

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

226



FROM: Executive Office

SUBMITTAL DATE:
September 19, 2012

SUBJECT: Substitution of CORAL property financed through the 1990 Taxable Variable Rate Certificates of Participation ("Monterey Avenue Project") and Release of CORAL property financed through the County's 1985 Certificates of Participation (Riverside County Public Facilities Project) ("ACES") and other matters.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution 2012-212 authorizing and approving the (a) substitution of property through a Third Amendment to Sublease relating to the Monterey Avenue Project; and (b) the release of the Indio Jail property, located at 46057 Oasis Street, Indio CA, relating to ACES, through a Fifth Amendment to Ground Lease and a Fourth Amendment to Sublease.
2. Approve and authorize the County Executive Officer or his designee to sign the related documents associated with these transactions, including documents necessary to clear title with respect to the above-referenced properties and other properties on or near the site upon which the detention facility is to be developed in Indio, California that the County has been notified by the State of California that it is eligible to receive a grant to develop.

Lani Sioson

Lani Sioson, Senior Management Analyst

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 40,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	FY 2012-13

SOURCE OF FUNDS: East County Detention Center Project funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**

BY: *Ivan M. Chand*
Ivan M. Chand 9/25/2012

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: October 2, 2012
xc: E.O., CORAL

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

FORM APPROVED COUNTY COUNSEL
BY: *Dale A. Gardner* 9/20/12 DATE
DALE A. GARDNER

Policy Consent
Policy Consent
Dept Recomm.: _____
Per Exec. Ofc.: _____

RE: Substitution of CORAL property financed through the 1990 Taxable Variable Rate Certificates of Participation ("Monterey Avenue Project") and Release of CORAL property financed through the County's 1985 Certificates of Participation (Riverside County Public Facilities Project) ("ACES") and other matters

Date: September 19, 2012

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BACKGROUND:

The State of California ("State") has notified the County of Riverside ("County") that the County is eligible to receive a grant of State funds to develop a detention facility in Indio, California. It is a condition to the grant that the property where the facility will be located must be unencumbered at the time of receipt of the grant. Portions of the real property on which the detention facility will be located are currently encumbered under outstanding financing documents entered into by the County with respect to the following transactions:

- The Indio Jail is encumbered by the 1985 Certificates of Participation Type One: Series A, Series B, Series C and Series D and Type Two: Series E (Riverside County Public Facilities Project) ("ACES");
- The Indio County Administration Center (Indio CAC), located at 82675 Highway 111, Indio CA, is encumbered by County of Riverside 1990 Taxable Variable Rate Certificates of Participation (Monterey Avenue Project) ("Monterey Avenue").

State Street Bank ("SSB") is the lender in both of the above cases. SSB has agreed to release the Indio Jail without substituting collateral and accept the alternate County owned land in Perris, California, known as the Perris Sheriff-Coroner facility, located at 800 S. Redlands Ave., Perris, CA, as substitute collateral for the Indio CAC. These actions will enable the County to fulfill the requirement set forth in the State grant.

In addition, certain of the properties on which the detention facility is to be located are still subject to leases that the County entered into in connection with cross-over refunding certificates of participation it issued in 1986 that are no longer outstanding. In order to clear title on such properties, the County will need to enter into termination and other documents.

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RESOLUTION NO. 2012-212

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AUTHORIZING AND APPROVING THE RELEASE AND SUBSTITUTION OF REAL PROPERTY LOCATED IN INDIO, CALIFORNIA SECURED BY VARIOUS CERTIFICATES OF PARTICIPATION FINANCINGS AND AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENTS TO DOCUMENTS RELATED THERETO AND APPROVING ADDITIONAL ACTIONS WITH RESPECT THERETO

WHEREAS, the County of Riverside (the "County") has previously caused to be executed and delivered its 1985 Certificates of Participation Type One: Series A, Series B, Series C and Series D and Type Two: Series E (Riverside County Public Facilities Project) in the aggregate principal amount of \$169,400,000 and currently outstanding in the aggregate principal amount of \$50,400,000 (the "ACES Certificates"), pursuant to a Trust Agreement, dated as of November 1, 1985, by and between the County and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "ACES Trustee"), as amended by that certain First Amendment to Trust Agreement, dated as of September 1, 1987, that certain Second Amendment to Trust Agreement, dated as of November 1, 1995, that certain Third Amendment to Trust Agreement, dated as of October 15, 1996, that certain Fourth Amendment to Trust Agreement, dated as of May 1, 2003, and that certain Fifth Amendment to Trust Agreement, dated as of July 1, 2008 (as so supplemented and amended and as it may be further supplemented and amended from time to time, the "ACES Trust Agreement");

WHEREAS, in connection with the execution and delivery of the ACES Certificates, the County and the County of Riverside Asset Leasing Corporation ("CORAL") entered into a Ground Lease, dated November 1, 1985, as subsequently supplemented and amended by that certain First Amendment to Ground Lease, dated as of September 1, 1987, that certain Definitional Amendment Agreement to Sublease and Option to Purchase and Ground Lease, dated as of January 1, 1993, that certain Second Amendment to Ground Lease, dated as of November 1, 1995, that certain Third Amendment to Ground Lease, dated as of May 1, 2003, and that certain Fourth Amendment to Ground Lease, dated as of August 1, 2011 (as so supplemented and amended and as it may be further

FORM APPROVED COUNTY COUNSEL

BY *Dale A. Gardner* 9/20/12
DALE A. GARDNER DATE

1 supplemented and amended from time to time, the “ACES Ground Lease”);

2 WHEREAS, in connection with the execution and delivery of the ACES Certificates, the
3 County, CORAL and Golden State Sanwa Bank entered into the Sublease and Option to Purchase,
4 dated as of November 1, 1985, as subsequently supplemented and amended by that certain Amended
5 and Restated Sublease and Option to Purchase, dated as of November 1, 1995, that certain First
6 Amendment to Amended and Restated Sublease and Option to Purchase, dated as of July 20, 2000,
7 and that certain Amended and Restated Sublease and Option to Purchase, dated as of May 1, 2003
8 (the “ACES Amended and Restated Sublease”), that certain First Amendment, dated as of April 25,
9 2006, to Amended and Restated Sublease and Option to Purchase dated as of May 1, 2003, that
10 certain Second Amendment, dated as of May 1, 2009, to Amended and Restated Sublease and Option
11 to Purchase dated as of May 1, 2003, and that certain Third Amendment, dated as of August 1, 2011,
12 to Amended and Restated Sublease and Option to Purchase dated as of May 1, 2003 (as so
13 supplemented and amended and as it may be further supplemented and amended from time to time,
14 the “ACES Sublease”);

15 WHEREAS, in connection with the execution and delivery of the ACES Certificates, CORAL
16 and the ACES Trustee entered into an Assignment Agreement, dated as of November 1, 1985, as
17 subsequently supplemented and amended by that certain Amended and Restated Assignment
18 Agreement, dated as of November 1, 1995 (the “ACES Assignment Agreement”) pursuant to which
19 CORAL assigned to the ACES Trustee for the benefit of holders of the ACES Certificates all of
20 CORAL’s rights under the ACES Ground Lease and the ACES Sublease, excepting only certain
21 rights to indemnification for losses and expenses;

22 WHEREAS, in June 2003, State Street Bank and Trust Company (the “Banks”) issued, for the
23 benefit of the ACES Trustee for the account of the County, its Irrevocable Letter of Credit No. ILC-
24 1304/BSN (the “ACES Letter of Credit”), in the total stated amount set forth in the ACES Letter of
25 Credit, a portion of which supports the payment of principal evidenced by, or portion of the purchase
26 price corresponding to the principal evidenced by, the ACES Certificates, and a portion of which
27 supports the payment of interest evidenced by, or portion of the purchase price corresponding to
28 interest evidenced by, the ACES Certificates;

1 WHEREAS, the County has previously caused to be executed and delivered its 1990 Taxable
2 Variable Rate Certificates of Participation (Monterey Avenue Project) in the aggregate principal
3 amount of \$8,800,000 and currently outstanding in the aggregate principal amount of \$5,200,000 (the
4 “Monterey Avenue Certificates”), pursuant to a Trust Agreement, dated as of June 1, 1990, by and
5 among the County, U.S. Bank National Association, as successor trustee (the “Monterey Avenue
6 Trustee,” and together with the ACES Trustee, the “Trustee”), and U.S. Bank National Association,
7 as successor tender agent, as amended by that certain First Amendment to Trust Agreement, dated as
8 of January 26, 1996, and that certain Second Amendment to Trust Agreement, dated as of May 1,
9 2003 (as so supplemented and amended and as it may be further supplemented and amended from
10 time to time, the “Monterey Avenue Trust Agreement”);

11 WHEREAS, in connection with the execution and delivery of the Monterey Avenue
12 Certificates, the County and the Desert Facilities Corporation (the “Corporation”) entered into the
13 Ground Lease, dated as of June 1, 1990, as amended by that certain First Amendment to Ground
14 Lease, dated as of January 26, 1996, and that certain Second Amendment to Ground Lease, dated as
15 of May 1, 2003 (as so supplemented and amended and as it may be further supplemented and
16 amended from time to time, the “Monterey Avenue Ground Lease,” and together with the ACES
17 Ground Lease, the “Ground Lease”);

18 WHEREAS, in connection with the execution and delivery of the Monterey Avenue
19 Certificates, the County, the Corporation and The Sanwa Bank, Limited entered into the Sublease and
20 Option to Purchase, dated as of June 1, 1990, as subsequently supplemented and amended by that
21 certain Amended and Restated Sublease and Option to Purchase, dated as of January 26, 1996, that
22 certain First Amendment to Amended and Restated Sublease and Option to Purchase, dated as of July
23 20, 2000, that certain Amended and Restated Sublease and Option to Purchase, dated as of May 1,
24 2003, that certain First Amendment to Amended and Restated Sublease and Option to Purchase,
25 dated as of April 25, 2006, and that Second Amendment to Amended and Restated Sublease and
26 Option to Purchase, dated as of May 1, 2009 (as so supplemented and amended and as it may be
27 further supplemented and amended from time to time, the “Monterey Avenue Sublease,” and together
28 with the ACES Sublease, the “Sublease”);

1 WHEREAS, in connection with the execution and delivery of the Monterey Avenue
2 Certificates, the Corporation and the Monterey Avenue Trustee entered into an Assignment
3 Agreement, dated as of June 1, 1990, as subsequently supplemented and amended by that certain
4 Amended and Restated Assignment Agreement, dated as of January 26, 1996 (the "Monterey Avenue
5 Assignment Agreement," and together with the ACES Assignment Agreement, the "Assignment
6 Agreement") pursuant to which the Corporation assigned to the Monterey Avenue Trustee for the
7 benefit of holders of the Monterey Avenue Certificates all of the Corporation's rights under the
8 Monterey Avenue Ground Lease and the Monterey Avenue Sublease, excepting only certain rights to
9 indemnification for losses and expenses;

10 WHEREAS, in June 2003, the Banks issued, for the benefit of the Monterey Avenue Trustee
11 for the account of the County, its Irrevocable Letter of Credit No. ILC-1305/BSN (the "Monterey
12 Avenue Letter of Credit"), in the total stated amount set forth in the Monterey Avenue Letter of
13 Credit, a portion of which supports the payment of principal evidenced by, or portion of the purchase
14 price corresponding to the principal evidenced by, the Monterey Avenue Certificates, and a portion of
15 which supports the payment of interest evidenced by, or portion of the purchase price corresponding
16 to interest evidenced by, the Monterey Avenue Certificates;

17 WHEREAS, the County has previously caused to be executed and delivered certain cross-
18 over refunding certificates of participation, representing undivided proportionate interests in certain
19 lease payments to be made by the County (the "Cross-Over Certificates");

20 WHEREAS, in connection with the execution and delivery of the Cross-Over Certificates,
21 CORAL and the County entered into a Lease Agreement and a Sublease, each dated as of August 1,
22 1986 (as such leases were subsequently amended, collectively, the "Cross-Over Leases"), pursuant to
23 which CORAL agreed to sublease certain property to the County (the "Cross-Over Properties") in
24 consideration for which the County was to make rental payments for the use and possession of such
25 Cross-Over Properties;

26 WHEREAS, while the Cross-Over Certificates are no longer outstanding, the Cross-Over
27 Leases still appear on title with respect to the Cross-Over Properties;

28 WHEREAS, the County has been notified by the State of California that it is eligible to

1 receive a grant to develop a detention facility in Indio, California; provided, however, that the
2 property where the facility will be located (the "Indio Property") must be unencumbered at the time
3 of receipt of such grant;

4 WHEREAS, a parcel of land subject to the ACES Ground Lease and the ACES Sublease
5 ("Property A"), a parcel of land subject to the Monterey Avenue Ground Lease and the Monterey
6 Avenue Sublease ("Property B"), and the Cross-Over Properties are located on or near the Indio
7 Property;

8 WHEREAS, the County wishes to release Property A from the terms of the ACES Ground
9 Lease and the ACES Sublease in accordance with and pursuant to the terms of the ACES Sublease
10 governing release of property;

11 WHEREAS, the County wishes to release Property B from the terms of the Monterey Avenue
12 Ground Lease and the Monterey Avenue Sublease and substitute in its place a different parcel of land
13 ("Property C") in accordance with and pursuant to the terms of the Monterey Avenue Sublease
14 governing substitution of property;

15 WHEREAS, the County and the Banks desire to amend and, pursuant to the terms of the
16 Sublease and the Assignment Agreement, the County, the Banks and the Agent (as defined in the
17 Sublease), with the written consent of the Trustee as assignee of the rights of CORAL and the
18 Corporation, respectively, are permitted to amend the Ground Lease and the Sublease for the
19 purposes of effectuating a release and substitution of property;

20 WHEREAS, the County wishes to remove the Cross-Over Leases from title for the Cross-
21 Over Properties and desires to enter into any document or amendments related to the Cross-Over
22 Certificates for the purpose of effectuating the removal of the Cross-Over Leases from said title; and

23 WHEREAS, the County is authorized to undertake all of the above pursuant to the laws of the
24 State of California.

25 NOW, THEREFORE, the Board of Supervisors (the "Board") of the County does hereby
26 resolve, determine and order as follows:

27 Section 1. The proposed Fourth Amendment to Amended and Restated Sublease and Option
28 to Purchase (the "ACES Fourth Amendment to Sublease"), by and among the County and State Street

1 Bank and Trust Company, as a Bank, the Banks and Agent, and consented to by the ACES Trustee,
2 in substantially the form on file with the Clerk of the Board, is hereby approved. The Chairman of
3 the Board, the County Executive Officer, the County Finance Director, the County Deputy Executive
4 Officer and any other authorized officers of the County acting on behalf of the Chairman and the
5 County Executive Officer (each an "Authorized Representative" and, collectively, the "Authorized
6 Representatives") are, and each of them acting alone is, hereby authorized and directed, for and in the
7 name of and on behalf of the County, to execute and deliver the ACES Fourth Amendment to
8 Sublease in substantially the form on file with the Clerk of the Board, with such changes therein as
9 the Authorized Representative executing and delivering such document may require or approve, such
10 requirement or approval to be conclusively evidenced by the execution and delivery thereof.

11 Section 2. The proposed Fifth Amendment to Ground Lease (the "ACES Fifth Amendment to
12 Ground Lease"), by the County and consented to by State Street Bank and Trust Company, as a Bank
13 and the Banks, and the ACES Trustee, in substantially the form on file with the Clerk of the Board, is
14 hereby approved. The Authorized Representatives are, and each of them acting alone is, hereby
15 authorized and directed, for and in the name of and on behalf of the County, to execute and deliver
16 the ACES Fifth Amendment to Ground Lease in substantially the form on file with the Clerk of the
17 Board, with such changes therein as the Authorized Representative executing and delivering such
18 document may require or approve, such requirement or approval to be conclusively evidenced by the
19 execution and delivery thereof.

20 Section 3. The proposed Third Amendment to Amended and Restated Sublease and Option to
21 Purchase (the "Monterey Avenue Third Amendment to Sublease"), by and among the County and
22 State Street Bank and Trust Company, as a Bank, the Banks and Agent, and consented to by the
23 Monterey Avenue Trustee, in substantially the form on file with the Clerk of the Board, is hereby
24 approved. The Authorized Representatives are, and each of them acting alone is, hereby authorized
25 and directed, for and in the name of and on behalf of the County, to execute and deliver the Monterey
26 Avenue Third Amendment to Sublease in substantially the form on file with the Clerk of the Board,
27 with such changes therein as the Authorized Representative executing and delivering such document
28 may require or approve, such requirement or approval to be conclusively evidenced by the execution

1 and delivery thereof.

2 Section 4. The proposed Third Amendment to Ground Lease (the “Monterey Avenue Third
3 Amendment to Ground Lease”), by the County and consented to by State Street Bank and Trust
4 Company, as a Bank and the Banks, and the Monterey Avenue Trustee, in substantially the form on
5 file with the Clerk of the Board, is hereby approved. The Authorized Representatives are, and each
6 of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the
7 County, to execute and deliver the Monterey Avenue Third Amendment to Ground Lease in
8 substantially the form on file with the Clerk of the Board, with such changes therein as the
9 Authorized Representative executing and delivering such document may require or approve, such
10 requirement or approval to be conclusively evidenced by the execution and delivery thereof.

11 Section 5. The Authorized Representatives are, and each of them acting alone is, authorized
12 and directed to take any and all such actions, and to execute any and all such documents, as may be
13 necessary or desirable to effectuate the purposes of this Resolution, including, but not limited to, any
14 termination or other documents necessary to remove the Cross-Over Leases from title for the Cross-
15 Over Properties.

16 Section 6. The Clerk of the Board shall certify to the passage of this Resolution, shall
17 transmit a copy hereof to CORAL and the Corporation, and shall cause the action of the Board in
18 adopting the same to be entered in the official minutes of this Board.

CERTIFICATE OF CLERK

I, Kecia Harper-Ihem, Clerk of the Board of Supervisors of the County of Riverside, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Supervisors of the County of Riverside duly and regularly held at the regular meeting place thereof on October 2, 2012, of which meeting all of the members of said Board had due notice.

AYES: Supervisors Buster, Tavaglione, Stone, Benoit and Ashley

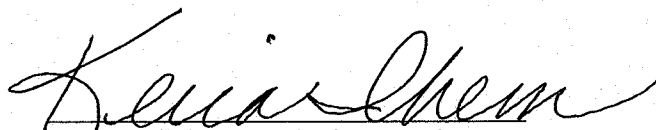
NAYS: Supervisors None

ABSENT: Supervisors None

I do hereby further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

I do hereby further certify that an agenda for said meeting was posted at least seventy-two (72) hours before said meeting at 4080 Lemon Street, Riverside, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

WITNESS my hand and the seal of the County of Riverside this 2nd day of Oct 2012


Clerk of the Board of Supervisors
Kecia Harper-Ihem

[SEAL]

RECORDING REQUESTED BY AND)
WHEN RECORDED MAIL TO:)

Nixon Peabody LLP)
Gas Company Tower)
555 West Fifth Street, 46th Floor)
Los Angeles, CA 90013)

Attention: Charles C. Wolf, Esq.)

DRAFT

(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 Government Code.

THIRD AMENDMENT TO GROUND LEASE

Dated as of [] 1, 2012

by

COUNTY OF RIVERSIDE

and

Consented to by

U.S. BANK NATIONAL ASSOCIATION,
as assignee of certain rights of the Desert Facilities Corporation

and

STATE STREET BANK AND TRUST COMPANY,
as a Bank and the Banks

THIRD AMENDMENT TO GROUND LEASE

This **THIRD AMENDMENT TO GROUND LEASE** (this "Amendment") dated as of [_____] 1, 2012 is entered into by the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California (the "County"), and consented to by **U.S. BANK NATIONAL ASSOCIATION**, as successor trustee (the "Trustee"), and as assignee of certain rights of the Desert Facilities Corporation (the "Corporation") and **STATE STREET BANK AND TRUST COMPANY** (as more particularly defined in the Sublease (as defined below), a "Bank" and the "Banks");

WITNESSETH:

WHEREAS, the County and the Corporation have entered into a Ground Lease, dated as of June 1, 1990, as amended by that certain First Amendment to Ground Lease, dated as of January 26, 1996, and that certain Second Amendment to Ground Lease, dated as of May 1, 2003 (as so supplemented and amended and as it may be further supplemented and amended from time to time, the "Ground Lease"); and

WHEREAS, the County desires to further amend the Ground Lease by substituting one parcel for another, and the Trustee desires to consent to such amendment, on the terms and conditions hereinafter set forth; and

WHEREAS, the Banks have consented to this Amendment, as evidenced by its execution of this Amendment;

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions. Unless the context clearly otherwise requires, all capitalized terms used herein without definition shall have the meanings given to such terms in the Ground Lease.

SECTION 2. Release of Property A. The real property described in Exhibit A attached hereto ("Property A") is hereby released from the Ground Lease. The Ground Lease is terminated and shall no longer have any force or effect with respect to Property A.

SECTION 3. Lease of Property B. The real property described in Exhibit B attached hereto ("Property B") is hereby made subject to the Ground Lease. The Ground Lease shall commence and be in full force and effect with respect to Property B.

SECTION 4. Ratification of Ground Lease. The Ground Lease is hereby ratified and confirmed in all respects and all terms, conditions and provisions of the Ground Lease, except as amended by this Amendment, shall remain in full force and effect.

SECTION 5. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

SECTION 6. Choice of Law. This Amendment 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 Left Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and attested by their proper officers thereunto duly authorized, as of the day and year first above written.

COUNTY OF RIVERSIDE

By: _____
County Executive Officer

ATTEST:

By: _____
Clerk of the Board of Supervisors

Consent is hereby given to this Third Amendment to Ground Lease:

U.S. BANK NATIONAL ASSOCIATION,
as successor Trustee, as assignee of certain rights of the Desert Facilities Corporation

By: _____
Name:
Title:

Consent is hereby given to this Third Amendment to Ground Lease:

STATE STREET BANK AND TRUST COMPANY

By: _____
Name:
Title:

STATE OF CALIFORNIA)
) §
COUNTY OF RIVERSIDE)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Affix seal here]

EXHIBIT A

PROPERTY A

The real property described below is released from this Ground Lease and this Ground Lease is terminated and no longer of any force or effect with respect thereto.

EXHIBIT B

PROPERTY B

The real property described below is now subject to this Ground Lease and this Ground Lease is in full force and effect with respect thereto.

RECORDING REQUESTED BY AND)
WHEN RECORDED MAIL TO:)

Nixon Peabody LLP)
Gas Company Tower)
555 West Fifth Street, 46th Floor)
Los Angeles, CA 90013)

Attention: Charles C. Wolf, Esq.)

DRAFT

(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 Government Code.

THIRD AMENDMENT

Dated as of [] 1, 2012

to

**AMENDED AND RESTATED
SUBLEASE AND OPTION TO PURCHASE
(Monterey Avenue Project)**

Dated as of May 1, 2003

by and among

COUNTY OF RIVERSIDE

and

STATE STREET BANK AND TRUST COMPANY,
as a Bank and the Banks and as the Agent

and consented to by

U.S. BANK NATIONAL ASSOCIATION,
as assignee of certain rights of the Desert Facilities Corporation

**THIRD AMENDMENT TO AMENDED AND RESTATED
SUBLEASE AND OPTION TO PURCHASE**

THIS **THIRD AMENDMENT** dated as of [] 1, 2012 (the "Amendment") to **AMENDED AND RESTATED SUBLEASE AND OPTION TO PURCHASE** dated as of May 1, 2003, as amended to date, is entered into by and among the **COUNTY OF RIVERSIDE** (the "County"), a political subdivision of the State of California (the "State"), **STATE STREET BANK AND TRUST COMPANY** (as more particularly defined in the Sublease (as defined below), a "Bank" and the "Banks") and **STATE STREET BANK AND TRUST COMPANY**, acting in the manner and to the extent described in Section 4.7 of the Amended and Restated Sublease (in such capacity and as more particularly defined in the Sublease, the "Agent") and consented to by **U.S. BANK NATIONAL ASSOCIATION**, as successor trustee (the "Trustee"), and as assignee of certain rights of the Desert Facilities Corporation (the "Corporation");

WITNESSETH:

WHEREAS, the County has previously caused to be executed and delivered its 1990 Taxable Variable Rate Certificates of Participation (Monterey Avenue Project) in the aggregate principal amount of \$8,800,000 and currently outstanding in the aggregate principal amount of \$5,200,000 (the "Certificates"), pursuant to a Trust Agreement, dated as of June 1, 1990, by and between the County and the Trustee as amended by that certain First Amendment to Trust Agreement, dated as of January 26, 1996, and that certain Second Amendment to Trust Agreement, dated as of May 1, 2003 (as so supplemented and amended and as it may be further supplemented and amended from time to time, the "Trust Agreement");

WHEREAS, in connection with the execution and delivery of the Certificates, the County and the Corporation entered into a Ground Lease, dated as of June 1, 1990, as amended by that certain First Amendment to Ground Lease, dated as of January 26, 1996, that certain Second Amendment to Ground Lease, dated as of May 1, 2003, and that certain Third Amendment to Ground Lease, dated as of the date hereof (as so supplemented and amended and as it may be further supplemented and amended from time to time, the "Ground Lease");

WHEREAS, in connection with the execution and delivery of the Certificates, the County, the Corporation and The Sanwa Bank, Limited entered into the Sublease and Option to Purchase, dated as of June 1, 1990, as subsequently supplemented and amended by that certain Amended and Restated Sublease and Option to Purchase, dated as of January 26, 1996, that certain First Amendment to Amended and Restated Sublease and Option to Purchase, dated as of July 20, 2000, that certain Amended and Restated Sublease and Option to Purchase, dated as of May 1, 2003 (the "Amended and Restated Sublease"), that certain First Amendment to Amended and Restated Sublease and Option to Purchase, dated as of April 25, 2006, and that Second Amendment to Amended and Restated Sublease and Option to Purchase, dated as of May 1, 2009 (as so supplemented and amended to date (the "Existing Sublease") and as it may be further supplemented and amended from time to time, the "Sublease");

WHEREAS, in connection with the execution and delivery of the Certificates, the Corporation and the Trustee entered into an Assignment Agreement, dated as of June 1, 1990, as subsequently supplemented and amended by that certain Amended and Restated Assignment Agreement, dated as of January 26, 1996, and as amended by that certain First Amendment to Assignment Agreement, dated as of the date hereof (as amended, the "Assignment Agreement") pursuant to which the Corporation assigned to the Trustee for the benefit of holders of the Certificates all of the Corporation's rights under the Ground Lease and the Sublease, excepting only certain rights to indemnification for losses and expenses;

WHEREAS, the Banks issued, for the benefit of the Trustee for the account of the County, its Irrevocable Letter of Credit No. ILC-1305/BSN (the "Letter of Credit"), in the total stated amount set forth in the Letter of Credit, a portion of which supports the payment of principal evidenced by, or portion of the purchase price corresponding to the principal evidenced by, the Certificates, and a portion of which supports the payment of interest evidenced by, or portion of the purchase price corresponding to interest evidenced by, the Certificates;

WHEREAS, the County has been notified by the State of California that it is eligible to receive a grant to develop a detention facility in Indio, California; provided, however, that the property where the facility will be located (the "Indio Property") must be unencumbered at the time of receipt of such grant;

WHEREAS, a parcel of land subject to the Ground Lease and the Sublease ("Property A") is located on the Indio Property;

WHEREAS, the County wishes to release Property A from the terms of this Sublease and substitute in its place a different parcel of land ("Property B") in accordance with and pursuant to the terms of this Sublease governing substitution of property;

WHEREAS, the annual Fair Rental Value of the Property remaining following the substitution of Property B for Property A is at least equal to the aggregate rental payments due in each Lease Year for the remaining term of the Sublease;

WHEREAS, simultaneously herewith Property A is being released from the Ground Lease and Property B is being made subject to the Ground Lease in substitution therefor;

WHEREAS, the County and the Banks desire to amend and, pursuant to the terms of the Sublease and the Assignment Agreement, the County, the Banks and the Agent, with the written consent of the Trustee as assignee of the rights of the Corporation, are permitted to amend the Sublease for the purpose of effectuating a substitution of property; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context clearly otherwise requires, capitalized terms used herein without definition shall have the meanings given to such terms in the Sublease .

Section 2. Release of Property A. The real property and improvements described in Exhibit A attached hereto (“Property A”) are hereby released from the Sublease. The Sublease is terminated and shall no longer have any force or effect with respect to Property A.

Section 3. Sublease of Property B. The real property and improvements described in Exhibit B attached hereto (“Property B”) are hereby made subject to the Sublease. The Sublease shall commence and be in full force and effect with respect to Property B.

Section 4. Conditions Precedent. The effectiveness of this Amendment shall be subject to the fulfillment of the following conditions precedent on or before [____], 2012 (the “Amendment Effective Date”), in a manner satisfactory to the Bank and its counsel:

(a) The Banks shall have received conformed copies of this Amendment and the Third Amendment to Ground Lease, dated as of [____] 1, 2012 (the “Third Amendment to Ground Lease”), by the County and consented to by the Trustee, as assignee of certain rights of the Corporation, in form and substance satisfactory to the Banks and their counsel;

(b) The Banks shall have received a certified copy of the authorizing resolution of the Board of Supervisors of the County, including records of proceedings of the County, instruments, governmental approvals, third party approvals, opinions and incumbency certificates as the Banks and their counsel may reasonably request, such documents where appropriate to be certified by proper officials;

(c) The Banks shall have received a certificate of the County certifying the names and true signatures of the representatives of the County authorized to sign this Amendment and the Third Amendment to Ground Lease and any other documents to be delivered by the County on the Amendment Effective Date;

(d) The Banks shall have received a certificate signed by a County Representative, and dated the Amendment Effective Date, stating that (i) the representations and warranties contained in the Sublease and in each certificate, letter, other writing or instrument furnished or delivered by the County to the Banks pursuant thereto and specified in such certificate are true and correct in all material respects at and as of the Amendment Effective Date as though made on and as of such date, (ii) no event has occurred and is continuing, or would result from the execution and delivery of this Amendment and the Third Amendment to Ground Lease, which constitutes a Default or an Event of Default, (iii) true, complete (including all exhibits, attachments, schedules, amendments or supplements thereto) and executed counterparts of this Amendment and the Third Amendment to Ground Lease have been delivered to the Banks and except as provided in this Amendment and the Third Amendment to Ground Lease and the transcripts previously delivered to the Banks, the Related Documents have not been modified, amended or rescinded, and are in full force and effect as of the Amendment Effective Date; and (iv) (A) the annual Fair Rental Value of the Property remaining after the property substitution pursuant to this Amendment and the Third Amendment to Ground Lease is at least equal to the aggregate rental payments due in each Lease Year for the remaining term of the Sublease; (B) the useful life of the Property after such substitution equals or exceeds the remaining term of the

Sublease; and (C) the Property after such substitution is as essential to the operations of the County as was the Property immediately prior to such substitution;

(e) The Banks shall have received the opinion of Nixon Peabody LLP, special counsel, dated the Amendment Effective Date and addressed to the Banks, as to (A) the due authorization, execution and delivery with respect to the County of this Amendment and the Third Amendment to Ground Lease and the validity and enforceability with respect to the County of the Sublease and the Ground Lease, (B) that the execution of this Amendment by the County, the Banks and the Agent, with the consent of the Trustee, is authorized under and in compliance with the provisions of the Sublease; (C) that the Sublease and the Ground Lease remain in full force and effect; (D) that the federal and state tax exemption on the portion of the Base Rental comprising interest and received by the owners of the Certificates are not negatively affected by this Amendment, and (E) addressing such other matters as the Banks may reasonably request, in form and substance satisfactory to the Banks and their counsel;

(f) The Banks shall have received the opinion of the Office of County Counsel, as counsel to the County, dated the Amendment Effective Date and addressed to the Banks, in form and substance satisfactory to the Banks and their counsel;

(g) The Banks shall have received a CLTA policy of title insurance, or endorsement to an existing CLTA policy of title insurance, such that the total title insurance on the Property in favor of the Trustee and the Banks is not less than the amount of Outstanding Certificates, 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 and the Banks and otherwise in form and substance satisfactory to the Banks and their counsel;

(h) The Banks shall have received evidence that the substitution, in and of itself, has not and will not cause a downgrade or withdrawal of the then existing credit ratings on the Certificates;

(i) The Banks shall have received a certificate from the County's department of risk management stating that the County's current policies of insurance and any self-insurance maintained by the County with respect to the substituted property complies with the provisions of Section 5.3 of the Amended and Restated Sublease. Any such commercial insurance policies shall name the Agent as loss payee and the Banks as additional insured and shall be issued by insurers rated "A-" or "excellent" or better by Best's or Standard & Poor's, or reasonably approved by the Banks;

(j) The Banks shall have received a certificate executed by an authorized officer of the Trustee evidencing the signatures and office of officers thereof executing this Amendment and the Third Amendment to Ground Lease and authorized to draw on the Letter of Credit, and with respect to such other matters as the Banks may require, in form and substance satisfactory to the Banks and their counsel;

(k) The Banks shall have received the opinion of counsel to the Trustee, dated the Amendment Effective Date and addressed to the Banks, with respect to the validity and

enforceability with respect to the Trustee of the Sublease and the Ground Lease and addressing such other matters as the Banks may require, in form and substance satisfactory to the Banks and their counsel;

(l) The Banks shall have received all amounts owing under Section 6 hereof;
and

(m) The Banks shall have received such other documents, instruments, approvals (and, if requested by the Banks, certified duplicates of executed copies thereof) or opinions as the Banks may reasonably request.

Section 5. Representations and Warranties by the County. The County represents and warrants as of the Amendment Effective Date as follows:

(a) The representations and warranties of the County set forth in Section 4.4 of the Amended and Restated Sublease and in any and all documents delivered to the Bank in connection herewith are true and correct on and as of the Amendment Effective Date, as if made on and as of such date;

(b) No Default or Event of Default has occurred and is continuing under the Sublease; and

(c) No default has occurred and is continuing under any of the Related Documents.

Section 6. Costs and Expenses. The County shall pay to the Banks, from Additional Rental and such other amounts as may be available for payment under law, all attorneys' fees and disbursements incurred by the Banks in connection with the execution and delivery of this Amendment and the Third Amendment to Ground Lease. The County hereby agrees that such attorneys' fees and disbursements are included as obligations under Section 4.2(c)(ii) of the Amended and Restated Sublease.

Section 7. Ratification of Sublease. The Existing Sublease is hereby ratified and confirmed in all respects and all terms, conditions and provisions of the Existing Sublease, except as amended by this Amendment, shall remain in full force and effect. The provisions of this Amendment shall supersede and prevail over any conflicting provisions of the Existing Sublease. If there is any conflict between the terms, conditions and provisions of this Amendment and those of any of the Related Documents, the terms, conditions and provisions of this Amendment, as applicable, shall prevail.

Section 8. No Waiver. The County acknowledges and agrees that, if and to the extent that the Banks have not heretofore required strict compliance with the performance by the County of the covenants, agreements and obligations of the County under the Sublease or the Related Documents, such action or inaction shall not constitute a waiver of, or otherwise affect in any manner, the Banks' rights and remedies under the Sublease or the Related Documents, as amended hereby, including the right to require performance of such covenants, agreements and obligations strictly in accordance with the terms and provisions thereof.

Section 9. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

Section 10. Choice of Law. This Amendment is made in the State of California under the Constitution and laws of the State of California and is to be so construed.

Section 11. Validity and Severability. If any one or more of the terms, provisions, promises, covenants or conditions of this Amendment shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions, promises, covenants and conditions of this Amendment shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

Section 12. Amendment Effective Date. Subject to satisfaction of the conditions precedent set forth in Section 4 hereof, this Amendment shall become effective upon the execution and delivery hereof by the County, the Banks, the Agent and the Trustee on the Amendment Effective Date.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

COUNTY OF RIVERSIDE

By _____
County Executive Officer

ATTEST:

By _____
Clerk of the Board of Supervisors

**STATE STREET BANK AND TRUST
COMPANY,
as a Bank and the Banks**

By: _____
Name: _____
Title: _____

**STATE STREET BANK AND TRUST
COMPANY, as the Agent**

By: _____
Name: _____
Title: _____

CONSENTED TO
as assignee of certain rights of the
DESERT FACILITIES CORPORATION
this ____ day of ____, 2012:

**U.S. BANK NATIONAL ASSOCIATION,
as successor Trustee**

By: _____
Name: _____
Title: _____

STATE OF CALIFORNIA)
) §
COUNTY OF RIVERSIDE)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Affix seal here]

STATE OF MASSACHUSETTS)
) SS.
COUNTY OF SUFFOLK)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Affix seal here]

EXHIBIT A

PROPERTY A

The real property and improvements described below are released from this Sublease and this Sublease is terminated and no longer of any force or effect with respect thereto.

EXHIBIT B

PROPERTY B

The real property and improvements described below are now subject to this Sublease and this Sublease is in full force and effect with respect thereto.

RECORDING REQUESTED BY AND)
WHEN RECORDED MAIL TO:)

Nixon Peabody LLP)
Gas Company Tower)
555 West Fifth Street, 46th Floor)
Los Angeles, CA 90013)
Attention: Charles C. Wolf, Esq.)

DRAFT

(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 Government Code.

FOURTH AMENDMENT

Dated as of [] 1, 2012

to

**AMENDED AND RESTATED
SUBLEASE AND OPTION TO PURCHASE**

Dated as of May 1, 2003

by and among

COUNTY OF RIVERSIDE

and

STATE STREET BANK AND TRUST COMPANY,
as a Bank and the Banks and as the Agent

and consented to by

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(formerly known as The Bank of New York Trust Company, N.A.),
as assignee of certain rights of the County of Riverside Asset Leasing Corporation

**FOURTH AMENDMENT TO AMENDED AND RESTATED
SUBLEASE AND OPTION TO PURCHASE**

This **FOURTH AMENDMENT** dated as of [] 1, 2012 (this "Amendment") to **AMENDED AND RESTATED SUBLEASE AND OPTION TO PURCHASE** dated as of May 1, 2003, as amended to date, is entered into by and among the **COUNTY OF RIVERSIDE** (the "County"), a political subdivision of the State of California (the "State"), **STATE STREET BANK AND TRUST COMPANY** (as more particularly defined in the Sublease (as defined below), a "Bank" and the "Banks") and **STATE STREET BANK AND TRUST COMPANY**, acting in the manner and to the extent described in Section 4.7 of the Amended and Restated Sublease (in such capacity and as more particularly defined in the Sublease, the "Agent") and consented to by **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (formerly known as The Bank of New York Trust Company, N.A. and as successor to Wells Fargo Bank, N.A., successor to First Interstate Bank of California), as trustee (the "Trustee") and as assignee of certain rights of the County of Riverside Asset Leasing Corporation;

WITNESSETH:

WHEREAS, the County has previously caused to be executed and delivered its 1985 Certificates of Participation Type One: Series A, Series B, Series C and Series D and Type Two: Series E (Riverside County Public Facilities Project) in the aggregate principal amount of \$169,400,000 and currently outstanding in the aggregate principal amount of \$50,400,000 (the "Certificates"), pursuant to a Trust Agreement, dated as of November 1, 1985, by and between the County and the Trustee as amended by that certain First Amendment to Trust Agreement, dated as of September 1, 1987, that certain Second Amendment to Trust Agreement, dated as November 1, 1995, that certain Third Amendment to Trust Agreement, dated as of October 15, 1996, that certain Fourth Amendment to Trust Agreement, dated as of May 1, 2003 and that certain Fifth Amendment to Trust Agreement, dated as of July 1, 2008 (as so supplemented and amended and as it may be further supplemented and amended from time to time, the "Trust Agreement");

WHEREAS, in connection with the execution and delivery of the Certificates, the County and the County of Riverside Asset Leasing Corporation (the "Corporation") entered into a Ground Lease, dated as of November 1, 1985, as subsequently supplemented and amended, each with the consent of the Trustee and the Banks, by that certain First Amendment to Ground Lease, dated as of September 1, 1987, by that certain Definitional Amendment Agreement to Sublease and Option to Purchase and Ground Lease, dated as of January 1, 1993, by that certain Second Amendment to Ground Lease, dated as of November 1, 1995, that certain Third Amendment to Ground Lease, dated as of May 1, 2003, that certain Fourth Amendment to Ground Lease, dated as of August 1, 2011, and that certain Fifth Amendment to Ground Lease, dated as of the date hereof (as so supplemented and amended and as it may be further supplemented and amended from time to time, the "Ground Lease");

WHEREAS, in connection with the execution and delivery of the Certificates, the County, the Corporation and Golden State Sanwa Bank entered into the Sublease and Option

to Purchase, dated as of November 1, 1985, as subsequently supplemented and amended by that certain Amended and Restated Sublease and Option to Purchase, dated as of November 1, 1995, that certain First Amendment to Amended and Restated Sublease and Option to Purchase, dated as of July 20, 2000, and that certain Amended and Restated Sublease and Option to Purchase, dated as of May 1, 2003 (the "Amended and Restated Sublease"), that certain First Amendment, dated as of April 25, 2006, to Amended and Restated Sublease and Option to Purchase dated as of May 1, 2003, that certain Second Amendment, dated as of May 1, 2009, to Amended and Restated Sublease and Option to Purchase dated as of May 1, 2003, and that certain Third Amendment, dated as of August 1, 2011, to Amended and Restated Sublease and Option to Purchase dated as of May 1, 2003, each among the County and State Street Bank and Trust Company, as a Bank and the Banks and the Agent and consented to by the Trustee (as so supplemented and amended to date (the "Existing Sublease") and as it may be further supplemented and amended by this Amendment and from time to time, the "Sublease");

WHEREAS, in connection with the execution and delivery of the Certificates, the Corporation and the Trustee entered into an Assignment Agreement, dated as of November 1, 1985 (as subsequently supplemented and amended, the "Assignment Agreement") pursuant to which the Corporation assigned to the Trustee for the benefit of holders of the Certificates all of the Corporation's rights under the Ground Lease and the Sublease, excepting only certain rights to indemnification for losses and expenses;

WHEREAS, the Banks issued, for the benefit of the Trustee for the account of the County, its Irrevocable Letter of Credit No. ILC-1304/BSN (the "Letter of Credit"), in the total stated amount set forth in the Letter of Credit, a portion of which supports the payment of principal evidenced by, or portion of the purchase price corresponding to the principal evidenced by, the Certificates, and a portion of which supports the payment of interest evidenced by, or portion of the purchase price corresponding to interest evidenced by, the Certificates;

WHEREAS, the County has been notified by the State of California that it is eligible to receive a grant to develop a detention facility in Indio, California; provided, however, that the property where the facility will be located (the "Indio Property") must be unencumbered at the time of receipt of such grant;

WHEREAS, a parcel of land subject to the Ground Lease and the Sublease ("Property A") is located on the Indio Property;

WHEREAS, the County wishes to release Property A from the terms of the Sublease in accordance with and pursuant to the terms of the Sublease governing release of property;

WHEREAS, the annual Fair Rental Value of the Project and each Component remaining following the release of Property A is at least equal to the aggregate rental payments due in each Lease Year for the remaining term of the Sublease;

WHEREAS, the County and the Banks desire to amend and, pursuant to the terms of the Sublease and the Assignment Agreement, the County, the Banks and the Agent, with

the written consent of the Trustee as assignee of the rights of the Corporation, are permitted to amend the Sublease for the purpose of effectuating a release of property; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context clearly otherwise requires, capitalized terms used herein without definition shall have the meanings given to such terms in the Sublease.

Section 2. Release of Property A. The real property and improvements described in Exhibit A attached hereto ("Property A") are hereby released from the Sublease. The Sublease is terminated and shall no longer have any force or effect with respect to Property A.

Section 3. Amendment of Exhibit C to Sublease. Exhibit C to the Amended and Restated Sublease is hereby amended by deleting in its entirety the information under section (a)(xiii) titled "Indio Jail Remodel/Addition Component" and deleting in its entirety all references to "Indio Jail Remodel/Additional Component" under section (b)(1).

Section 4. Amendment of Exhibit D to Sublease. Exhibit D to the Amended and Restated Sublease, being a schedule entitled "Schedule of Option Prices," is hereby amended by deleting in its entirety the information on page 13 of Exhibit D being the schedule of option prices for the Indio Jail Remodel/Addition Component.

Section 5. Conditions Precedent. The effectiveness of this Amendment shall be subject to the fulfillment of the following conditions precedent on or before [____], 2012 (the "Amendment Effective Date"), in a manner satisfactory to the Bank and its counsel:

(a) The Banks shall have received conformed copies of this Amendment and the Fifth Amendment to Ground Lease, dated as of [____] 1, 2012 (the "Fifth Amendment to Ground Lease"), by the County and consented to by the Trustee, as assignee of certain rights of the Corporation, in form and substance satisfactory to the Banks and their counsel;

(b) The Banks shall have received a certified copy of the authorizing resolution of the Board of Supervisors of the County, including records of proceedings of the County, instruments, governmental approvals, third party approvals, opinions and incumbency certificates as the Banks and their counsel may reasonably request, such documents where appropriate to be certified by proper officials;

(c) The Banks shall have received a certificate of the County certifying the names and true signatures of the representatives of the County authorized to sign this Amendment and the Fifth Amendment to Ground Lease and any other documents to be delivered by the County on the Amendment Effective Date;

(d) The Banks shall have received a certificate signed by a County Representative, and dated the Amendment Effective Date, stating that (i) the representations and warranties contained in the Sublease and in each certificate, letter, other writing or instrument

furnished or delivered by the County to the Banks pursuant thereto and specified in such certificate are true and correct in all material respects at and as of the Amendment Effective Date as though made on and as of such date, (ii) no event has occurred and is continuing, or would result from the execution and delivery of this Amendment and the Fifth Amendment to Ground Lease, which constitutes a Default or an Event of Default, (iii) true, complete (including all exhibits, attachments, schedules, amendments or supplements thereto) and executed counterparts of this Amendment and the Fifth Amendment to Ground Lease have been delivered to the Banks and except as provided in this Amendment and the Fifth Amendment to Ground Lease and the transcripts previously delivered to the Banks, the Related Documents have not been modified, amended or rescinded, and are in full force and effect as of the Amendment Effective Date; and (iv) (A) the annual Fair Rental Value of the Project and each Component remaining after the release of property pursuant to this Amendment and the Fifth Amendment to Ground Lease is at least equal to the aggregate rental payments due in each Lease Year for the remaining term of the Sublease; (B) the useful life of the Project and each Component after such release equals or exceeds the remaining term of the Sublease; and (C) the Project and each Component remaining after such release is as essential to the operations of the County as was the Project and each Component immediately prior to such release;

(e) The Banks shall have received the opinion of Nixon Peabody LLP, special counsel, dated the Amendment Effective Date and addressed to the Banks, as to (A) the due authorization, execution and delivery with respect to the County of this Amendment and the Fifth Amendment to Ground Lease and the validity and enforceability with respect to the County of the Sublease and the Ground Lease, (B) that the execution of this Amendment by the County, the Banks and the Agent, with the consent of the Trustee, is authorized under and in compliance with the provisions of the Sublease; (C) that the Sublease and the Ground Lease remain in full force and effect; (D) that the federal and state tax exemption on the portion of the Base Rental comprising interest and received by the owners of the Certificates are not negatively affected by this Amendment, and (E) addressing such other matters as the Banks may reasonably request, in form and substance satisfactory to the Banks and their counsel;

(f) The Banks shall have received the opinion of the Office of County Counsel, as counsel to the County, dated the Amendment Effective Date and addressed to the Banks, in form and substance satisfactory to the Banks and their counsel;

(g) The Banks shall have received evidence that the title insurance in effect immediately prior to the release is not affected;

(h) The Banks shall have received evidence that the release, in and of itself, has not and will not cause a downgrade or withdrawal of the then existing credit ratings on the Certificates;

(i) The Banks shall have received a certificate executed by an authorized officer of the Trustee evidencing the signatures and office of officers thereof executing this Amendment and the Fifth Amendment to Ground Lease and authorized to draw on the Letter of Credit, and with respect to such other matters as the Banks may require, in form and substance satisfactory to the Banks and their counsel;

(j) The Banks shall have received the opinion of counsel to the Trustee, dated the Amendment Effective Date and addressed to the Banks, with respect to the validity and enforceability with respect to the Trustee of the Sublease and the Ground Lease and addressing such other matters as the Banks may require, in form and substance satisfactory to the Banks and their counsel;

(k) The Banks shall have received all amounts owing under Section 7 hereof;
and

(l) The Banks shall have received such other documents, instruments, approvals (and, if requested by the Banks, certified duplicates of executed copies thereof) or opinions as the Banks may reasonably request.

Section 6. Representations and Warranties by the County. The County represents and warrants as of the Amendment Effective Date as follows:

(a) The representations and warranties of the County set forth in Section 4.4 of the Amended and Restated Sublease and in any and all documents delivered to the Bank in connection herewith are true and correct on and as of the Amendment Effective Date, as if made on and as of such date;

(b) No Default or Event of Default has occurred and is continuing under the Sublease; and

(c) No default has occurred and is continuing under any of the Related Documents.

Section 7. Costs and Expenses. The County shall pay to the Banks, from Additional Rental and such other amounts as may be available for payment under law, all attorneys' fees and disbursements incurred by the Banks in connection with the execution and delivery of this Amendment and the Fifth Amendment to Ground Lease. The County hereby agrees that such attorneys' fees and disbursements are included as obligations under Section 4.2(c)(ii) of the Amended and Restated Sublease.

Section 8. Ratification of Sublease. The Existing Sublease is hereby ratified and confirmed in all respects and all terms, conditions and provisions of the Existing Sublease, except as amended by this Amendment, shall remain in full force and effect. The provisions of this Amendment shall supersede and prevail over any conflicting provisions of the Existing Sublease. If there is any conflict between the terms, conditions and provisions of this Amendment and those of any of the Related Documents, the terms, conditions and provisions of this Amendment, as applicable, shall prevail.

Section 9. No Waiver. The County acknowledges and agrees that, if and to the extent that the Banks have not heretofore required strict compliance with the performance by the County of the covenants, agreements and obligations of the County under the Sublease or the Related Documents, such action or inaction shall not constitute a waiver of, or otherwise affect in any manner, the Banks' rights and remedies under the Sublease or the Related Documents, as

amended hereby, including the right to require performance of such covenants, agreements and obligations strictly in accordance with the terms and provisions thereof.

Section 10. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

Section 11. Choice of Law. This Amendment is made in the State of California under the Constitution and laws of the State of California and is to be so construed.

Section 12. Validity and Severability. If any one or more of the terms, provisions, promises, covenants or conditions of this Amendment shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions, promises, covenants and conditions of this Amendment shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

Section 13. Amendment Effective Date. Subject to satisfaction of the conditions precedent set forth in Section 5 hereof, this Amendment shall become effective upon the execution and delivery hereof by the County, the Banks, the Agent and the Trustee on the Amendment Effective Date.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

COUNTY OF RIVERSIDE

By: _____
County Executive Officer

ATTEST:

By _____
Clerk of the Board of Supervisors

**STATE STREET BANK AND TRUST
COMPANY,
as a Bank and the Banks**

By: _____
Name: _____
Title: _____

**STATE STREET BANK AND TRUST
COMPANY, as the Agent**

By: _____
Name: _____
Title: _____

CONSENTED TO
as assignee of certain rights of the
COUNTY OF RIVERSIDE ASSET
LEASING CORPORATION
this ___ day of ___, 2012:

**THE BANK OF NEW YORK MELLON TRUST COMPANY
(formerly known as The Bank of New York Trust Company, N.A.),
as successor Trustee**

By: _____
Name: _____
Title: _____

STATE OF CALIFORNIA)
) §
COUNTY OF RIVERSIDE)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Affix seal here]

STATE OF MASSACHUSETTS)
) SS.
COUNTY OF SUFFOLK)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Affix seal here]

EXHIBIT A

PROPERTY A

The real property and improvements described below are released from this Sublease and this Sublease is terminated and no longer of any force or effect with respect thereto.

RECORDING REQUESTED BY AND)
WHEN RECORDED MAIL TO:)
)
Nixon Peabody LLP)
Gas Company Tower)
555 West Fifth Street, 46th Floor)
Los Angeles, CA 90013)
)
Attention: Charles C. Wolf, Esq.)

DRAFT

(Space above for Recorder's use)

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FIFTH AMENDMENT TO GROUND LEASE

Dated as of [] 1, 2012

by

COUNTY OF RIVERSIDE

and

Consented to by

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(formerly known as The Bank of New York Trust Company, N.A.),
as assignee of certain rights of the County of Riverside Asset Leasing Corporation**

and

**STATE STREET BANK AND TRUST COMPANY,
as a Bank and the Banks**

FIFTH AMENDMENT TO GROUND LEASE

This **FIFTH AMENDMENT TO GROUND LEASE** (this "Amendment") dated as of [] 1, 2012 is entered into by the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California (the "County"), and consented to by **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (formerly known as The Bank of New York Trust Company, N.A. and as successor to Wells Fargo Bank, N.A., successor to First Interstate Bank of California), as trustee (the "Trustee"), as assignee of certain rights of the County of Riverside Asset Leasing Corporation (the "Corporation") and **STATE STREET BANK AND TRUST COMPANY** (as more particularly defined in the Sublease (as defined below), a "Bank" and the "Banks");

W I T N E S S E T H:

WHEREAS, the County and the Corporation have entered into a Ground Lease, dated as of November 1, 1985, as subsequently supplemented and amended, each with the consent of the Trustee and the Banks, by that certain First Amendment to Ground Lease, dated as of September 1, 1987, by that certain Definitional Amendment Agreement to Sublease and Option to Purchase and Ground Lease, dated as of January 1, 1993, by that certain Second Amendment to Ground Lease, dated as of November 1, 1995, by that certain Third Amendment to Ground Lease, dated as of May 1, 2003, and by that certain Fourth Amendment to Ground Lease, dated as of August 1, 2011 (as so supplemented and amended and as it may be further supplemented and amended by this Amendment and from time to time, the "Ground Lease"); and

WHEREAS, the County desires to further amend the Ground Lease by releasing a parcel therefrom, and the Trustee desires to consent to such amendment, on the terms and conditions hereinafter set forth; and

WHEREAS, the Banks have consented to this Amendment, as evidenced by its execution of this Amendment; and

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions. Unless the context clearly otherwise requires, all capitalized terms used herein without definition shall have the meanings given to such terms in the Ground Lease.

SECTION 2. Release of Property A. The real property described in Exhibit A attached hereto ("Property A") is hereby released from the Ground Lease. The Ground Lease is terminated and shall no longer have any force or effect with respect to Property A.

SECTION 3. Ratification of Ground Lease. The Ground Lease is hereby ratified and confirmed in all respects and all terms, conditions and provisions of the Ground Lease, except as amended by this Amendment, shall remain in full force and effect.

SECTION 4. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

SECTION 5. Choice of Law. This Amendment 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 Left Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and attested by their proper officers thereunto duly authorized, as of the day and year first above written.

COUNTY OF RIVERSIDE

By: _____
County Executive Officer

ATTEST:

By: _____
Clerk of the Board of Supervisors

Consent is hereby given to this Fifth Amendment to Ground Lease:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(formerly known as The Bank of New York Trust Company, N.A.),
as Trustee, as assignee of certain rights of the County of Riverside Asset
Leasing Corporation

By: _____
Name:
Title:

Consent is hereby given to this Fifth Amendment to Ground Lease:

STATE STREET BANK AND TRUST COMPANY

By: _____
Name:
Title:

STATE OF CALIFORNIA)
) §
COUNTY OF RIVERSIDE)

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

[Affix seal here]

EXHIBIT A

PROPERTY A

The real property described below is released from this Ground Lease and this Ground Lease is terminated and no longer of any force or effect with respect thereto.