

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

458



FROM: Successor Agency to the Redevelopment Agency

SUBMITTAL DATE:
 January 14, 2016

SUBJECT: Refunding of Outstanding Bonds of the Dissolved Redevelopment Agency, All Districts
 [\$500,000] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Successor Agency Resolution No. 2016-001 authorizing the issuance of refunding tax allocation bonds to refinance the 2006 Series B and 2006 Series C Bonds.
2. Direct staff to submit this item to the Oversight Board for approval.

BACKGROUND:

Summary

(commences on next page)

Rohini Dasika
 Rohini Dasika
 Senior Management Analyst

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|-----------------|----------------------|-------------------|-------------|---------------|---|
| COST | \$ 500,000 | \$ | \$ 500,000 | \$ N/A | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ N/A | \$ N/A | \$ N/A | \$ N/A | |

SOURCE OF FUNDS: Bond Proceeds

Budget Adjustment: No
 For Fiscal Year: 15/16

C.E.O. RECOMMENDATION:

APPROVE

BY: *Alex Gann*
 Alex Gann

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS OF THE SUCCESSOR AGENCY TO
 THE REDEVELOPMENT AGENCY

On motion of Supervisor Benoit, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is tentatively approved pending final action by the oversight board.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: January 26, 2016
 xc: E.O.

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

Prev. Agn. Ref.:

District: All

Agenda Number:

BACKGROUND:

4-2

☐ Positions Added
☐ Change Order
☐ A-30
☐ 4/5 Vote

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**FORM 11: Refunding of Outstanding Bonds of the Dissolved Redevelopment Agency, All Districts [\$500,000]**

(Vote on Separately)

DATE: January 14, 2016**PAGE: 2 of 3****Summary (continued)**

On September 24, 2013, the Board of Supervisors approved in principle the initiation of a County Redevelopment Bond Refunding Program (Agenda Item 4-1). On February 11, 2014, the Board of Supervisors executed the Refunding Program Agreement and approved Successor Agency Resolution No. 2014-003, requesting direction to undertake proceedings for the refunding of outstanding bonds of the former Redevelopment Agency for the County of Riverside. To date, the Agency has successfully completed 8 refundings with savings in excess of \$40 million.

The proposed issuance of refunding bonds is to refinance the 2006 Series B Bonds issued for the Jurupa Valley Project Area, and the 2006 Series C Bonds issued for the Mid-County Project Area. A new series of bonds will be issued by the Successor Agency for each project area, and both the Jurupa Valley Project Area and Mid-County Project Area bonds will be sold on a stand-alone basis due to their unique credit characteristics. The term of the existing 2006 bonds will not be extended. The refunding bonds for both project areas produce savings well in excess of the Board's present value savings target of 3% (Board Policy B-24 for the Riverside County Debt Advisory Committee). The issuance of the refunding bonds was approved at the DAC meeting on January 14, 2016.

The anticipated amount of the proposed bond issues, savings percentages, and savings amounts are shown in the table below.

2016 Series B

| Series | Jurupa Bonds |
|------------------------------------|---------------------|
| New Issue Size | \$43,285,000 |
| NPV Savings | \$5,274,000 |
| NPV Savings As % Refunded Bonds | 9.53% |
| Average Annual Savings | \$326,000 |
| Total Savings | \$7,170,000 |

2016 Series C

| Series | Mid-County Bonds |
|------------------------------------|-------------------------|
| New Issue Size | \$8,845,000 |
| NPV Savings | \$443,000 |
| NPV Savings As % Refunded Bonds | 4.64% |
| Average Annual Savings | \$27,200 |
| Total Savings | \$598,600 |

As of December 8, 2015.

These refunding bonds will be issued in May or July 2016. Staff is bringing forward this request for approval from the Successor Agency, and subsequently the Oversight Board, at this time due to the requirements for review by Department of Finance (DOF) as specified in AB 1484. The final disclosure documents of the proposed bond issues will be brought back to the Successor Agency and the Authority for approval. The DOF will approve the legal documents and the preliminary savings analysis. The Board package includes our independent financial advisor's report as required by the DOF.

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Refunding of Outstanding Bonds of the Dissolved Redevelopment Agency, All Districts [\$500,000]
(Vote on Separately)

DATE: January 14, 2016

PAGE: 3 of 3

Impact on Citizens and Businesses

This item will be beneficial for the citizens of Riverside County due to the surplus tax revenue that will be derived from the refinancing at lower rates. Taxing entities will share the surplus property taxes from the project areas which will be distributed to the County, cities, schools, and special districts in Riverside County.

The savings in debt service payments that would otherwise be paid to bondholders will be distributed to those taxing entities including the County General Fund, K-12 school districts and community college districts, and finally cities and special districts.

RESOLUTION NO. 2016-001

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
FOR THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE OF REFUNDING
BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE
DISSOLVED REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE,
APPROVING THE EXECUTION AND DELIVERY OF INDENTURES OF TRUST
RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE
ISSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN
DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER
MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California
Health and Safety Code (unless otherwise noted, all Section
references hereinafter being to such Code), the Redevelopment
Agency for the County of Riverside (the "Former Agency") has
been dissolved and no longer exists as a public body, corporate
and politic, and pursuant to Section 34173, the Successor Agency
to the Redevelopment Agency for the County of Riverside (the
"Successor Agency") has become the successor entity to the
Former Agency;

FORM APPROVED COUNTY COUNSEL

BY: *[Signature]* DATE: 1/13/16
DALE A. GARDNER

1
2 **WHEREAS**, prior to the dissolution of the Former Agency, the
3 Former Agency issued its Redevelopment Agency For the County of
4 Riverside Redevelopment Jurupa Valley Redevelopment Project Area
5 2006 Tax Allocation Bonds, Series B (the "Prior 2006 Series B
6 Bonds") in the initial aggregate principal amount of \$68,740,000
7 for the purpose of financing redevelopment activities;

8
9 **WHEREAS**, prior to the dissolution of the Former Agency, the
10 Former Agency issued its Redevelopment Agency For the County of
11 Riverside Redevelopment Mid-County Redevelopment Project Area
12 2006 Tax Allocation Bonds, Series C (the "Prior 2006 Series C
13 Bonds" and together with the Prior 2006 Series B Bonds, the
14 "Prior Bonds") in the initial aggregate principal amount of
15 \$11,775,000 for the purpose of financing redevelopment
16 activities;

17
18 **WHEREAS**, Section 34177.5 authorizes the Successor Agency to
19 issue refunding bonds pursuant to Article 11 (commencing with
20 Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5
21 of the Government Code (the "Refunding Law") for the purpose of
22 achieving debt service savings within the parameters set forth
23 in Section 34177.5(a)(1) (the "Savings Parameters");

1 **WHEREAS**, to determine compliance with the Savings
2 Parameters for purposes of the issuance by the Successor Agency
3 of its (i) Successor Agency to the Redevelopment Agency For the
4 County of Riverside Jurupa Valley Redevelopment Project Area
5 2016 Tax Allocation Refunding Bonds, Series B (the "Refunding
6 Series B Bonds") and (ii) Successor Agency to the Redevelopment
7 Agency For the County of Riverside Mid-County Redevelopment
8 Project Area 2016 Tax Allocation Refunding Bonds, Series C (the
9 "Refunding Series C Bonds" and together with the Refunding
10 Series B Bonds, the "Refunding Bonds"), the Successor Agency has
11 caused its financial advisor, C.M. de Crinis & Co., Inc. (the
12 "Financial Advisor"), to prepare an analysis of the potential
13 savings that will accrue to the Successor Agency and to
14 applicable taxing entities as a result of the (a) use of the
15 proceeds of the Refunding Series B Bonds to repay, in whole or
16 in part, the Prior 2006 Series B Bonds and, thereby, to refund,
17 in whole or in part, the Prior 2006 Series B Bonds and (b) use
18 of the proceeds of the Refunding Series C Bonds to repay, in
19 whole or in part, the Prior 2006 Series C Bonds and, thereby, to
20 refund, in whole or in part, the Prior 2006 Series C Bonds
21 (collectively, the "Debt Service Savings Analysis");
22

23 **WHEREAS**, the Successor Agency desires at this time to
24 approve the issuance of the Refunding Series B Bonds and to
25 approve the form of and authorize the execution and delivery of

1 (i) the Indenture of Trust, by and between the Successor Agency
2 and The Bank of New York Mellon Trust Company, N.A., as trustee,
3 providing for the issuance of the Refunding Series B Bonds (the
4 "Refunding Series B Bonds Indenture"), and (ii) the Irrevocable
5 Refunding Instructions to be delivered to The Bank of New York
6 Mellon Trust Company, N.A., as trustee of the Prior 2006 Series
7 B Bonds, to be dated as of the date of the issuance and delivery
8 of the Refunding Series B Bonds (the "Prior 2006 Series B Bonds
9 Refunding Instructions");

10
11 **WHEREAS,** the Successor Agency desires at this time to
12 approve the issuance of the Refunding Series C Bonds and to
13 approve the form of and authorize the execution and delivery of
14 (i) the Indenture of Trust, by and between the Successor Agency
15 and The Bank of New York Mellon Trust Company, N.A., as trustee,
16 providing for the issuance of the Refunding Series C Bonds (the
17 "Refunding Series C Bonds Indenture" and together with the
18 Refunding Series B Bonds Indenture, the "Indentures"), and (ii)
19 the Irrevocable Refunding Instructions to be delivered to The
20 Bank of New York Mellon Trust Company, N.A., as trustee of the
21 Prior 2006 Series C Bonds, to be dated as of the date of the
22 issuance and delivery of the Refunding Series C Bonds (the
23 "Prior 2006 Series C Bonds Refunding Instructions" and, together
24 with the Prior 2006 Series B Refunding Instructions, the
25 "Refunding Instructions");

1
2 **WHEREAS**, pursuant to Section 34179, an oversight board (the
3 "Oversight Board") has been established for the Successor
4 Agency;

5
6 **WHEREAS**, the Successor Agency is now requesting that the
7 Oversight Board approve the issuance of the Refunding Bonds
8 pursuant to this Resolution and the Indentures;

9
10 **WHEREAS**, the Successor Agency further requests that the
11 Oversight Board make certain determinations described below on
12 which the Successor Agency will rely in undertaking the
13 refunding proceedings and the issuance of the Refunding Bonds;

14
15 **WHEREAS**, the Successor Agency has determined to sell the
16 Refunding Series B Bonds to Citigroup Global Markets Inc. and RBC
17 Capital Markets, LLC (in such capacity, together with any other
18 underwriter selected by the Authorized Officers to serve as a
19 co-manager thereof, the "Refunding Series B Bonds Original
20 Purchaser") pursuant to the terms of a Bond Purchase Agreement
21 with respect to the Refunding Series B Bonds (the "Refunding
22 Series B Bonds Purchase Agreement") to be entered into by the
23 Successor Agency and the Refunding Series B Bonds Original
24 Purchaser;

1 **WHEREAS**, the Successor Agency has determined to sell the
2 Refunding Series C Bonds to Citigroup Global Markets Inc. and
3 RBC Capital Markets, LLC (in such capacity, together with any
4 other underwriter selected by the Authorized Officers to serve
5 as a co-manager thereof, the "Refunding Series C Bonds Original
6 Purchaser" and together with the Refunding Series B Bonds
7 Original Purchaser, the "Original Purchasers") pursuant to the
8 terms of a Bond Purchase Agreement with respect to the Refunding
9 Series C Bonds (the "Refunding Series C Bonds Purchase
10 Agreement" and together with the Refunding Series B Bonds
11 Purchase Agreement, the "Purchase Agreements") to be entered
12 into by the Successor Agency and the Refunding Series C Bonds
13 Original Purchaser;

14
15 **WHEREAS**, following approval by the Oversight Board of the
16 issuance of the Refunding Bonds by the Successor Agency and upon
17 submission of the Oversight Board Resolution to the California
18 Department of Finance, the Successor Agency will, with the
19 assistance of its Disclosure Counsel, the Financial Advisor and
20 its Fiscal Consultant, cause to be prepared a form of (i)
21 Official Statement for the Refunding Series B Bonds describing
22 the Refunding Series B Bonds and containing material information
23 relating to the Successor Agency and the Refunding Series B
24 Bonds, the preliminary form of which will be submitted to the
25 Successor Agency for approval for distribution by the Refunding

1 Series B Bonds Original Purchaser, as underwriter of the
2 Refunding Series B Bonds, to persons and institutions interested
3 in purchasing the Refunding Series B Bonds and (ii) Official
4 Statement for the Refunding Series C Bonds describing the
5 Refunding Series C Bonds and containing material information
6 relating to the Successor Agency and the Refunding Series C
7 Bonds, the preliminary form of which will be submitted to the
8 Successor Agency for approval for distribution by the Refunding
9 Series C Bonds Original Purchaser, as underwriter of the
10 Refunding Series C Bonds, to persons and institutions interested
11 in purchasing the Refunding Series C Bonds;

12
13 NOW, THEREFORE, the Successor Agency to the Redevelopment
14 Agency for the County of Riverside **RESOLVES** as follows:

15
16 1. Determination of Savings. The Successor Agency has
17 determined that there are significant potential savings
18 available to the Successor Agency and to applicable taxing
19 entities in compliance with the Savings Parameters by the
20 issuance by the Successor Agency of (i) the Refunding Series B
21 Bonds to provide funds to refund and defease Prior 2006 Series B
22 Bonds and (ii) the Refunding C Bonds to provide funds to refund
23 and defease the Prior 2006 Series C Bonds, all as evidenced by
24 the Debt Service Savings Analysis on file with the Secretary of
25 the Successor Agency, which Debt Service Savings Analysis is

1 hereby approved. The Savings Parameters shall be separately met
2 with respect to each of the Prior 2006 Series B Bonds and the
3 Prior 2006 Series C Bonds.

4
5 2. Approval of Issuance of the Bonds. (a) The Successor
6 Agency hereby authorizes and approves the issuance of the
7 Refunding Series B Bonds under the Law (as defined in the
8 Refunding Series B Bonds Indenture) and the Refunding Law in the
9 aggregate principal amount of not to exceed \$60,000,000,
10 provided that the Refunding Series B Bonds are in compliance
11 with the Savings Parameters with respect thereto at the time of
12 sale and delivery; and (b) The Successor Agency hereby
13 authorizes and approves the issuance of the Refunding Series C
14 Bonds under the Law (as defined in the Refunding Series C
15 Indenture) and the Refunding Law in the aggregate principal
16 amount of not to exceed \$10,500,000, provided that the Refunding
17 Series C Bonds are in compliance with the Savings Parameters
18 with respect thereto at the time of sale and delivery;

19
20 3. Approval of Indentures. The Successor Agency hereby
21 approves the Indentures prescribing the terms and provisions of
22 the Refunding Bonds and the application of the proceeds of the
23 Refunding Bonds. Each of the County Executive Officer or the
24 Deputy County Executive Officer of the County of Riverside, on
25 behalf of the Successor Agency (each, an "Authorized Officer"),

1 is hereby authorized and directed to execute and deliver, and
2 the Secretary of the Successor Agency, is hereby authorized and
3 directed to attest to, the Indentures for and in the name and on
4 behalf of the Successor Agency, in substantially the forms on
5 file with the Secretary of the Successor Agency, with such
6 changes therein, deletions therefrom and additions thereto as
7 the Authorized Officer executing the same shall approve, such
8 approval to be conclusively evidenced by the execution and
9 delivery of the Indentures. The Successor Agency hereby
10 authorizes the delivery and performance of the Indentures.

11
12 4. Approval of Refunding Instructions. The forms of the
13 Refunding Instructions on file with the Secretary are hereby
14 approved and the Authorized Officers are, each acting alone
15 hereby authorized and directed, for and in the name and on
16 behalf of the Successor Agency, to execute and deliver the
17 Refunding Instructions. The Successor Agency hereby authorizes
18 the delivery and performance of its obligations under the
19 Refunding Instructions.

20
21 5. Oversight Board Approval of the Issuance of the Bonds.
22 The Successor Agency hereby requests the Oversight Board as
23 authorized by Section 34177.5(f) and Section 34180 to approve
24 the issuance of the Refunding Bonds pursuant to Section
25 34177.5(a)(1) and this Resolution and the Indentures.

1
2 6. Determinations by the Oversight Board. The Successor
3 Agency requests that the Oversight Board make the following
4 determinations upon which the Successor Agency will rely in
5 undertaking the refunding proceedings and the issuance of the
6 Refunding Bonds:

7
8 (a) The Successor Agency is authorized, as provided in
9 Section 34177.5(f), to recover its costs related to the issuance
10 of each of the Refunding Bonds from the proceeds of such
11 Refunding Bonds, including the cost of reimbursing its
12 administrative staff for time spent with respect to the
13 authorization, issuance, sale and delivery of such Refunding
14 Bonds;

15
16 (b) The application of proceeds of the Refunding Series B
17 Bonds by the Successor Agency to the refunding and defeasance of
18 the Prior 2006 Series B Bonds and the application of proceeds of
19 the Refunding Series C Bonds by the Successor Agency to the
20 refunding and defeasance of the Prior 2006 Series C Bonds, as
21 well as the payment by the Successor Agency of costs of issuance
22 of each of the Refunding Bonds, as provided in Section
23 34177.5(a), shall be implemented by the Successor Agency
24 promptly upon sale and delivery of the respective Refunding
25 Bonds, notwithstanding Section 34177.3 or any other provision of

1 law to the contrary, without the approval of the Oversight
2 Board, the California Department of Finance, the Riverside
3 County Auditor-Controller or any other person or entity other
4 than the Successor Agency;

5
6 (c) The Successor Agency shall be entitled to receive its
7 full Administrative Cost Allowance under Section 34181(a)(3)
8 without any deductions with respect to continuing costs related
9 to each of the Refunding Bonds, such as trustee's fees, auditing
10 and fiscal consultant fees and continuing disclosure and rating
11 agency costs (collectively, "Continuing Costs of Issuance"), and
12 such Continuing Costs of Issuance shall be payable from property
13 tax revenues pursuant to Section 34183. In addition and as
14 provided by Section 34177.5(f), if the Successor Agency is
15 unable to complete the issuance of any of the Refunding Bonds
16 for any reason, the Successor Agency shall, nevertheless, be
17 entitled to recover its costs incurred with respect to the
18 refunding proceedings with respect to such Refunding Bonds from
19 such property tax revenues pursuant to Section 34183 without
20 reduction in its Administrative Cost Allowance.

21
22 7. Filing of Debt Service Savings Analysis and
23 Resolution. The Secretary of the Successor Agency is hereby
24 authorized and directed to file the Debt Service Savings
25 Analysis, together with a certified copy of this Resolution,

1 with the Oversight Board, and, as provided in Section 34180(j)
2 with the Riverside County Administrative Officer, the Riverside
3 County Auditor-Controller and the California Department of
4 Finance.

5
6 8. Sale of Refunding Bonds. The Successor Agency hereby
7 approves the Purchase Agreements. The Authorized Officers, each
8 acting alone, are hereby authorized and directed to execute and
9 deliver the Purchase Agreements for and in the name and on
10 behalf of the Successor Agency, in substantially the forms on
11 file with the Secretary of the Successor Agency, with such
12 changes therein, deletions therefrom and additions thereto as
13 the Authorized Officer executing the same shall approve, such
14 approval to be conclusively evidenced by the execution and
15 delivery of each such Purchase Agreement, provided, that the
16 Underwriters' discount (exclusive of original issue discount),
17 shall not exceed one-half percent (0.5%) of the original
18 principal amount of the Refunding Bonds. The Authorized
19 Officers are further authorized to select one or more co-
20 managing underwriters for either or both series of the Refunding
21 Bonds.

22
23 9. Issuance of Refunding Bonds in Whole or in Part. It
24 is the intent of the Successor Agency to sell and deliver the
25 Refunding Bonds in whole, provided that there is compliance with

1 the Savings Parameters. However, the Successor Agency will
2 initially authorize the sale and delivery of the Refunding Bonds
3 in whole or, if such Savings Parameters cannot be met with
4 respect to the whole or for any other reason the Refunding Bonds
5 cannot be issued in whole, then in part; provided that the
6 Refunding Bonds so sold and delivered in part are in compliance
7 with the Savings Parameters. The sale and delivery of the
8 Refunding Bonds in part will in each instance provide sufficient
9 funds only for the refunding of that portion of the Refunding
10 Bonds that meet the Savings Parameters. In the event the
11 Refunding Bonds are initially sold in part, the Successor Agency
12 intends to sell and deliver additional parts of the Refunding
13 Bonds without the prior approval of the Oversight Board provided
14 that in each such instance the Refunding Bonds so sold and
15 delivered in part are in compliance with the Savings
16 Parameters.

17
18 10. Municipal Bond Insurance and Surety Bonds. The
19 Authorized Officers, each acting alone, are hereby authorized
20 and directed to take all actions necessary to obtain a municipal
21 bond insurance policy for either or both series of Refunding
22 Bonds and reserve account surety bonds for either or both series
23 of Refunding Bonds from one or more municipal bond insurance
24 companies if it is determined, upon consultation with the
25 Financial Advisor and the Original Purchaser of such Refunding

1 Bonds, that such municipal bond insurance policy and/or surety
2 bond will reduce the true interest costs with respect to such
3 Refunding Bonds.

4
5 11. Approval of Official Statement. Following approval by
6 the Oversight Board of the issuance of the Refunding Bonds by
7 the Successor Agency and upon submission of the Oversight Board
8 Resolution to the California Department of Finance, the
9 Successor Agency will, with the assistance of its Disclosure
10 Counsel, Fiscal Consultant and Financial Advisor, cause to be
11 prepared a form of Official Statement for the Refunding Series B
12 Bonds and the Refunding Series C Bonds, in each case describing
13 the applicable Refunding Bonds and containing material
14 information relating to the Successor Agency and the applicable
15 Refunding Bonds, the preliminary forms of which will be
16 submitted to the Successor Agency for approval for distribution
17 by the applicable Original Purchaser to persons and institutions
18 interested in purchasing such Refunding Bonds.

19
20 12. Official Actions. The Authorized Officers and any and
21 all other officers of the Successor Agency are hereby authorized
22 and directed, for and in the name and on behalf of the Successor
23 Agency, to do any and all things and take any and all actions,
24 which they, or any of them, may deem necessary or advisable in
25 obtaining the requested approvals by the Oversight Board and the

1 California Department of Finance and in the issuance, sale and
2 delivery of the Refunding Bonds. Whenever in this Resolution
3 any officer of the Successor Agency is directed to execute or
4 countersign any document or take any action, such execution,
5 countersigning or action may be taken on behalf of such officer
6 by any person designated by such officer to act on his or her
7 behalf in the case such officer is absent or unavailable.

8
9 13. Effective Date. This Resolution shall take effect from
10 and after the date of approval and adoption thereof.

11
12
13 ROLL CALL:

14 Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
15 Nays: None
16 Absent: None

17 The foregoing is certified to be a true copy of a resolution duly
18 adopted by said Board of Supervisors on the date therein set forth.

19
20
21
22
23
24
25
KECIA HARPER-IHEM, Clerk of said Board

By 

Deputy

1 The foregoing resolution was passed and adopted by the
2 Successor Agency to the Redevelopment Agency for the County of
3 Riverside at a regular meeting held on the 26th day of January,
4 2016, by the following vote:

5
6 AYES: Jeffries, Tavaglione, Washington, Benoit and Ashley

7
8 NOES: None

9
10 ABSENT: None

11
12 ABSTAIN: None

TABLE OF CONTENTS

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Report | Page |
|--|------|
| Sources and Uses of Funds | 1 |
| Summary of Refunding Results | 2 |
| Bond Summary Statistics | 3 |
| Savings | 4 |
| Bond Pricing | 5 |
| Summary of Bonds Refunded | 6 |
| Bond Debt Service | 7 |
| Unrefunded Bond Debt Service | 8 |
| Escrow Requirements | 9 |
| Escrow Descriptions | 10 |
| Escrow Cost | 11 |
| Escrow Cash Flow | 12 |
| Escrow Sufficiency | 13 |
| Escrow Statistics | 14 |

SOURCES AND USES OF FUNDS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

Sources:

Bond Proceeds:

| | |
|------------|--------------|
| Par Amount | 8,845,000.00 |
| Premium | 1,320,271.15 |

10,165,271.15

Uses:

Refunding Escrow Deposits:

| | |
|----------------|--------------------|
| Cash Deposit | 0.12 |
| SLGS Purchases | 9,757,622.00 |
| | <hr/> 9,757,622.12 |

Delivery Date Expenses:

| | |
|------------------------|------------------|
| Cost of Issuance | 250,000.00 |
| Underwriter's Discount | 48,647.50 |
| Surety Policy | 20,932.50 |
| Bond Insurance | 87,625.90 |
| | <hr/> 407,205.90 |

Other Uses of Funds:

| | |
|---------------------|--------|
| Additional Proceeds | 443.13 |
|---------------------|--------|

10,165,271.15

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

SUMMARY OF REFUNDING RESULTS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

| | |
|--|---------------|
| Dated Date | 05/11/2016 |
| Delivery Date | 05/11/2016 |
| Arbitrage yield | 3.120689% |
| Escrow yield | 0.362750% |
| Value of Negative Arbitrage | 103,202.04 |
| Bond Par Amount | 8,845,000.00 |
| True Interest Cost | 3.523189% |
| Net Interest Cost | 3.867710% |
| All-In TIC | 3.898740% |
| Average Coupon | 4.963656% |
| Average Life | 13.118 |
| Par amount of refunded bonds | 9,555,000.00 |
| Average coupon of refunded bonds | 4.510152% |
| Average life of refunded bonds | 12.994 |
| PV of prior debt to 05/11/2016 @ 3.120689% | 10,964,863.27 |
| Net PV Savings | 443,068.65 |
| Percentage savings of refunded bonds | 4.637035% |
| Percentage savings of refunding bonds | 5.009256% |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

BOND SUMMARY STATISTICS

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| | |
|-----------------------------------|---------------|
| Dated Date | 05/11/2016 |
| Delivery Date | 05/11/2016 |
| Last Maturity | 10/01/2037 |
| Arbitrage Yield | 3.120689% |
| True Interest Cost (TIC) | 3.523189% |
| Net Interest Cost (NIC) | 3.867710% |
| All-In TIC | 3.898740% |
| Average Coupon | 4.963656% |
| Average Life (years) | 13.118 |
| Weighted Average Maturity (years) | 13.160 |
| Duration of Issue (years) | 9.855 |
| Par Amount | 8,845,000.00 |
| Bond Proceeds | 10,165,271.15 |
| Total Interest | 5,759,316.67 |
| Net Interest | 4,487,693.02 |
| Total Debt Service | 14,604,316.67 |
| Maximum Annual Debt Service | 697,750.00 |
| Average Annual Debt Service | 682,799.22 |
| Underwriter's Fees (per \$1000) | |
| Average Takedown | |
| Other Fee | 5.500000 |
| Total Underwriter's Discount | 5.500000 |
| Bid Price | 114.376751 |

| Bond Component | Par Value | Price | Average Coupon | Average Life | PV of 1 bp change |
|----------------|--------------|---------|----------------|--------------|-------------------|
| Serial Bonds | 8,845,000.00 | 114.927 | 4.964% | 13.118 | 7,383.55 |
| | 8,845,000.00 | | | 13.118 | 7,383.55 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|---------------|--------------|-----------------|
| Par Value | 8,845,000.00 | 8,845,000.00 | 8,845,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | 1,320,271.15 | 1,320,271.15 | 1,320,271.15 |
| - Underwriter's Discount | -48,647.50 | -48,647.50 | |
| - Cost of Issuance Expense | | -250,000.00 | |
| - Other Amounts | | -108,558.40 | -87,625.90 |
| Target Value | 10,116,623.65 | 9,758,065.25 | 10,077,645.25 |
| Target Date | 05/11/2016 | 05/11/2016 | 05/11/2016 |
| Yield | 3.523189% | 3.898740% | 3.120689% |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

SAVINGS

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Date | Prior Debt Service | Refunding Debt Service | Savings | Present Value to 05/11/2016 @ 3.1206886% |
|------------|-----------------------|---------------------------|------------|--|
| 10/01/2016 | 216,384.38 | 165,666.67 | 50,717.71 | 50,110.61 |
| 10/01/2017 | 717,768.76 | 686,000.00 | 31,768.76 | 30,481.99 |
| 10/01/2018 | 711,368.76 | 688,200.00 | 23,168.76 | 21,539.69 |
| 10/01/2019 | 711,868.76 | 685,100.00 | 26,768.76 | 24,079.32 |
| 10/01/2020 | 716,618.76 | 689,100.00 | 27,518.76 | 23,970.86 |
| 10/01/2021 | 710,368.76 | 682,500.00 | 27,868.76 | 23,505.46 |
| 10/01/2022 | 711,550.00 | 687,750.00 | 23,800.00 | 19,456.27 |
| 10/01/2023 | 714,925.00 | 692,000.00 | 22,925.00 | 18,161.55 |
| 10/01/2024 | 713,275.00 | 685,250.00 | 28,025.00 | 21,541.65 |
| 10/01/2025 | 705,950.00 | 678,000.00 | 27,950.00 | 20,828.29 |
| 10/01/2026 | 713,175.00 | 685,250.00 | 27,925.00 | 20,174.95 |
| 10/01/2027 | 709,275.00 | 681,250.00 | 28,025.00 | 19,630.61 |
| 10/01/2028 | 719,700.00 | 696,500.00 | 23,200.00 | 15,745.32 |
| 10/01/2029 | 713,775.00 | 690,000.00 | 23,775.00 | 15,648.03 |
| 10/01/2030 | 722,175.00 | 697,750.00 | 24,425.00 | 15,590.45 |
| 10/01/2031 | 714,225.00 | 689,000.00 | 25,225.00 | 15,615.70 |
| 10/01/2032 | 715,600.00 | 689,500.00 | 26,100.00 | 15,670.41 |
| 10/01/2033 | 710,850.00 | 683,750.00 | 27,100.00 | 15,780.80 |
| 10/01/2034 | 715,200.00 | 692,000.00 | 23,200.00 | 13,097.67 |
| 10/01/2035 | 713,200.00 | 688,500.00 | 24,700.00 | 13,527.61 |
| 10/01/2036 | 715,075.00 | 688,750.00 | 26,325.00 | 13,986.16 |
| 10/01/2037 | 710,600.00 | 682,500.00 | 28,100.00 | 14,482.13 |
| | 15,202,928.18 | 14,604,316.67 | 598,611.51 | 442,625.52 |

Savings Summary

| | |
|-------------------------------|------------|
| PV of savings from cash flow | 442,625.52 |
| Plus: Refunding funds on hand | 443.13 |
| Net PV Savings | 443,068.65 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

BOND PRICING

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Bond Component | Maturity Date | Amount | Rate | Yield | Price | Yield to Maturity | Call Date | Call Price | Call Date for Arb Yield | Call Price for Arb Yield | Premium (-Discount) |
|----------------|---------------|---------|--------|--------|-----------|-------------------|------------|------------|-------------------------|--------------------------|---------------------|
| Serial Bonds: | | | | | | | | | | | |
| | 10/01/2017 | 260,000 | 3.000% | 1.100% | 102.611 | | | | | | 6,788.60 |
| | 10/01/2018 | 270,000 | 3.000% | 1.340% | 103.889 | | | | | | 10,500.30 |
| | 10/01/2019 | 275,000 | 4.000% | 1.500% | 108.229 | | | | | | 22,629.75 |
| | 10/01/2020 | 290,000 | 4.000% | 1.670% | 109.819 | | | | | | 28,475.10 |
| | 10/01/2021 | 295,000 | 5.000% | 1.880% | 115.916 | | | | | | 46,952.20 |
| | 10/01/2022 | 315,000 | 5.000% | 2.060% | 117.513 | | | | | | 55,165.95 |
| | 10/01/2023 | 335,000 | 5.000% | 2.230% | 118.771 | | | | | | 62,882.85 |
| | 10/01/2024 | 345,000 | 5.000% | 2.410% | 119.562 | | | | | | 67,488.90 |
| | 10/01/2025 | 355,000 | 5.000% | 2.570% | 120.154 | | | | | | 71,546.70 |
| | 10/01/2026 | 380,000 | 5.000% | 2.800% | 119.709 | | | | | | 74,894.20 |
| | 10/01/2027 | 395,000 | 5.000% | 2.900% | 118.717 C | 3.043% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 73,932.15 |
| | 10/01/2028 | 430,000 | 5.000% | 3.020% | 117.539 C | 3.267% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 75,417.70 |
| | 10/01/2029 | 445,000 | 5.000% | 3.050% | 117.247 C | 3.387% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 76,749.15 |
| | 10/01/2030 | 475,000 | 5.000% | 3.130% | 116.472 C | 3.530% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 78,242.00 |
| | 10/01/2031 | 490,000 | 5.000% | 3.200% | 115.799 C | 3.649% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 77,415.10 |
| | 10/01/2032 | 515,000 | 5.000% | 3.250% | 115.321 C | 3.741% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 78,903.15 |
| | 10/01/2033 | 535,000 | 5.000% | 3.300% | 114.845 C | 3.823% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 79,420.75 |
| | 10/01/2034 | 570,000 | 5.000% | 3.350% | 114.372 C | 3.898% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 81,920.40 |
| | 10/01/2035 | 595,000 | 5.000% | 3.400% | 113.901 C | 3.965% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 82,710.95 |
| | 10/01/2036 | 625,000 | 5.000% | 3.450% | 113.433 C | 4.027% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 83,956.25 |
| | 10/01/2037 | 650,000 | 5.000% | 3.500% | 112.966 C | 4.085% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 84,279.00 |
| 8,845,000 | | | | | | | | | | | 1,320,271.15 |

| | | |
|------------------------|---------------|-------------|
| Dated Date | 05/11/2016 | |
| Delivery Date | 05/11/2016 | |
| First Coupon | 10/01/2016 | |
| Par Amount | 8,845,000.00 | |
| Premium | 1,320,271.15 | |
| Production | 10,165,271.15 | 114.926751% |
| Underwriter's Discount | -48,647.50 | -0.550000% |
| Purchase Price | 10,116,623.65 | 114.376751% |
| Accrued Interest | | |
| Net Proceeds | 10,116,623.65 | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

SUMMARY OF BONDS REFUNDED

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|----------------------------------|---------------|---------------|--------------|------------|------------|
| Mid-County - Series 2006, MC_06: | | | | | |
| TE_SR_01 | 10/01/2017 | 4.000% | 285,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2018 | 5.000% | 290,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2019 | 5.000% | 305,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2020 | 5.000% | 325,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2021 | 4.125% | 335,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2022 | 4.750% | 350,000.00 | 10/01/2016 | 100.000 |
| TE_TM_01 | 10/01/2023 | 4.500% | 370,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2024 | 4.500% | 385,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2025 | 4.500% | 395,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2026 | 4.500% | 420,000.00 | 10/01/2016 | 100.000 |
| TE_TM_02 | 10/01/2027 | 4.500% | 435,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2028 | 4.500% | 465,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2029 | 4.500% | 480,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2030 | 4.500% | 510,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2031 | 4.500% | 525,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2032 | 4.500% | 550,000.00 | 10/01/2016 | 100.000 |
| TE_TM_03 | 10/01/2033 | 4.500% | 570,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2034 | 4.500% | 600,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2035 | 4.500% | 625,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2036 | 4.500% | 655,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2037 | 4.500% | 680,000.00 | 10/01/2016 | 100.000 |
| | | | 9,555,000.00 | | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

BOND DEBT SERVICE

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Period Ending | Principal | Coupon | Interest | Debt Service | Bond Balance | Total Bond Value |
|------------------|-----------|--------|--------------|---------------|-----------------|---------------------|
| 10/01/2016 | | | 165,666.67 | 165,666.67 | 8,845,000 | 8,845,000 |
| 10/01/2017 | 260,000 | 3.000% | 426,000.00 | 686,000.00 | 8,585,000 | 8,585,000 |
| 10/01/2018 | 270,000 | 3.000% | 418,200.00 | 688,200.00 | 8,315,000 | 8,315,000 |
| 10/01/2019 | 275,000 | 4.000% | 410,100.00 | 685,100.00 | 8,040,000 | 8,040,000 |
| 10/01/2020 | 290,000 | 4.000% | 399,100.00 | 689,100.00 | 7,750,000 | 7,750,000 |
| 10/01/2021 | 295,000 | 5.000% | 387,500.00 | 682,500.00 | 7,455,000 | 7,455,000 |
| 10/01/2022 | 315,000 | 5.000% | 372,750.00 | 687,750.00 | 7,140,000 | 7,140,000 |
| 10/01/2023 | 335,000 | 5.000% | 357,000.00 | 692,000.00 | 6,805,000 | 6,805,000 |
| 10/01/2024 | 345,000 | 5.000% | 340,250.00 | 685,250.00 | 6,460,000 | 6,460,000 |
| 10/01/2025 | 355,000 | 5.000% | 323,000.00 | 678,000.00 | 6,105,000 | 6,105,000 |
| 10/01/2026 | 380,000 | 5.000% | 305,250.00 | 685,250.00 | 5,725,000 | 5,725,000 |
| 10/01/2027 | 395,000 | 5.000% | 286,250.00 | 681,250.00 | 5,330,000 | 5,330,000 |
| 10/01/2028 | 430,000 | 5.000% | 266,500.00 | 696,500.00 | 4,900,000 | 4,900,000 |
| 10/01/2029 | 445,000 | 5.000% | 245,000.00 | 690,000.00 | 4,455,000 | 4,455,000 |
| 10/01/2030 | 475,000 | 5.000% | 222,750.00 | 697,750.00 | 3,980,000 | 3,980,000 |
| 10/01/2031 | 490,000 | 5.000% | 199,000.00 | 689,000.00 | 3,490,000 | 3,490,000 |
| 10/01/2032 | 515,000 | 5.000% | 174,500.00 | 689,500.00 | 2,975,000 | 2,975,000 |
| 10/01/2033 | 535,000 | 5.000% | 148,750.00 | 683,750.00 | 2,440,000 | 2,440,000 |
| 10/01/2034 | 570,000 | 5.000% | 122,000.00 | 692,000.00 | 1,870,000 | 1,870,000 |
| 10/01/2035 | 595,000 | 5.000% | 93,500.00 | 688,500.00 | 1,275,000 | 1,275,000 |
| 10/01/2036 | 625,000 | 5.000% | 63,750.00 | 688,750.00 | 650,000 | 650,000 |
| 10/01/2037 | 650,000 | 5.000% | 32,500.00 | 682,500.00 | | |
| | 8,845,000 | | 5,759,316.67 | 14,604,316.67 | | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

UNREFUNDED BOND DEBT SERVICE

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

| Period Ending | Principal | Coupon | Interest | Debt Service | Bond Balance | Total Bond Value |
|------------------|-----------|--------|----------|-----------------|-----------------|---------------------|
| 10/01/2016 | 265,000 | 4.000% | 5,300 | 270,300 | | |
| | 265,000 | | 5,300 | 270,300 | | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

ESCROW REQUIREMENTS

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Period Ending | Interest | Principal Redeemed | Total |
|------------------|------------|-----------------------|--------------|
| 10/01/2016 | 216,384.38 | 9,555,000.00 | 9,771,384.38 |
| | 216,384.38 | 9,555,000.00 | 9,771,384.38 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

ESCROW DESCRIPTIONS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

| Type of Security | Type of SLGS | Maturity Date | First Int Pmt Date | Par Amount | Rate | Max Rate |
|---------------------|-----------------|------------------|-----------------------|---------------|--------|-------------|
| May 11, 2016: | | | | | | |
| SLGS | Certificate | 10/01/2016 | 10/01/2016 | 9,757,622 | 0.360% | 0.360% |
| | | | | 9,757,622 | | |

SLGS Summary

| | |
|------------------------------------|--------------|
| SLGS Rates File | 09DEC15 |
| Total Certificates of Indebtedness | 9,757,622.00 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

ESCROW COST

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

| Type of Security | Maturity Date | Par Amount | Rate | Total Cost |
|---------------------|------------------|---------------|--------|---------------|
| SLGS | 10/01/2016 | 9,757,622 | 0.360% | 9,757,622.00 |
| | | 9,757,622 | | 9,757,622.00 |

| Purchase Date | Cost of Securities | Cash Deposit | Total Escrow Cost | Yield |
|------------------|-----------------------|-----------------|----------------------|-----------|
| 05/11/2016 | 9,757,622 | 0.12 | 9,757,622.12 | 0.362750% |
| | 9,757,622 | 0.12 | 9,757,622.12 | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

ESCROW CASH FLOW

Successor Agency to the Redevelopment Agency for the County of Riverside
Mid-County Redevelopment Project Area
Refunding of Series 2006

| Date | Principal | Interest | Net Escrow Receipts | Present Value to 05/11/2016 @ 0.3627502% |
|------------|--------------|-----------|------------------------|--|
| 10/01/2016 | 9,757,622.00 | 13,762.26 | 9,771,384.26 | 9,757,622.00 |
| | 9,757,622.00 | 13,762.26 | 9,771,384.26 | 9,757,622.00 |

Escrow Cost Summary

| | |
|------------------------------|--------------|
| Purchase date | 05/11/2016 |
| Purchase cost of securities | 9,757,622.00 |
| Target for yield calculation | 9,757,622.00 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

ESCROW SUFFICIENCY

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

| Date | Escrow Requirement | Net Escrow Receipts | Excess Receipts | Excess Balance |
|------------|-----------------------|------------------------|--------------------|-------------------|
| 05/11/2016 | | 0.12 | 0.12 | 0.12 |
| 10/01/2016 | 9,771,384.38 | 9,771,384.26 | -0.12 | |
| | 9,771,384.38 | 9,771,384.38 | 0.00 | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

ESCROW STATISTICS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Mid-County Redevelopment Project Area
 Refunding of Series 2006

| Total Escrow Cost | Modified Duration (years) | Yield to Receipt Date | Yield to Disbursement Date | Perfect Escrow Cost | Value of Negative Arbitrage | Cost of Dead Time |
|---|---------------------------------|-----------------------------|----------------------------------|---------------------------|-----------------------------------|----------------------|
| Global Proceeds Escrow: 9,757,622.12 | 0.388 | 0.362750% | 0.362750% | 9,654,420.08 | 103,202.04 | |
| 9,757,622.12 | | | | 9,654,420.08 | 103,202.04 | 0.00 |

Delivery date 05/11/2016
 Arbitrage yield 3.120689%

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes BBB+ underlying rating

Assumes insurance at a cost of 0.60% of debt service

Assumes surety cost of 3.0% of reserve requirement

TABLE OF CONTENTS

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Report | Page |
|--|------|
| Sources and Uses of Funds | 1 |
| Summary of Refunding Results | 2 |
| Bond Summary Statistics | 3 |
| Savings | 4 |
| Bond Pricing | 5 |
| Summary of Bonds Refunded | 6 |
| Bond Debt Service | 7 |
| Unrefunded Bond Debt Service | 8 |
| Escrow Requirements | 9 |
| Escrow Descriptions | 10 |
| Escrow Cost | 11 |
| Escrow Cash Flow | 12 |
| Escrow Sufficiency | 13 |
| Escrow Statistics | 14 |

SOURCES AND USES OF FUNDS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

Sources:

| | |
|----------------|----------------------|
| Bond Proceeds: | |
| Par Amount | 49,885,000.00 |
| Premium | 7,574,492.00 |
| | <u>57,459,492.00</u> |

Uses:

| | |
|----------------------------|----------------------|
| Refunding Escrow Deposits: | |
| Cash Deposit | 0.54 |
| SLGS Purchases | <u>56,544,046.00</u> |
| | 56,544,046.54 |
| Delivery Date Expenses: | |
| Cost of Issuance | 250,000.00 |
| Underwriter's Discount | 174,597.50 |
| Bond Insurance | 409,219.01 |
| Surety Policy | <u>78,254.00</u> |
| | 912,070.51 |
| Other Uses of Funds: | |
| Additional Proceeds | 3,374.95 |
| | <u>57,459,492.00</u> |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

SUMMARY OF REFUNDING RESULTS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

| | |
|--|---------------|
| Dated Date | 05/11/2016 |
| Delivery Date | 05/11/2016 |
| Arbitrage yield | 3.057125% |
| Escrow yield | 0.362750% |
| Value of Negative Arbitrage | 584,420.50 |
| Bond Par Amount | 49,885,000.00 |
| True Interest Cost | 3.450402% |
| Net Interest Cost | 3.801837% |
| All-In TIC | 3.585367% |
| Average Coupon | 4.947377% |
| Average Life | 12.949 |
| Par amount of refunded bonds | 55,330,000.00 |
| Average coupon of refunded bonds | 4.669728% |
| Average life of refunded bonds | 12.926 |
| PV of prior debt to 05/11/2016 @ 3.057125% | 64,784,598.01 |
| Net PV Savings | 5,273,981.02 |
| Percentage savings of refunded bonds | 9.531865% |
| Percentage savings of refunding bonds | 10.572278% |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

BOND SUMMARY STATISTICS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

| | |
|-----------------------------------|---------------|
| Dated Date | 05/11/2016 |
| Delivery Date | 05/11/2016 |
| Last Maturity | 10/01/2037 |
| Arbitrage Yield | 3.057125% |
| True Interest Cost (TIC) | 3.450402% |
| Net Interest Cost (NIC) | 3.801837% |
| All-In TIC | 3.585367% |
| Average Coupon | 4.947377% |
| Average Life (years) | 12.949 |
| Weighted Average Maturity (years) | 13.013 |
| Duration of Issue (years) | 9.794 |
| Par Amount | 49,885,000.00 |
| Bond Proceeds | 57,459,492.00 |
| Total Interest | 31,958,802.78 |
| Net Interest | 24,558,908.28 |
| Total Debt Service | 81,843,802.78 |
| Maximum Annual Debt Service | 3,912,700.00 |
| Average Annual Debt Service | 3,826,463.51 |
| Underwriter's Fees (per \$1000) | |
| Average Takedown | |
| Other Fee | 3.500000 |
| Total Underwriter's Discount | 3.500000 |
| Bid Price | 114.833907 |

| Bond Component | Par Value | Price | Average Coupon | Average Life | PV of 1 bp change |
|---------------------|---------------|---------|----------------|--------------|-------------------|
| A Rated Serial Bond | 49,885,000.00 | 115.184 | 4.947% | 12.949 | 41,717.50 |
| | 49,885,000.00 | | | 12.949 | 41,717.50 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|---------------|---------------|-----------------|
| Par Value | 49,885,000.00 | 49,885,000.00 | 49,885,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | 7,574,492.00 | 7,574,492.00 | 7,574,492.00 |
| - Underwriter's Discount | -174,597.50 | -174,597.50 | |
| - Cost of Issuance Expense | | -250,000.00 | |
| - Other Amounts | | -487,473.01 | -487,473.01 |
| Target Value | 57,284,894.50 | 56,547,421.49 | 56,972,018.99 |
| Target Date | 05/11/2016 | 05/11/2016 | 05/11/2016 |
| Yield | 3.450402% | 3.585367% | 3.057125% |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

SAVINGS

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Date | Prior Debt Service | Refunding Debt Service | Savings | Present Value to 05/11/2016 @ 3.0571246% |
|------------|-----------------------|---------------------------|--------------|--|
| 10/01/2016 | 1,293,796.88 | 926,352.78 | 367,444.10 | 363,134.15 |
| 10/01/2017 | 4,232,593.76 | 3,907,050.00 | 325,543.76 | 313,616.85 |
| 10/01/2018 | 4,221,793.76 | 3,896,300.00 | 325,493.76 | 304,055.60 |
| 10/01/2019 | 4,228,793.76 | 3,904,500.00 | 324,293.76 | 293,740.16 |
| 10/01/2020 | 4,230,043.76 | 3,904,900.00 | 325,143.76 | 285,544.40 |
| 10/01/2021 | 4,236,793.76 | 3,912,700.00 | 324,093.76 | 275,950.42 |
| 10/01/2022 | 4,218,543.76 | 3,892,500.00 | 326,043.76 | 269,133.61 |
| 10/01/2023 | 4,222,106.26 | 3,897,250.00 | 324,856.26 | 260,103.93 |
| 10/01/2024 | 4,214,856.26 | 3,892,250.00 | 322,606.26 | 250,513.91 |
| 10/01/2025 | 4,222,606.26 | 3,897,750.00 | 324,856.26 | 244,646.46 |
| 10/01/2026 | 4,204,356.26 | 3,883,000.00 | 321,356.26 | 234,706.33 |
| 10/01/2027 | 4,221,512.50 | 3,898,750.00 | 322,762.50 | 228,695.29 |
| 10/01/2028 | 4,216,725.00 | 3,893,250.00 | 323,475.00 | 222,327.65 |
| 10/01/2029 | 4,216,618.76 | 3,892,250.00 | 324,368.76 | 216,258.03 |
| 10/01/2030 | 4,220,731.26 | 3,895,250.00 | 325,481.26 | 210,495.06 |
| 10/01/2031 | 4,218,600.00 | 3,896,750.00 | 321,850.00 | 201,910.57 |
| 10/01/2032 | 4,210,225.00 | 3,886,500.00 | 323,725.00 | 197,002.47 |
| 10/01/2033 | 4,216,562.50 | 3,894,750.00 | 321,812.50 | 189,955.58 |
| 10/01/2034 | 3,980,300.00 | 3,655,250.00 | 325,050.00 | 186,102.45 |
| 10/01/2035 | 3,992,600.00 | 3,670,000.00 | 322,600.00 | 179,148.82 |
| 10/01/2036 | 3,996,825.00 | 3,671,500.00 | 325,325.00 | 175,233.08 |
| 10/01/2037 | 3,997,125.00 | 3,675,000.00 | 322,125.00 | 168,331.23 |
| | 89,014,109.50 | 81,843,802.78 | 7,170,306.72 | 5,270,606.07 |

Savings Summary

| | |
|-------------------------------|--------------|
| PV of savings from cash flow | 5,270,606.07 |
| Plus: Refunding funds on hand | 3,374.95 |
| Net PV Savings | 5,273,981.02 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

BOND PRICING

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

| Bond Component | Maturity Date | Amount | Rate | Yield | Price | Yield to Maturity | Call Date | Call Price | Call Date for Arb Yield | Call Price for Arb Yield | Premium (-Discount) |
|----------------------|---------------|-----------|--------|--------|-----------|-------------------|------------|------------|-------------------------|--------------------------|---------------------|
| A Rated Serial Bond: | | | | | | | | | | | |
| | 10/01/2017 | 1,525,000 | 3.000% | 1.040% | 102.695 | | | | | | 41,098.75 |
| | 10/01/2018 | 1,560,000 | 3.000% | 1.300% | 103.985 | | | | | | 62,166.00 |
| | 10/01/2019 | 1,615,000 | 4.000% | 1.480% | 108.298 | | | | | | 134,012.70 |
| | 10/01/2020 | 1,680,000 | 4.000% | 1.670% | 109.819 | | | | | | 164,959.20 |
| | 10/01/2021 | 1,755,000 | 4.000% | 1.860% | 110.923 | | | | | | 191,698.65 |
| | 10/01/2022 | 1,805,000 | 5.000% | 2.050% | 117.578 | | | | | | 317,282.90 |
| | 10/01/2023 | 1,900,000 | 5.000% | 2.230% | 118.771 | | | | | | 356,649.00 |
| | 10/01/2024 | 1,990,000 | 5.000% | 2.410% | 119.562 | | | | | | 389,283.80 |
| | 10/01/2025 | 2,095,000 | 5.000% | 2.520% | 120.617 | | | | | | 431,926.15 |
| | 10/01/2026 | 2,185,000 | 5.000% | 2.700% | 120.712 | | | | | | 452,557.20 |
| | 10/01/2027 | 2,310,000 | 5.000% | 2.810% | 119.610 C | 2.959% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 452,991.00 |
| | 10/01/2028 | 2,420,000 | 5.000% | 2.920% | 118.520 C | 3.179% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 448,184.00 |
| | 10/01/2029 | 2,540,000 | 5.000% | 3.000% | 117.735 C | 3.345% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 450,469.00 |
| | 10/01/2030 | 2,670,000 | 5.000% | 3.080% | 116.956 C | 3.491% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 452,725.20 |
| | 10/01/2031 | 2,805,000 | 5.000% | 3.150% | 116.279 C | 3.611% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 456,625.95 |
| | 10/01/2032 | 2,935,000 | 5.000% | 3.200% | 115.799 C | 3.705% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 463,700.65 |
| | 10/01/2033 | 3,090,000 | 5.000% | 3.250% | 115.321 C | 3.789% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 473,418.90 |
| | 10/01/2034 | 3,005,000 | 5.000% | 3.300% | 114.845 C | 3.864% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 446,092.25 |
| | 10/01/2035 | 3,170,000 | 5.000% | 3.350% | 114.372 C | 3.933% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 455,592.40 |
| | 10/01/2036 | 3,330,000 | 5.000% | 3.400% | 113.901 C | 3.996% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 462,903.30 |
| | 10/01/2037 | 3,500,000 | 5.000% | 3.450% | 113.433 C | 4.054% | 10/01/2026 | 100.000 | 10/01/2026 | 100.000 | 470,155.00 |
| | | | | | | | | | | | 7,574,492.00 |
| | | | | | | | | | | | 49,885,000 |

| | | |
|------------------------|---------------|-------------|
| Dated Date | 05/11/2016 | |
| Delivery Date | 05/11/2016 | |
| First Coupon | 10/01/2016 | |
| Par Amount | 49,885,000.00 | |
| Premium | 7,574,492.00 | |
| Production | 57,459,492.00 | 115.183907% |
| Underwriter's Discount | -174,597.50 | -0.350000% |
| Purchase Price | 57,284,894.50 | 114.833907% |
| Accrued Interest | | |
| Net Proceeds | 57,284,894.50 | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE
 Rates and market conditions as of December 8, 2015
 Assumes 'A' underlying rating
 Assumes insurance at a cost of 0.50% of debt service
 Assumes surety cost of 2.0% of reserve requirement

SUMMARY OF BONDS REFUNDED

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|------------------------------|---------------|---------------|---------------|------------|------------|
| Jurupa - Series 2006, JU_06: | | | | | |
| TE_SR_01 | 10/01/2017 | 4.000% | 1,645,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2018 | 4.000% | 1,700,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2019 | 5.000% | 1,775,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2020 | 5.000% | 1,865,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2021 | 5.000% | 1,965,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2022 | 4.250% | 775,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2023 | 5.000% | 2,145,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2024 | 5.000% | 2,245,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2025 | 5.000% | 2,365,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2026 | 4.375% | 2,465,000.00 | 10/01/2016 | 100.000 |
| TE_SR_02 | 10/01/2022 | 5.000% | 1,270,000.00 | 10/01/2016 | 100.000 |
| TE_TM_01 | 10/01/2027 | 4.625% | 2,590,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2028 | 4.625% | 2,705,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2029 | 4.625% | 2,830,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2030 | 4.625% | 2,965,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2031 | 4.625% | 3,100,000.00 | 10/01/2016 | 100.000 |
| TE_TM_02 | 10/01/2032 | 4.750% | 3,235,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2033 | 4.750% | 3,395,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2034 | 4.750% | 3,320,000.00 | 10/01/2016 | 100.000 |
| TE_TM_03 | 10/01/2035 | 4.750% | 3,490,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2036 | 4.500% | 3,660,000.00 | 10/01/2016 | 100.000 |
| | 10/01/2037 | 4.500% | 3,825,000.00 | 10/01/2016 | 100.000 |
| | | | 55,330,000.00 | | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

BOND DEBT SERVICE

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Period Ending | Principal | Coupon | Interest | Debt Service | Bond Balance | Total Bond Value |
|------------------|------------|--------|---------------|---------------|-----------------|---------------------|
| 10/01/2016 | | | 926,352.78 | 926,352.78 | 49,885,000 | 49,885,000 |
| 10/01/2017 | 1,525,000 | 3.000% | 2,382,050.00 | 3,907,050.00 | 48,360,000 | 48,360,000 |
| 10/01/2018 | 1,560,000 | 3.000% | 2,336,300.00 | 3,896,300.00 | 46,800,000 | 46,800,000 |
| 10/01/2019 | 1,615,000 | 4.000% | 2,289,500.00 | 3,904,500.00 | 45,185,000 | 45,185,000 |
| 10/01/2020 | 1,680,000 | 4.000% | 2,224,900.00 | 3,904,900.00 | 43,505,000 | 43,505,000 |
| 10/01/2021 | 1,755,000 | 4.000% | 2,157,700.00 | 3,912,700.00 | 41,750,000 | 41,750,000 |
| 10/01/2022 | 1,805,000 | 5.000% | 2,087,500.00 | 3,892,500.00 | 39,945,000 | 39,945,000 |
| 10/01/2023 | 1,900,000 | 5.000% | 1,997,250.00 | 3,897,250.00 | 38,045,000 | 38,045,000 |
| 10/01/2024 | 1,990,000 | 5.000% | 1,902,250.00 | 3,892,250.00 | 36,055,000 | 36,055,000 |
| 10/01/2025 | 2,095,000 | 5.000% | 1,802,750.00 | 3,897,750.00 | 33,960,000 | 33,960,000 |
| 10/01/2026 | 2,185,000 | 5.000% | 1,698,000.00 | 3,883,000.00 | 31,775,000 | 31,775,000 |
| 10/01/2027 | 2,310,000 | 5.000% | 1,588,750.00 | 3,898,750.00 | 29,465,000 | 29,465,000 |
| 10/01/2028 | 2,420,000 | 5.000% | 1,473,250.00 | 3,893,250.00 | 27,045,000 | 27,045,000 |
| 10/01/2029 | 2,540,000 | 5.000% | 1,352,250.00 | 3,892,250.00 | 24,505,000 | 24,505,000 |
| 10/01/2030 | 2,670,000 | 5.000% | 1,225,250.00 | 3,895,250.00 | 21,835,000 | 21,835,000 |
| 10/01/2031 | 2,805,000 | 5.000% | 1,091,750.00 | 3,896,750.00 | 19,030,000 | 19,030,000 |
| 10/01/2032 | 2,935,000 | 5.000% | 951,500.00 | 3,886,500.00 | 16,095,000 | 16,095,000 |
| 10/01/2033 | 3,090,000 | 5.000% | 804,750.00 | 3,894,750.00 | 13,005,000 | 13,005,000 |
| 10/01/2034 | 3,005,000 | 5.000% | 650,250.00 | 3,655,250.00 | 10,000,000 | 10,000,000 |
| 10/01/2035 | 3,170,000 | 5.000% | 500,000.00 | 3,670,000.00 | 6,830,000 | 6,830,000 |
| 10/01/2036 | 3,330,000 | 5.000% | 341,500.00 | 3,671,500.00 | 3,500,000 | 3,500,000 |
| 10/01/2037 | 3,500,000 | 5.000% | 175,000.00 | 3,675,000.00 | | |
| | 49,885,000 | | 31,958,802.78 | 81,843,802.78 | | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

UNREFUNDED BOND DEBT SERVICE

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

| Period Ending | Principal | Coupon | Interest | Debt Service | Bond Balance | Total Bond Value |
|------------------|-----------|--------|----------|-----------------|-----------------|---------------------|
| 10/01/2016 | 1,575,000 | 4.000% | 31,500 | 1,606,500 | | |
| | 1,575,000 | | 31,500 | 1,606,500 | | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

ESCROW REQUIREMENTS

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Period Ending | Interest | Principal Redeemed | Total |
|------------------|--------------|-----------------------|---------------|
| 10/01/2016 | 1,293,796.88 | 55,330,000.00 | 56,623,796.88 |
| | 1,293,796.88 | 55,330,000.00 | 56,623,796.88 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

ESCROW DESCRIPTIONS

Successor Agency to the Redevelopment Agency for the County of Riverside
 Jurupa Valley Redevelopment Project Area
 Refunding of Series 2006

| Type of Security | Type of SLGS | Maturity Date | First Int Pmt Date | Par Amount | Rate | Max Rate |
|------------------|--------------|---------------|--------------------|------------|--------|----------|
| May 11, 2016: | | | | | | |
| SLGS | Certificate | 10/01/2016 | 10/01/2016 | 56,544,046 | 0.360% | 0.360% |
| | | | | 56,544,046 | | |

SLGS Summary

| | |
|------------------------------------|---------------|
| SLGS Rates File | 09DEC15 |
| Total Certificates of Indebtedness | 56,544,046.00 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

ESCROW COST

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Type of Security | Maturity Date | Par Amount | Rate | Total Cost |
|------------------|---------------|------------|--------|---------------|
| SLGS | 10/01/2016 | 56,544,046 | 0.360% | 56,544,046.00 |
| | | 56,544,046 | | 56,544,046.00 |

| Purchase Date | Cost of Securities | Cash Deposit | Total Escrow Cost | Yield |
|---------------|--------------------|--------------|-------------------|-----------|
| 05/11/2016 | 56,544,046 | 0.54 | 56,544,046.54 | 0.362750% |
| | 56,544,046 | 0.54 | 56,544,046.54 | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

ESCROW CASH FLOW

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Date | Principal | Interest | Net Escrow Receipts | Present Value to 05/11/2016 @ 0.3627501% |
|------------|---------------|-----------|------------------------|--|
| 10/01/2016 | 56,544,046.00 | 79,750.34 | 56,623,796.34 | 56,544,046.00 |
| | 56,544,046.00 | 79,750.34 | 56,623,796.34 | 56,544,046.00 |

Escrow Cost Summary

| | |
|------------------------------|---------------|
| Purchase date | 05/11/2016 |
| Purchase cost of securities | 56,544,046.00 |
| Target for yield calculation | 56,544,046.00 |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

ESCROW SUFFICIENCY

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Date | Escrow Requirement | Net Escrow Receipts | Excess Receipts | Excess Balance |
|------------|--------------------|---------------------|-----------------|----------------|
| 05/11/2016 | | 0.54 | 0.54 | 0.54 |
| 10/01/2016 | 56,623,796.88 | 56,623,796.34 | -0.54 | |
| | 56,623,796.88 | 56,623,796.88 | 0.00 | |

Notes:

RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement

ESCROW STATISTICS

Successor Agency to the Redevelopment Agency for the County of Riverside
Jurupa Valley Redevelopment Project Area
Refunding of Series 2006

| Total Escrow Cost | Modified Duration (years) | Yield to Receipt Date | Yield to Disbursement Date | Perfect Escrow Cost | Value of Negative Arbitrage | Cost of Dead Time |
|-------------------------|---------------------------------|-----------------------------|----------------------------------|---------------------------|-----------------------------------|----------------------|
| Global Proceeds Escrow: | | | | | | |
| 56,544,046.54 | 0.388 | 0.362750% | 0.362750% | 55,959,626.03 | 584,420.50 | 0.01 |
| 56,544,046.54 | | | | 55,959,626.03 | 584,420.50 | 0.01 |

Delivery date 05/11/2016
Arbitrage yield 3.057125%

Notes:

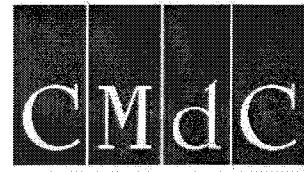
RESULTS ARE PRELIMINARY AND SUBJECT TO CHANGE

Rates and market conditions as of December 8, 2015

Assumes 'A' underlying rating

Assumes insurance at a cost of 0.50% of debt service

Assumes surety cost of 2.0% of reserve requirement



C.M. de CRINIS & CO., INC.

MEMORANDUM

To: Successor Agency to the Redevelopment Agency for the County of Riverside

Date: January 11, 2016

From: C.M. de Crinis - Financial Advisor to the County of Riverside Tax Allocation Bonds Refunding Program

RE: 2016 Bond Refunding Plan – Refunding of Riverside County Public Financing Authority \$169,720,000 2006 Series A and \$33,820,000 2006 Series B

Introduction

As a result of ABx1 26 and the California Supreme Court decision in the Matosantos case challenging the constitutionality of AB 26, all redevelopment agencies in the State were dissolved as of February 1, 2012, including the Redevelopment Agency for the County of Riverside, and successor agencies to the former redevelopment agencies were designated to expeditiously wind down the affairs of the former redevelopment agencies. The County of Riverside acts as the successor agency to the Redevelopment Agency (the “Successor Agency”).

Section 34177.5 of the Health & Safety Code, which was added to the Dissolution Act by AB 1484, authorizes the Successor Agency to issue bonds for the purpose of refunding outstanding tax allocation bonds of the Redevelopment Agency or the Successor Agency to provide debt service savings provided that (A) the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds does not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (B) the principal amount of the refunding bonds does not exceed the amount required to defease

the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance. If the foregoing conditions are satisfied, the initial principal amount of the refunding bonds may be greater than the outstanding principal amount of the bonds to be refunded.

Section 34177.5(h) of the Dissolution Act requires the Successor Agency to make diligent efforts to ensure that the lowest long-term cost financing is obtained, and requires the successor agency to make use of an independent financial advisor in developing financing proposals and to make the work products of the financial advisor available to the Department of Finance at its request. This report will be submitted to the Department of Finance as part of the Agency's request for approval of the proposed 2016 refunding for the 2006 A and 2006 B Public Financing Authority Tax Allocation Revenue Bonds.

This report is written by C.M. de Crinis & Co. Inc., which has been engaged as the independent financial advisor to the County of Riverside's Tax Allocation Bond Refunding Program (the "County Program"), to analyze the possible refunding of the Successor Agency's tax allocation bonds and to assure compliance with AB 1484.

Overview of Bond Refunding Plan

On February 20, 2014 the County's Successor Agency Oversight Board elected, pursuant to Health and Safety Code Section 34177.5(f), to participate in the Riverside County's Refunding Program which is available to all Successor Agencies in the County. The Department of Finance has previously approved the refunding of eleven bond series for the County's Successor Agency and three bond series for participating cities. Consistent with its internal policies and its fiduciary obligation to the taxpayers, the Successor Agency's staff and the Program's financing team continue to bring forward refunding candidates that meet its savings guidelines. Currently we have identified five additional Series of outstanding bonds totaling \$168,470,000 that can be refunded for savings. These five bond series were included in the Riverside County Public Financing Authority's \$169,720,000 2006 Series A Tax Allocation Revenue Bonds (Jurupa Valley, Desert Communities, & Interstate I 215 Projects) and \$33,820,000 2006 Series B Tax Allocation Revenue Bonds (Mid-County & Project Area No. 1). The Bonds were pooled under the Mark Roos Bond Pooling Act in 2006. Based on underlying project area bond ratings at the time and bond insurance premiums a Series A and Series B were recommended. The County's Refunding Program has produced over \$27 million in NPV savings for the County's Successor Agency and over \$41 million NPV savings when including other participating Agencies within the County.



Refunding Candidates

The Successor Agency proposes to refund the highlighted issues:

| S&P Underlying Rating S&P RPTTF Rating | Non-Housing Principal Outstanding | | | | | |
|---|-----------------------------------|--------------------|-------------------|--------------------|--------------------|--------------------|
| | Series A | Series B | Series C | Series D | Series E | |
| | A | A | BBB+ | A | A- | A |
| Project Area | PA-1 | Jurupa | MCPA | DCPA | I-215 | Total |
| 2006 RCIPA Ser A | | 56,905,000 | | 59,025,000 | 24,355,000 | 140,285,000 |
| 2006 RCIPA Ser B | 18,365,000 | | 9,820,000 | | | 28,185,000 |
| 2007 Jurupa Valley | | 74,095,000 | | | | 74,095,000 |
| 2010 Mid-County | | | 5,405,000 | | | 5,405,000 |
| 2010 DCPA | | | | 29,050,000 | | 29,050,000 |
| 2010 I-215 | | | | | 47,400,000 | 47,400,000 |
| 2011 Jurupa Ser B | | 23,133,001 | | | | 23,133,001 |
| 2011 Jurupa Ser B-T | | 5,230,000 | | | | 5,230,000 |
| 2014 PFA Bonds | 19,105,000 | | | 27,455,000 | 16,170,000 | 62,730,000 |
| 2015 C | | | 15,025,000 | | | 15,025,000 |
| 2015B | | 64,365,000 | | | | 64,365,000 |
| 2015 PFA Bonds | 22,460,000 | | | 13,620,000 | 18,875,000 | 54,955,000 |
| Total Senior Lien | 59,930,000 | 223,728,001 | 30,250,000 | 129,150,000 | 106,800,000 | 549,858,001 |
| 2011 DCPA Sub. | | | | 5,940,000 | | 5,940,000 |
| 2011 I-215 2nd Lien | | | | | 11,739,720 | 11,739,720 |
| Total All | 59,930,000 | 223,728,001 | 30,250,000 | 135,090,000 | 118,539,720 | 567,537,721 |

Refunding Candidates

1. **Series 2006 A Bonds (Project Area No. 1).** Currently \$18,365,000 in Bonds are outstanding and refundable for acceptable savings. These bonds have a final maturity date of October 1, 2037 and are first callable 10/1/2016 at Par. Successor Agency Refunding Series 2016 A Bonds in the amount of \$16,075,000 are proposed to be issued. Net Present Value savings are currently \$1,416,331 or 7.93% of bonds refunded. It is expected that the amount of refunding bonds to be sold will be less than the bonds outstanding as a result of "premium" pricing; the net proceeds will be sufficient to redeem the outstanding bonds. ROPS collection for 2015/16 will also be applied to the refunding.
2. **Series 2006 B Bonds (Jurupa Valley Project).** Currently \$56,905,000 in Bonds are outstanding and refundable for acceptable savings. These bonds have a final maturity date of October 1, 2037 and are first callable 10/1/2016 at Par. Successor Agency Refunding Series 2016 B Bonds in the amount of \$49,885,000 are proposed to be issued. Net Present Value savings are currently \$5,273,981 or 9.53% of bonds refunded. It is expected that the amount of refunding bonds to be sold will be less than the bonds outstanding as a result of "premium" pricing; the net proceeds will be sufficient to redeem the outstanding bonds. ROPS collection for 2015/16 will also be applied to the refunding.



3. **Series 2006 C Bonds (Mid-County Project).** Currently \$9,820,000 in Bonds are outstanding and refundable for acceptable savings. These bonds have a final maturity date of October 1, 2037 and are first callable 10/1/2016 at Par. Successor Agency Refunding Series 2016 C Bonds in the amount of \$8,845,000 are proposed to be issued. Net Present Value savings are currently \$443,069 or 4.64% of bonds refunded. It is expected that the amount of refunding bonds to be sold will be less than the bonds outstanding as a result of "premium" pricing; the net proceeds will be sufficient to redeem the outstanding bonds. ROPS collection for 2015/16 will also be applied to the refunding.
4. **Series 2006 D Bonds (Desert Communities Project).** Currently \$59,025,000 in Bonds are outstanding and \$49,510,000 are advance refundable for acceptable savings. These bonds have a final maturity date of October 1, 2037 and are first callable 10/1/2016 at Par. Successor Agency 2016 D Bonds in the amount of \$43,280,000 are proposed to be issued. Net Present Value savings are currently \$4,740,472 or 9.85% of bonds refunded. It is expected that the amount of refunding bonds to be sold will be less than the bonds outstanding as a result of "premium" pricing; the net proceeds will be sufficient to redeem the outstanding bonds. ROPS collection for 2015/16 will also be applied to the refunding.
5. **Series 2006 E Bonds (I-215 Project).** Currently \$24,355,000 in Bonds are outstanding and refundable for acceptable savings. These bonds have a final maturity date of October 1, 2037 and are first callable 10/1/2016 at Par. Successor Agency 2016 E Bonds in the amount of \$21,345,000 are proposed to be issued. Net Present Value savings are currently \$2,279,696 or 9.6% of bonds refunded. It is expected that the amount of refunding bonds to be sold will be less than the bonds outstanding as a result of "premium" pricing; the net proceeds will be sufficient to redeem the outstanding bonds. ROPS collection for 2015/16 will also be applied to the refunding.

Bond Structure and Credit Considerations

Refunding Series 2006 A, D and E Bonds on a pooled basis.

\$80,700,000

Riverside County Public Financing Authority

2016 Series A Tax Allocation Refunding Revenue Bonds

(Project Area # 1, Desert Communities PA & Interstate 215 PA)

After analyzing several alternative structures with the lead underwriter, the recommended financing plan is to *consolidate the three Successor Agency refunding bond issues, the Series 2016 A, D and E Bonds into a single bond issue in a simultaneous two-step process. First, senior lien project area refunding bonds, the Series 2016 A, D and E Bonds* will be issued by the Successor Agency on parity with the existing project area senior lien bonds. Additionally, these bonds will be secured by a pledge of, and lien on, and shall be repaid from moneys deposited from time to time in the Successor Agency's Redevelopment Property Tax Trust Fund pursuant to Section 34177.5(g), known as an RPTTF Pledge.

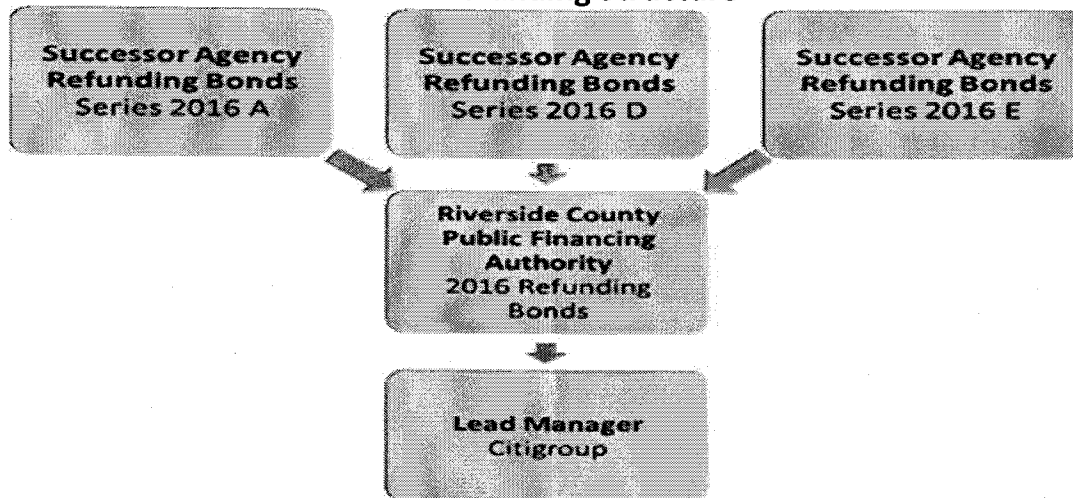


Second, the Series 2016 A, D and E Bonds will simultaneously sold to the Riverside County Public Financing Authority and pooled into a single revenue bond issue, the Riverside County Public Financing Authority 2016 Refunding Revenue Bonds. This pooled structure is advisable as the senior lien bonds of the underlying Project Areas (Project Area No. 1, Desert Communities, and Interstate 215) each received the same bond rating of Standard & Poor's "A-" in 2014 and again in 2015. In 2015 the same structure received a rating upgrade to "A". It is expected therefor that the Series 2016 Bonds will also be rated Standard & Poor's "A". Given their identical underlying ratings it is not expected that pooling the issues will incur added interest costs and that costs of issuing the bonds can be lowered. Institutional investors are familiar with the pooled structure from 2015. This is the **same bond structure** approved by the Department of Finance to refund Series 2005 A, D and E Bonds for the corresponding project areas.

Issuing all the Refunding Bonds in a single issuance, with a subordinate RPTTF pledge only, was also explored. Given the complex nature of the County RPTTF Fund, existing senior and subordinate debt and existing project areas and sub areas, it was not deemed advisable given potential investor and bond insurance concerns. The proposed structure was determined more efficient from a bond pricing and savings standpoint.

The 2016 Refunding Revenue Bonds issued by the Authority will be purchased by an underwriting team lead by Citigroup Global Markets. Senior lien debt service coverage on the Series A Bonds is expected to be 186%, senior lien debt service coverage on the Series D Bonds is expected to be 152% and senior lien debt service coverage on the Series E Bonds is expected to be 175%. The Series D Bonds, secured by the Desert Communities Project Area, has the lowest debt service coverage and may be seen by investors, insurers, and rating agencies as the weakest link in terms of debt service coverage in the pool. Revenue Bond Structures, as proposed, are not cross collateralized, with the exception of the RPTTF back up pledge. The Desert Communities Project Area however has high property owner diversification and is considered one of the strongest of the Agency's project areas.

2016 Bond Refunding Structure



County policy is to achieve a minimum net combined present value target of 3% of the principal bonds refunded (*Board Policy B-24 for the Riverside County Debt Advisory Committee*). If the savings are insufficient, the Successor Agency may forgo or delay the refinancing. The Series 2006 A, D, E and 2006 B and C Bonds can be refunded or repaid at any time after October 1, 2016 upon 30 days' notice and will be treated as a current refunding under Federal Tax Law if issued after July 1, 2016 and as an advance refunding if issued prior to that date. Depending on NPV savings levels and market outlook the Successor Agency may elect to issue the bonds as advance refunding bonds in April of 2016 or delay the issuance to June 2016 with a closing after July 1, 2016 to effect a current refunding. A current refunding or forward refunding would allow an additional \$9,240,000 in Series D Desert Communities Project Area bonds to be refunded for savings. This amount is not advance refundable.

Tax revenues will be pledged to pay the refunding debt service and submitted together with other existing Successor Agency debt service on the semi-annual ROPS for approval by the Department of Finance.

The bond term and repayment dates will be identical to the outstanding bonds being refunded. Savings will be proportional in each year.

Bond Structure and Credit Considerations

Series B and C Bonds on standalone basis

\$49,885,000

Jurupa Valley Project Area

Tax Allocation Refunding Bonds

2016 Series B

\$8,845,000

Mid County Project Area

Tax Allocation Refunding Bonds

2016 Series C

The Series 2016 Series B (Jurupa Valley Project Area) and C (Mid-County Project Area) Refunding Bonds will *be issued directly by the Agency* on senior lien parity basis with its existing outstanding bond series in each Project Area. The decision was made not to include the Series B or C Bonds in the pooled financing since Jurupa Valley is the largest and strongest of the Agency's five project areas and in the opinion of the managing underwriter would garner more investor interest while the Series C Bonds, the Mid-County Project Area, is the smallest and weakest of the Agency's five project areas and in the opinion of the managing underwriter would garner the least investor and bond insurer interest. Pooling this issue with the other Project Areas would be detrimental to the 2016 PFA Bonds given that under the pooled structure the weakest project area is the basis for the bond rating and bond insurance pricing. In 2015 Mid-County was turned down for bond insurance from one of the primary insurance and premiums were higher from the remaining insurer. Project owner concentration is very high in Mid-County. The decision was made to keep the Agency's debt structure reasonably manageable. Expected debt service coverage on the 2016 Series B Jurupa issue is expected at 180% and the coverage on the Series C Mid-County issue is expected to be 380%, however most of this coverage is due to a single Power Plant owner.

The current rating of the Jurupa Project Area is "A" by Standard & Poor's and the current rating of the Mid-County Project Area is "BBB+" by Standard & Poors. The RPTTF rating



when pledged as back up raises the ratings to "A". Jurupa is also expected to qualify for bond insurance. Whether Mid-County qualifies will have to be determined.

The bond term and repayment dates will be identical to the outstanding bonds being refunded. Savings will be proportional in each year.

Summary of Refunding Results

The refunding results present below demonstrate NPV savings to meet the savings requirements of Dissolution Act.

| | <u>PFA Bonds</u> | <u>Jurupa</u> | <u>Mid County</u> | <u>Total</u> |
|--------------------------------------|-------------------------|----------------------|--------------------------|---------------------|
| Dated Date | 5/11/2016 | 5/11/2016 | 5/11/2016 | |
| Delivery Date | 5/11/2016 | 5/11/2016 | 5/11/2016 | |
| Arbitrage yield | 3.02% | 3.06% | 3.12% | |
| Escrow yield | 0.36% | 0.36% | 0.36% | |
| Value of Negative Arbitrage | \$936,673 | \$584,421 | \$103,202 | \$1,624,296 |
| Bond Par Amount | \$80,700,000 | \$49,885,000 | \$8,845,000 | \$139,430,000 |
| True Interest Cost | 3.43% | 3.45% | 3.52% | |
| Net Interest Cost | 3.79% | 3.80% | 3.87% | |
| All-In TIC | 3.56% | 3.59% | 3.90% | |
| Average Coupon | 4.95% | 4.95% | 4.96% | |
| Average Life | 12.83 | 12.95 | 13.12 | |
| Par amount of refunded bonds | \$89,640,000 | \$55,330,000 | \$9,555,000 | \$154,525,000 |
| Average coupon of refunded bonds | 4.64% | 4.67% | 4.51% | |
| Average life of refunded bonds | 12.81 | 12.93 | 12.99 | |
| PV of prior debt to 05/11/2016 | \$104,859,266 | \$64,784,598 | \$10,964,863 | \$180,608,727 |
| Net PV Savings | \$8,436,499 | \$5,273,981 | \$443,069 | \$14,153,549 |
| Percentage savings of refunded bonds | 9.41% | 9.53% | 4.64% | |



The \$80,700,000 in PFA Bonds, which refund the underlying 2006 Series A, D and E Bonds, have the following underlying statistics and savings.

| | <u>Desert</u> <u>Communities</u> | <u>I-215 Project</u> | <u>Project Area 1</u> | <u>TOTAL PFA</u> |
|--------------------------------------|-------------------------------------|----------------------|-----------------------|------------------|
| Dated Date | 5/11/2016 | 5/11/2016 | 5/11/2016 | 5/11/2016 |
| Delivery Date | 5/11/2016 | 5/11/2016 | 5/11/2016 | 5/11/2016 |
| Arbitrage yield | 3.02% | 3.02% | 3.02% | 3.02% |
| Escrow yield | 0.36% | 0.36% | 0.36% | 0.36% |
| Value of Negative Arbitrage | \$502,528 | \$247,629 | \$186,515 | \$936,673 |
| Bond Par Amount | \$43,280,000 | \$21,345,000 | \$16,075,000 | \$80,700,000 |
| True Interest Cost | 3.41% | 3.46% | 3.46% | 3.43% |
| Net Interest Cost | 3.76% | 3.81% | 3.82% | 3.79% |
| All-In TIC | 3.54% | 3.59% | 3.59% | 3.56% |
| Average Coupon | 4.94% | 4.95% | 4.95% | 4.95% |
| Average Life | 12.63 | 13.06 | 13.09 | 12.83 |
| Par amount of refunded bonds | \$48,085,000 | \$23,695,000 | \$17,860,000 | \$89,640,000 |
| Average coupon of refunded bonds | 4.67% | 4.67% | 4.51% | 4.64% |
| Average life of refunded bonds | 12.636 | 13.029 | 12.989 | 12.810 |
| PV of prior debt to 05/11/2016 | \$56,329,276 | \$27,848,584 | \$20,681,405 | \$104,859,266 |
| Net PV Savings | \$4,740,472 | \$2,279,695 | \$1,416,331 | \$8,436,499 |
| Percentage savings of refunded bonds | 9.85% | 9.62% | 7.93% | 9.41% |



Consolidated Annual Savings Analysis – All Bonds

| Date | Prior Debt Service | Refunding Debt Service | Savings | Present Value to 05/11/2016 |
|-------------|---------------------------|-------------------------------|------------------|------------------------------------|
| 10/1/2016 | \$3,593,697 | \$2,589,883 | \$1,003,814 | \$992,091 |
| 10/1/2017 | 11,802,394 | \$10,929,700 | \$872,694 | \$840,699 |
| 10/1/2018 | 11,787,794 | \$10,921,600 | \$866,194 | \$809,261 |
| 10/1/2019 | 11,798,044 | \$10,929,900 | \$868,144 | \$786,482 |
| 10/1/2020 | 11,808,294 | \$10,933,700 | \$874,594 | \$768,285 |
| 10/1/2021 | 11,805,544 | \$10,940,100 | \$865,444 | \$737,176 |
| 10/1/2022 | 11,798,281 | \$10,930,750 | \$867,531 | \$716,566 |
| 10/1/2023 | 11,805,556 | \$10,940,750 | \$864,806 | \$692,975 |
| 10/1/2024 | 11,793,131 | \$10,927,500 | \$865,631 | \$672,812 |
| 10/1/2025 | 11,796,656 | \$10,926,500 | \$870,156 | \$656,037 |
| 10/1/2026 | 11,784,631 | \$10,921,500 | \$863,131 | \$631,215 |
| 10/1/2027 | 11,783,188 | \$10,917,000 | \$866,188 | \$614,626 |
| 10/1/2028 | 11,813,281 | \$10,947,250 | \$866,031 | \$596,222 |
| 10/1/2029 | 11,806,588 | \$10,939,750 | \$866,838 | \$578,979 |
| 10/1/2030 | 11,809,013 | \$10,940,500 | \$868,513 | \$562,801 |
| 10/1/2031 | 11,804,400 | \$10,938,250 | \$866,150 | \$544,545 |
| 10/1/2032 | 11,792,288 | \$10,922,250 | \$870,038 | \$530,687 |
| 10/1/2033 | 11,807,775 | \$10,937,250 | \$870,525 | \$515,126 |
| 10/1/2034 | 10,867,300 | \$10,005,750 | \$861,550 | \$494,610 |
| 10/1/2035 | 10,875,300 | \$10,009,000 | \$866,300 | \$482,483 |
| 10/1/2036 | 10,877,825 | \$10,011,500 | \$866,325 | \$468,063 |
| 10/1/2037 | <u>10,784,400</u> | <u>\$9,917,250</u> | <u>\$867,150</u> | <u>\$454,593</u> |
| Total | 247,595,379 | 228,377,633 | 19,217,745 | 14,146,333 |

PV of savings
from cash flow

\$14,146,333

Plus: Refunding
funds on hand

\$7,216

Net PV Savings

\$14,153,549



Bond Debt Service Reserve Funds

A key security feature of the underlying refunded bonds is a “*common reserve fund*” attributable to each project area. In 2006 the Authority’s Series A and B Revenue Bonds were insured by MBIA, now National Public Finance Guarantee, and were rated Aaa/AAA. The current rating by Standard & Poor’s of the Series 2006 Tax Allocation Revenue Bonds is “AA-”, as a result of the downgrade of the original insurer. *MBIA also provided a surety policy in lieu of a cash funded debt service reserve fund* for each of the five underlying series.

In 2014 amendments to the prior indentures were approved by the existing insurers, Syncora and National Public Finance Guarantee, to allow for new debt service reserve fund sureties in cases where lower rated bond reserve fund sureties currently exist. These amendments were granted in connection with the Agency’s 2014 Refunding Bonds. The Series 2006 A and B Bonds currently have bond reserve fund surety policies issued by MBIA which is now National Public Finance Guarantee. Securing new surety policies produces greater savings than funding the debt service reserve requirement with cash from bond proceeds.

There are three reserve fund surety providers generally acceptable to the market, Assured Guarantee Municipal, National Public Finance Guarantee and Build America Mutual; none have the “AAA” credit ratings from both Standard & Poor’s and Moody’s as required under the existing senior indentures. Their Standard and Poor’s ratings are “AA”, “AA-” and “AA” respectively. Obtaining bond insurance and a higher rated surety policy, if available, will upgrade the credit quality of the Project Area’s other outstanding parity tax allocation bonds. It is also expected that the Authority’s Refunding Bonds will qualify and benefit from bond insurance.

Bond Ratings

The Authority’s 2006 A Bonds, which include the Series 2006 B, D & E Bonds to be refunded are currently rated “A-” by Standard & Poor’s and the Authority’s 2006 B Bonds which include the Series 2006 A & C Bonds are currently rate “BBB+” by Standard & Poors. It is expected, based on the experience of the Series 2015 Refunding that the Series 2016 PFA Refunding Revenue Bonds will receive a rating upgrade from Standard & Poor’s to “A”, based on each project area’s characteristics, increased debt service coverage, RPTTF Pledge and term and the 2016 Series B and C Bonds will also be rated “A” by Standard & Poors. It is expected that the RPTTF backup pledge will improve the credit quality of Series 2016 Refunding Revenue Bonds.

It is also expected that bond insurance will be available from Assured Guaranty Mutual and/or Build America Mutual increasing the ratings to the “AA” category which is the current rating of both insurers by S&P. **Assured Guaranty insured the Agency’s 2015 Refunding Bonds.** No application will be made for a Moody’s or Fitch rating. Insurance premiums are expected to be lower for the Series B Jurupa Valley Project Area Bond and higher or possibly not available for the Series C Mid-County Project Area Bonds when compared to the proposed Pooled PFA Bond Series A, D and E Bonds.



Process and Timing

The Successor Agency and Oversight Boards are expected to approve the financing legal documents for the proposed refunding bond series at their respective meetings the week of January 25th 2016. The Successor Agency and the Authority are expected to take action to approve the Bond Official Statements in March 2016. Assuming timely approvals from all entities, including the State Department of Finance, the Successor Agency and the Authority anticipate underwriting the Refunding Bonds in April of 2016 or depending on market conditions in June of 2016 with closing and issuance a few weeks later.

Allocation of Savings

It is expected that reductions in annual debt service will be allocated by the County Auditor to the appropriate taxing entities semiannually as part of the tax apportionment and ROPS processes. The primary beneficiaries are school and community college districts receiving with approximately 60% of the savings. The County will receive approximately 30% (direct and indirect) of the annual savings, with the remainder distributed to cities and special districts. (See attached summary.)

Compliance with AB 1484

Based upon the current projected results, the 2016 Refunding Bonds would easily meet the tests imposed by AB 1484 – See “Summary of Refunding Results” herein. The total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds does not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and the principal amount of the refunding bonds does not exceed the amount required to defease the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance. It is also worth noting here that the County’s policy with respect to refundings is to obtain a present value savings of at least 3% of the refunded bonds. (See Refunding Results Table herein)

The Successor Agency has made diligent efforts to ensure that the lowest long-term cost financing is obtained. These efforts include selecting a bond structure which is expected to carry the lowest interest cost. The Successor Agency has utilized an independent financial advisor in developing financing proposals and the work products of the financial advisor in addition to this memorandum are available to the Department of Finance at its request.



Estimated Residual Allocation Factors for Taxing Entities in County RDA Project Areas

| <u>Fund ID</u> | <u>Fund Name</u> | <u>Share</u> |
|-----------------------|--------------------------------------|---------------------|
| 01-1001 | GENERAL | 0.21152981 |
| 01-1121 | COUNTY FREE LIBRARY | 0.02336083 |
| 01-1123 | COUNTY STRUCTURE FIRE PROTECTION | 0.06295123 |
| 02-2152 | CITY OF BLYTHE ANX | 0.00047799 |
| 02-2252 | CITY OF COACHELLA ANX | 0.00002460 |
| 02-2301 | CITY OF CORONA | 0.00839349 |
| 02-2321 | CITY OF DESERT HOT SPRINGS | 0.00019484 |
| 02-2375 | CITY OF LA QUINTA | 0.01729824 |
| 02-2407 | CITY OF HEMET | 0.00091476 |
| 02-2495 | CITY OF MURRIETA | 0.00061343 |
| 02-2498 | CITY OF MURRIETA LIBRARY | 0.00014062 |
| 02-2580 | CITY OF PALM DESERT | 0.00040621 |
| 02-2601 | CITY OF PALM SPRINGS | 0.00069522 |
| 02-2701 | CITY OF RIVERSIDE | 0.01073977 |
| 02-3100 | CITY OF MENIFEE | 0.00430943 |
| 02-3110 | CITY OF MENIFEE FIRE PROTECTION | 0.00448266 |
| 02-3200 | CITY OF WILDOMAR | 0.00101381 |
| 02-3210 | CITY OF WILDOMAR FIRE PROTECTIO | 0.00058810 |
| 02-3400 | CITY OF EASTVALE | 0.00216619 |
| 02-3410 | CITY OF EASTVALE FIRE PROTECTIO | 0.00562423 |
| 02-3500 | CITY OF JURUPA VALLEY | 0.02513357 |
| 03-0009 | SAN BERNARDINO VAL COM COLLEGE - PTR | 0.00003279 |
| 03-0018 | COLTON JOINT UNIFIED SCHOOL - PTR | 0.00000436 |
| 03-0801 | BANNING UNIFIED SCHOOL - PTR | 0.01527363 |
| 03-1601 | COACHELLA VALLEY UNIFIED SCHOOL -PTR | 0.09886181 |
| 03-1701 | CORONA NORCO UNIFIED SCHOOL - PTR | 0.04610018 |
| 03-2001 | DESERT SANDS UNIFIED SCHOOL - PTR | 0.00363834 |
| 03-2201 | DESERT CENTER UNIFIED - PTR | 0.00015484 |
| 03-2301 | LAKE ELSINORE UNIFIED - PTR | 0.01099686 |
| 03-3201 | HEMET UNIFIED SCHOOL - PTR | 0.00581063 |
| 03-3601 | JURUPA UNIFIED SCHOOL - PTR | 0.17301931 |
| 03-4501 | MURRIETA UNIFIED - PTR | 0.00236754 |
| 03-4701 | NUVIEW SCHOOL - PTR | 0.00017690 |
| 03-5101 | PALM SPRINGS UNIFIED SCHOOL - PTR | 0.02622428 |
| 03-5301 | PALO VERDE UNIFIED SCHOOL - PTR | 0.00234829 |
| 03-5401 | PALO VERDE COMMUNITY COLLEGE - PTR | 0.00048494 |
| 03-5701 | PERRIS SCHOOL - PTR | 0.00024738 |
| 03-5801 | RIVERSIDE UNIFIED SCHOOL - PTR | 0.03081675 |
| 03-6101 | ROMOLAND SCHOOL - PTR | 0.00284111 |



| | | |
|--------------|---------------------------------------|-------------------|
| 03-6501 | TEMECULA UNIFIED - PTR | 0.00147024 |
| 03-8001 | VAL VERDE UNIF - PTR | 0.01364782 |
| 03-8601 | PERRIS UNION HIGH SCHOOL - PTR | 0.01862694 |
| 03-9001 | DESERT COMMUNITY COLLEGE - PTR | 0.02442710 |
| 03-9101 | RIVERSIDE CITY COMMUNITY COLLEG - PTR | 0.03557698 |
| 03-9201 | MT SAN JACINTO JUNIOR COLLEGE - PTR | 0.00815128 |
| 03-9830 | ELSINORE AREA ELEM SCHOOL FUND - PTR | 0.00294685 |
| 03-9831 | PERRIS AREA ELEM SCHOOL FUND - PTR | 0.01483196 |
| 03-9832 | PERRIS JR HIGH AREA FUND - PTR | 0.01208622 |
| 03-9896 | RIV. CO. OFFICE OF EDUCATION - PTR | 0.04801379 |
| 04-1110 | RIV CO REG PARK & OPEN SPACE | 0.00435846 |
| 04-1362 | FLOOD CONTROL ZONE 2 | 0.00363801 |
| 04-1363 | FLOOD CONTROL ZONE 3 | 0.00133340 |
| 04-1366 | FLOOD CONTROL ZONE 6 | 0.00163540 |
| 04-1724 | COUNTY SERVICE AREA 22 | 0.00001033 |
| 04-1788 | COUNTY SERVICE AREA 80 | 0.00020429 |
| 04-1792 | SERVICE AREA # 84 - MENIFEE | 0.00001983 |
| 04-1793 | COUNTY SERVICE AREA 84 | 0.00004977 |
| 04-1794 | COUNTY SERVICE AREA 85 | 0.00000000 |
| 04-1798 | SERVICE AREA # 86 -MENIFEE | 0.00004666 |
| 04-4018 | ELSINORE VALLEY CEMETERY | 0.00019762 |
| 04-4047 | WILDOMAR CEMETERY | 0.00008471 |
| 04-4157 | JURUPA COMM SERV IMP 2 | 0.00107186 |
| 04-4158 | JURUPA COMM SERV IMP 3 | 0.00116568 |
| 04-4365 | DESERT HOSPITAL | 0.00074766 |
| 04-4631 | COUNTY ORTEGA TRAIL REC & PR | 0.00031130 |
| 04-4851 | MISSION SPRINGS WATER DISTRICT | 0.00071281 |
| 04-4893 | WEST VALLEY WATER | 0.00000840 |
| 04-4917 | RUBIDOUX COMM SERV DEBT SERVICE | 0.00000237 |
| 04-5131 | DESERT WATER AGENCY 1ST FRINGE | 0.00075472 |
| 04-5142 | DESERT WTR 6TH FRINGE PSEUDO | 0.00000081 |
| 04-5491 | EASTERN MUN WTR IMP DIST U-1 | 0.00004434 |
| 04-5494 | EASTERN NUN WTR IMP DIST U-4 | 0.00001090 |
| 04-5496 | EASTERN MUN WTR IMP DIST U-6 | 0.00002606 |
| 04-5501 | ELSINORE VALLEY MUNICIPAL WATER | 0.00313745 |
| 04-5711 | WESTERN MUN WATER 1ST FRINGE | 0.00000080 |
| 28-4736 | RIVERSIDE CORONA RESOURCE CONSE | 0.00011354 |
| 28-5260 | LEE LAKE WATER | <u>0.00007467</u> |
| Total | | 1.00000000 |



\$ _____
**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
MID-COUNTY REDEVELOPMENT PROJECT AREA
2016 TAX ALLOCATION REFUNDING BONDS, SERIES C**

BOND PURCHASE AGREEMENT

_____, 2016

Successor Agency to the Redevelopment Agency
for the County of Riverside
c/o Riverside County Economic Development Agency
P.O. Box 1180
Riverside, California 92502

Ladies and Gentlemen:

Citigroup Global Markets Inc., acting on behalf of itself and as representative (the "Representative") of RBC Capital Markets, LLC, (collectively, the "Underwriters"), offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the Successor Agency to the Redevelopment Agency for the County of Riverside (the "Agency") which will be binding upon the Agency and the Underwriters upon the acceptance hereof by the Agency. This offer is made subject to its acceptance by the Agency by execution of this Purchase Agreement and its delivery to the Representative on or before 5:00 p.m., California time, on the date hereof. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

The Agency acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's length commercial transaction between the Agency and the Representative; (ii) in connection with such transaction, the Underwriters are acting solely as principals and not as agents or as fiduciaries of the Agency; (iii) the Underwriters have not assumed (individually or collectively) a fiduciary responsibility in favor of the Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Representative has provided other services or are currently providing other services to the Agency on other matters); and (iv) the Agency has consulted with its own legal and financial advisors to the extent it has deemed appropriate.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters hereby agree to purchase from the Agency for offering to the public, and the Agency hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the \$ _____ aggregate principal amount of the Agency's Mid-County Redevelopment Project Area 2016 Tax Allocation Refunding Bonds, Series C (the "Bonds"), at a purchase price equal to \$ _____ (being the aggregate principal amount thereof, less an Underwriter's discount of \$ _____ and plus a net original issue premium of

\$ _____. In addition, on behalf of the Agency, the Underwriters shall wire the amount of \$ _____ to the Insurer (defined below) to pay the costs of the premium for the Policy (defined below). The Bonds are to be purchased by the Underwriters from the Agency. Such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the "Closing."

2. The Bonds and Related Documents. The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of an Indenture of Trust (the "Indenture"), dated as of [May] 1, 2016, by and between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and pursuant Part 1, Division 24 of the California Health and Safety Code (the "Law") and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") and a resolution of the Agency adopted January 26, 2016 (the "Agency Resolution"). The issuance of the Bonds was approved by the Oversight Board for the Agency by resolution on January __, 2016 (the "Oversight Board Resolution"). The Bonds shall be as described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriters, is hereinafter called the "Official Statement").

The Bonds shall be insured under a municipal bond insurance policy (the "Policy") from _____ (the "Insurer").

The net proceeds of the Bonds will be used to refund a portion of the Redevelopment Agency for the County of Riverside's (the "Former Agency") outstanding Mid-County Redevelopment Project Area 2006 Tax Allocation Bonds, Series C, originally issued in the aggregate principal amount of \$11,775,000 (the "Prior Bonds").

The Agency will undertake pursuant to the provisions of a Continuing Disclosure Certificate, to be dated the date of the Closing (the "Disclosure Certificate") and executed by the Agency, to provide certain annual information and notices of the occurrence of certain events, if material. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

The Indenture, the Continuing Disclosure Certificate, the Irrevocable Refunding Instructions to The Bank of New York Mellon Trust Company, N.A., as trustee for the Prior Bonds (the "Refunding Instructions"), and this Purchase Agreement are sometimes collectively referred to herein as the "Agency Legal Documents."

3. Offering. It shall be a condition to the Agency's obligations to sell and to deliver the Bonds to the Underwriters and to the Underwriters' obligations to purchase, to accept delivery of and to pay for the Bonds that the entire \$ _____ aggregate principal amount of the Bonds shall be issued, sold and delivered by the Agency and purchased, accepted and paid for by the Underwriters at the Closing. The Underwriters agree to make a bona fide public offering of all of the Bonds at the initial public offering prices or yields set forth in Exhibit A hereto and on the inside front cover page of the Official Statement. The Underwriters reserve the right to change, subsequent to the initial public offering, such initial offering prices as it shall deem necessary in connection with the marketing of the Bonds.

4. Use and Preparation of Documents. The Agency has caused to be prepared and delivered to the Underwriters prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____, 2016, relating to the Bonds (the "Preliminary Official Statement"), which was approved by a resolution of the Agency adopted on _____, 2016 (the "Agency OS Resolution"). The Agency ratifies, confirms and approves the use by the Underwriters prior to the date hereof of the Preliminary Official Statement. The Agency has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Agency hereby agrees to deliver or cause to be delivered to the Underwriters, within seven (7) business days of the date hereof, but not less than one (1) business day prior to Closing a sufficient number of copies of the final Official Statement relating to the Bonds, dated the date hereof, which includes all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Agency and the Underwriters (the "Official Statement") to enable the Underwriters to distribute a single copy of each Official Statement to any potential customer of the Underwriters requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending 25 days after the End of the Underwriting Period (defined below). The Agency hereby approves of the use and distribution (including the electronic distribution) by the Underwriters of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds. The Agency shall have executed and delivered to the Underwriters a certification to such effect in the form attached hereto as Appendix B. The Underwriters agree that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Official Statement.

5. Representations, Warranties and Agreements of the Agency. The Agency hereby represents, warrants and agrees as follows:

(a) The Agency is a public entity existing under the laws of the State of California, including the Law.

(b) The Agency has full legal right, power and authority to enter into the Agency Legal Documents and carry out and consummate the transactions contemplated by the Agency Legal Documents.

(c) By all necessary official action of the Agency prior to or concurrently with the acceptance hereof, the Agency has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Agency Legal Documents, and the performance by the Agency of all transactions contemplated by the Agency Legal Documents; and the Agency Legal Documents will constitute legal, valid and binding obligations of the Agency, enforceable 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 limiting creditors' rights generally.

(d) The Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Indenture) or other instrument to which the Agency is a party or to which the Agency or any of its property or assets 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 such a

default or event of default under any such instrument; and the execution and delivery of the Agency Legal Documents, and compliance with the provisions on the Agency's part contained therein, will not conflict with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or to which the Agency or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption 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 the property or assets of the Agency or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Indenture.

(e) Except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Agency Legal Documents have been duly obtained.

(f) Between the date of this Purchase Agreement and the date of the Closing, the Agency will not, without the prior written consent of the Underwriters, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from Tax Revenues (as defined in the Indenture), nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Agency.

(g) To the best knowledge of the officer of the Agency executing this Purchase Agreement, after due inquiry, as of the date hereof, 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 threatened against the Agency, affecting the existence of the Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and delivery of the Indenture or the collection of the Tax Revenues or contesting or affecting, as to the Agency, the validity or enforceability of the Agency Legal Documents or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Agency, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Agency or which might materially adversely affect the Tax Revenues of the Agency; nor, to the best knowledge of the Agency, is there any known basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Agency of the Agency Legal Documents.

(h) As of the time of acceptance hereof and as of the date of the Closing, the Agency does not and will not have outstanding any indebtedness which indebtedness is secured by a lien on the Tax Revenues of the Agency superior to or on a parity with the lien provided for in the Indenture on the Tax Revenues, other than as disclosed in the Official Statement.

(i) As of the time of acceptance hereof and as of the date of the Closing, the Agency has complied with the filing requirements of the Law, including, without limitation, the filing of all Recognized Obligation Payment Schedules, as required by the Law.

(j) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer or the Policy).

(k) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement did not and 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 the statements therein, in light of the circumstances under which they were made not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer or the Policy).

(l) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which would cause the information contained 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 herein, in the light of the circumstances under which it was presented, not misleading, the Agency will notify the Underwriters, and, if in the opinion of the Underwriters or the Agency, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriters, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days of the End of the Underwriting Period for the Bonds, the Agency will furnish such information with respect to itself as the Underwriters may from time to time reasonably request. As used herein, the term "End of the Underwriting Period" means the later of such time as: (i) the Agency delivers the Bonds to the Underwriters; or (ii) the Underwriters do not retain, directly or as members of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Underwriters give notice to the contrary, the "End of the Underwriting Period" shall be the date of Closing.

(m) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) hereof, 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 which is 25 days after the End of the Underwriting Period for the Bonds, 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 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 (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer or the Policy).

(n) After the Closing, the Agency will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy,

the Underwriters shall reasonably object in writing or which shall be disapproved by counsel for the Underwriters.

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

(p) The Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Official Statement.

(q) The Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Agency is not a bond issuer whose arbitrage certifications may not be relied upon.

(r) The Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the expense of the Underwriter, as it may reasonably request in order to qualify the Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; provided, however, that the Agency will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(s) The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal income tax purposes of the interest on the Bonds or State of California income tax purposes of the interest on the Bonds.

(t) Except as disclosed in the Official Statement, the Agency has not defaulted in any material respect under any prior continuing disclosure undertaking within the previous five years.

(u) The Oversight Board has duly adopted the Oversight Board Resolution approving the issuance of the Bonds and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement.

(v) The Department of Finance of the State (the "Department of Finance") has issued a letter, dated _____, 2016, approving the issuance of the bonds. No further Department of Finance approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Agency pursuant to Section 34183 of the Dissolution Act.

6. Closing. At 8:00 A.M., California time, on _____, 2016, or on such other date as may be mutually agreed upon by the Agency and the Underwriters, the Agency will, subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriters, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the

Bonds as set forth in Section 1 hereof in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Jones Hall, A Professional Law Corporation, San Francisco, California, or such other place as shall have been mutually agreed upon by the Agency and the Underwriters, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriters in New York, New York, through the book-entry system of The Depository Trust Company ("DTC"). Unless the DTC Fast Automated Securities Transfer ("FAST") is utilized, the Bonds will be made available for inspection by DTC at least one business day prior to the Closing.

7. Closing Conditions. The Underwriters have entered into this Purchase Agreement in reliance upon the representations and warranties of the Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Agency of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriters shall receive, within seven (7) business days of the date hereof, but in no event less than 1 day prior to Closing, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) The representations and warranties of the Agency contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing and the statements of the officers and other officials of the Agency and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof are accurate;

(c) At the time of the Closing, the Agency Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Representative, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the governing body of the Agency as, in the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California ("Bond Counsel"), shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Agency relating to the Official Statement and the Agency Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriters shall have received copies of each of the following documents:

(1) Bond Counsel Opinions. The approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the Agency, dated the date of the Closing and substantially in the form included as Appendix F to the Official Statement;

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in form and substance acceptable to the Underwriters, and dated the date of the Closing, stating that the Underwriters may rely on the opinions of Bond Counsel described in paragraph (1) above as if such opinion were addressed to the Underwriters and to the following effect:

(i) the Purchase Agreement has been duly executed and delivered by the Agency and (assuming due authorization, execution and delivery by and validity against the Underwriters) constitutes the valid and binding agreement of the Agency, 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;

(ii) the statements contained in the Official Statement under the captions "THE BONDS," "SECURITY FOR THE BONDS," "OTHER INFORMATION—Tax Matters," and in Appendices D and F insofar as such statements expressly summarize certain provisions of the Indenture, or the opinion of Bond Counsel, are accurate in all material respects;

(iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and

(iv) the Agency has taken all actions required to defease the Prior Bonds and such Prior Bonds are no longer outstanding under the terms of the Indenture of Trust pursuant to which they were issued.

(3) Financial Advisor Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of C.M. de Crinis & Co. Inc., the Agency's Financial Advisor (the "Financial Advisor") addressed to the Underwriters and the Agency to the effect, that, in connection with its participation in the preparation of the Official Statement and without undertaking any independent investigation, and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, nothing has come to the attention of the Financial Advisor that would lead it to believe that the statements and information contained in the Official Statement as of the date thereof and the date of the Closing, contains an 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 light of the circumstances in which they were made, not misleading;

(4) Agency Counsel Opinion. An opinion of Counsel to the Agency ("Agency Counsel"), dated the date of the Closing and addressed to the Underwriters, in form and substance acceptable to the Underwriters to the following effect:

(i) the Agency is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State, with full right, power and authority to execute, deliver and perform its obligations under the Agency Legal Documents;

(ii) the Agency Resolution and the Agency OS Resolution were duly adopted at meetings of the Agency, called and held pursuant to law, with all public notice required by law and at which quorums were present and acting throughout; and the Agency Resolution and the Agency OS Resolution are in full force and effect and have not been modified amended or rescinded since their respective adoption date;

(iii) the Agency Legal Documents and the Official Statement have been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the other parties thereto, the Agency Legal Documents constitute the valid, legal and binding obligations of the Agency 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;

(iv) the execution and delivery of the Agency Legal Documents and the Official Statement and compliance with the provisions of the Agency Legal Documents, under the circumstances contemplated thereby, (1) do not and will not in any material respect conflict with or constitute on the part of the Agency a breach of or default under any agreement or other instrument to which the Agency is a party or by which it is bound, and (2) do not and will not in any material respect constitute on the part of the Agency a violation, breach of or default under any existing law, regulation, court order or consent decree to which the Agency is subject;

(v) to the best of such counsel's knowledge, except as otherwise disclosed in the Official Statement, there is no litigation or proceeding, pending and served, or threatened, challenging the creation, organization or existence of the Agency, or the validity of the Bonds or the Agency Legal Documents or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or under which a determination adverse to the Agency would have a material adverse effect upon the financial condition or the revenues of the Agency, or which, in any manner, questions the right of the Agency to issue, sell and deliver the Bonds, to enter into the Indenture or to use the Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Agency to collect or pledge the Tax Revenues; and

(vi) based upon his or her participation as Agency Counsel in the preparation of the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, Agency Counsel has no reason to believe that, as of the its date and as of date of Closing, the information in the Official Statement relating to the Agency, the Tax Revenues and the Project Area (excluding any financial or statistical data with respect thereto, as to which no opinion is expressed) 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 therein, in the light of the circumstances under which they were made, not misleading.

(5) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriters, to the effect that:

(i) the Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture and the Refunding Instructions;

(ii) the Indenture and the Refunding Instructions have been duly authorized, executed and delivered by the Trustee and the Indenture and the Refunding Instructions constitute the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought; and

(iii) except as may be required under Blue Sky or other securities laws of any state, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the Refunding Instructions, or the consummation of the transactions contemplated by the Indenture and the Refunding Instructions.

(6) Agency Certificate. A certificate of the Agency, dated the date of the Closing, signed on behalf of the Agency by a duly authorized officer of the Agency, to the effect that:

(i) the representations and warranties of the Agency contained herein 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;

(ii) no event affecting the Agency 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; and

(iii) no further consent is required to be obtained for the inclusion of the Agency's audited financial statements, including the accompanying accountant's letter, for Fiscal Year 2014/15 in the Official Statement.

(7) Trustee's Certificate. A Certificate, dated the date of Closing, to the effect that:

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

(ii) the Trustee has full power, authority and legal right to comply with the terms of the Indenture and the Refunding Instructions and to perform its obligations stated therein; and

(iii) the Indenture and the Refunding Instructions have been duly authorized, executed and delivered by the Trustee and (assuming due authorization, execution and delivery by the Agency) constitute legal, valid and binding obligations of the Trustee in accordance

with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(8) Legal Documents. Executed copies of this Purchase Agreement and the other Agency Legal Documents.

(9) Rating Letter. A letter from Standard & Poor's Credit Ratings Services ("S&P") to the effect that the Bonds have been assigned a rating of "___," which rating shall be in effect as of the Delivery Date.

(10) Disclosure Letter. A letter of Best Best & Krieger LLP ("Disclosure Counsel"), dated the date of the Closing, addressed to the Underwriters, to the effect that, based upon its participation in the preparation of the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, such counsel has no reason to believe that, as of the date of the Closing, the Official Statement (excluding therefrom the reports, financial and statistical data and forecasts therein and the information included in the Appendices thereto and information relating to DTC, as to which no advice need be expressed) 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 therein, in the light of the circumstances under which they were made, not misleading;

(11) Fiscal Consultant Certificate. A certificate of Urban Analytics, dated the date of the Closing, addressed to the Agency and the Underwriters, in form and substance acceptable to the Underwriters, certifying as to the accuracy of APPENDIX A—"REPORT OF FISCAL CONSULTANT" and the information in the Official Statement under the captions "SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE," "MID-COUNTY REDEVELOPMENT PROJECT AREA" and "ESTIMATED REVENUES AND BOND RETIREMENT," consenting to the inclusion of such firm's Fiscal Consultant Report in the Official Statement, and stating that to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report;

(12) Oversight Board Resolution. A copy of the Oversight Board Resolution.

(13) Oversight Board Certificate. A certificate of the Clerk of the Oversight Board to the effect that the Oversight Board Resolution was validly adopted, remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

(14) Parity Certificate. A copy of the executed certificate of the Agency required to be delivered to the Trustee as a condition of the issuance of the Bonds as "Parity Debt" within the meaning of the Indenture.

(15) Verification Report. A report, dated the date of the Closing, of _____, independent certified public accountants (the "Verification Agent"), to the effect that it has verified the accuracy of the mathematical computations of the adequacy of the deposits in the

redemption fund for the Prior Bonds for the full and timely payment of all principal (including premium, if any) and interest due with respect to the portion of the Agency obligations to be defeased with the funds held pursuant to the Refunding Instructions, as are then outstanding on the dates specified in the Official Statement at the then applicable redemption price.

(16) Bond Insurance Policy. The executed Policy of the Insurer insuring the scheduled payment of principal of and interest on the Bonds, substantially in the form attached as Appendix I to the Official Statement.

(17) Insurer Counsel Opinion. An opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriters and the Agency in form and substance acceptable to the Underwriters, substantially to the effect that: (i) the Insurer has been duly incorporated and is validly existing and in good standing under the laws of the State of its incorporation; (ii) the Policy constitutes the legal, valid and binding obligation of the Insurer enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles; and (iii) the information contained in the Official Statement under the caption "BOND INSURANCE" 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 light of the circumstances under which they were made, not misleading.

(18) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Agency or the Underwriters may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

If the Agency or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, if the Agency shall determine in good faith (and provide written notice to the Underwriters) that legislation has been introduced or proposals made by the Governor of the State which if enacted and effective would impose additional limitations or burdens on the Agency or the County by reason of the issuance of the Bonds or which purport to prohibit the issuance of the Bonds, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriters shall be under no further obligation hereunder.

8. Termination. The Underwriters shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Agency if at any time between the date hereof and prior to the Closing:

(a) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(b) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriters, 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 this Purchase Agreement 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 Chairman 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 by any member thereof, 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 Agency, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(c) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, 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 Underwriters, materially adversely affects the market price of the Bonds; or

(d) 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

(e) 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 trade the Bonds; or

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

(g) 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, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United

States being such as, in the reasonable opinion of the Underwriters, would affect materially and adversely the ability of the Underwriters to market the Bonds; or

(h) any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service, which, in the Underwriters' reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(i) the commencement of any action, suit or proceeding described in Section 5(g) hereof which, in the judgment of the Underwriters, materially adversely affects the market price of the Bonds; or

(j) there shall be in force a general suspension of trading on the New York Stock Exchange.

9. Expenses. The Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Agency Legal Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Financial Advisor, Fiscal Consultant and any other experts or other consultants retained by the Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; (h) the fees of Digital Assurance Certification, L.L.C. for a continuing disclosure undertaking compliance review; and (i) expenses (included in the expense component of the spread) incurred on behalf of the County's or the Agency's employees which are incidental to implementing this Purchase Agreement. The Underwriters will pay the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriters' Counsel. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Agency agrees to reimburse the Underwriters for such fees.

The Underwriters shall pay, and the Agency shall be under no obligation to pay, all expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds.

10. Notices. Any notice or other communication to be given to the Agency under this Purchase Agreement may be given by delivering the same in writing at the Agency's address set forth above; Attention: Executive Director, and to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to Citigroup Global Markets Inc., 444 S. Flower Street, 27th Floor, Los Angeles, California 90071, Attention: Victor Andrade.

11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Agency and the Underwriters and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Agency contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any

investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

12. Effectiveness and Counterpart Signatures. This Purchase Agreement shall become effective upon the execution of the acceptance by an authorized officer of the Agency and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

14. Governing Law. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

CITIGROUP GLOBAL MARKETS, INC., as
Representative of the Underwriters

By: _____
Its: Authorized Officer

Accepted:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE
COUNTY OF RIVERSIDE

By: _____
Deputy County Executive Officer
County of Riverside

EXHIBIT A

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
MID-COUNTY REDEVELOPMENT PROJECT AREA
2016 TAX ALLOCATION REFUNDING BONDS, SERIES C**

| <i>Maturity Date (October 1)</i> | <i>Amount</i> | <i>Coupon</i> | <i>Yield</i> | <i>Price</i> |
|--------------------------------------|---------------|---------------|--------------|--------------|
|--------------------------------------|---------------|---------------|--------------|--------------|

APPENDIX B

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Citigroup Global Markets Inc., on behalf of itself and RBC Capital Markets, LLC (together, the "Underwriters") that [he/she] is a duly appointed and acting officer of the Successor Agency to the Redevelopment Agency for the County of Riverside, and as such is to execute and deliver this Certificate and further hereby certify and reconfirm on behalf of the Agency to the Underwriters as follows:

(1) This Certificate is delivered to enable the Underwriters to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the Successor Agency to the Redevelopment Agency for the County of Riverside Mid-County Redevelopment Project Area 2016 Tax Allocation Refunding Bonds, Series C (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated as of _____, 2016, setting forth information concerning the Bonds and the Agency, as issuer of the Bonds, and the Agency (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final contract of purchase, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Agency shall promptly notify the Underwriters thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as of the ____ day of _____, 2016.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE COUNTY
OF RIVERSIDE

By _____
Authorized Officer

§ _____
**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
JURUPA VALLEY REDEVELOPMENT PROJECT AREA
2016 TAX ALLOCATION REFUNDING BONDS, SERIES B**

BOND PURCHASE AGREEMENT

_____, 2016

Successor Agency to the Redevelopment Agency
for the County of Riverside
c/o Riverside County Economic Development Agency
P.O. Box 1180
Riverside, California 92502

Ladies and Gentlemen:

Citigroup Global Markets Inc., acting on behalf of itself and as representative (the "Representative") of RBC Capital Markets, LLC, (collectively, the "Underwriters"), offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the Successor Agency to the Redevelopment Agency for the County of Riverside (the "Agency") which will be binding upon the Agency and the Underwriters upon the acceptance hereof by the Agency. This offer is made subject to its acceptance by the Agency by execution of this Purchase Agreement and its delivery to the Representative on or before 5:00 p.m., California time, on the date hereof. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

The Agency acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's length commercial transaction between the Agency and the Representative; (ii) in connection with such transaction, the Underwriters are acting solely as principals and not as agents or as fiduciaries of the Agency; (iii) the Underwriters have not assumed (individually or collectively) fiduciary responsibility in favor of the Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Representative has provided other services or are currently providing other services to the Agency on other matters); and (iv) the Agency has consulted with its own legal and financial advisors to the extent it has deemed appropriate.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriters hereby agree to purchase from the Agency for offering to the public, and the Agency hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the \$ _____ aggregate principal amount of the Agency's Jurupa Valley Redevelopment Project Area 2016 Tax Allocation Refunding Bonds, Series B (the "Bonds"), at a purchase price equal to \$ _____ (being the aggregate principal amount thereof, less an Underwriter's discount of \$ _____ and plus a net original issue premium

of \$ _____. In addition, on behalf of the Agency, the Underwriters shall wire the amount of \$ _____ to the Insurer (defined below) to pay the costs of the premium for the Policy (defined below) and the Reserve Policy (defined below). The Bonds are to be purchased by the Underwriters from the Agency. Such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the "Closing."

2. The Bonds and Related Documents. The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of an Indenture of Trust (the "Indenture"), dated as of [May] 1, 2016, by and between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and pursuant Part 1, Division 24 of the California Health and Safety Code (the "Law") and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act") and a resolution of the Agency adopted January 26, 2016 (the "Agency Resolution"). The issuance of the Bonds was approved by the Oversight Board for the Agency by resolution on January __, 2016 (the "Oversight Board Resolution"). The Bonds shall be as described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriters, is hereinafter called the "Official Statement").

The Bonds shall be insured under a municipal bond insurance policy (the "Policy") from _____ (the "Insurer"). Additionally, the Insurer shall issue a debt service reserve fund policy (the "Reserve Policy") for deposit in the reserve fund.

The net proceeds of the Bonds will be used to refund a portion of the Redevelopment Agency for the County of Riverside's (the "Former Agency") outstanding Jurupa Valley Redevelopment Project Area 2006 Tax Allocation Bonds, Series B, originally issued in the aggregate principal amount of \$68,740,000 (the "Prior Bonds").

The Agency will undertake pursuant to the provisions of a Continuing Disclosure Certificate, to be dated the date of the Closing (the "Disclosure Certificate") and executed by the Agency, to provide certain annual information and notices of the occurrence of certain events, if material. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

The Indenture, the Continuing Disclosure Certificate, the Irrevocable Refunding Instructions to The Bank of New York Mellon Trust Company, N.A., as trustee for the Prior Bonds (the "Refunding Instructions"), and this Purchase Agreement are sometimes collectively referred to herein as the "Agency Legal Documents."

3. Offering. It shall be a condition to the Agency's obligations to sell and to deliver the Bonds to the Underwriters and to the Underwriters' obligations to purchase, to accept delivery of and to pay for the Bonds that the entire \$ _____ aggregate principal amount of the Bonds shall be issued, sold and delivered by the Agency and purchased, accepted and paid for by the Underwriters at the Closing. The Underwriters agree to make a bona fide public offering of all of the Bonds at the initial public offering prices or yields set forth in Exhibit A hereto and on the inside front cover page of the Official Statement. The Underwriters reserve the right to change, subsequent to the initial public offering, such initial offering prices as it shall deem necessary in connection with the marketing of the Bonds.

4. Use and Preparation of Documents. The Agency has caused to be prepared and delivered to the Underwriters prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____, 2016, relating to the Bonds (the "Preliminary Official Statement"), which was approved by a resolution of the Agency adopted on _____, 2016 (the "Agency OS Resolution"). The Agency ratifies, confirms and approves the use by the Underwriters prior to the date hereof of the Preliminary Official Statement. The Agency has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Agency hereby agrees to deliver or cause to be delivered to the Underwriters, within seven (7) business days of the date hereof, but not less than one (1) business day prior to Closing a sufficient number of copies of the final Official Statement relating to the Bonds, dated the date hereof, which includes all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Agency and the Underwriters (the "Official Statement") to enable the Underwriters to distribute a single copy of each Official Statement to any potential customer of the Underwriters requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending 25 days after the End of the Underwriting Period (defined below). The Agency hereby approves of the use and distribution (including the electronic distribution) by the Underwriters of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds. The Agency shall have executed and delivered to the Underwriters a certification to such effect in the form attached hereto as Appendix B. The Underwriters agree that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Official Statement.

5. Representations, Warranties and Agreements of the Agency. The Agency hereby represents, warrants and agrees as follows:

(a) The Agency is a public entity existing under the laws of the State of California, including the Law.

(b) The Agency has full legal right, power and authority to enter into the Agency Legal Documents and carry out and consummate the transactions contemplated by the Agency Legal Documents.

(c) By all necessary official action of the Agency prior to or concurrently with the acceptance hereof, the Agency has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Agency Legal Documents, and the performance by the Agency of all transactions contemplated by the Agency Legal Documents; and the Agency Legal Documents will constitute legal, valid and binding obligations of the Agency, enforceable 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 limiting creditors' rights generally.

(d) The Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Indenture) or other instrument to which the Agency is a party or to which the Agency or any of its property or assets 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 such a

default or event of default under any such instrument; and the execution and delivery of the Agency Legal Documents, and compliance with the provisions on the Agency's part contained therein, will not conflict with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or to which the Agency or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption 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 the property or assets of the Agency or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Indenture.

(e) Except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Agency Legal Documents have been duly obtained.

(f) Between the date of this Purchase Agreement and the date of the Closing, the Agency will not, without the prior written consent of the Underwriters, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from Tax Revenues (as defined in the Indenture), nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Agency.

(g) To the best knowledge of the officer of the Agency executing this Purchase Agreement, after due inquiry, as of the date hereof, 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 threatened against the Agency, affecting the existence of the Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and delivery of the Indenture or the collection of the Tax Revenues or contesting or affecting, as to the Agency, the validity or enforceability of the Agency Legal Documents or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Agency, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Agency or which might materially adversely affect the Tax Revenues of the Agency; nor, to the best knowledge of the Agency, is there any known basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Agency of the Agency Legal Documents.

(h) As of the time of acceptance hereof and as of the date of the Closing, the Agency does not and will not have outstanding any indebtedness which indebtedness is secured by a lien on the Tax Revenues of the Agency superior to or on a parity with the lien provided for in the Indenture on the Tax Revenues, other than as disclosed in the Official Statement.

(i) As of the time of acceptance hereof and as of the date of the Closing, the Agency has complied with the filing requirements of the Law, including, without limitation, the filing of all Recognized Obligation Payment Schedules, as required by the Law.

(j) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer, the Policy or the Reserve Policy).

(k) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement did not and 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 the statements therein, in light of the circumstances under which they were made not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer, the Policy or the Reserve Policy).

(l) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which would cause the information contained 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 herein, in the light of the circumstances under which it was presented, not misleading, the Agency will notify the Underwriters, and, if in the opinion of the Underwriters or the Agency, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriters, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days of the End of the Underwriting Period for the Bonds, the Agency will furnish such information with respect to itself as the Underwriters may from time to time reasonably request. As used herein, the term "End of the Underwriting Period" means the later of such time as: (i) the Agency delivers the Bonds to the Underwriters; or (ii) the Underwriters do not retain, directly or as members of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Underwriters give notice to the contrary, the "End of the Underwriting Period" shall be the date of Closing.

(m) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) hereof, 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 which is 25 days after the End of the Underwriting Period for the Bonds, 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 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 (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the Insurer, the Policy or the Reserve Policy).

(n) After the Closing, the Agency will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy,

the Underwriters shall reasonably object in writing or which shall be disapproved by counsel for the Underwriters.

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

(p) The Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Official Statement.

(q) The Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Agency is not a bond issuer whose arbitrage certifications may not be relied upon.

(r) The Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the expense of the Underwriter, as it may reasonably request in order to qualify the Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; provided, however, that the Agency will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(s) The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal income tax purposes of the interest on the Bonds or State of California income tax purposes of the interest on the Bonds.

(t) Except as disclosed in the Official Statement, the Agency has not defaulted in any material respect under any prior continuing disclosure undertaking within the previous five years.

(u) The Oversight Board has duly adopted the Oversight Board Resolution approving the issuance of the Bonds and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement.

(v) The Department of Finance of the State (the "Department of Finance") has issued a letter, dated _____, 2016, approving the issuance of the bonds. No further Department of Finance approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Agency pursuant to Section 34183 of the Dissolution Act.

6. Closing. At 8:00 A.M., California time, on _____, 2016, or on such other date as may be mutually agreed upon by the Agency and the Underwriters, the Agency will, subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriters, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the purchase price of the

Bonds as set forth in Section 1 hereof in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Jones Hall, A Professional Law Corporation, San Francisco, California, or such other place as shall have been mutually agreed upon by the Agency and the Underwriters, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriters in New York, New York, through the book-entry system of The Depository Trust Company ("DTC"). Unless the DTC Fast Automated Securities Transfer ("FAST") is utilized, the Bonds will be made available for inspection by DTC at least one business day prior to the Closing.

7. Closing Conditions. The Underwriters have entered into this Purchase Agreement in reliance upon the representations and warranties of the Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Agency of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriters shall receive, within seven (7) business days of the date hereof, but in no event less than 1 day prior to Closing, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) The representations and warranties of the Agency contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing and the statements of the officers and other officials of the Agency and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof are accurate;

(c) At the time of the Closing, the Agency Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Representative, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the governing body of the Agency as, in the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California ("Bond Counsel"), shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Agency relating to the Official Statement and the Agency Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriters shall have received copies of each of the following documents:

(1) Bond Counsel Opinions. The approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the Agency, dated the date of the Closing and substantially in the form included as Appendix F to the Official Statement;

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriters, in form and substance acceptable to the Underwriters, and dated the date of the Closing, stating that the Underwriters may rely on the opinions of Bond Counsel described in paragraph (1) above as if such opinion were addressed to the Underwriters and to the following effect:

(i) the Purchase Agreement has been duly executed and delivered by the Agency and (assuming due authorization, execution and delivery by and validity against the Underwriters) constitutes the valid and binding agreement of the Agency, 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;

(ii) the statements contained in the Official Statement under the captions "THE BONDS," "SECURITY FOR THE BONDS," "OTHER INFORMATION—Tax Matters," and in Appendices D and F insofar as such statements expressly summarize certain provisions of the Indenture or the opinion of Bond Counsel, are accurate in all material respects;

(iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and

(iv) the Agency has taken all actions required to defease the Prior Bonds and such Prior Bonds are no longer outstanding under the terms of the Indenture of Trust pursuant to which they were issued.

(3) Financial Advisor Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of C.M. de Crinis & Co. Inc., the Agency's Financial Advisor (the "Financial Advisor") addressed to the Underwriters and the Agency to the effect, that, in connection with its participation in the preparation of the Official Statement and without undertaking any independent investigation, and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, nothing has come to the attention of the Financial Advisor that would lead it to believe that the statements and information contained in the Official Statement as of the date thereof and the date of the Closing, contains an 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 light of the circumstances in which they were made, not misleading;

(4) Agency Counsel Opinion. An opinion of Counsel to the Agency ("Agency Counsel"), dated the date of the Closing and addressed to the Underwriters, in form and substance acceptable to the Underwriters to the following effect:

(i) the Agency is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State, with full right, power and authority to execute, deliver and perform its obligations under the Agency Legal Documents;

(ii) the Agency Resolution and the Agency OS Resolution were duly adopted at meetings of the Agency, called and held pursuant to law, with all public notice required by law and at which quorums were present and acting throughout; and the Agency Resolution and the Agency OS Resolution are in full force and effect and have not been modified amended or rescinded since their respective adoption date;

(iii) the Agency Legal Documents and the Official Statement have been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the other parties thereto, the Agency Legal Documents constitute the valid, legal and binding obligations of the Agency 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;

(iv) the execution and delivery of the Agency Legal Documents and the Official Statement and compliance with the provisions of the Agency Legal Documents, under the circumstances contemplated thereby, (1) do not and will not in any material respect conflict with or constitute on the part of the Agency a breach of or default under any agreement or other instrument to which the Agency is a party or by which it is bound, and (2) do not and will not in any material respect constitute on the part of the Agency a violation, breach of or default under any existing law, regulation, court order or consent decree to which the Agency is subject;

(v) to the best of such counsel's knowledge, except as otherwise disclosed in the Official Statement, there is no litigation or proceeding, pending and served, or threatened, challenging the creation, organization or existence of the Agency, or the validity of the Bonds or the Agency Legal Documents or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or under which a determination adverse to the Agency would have a material adverse effect upon the financial condition or the revenues of the Agency, or which, in any manner, questions the right of the Agency to issue, sell and deliver the Bonds, to enter into the Indenture or to use the Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Agency to collect or pledge the Tax Revenues; and

(vi) based upon his or her participation as Agency Counsel in the preparation of the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, Agency Counsel has no reason to believe that, as of the its date and as of date of Closing, the information in the Official Statement relating to the Agency, the Tax Revenues and the Project Area (excluding any financial or statistical data with respect thereto, as to which no opinion is expressed) 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 therein, in the light of the circumstances under which they were made, not misleading.

(5) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriters, to the effect that:

(i) the Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture and the Refunding Instructions;

(ii) the Indenture and the Refunding Instructions have been duly authorized, executed and delivered by the Trustee and the Indenture and the Refunding Instructions constitute the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought; and

(iii) except as may be required under Blue Sky or other securities laws of any state, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the Refunding Instructions, or the consummation of the transactions contemplated by the Indenture and the Refunding Instructions.

(6) Agency Certificate. A certificate of the Agency, dated the date of the Closing, signed on behalf of the Agency by a duly authorized officer of the Agency, to the effect that:

(i) the representations and warranties of the Agency contained herein 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;

(ii) no event affecting the Agency 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; and

(iii) no further consent is required to be obtained for the inclusion of the Agency's audited financial statements, including the accompanying accountant's letter, for Fiscal Year 2014/15 in the Official Statement.

(7) Trustee's Certificate. A Certificate, dated the date of Closing, to the effect that:

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

(ii) the Trustee has full power, authority and legal right to comply with the terms of the Indenture and the Refunding Instructions and to perform its obligations stated therein; and

(iii) the Indenture and the Refunding Instructions have been duly authorized, executed and delivered by the Trustee and (assuming due authorization, execution and delivery by the Agency) constitute legal, valid and binding obligations of the Trustee in accordance

with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(8) Legal Documents. Executed copies of this Purchase Agreement and the other Agency Legal Documents.

(9) Rating Letter. A letter from Standard & Poor's Credit Ratings Services ("S&P") to the effect that the Bonds have been assigned a rating of "___," which rating shall be in effect as of the Delivery Date.

(10) Disclosure Letter. A letter of Best Best & Krieger LLP ("Disclosure Counsel"), dated the date of the Closing, addressed to the Underwriters, to the effect that, based upon its participation in the preparation of the Official Statement and without having undertaken to determine independently the fairness, accuracy or completeness of the statements contained in the Official Statement, such counsel has no reason to believe that, as of the date of the Closing, the Official Statement (excluding therefrom the reports, financial and statistical data and forecasts therein and the information included in the Appendices thereto and information relating to DTC, as to which no advice need be expressed) 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 therein, in the light of the circumstances under which they were made, not misleading;

(11) Fiscal Consultant Certificate. A certificate of Urban Analytics, dated the date of the Closing, addressed to the Agency and the Underwriters, in form and substance acceptable to the Underwriters, certifying as to the accuracy of APPENDIX A—"REPORT OF FISCAL CONSULTANT" and the information in the Official Statement under the captions "SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE," "JURUPA VALLEY REDEVELOPMENT PROJECT AREA" and "ESTIMATED REVENUES AND BOND RETIREMENT," consenting to the inclusion of such firm's Fiscal Consultant Report in the Official Statement, and stating that to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report;

(12) Oversight Board Resolution. A copy of the Oversight Board Resolution.

(13) Oversight Board Certificate. A certificate of the Clerk of the Oversight Board to the effect that the Oversight Board Resolution was validly adopted, remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

(14) Parity Certificate. A copy of the executed certificate of the Agency required to be delivered to the Trustee as a condition of the issuance of the Bonds as "Parity Debt" within the meaning of the Indenture.

(15) Verification Report. A report, dated the date of the Closing, of _____, independent certified public accountants (the "Verification Agent"), to the effect that it has verified the accuracy of the mathematical computations of the adequacy of the deposits in the

redemption fund for the Prior Bonds for the full and timely payment of all principal (including premium, if any) and interest due with respect to the portion of the Agency obligations to be defeased with the funds held pursuant to the Refunding Instructions, as are then outstanding on the dates specified in the Official Statement at the then applicable redemption price.

(16) Bond Insurance Policy and Reserve Policy. The executed Policy of the Insurer insuring the scheduled payment of principal of and interest on the Bonds, substantially in the form attached as Appendix I to the Official Statement, and an executed copy of the Reserve Policy.

(17) Insurer Counsel Opinion. An opinion of counsel to the Insurer, dated as of the date of Closing, addressed to the Underwriters and the Agency in form and substance acceptable to the Underwriters, substantially to the effect that: (i) the Insurer has been duly incorporated and is validly existing and in good standing under the laws of the State of its incorporation; (ii) the Policy and the Reserve Policy constitute the legal, valid and binding obligations of the Insurer enforceable in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles; and (iii) the information contained in the Official Statement under the caption "BOND INSURANCE" 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 light of the circumstances under which they were made, not misleading.

(18) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Agency or the Underwriters may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters.

If the Agency or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, if the Agency shall determine in good faith (and provide written notice to the Underwriters) that legislation has been introduced or proposals made by the Governor of the State which if enacted and effective would impose additional limitations or burdens on the Agency or the County by reason of the issuance of the Bonds or which purport to prohibit the issuance of the Bonds, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriters shall be under no further obligation hereunder.

8. Termination. The Underwriters shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Agency if at any time between the date hereof and prior to the Closing:

(a) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(b) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriters, 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 this Purchase Agreement 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 Chairman 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 by any member thereof, 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 Agency, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(c) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, 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 Underwriters, materially adversely affects the market price of the Bonds; or

(d) 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

(e) 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 trade the Bonds; or

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

(g) 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, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United

States being such as, in the reasonable opinion of the Underwriters, would affect materially and adversely the ability of the Underwriters to market the Bonds; or

(h) any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service, which, in the Underwriters' reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(i) the commencement of any action, suit or proceeding described in Section 5(g) hereof which, in the judgment of the Underwriters, materially adversely affects the market price of the Bonds; or

(j) there shall be in force a general suspension of trading on the New York Stock Exchange.

9. Expenses. The Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Agency Legal Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Financial Advisor, Fiscal Consultant and any other experts or other consultants retained by the Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; (h) the fees of Digital Assurance Certification, L.L.C. for a continuing disclosure undertaking compliance review; and (i) expenses (included in the expense component of the spread) incurred on behalf of the County's or the Agency's employees which are incidental to implementing this Purchase Agreement. The Underwriters will pay the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriters' Counsel. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Agency agrees to reimburse the Underwriters for such fees.

The Underwriters shall pay, and the Agency shall be under no obligation to pay, all expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds.

10. Notices. Any notice or other communication to be given to the Agency under this Purchase Agreement may be given by delivering the same in writing at the Agency's address set forth above; Attention: Executive Director, and to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to Citigroup Global Markets Inc., 444 S. Flower Street, 27th Floor, Los Angeles, California 90071, Attention: Victor Andrade.

11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Agency and the Underwriters and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Agency contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any

investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

12. Effectiveness and Counterpart Signatures. This Purchase Agreement shall become effective upon the execution of the acceptance by an authorized officer of the Agency and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

14. Governing Law. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

CITIGROUP GLOBAL MARKETS, INC., as
Representative of the Underwriters

By: _____
Its: Authorized Officer

Accepted:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE
COUNTY OF RIVERSIDE

By: _____
Deputy County Executive Officer
County of Riverside

EXHIBIT A

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
JURUPA VALLEY REDEVELOPMENT PROJECT AREA
2016 TAX ALLOCATION REFUNDING BONDS, SERIES B**

| <i>Maturity Date (October 1)</i> | <i>Amount</i> | <i>Coupon</i> | <i>Yield</i> | <i>Price</i> |
|---|----------------------|----------------------|---------------------|---------------------|
|---|----------------------|----------------------|---------------------|---------------------|

APPENDIX B

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Citigroup Global Markets Inc., on behalf of itself and RBC Capital Markets, LLC (together, the "Underwriters") that [he/she] is a duly appointed and acting officer of the Successor Agency to the Redevelopment Agency for the County of Riverside, and as such is to execute and deliver this Certificate and further hereby certify and reconfirm on behalf of the Agency to the Underwriters as follows:

(1) This Certificate is delivered to enable the Underwriters to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the Successor Agency to the Redevelopment Agency for the County of Riverside Jurupa Valley Redevelopment Project Area 2016 Tax Allocation Refunding Bonds, Series B (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated as of _____, 2016, setting forth information concerning the Bonds and the Agency, as issuer of the Bonds, and the Agency (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final contract of purchase, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Agency shall promptly notify the Underwriters thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as of the __ day of _____, 2016.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE COUNTY
OF RIVERSIDE

By _____
Authorized Officer

**IRREVOCABLE REFUNDING INSTRUCTIONS
(2006 Series B Bonds)**

These IRREVOCABLE REFUNDING INSTRUCTIONS (these "Instructions"), dated May __, 2016, are given by the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public entity created and existing under the laws of the State of California (the "Successor Agency"), as successor agency to the Redevelopment Agency for the County of Riverside (the "Former Agency"), to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under the laws of the United States of America, acting as trustee for the hereinafter defined 2006 Series B Bonds (in such capacity, the "2006 Series B Trustee"), and are agreed to and accepted by the RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY (the "Authority") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., acting as trustee for the hereinafter defined Authority Bonds (in such capacity, the "Authority Bonds Trustee").

WITNESSETH:

WHEREAS, the Former Agency previously issued its Redevelopment Agency For the County of Riverside Jurupa Valley Redevelopment Project Area 2006 Tax Allocation Bonds, Series B, in the original aggregate principal amount of \$68,740,000 (the "2006 Series B Bonds"), pursuant to an Indenture of Trust dated as of October 1, 2006, by and between the Former Agency and the 2006 Series B Trustee (the "2006 Series B Indenture"); and

WHEREAS, for the purpose of providing funds to purchase three separate series of bonds issued by the Former Agency, including the 2006 Series B Bonds, and to finance redevelopment activities of the Former Agency with respect to its Jurupa Valley Redevelopment Project Area, its Desert Communities Redevelopment Project Area, and its Interstate 215 Corridor Redevelopment Project Area, the Authority issued its Riverside County Public Financing Authority 2006 Series A Tax Allocation Revenue Bonds (Jurupa Valley, Desert Communities and Interstate 215 Corridor Redevelopment Projects) in the aggregate principal amount of \$169,720,000 (the "Authority Bonds"), pursuant to an Indenture of Trust dated as of October 1, 2006, between the Authority and the Authority Bonds Trustee; and

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the California Redevelopment Law, (found at Health and Safety Code Section 33000, et.seq.) and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 ("AB 26"), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to AB 26, assumed the duties and obligations set forth in AB 26 for the Former Agency, including, without limitation, the obligations of the Former Agency under the 2006 Series B Indenture and related documents to which the Former Agency was a party; and

WHEREAS, the Successor Agency has determined that it is in the best financial interests of the Successor Agency to refund, at this time, the outstanding 2006 Series B Bonds set forth on Exhibit A hereto (the "Refunded 2006 Series B Bonds"), and to redeem the Refunded 2006 Series B Bonds on October 1, 2016;

WHEREAS, in order to provide funds for such purpose, the Successor Agency anticipates issuing its Successor Agency to the Redevelopment Agency For the County of Riverside Jurupa Valley Redevelopment Project Area 2016 Tax Allocation Refunding Bonds, Series B (the "2016 Series B Bonds") and applying a portion of the proceeds thereof, together with certain other moneys, to defease and redeem the Refunded 2006 Series B Bonds; and

WHEREAS, the 2016 Series B Bonds are being issued pursuant to an Indenture of Trust dated as of May 1, 2016 (the "2016 Series B Bonds Indenture"), between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "2016 Series B Trustee"); and

WHEREAS, contemporaneously with such refunding and redemption of the Refunded 2006 Series B Bonds, the portion of the Authority Bonds relating to the Refunded 2006 Series B Bonds and to certain other bonds of the Former Agency being refunded will also be refunded and redeemed (such Authority Bonds, the "Refunded Authority Bonds"); and

WHEREAS, the Successor Agency wishes to give these Instructions to the 2006 Series B Trustee for the purpose of providing the terms and conditions relating to the deposit and application of moneys to provide for the payment and redemption of the Refunded 2006 Series B Bonds; and

WHEREAS, the Successor Agency is providing separate irrevocable refunding instructions with respect to the other bonds of the Former Agency reference above;

NOW, THEREFORE, the Successor Agency hereby irrevocably instructs the 2006 Series B Trustee as follows:

Section 1. Establishment of the 2006 Series B Bonds Escrow Fund. The 2006 Series B Trustee shall establish and hold, separate and apart from all other funds and accounts held by it, a special fund known as the "2006 Series B Bonds Escrow Fund" (the "Escrow Fund"). All amounts on deposit in the Escrow Fund are hereby irrevocably pledged as a special trust fund for the redemption of the Refunded 2006 Series B Bonds on October 1, 2016 (the "Redemption Date"). Neither the 2006 Series B Trustee, the 2016 Series B Trustee, the Authority Bonds Trustee, nor any other person shall have a lien upon or right of set off against the amounts at any time on deposit in the Escrow Fund, and such amounts shall be applied only as provided herein.

Section 2. Deposit into the 2006 Series B Bonds Escrow Fund; Investment of Amounts. Concurrently with the delivery of the 2016 Series B Bonds, the Successor Agency shall cause to be deposited in the Escrow Fund the amount of \$_____ in immediately available funds to be derived from a portion of the proceeds of sale of the 2016 Series B Bonds. The Successor Agency shall also transfer to the 2006 Series B Trustee for deposit in the Escrow Fund \$_____ of funds on hand relating to the 2006 Series B Bonds, resulting in a total deposit into the Escrow Fund of \$_____.

The Successor Agency hereby directs the 2006 Series B Trustee to invest \$_____ of such amount in the securities listed in Schedule 1 hereto, and to hold the remaining \$_____ on deposit into the Escrow Fund in cash, uninvested.

The Successor Agency hereby confirms that by making the deposit described herein, it is discharging the Refunded 2006 Series B Bonds pursuant to Sections 9.03 of the 2006 Series B Indenture.

Section 3. Proceedings for Redemption of 2006 Series B Bonds. The Successor Agency hereby irrevocably elects, and directs the 2006 Series B Trustee, to redeem, on the Redemption Date, from amounts on deposit in the Escrow Fund, the Refunded 2006 Series B Bonds pursuant to the provisions of Section 2.03(a) of the 2006 Series B Indenture.

The Authority acknowledges it is the owner of all of the outstanding 2006 Series B Bonds and as such hereby waives notice of redemption required pursuant to Section 2.03(c) of the 2006 Series B Bonds Indenture. The Authority also acknowledges that the Refunded Authority Bonds will be redeemed on October 1, 2016. The Refunded Authority Bonds, which includes the portion of the Refunded Authority Bonds relating to the Refunded 2006 Series B Bonds, are listed on Exhibit B hereto. In connection with the proposed redemption of the Refunded Authority Bonds, the Authority Bonds Trustee shall cause a notice of such redemption to be mailed to the owners of the Refunded Authority Bonds in the form attached hereto as Exhibit C by no later than September 1, 2016. The Authority Bonds Trustee will post a notice of redemption to the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) system accessible at the emma.msrb.org website.

In addition to the notice of redemption referred to above, the Trustee shall, within three (3) business days of receipt of the amounts set forth in Section 2 above, post a notice of defeasance relating to the Authority Bonds, in the form attached hereto as Exhibit D, to EMMA. The Trustee shall also send such notice of defeasance to the owners of the Authority Bonds.

Section 4. Application of Funds to Redeem 2006 Series B Bonds. The 2006 Series B Trustee shall apply the amounts on deposit in the Escrow Fund to redeem the Refunded 2006 Series B Bonds on the Redemption Date at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest, all in accordance with Section 2.03(a) of the 2006 Series B Indenture.

The Authority and the Authority Bonds Trustee acknowledge that the Refunded 2006 Series B Bonds will be redeemed on the Redemption Date, and the Authority Bonds Trustee agrees to, immediately after the redemption of the Refunded 2006 Series B Bonds, redeem the Redeemed Authority Bonds on the Redemption Date.

Section 5. Transfer of Remaining Funds. On October 2, 2016, following the redemption described above and payment of any amounts then owed to the 2006 Series B Trustee, the 2006 Series B Trustee shall withdraw any amounts remaining on deposit in the Escrow Fund and transfer such amounts to the 2016 Series B Trustee for deposit into the Interest Account established under the 2016 Series B Bonds Indenture to be used solely for the purpose of paying interest on the 2016 Series B Bonds.

Section 6. Amendment. These Instructions shall be irrevocable by the Successor Agency. These Instructions may be amended or supplemented by the Successor Agency, but only if the Successor Agency shall file with the Authority Bond Trustee and the 2016 Series B Trustee (a) an opinion of nationally recognized bond counsel engaged by the Successor Agency stating that such amendment or supplement will not, of itself, adversely affect the exclusion from gross income of interest on the Authority Bonds or the 2016 Series B Bonds under federal income tax law, and (b) a certification of an independent accountant or independent financial

adviser engaged by the Successor Agency stating that such amendment or supplement will not affect the sufficiency of funds invested and held hereunder to make the payments required by Section 4.

Section 7. Application of Certain Terms of the 2006 Series B Indenture. All of the terms of the 2006 Series B Indenture relating to the payment of principal of and interest and repayment premium, if any, on the 2006 Series B Bonds and the redemption thereof, and the protections, immunities and limitations from liability afforded the 2006 Series B Trustee, are incorporated in these Instructions as if set forth in full herein.

Section 8. Counterparts. These Instructions may be signed in several counterparts, each of which will constitute an original, but all of which will constitute one and the same instrument.