles if equitable remedies are sought;

(vi) The Official Statement has been duly authorized by the governing body of the Authority and executed on its behalf by an authorized officer of the Authority;

(vii) The description of the Authority in the Official Statement is correct and does not omit any statement which should be included or referred to therein in order to make such description not misleading in any material respect;

(viii) Except as otherwise disclosed in the Official Statement, there is no litigation, action, suit, proceeding or investigation at law or in equity before or by any court, governmental agency or body, pending or threatened against the Authority, challenging the creation, organization or existence of the Authority, or the validity of the Authority Documents or seeking to restrain or enjoin any of the transactions referred to herein or contemplated hereby or contesting the authority of the Authority to enter into or perform its obligations under the Authority Documents, or which, in any manner, questions the right of the Authority to issue and sell the Bonds.

(5) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to Bond Counsel and the Underwriters, in form and substance acceptable to counsel for the Underwriters substantially to the following effect:

(i) The Trustee is a national banking association duly organized and validly existing under the laws of the United States.

(ii) The Trustee has duly authorized the execution and delivery of the Indenture and authenticated the Bonds.

(iii) The Indenture has been duly entered into and delivered by the Trustee and assuming due, valid and binding authorization, execution and delivery by the other parties thereto, constitute the legal, valid and binding obligations of the Trustee enforceable against the Trustee in accordance with its respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, or by general principles of equity.

(iv) acceptance by the Trustee of the duties and obligations under the Indenture and compliance with provisions thereof will not conflict with or constitute a breach of or default under any law or administrative regulation to which the Trustee is subject.

(v) All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Trustee of its duties and obligations under the Indenture have been obtained and are in full force and effect.

(6) Escrow Agent Counsel Opinion. The opinion of counsel to the Escrow Agent, dated the date of the Closing, addressed to Bond Counsel and the Underwriters, in form and substance acceptable to counsel for the Underwriters substantially to the following effect:

(i) The Escrow Agent is a national banking association duly organized and validly existing under the laws of the United States.

(ii) The Escrow Agent has duly authorized the execution and delivery of the Escrow Agreement.

(iii) The Escrow Agreement has been duly entered into and delivered by the Escrow Agent and assuming due, valid and binding authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligations of the Escrow Agent enforceable against the Escrow Agent in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally, or by general principles of equity.

(iv) acceptance by the Escrow Agent of the duties and obligations under the Escrow Agreement and compliance with provisions thereof will not conflict with or constitute a breach of or default under any law or administrative regulation to which the Escrow Agent is subject.

(v) All approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the performance by the Escrow Agent of its duties and obligations under the Escrow Agreement have been obtained and are in full force and effect.

(7) Disclosure Counsel Opinion. An opinion, dated the date of the Closing addressed to the Authority, the County and the Underwriters, of Kutak Rock LLP, disclosure counsel, to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel to the Authority and without having undertaken to determine independently the accuracy or completeness of the contents in the Official Statement, such counsel has no reason to believe that the Official Statement, as of its date and as of the date of Closing (except for the financial statements and the other financial and statistical data included therein and the information included therein relating to DTC and the book-entry system, and in Appendix B through F thereto, as to all of which no opinion or belief need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(8) County Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the County satisfactory in form and substance to the Representative, (a) certifying that as of such date the representations and warranties of the County contained in this Purchase Contract are true and correct as of such date; (b) certifying that the County has complied with all agreements, covenants and conditions to be complied with by the County at or prior to the Closing under the County Documents; (c) certifying that no event affecting the County has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (d) certifying that the County has authorized and consented to the inclusion in the Official Statement of the County's financial report and accountant's opinion for the year ended June 30, 2014, and no further consent of any party is required for such inclusion.

(9) Authority Certificate. A certificate of the Authority, dated the date of the Closing, signed on behalf of the Authority by the President or other duly authorized officer of the Authority to the effect that:

(i) The representations, warranties and covenants of the Authority contained herein and in the Authority Documents are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing and the Authority has complied with all of the terms and conditions of the Authority Documents required to be complied with by the Authority at or prior to the date of Closing; and

(ii) No event affecting the Authority has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(10) Trustee's Certificate. A Certificate of the Trustee, dated the date of Closing, addressed to the Authority, the County and the Underwriters, in form and substance acceptable to counsel for the Underwriters to the following effect:

(i) The Trustee is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Indenture;

(ii) Subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Bonds to the purposes specified in the Indenture; and

(iii) The Trustee has duly authorized and executed the Indenture and authenticated the Bonds.

(11) Escrow Agent Certificate. A Certificate of the Escrow Agent, dated the date of Closing, addressed to the Authority, the County and the Underwriters, in form and substance acceptable to counsel for the Underwriters to the following effect:

(i) The Escrow Agent is duly organized and existing as a national banking association in good standing under the laws of the United States, having the full power and authority to accept and perform its duties under the Escrow Agreement;

(ii) Subject to the provisions of the Escrow Agreement, the Trustee will apply the amounts on deposit in the Escrow Fund to the purposes specified in the Escrow Agreement; and

(iii) The Escrow Agent has duly authorized and executed the Escrow Agreement

(12) Verification Report. A report of _____ stating that the firm has verified the mathematical accuracy of certain computations relating to the defeasance of the Refunded Bonds.

(13) Title Policy. A copy of an ALTA title insurance policy in an amount equal to the principal amount of the Bonds, insuring the County's leasehold interest in the

Facility Leased Premises, subject only to permitted encumbrances or such other encumbrances approved in writing by the Representative.

(14) Opinion of Underwriter's Counsel. The opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Los Angeles, California, counsel for the Underwriters, dated the date of Closing and addressed to the Underwriters, satisfactory in form and substance to the Underwriters.

(15) Transcripts. Two transcripts of all proceedings relating to the authorization and issuance of the Bonds.

(16) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the County and the Authority by a duly authorized officer of each.

(17) Documents. An original executed copy of each of the Authority Documents and the County Documents.

(18) County Resolution. Two copies certified by the Clerk or Assistant Clerk of the County, of each resolution of the County relating to the County Documents, the actions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Section 8(e)(12) above.

(19) Authority Resolution. Two copies certified by the Secretary or Assistant Secretary of the Authority, of each resolution of the Authority relating to the Authority Documents, the Bonds and the transactions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Section 8(e)(12) above.

(20) Statement of Facts Roster of the Authority. Certified copies of each of the Statement of Facts Roster of the Authority.

(21) IRS Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared for filing.

(22) Nonarbitrage Certificate. A tax and nonarbitrage certificate in form satisfactory to Bond Counsel.

(23) Ratings. Evidence as of the Closing satisfactory to the Representative that the Bonds have received, at a minimum, a rating of “[AA-]” and “[A+],” respectively, from Standard & Poor’s Rating Group and Fitch Ratings, and that such ratings have not been revoked or downgraded.

(24) CDIAC Statement. A copy of the Notice of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code.

(25) Additional Documents. Such additional certificates, instruments and other documents as the Representative may reasonably deem necessary.

If the Authority or the County shall be unable to satisfy the conditions contained in this Purchase Contract, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract may be terminated by the Underwriters, and none of the Underwriters, the Authority or the County shall be under further obligation hereunder.

9. Expenses. The Authority shall pay or cause to be paid from the proceeds of the Bonds or other funds available to it the expenses incident to the performance of its obligations hereunder, including but not limited to: (a) the cost of printing and distribution of the Official Statement in reasonable quantities and all other documents (other than as set forth in the next succeeding paragraph) prepared in connection with the transactions contemplated hereby, including distribution costs and all mailing, including overnight and express delivery, costs; (b) the fees and disbursements of the Trustee in connection with the execution and delivery of the Bonds; (c) the fees and disbursements of Bond Counsel, Disclosure Counsel, financial advisor and any other experts or consultants retained by the Authority or the County in connection with the transactions contemplated hereby; (d) the costs related to obtaining ratings; (e) the cost of mailing or delivering the definitive Bonds; (f) the Underwriters' disbursements for telephone conference calls and out-of-state travel and lodging undertaken at the request of the Authority; and (g) any expenses incurred on behalf of the Authority's employees which are incidental to implementing this Purchase Contract, including, but not limited to meals, transportation, lodging and entertainment of those employees; provided that the Authority's obligation to pay or cause to be paid the expenses set forth under clause (g) shall continue in full force and effect notwithstanding the termination of this Purchase Contract pursuant to the terms hereof.

The Underwriters shall pay: (a) all advertising expenses in connection with the public offering of the Bonds; (b) the fees and expenses of counsel to the Underwriters, including their fees in connection with the qualification of the Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (c) California Debt and Investment Advisory Commission fees; and (d) all other expenses incurred by it in connection with its public offering and distribution of the Bonds. Certain payments may be in the form of inclusion of such expenses in the expense component of the Underwriters' discount.

10. Notice. Any notice or other communication to be given to the Representative may be given by delivering the same to J.P. Morgan Securities LLC, 1415 L Street, Suite 650, Sacramento, California 95814, attention: Juan Fernandez. Any notice or other communication to be given to the Authority or the County pursuant to this Purchase Contract may be given by delivering the same in writing to such entity, at the addresses set forth on the cover page hereof.

11. Entire Agreement. This Purchase Contract, when accepted by the Authority and the County, shall constitute the entire agreement among the Authority, the County and the Underwriters and is made solely for the benefit of the Authority, the County and the Underwriters (including the successors or assigns of any Underwriters). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All the Authority's and the County's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriters, until the earlier of (a) delivery of and payment for the Bonds hereunder, and (b) any termination of this Purchase Contract.

12. Counterparts. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

14. State of California Law Governs. The validity, interpretation and performance of the Authority Documents shall be governed by the laws of the State.

15. No Assignment. The rights and obligations created by this Purchase Contract shall not be subject to assignment by the Underwriters, the Authority or the County without the prior written consent of the other parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

16. Definitions. Terms not otherwise defined herein shall have the same meaning as when used in the Indenture.

J.P. MORGAN SECURITIES LLC,
as Representative of itself
and the other Underwriters

By: _____
Title: _____

Accepted as of the date first stated above:

**RIVERSIDE COUNTY INFRASTRUCTURE
FINANCING AUTHORITY**

By: _____
Title: _____

COUNTY OF RIVERSIDE

By: _____
Title: _____

Time of Execution: _____

EXHIBIT A

UNDERWRITERS

J.P. Morgan Securities LLC
RBC Capital Markets

EXHIBIT B

**MATURITY DATES, PRINCIPAL AMOUNTS,
INTEREST RATES, YIELDS AND PRICE**

<u>Maturity Date (November 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ _____ % Term Bond due November 1, 20__, Yield: _____ %; Price: _____^C
\$ _____ % Term Bond due November 1, 20__, Yield: _____ %; Price: _____^C
\$ _____ % Term Bond due November 1, 20__, Yield: _____ %; Price: _____^C

^CPriced to November 1, 20__ call date at par.

EXHIBIT C

ISSUE PRICE CERTIFICATE OF THE REPRESENTATIVE

This Certificate is furnished by J.P. Morgan Securities LLC, as representative (the “Representative”) of the underwriters (the “Underwriter”), in connection with the execution and delivery by the Riverside County Infrastructure Financing Authority (the “Issuer”) of its \$ _____ aggregate principal amount of Lease Revenue Bonds (Capital Facilities Refunding Project) Series 2015 (the “Bonds”) issued on _____, 2015 and the Representative hereby certifies and represents the following, based upon information available to us:

1. Based on our assessment of the then prevailing market conditions, the Representative reasonably expected when it agreed to purchase the Bonds (the “Sale Date”) that the first prices at which at least 10% of each maturity of the Bonds would be sold by the Representative to the general public (excluding Bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) (the “Public”) would be prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, those listed for each maturity on Schedule A hereto (the “Initial Offering Prices”).

2. All of the Bonds have actually been offered to the Public in a bona fide public offering at prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, the Initial Offering Prices.

3. The first price, or yield in the case of obligations sold on a yield basis, at which ten percent (10%) of each maturity of the Bonds has been sold to the Public was at a price not higher than, or, in the case of obligations sold on a yield basis, at a yield not lower than, the Initial Offering Prices [except for the Bonds with the following maturities:].

4. The Representative had no reason to believe that any of the Initial Offering Prices of the Bonds exceeded the expected fair market value of the Bonds as of the Sale Date.

We understand that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and by Nixon Peabody LLP in connection with rendering its opinion to the Issuer that the interest on the Bonds is not includable in gross income of the owners thereof for federal income tax purposes. The undersigned is certifying only as to facts in existence on the date hereof. Nothing herein represents the undersigned’s interpretation of any laws; in particular the regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate has been derived from other purchasers, Bond houses and brokers and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

J.P. MORGAN SECURITIES LLP,
on behalf of itself and as Representative of the
Underwriters

By: _____
[NAME]
[TITLE]

Dated: _____, 2015

SCHEDULE A TO ISSUE PRICE CERTIFICATE

NEW ISSUE – BOOK-ENTRY ONLY**S&P: “[]”
See “Ratings” herein**

In the opinion of Nixon Peabody LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2015A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Series 2015A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2015A Bonds. See “TAX MATTERS.”
[BOND COUNSEL TO CONFIRM LANGUAGE]

\$72,800,000¹

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2015A
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

Dated: Date of Delivery**Due: As shown on inside front cover**

The Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the “Series 2015A Bonds”) are issued pursuant to an Indenture, dated as of November 1, 2015 (the “Indenture”), by and among the Riverside County Infrastructure Financing Authority (the “Authority”), the County of Riverside (the “County”) and Wells Fargo Bank, National Association, as trustee (the “Trustee”). The Series 2015A Bonds are being issued to: (i) refund \$[] aggregate principal amount of outstanding certificates of participation; and (ii) pay the costs of issuance of the Series 2015A Bonds, all as described herein. See “PLAN OF FINANCE.”

The Series 2015A Bonds are available in fully registered form only, and are registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). DTC is acting as securities depository for the Series 2015A Bonds. Ownership interests in the Series 2015A Bonds may be purchased in book-entry form only. Principal of, premium, if any, and interest on the Series 2015A Bonds will be paid by the Trustee to DTC or its nominee, which will in turn remit such payment to its participants for subsequent disbursement to the beneficial owners of the Series 2015A Bonds. Principal will be payable on the dates set forth on the inside front cover of this Official Statement. Interest on the Series 2015A Bonds will be payable semiannually on May 1 and November 1, commencing May 1, 2016. See “THE SERIES 2015A BONDS.”

The Series 2015A Bonds are subject to extraordinary, mandatory and optional redemption as described herein. See “THE SERIES 2015A BONDS – Redemption.”

The Series 2015A Bonds are payable from revenues consisting primarily of Base Rental Payments (as defined herein) made to the Authority by the County for the leased property described herein (collectively, the “Leased Property”) pursuant to the Facility Lease, dated as of November 1, 2015 (the “Facility Lease”), by and between the County and the Authority. The Base Rental Payments made by the County are for the use and possession by the County of the Leased Property, subject to complete or partial abatement resulting from substantial interference with the use and possession by the County of the Leased Property caused by damage, destruction, title defect or condemnation. The County has covenanted in the Facility Lease to take such action as may be necessary to include Base Rental Payments and Additional Payments (as defined herein) due under the Facility Lease in its annual budget and to make necessary annual appropriations therefor. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015A BONDS – Source of Payment.”

The Series 2015A Bonds are special, limited obligations of the Authority, payable from and secured solely by Revenues (as defined herein) and certain funds and accounts established under the Indenture. The obligation of the County to make Base Rental Payments does not constitute an obligation for which the County is obligated to levy or pledge any form of taxation. Neither the County nor any public agency (other than the Authority to the extent of Base Rental Payments received from the County) shall be obligated to pay the principal or redemption price of, or interest on, the Series 2015A Bonds. Neither the faith and credit nor the taxing power of the County or any public agency is pledged to the payment of the principal of, premium, if any, or interest on the Series 2015A Bonds. The Authority has no taxing power.

This cover page contains information for general reference only. It is not a summary of the security or terms of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

Certain legal matters will be passed upon for the Authority and the County by Nixon Peabody LLP, Los Angeles, California, Bond Counsel. Certain legal matters will be passed upon for the County and the Authority by County Counsel. Certain legal matters

¹ Preliminary, subject to change.

will be passed upon for the Underwriters by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. Kutak Rock LLP, Los Angeles, California, is serving as Disclosure Counsel to the Authority and the County. It is expected that delivery of the Series 2015A Bonds will be made through the facilities of DTC on or about November [___], 2015.

J.P.Morgan

RBC Capital Markets

Dated: [____], 2015.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
PRICES, YIELDS AND CUSIP NUMBERS**

\$72,800,000*

**RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY
LEASE REVENUE REFUNDING BONDS, SERIES 2015A
(CAPITAL IMPROVEMENT PROJECTS REFUNDING)**

<u>Maturity Date (November 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.[†]</u>
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[†] Copyright 2015, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. The CUSIP data herein is provided by the CUSIP Service Bureau, managed on behalf of the American Bankers Association by Standard & Poor's. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for CUSIP service. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or County and are provided solely for convenience and reference. The CUSIP numbers for a specific maturity are subject to change after the issuance of the Series 2015A Bonds. The Authority, the County and the Underwriters take no responsibility for the accuracy of the CUSIP numbers.

*Preliminary, subject to change.

IMPORTANT NOTICES

No dealer, broker, salesperson or other person has been authorized by the County, the Authority or the Underwriters to give any information or to make any representations other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the County, the Authority or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2015A Bonds by a person in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale.

The information set forth herein has been obtained from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof. This Official Statement is submitted in connection with the offering of the Series 2015A Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the County.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2015A Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or the completeness of such information.

In connection with this offering the Underwriters may overallocate or effect transactions which stabilize or maintain the market price of the Series 2015A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Series 2015A Bonds to certain dealers and banks at prices lower than or yields higher than the public offering prices or yields stated on the inside cover page hereof and said public offering prices may be changed from time-to-time by the Underwriters.

The Series 2015A Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained in such act. The Series 2015A Bonds have not been registered or qualified under the securities laws of any state.

The County maintains a website, however, the information presented therein is not a part of this Official Statement and should not be relied on in making an investment decision with respect to the Series 2015A Bonds.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “budget” or other similar words. Such forward-looking statements include but are not limited to certain statements contained in the information in APPENDIX A–“INFORMATION REGARDING THE COUNTY OF RIVERSIDE” in this Official Statement. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The County does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

COUNTY OF RIVERSIDE

County Executive Office
4080 Lemon Street, 4th Floor
Riverside, California 92501

Board of Supervisors

Marion Ashley, Fifth District, Chairman
John Benoit, Fourth District, Vice Chairman
Kevin Jeffries, First District
John Tavaglione, Second District
Chuck Washington, Third District

County Officials

Jay Orr, County Executive Officer
Don Kent, Treasurer–Tax Collector
Paul Angulo, Auditor–Controller
Peter Aldana, Assessor-County Clerk-Recorder
Gregory P. Priamos, County Counsel
Paul McDonnell, Finance Director

RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY

Board of Directors

Marion Ashley, Chairman
John Benoit, Vice Chairman
Kevin Jeffries
John Tavaglione
Chuck Washington

Officers

Jay Orr, Executive Director
Rob Field, Assistant Executive Director
Don Kent, Treasurer
Kecia Harper-Ihem, Secretary

SPECIAL SERVICES

Bond Counsel

Nixon Peabody LLP
Los Angeles, California

Disclosure Counsel

Kutak Rock LLP
Los Angeles, California

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OFFICIAL STATEMENT

\$72,800,000²

RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY LEASE REVENUE REFUNDING BONDS, SERIES 2015A (CAPITAL IMPROVEMENT PROJECTS REFUNDING)

INTRODUCTION

The purpose of this Official Statement, including the cover page, inside cover page, table of contents and the Appendices attached hereto, is to provide information in connection with the offering of \$72,800,000* aggregate principal amount of Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the “Series 2015A Bonds”). The Series 2015A Bonds are issued pursuant to an Indenture, dated as of November 1, 2015 (the “Indenture”), by and among the Riverside County Infrastructure Financing Authority (the “Authority”), the County of Riverside (the “County”) and Wells Fargo Bank, National Association, as trustee (the “Trustee”).

The Series 2015A Bonds are being issued to: (i) refund \$[_____] aggregate principal amount of outstanding certificates of participation (the “Project”); and (ii) pay the costs of issuance of the Series 2015A Bonds, all as described herein. See “PLAN OF FINANCE.”

Pursuant to a Site Lease, dated as of November 1, 2015 (the “Site Lease”), by and between the County and the Authority, the County will lease certain real property and existing improvements thereon described under the caption “THE LEASED PROPERTY” below (collectively, the “Leased Property”) to the Authority. Pursuant to a Facility Lease, dated as of November 1, 2015, by and between the Authority and the County (the “Facility Lease”), the Authority will sublease the Leased Property to the County. See “THE LEASED PROPERTY.”

The Series 2015A Bonds are special, limited obligations of the Authority, payable from Revenues (as defined herein) and certain funds and accounts established by the Indenture. Revenues consist primarily of base rental payments (the “Base Rental Payments”) to be made by the County to the Authority as rental for the Leased Property pursuant to the Facility Lease. Pursuant to an Assignment Agreement, dated as of November 1, 2015 (the “Assignment Agreement”), by and between the Authority and the Trustee, the Authority will assign to the Trustee all its rights to receive Base Rental Payments and other rights under the Facility Lease. See “SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2015A BONDS.” The County is also required under the Facility Lease to pay certain other costs and expenses relating to the Series 2015A Bonds, the Leased Property and the Trustee (together referred to as “Additional Payments”), which amounts are not part of the Revenues securing the Series 2015A Bonds. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.” The Base Rental Payments made by the County are for the use and possession by the County of the Leased Property, subject to complete or partial abatement resulting from substantial interference with the use and possession by the County of the Leased Property caused by material damage, destruction, condemnation or defect in title. See “BONDHOLDERS’ RISKS.” The County covenants in the Facility Lease to take such action as may be necessary to include all Rental Payments for the Leased Property in its annual budget and to make the necessary annual appropriations therefor.

² Preliminary, subject to change.

Brief descriptions of the Series 2015A Bonds, the Facility Lease, the Site Lease, the Indenture, the Continuing Disclosure Certificate (as defined herein), the County and the Authority are provided below. Such descriptions do not purport to be comprehensive or definitive. All references made to various documents herein are qualified in their entirety by reference to the forms thereof, copies of which may be obtained from the Trustee in Los Angeles, California. All capitalized terms used and not otherwise defined in this Official Statement shall have the meanings set forth in the Facility Lease or the Indenture. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—DEFINITIONS.”

THE LEASED PROPERTY

The Leased Property is comprised of the County facilities described in the following table. The Leased Property is leased from the County to the Authority pursuant to the Site Lease, and leased back from the Authority to the County pursuant to the Facility Lease.

Name of Facility	Location	Insured Value
DPSS Client Services	10281 Kidd Street, Riverside, California	\$20,000,616
Fleet Operations Robidoux	5293 Mission Boulevard, Rubidoux, California	\$16,810,269
Ripley Fire Station	13987 Main Street, Ripley, California	\$3,944,979
Historic Court House	4050 Main Street, Riverside, California	\$32,173,093
TOTAL:		\$ 72,928,957

PLAN OF REFUNDING

Capital Improvements and Family Law Court Certificates Refunding

A portion of the proceeds of the Series 2015A Bonds in the amount of \$33,095,000³ will be deposited with Wells Fargo Bank, National Association, as trustee (the “2005A Trustee”) under that certain Trust Agreement, dated as of April 1, 2005 by and among the 2005A Trustee, the County and the County of Riverside Asset Leasing Corporation (the “2005A Trust Agreement”), to be used, together with \$3,442,595* from amounts held under the 2005A Trust Agreement, to prepay all of the outstanding County of Riverside Certificates of Participation, 2005 Series A (Capital Improvement and Family Law Court Refunding Projects) on November 1, 2015.

A portion of the proceeds of the Series 2015A Bonds in the amount of \$12,690,000* will be deposited with The Bank of New York Trust Company, N.A., as trustee (the “2005B Trustee”) under that certain Trust Agreement dated as of April 1, 1997, as supplemented and amended by a First Supplemental Trust Agreement dated as of December 1, 2003 and a Second Supplemental Trust Agreement, dated as of April 1, 2005, each by and between the 2005B Trustee and the County (collectively, the “2005B Trust Agreement”), to be used, together with \$1,790,000* from amounts held under the 2005B Trust

³ Preliminary, subject to change.

Agreement, to prepay all of the outstanding County of Riverside Certificates of Participation, 2005 Series B (Historic Courthouse Refunding) on November 1, 2015.

A portion of proceeds of the Series 2015A Bonds in the amount of \$25,210,000* will be used, together with \$7,669,714* from amounts held under the 2006 Trust Agreement (as defined below), to defease and prepay on November 1, 2016 (the "Prepayment Date") all of the outstanding County of Riverside Certificates of Participation, 2006 Series A (Capital Improvement Projects) (the "2006 Certificates") at a prepayment price of 100 percent of the principal amount thereof together with the unpaid accrued interest to the Prepayment Date. Pursuant to the terms of an Escrow Agreement, dated as of November 1, 2015, by and between the County and Wells Fargo Bank, National Association, as escrow agent (the "Escrow Agent"), the Trustee will transfer to the Escrow Agent a portion of the proceeds of the Series 2015A Bonds. The Escrow Agent will hold such funds, together with amounts held under the Trust Agreement, dated as of June 1, 2006 (the "2006 Trust Agreement"), by and among Wells Fargo Bank, National Association, as trustee, the County and the County of Riverside Asset Leasing Corporation, in an escrow fund (the "Series 2006 Escrow Fund") created and established pursuant to the Escrow Agreement. Amounts in the Series 2006 Escrow Fund will be [held as cash]. Sufficient moneys will be deposited in the Series 2006 Escrow Fund to pay the prepayment price of the 2006 Certificates on the Prepayment Date. The Series 2006 Escrow Fund shall be held by Escrow Agent in irrevocable trust and used solely for the payment of the prepayment price of the 2006 Certificates and any unpaid interest accrued thereon to the Prepayment Date, subject only to the transfer to the Series 2015 Interest Account of any monies not required for such purpose.

Upon delivery of the Series 2015A Bonds, [VERIFICATION AGENT], a firm of independent certified public accountants (the "Verification Agent"), will deliver a report stating that it has verified the mathematical accuracy of the computations contained in the provided schedules to determine that the amounts to be held by the Escrow Agent in the Series 2006 Escrow Fund will be sufficient to pay the redemption price of and interest on the 2006 Certificates on the Prepayment Date. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

Upon such deposit and investment and compliance with certain notice requirements set forth in the 2006 Trust Agreement, the liability of the County under the Facilities Lease, dated as of June 1, 2006, will cease, and the 2006 Certificates will no longer be outstanding, except that the Owners of the 2006 Certificates will be entitled to payment thereof solely from the amounts on deposit in the Series 2006 Escrow Fund.

Estimated Sources and Uses of Funds

Following is a table of the estimated sources and uses of funds with respect to the Series 2015A Bonds:

Sources

Principal Amount	\$72,800,000*.00
Amounts Released from Reserve Funds of Refunded Obligations	_____
Net Original Issue Premium/Discount	_____
Total Sources	_____ \$

Uses

Deposit to Escrow Funds	\$
Costs of Issuance ⁽¹⁾	_____
Total Uses	_____ \$

⁽¹⁾ Includes certain legal fees, financing and consulting fees, Underwriters' discount, fees of Bond Counsel, Disclosure Counsel, Trustee, and the Financial Advisor, printing costs, rating agency fees, title insurance and other miscellaneous expenses.

THE SERIES 2015A BONDS

The following is a summary of certain provisions of the Series 2015A Bonds. Reference is made to the Series 2015A Bonds for the complete text thereof and to the Indenture for a more detailed description of such provisions. The discussion herein is qualified by such reference. See APPENDIX D—"SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS" attached hereto.

General

The Series 2015A Bonds will be dated their date of delivery and will be issued in denominations of \$5,000 and any integral multiples thereof. The Series 2015A Bonds will be issued in fully registered form and individual purchases will be made in book-entry form only. Principal at maturity or earlier redemption thereof and interest are payable by the Trustee to The Depository Trust Company ("DTC") which will remit such payments to the DTC Participants (as defined in APPENDIX C) for subsequent disbursement to the Beneficial Owners (as defined in APPENDIX C) of the Series 2015A Bonds.

Interest on each Series 2015A Bond will accrue from its dated date. Interest on the Series 2015A Bonds will be computed using a year of 360 days comprised of twelve 30-day months and will be payable on each May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing May 1, 2016. Each Series 2015A Bond will bear interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of authentication, unless such date of authentication is (i) prior to the close of business on April 15, 2016, in which case such Series 2015A Bond will bear interest from its date of delivery, (ii) subsequent to the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day (each, a "Record Date") but before the related Interest Payment Date, in which case such Series 2015A Bond will bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Series 2015A Bond will bear interest from such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest is in default, each Series 2015A Bond will bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for. The interest on the Series 2015A Bonds will be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the respective Owners of the Series 2015A Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the Indenture. Payments of defaulted interest on any Series 2015A Bond will be paid by check to the Owners as of a special record date to be fixed by the

Trustee, notice of which special record date will be given to the Owners of the Series 2015A Bond not less than ten days prior thereto. The Owner of \$1,000,000 or more in aggregate principal amount of the Series 2015A Bonds may request in writing that the Trustee pay the interest on the Series 2015A Bonds by wire transfer to an account in the United States of America and the Trustee will comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Principal of the Series 2015A Bonds will be payable, subject to prior redemption, in each of the years and in the amounts as set forth on the inside cover of this Official Statement. The principal and premium, if any, of the Series 2015A Bonds will be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Designated Corporate Trust Office of the Trustee.

Notwithstanding the foregoing, so long as DTC is the depository for the Series 2015A Bonds, payments of principal and interest will be paid by the Trustee to DTC. See APPENDIX C—“BOOK-ENTRY ONLY SYSTEM.”

Redemption

Extraordinary Redemption. The Series 2015A Bonds are subject to redemption on any date prior to their respective maturity dates, in whole or in part, at the written direction of the County, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2015A Bonds plus accrued interest thereon to the date fixed for redemption, without premium. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015A BONDS — Rental Interruption and Casualty Insurance” and “— Use of Insurance Proceeds.”

Optional Redemption. The Series 2015A Bonds maturing prior to November 1, 2025 are not subject to optional redemption prior to maturity. The Series 2015A Bonds maturing on or after November 1, 2026, are subject to optional redemption prior to maturity on or after November 1, 2025 at the option of the County, in whole or in part, on any date, at a redemption price equal to the principal amount of such term bonds to be redeemed, plus accrued interest to the redemption date, without premium.

Mandatory Sinking Fund Redemption. [The Series 2015A Bonds maturing on [_____] bearing interest at [___]% are subject to mandatory redemption prior to maturity, in part, from Mandatory Sinking Account Payments, on each November 1 specified below, at a redemption price equal to the principal amount of such term bonds to be redeemed, plus accrued interest to the date fixed for redemption, without premium. The principal amount of such term bonds to be so redeemed and the dates therefor are as follows:]

<u>Year</u>	<u>Redemption Amount</u>

* Maturity.

Notice of Redemption. Notice of redemption will be mailed by first class mail by the Trustee, on behalf and at the expense of the County, not less than 30 nor more than 60 days prior to the redemption date to the respective Owners of Series 2015A Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee. The Trustee will also provide such additional notice of redemption of Series 2015A Bonds at the time and as may be required by the Municipal Securities Rulemaking Board (the “MSRB”). Each notice of redemption shall state the date of such notice, the Series 2015A Bonds to be redeemed, the date of issue of such Series 2015A Bonds, the

redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Series 2015A Bonds of such maturity to be redeemed and, in the case of Series 2015A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice will also state that such redemption may be rescinded by the County and that, unless such redemption is so rescinded, on said date there will become due and payable on each of such Series 2015A Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Series 2015A Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon will cease to accrue, and will require that such Series 2015A Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give such notice of redemption to any one or more of the Information Services or Securities Depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Owner to receive any redemption notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

With respect to any notice of any optional redemption of Series 2015A Bonds, unless at the time such notice is given the Series 2015A Bonds to be redeemed will be deemed to have been paid within the meaning of the Indenture, such notice may state that such redemption is conditional upon receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys that, together with other available amounts held by the Trustee, are sufficient to pay the redemption price of, and accrued interest on, the Series 2015A Bonds to be redeemed, and that if such moneys will not have been so received said notice will be of no force and effect and the County will not be required to redeem such Series 2015A Bonds. In the event a notice of redemption of Series 2015A Bonds contains such a condition and such moneys are not so received, the redemption of Bonds as described in the conditional notice of redemption will not be made.

The County has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption will be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Series 2015A Bonds then called for redemption, and such cancellation will not constitute an event of default. The Trustee will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent.

Book-Entry Only System for Series 2015A Bonds

DTC will act as securities depository for the Series 2015A Bonds. The Series 2015A Bonds shall initially be issued exclusively in book-entry form and will be registered in the name of Cede & Co., DTC's partnership nominee. See APPENDIX C attached hereto.

Debt Service Schedule

The following table summarizes the annual debt service requirements for the Series 2015A Bonds on a fiscal year basis, assuming no optional redemption:

Year Ending June 30	Principal	Interest	Debt Service
_____	_____	_____	_____
_____	_____	_____	_____
Total	=====	=====	=====

SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2015A BONDS

Limited Obligation of Authority

The Series 2015A Bonds are limited obligations of the Authority payable from and secured by a pledge of the Revenues derived by the Authority from the Facility Lease and Leased Property and from moneys deposited in certain funds and accounts pledged under the Indenture. Neither the County nor any public agency (other than the Authority to the extent of the Revenues received from the County) shall be obligated to pay the principal or redemption price of the Series 2015A Bonds or the interest thereon. Neither the faith and credit nor the taxing power of the County or any public agency is pledged to the payment of the principal of, premium, if any, or interest on the Series 2015A Bonds. The Authority has no taxing power.

Source of Payment

Generally. The Series 2015A Bonds are payable solely from Revenues and amounts on deposit in the funds and accounts established by the Indenture (other than the Rebate Fund) including the investment earnings, if any, thereon. “Revenues” is defined in the Indenture as all Base Rental Payments pursuant to the Facility Lease, and all other benefits, charges, income, proceeds, profits, receipts, rents and revenues derived by the Authority from the operation or use of the Leased Property, including interest or profits from the investment of money in any account or fund (other than the Rebate Fund) pursuant to the Indenture.

Rental Payments. The Base Rental Payments paid by the County under the Facility Lease are the Authority’s primary source of Revenues and secure all Series 2015A Bonds on parity. Base Rental Payments are made from amounts included in the County’s annual budget and appropriated therefor, the net proceeds of insurance or condemnation awards, or certain other moneys held under the Indenture.

The County is required under the Facility Lease to make semiannual Base Rental Payments from legally available funds, and Base Rental Payments are scheduled to be sufficient to pay, when due, principal of and interest on the Series 2015A Bonds. Additional Payments due from the County under the Facility Lease include amounts sufficient to pay certain taxes and assessments, insurance premiums and certain administrative costs.

Except to the extent of (i) amounts held by the Trustee in the Revenue Fund; (ii) amounts received in respect of rental interruption insurance; and (iii) amounts, if any, otherwise legally available to the Trustee for payments on the Series 2015A Bonds, Base Rental Payments and Additional Payments will be abated during any period in which, by reason of material damage, destruction, title defect, or condemnation, there is substantial interference with the use and possession by the County of any portion

of the Leased Property. Rental Payments will be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments and Additional Payments, in which case rental payments shall be abated only by an amount equal to the difference. In the event that Rental Payments are abated, in whole or in part, due to damage, destruction, title defect or condemnation of any part of the Leased Property and the County is unable to repair, replace or rebuild the Leased Property from the proceeds of insurance, if any, the County agrees to apply for and use its best efforts to obtain any appropriate state and/or federal disaster relief in order to obtain funds to repair, replace or rebuild the Leased Property. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE FACILITY LEASE.”

The County has covenanted in the Facility Lease to take such action as may be necessary to include all rental payments for the Leased Property in its annual budget and to make the necessary annual appropriations therefor. So long as the County has the use and occupancy of the Leased Property, the obligation of the County to make Base Rental Payments, Additional Payments and all other amounts provided for in the Facility Lease, and to perform its obligations thereunder will be absolute and unconditional, except for the right of abatement under certain circumstances as described therein, and such Base Rental Payments, Additional Payments and such other amounts will not be subject to setoff, counterclaim or recoupment.

The Facility Lease provides that the agreements of the County are duties imposed by law and it shall be the duty of each and every public official of the County to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the County to carry out and perform the agreements and covenants contained therein agreed to be carried out and performed by the County.

Should the County default under the Facility Lease, the Trustee may exercise any and all remedies available at law or granted pursuant to the Facility Lease. The Trustee’s available remedies include the right to recover Base Rental Payments as they become due as well as the right, with or without terminating the Facility Lease, to dispossess the County in order to re-lease the Leased Property. In no event will the Trustee have the right to accelerate Base Rental Payments. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE FACILITY LEASE.”

The obligation of the County to make Base Rental Payments does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation. Neither the Series 2015A Bonds nor the obligation of the County to make Base Rental Payments under the Facility Lease constitutes a debt of the County, the State or any political subdivision thereof within the meaning of the Constitution of the State.

Rental Interruption and Casualty Insurance

The Facility Lease provides that the County will secure and maintain, or cause to be secured and maintained, at all times with insurers of recognized responsibility, insurance against the risks and in the amounts set forth in the Facility Lease. The insurance includes “all risk” insurance against loss or damage to the Leased Property, including flood, but excluding earthquake, which will be maintained at any time in an amount per occurrence at least equal to the lesser of:

- (i) the cumulative replacement values of the Leased Property and, in the case of a policy covering more than the Leased Property, any other property which is the subject of a lease, installment purchase agreement or other financing arrangement for which bonds, certificates of participation or other obligations will have been issued; or

- (ii) the aggregate amount of the principal component of the then-remaining Base Rental Payments payable under the Facility Lease.

The insurance may at any time include a deductible clause providing for a deductible not to exceed \$100,000 for any one loss (except for flood, in which case the deductible may not exceed \$250,000 for any one loss).

Pursuant to the Facility Lease, the County may obtain the insurance coverage as a joint insured with one or more other public agencies located within or outside the County, which may be limited in an amount per occurrence in the aggregate for all insureds, as described above, and which may be limited in a cumulative amount of claims during a 12-month period in the aggregate for all insureds in an amount not less than \$500,000,000 (collectively, “Pooled Public Agencies Insurance”).

The Facility Lease provides that the County will also obtain rental interruption insurance with respect to the Leased Property in an amount sufficient at all times to pay the total rent payable under the Facility Lease for a period of not less than two years’ Base Rental Payments for the Leased Property; provided that such rental interruption insurance may be included in the Pooled Public Agencies Insurance.

The County is under no obligation to provide insurance against loss or damage occasioned by the perils of earthquake.

See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE FACILITY LEASE.”

Use of Insurance Proceeds

The County and the Authority will cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt repair or replacement of the damaged, destroyed, defective or condemned portion of the Leased Property, and any balance of the net proceeds remaining after such work has been completed will be paid to the County. Alternatively, the County, at its option and provided the proceeds of such insurance or condemnation award together with any other moneys then available for the purpose are at least sufficient to repay the aggregate annual amounts of principal and interest components of the Base Rental Payments due under the Facility Lease attributable to the portion of the Leased Property so destroyed, damaged or condemned (determined by reference to the proportion which the annual fair rental value of the destroyed, damaged, defective or condemned portion thereof bears to the annual fair rental value of the Leased Property), may elect not to repair, reconstruct or replace the damaged, destroyed, defective or condemned portion of the Leased Property and thereupon shall cause said proceeds to be used for the redemption of Outstanding Bonds pursuant to the Indenture. Notwithstanding any other provision in the Facility Lease, the County shall only redeem less than all of the principal component of the then-remaining Base Rental Payments if the annual fair rental value of the Leased Property after such damage, destruction, title defect or condemnation is at least equal to the aggregate annual amount of the principal and interest components of the Base Rental Payments not being prepaid.

In the event that the proceeds, if any, of said insurance or condemnation award are insufficient either to (i) repair, rebuild or replace the Leased Property so that the fair rental value of the Leased Property would be at least equal to the Base Rental Payments or (ii) redeem all the Outstanding Bonds, both as provided in the preceding paragraph, then the County may, in its sole discretion, budget and appropriate an amount necessary to effect such repair, rebuilding or replacement or redemption; *provided* that the failure of the County to so budget and/or appropriate shall not be a breach of or default under the Facility Lease.

Substitution of Leased Property

The County may substitute other real property and/or improvements (the “Substituted Property”) for existing Leased Property and/or remove real property (including undivided interests therein) and/or improvements from the definition of Leased Property, subject to compliance with the conditions set forth in the Facility Lease. Such conditions include (i) the delivery of a certificate of the County stating that the annual fair rental value of the Leased Property after a substitution or removal, in each year during the remaining term of the Facility Lease, is at least equal to the maximum annual Base Rental Payments payable under the Facility Lease attributable to the Leased Property prior to such substitution or removal and demonstrating that the useful life of the Leased Property after such substitution or removal equals or exceeds the remaining term of the Facility Lease; (ii) an opinion of counsel to the effect that the amendments to the Facility Lease and to the Site Lease contemplating a substitution or removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the County and the Authority enforceable in accordance with their terms; (iii) title insurance with respect to the Substituted Property or evidence that the title insurance in effect is not affected; (iv) property insurance and rental interruption insurance with respect to the Substituted Property; and (v) an opinion of counsel that such substitution or removal does not cause the interest on the Series 2015A Bonds to be includable in gross income of the Owners thereof for federal income tax purposes. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS – THE FACILITY LEASE.”

Additional Bonds

The Authority may at any time, by Supplemental Indenture, provide for the issuance of Additional Bonds subject to satisfaction of certain provisions contained in the Indenture. Additional Bonds will be payable from Base Rental Payments and other Revenues as provided in the Indenture and secured by a pledge of and charge and lien upon the Revenues equal to the pledge, charge and lien securing the outstanding Series 2015A Bonds issued under the Indenture, subject to the terms and conditions of the Indenture. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — THE INDENTURE.”

BONDHOLDERS’ RISKS

The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2015A Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2015A Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto.

Economy of the County and the State

The amount of tax revenues collected at any time is dependent upon the level of retail sales and real property values within the County, which levels are dependent, in turn, upon the level of economic activity in the County and the State generally. The economy of the County, in recent years, experienced a severe slowdown as evidenced by an increased unemployment rate, a decrease in total personal income and taxable sales, a drop on residential building permits, a decline in the rate of home sales and the median price of single-family homes and condominiums and an increase in notices of default on mortgage loans secured by homes and condominiums. The economy of the County is improving. A deterioration in the level of economic activity within the County or in the State could have a material adverse impact upon the amount of tax revenues received by the County and therefore upon the ability of the County to make debt service payments on the Series 2015A Bonds. For information relating to the current

economic condition of the County, see APPENDIX A—“INFORMATION REGARDING THE COUNTY OF RIVERSIDE.”

No Limitation on Incurring Additional Obligations

Subject to satisfying certain conditions set forth in the Indenture, the County, the Authority and the Trustee may by execution of a Supplemental Indenture, without the consent of the Owners, provide for the issuance of Additional Bonds requiring additional Base Rental Payments. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE INDENTURE.”

Neither the Facility Lease or the Indenture contains any legal limitations on the ability of the County to enter into other obligations, without the consent of the Owners of the Outstanding Series 2015A Bonds, which may constitute additional obligations payable from its General Fund. To the extent that the County incurs such additional obligations, the County’s funds available to make Base Rental Payments may be decreased. The County is currently liable on other obligations payable from General Fund revenues and is currently contemplating entering into additional obligations. See APPENDIX A—“INFORMATION REGARDING THE COUNTY OF RIVERSIDE.”

Default and Limitation on Remedies

In the event of a default, there is no remedy of acceleration of the Base Rental Payments due over the term of the Facility Lease. The Trustee has the right to recover Base Rental Payments as they become due as well as the right, with or without terminating the Facility Lease, to dispossess the County in order to re-lease the Leased Property. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE FACILITY LEASE.”

Enforcement of the remedies under the Facility Lease and the Indenture may be limited or restricted by laws relating to bankruptcy and insolvency, and rights of creditors under application of general principles of equity, and may be substantially delayed in the event of litigation or statutory remedy procedures. All legal opinions delivered in connection with the Series 2015A Bonds relating to the enforceability of the Facility Lease and the Indenture will contain an enforceability exception relating to the limitations which may be imposed by bankruptcy and insolvency laws, and the rights of creditors under general principles of equity.

The Leased Property may be substituted as more fully described in APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE FACILITY LEASE.”

Abatement

Except to the extent of (a) amounts held by the Trustee in the Revenue Fund, (b) amounts received in respect of rental interruption insurance, and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Series 2015A Bonds, during any period in which, by reason of material damage, destruction, title defect, or condemnation, there is substantial interference with the use and possession by the County of any portion of the Leased Property, rental payments due under the Facility Lease with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments, in which case rental payments shall be abated only by an amount equal to the difference. In the event the County assigns, transfers or subleases any or all of the Leased Property or other rights under the Facilities Lease, as permitted by the Facility Lease, for purposes of determining the annual fair rental value available to pay Base Rental Payments, annual fair rental value of the Leased Property shall first be allocated to the Facility Lease. Any abatement of Rental Payments shall

not be considered an Event of Default under the Facility Lease. Pursuant to the Facility Lease, the County waives the benefits of California Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate the Facility Lease by virtue of any such interference and the Facility Lease shall continue in full force and effect. Such abatement shall continue for the period commencing with the date of such damage, destruction, title defect or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Leased Property so damaged, destroyed, determined to be defective or condemned.

In the event that rental is abated, in whole or in part, due to damage, destruction, title defect or condemnation of any part of the Leased Property and the County is unable to repair, replace or rebuild the Leased Property from the proceeds of insurance, if any, the County agrees to apply for and to use its best efforts to obtain any appropriate state and/or federal disaster relief in order to obtain funds to repair, replace or rebuild the Leased Property. See APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE FACILITY LEASE.”

Seismicity

Seismic activity occurs on a regular basis within the State. Periodically, the magnitude of a single seismic event can cause significant ground shaking and potential for damage to property located at or near the center of such seismic activity. During the past 150 years, the Southern California area has experienced several major and numerous minor earthquakes. A number of known fault lines cross the County.

Wildfires and Flooding

The County is exposed to a variety of wildfire hazard conditions ranging from low levels of risk along the eastern portions of the County, which is primarily desert and sparsely populated to higher hazards in the western portion of the County, which is more urban and densely populated. Fire hazard severity is a function of fuel conditions, historic climate, and topography. Population density or the number of structures in a particular region are not currently used to determine the fire hazard severity for a particular region. Areas throughout the County have been designated mainly as having a “Very High Hazard” and “High Hazard.” The fact that an area is in a Moderate Hazard designation does not mean it cannot experience a damaging fire; it means only that the probability is reduced, generally because the number of days a year that the area has “fire weather” is fewer.

The State, particularly Southern California, is periodically subject to wildfires. When wildfires scorch thousands of acres in Southern California, they destroy all vegetation on mountains and hillsides. As a result, when heavy rain falls in the winter, there is nothing to stop the rain from penetrating directly into the soil. In addition, waxy compounds in plants and soil that are released during fires create a natural barrier in the soil that prevents rainwater from seeping deep into the ground. The result is erosion, mudslides, and excess water running off the hillsides often causing flash flooding.

Flood zones are identified by the Federal Emergency Management Agency (“FEMA”). FEMA designates land located in a low- to moderate-risk flood zone (*i.e.* not in a floodplain) as being within a Non-Special Flood Hazard Area (a “NSFHA”). A NSFHA is an area that is in a low- to moderate-risk flood zone (*i.e.* not in a floodplain) and has less than a 1% chance of flooding each year. While the County is located within a NSFHA, severe, concentrated rainfall could result in localized flooding and river overflows. The County can make no representation that future maps will not be revised to include the County within an area deemed subject to flooding. The occurrence of wildfires or flooding in the County could result in the interference with the right of the County to use and occupy all or a portion of the Leased Property and the abatement of the Base Rental Payments.

Current Drought Conditions

The County, and all of Southern California, is experiencing a severe drought. See “Environmental Control Services – Water Supply” in APPENDIX A–“INFORMATION REGARDING THE COUNTY OF RIVERSIDE.” A prolonged continuation of the drought could materially adversely affect the County’s economic condition.

Risk of Uninsured Loss

The County covenants under the Facility Lease to cause to be maintained certain insurance policies on the Leased Property. These insurance policies do not cover all types of risk. For instance, the County does not covenant to maintain earthquake insurance. The County may self-insure in certain circumstances. Moreover, the insurance maintained by the County may provide for deductible amounts. The Leased Property could be damaged or destroyed due to earthquake or other casualty for which the Leased Property is uninsured. Under these circumstances an abatement of Base Rental Payments could occur and could continue indefinitely. There can be no assurance that the providers of the County’s casualty and rental interruption insurance will in all events be able or willing to make payments under the respective policies for such loss should a claim be made under such policies. Further, there can be no assurances that amounts received as proceeds from insurance or from condemnation of the Leased Property will be sufficient to redeem the Series 2015A Bonds allocable to the damaged or condemned Leased Property.

Limitation on Sources of Revenues

There are limitations on the ability of the County to increase revenues payable to the County General Fund. The ability of the County to increase the *ad valorem* property taxes (which has historically been a primary source of revenues for counties in California) is limited pursuant to Article XIII A of the State Constitution, which was enacted in 1978. California voters in 1986 approved an initiative statute which attempts to limit the imposition of new or higher taxes by local agencies, including the County. In addition on November 5, 1996 the voters of the State approved Proposition 218, which further affects the ability of local agencies to levy and collect existing and future taxes, assessments, fees and charges. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS.”

In addition to the limitations on the ability of the County to raise revenues, State and federally mandated expenditures for justice, health and welfare have increased. The annual increase in mandated expenditures has exceeded the annual increase in County revenues. In the event the County’s revenue sources are less than its total obligations, the County could choose, or be required by federal or State law, to fund other municipal services before Base Rental Payments.

Bankruptcy

The rights and obligations of the County and the Authority under the Series 2015A Bonds, the Facility Lease, the Site Lease, the Indenture, the Assignment Agreement, and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors’ rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers authorities and counties in the State of California.

The County is a unit of State government and therefore is not subject to the involuntary procedures of the United States Bankruptcy Code (the “Bankruptcy Code”). However, pursuant to

Chapter 9 of the Bankruptcy Code, the County may seek voluntary protection from its creditors for purposes of adjusting its debts. In the event the County was to become a debtor under the Bankruptcy Code, the County would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 proceeding, and an owner of a Series 2015A Bond would be treated as a creditor in a municipal bankruptcy. Among the adverse effects of such a bankruptcy might be: (a) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the County or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the County; (b) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (c) the occurrence of unsecured or court-approved secured debt which may have a priority of payment superior to that of Owners of Series 2015A Bonds; and (d) the possibility of the adoption of a plan for the adjustment of the County's debt without the consent of all of the owners of Series 2015A Bonds, which plan may restructure, delay, compromise or reduce the amount of the claim of the Owners if the Bankruptcy Court finds that such a plan is fair and equitable. In addition, the Bankruptcy Code might invalidate any provision of the Facility Lease or the Series 2015A Bonds that makes the bankruptcy or insolvency of the County an event of default.

A bankruptcy filing by the County could thus limit remedies under the Facility Lease. Among other things, a debtor in bankruptcy may choose to assume or reject executory contracts and leases, such as the Facility Lease. In the event of rejection of a lease by a debtor lessee, the leased property is returned to the lessor and the lessor has a claim for a limited amount of the resulting damages, as discussed in more detail below (see *Treatment of the Facility Lease as a True Lease*).

Under the Indenture, the Trustee holds a security interest in the Revenues, including Base Rental Payments, for the benefit of the Owners of the Series 2015A Bonds and all Additional Bonds, if any (collectively, the "Bonds"), but such security interest arises only when the Base Rental Payments are actually received by the Trustee following payment by the County. The Leased Property itself is not subject to a security interest, mortgage or any other lien in favor of the Trustee for the benefit of Owners. In the event of a County bankruptcy and a subsequent rejection of the Facility Lease by the County, the Authority would recover possession of the Leased Property and the Trustee, as assignee of the Authority, would have a claim for damages against the County. The Trustee's claim would constitute a secured claim only to the extent of Revenues in the possession of the Trustee; the balance of such claim would be unsecured.

In this connection, were the County to file a bankruptcy petition, the bankruptcy court may be called upon to determine the nature of the transactions underlying the issuance of the Series 2015A Bonds. Specifically, the bankruptcy court may be called upon to determine whether the Facility Lease is either (1) an unexpired lease or executory contract (defined below) under Section 365 ("Section 365") of the Bankruptcy Code (a "True Lease") or (2) a loan or other financing arrangement (a "Financing Arrangement"). The Bankruptcy Code specifies different consequences for True Leases and Financing Arrangements.

Treatment of the Facility Lease as a True Lease. Section 365 requires an entity in bankruptcy to make considered decisions either to keep ("assume") or jettison ("reject") its "executory" contracts (that are as yet incomplete as to both parties' performances), and its leases. Section 365 thus requires that a bankruptcy debtor lessee under a True Lease must either (1) assume the lease or executory contract in question and fully perform all of its obligations or (2) reject such lease or executory contract and surrender the property. If a bankruptcy court determined in a County bankruptcy case that the Facility Lease is a True Lease or executory contract, the County would then have these two options.

Any assumption of the Facility Lease would require that the County cure all monetary defaults (including any unpaid rental payments in the amounts of the principal of and interest and premium, if any, on the Series 2015A Bonds) and most non-monetary defaults, if any. The County would also have to provide adequate assurance that defaults would not occur in the future.

Any rejection of the Facility Lease could result in a claim for damages against the County in connection with the Series 2015A Bonds that would rank as a general unsecured debt of the County. In the event of such rejection of the Facility Lease, the amount of any corresponding claim would likely be limited by the cap on landlord claims provided in the Bankruptcy Code, i.e., to the rent payable under the Facility Lease (without acceleration) for the greater of one year or 15% of the remaining term of the Facility Lease, but not to exceed three years, following the earlier of (a) the date the bankruptcy petition was filed, and (b) the date on which the Authority repossessed or the County surrendered the leased property, plus any unpaid rentals under the Facility Lease (without acceleration) on the earlier of such dates. Thus, if the Facility Lease is treated as a True Lease under Section 365 and rejected in a County bankruptcy, the damage claim could be severely limited, resulting in reduced funds available to pay the Bonds.

In certain bankruptcy cases involving bond issuances, including in the recent case filed by the City of Stockton, issuers have proposed to treat transactions with features similar to the Facility Lease as True Leases. This is because treating a relationship as a True Lease, and then rejecting the lease(s), may provide a significant reduction in the financial outlay by the issuer because of the above-mentioned statutory cap on landlord claims, and thus an easier path to confirmation of the issuer's plan of adjustment at the conclusion of the Chapter 9 case. This latter alternative may be particularly attractive to an insolvent issuer where the real property in question is not a public property that is central to government operations.

In the City of Stockton case, Stockton took this approach. In one of its bond issuances, involving certain non-essential municipal property (a park and two golf courses), Stockton had executed a Site and Facility Lease (the "Park/Golf Courses Lease") and a separate lease back agreement (the "Lease Back Agreement") with the Stockton Public Financing Authority, providing, respectively, for a lease of the park and golf courses to the latter Authority and a lease back to Stockton (collectively with other relevant agreements, the "Bond Agreements"). Stockton proposed in its Chapter 9 plan of adjustment (the "Plan") to treat the Park/Golf Courses Lease as a true lease of nonresidential real property, capable of rejection under Section 365, and to subject the resultant claims by the bond trustee and bondholder (the "Bond Parties") to the significant damage claim limitations of section 502(b)(6) of the Bankruptcy Code as "landlord" claims.

In response to Stockton's proposed Plan, the Bond Parties brought an action in the bankruptcy court against Stockton for a determination that (a) the Site and Facility Lease be treated as other than a true lease and (b) the entire transaction memorialized in the Bond Agreements be recharacterized as a financing and not as a true leasing structure. Ultimately, Stockton did not have the time to litigate this dispute, given the compelling need to exit bankruptcy. Stockton thus moved to dispense with the major issues in the action, by requesting the bankruptcy court to enter a limited judgment in favor of the Bond Parties, thereby conceding to the Bond Parties on their recharacterization claims that the Park/Golf Courses Lease and Lease Back Agreement were not true leases and were in economic substance a secured financing transaction. However, Stockton did not admit that entire transaction represented by the Bond Agreements was a disguised financing. The bankruptcy court later valued the property subject to the Park/Golf Courses Lease and allowed the Bond Parties a secured claim in that amount, with the balance accorded unsecured treatment.

Recharacterization of the Facility Lease as a Financing Arrangement. In addition to the Stockton case there are other court decisions, arising out of bankruptcy proceedings, that have fully found certain relationships to be disguised Financing Arrangements where a government agency received a property interest through a lease from an entity and then leased that interest back, and where the terms of the lease relate not to the market value of the property leased but to bond financing, e.g., the lease back is in exchange for payments equaling bond debt service and related costs and/or the period of the lease is tied to the final payment on the bonds. There can be no guarantee that a bankruptcy court in a County bankruptcy would not similarly recharacterize the Facility Lease as a Financing Arrangement. If a bankruptcy court did so, the payment obligations of the County might be substantially reduced in the event of its bankruptcy because of the power under the Bankruptcy Code to adjust secured claims to the value of their collateral.

A borrower in a bankruptcy proceeding that has given a security interest in property in connection with a Financing Arrangement may retain such property, provided that it make payments over time giving the lender the economic value of the security interest. If such economic value is less than the balance due on the debt in the Financing Arrangement, the difference is then treated as an unsecured debt. In a County bankruptcy case, were the Facility Lease determined to be part of a Financing Arrangement, the County would very likely be permitted to remain in possession of the Leased Property if it made payments for that right, but the amount required to be paid is primarily dependent upon the value of the Trustee's security interest, not the payment terms of the Facility Lease.

Given that the Leased Property itself is not subject to a security interest, mortgage or any other lien in favor of the Trustee for the benefit of Owners of the Series 2015A Bonds, the Trustee's claim in a bankruptcy of the County would likely constitute a secured claim only to the extent of Revenues in the possession of the Trustee; the balance of such claim would be unsecured. Therefore, in the event of a recharacterization of the Facilities Lease as a Financing Arrangement in a Chapter 9 case of the County, there is a risk that payment will be delayed, or reduced from the amounts specified in the Facility Lease.

Pension Issues in Bankruptcy. In a bankruptcy of the County, if a material unpaid liability is owed to the California Public Employees' Retirement System ("CalPERS") or any other pension system (collectively the "Pension Systems") on the filing date, or accrues thereafter, such circumstances could create additional uncertainty as to the County's ability to make Base Rental Payments or other Lease Payments if the Facility Lease is rejected. Given that municipal pension systems in California are usually administered pursuant to state constitutional provisions and, as applicable, other state, county and/or city law, the Pension Systems may take the position, among other possible arguments, that their claims enjoy a higher priority than all other claims, that Pension Systems have the right to enforce payment by injunction or other proceedings outside of a County bankruptcy case, and that Pension System claims cannot be the subject of adjustment or other impairment under the Bankruptcy Code because that would purportedly constitute a violation of state statutory, constitutional and/or municipal law. It is uncertain how a bankruptcy judge in a County bankruptcy would rule on these matters. In addition, this area of law is presently very unsettled because issues of pension underfunding claim priority, pension contribution enforcement, and related bankruptcy plan treatment of such claims (among other pension-related matters) has been or presently is the subject of litigation in the Chapter 9 cases of several California municipalities, including Stockton and San Bernardino.

THE COUNTY

The County was organized in 1893 from territory in San Bernardino and San Diego Counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial Counties and on the west by Orange and Los Angeles Counties. The County is the fourth largest county (by area) in the State and stretches

185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 24 incorporated cities in the County. According to the State Department of Finance, Demographic Research Unit, the County's population was estimated at 2,308,441 as of January 1, 2015, reflecting a 1.2% increase over January 1, 2014.

The County is a general law county divided into five supervisorial districts on the basis of registered voters and population. The County is governed by a five-member Board of Supervisors (the "Board of Supervisors"), elected by district, and serving staggered four-year terms. The Chair of the Board of Supervisors is elected by the Board of Supervisors members. The County administration includes appointed and elected officials, boards, commissions and committees which assist the Board of Supervisors.

The County provides a wide range of services to residents, including police and fire protection, medical and health services, education, library services, judicial institutions and public assistance programs. Some municipal services are provided by the County on a contract basis to incorporated cities within its boundaries. These services are designed to allow cities to contract for municipal services such as police and fire protection without incurring the cost of creating city departments and facilities. Services are provided to the cities at cost by the County.

Three distinct geographical areas characterize the County: the western valley area, the higher elevations of the mountains and the deserts. The western portion of the County, which includes the San Jacinto mountains and the Cleveland National Forest, experiences the mild climate typical of Southern California. The eastern desert areas experience warmer and drier weather conditions.

See APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE" for a detailed description of the County.

THE AUTHORITY

The Authority is joint powers authority duly organized and existing under and pursuant to a Joint Exercise of Powers Agreement dated October [___], 2015 by and between the County and Riverside County Flood Control and Water Conservation District. [The Authority was formed to assist the County by providing for the acquisition and maintenance of equipment, the acquisition, construction and renovation of facilities and other improvements, and the leasing of such equipment and facilities to the County. The Authority is governed by a Board of Directors composed of the members of the Board of Supervisors. The Board of Directors of the Authority appoints an Executive Director, an Assistant Executive Director, a Treasurer, a Secretary and several Assistant Secretaries.]

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS

Article XIII A of the State Constitution

On June 6, 1978, California voters approved Proposition 13, adding Article XIII A to the California Constitution. Article XIII A, among other things, affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under "full cash value," or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year, or reduced in the event of declining property value caused by damage, destruction or other

factors including a general economic downturn. The amendment further limits the amount of any *ad valorem* tax on real property to 1% of the full cash value except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978 by two-thirds of the votes cast by the voters voting on the proposition.

On June 3, 1986, California voters approved Proposition 46, which added an additional exemption to the 1% tax limitation imposed by Article XIII A. Under this amendment to Article XIII A, local governments and school districts may increase the property tax rate above 1% for the period necessary to retire new general obligation bonds, if two-thirds of those voting in a local election approve the issuance of such bonds and the money raised through the sale of the bonds is used exclusively to purchase or improve real property.

Legislation enacted by the California Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement (except as noted) is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value. Tax rates for voter approved bonded indebtedness are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) will be allocated on the basis of “situs” among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts will share the growth of “base” revenue from the tax rate area. Each year’s growth allocation becomes part of each agency’s allocation the following year. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII B of the State Constitution

On November 6, 1979, California voters approved Proposition 4, which added Article XIII B to the California Constitution. In May 1990, the voters through their approval of Proposition 111 amended Article XIII B. Article XIII B of the California Constitution limits the annual appropriations of the State and any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and services rendered by the governmental entity. The “base year” for establishing such appropriation limit is the 1978-1979 fiscal year. Increases in appropriations by a governmental entity are also permitted (a) if financial responsibility for providing services is transferred to the governmental entity, or (b) for emergencies so long as the appropriations limits for the three years following the emergency are reduced to prevent any aggregate increase above the Constitutional limit. Decreases are required where responsibility for providing services is transferred from the government entity.

Appropriations subject to Article XIII B include generally any authorization to expend during the fiscal year the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations subject to limitation pursuant to Article XIII B do not include debt service on indebtedness existing or legally authorized as of January 1, 1979, on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified out lay projects, and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. “Proceeds of taxes” include, but are not limited to, all tax revenues and the proceeds to any entity of

government from (a) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation; (b) the investment of tax revenues; and (c) certain State subventions received by local governments. Article XIII B includes a requirement that if an entity's revenues in any year exceed the amount permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two fiscal years.

As amended in May 1990, the appropriations limit for the County in each year is based on the limit for the prior year, adjusted annually for changes in the costs of living and changes in population, and adjusted, where applicable, for transfer of financial responsibility of providing services to or from another unit of government. The change in the cost of living is, at the County's option, either (a) the percentage change in California per capita personal income, or (b) the percentage change in the local assessment roll for the jurisdiction due to the addition of nonresidential new construction. The measurement of change in population is a blended average of statewide overall population growth, and change in attendance at local school and community college ("K-14") districts.

As amended by Proposition 111, the appropriations limit is tested over consecutive two-year periods. Any excess of the aggregate "proceeds of taxes" received by the County over such two-year period above the combined appropriations limits for those two years is to be returned to taxpayers by reductions in tax rates or fee schedules over the subsequent two years.

Article XIII B permits any government entity to change the appropriations limit by vote of the electorate in conformity with statutory and Constitutional voting requirements, but any such voter-approved change can only be effective for a maximum of four years.

The County's appropriations limit for Fiscal Year 2014-15 was \$2,416,779,004 and the amount subject to the limitation was \$875,067,523. The County's appropriations limit for Fiscal Year 2015-16 is \$2,543,829,145 and the amount subject to the limitation was \$1,074,501,736.

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election which (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the County be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local government entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed; (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A of the California Constitution; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of *Santa Clara County Local Transportation Authority v. Guardino* ("Guardino"), upheld the constitutionality of Proposition 62. In this case, the court held that a county-wide sales tax of ½ of 1% was a special tax that, under Section 53722 of the California Government Code, and was held invalid without the required two-thirds voter approval. The decision did not address the question of whether or not it should be applied retroactively.

Following the Guardino decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al.* In this case, the court held that a public agency's continued imposition and collection of a tax is an ongoing violation upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

Right To Vote on Taxes Initiative – Proposition 218

On November 5, 1996, the voters of the State approved Proposition 218, a constitutional initiative entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 adds Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions affecting the ability of local governments, including the County, to levy and collect both existing and future taxes, assessments, fees and charges. Proposition 218 restricts the County's ability to raise revenues and could subject certain existing sources of revenue to reduction or repeal, and increase the County's costs to hold elections, calculate fees and assessments, notify the public and defend its fees and assessments in court. Further, as described below, Proposition 218 provides for broad initiative powers to reduce or repeal assessments, fees and charges. However, other than any impact resulting from the exercise of this initiative power, the County does not presently believe that the impact on the financial condition of the County as a result of the provisions of Proposition 218 will adversely affect the County's ability to make Base Rental Payments as and when due and its other obligations payable from the General Fund.

Article XIII C requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes, including special taxes deposited into the County's General Fund. Proposition 218 also provides that any general tax imposed, extended or increased without voter approval by any local government on or after January 1, 1995 and prior to November 6, 1996 shall continue to be imposed only if approved by a majority vote in an election held within two years of November 6, 1996. Certain assessments, including assessments of landscape maintenance districts, taxes and fees of the County could be subject to this initiative power. The voter approval requirements of Proposition 218 reduce the flexibility of the County to raise revenues through General Fund taxes, and no assurance can be given that the County will be able to impose, extend or increase such taxes in the future to meet increased expenditure requirements.

Article XIII C also expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed. This extension of the initiative power to some extent constitutionalizes the March 6, 1995 State Supreme Court decision in *Rossi v. Brown*, which upheld an initiative that repealed a local tax and held that the State constitution does not preclude the repeal, including the prospective repeal, of a tax ordinance by an initiative, as contrasted with the State constitutional prohibition on referendum powers regarding statutes and ordinances which impose a tax. Generally, the initiative process enables California voters to enact legislation upon obtaining requisite voter approval at a general election. Proposition 218 extends the authority stated in *Rossi v. Brown* by expanding the initiative power to include reducing or repealing assessments, fees and charges, which had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Proposition 218 to fees imposed after November 6, 1996 and absent other legal authority could result in retroactive reduction in any existing taxes, assessments or fees and charges. Such legal authority could include the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution. SB 919 provides that the initiative

power provided for in Proposition 218 “shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights” protected by the United States Constitution. However, no assurance can be given that the voters of the County will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges that currently are deposited into the County’s General Fund. Further, “fees” and “charges” are not defined in Article XIII C or SB 919, and it is unclear whether these terms are intended to have the same meanings for purposes of Article XIII C as they do in Article XIII D, as described below. Accordingly, the scope of the initiative power under Article XIII C could include all sources of General Fund moneys not received from or imposed by the federal or State government or derived from investment income.

The initiative power granted under Article XIII C, by its terms, applies to all local taxes, assessments, fees and charges and is not limited to local taxes, assessments, fees and charges that are property-related. The County is unable to predict whether the courts will interpret the initiative provision to be limited to property-related fees and charges. No assurance can be given that the voters of the County will not, in the future, approve an initiative which reduces or repeals local taxes, assessments, fees or charges which are deposited into the County’s General Fund. The County believes that in the event that the initiative power was exercised so that all local taxes, assessments, fees and charges that may be subject to the provisions of Proposition 218 are reduced or substantially reduced, the financial condition of the County, including its General Fund, would be materially adversely affected.

Article XIII D adds several new requirements making it generally more difficult for local agencies to levy and maintain “assessments” for municipal services and programs. “Assessment” is defined in Proposition 218 and SB 919 to mean any levy or charge upon real property for a special benefit conferred upon the real property. This includes maintenance assessments imposed in County service areas (“CSAs”) and in special districts. Parcel charges in 38 of the County’s 57 CSAs have been classified as fees and charges, assessments or special taxes under either Article XIII C or Article XIII D. 32 CSAs require the approval of local property owners or voters for the County to continue to collect such charges. Two of the 32 CSAs which require an election to continue collecting parcel charges voted not to continue the charges and services have terminated. The County anticipates that any impact Proposition 218 may have on existing or future taxes, fees, and assessments will not adversely affect the ability of the County to pay Base Rental Payments as and when due. However, no assurance can be given that the County may or will be able to reduce or eliminate such services in the event the assessments that presently finance them are reduced or repealed.

Article XIII D also adds several provisions affecting “fees” and “charges” which are defined as “any levy other than an *ad valorem* tax, a special tax, or an assessment, imposed by a local government upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.” All new and, after June 30, 1998, existing property related fees and charges must conform to requirements prohibiting, among other things, fees and charges which (a) generate revenues exceeding the funds required to provide the property related service; (b) are used for any purpose other than those for which the fees and charges are imposed; (c) are for a service not actually used by, or immediately available to, the owner of the property in question; or (d) are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Further, before any property related fee or charge may be imposed or increased, written notice must be given to the record owner of each parcel of land affected by such fee or charge. The County must then hold a hearing upon the proposed imposition or increase of such property based fee, and if written protests against the proposal are presented by a majority of the owners of the identified parcels, the County may not impose or increase the fee or charge. Moreover, except for fees or charges for sewer, water and refuse collection services, no

property related fee or charge may be imposed or increased without majority approval by the property owners subject to the fee or charge or, at the option of the local agency, two-thirds voter approval by the electorate residing in the affected area. The County does not anticipate that any impact Proposition 218 may have on future fees and charges will adversely affect the ability of the County to pay its outstanding obligations, including Base Rental Payments, as and when due. However, no assurance can be given that the County may or will be able to reduce or eliminate such services in the event the fees and charges that presently finance them are reduced or repealed.

The fees and charges of the County's enterprise funds, including those which are not property related for purposes of Article XIII D, may be determined to be fees and charges subject to the initiative power as provided in Article XIII C, as described above. In the event that fees and charges cannot be appropriately increased or are reduced pursuant to the exercise of the initiative power, the County may have to choose whether to reduce or eliminate the service financed by such fees or charges or finance such service from its General Fund. Further, no assurance can be given that the County may or will be able to reduce or eliminate such services in the event the fees and charges that presently finance them are reduced or repealed.

Implementing legislation respecting Proposition 218 may be introduced in the State legislature from time-to-time that would supplement and add provisions to California statutory law. No assurance may be given as to the terms of such legislation or its potential impact on the County.

Proposition 1A

Proposition 1A (SCA 4) ("Proposition 1A"), proposed by the State Legislature in connection with the 2004-05 Budget Act and approved by the voters in November 2004, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the State Legislature. The State may approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the vehicle license fee rate below 0.65 percent of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates.

Proposition 1A may, in some circumstances, result in decreased resources being available for State programs. The decreased resources in turn could affect actions taken by the State to resolve budget difficulties. Such actions have recently included increasing State taxes, and could include decreasing spending on other State programs or other actions, some of which could be adverse to the County. There are significant issues that relate to source of funds not covered by Proposition 1A and to the statutory relationships between the State and the County.

Proposition 22

On November 2, 2010, the voters of the State approved Proposition 22, known as "The Local Taxpayer, Public Safety, and Transportation Protection Act" ("Proposition 22"). Proposition 22, among other things, broadens the restrictions established by Proposition 1A. While Proposition 1A permits the

State to appropriate or borrow local property tax revenues on a temporary basis during times of severe financial hardship, Proposition 22 amends Article XIII of the California Constitution to prohibit the State from appropriating or borrowing local property tax revenues under any circumstances. The State can no longer borrow local property tax revenues on a temporary basis even during times of severe financial hardship. Proposition 22 also prohibits the State from appropriating or borrowing proceeds derived from any tax levied by a local government solely for the local government's purposes. Furthermore, Proposition 22 restricts the State's ability to redirect redevelopment agency property tax revenues to school districts and other local governments and limits uses of certain other funds. Proposition 22 is intended to stabilize local government revenue sources by restricting the State government's control over local revenues. The County cannot predict whether Proposition 22 will have a beneficial effect on the County's financial condition.

Proposition 26

On November 2, 2010, the voters of the State approved Proposition 26, known as the "Supermajority Vote to Pass New Taxes and Fees Act" ("Proposition 26"). Proposition 26, among other things, amends Article XIII C to the California Constitution principally to define what constitutes a "tax" under the limitations and requirements of that provision. Article XIII C imposes limitations on local governments like the County when imposing certain taxes, including a requirement that the local government submit certain taxes to the electorate for its approval. Before Proposition 26, Article XIII C did not define the term "tax." Proposition 26 broadly defines a tax under Article XIII C to include "any levy, charge, or exaction of any kind imposed by a local government." Proposition 26 lists several exceptions to the definition of "tax," which include (a) a charge for a specific benefit or privilege, which does not exceed the reasonable costs of providing the benefit or privilege, (b) a charge for a government service or product, which does not exceed the reasonable costs of providing the service or product, (c) a charge for the reasonable regulatory costs of issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement thereof, (d) a charge for entrance to or use of local government property, or the purchase, rental, or lease of local government property, (e) a fine, penalty, or other monetary charge imposed as a result of a violation of law, (f) a charge imposed as a condition of property development, and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIII D.

It appears that Proposition 26 does not apply retroactively to local government. Thus, even if a fee enacted by the County prior to November 3, 2010 does not fit within any of Proposition 26's exceptions, it will nonetheless remain valid provided that the legislation authorizing it is not amended so as to extend or increase the fee. The County does not believe that it has enacted, extended or increased any fees since passage of Proposition 26 that would not be exempt from Proposition 26 or that would require voter approval pursuant to Proposition 26.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D and Propositions 62, 22, 26 and 1A were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time-to-time, other initiative measures could be adopted, further affecting revenues of the County or the County's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the County.

STATE OF CALIFORNIA FINANCIAL INFORMATION

The following information concerning the State's budgets has been obtained from publicly available information which the County believes to be reliable; however, the County does not guaranty

the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest due with respect to the Series 2015A Bonds is payable from any funds of the State.

The County relies significantly upon State and federal payments for reimbursement of various costs including certain mandated programs. For Fiscal Year 2014-15, approximately 42% of the County's General Fund budget revenues consisted of payments from the State and 21% consisted of payments from the federal government. [For Fiscal Year 2015-16, the County projects that payments from the State and federal governments will be approximately the same portion of the County's budget revenues as Fiscal Year 2014-15.][CONFIRM]

Information about the State budget is regularly available at various State-maintained websites. Text of the budget may be found at the Department of Finance website. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at its website. In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. The information referred to is prepared by the respective State agency maintaining each website and not by the County, the Authority or the Underwriters, and the County, the Authority and the Underwriters take no responsibility for the continued accuracy of the internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated herein by these references.

For a description of certain potential impacts of the State budget on the finances and operations of the County, see APPENDIX A—"INFORMATION REGARDING THE COUNTY OF RIVERSIDE – FINANCIAL INFORMATION – Impacts of State Budget" attached hereto.

2015-16 State Budget. On June 24, 2015, Governor Brown signed the fiscal year 2015-16 State Budget Act (the "2015-16 State Budget"). The 2015-16 State Budget includes approximately \$117.5 billion in general fund resources (including revenues, transfers and the prior year ending balance) and approximately \$115.4 billion in general fund expenditures. By the end of the 2015-16 fiscal year, the Budget Stabilization Account is budgeted to have a total balance of approximately \$3.5 billion. The 2015-16 State Budget includes an approximately 0.8% percent State General Fund spending increase from the fiscal year 2014-15 State Budget.

The 2015-16 State Budget included the following significant adjustments applicable to counties:

- *Earned Income Tax Credit.* The 2015-16 State Budget includes \$380 million for a new Earned Income Tax Credit, designed to increase the after-tax income of the state's workers with the lowest income.
- *Medi-Cal Expansion.* The 2015-16 State Budget includes \$40 million to provide Medi-Cal benefits to children who are otherwise eligible for those benefits but for their immigration status.
- *Medi-Cal Administration.* The 2015-16 State Budget includes \$150 million for county Medi-Cal administration duties as well as additional \$31 million general fund to bring the total proposed Medi-Cal county administration funding for 2015-16 to about \$245 million (all funds).
- *In-Home Supportive Services (IHSS) Hours Restoration.* The 2015-16 State Budget includes \$226 million, on a one-time basis, to restore IHSS service hours that had been

reduced by seven percent in a prior year budget action. Funding for future years will likely be contingent upon the Managed Care Organizations tax.

- *Drought Relief.* The 2015-16 State Budget includes \$1.8 billion for various drought-related activities, projects, fire protection and drinking water deliveries. Of the total \$1.8 billion provided for drought related activities, over 90 percent is from Proposition 1 moneys (the water bond measure passed by voters in November 2014) and about \$120 million is supported by the general fund. The 2015-16 State Budget also includes several changes to State law in response to the drought that are intended to improve access to clean drinking water, increase water conservation, increase monitoring of water diversions and improve accountability.
- The 2015-16 State Budget saw little change with regard to transportation funding and one area of concern for counties remains the lack of focus on funding for maintaining local streets, roads and bridges. In the 2015-16 State Budget, the Governor proposes that the State's Legislature enact permanent and sustainable funding to maintain and repair the State's transportation and critical infrastructure, improve the State's key trade corridors and complement local infrastructure efforts.

Future State Budgets

No prediction can be made by the County as to whether the State will encounter budgetary problems in future fiscal years, and if this occurs, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the County cannot predict the final outcome of future State budget negotiations, the impact that such budgets will have on County finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors, over which the County has no control.

TAX MATTERS

[SECTION TO BE PROVIDED BY BOND COUNSEL]

RATINGS

The Series 2015A Bonds have received ratings of “[___]” from Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business. The above ratings reflect only the views of such rating agency. Any explanation of the significance of such ratings may only be obtained from such rating agency. The County has furnished to the rating agency certain information and materials not included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and their own investigations, studies and assumptions. There is no assurance that such ratings will continue for any given period of time or that they may not be lowered, suspended or withdrawn entirely by a rating agency if in the judgment of such rating agency circumstances so warrant. Any such downward change in or withdrawal of any such rating may have an adverse effect on the market price of the Series 2015A Bonds.

UNDERWRITING

The Series 2015A Bonds are being purchased by J.P. Morgan Securities LLC and RCB Capital Markets, LLC (collectively, the “Underwriters”), from the Authority at a price of \$_____ (which is the par amount of the Series 2015A Bonds, [plus/minus] a net original issue [premium/discount] of \$_____, less an underwriter’s discount of \$_____), subject to the terms of a bond purchase agreement dated October __, 2015 (the “Bond Purchase Agreement”), among the Underwriters, the Authority and the County. The Bond Purchase Agreement provides that the Underwriters will purchase all of the Series 2015A Bonds if any are purchased, and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Agreement, the approval of certain legal matters by counsel, and certain other conditions. The initial public offering prices of the Series 2015A Bonds set forth on the inside front cover hereof may be changed from time to time by the Underwriters. The Underwriters may offer and sell the Series 2015A Bonds to certain dealers and others at prices lower than the public offering prices stated on the inside front cover hereof.

[INSERT ANY APPLICABLE DISTRIBUTION LANGUAGE FROM UNDERWRITERS]

FINANCIAL ADVISOR

Fieldman Rolapp & Associates, Irvine, California, has served as the Financial Advisor to the County in connection with the issuance of the Series 2015A Bonds. The Financial Advisor is an independent registered municipal advisor as defined in rules promulgated by the Securities and Exchange Commission. The Financial Advisor has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness, of the information contained in this Official Statement.

FINANCIAL STATEMENTS

The financial statements of the County, which are included in APPENDIX B to this Official Statement, have been audited by Brown Armstrong Certified Public Accountants, independent certified public accountants, as stated in their report appearing in APPENDIX B. Brown Armstrong Certified Public Accountants has not consented to the inclusion of its report as APPENDIX B and has not undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by Brown Armstrong Certified Public Accountants, with respect to any event subsequent to its report dated December 5, 2014. See APPENDIX B—“COUNTY OF RIVERSIDE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2014.”

CONTINUING DISCLOSURE

The County has covenanted for the benefit of the Owners and beneficial owners of the Series 2015A Bonds to provide certain annual financial information and operating data relating to the County by not later than February 15 of each year (the “Annual Report”), commencing with the report for the County’s Fiscal Year 2014-15, and to provide notices of the occurrence of certain enumerated events. The Annual Report and any notice of enumerated events will be filed by the County with the MSRB’s Electronic Municipal Market Access system (“EMMA”). The specific nature of the information to be contained in the Annual Report and the notices of enumerated events is set forth in the Continuing Disclosure Certificate relating to the Series 2015A Bonds, dated November [__], 2015, a form of which is attached hereto in APPENDIX E—“FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These

covenants have been made to assist underwriters and remarketing agents comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Rule”).

During the last five years, the County and certain of its related entities have failed to comply in certain respects with continuing disclosure obligations related to outstanding indebtedness. The failure to comply fell into two general categories: (i) failure to provide significant event notices with respect to changes in the ratings of outstanding indebtedness, primarily related to changes in the ratings of various bond insurers insuring the indebtedness of the County or its related entities; and (ii) missing, incomplete or late filing of annual reports with respect to a number of the bond issues. In almost every case with respect to obligations related to the General Fund, such information and reports were available on the County's website and/or available in other continuing disclosure filings made by the County.

Some specific examples of such failures include:

(a) The annual report and financial statements for fiscal year 2008-09, the first County filings which were required to be submitted to EMMA after the effective date of revisions to the Rule, were submitted significantly late with respect to each County issuance outstanding during the first quarter of the 2009-10 fiscal year. The County had failed to update its compliance procedures and filed its annual report and financial statement for such year in accordance with the superceded Rule requirements. The County has since submitted to EMMA the annual reports and financial statements for fiscal year 2008-09.

(b) No filings were submitted to the MSRB with respect to the Housing Authority of the County of Riverside Refunding Revenue Bonds 1998 Series A (Corona Projects), and no filings were made to the MRSB in fiscal years 2010-11, 2011-12 and 2012-13 with respect to certain redevelopment bonds issued by the Riverside County Infrastructure Financing Authority.

The County and its related entities have reviewed their previous filings and have made corrective filings, including an omnibus corrective notice regarding bond insurer ratings and ratings of the County's General Fund debt.

In order to ensure ongoing compliance by the County and its related entities with their continuing disclosure undertakings, (i) the County has instituted new procedures to ensure future compliance and coordination between the County and its related entities; and (ii) the County has contracted with a consultant to assist the County in filing accurate, complete and timely disclosure reports.

The County has been advised by two underwriters that they filed self-reports under the Securities and Exchange Commission's Municipalities Continuing Disclosure Cooperation (“MCDC”) initiative regarding incorrect statements in the County's official statements concerning the County's compliance with its continuing disclosure requirements. In addition, the County filed a self-report under MCDC with respect to statements concerning continuing disclosure compliance made in official statements for over thirty bond issues of the County and related issuers.

CERTAIN LEGAL MATTERS

Certain legal matters are subject to the approving opinion of Nixon Peabody LLP, Bond Counsel. The form of opinion of Bond Counsel to be delivered in connection with the Series 2015A Bonds is set forth in APPENDIX F hereto. Kutak Rock LLP is serving as Disclosure Counsel to the County. Certain legal matters will be passed upon for the County and the Authority by the County Counsel. Certain legal matters will be passed upon for the Underwriters by Stradling Yocca Carlson & Rauth, A Professional Corporation. Bond Counsel, Disclosure Counsel and Underwriters' Counsel undertake no responsibility for the accuracy, completeness or fairness of this Official Statement.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Upon delivery of the Series 2015A Bonds, [VERIFICATION AGENT], a firm of independent certified public accountants, will deliver a report stating that it has verified the mathematical accuracy of the computations contained in the provided schedules to determine that the amounts to be held in the Series 2006 Escrow Fund will be sufficient to pay the redemption price of and interest on the 2006 Certificates on the Prepayment Date (November 1, 2016).

MISCELLANEOUS

References made herein to certain documents and reports are brief summaries thereof, which do not purport to be complete or definite, and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Site Lease, Facility Lease and the Indenture are available upon request from the County of Riverside, County Executive Office, 4th Floor, 4080 Lemon Street, Riverside, California 92501, Attention: County Finance Director.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or holders of any of the Series 2015A Bonds.

The execution and delivery of this Official Statement has been duly authorized by the County.

COUNTY OF RIVERSIDE

By: _____
Authorized Officer

APPENDIX A
INFORMATION REGARDING THE COUNTY OF RIVERSIDE

APPENDIX B

**COUNTY OF RIVERSIDE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE
FISCAL YEAR ENDED JUNE 30, 2014**

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

None of the County, the Authority, the Trustee or the Underwriters can or do give any assurances that DTC, the Participants or others will distribute payments of principal of or interest on the Series 2015A Bonds paid to DTC or its nominee as the registered owner, or will distribute any redemption notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. None of the County, the Authority, the Trustee or the Underwriters is responsible or liable for the failure of DTC or any Participant to make any payment or give any notice to a Beneficial Owner with respect to the Series 2015A Bonds or any error or delay relating thereto.

The following information concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system has been obtained from sources that the County, the Authority, the Trustee and the Underwriters believe to be reliable, but none of the County, the Authority, the Trustee or the Underwriters takes responsibility for the accuracy thereof. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in this Official Statement and in APPENDIX D—“SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.”

DTC will act as securities depository for the Series 2015A Bonds. The Series 2015A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2015A Bond certificate will be issued for each maturity of the Series 2015A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2015A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2015A Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2015A Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written

confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2015A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2015A Bonds, except in the event that use of the book-entry system for the Series 2015A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2015A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2015A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2015A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2015A Bonds, such as redemptions, defaults, and proposed amendments to the Series 2015A Bond documents. For example, Beneficial Owners of Series 2015A Bonds may wish to ascertain that the nominee holding the Series 2015A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2015A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2015A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority, as the issuer of the Series 2015A Bonds, as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2015A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series 2015A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will

be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2015A Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2015A Bonds are required to be printed and delivered in such principal amount or amounts, in authorized denominations, and registered in whatever name or names DTC shall designate.

Risks Regarding the Book-Entry Only System

AS LONG AS CEDE & CO. OR ITS SUCCESSOR IS THE REGISTERED HOLDER OF THE SERIES 2015A BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED HOLDERS OR OWNERS OF THE SERIES 2015A BONDS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2015A BONDS. ANY FAILURE OF DTC TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTEXT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE SERIES 2015A BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE. Each person for whom a Participant acquires an interest in the Series 2015A Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such person, forwarded in writing by such Participant and to receive notification of all interest payments.

NONE OF THE AUTHORITY, THE COUNTY, THE TRUSTEE OR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATION WITH RESPECT TO THE PAYMENTS TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS, THE SELECTION OF THE BENEFICIAL INTERESTS IN THE SERIES 2015A BONDS TO BE REDEEMED IN THE EVENT OF REDEMPTION OF LESS THAN ALL SERIES 2015A BONDS OF A PARTICULAR MATURITY OR THE PROVISION OF NOTICE TO THE DIRECT PARTICIPANTS, ANY INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE SERIES 2015A BONDS. NO ASSURANCE CAN BE GIVEN BY THE COUNTY, THE AUTHORITY, THE TRUSTEE OR THE UNDERWRITERS THAT DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR OTHER NOMINEES OF THE BENEFICIAL OWNERS WILL MAKE PROMPT TRANSFER OF PAYMENTS TO THE BENEFICIAL OWNERS, THAT THEY WILL DISTRIBUTE NOTICES, INCLUDING REDEMPTION NOTICES (REFERRED TO ABOVE), RECEIVED AS THE REGISTERED OWNER OF THE SERIES 2015A BONDS TO THE BENEFICIAL OWNERS, THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

In the event the Authority determines not to continue the book-entry system or DTC determines to discontinue its services with respect to the Series 2015A Bonds, and the Authority does not select another qualified securities depository, the Authority shall deliver one or more Series 2015A Bonds in such principal amount or amounts, in authorized denominations, and registered in whatever name or names, as DTC shall designate. In such event, transfer and exchanges of Series 2015A Bonds will be governed by the provisions of the Indenture.

APPENDIX D

SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS

The following summary discussion of selected provisions of the Indenture, the Facility Lease and the Site Lease are made subject to all of the provisions of such documents. This summary discussion does not purport to be a complete statement of said provisions and prospective purchasers of the Series 2015A Bonds are referred to the complete texts of said documents, copies of which are available upon request sent to the Trustee.

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the County of Riverside, California (the “County”), in connection with the issuance, execution and delivery of \$72,800,000⁴ aggregate principal amount of the Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the “Bonds”). The Bonds are being delivered pursuant to an Indenture, dated as of November 1, 2015 (the “Indenture”) by and among the Riverside County Infrastructure Financing Authority (the “Authority”), the County of Riverside (the “County”) and Wells Fargo Bank, National Association, as trustee (the “Trustee”). The County is executing this Disclosure Certificate as the “Obligated Person” in connection with the Bonds, as further defined and described in Section 1 below. The County covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the County, as the “Obligated Person” under the Rule (as hereinafter defined) for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule (as hereinafter defined).

Section 2. Definitions. The definitions set forth in the Indenture apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section. The following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Dissemination Agent” shall mean the County or, any successor Dissemination Agent designated in writing by the County, and which has filed with the County a written acceptance of such designation.

“Holder” shall mean either the registered owners of the Bonds, or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Marketplace Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” shall mean the official statement relating to the Bonds, dated May 19, 2015.

⁴ Preliminary, subject to change.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offerings of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than 60 days after the County normally receives its audited financial statements from its auditors in each year but in no event later than February 15, commencing with the audited financial statements for the 2014-15 Fiscal Year, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that if the audited financial statements of the County are not available by the date required above for the filing of the Annual Report, the County shall submit unaudited financial statements and submit the audited financial statements as soon as available. If the County’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event.

(b) If the County is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the County shall send a notice to the MSRB in substantially the form attached as Exhibit A with a copy to the Dissemination Agent. The Dissemination Agent shall not be required to file a Notice to Repository of Failure to File an Annual Report.

(c) The Dissemination Agent shall file a report with the Authority stating it has filed the Annual Report in accordance with its obligations hereunder, stating the date it was provided.

Section 4. Content of Annual Reports. The County’s Annual Report shall contain or incorporate by reference the following financial information or operating data presented in the final Official Statement relating to the Bonds, updated to incorporate information for the most recent Fiscal Year:

(a) The audited financial statements of the County for the preceding Fiscal Year, prepared in accordance with Generally Accepted Accounting Principles applicable to governmental entities. If the County’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in the format similar to the financial statement contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available;

(b) A description of any occurrence which would adversely impact the County’s beneficial use and possession of the Leased Property and other occurrence which may provide the County with the opportunity to abate in whole or in part any Base Rental Payment; and

(c) To the extent not included in the financial statements, the following type of information will be provided in one or more reports:

(i) assessed valuations, tax levies and delinquencies for real property located in the County for the Fiscal Year of the County most recently ended;

(ii) summary financial information on revenues, expenditures and fund balances for the County's total budget funds for the Fiscal Year of the County most recently ended;

(iii) summary financial information on the proposed and adopted budget of the County for the current Fiscal Year and any changes in the adopted budget;

(iv) summary of the aggregate annual debt obligations of the County as of the beginning of the current Fiscal Year;

(v) summary of the annual outstanding principal obligations of the County as of the beginning of the current Fiscal Year; and

(vi) the ratio of the County's outstanding debt to total assessed valuations as of the end of the Fiscal Year of the County most recently ended.

The contents, presentation and format of the Annual Reports may be modified from time to time as determined in the judgment of the County to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the County or to reflect changes in the business, structure, operations, legal form of the County or any mergers, consolidations, acquisitions or dispositions made by or affecting the County; provided that any such modifications shall comply with the requirements of the Rule.

The County has not undertaken in this Disclosure Certificate to update all information an investor may want to have in making decisions to hold, sell or buy the Bonds but only to provide the specific information listed above.

Any or all of the items listed above may be incorporated by reference to other documents, including official statements of debt issues of the County or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The County shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to this Section 5, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds:

(i) principal or interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers or their failure to perform;

(v) adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with

respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

- (vi) defeasances;
- (vii) rating changes;
- (viii) bankruptcy, insolvency, receivership or similar proceedings described below of the County;

Note: An event described in item (viii) above of Section 5(a) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County or the Authority in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of said party, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of said party.

(b) The County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (i) non-payment related defaults;
- (ii) modifications to the rights of the Holders of the Bonds;
- (iii) optional, contingent or unscheduled calls;
- (iv) release, substitution or sale of property securing repayment of the Bonds;
- (v) appointment of a successor or additional trustee or the change or name of a trustee; or
- (vi) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the Authority or the County other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(c) The County shall provide notice of an occurrence of a Listed Event to the MSRB in a timely manner but not more than ten (10) business days after the occurrence of the event. Any notice of Listed Event(s) must be submitted to the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The County's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all

of the Bonds. In addition, in the event that the Rule shall be amended, modified or repealed such that compliance by the County with its obligations under this Disclosure Certificate no longer shall be required in any or all respects, then the County's obligations under this Disclosure Certificate shall terminate to a like extent. If either such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 7. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent (if other than the County) shall be entitled to reasonable compensation for its services hereunder and reimbursement of its out-of-pocket expenses (including, but not limited to, attorney's fees). The Dissemination Agent (if other than the County) shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Certificate. The Dissemination Agent may resign by providing 30 days written notice to the County.

Section 8. Amendment. Notwithstanding any other provision of this Disclosure Certificate, the County may amend or waive any provision of this Disclosure Certificate, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted.

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original execution and delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

(c) The amendment or waiver does not materially impair the interests of Beneficial Owners, as determined either by parties unaffiliated with the Authority (such as Bond Counsel), or by an approving vote of Beneficial Owners pursuant to the terms of the Indenture.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure

Certificate, the County shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Disclosure Certificate, any Participating Underwriter, Holder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County or the Dissemination Agent to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the County or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent is not acting in any fiduciary capacity for the Holders, Beneficial Owners or any other party. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriters, the Holders and Beneficial Owners from time to time of the Bonds, and any bond insurer maintaining a financial guaranty insurance policy on the Bonds that is not in default, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one in the same instrument.

Date: November [__], 2015

COUNTY OF RIVERSIDE, CALIFORNIA

By: [Form only]
Authorized Officer

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: COUNTY OF RIVERSIDE, CALIFORNIA
Name of Bond Issue: Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding) (the "Bonds")
Date of Delivery: November [__], 2015

NOTICE IS HEREBY GIVEN that the County of Riverside, California (the "County") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate of the County relating to the Bonds. The County anticipates that the Annual Report will be filed by _____.

Dated: _____

COUNTY OF RIVERSIDE, CALIFORNIA

By: [To be signed only if filed] _____
Authorized Officer

APPENDIX F

FORM OF OPINION OF BOND COUNSEL

Upon issuance of the Bonds, Nixon Peabody LLP, Bond Counsel to the Authority, proposes to render its final approving opinion with respect to the Series 2015A Bonds in substantially the following form:

[Date of Delivery]

Riverside County Infrastructure Financing Authority
Riverside, California

County of Riverside
Riverside, California

Riverside County Infrastructure Financing Authority
Lease Revenue Refunding Bonds, Series 2015A (Capital Improvement Projects Refunding), Series 2015
(Final Opinion)

Ladies and Gentlemen:

[BOND COUNSEL TO PROVIDE FORM OF OPINION]