

BASE RENTAL PAYMENT SCHEDULE

The following is the schedule of Base Rental Payments due with respect to the Bonds:

<i>Interest Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Base Rental Payment⁽¹⁾</i>
5/1/2018	\$	\$	\$
11/1/2018			
5/1/2019			
11/1/2019			
5/1/2020			
11/1/2020			
5/1/2021			
11/1/2021			
5/1/2022			
11/1/2022			
5/1/2023			
11/1/2023			
5/1/2024			
11/1/2024			
5/1/2025			
11/1/2025			
5/1/2026			
11/1/2026			
5/1/2027			
11/1/2027			
5/1/2028			
11/1/2028			
5/1/2029			
11/1/2029			
5/1/2030			
11/1/2030			
5/1/2031			
11/1/2031			
5/1/2032			
11/1/2032			
5/1/2033			
11/1/2033			
5/1/2034			
11/1/2034			
5/1/2035			
11/1/2035			
5/1/2036			
11/1/2036			
5/1/2037			
11/1/2037			
5/1/2038			
11/1/2038			
5/1/2039			
11/1/2039			
5/1/2040			
11/1/2040			
5/1/2041			

11/1/2041			
5/1/2042			
11/1/2042			
5/1/2043			
11/1/2043			
5/1/2044			
11/1/2044			
Total	\$ _____	\$ _____	\$ _____

⁽¹⁾ Due on the 15th day of the month preceding each Interest Payment Date.

THE REFUNDING PLAN

General

Pursuant to the Indenture, the Authority will deliver a portion of the proceeds of the Bonds to the Trustee to be applied to exercise the County's purchase option with respect to the County Law Building and related facilities which were financed with net proceeds of the Prior Bonds with the transfer of such proceeds to The Bank of New York Mellon Trust Company, N.A., acting as escrow agent (the "Escrow Agent"), for deposit in an escrow fund (the "Escrow Fund") established under the Escrow Agreement, dated as of December 1, 2017, by and between the County and the Escrow Agent (the "Escrow Agreement"). Proceeds of the Bonds and other moneys held in the Escrow Fund to redeem the Prior Bonds will be invested, in substantial part, in United States Treasury Obligations or other non-prepayable obligations fully and unconditionally guaranteed as to full and timely payment of principal and interest by the United States of America and used to: (i) make the payments of principal of and interest on the Prior Bonds due on and prior to October 15, 2023, and (ii) redeem the then outstanding Prior Bonds on October 15, 2023 at a redemption price equal to the principal amount of the Prior Bonds being redeemed, together with accrued interest to the redemption date, without premium. Amounts in the Escrow Fund will be irrevocably pledged to secure, when due, the payment of the principal of, and the interest and premium due on, the Prior Bonds, and will not be available for payment on the Bonds.

A list of the Prior Bonds is set forth below set forth below:

PRIOR BONDS
Riverside Community Properties Development, Inc.
Lease Revenue Bonds, 2013
(Riverside County Law Building Project)

<i>Principal Payment Date (October 15)</i>	<i>CUSIP[†]</i>	<i>Principal Amount</i>	<i>Redemption Date</i>	<i>Redemption Price (% of Par Amount)</i>
2018	768870AC1	\$ 740,000	N/A	N/A
2019	768870AD9	780,000	N/A	N/A
2020	768870AE7	820,000	N/A	N/A
2021	768870AF4	860,000	N/A	N/A
2022	768870AG2	900,000	N/A	N/A
2023	768870AH0	945,000	N/A	N/A
2024	768870AJ6	995,000	October 15, 2023	100%
2025	768870AK3	1,050,000	October 15, 2023	100
2026	768870AL1	1,105,000	October 15, 2023	100
2027	768870AM9	1,170,000	October 15, 2023	100
2032	768870AQ0	6,865,000	October 15, 2023	100
2038	768870AN7	11,150,000	October 15, 2023	100
2044	768870AP2	15,600,000	October 15, 2023	100

Verification

Upon issuance of the Bonds, Causey Demgen & Moore P.C., as verification agent, will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Underwriter relating to: (a) the adequacy of amounts in the Escrow Fund to pay when due

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright © 2017 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by Standard & Poor's CUSIP Service Bureau. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service Bureau. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the County, the Underwriter or the Municipal Advisor guarantee the accuracy of the CUSIP data.

all debt service on the Prior Bonds on and prior to the redemption thereof and to pay the redemption price of the Prior Bonds on October 15, 2023; and (b) the computations of yield of the Bonds which support Bond Counsel's opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes.

THE LEASED PROPERTY

The Leased Property consists of the County-owned site located at the southwest corner of Highway 111 and Jackson Street in the central business district of the City of Indio, Riverside County including the County Law Building, located at 82-995 Hwy 111 in Indio, California 92201, related improvements and the parking lot located on the site. The County Law Building currently provides offices of the District Attorney, Public Defender, and County Counsel. Staff members of such offices also work within the County's East County Detention Center in Indio (which is not part of the Leased Property). The County Law Building also includes a law library. The Leased Property includes the following:

County Law Building. A three-story, 90,000-square-foot facility providing offices for the District Attorney, Public Defender, County Counsel and the Indio branch of the Riverside County Law Library including a main lobby, conference rooms, training rooms, offices, office services facilities, sally port, and elevators for the three stories. The County Law Building was completed in 2015. Costs of construction were approximately \$_____.

Parking Lot. A surface parking lot with approximately 369 parking stalls will provide parking for occupants of the County Law Building as well as the general public. The parking lot was completed in 2015. Costs of construction were approximately \$_____.

The County Law Building is the first County facility to receive a Leadership in Energy and Environmental Design ("LEED") Platinum certification.

The County Law Building is part of a larger criminal justice complex including the new East County Detention Center expansion, which is not part of the Leased Property.

The County has the right to substitute or release all or portion of the Leased Property subject to certain conditions precedent. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Substitution or Removal of Leased Property."

THE AUTHORITY

Organization and Membership

The Authority was formed pursuant to the provisions of Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the Joint Exercise of Powers Agreement, dated as of September 15, 2015 (the "JPA Agreement"), by and between the County and the Riverside County Flood Control and Water Conservation District, to assist in financing public capital improvements undertaken by either member. The Board of Supervisors of the County serves as the Board of Directors of the Authority.

THE COUNTY

General

The County was organized in 1893 from territory in San Bernardino and San Diego Counties and encompasses 7,177 square miles. The County is bordered on the north by San Bernardino County, on the east by the State of Arizona, on the south by San Diego and Imperial Counties and on the west by Orange and San

Bernardino Counties. The County is the fourth largest county (by area) in the state and stretches 185 miles from the Arizona border to within 20 miles of the Pacific Ocean. There are 28 incorporated cities in the County. According to the State Department of Finance, Demographic Research Unit, the County's population was estimated at 2,384,783 as of January 1, 2017, reflecting an approximately 1.6% increase over January 1, 2016. The County's adopted Fiscal Year 2017-18 budget for the General Fund totals approximately \$3.2 billion.

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

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

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

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

RISK FACTORS

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Bonds. However, they do not purport to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the Bonds. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks. Additionally, potential investors should be aware of the possibility that other considerations could materialize in the future.

General Considerations – Security for the Bonds

The Bonds are special obligations of the Authority, payable solely from Revenues and other funds pledged under the Indenture. Revenues consist primarily of Base Rental Payments to be made by the County under the Facility Lease. If, for any reason, the Revenues collected under the Indenture are, for any reason, insufficient to pay debt service on the Bonds, neither the Authority nor the County will be obligated to utilize any of their funds, other than amounts available under the Indenture, to pay debt service on the Bonds.

Neither the faith and credit nor the taxing power of the County or the State, or any political subdivision thereof, is pledged to the payment of the Bonds. The Authority has no taxing power.

The obligation of the County to make the Base Rental Payments does not constitute a debt of the County or the State or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the County or the State is obligated to levy or pledge any form of taxation or for which the County or the State has levied or pledged any form of taxation.

Although the Facility Lease does not create a pledge, lien or encumbrance upon the funds of the County, the County is obligated under the Facility Lease to pay the Base Rental Payments and Additional Payments from any source of legally available funds, and the County has covenanted in the Facility Lease that it will take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease in its annual budgets and to make necessary annual appropriations for all such Rental Payments, subject to abatement. The County is currently liable and may become liable on other obligations payable from general revenues.

The County has the capacity to enter into other obligations which may constitute additional charges against its revenues. To the extent that additional obligations are incurred by the County, the funds available to make Base Rental Payments may be decreased. In the event the County's revenue sources are less than its total obligations, the County could choose to fund other activities before making Base Rental Payments and other payments due under the Facility Lease. The same result could occur if, because of California Constitutional limits on expenditures, the County is not permitted to appropriate and spend all of its available revenues. However, the County's appropriations have never exceeded the limitation on appropriations under Article XIII B of the California Constitution. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Article XIII B of the State Constitution."

Abatement

In the event of substantial interference with the County's right to use and occupy any portion of the Leased Property by reason of damage to, or destruction or condemnation of the Leased Property, or any defects in title to the Leased Property, Base Rental Payments will be subject to abatement. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Abatement." In the event that such portion of the Leased Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the County's rental interruption insurance will be available in lieu of Base Rental Payments, plus the period for which funds are available from the funds and accounts established under the Indenture, or in the event that title and casualty insurance proceeds are insufficient to provide for complete repair or replacement of such portion of the Leased Property or redemption of the Bonds, there could be insufficient funds to make payments to Owners in full. The Authority has not established nor funded a debt service reserve fund for the Bonds.

It is not always possible to predict the circumstances under which abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. For example, it is not clear whether fair rental value is established as of commencement of the Facility Lease or at the time of the abatement. If the latter, it may be that the value of the Leased Property is substantially higher or lower than its value at the time of the issuance and delivery of the Bonds. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the Bonds.

If damage, destruction, title defect or eminent domain proceedings with respect to the Leased Property results in abatement of the Base Rental Payments related to such Property and if such abated Base Rental Payments, if any, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), and eminent domain proceeds and title insurance, if any, are insufficient to make all payments of principal and interest on the Bonds during the period that the Leased Property is being replaced, repaired or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Facility Lease and the Indenture, no remedy is available to the Owners for nonpayment under such circumstances.

No Reserve Fund

The Authority has not established nor funded a debt service reserve fund for the Bonds.

Hazardous Substances

An additional environmental condition that may result in the reduction in the assessed value of property, and therefor property tax revenue available to make Base Rental Payments, would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the County. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the County be affected by a hazardous substance, could be to reduce the marketability and value of the property by the costs of remedying the condition. The County is not aware of any hazardous substances located on the Leased Property.

Substitution or Removal of Leased Property

The Authority and the County may amend the Facility Lease to substitute alternate real property for any portion of or to release a portion of the Leased Property from the Facility Lease, upon compliance with all of the conditions set forth in the Facility Lease. After a substitution or release, the portion of the Leased Property for which the substitution or release has been effected will be released from the leasehold encumbrance of the Facility Lease. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Substitution or Removal of Leased Property."

The Facility Lease requires, among other things, that the Leased Property, as constituted after such substitution or release, have an annual fair rental value at least equal to the maximum annual Base Rental Payments payable under the Facility Lease and attributable to the Leased Property prior to said Substitution or Removal, as determined by the County on the basis of commercially reasonable evidence of the annual fair rental value of the Leased Property after said Substitution or Removal. Thus, a portion of the Leased Property could be replaced with less valuable real property, or could be released altogether. Such a replacement or release could have an adverse impact on the security for the Bonds, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release. See APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—FACILITY LEASE—Substitution or Removal of Leased Property."

Limited Recourse on Default; No Acceleration of Lease

Failure by the County to make Base Rental Payments or other payments required to be made under the Facility Lease, failure to observe and perform certain other terms, covenants or conditions contained in the Facility Lease or in the Indenture for a period of 30 days after written notice of such failure and request that it be remedied has been given to the County by the Authority or the Trustee, or the filing of a bankruptcy or similar action by the County, constitute events of default under the Facility Lease and permit the Trustee or the Authority to pursue any and all remedies available. In the event of a default, notwithstanding anything in the Facility Lease or in the Indenture to the contrary, there is no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable, nor do the Authority or the Trustee have any right to re-enter or re-let the Leased Property except as described in the Facility Lease.

The enforcement of any remedies provided in the Facility Lease and the Indenture could prove both expensive and time consuming. If the County defaults on its obligation to make Base Rental Payments with respect to the Leased Property, the Trustee, as assignee of the Authority, may retain the Facility Lease and hold the County liable for all Base Rental Payments thereunder on an annual basis and enforce any other terms or provisions of the Facility Lease to be kept or performed by the County.

Alternatively, the Authority or the Trustee may terminate the Facility Lease, retake possession of the Leased Property and proceed against the County to recover damages pursuant to the Facility Lease. Due to the specialized nature of the Leased Property or any property substituted therefor pursuant to the Facility Lease and the restrictions on its use, no assurance can be given that the Trustee will be able to re-let the Leased Property so as to provide rental income sufficient to make all payments of principal of, interest and premium, if any, on the Bonds when due, and the Trustee is not empowered to sell the Leased Property for the benefit of the Owners of the Bonds. Any suit for money damages would be subject to limitations on legal remedies against counties in California, including a limitation on the enforcement of judgment against funds of a fiscal year other than the fiscal year in which Base Rental Payments were due and a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and APPENDIX B — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS — FACILITY LEASE —Default."

Limitations on Remedies Available; Bankruptcy

The enforceability of the rights and remedies of the Owners and the obligations of the County may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equitable principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of servicing a significant and legitimate public purpose.

In addition to the limitation on remedies contained in the Indenture, the rights and remedies provided in the Indenture may be limited by and are subject to the provisions of federal bankruptcy laws. The County is a governmental unit and therefore cannot be the subject of an involuntary case under the United States Bankruptcy Code (the "Bankruptcy Code"). However, the County is a municipality and therefore may seek voluntary protection from its creditors pursuant to Chapter 9 of the Bankruptcy Code for purposes of adjusting its debts. If the County were to become a debtor under the Bankruptcy Code, the County would be entitled to all of the protective provisions of the Bankruptcy Code as applicable in a Chapter 9 case. Such a bankruptcy could adversely affect the payments under the Indenture. Among the adverse effects might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the County or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the County and could prevent the Trustee from making payments from funds in its possession; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or secured debt which may have priority of payment superior to that of the Owners of the Bonds; and (iv) the possibility of the adoption of a plan (the "Plan") for the adjustment of the County's debt without the consent of the Trustee or all of the Owners of the Bonds, which Plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that the Plan is fair and equitable and in the best interests of creditors.

Recent bankruptcies in the City of Stockton, the City of San Bernardino and the City of Detroit have brought scrutiny to municipal securities. Specifically, in the San Bernardino bankruptcy, the Court held that in the event of a municipal bankruptcy, payments on pension obligation bonds were unsecured obligations and not entitled to the same priority of payments made to the related pension system. A variety of events including, but not limited to, additional rulings adverse to the interests of bond owners in the Stockton, San Bernardino and Detroit bankruptcy cases or additional municipal bankruptcies, could prevent or materially adversely affect the rights of Owners to receive payments on the Bonds in the event the County files for bankruptcy. Accordingly, in the event of bankruptcy, it is likely that Owners may not recover their principal and interest.

The opinions of counsel, including Bond Counsel, delivered in connection with the issuance and delivery of the Bonds will be so qualified. Bankruptcy proceedings, or the exercising of powers by the federal or state government, if initiated, could subject the Owners to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights.

Possible Insufficiency of Insurance Proceeds

The Facility Lease obligates the County to keep in force various forms of insurance, subject to deductibles, for repair or replacement of the Leased Property in the event of damage, destruction or title defects, subject to certain exceptions. The Authority and the County make no representation as to the ability of any insurer to fulfill its obligations under any insurance policy obtained pursuant to the Facility Lease and no assurance can be given as to the adequacy of any such insurance to fund necessary repair or replacement or to pay principal of and interest on the Bonds when due. In addition, insurance coverage for certain risks, such as earthquakes, is not required under the Facility Lease, and therefore, may not be carried by the County. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Insurance."

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the Internal Revenue Service. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar municipal obligations).

Loss of Tax Exemption

As discussed under the heading "TAX MATTERS," the interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Bonds, as a result of acts or omissions of the Authority or the County in violation of its covenants in the Indenture and the Facility Lease. Should such an event of taxability occur, the Bonds would not be subject to a special redemption and would remain Outstanding until maturity or until redeemed under the redemption provisions contained in the Indenture.

No Liability of Authority to the Owners

Except as expressly provided in the Indenture, the Authority will not have any obligation or liability to the Owners of the Bonds with respect to the payment when due of the Base Rental Payments by the County, or with respect to the performance by the County of other agreements and covenants required to be performed by it contained in the Facility Lease or the Indenture, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Indenture.

Seismic Events; Force Majeure

The areas in and surrounding the Leased Property, like those in much of California, are subject to unpredictable seismic activity; however, the County is not aware of the Leased Property having sustained material damage from earthquakes since its construction was completed.

Further, the County is under no obligation under the Facility Lease to procure and maintain, or cause to be procured and maintained, earthquake insurance on the Leased Property. The County currently holds a blanket earthquake insurance policy covering, subject to policy limits and insured amounts, all County-owned buildings, including the Leased Property; however, there can be no assurance that such earthquake insurance will be maintained by the County or provide funds sufficient to repair or replace portions of the Leased Property so damaged or destroyed as a result of an insured event. If there is no earthquake insurance on the

Leased Property, but the Leased Property is damaged in an earthquake, the Base Rental Payments would be subject to abatement. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Abatement.” No rental interruption insurance will be available in the event of abatement of Base Rental Payments due to loss or damage caused by earthquake.

The County’s use and possession of the Leased Property may also be at risk from other events of force majeure, such as damaging storms, floods and fires, among other events. See the caption “— Wildfires and Flooding.” The County cannot predict what force majeure events may occur in the future.

Wildfires and Flooding

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

The State, particularly Southern California, is periodically subject to wildfires. As a result of climate change, some reports have forecast an increase in the risk of large, damaging wildfires over the next several decades. Further, the impact of recent wildfires have been more extreme as a result of a fuel mix that has resulted from years of drought yielding dry mature vegetation and more recent regular rainfall yielding increased grasses and the like. When wildfires scorch Southern California hillside areas, there is the potential to destroy all or nearly all vegetation on mountains and hillsides. As a result, when heavy rain falls in the winter, there may be little or nothing to stop the rain from penetrating directly into the soil. In addition, waxy compounds in plants and soil that are released during fires create a natural barrier in the soil that prevents rainwater from seeping deep into the ground. The result is erosion, mudslides, and excess water running off the hillsides often causing flash flooding.

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

State’s Greenhouse Gas Regulation Could Affect County’s General Fund

The Governor of the State signed Assembly Bill 32, the Global Warming Solutions Act of 2006 (“AB 32”), into law on September 27, 2006. AB 32 established a comprehensive program of regulatory and market mechanisms to achieve reductions in greenhouse gas emissions, including a 2020 greenhouse emissions reduction goal. The rules established by AB 32 became effective on January 1, 2012.

Manufacturing is a significant industry within the County (see APPENDIX A — “INFORMATION REGARDING THE COUNTY OF RIVERSIDE — Demographic and Economic Information — Industry and Employment”). AB 32 could have an adverse impact on that industry, resulting in a strain on the County’s General Fund.

The State could enact additional laws having an adverse effect on the County's economy.

Change in Law

No assurance can be given that the State electorate will not at some future time adopt initiatives, or that the State Legislature will not enact legislation that will amend the laws of the State, in a manner that could result in a reduction of the County's revenues and, therefore, a reduction of the funds legally available to the County to make Base Rental Payments. See, for example, "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Article XIII C and Article XIII D of the State Constitution."

State Law Limitations on Appropriations

Article XIII B of the California Constitution limits the amount that local governments can appropriate annually. The ability of the County to make Base Rental Payments may be affected if the County should exceed its appropriations limit. The State may increase the appropriation limit of its cities by decreasing its own appropriation limit. The County does not anticipate exceeding its appropriations limit. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Article XIII B of the State Constitution."

Limitations on Remedies Available to Bond Owners

The ability of the County to comply with its covenants under the Facility Lease may be adversely affected by actions and events outside of the control of the County, and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or payers of assessments, fees and charges. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS" below. Furthermore, any remedies available to the owners of the Bonds upon the occurrence of an event of default under the Facility Lease or the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

In addition to the limitations on Bondholder remedies contained in the Facility Lease and the Indenture, the rights and obligations under the Bonds, the Facility Lease and the Indenture may be subject to the following: the United States Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of serving a significant and legitimate public purpose.

Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that any Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

STATE OF CALIFORNIA BUDGET INFORMATION

The following information concerning the State's budgets has been obtained from publicly available information which the County believes to be reliable; however, the County does not guarantee the accuracy or completeness of this information and has not independently verified such information. Furthermore, it should not be inferred from the inclusion of this information in this Official Statement that the principal or interest due on the Bonds is payable from any funds of the State.

The County relies significantly upon State and Federal payments for reimbursement of various costs including certain mandated programs. For Fiscal Year 2016-17, approximately 40.2% of the County's General Fund budget revenues consisted of payments from the State and 18.3% consisted of payments from the Federal government. For Fiscal Year 2017-18, the County projects that approximately 43.0% of its General Fund budget revenues will consist of payments from the State and 21.6% will consist of payments from the Federal government.

The following information concerning the State's budgets has been obtained from publicly available information which the Authority and the County each believe to be reliable; however, neither the Authority nor the County can take any responsibility for or guarantees the accuracy or completeness thereof. The County has not independently verified such information. Information about the State Budget is regularly available at various State-maintained websites. Text of the budget may be found at the Department of Finance website. An impartial analysis of the budget is posted by the Office of the Legislative Analyst at its website. In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer. The information referred to is prepared by the respective State agency maintaining each website and not by the Authority, the County or the Underwriter, and none of the Authority, the County or the Underwriter can take any responsibility for the continued accuracy of the internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated herein by these references.

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

State Budget for Fiscal Year 2017-18. In a typical year, the Governor releases two primary proposed budget documents: (i) the Governor's Proposed Budget required to be submitted in January, and (ii) the "May Revision" to the Governor's Proposed Budget. The Governor's Proposed Budget is then considered and typically revised by the State Legislature. On January 10, 2017, the Governor released the Fiscal Year 2017-18 Proposed State Budget. On May 11, 2017 the Governor released the May Revision to the Fiscal Year 2017-18 Proposed State Budget. On June 27, 2017, the Governor signed the adopted Fiscal Year 2017-18 State Budget (the "Fiscal Year 2017-18 Budget").

The Fiscal Year 2017-18 Budget projects Fiscal Year 2016-17 General Fund revenues and transfers of \$118.5 billion and total expenditures of \$121.4 billion. The State is projected to end Fiscal Year 2016-17 with total available reserves of \$7.9 billion, including \$1.6 billion in the traditional General Fund reserve and \$6.3 billion in the State's Budget Stabilization Account. The County is currently evaluating the impact of the Fiscal Year 2017-18 Budget on the County's finances. The County expects that the increase in the share of costs associated with the In-Home Supportive Services ("IHSS") program attributable to counties represents the most significant element of the State Budget, as the State Budget indicates that State funds provided to mitigate the costs attributable to counties will be phased down from the \$400 million allocated in Fiscal Year 2017-18, decreasing to \$330 million in Fiscal Year 2018-19, \$200 million in Fiscal Year 2019-20 and \$150 million annually thereafter.

Information about the State budget and State spending is available at various State maintained websites. Text of the Fiscal Year 2017-18 Budget and other documents related to the State budget may be

found at the website of the State Department of Finance, www.dof.ca.gov. A nonpartisan analysis of the budget is posted by the Legislative Analyst's Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, www.treasurer.ca.gov.

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

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from Base Rental Payments made from the County's General Fund. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS." Articles XIII A, XIII B, XIII C and XIII D of the State Constitution, Propositions 62, 111, 218, 1A and 22, and certain other provisions of law discussed below are included in this Official Statement to describe the potential effect of these Constitutional and statutory measures on the ability of the County to levy taxes and spend tax proceeds for operating and other purposes.

Article XIII A of the State Constitution

On June 6, 1978, State voters approved Proposition 13, which added Article XIII A to the State Constitution. Article XIII A, as amended, limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service: (i) on indebtedness approved by the voters prior to December 1, 1978; (ii) on bonded indebtedness approved by a two-thirds vote on or after December 1, 1978, for the acquisition or improvement of real property; or (iii) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters voting on the proposition. Article XIII A defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, including a general economic downturn, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster, and in other minor or technical ways.

Legislation Implementing Article XIII A

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by counties and distributed according to a formula among taxing agencies.

Increases in assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the

“taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at full cash value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100 percent of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the State Constitution

In addition to the limits that Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual “appropriations limit” imposed by Article XIII B which effectively limits the amount of such revenues that such entities are permitted to spend. Article XIII B, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to “proceeds of taxes,” which consist of tax revenues and the investment proceeds thereof, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed “the cost reasonably borne by such entity in providing the regulation, product or service.” “Proceeds of taxes” excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not “proceeds of taxes,” such as reasonable user charges or fees, and certain other non-tax funds. Article XIII B also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized as of October 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Proposition 111 requires that each local government’s actual appropriations be tested against its limit every two years.

If the aggregate “proceeds of taxes” for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency’s taxpayers through tax rate or fee reductions over the following two years.

The County’s appropriations have never exceeded the limitation on appropriations under Article XIII B.

Articles XIII C and XIII D of the State Constitution

On November 5, 1996, State voters approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 adds Articles XIII C and XIII D to the State Constitution and contains a number of interrelated provisions affecting the ability of the County to levy and collect both existing and future taxes, assessments and property-related fees and charges. The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the County require a majority vote and taxes for

specific purposes, even if deposited in the County's General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the County to raise revenues for the General Fund, and no assurance can be given that the County will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Article XIID also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs, such as hearings and stricter and more individualized benefit requirements and findings. These provisions include, among other things: (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel; (ii) a requirement that assessments must confer a "special benefit," as defined in Article XIID, over and above any general benefits conferred; (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party; and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. If the County is unable to continue to collect these revenues, the services and programs funded with these revenues would have to be curtailed and/or the County's General Fund might have to be used to support them. The County is unable to predict whether or not in the future it will be able to continue all existing services and programs funded by the fees, charges and assessments in light of Proposition 218 or, if these services and programs are continued, which amounts (if any) would be used from the County's General Fund to continue to support such activities.

Article XIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. However, no assurance can be given that the voters of the County will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the County's General Fund.

Proposition 62

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

California appellate court cases have overturned the provisions of Proposition 62 pertaining to the imposition of taxes for general government purposes. However, the California Supreme Court upheld Proposition 62 in its decision on August 28, 1995 in *Fresno County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were

not addressed in the Court's decision, such as what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities. The County has not experienced any substantive adverse financial impact as a result of the passage of Proposition 62.

Proposition 1A

Proposition 1A, proposed by the State Legislature in connection with the State's fiscal year 2004-05 budget, approved by the voters in November 2004 and generally effective in State fiscal year 2006-07, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature. Proposition 1A provides, however, that beginning in State fiscal year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses and certain other conditions are met. The State also will not be able to borrow from local property tax revenues for more than two fiscal years within a period of ten fiscal years. In addition, the State cannot reduce the local sales tax rate or restrict the authority of local governments to impose or change the distribution of the State-wide local sales tax. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the motor vehicle license fee rate currently in effect, 0.65% of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates.

Proposition 1A may result in increased and more stable County revenues. The magnitude of such increase and stability is unknown and would depend on future actions by the State. However, Proposition 1A could also result in decreased resources being available for State programs. This reduction, in turn, could affect actions taken by the State to resolve budget difficulties. Such actions could include increasing State taxes, decreasing spending on other State programs or other action, some of which could be adverse to the County.

Proposition 22

Proposition 22, entitled "The Local Taxpayer, Public Safety and Transportation Protection Act," was approved by the voters of the State on November 2, 2010. Proposition 22 eliminates or reduces the State's authority: (i) to temporarily shift property taxes from cities, counties and special districts to schools; (ii) to use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments); (iii) to redirect property tax increment from redevelopment agencies to any other local government; (iv) to use State fuel tax revenues to pay debt service on State transportation bonds; or (v) to borrow or change the distribution of State fuel tax revenues. In the California Supreme Court case affirming the dissolution of redevelopment agencies discussed in Appendix A, the Court determined that Proposition 22 did not prevent the State Legislature from terminating redevelopment agencies.

Proposition 26

On November 2, 2010, State voters also approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (a) a charge imposed for a specific

benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIII D. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The County does not believe that Proposition 26 will adversely affect its General Fund revenues.

Possible Future Initiatives

Articles XIII A, XIII B, XIII C and XIII D and Propositions 218, 111, 62, 1A, 22 and 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the County or the County's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the County.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix D hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Authority and the County have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority or the County, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority and the County have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Authority, the County or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Authority, the County and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority or the County legitimately

disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Authority, the County or the Beneficial Owners to incur significant expense. The form of Bond Counsel's proposed opinion with respect to the Bonds is attached hereto in Appendix D.

CERTAIN LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe, LLP, Los Angeles, California, as Bond Counsel. Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, is acting as Disclosure Counsel for the County. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix D hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Bond Counsel and Disclosure Counsel will receive compensation from the County contingent upon the sale and delivery of the Bonds. From time to time, Bond Counsel and Disclosure Counsel each represent the Underwriter on matters unrelated to the Bonds. Certain legal matters will be passed upon for the Underwriter by Jones Hall, A Professional Law Corporation, San Francisco, California. Counsel to the Underwriter will receive compensation contingent upon that issuance of the Bonds.

MUNICIPAL ADVISOR

C.M. de Crinis & Co., Inc., Glendale, California (the "Municipal Advisor"), has acted as municipal advisor to the County in connection with the issuance of the Bonds. The Municipal Advisor provides financial advisory services only and does not engage in the underwriting, marketing, or trading of municipal securities or other negotiable instruments. The payment of fees of the Municipal Advisor is contingent upon the closing of the Bonds.

ABSENCE OF LITIGATION

To the best knowledge of the County and the Authority, there is no action, suit or proceeding pending or threatened either restraining or enjoining the execution or delivery of the Bonds, the Facility Lease or the Indenture, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Authority or the County taken with respect to any of the foregoing.

UNDERWRITING

The Bonds are being purchased by Raymond James & Associates, Inc. (the "Underwriter"). Subject to certain conditions set forth in the purchase contract for the Bonds, the Underwriter will purchase all of the Bonds, but not less than all, from the Authority at an aggregate purchase price of \$_____ (representing the principal amount of the Bonds, plus \$_____ of original issue [premium/discount] and less \$_____ of Underwriter's discount).

The Bonds are offered for sale at the initial prices stated on the inside cover page of this Official Statement, which may be changed from time to time by the Underwriter. The Bonds may be offered and sold to certain dealers at prices lower than the public offering prices.

RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its municipal bond rating of "___" to the Bonds. This rating reflects only the views of S&P, and an explanation of the significance of such rating may be obtained from S&P. There is no assurance that the rating will continue for any given time or that the rating will not be revised downward or withdrawn entirely by S&P if in its judgment circumstances so warrant. Any such downward revision or withdrawal of the rating may

have an adverse effect on the market price of the Bonds. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the County which is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies.

The County has covenanted in the Continuing Disclosure Certificate for the Bonds to file on the Electronic Municipal Market Access (“EMMA”) system, notices of any rating changes on the Bonds. See the caption “CONTINUING DISCLOSURE” below and Appendix E. Notwithstanding such covenant, information relating to rating changes on the Bonds may be publicly available from S&P prior to such information being provided to the County and prior to the date the County is obligated to file a notice of rating change on EMMA. Purchasers of the Bonds are directed to S&P and its website and official media outlets for the most current rating changes with respect to the Bonds after the initial issuance of the Bonds.

CONTINUING DISCLOSURE

The County has covenanted for the benefit of the Owners of the Bonds to provide annually certain financial information and operating data relating to the Bonds and the County (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. For a complete listing of information which will be provided in each Annual Report and further description of the County’s undertaking with respect to the Annual Report and certain enumerated events, see APPENDIX E — “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The Annual Report is to be provided by the County not later than [February 15] after the end of the County’s fiscal year, commencing with the report for the 2016-17 fiscal year. The Annual Report will be filed by the County with the Municipal Securities Rulemaking Board. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

Within the last five years, the County and certain of its related entities have failed to comply in certain respects with continuing disclosure obligations related to outstanding indebtedness. The failure to comply fell into two general categories: (i) failure to provide significant event notices with respect to changes in the ratings of outstanding indebtedness, primarily related to changes in the ratings of various bond insurers insuring the indebtedness of the County or its related entities; (ii) missing, incomplete or late filing of annual or quarterly reports with respect to a number of the bond issues. In almost every case with respect to obligations related to the General Fund, such information and reports were available on the County’s website and/or available in other continuing disclosure filings made by the County; and in all of the cases where a notice of failure to file was required to be filed, no notice of failure to file such information was provided. The County and its related entities have reviewed their previous filings and have made corrective filings, including an omnibus corrective notice regarding bond insurer ratings and ratings of the County’s General Fund debt.

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

The County was advised by two underwriters that they filed self-reports under the Securities and Exchange Commission’s (the “SEC”) Municipalities Continuing Disclosure Cooperation (“MCDC”) initiative regarding incorrect statements in the County’s official statements concerning the County’s compliance with its continuing disclosure requirements. In addition, the County filed a self-report under MCDC with respect to statements concerning continuing disclosure compliance made in official statements for over thirty bond issues of the County and related issuers. In connection with such self-reporting, on March 3, 2017, the SEC notified the County that, as of the date of such notice, the SEC did not intend to recommend any enforcement action by the SEC against the County.

FINANCIAL STATEMENTS OF THE COUNTY

Included herein as Appendix C is the County’s Comprehensive Annual Financial Report including the audited financial statements of the County as of and for the year ended June 30, 2016, together with the report thereon dated December 15, 2016 of Brown Armstrong Accountancy Corporation, Bakersfield, California, certified public accountants (the “Auditor”). Such audited financial statements have been included herein in reliance upon the report of the Auditor. The Auditor has not undertaken to update the audited financial statements of the County or its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to its report dated December 15, 2016.

VERIFICATION OF MATHEMATICAL ACCURACY

The Verification Agent, upon delivery of the Bonds, will deliver a report on the mathematical accuracy of certain computations contained in schedules provided to them, which were prepared by the Underwriter, relating to the sufficiency of the anticipated receipts from the moneys deposited in the Escrow Fund to (i) make the payments of principal and interest due on the Prior Bonds through and including October 15, 2023, and (ii) redeem the then outstanding Prior Bonds on October 15, 2023.

MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Indenture, the Facility Lease, the Site Lease and other documents are available, upon request, and upon payment to the County of a charge for copying, mailing and handling, from the County Clerk at the County of Riverside, 4080 Lemon Street, Riverside, California 92501.

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

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

**RIVERSIDE COUNTY INFRASTRUCTURE
FINANCING AUTHORITY**

By: _____
Executive Director

COUNTY OF RIVERSIDE

By: _____
County Executive Officer

APPENDIX A
INFORMATION REGARDING THE COUNTY OF RIVERSIDE

APPENDIX B

SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS

The following statements are summaries of the Site Lease (“the Site Lease”), the Facility Lease (the “Facility Lease”), the Indenture (the “Indenture”) and the Assignment Agreement (the “Assignment Agreement”). **These statements are qualified in their entirety by reference to the full terms of the Site Lease, the Facility Lease, the Indenture and the Assignment Agreement, copies of which may be obtained from the Authority.**

APPENDIX C

**AUDITED FINANCIAL STATEMENTS OF THE COUNTY
FOR THE YEAR ENDED JUNE 30, 2016**

APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

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

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

[TO COME FROM BOND COUNSEL]

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is entered into by the County of Riverside (the "County") in connection with the issuance of the \$ _____ Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds (Riverside County Indio Law Building), Series 2017A (the "Bonds"). The Bonds are being issued pursuant to an Indenture, dated as of December 1, 2017 (the "Indenture"), by and among the County, the Riverside County Infrastructure Financing Authority (the "Authority") and U.S. Bank National Association, as trustee (the "Trustee"). The County covenants and agrees as follows:

Section 1. Purpose of Certificate. This Certificate is being executed and delivered by the County for the benefit of the Owners and Beneficial Owners (as defined below) of the Bonds and in order to assist the Participating Underwriter (as defined below, in complying with the Rule (as defined below).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Certificate unless otherwise defined in this Section, the following capitalized terms have the following meanings:

"*Annual Report*" means any Annual Report of the County provided by the County pursuant to and as described in Section 3 of this Certificate.

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

"*Commission*" means the Securities and Exchange Commission.

"*Dissemination Agent*" means any person appointed in writing by the County to act as the County's agent in complying with the filing requirements of the Rule, which person has accepted such appointment. As of the date of this Certificate, the County has not appointed a Dissemination Agent.

"*Listed Event*" means any of the events listed in Section 4(a) of this Certificate.

"*MSRB*" means the Municipal Securities Rulemaking Board and any successors or assigns, or any other entities or agencies approved under the Rule.

"*Participating Underwriter*" means any of the original purchaser of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"*Repository*" means, until otherwise designated by the Commission, the Electronic Municipal Market Access website of the MSRB located at <http://emma.msrb.org>.

"*Rule*" means paragraph (b)(5) of Rule 15c2 12 adopted by the Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than 60 days after the County normally receives its audited financial statements from its auditors in each year but in no event later

than February 15, commencing with the audited financial statements for the 2016-17 Fiscal Year, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that if the audited financial statements of the County are not available by the date required above for the filing of the Annual Report, the County shall submit unaudited financial statements and submit the audited financial statements as soon as available. If the County's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 4, the County shall give, or cause to be given, notice to the Repository of the occurrence of any of the following events (the "Listed Events") with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) non payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to the rights of Owners of the Bonds, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property, if any, securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the County;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of

business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Notwithstanding the foregoing, notice of Listed Events described in Subsections (a)(viii) and (ix) above need not be given under this subsection any earlier than when the notice, if any, of the underlying event is given to Owners of affected Bonds pursuant to the Indenture.

Section 6. Termination of Reporting Obligation. The County's obligations under this Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or upon delivery to the County and to the Dissemination Agent (if any) of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Listed Event under Subsection 5(a).

Section 7. Dissemination Agent. The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing 60 days' written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Certificate.

Section 8. Amendment Waiver. Notwithstanding any other provision of this Certificate, the County may amend this Certificate, and any provision of this Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3, Section 4 or Subsection 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, change in law (including rules or regulations) or in interpretations thereof, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

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

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners of the Bonds, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Certificate, the County shall describe such amendment in its next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County.

Section 9. Additional Information. Nothing in this Certificate shall be deemed to prevent the County from disseminating any other information, including the information then contained in the County's official statements or other disclosure documents relating to debt issuances, using the means of dissemination set forth in this Certificate or any other means of communication, or including any other information in any

Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Certificate. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Certificate, the County shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the County to comply with any provision of this Certificate, any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this Certificate. A default under this Certificate shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Certificate in the event of any failure of the County to comply with this Certificate shall be an action to compel performance, and no person or entity shall be entitled to recover monetary damages under this Certificate.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are expressly and specifically set forth in this Certificate and the County agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Certificate shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter, the Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Governing Law. This Certificate shall be governed by the laws of the State of California and the federal securities laws.

Dated: _____, 2017

COUNTY OF RIVERSIDE

By _____
George Johnson, County Executive Officer

EXHIBIT A

**FORM OF NOTICE TO MSRB
OF FAILURE TO FILE REPORT**

Name of Issuer: Riverside County Infrastructure Financing Authority

Name of Bond Issue: \$_____ Riverside County Infrastructure Financing Authority Lease
Revenue Refunding Bonds (Riverside County Indio Law Building),
Series 2017A

Name of Obligated Person: County of Riverside, California

Issuance Date: _____, 2017

NOTICE IS HEREBY GIVEN that the COUNTY OF RIVERSIDE (the "County") has not provided the Annual Report with respect to the above named Bonds as required by Section 3 of the Continuing Disclosure Certificate, dated as of December 1, 2017, executed and delivered by the County. The County anticipates that such report will be filed by _____.

Dated: _____

COUNTY OF RIVERSIDE

By _____
Authorized Officer

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, premium, if any, accreted value and interest on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested

by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

6. Redemption notices shall be sent to DTC. If less than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

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

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

9. If applicable, a Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to tender/remarketing agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to tender/remarketing agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to tender/remarketing agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

\$ _____
Riverside County Infrastructure Financing Authority
Lease Revenue Refunding Bonds
(Riverside County Indio Law Building)
Series 2017A

PURCHASE CONTRACT

_____, 2017

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

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

Ladies and Gentlemen:

Raymond James & Associates, Inc. (the "**Underwriter**"), hereby offers to enter into this Purchase Contract with you, the County of Riverside (the "**County**") and the Riverside County Infrastructure Financing Authority (the "**Authority**"), for the purchase by the Underwriter and the delivery by you of the \$ _____ aggregate principal amount of Riverside County Infrastructure Financing Authority Lease Revenue Refunding Bonds (Riverside County Indio Law Building), Series 2017A (the "**Bonds**"). The Bonds are being issued by the Authority to provide funds to (i) make payments of principal and interest due on the outstanding Riverside Community Properties Development, Inc. Lease Revenue Bonds, 2013 (Riverside County Law Building Project) (the "**Prior Bonds**") maturing through and including October 15, 2023, and redeem the then-outstanding Prior Bonds on October 15, 2023, as more particularly described in the Official Statement (defined herein); and (ii) pay the costs of issuance of the Bonds. This offer is made subject to acceptance by you prior to 11:59 p.m., San Francisco time, on the date hereof. Upon such acceptance, this Purchase Contract shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter. All terms not defined herein shall have the meanings set forth in the Indenture (defined below).

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

The Bonds shall be dated their date of delivery and shall mature on the dates and bear interest at the rates and have the prices or yields, all as set forth on Exhibit A attached hereto. The Bonds will be subject to redemption as set forth in the herein described Official Statement.

Interest on the Bonds is payable on May 1 and November 1 of each year, commencing on May 1, 2018. The Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("**DTC**"), which will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only.

The County and the Authority acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Authority, County and the Underwriter; (ii) in connection with such transaction, including the process leading thereto, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Authority or County; (iii) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the Authority or County with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Authority or County on other matters) nor has it assumed any other obligation to the Authority or County except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter has financial and other interests that differ from those of the Authority and County; and (v) the Authority and County have consulted with their own legal and financial advisors to the extent they deemed appropriate in connection with the offering of the Bonds.

2. Authorizing Instruments and Law. The Bonds shall be issued pursuant to the provisions of a resolution (the "**Authority Resolution**") adopted by the Authority authorizing the issuance of the Bonds, the provisions of a resolution (the "**County Resolution**") adopted by the County authorizing the issuance of the Bonds and certain matters relating thereto and an Indenture, dated as of _____ 1, 2017 (the "**Indenture**"), between the Authority and U.S. Bank National Association, as trustee (the "**Trustee**"). The Bonds shall be as described in the Indenture and the Official Statement.

In connection with the issuance of the Bonds, the County will lease certain real property and existing improvements thereon described in the Official Statement (collectively, the "**Leased Property**") to the Authority pursuant to a Site Lease, dated as of _____ 1, 2017 (the "**Site Lease**"), by and between the County, as lessor, and the Authority, as lessee. The County will lease the Leased Property, under a Facility Lease, dated as of _____ 1, 2017 (the "**Facility Lease**"), by and between the Authority, as lessor, and the County, as lessee. The Bonds will be payable and secured solely from Revenues (as defined in the Indenture), consisting primarily of Base Rental Payments (as defined in the Indenture) to be made by the County pursuant to the Facility Lease. The Authority will assign its rights to the Site Lease and the Facility Lease (except for certain reserved rights) and the right to receive, and enforce payment of, the Base Rental Payments to the Trustee pursuant to an Assignment Agreement, dated as of _____ 1, 2017 (the "**Assignment Agreement**"), by and between the Authority and the Trustee.

The Prior Bonds were issued pursuant to an Indenture of Trust, dated as of October 1, 2013 (the "**Prior Indenture**"), between Riverside Community Properties Development, Inc. (the "**63-20 Issuer**") and The Bank of New York Mellon Trust Company, N.A. (the "**Prior Trustee**"). The County and the 63-20 Issuer entered into a Facilities Lease Agreement, dated as of October 1, 2013 (the "**Prior Facilities Lease**"), providing for the payment of rental payments by the County for the use and occupancy of certain real property and improvements. In connection with the refunding of the Prior Bonds, the County and the Prior Trustee, as escrow agent (the "**Escrow Agent**"), will enter into the Escrow Agreement, dated as of _____ 1, 2017 (the "**Escrow Agreement**").

3. **Offering the Bonds.** The Underwriter agrees to offer all the Bonds to the public initially not in excess of the prices (or less than the yields) set forth on the inside cover page of the Official Statement pertaining to the Bonds, dated _____, 2017 (the Official Statement, together with all appendices thereto, and with such changes therein and supplements thereto as are consented to in writing by the Underwriter, are herein called the "**Official Statement**"). Subsequent to the initial public offering of the Bonds, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. "Public Offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

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

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

- (a) ninety (90) days after the "end of the underwriting period" (as defined in Rule 15c2-12); or
- (b) the time when the Official Statement becomes available from the MSRB, but in no event less than twenty-five (25) days after the "end of underwriting period" (as defined in Rule 15c2-12).

The Authority and the County have authorized the use by the Underwriter of the Official Statement, the herein described County Documents and the herein described Authority Documents in connection with the public offering of the Bonds. The Authority and the County also have consented to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement dated _____, 2017, relating to the Bonds in connection with the public offering of the Bonds (which, together with all appendices thereto, is herein called the "**Preliminary Official Statement**"). Authorized officers of the County and the Authority have certified to the Underwriter that such Preliminary Official Statement was deemed to be final as of its date for purposes of Rule 15c2-12, with the exception of certain final pricing and related information referred to in Rule 15c2-12. The Underwriter has distributed a copy of the Preliminary Official Statement to potential customers on request.

5. **The Closing.** At 9:00 A.M., California time, on _____, 2017, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Authority, the County and the Underwriter, the Authority will deliver (i) the Bonds in book-entry form through the facilities of DTC in New York, New York, and (ii) the closing documents hereinafter mentioned at the offices of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California ("**Bond Counsel**"), or another place to be mutually agreed upon by the

Authority, the County and the Underwriter. Subject to the terms and conditions hereof, the Underwriter will accept such delivery of the Bonds and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer of immediately available funds. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the "Closing."

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

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

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

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

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

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

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

(f) The Preliminary Official Statement provided to the Underwriter has been deemed final by the County, as required by Rule 15c2-12. As of the date thereof and the date hereof, the Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that this representation does not include information regarding The Depository Trust Company and its book-entry only system, information under the caption "UNDERWRITING," CUSIP numbers, prices and yields for the Bonds and any other information provided by the Underwriter, as to which no view is expressed), except for information permitted to be omitted therefrom by Rule 15c2-12. As of the date thereof and at all times subsequent thereto up to and including the End Date, the information contained in the Official Statement was and will be complete for its intended purposes. The information contained in the Official Statement is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

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

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

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

(j) If between the date of this Purchase Contract and the End Date an event occurs, of which the County has knowledge, which might or would cause the information in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect, the County will notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the County.

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

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

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

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

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

(p) As of the time of acceptance hereof and as of the Closing the County does not and will not have outstanding any indebtedness which is payable from the County's General Fund except as disclosed in the Official Statement.

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

(r) Between the date of this Purchase Contract and the date of Closing, the County will not, except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or

contingent, secured by a lien on the County's General Fund. No other governmental obligations that are expected to be paid out of substantially the same source of funds as to be applied to make Base Rental Payments have been or will be sold within the 31-day period beginning 15 days before the date of this Purchase Contract pursuant to the same plan of financing as the Bonds.

(s) Except as reflected in the Official Statement, the County has complied in all material respects during the previous five years with its continuing disclosure obligations in accordance with Rule 15c2-12.

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

(a) The Authority is a joint powers authority duly organized and validly existing pursuant to the laws of the State of California and the Joint Exercise of Powers Agreement, dated as of September 15, 2015 (the "**Joint Powers Agreement**"), by and between the County and the Riverside County Flood Control and Water Conservation District, with full right, power and authority to adopt the Authority Resolution and enter into, execute and deliver the Authority Documents (defined below) and to perform its obligations hereunder.

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

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

(d) As of the time of acceptance hereof and as of the time of the Closing, except as otherwise disclosed in the Official Statement, to the best knowledge of the Authority, the Authority is not and will not be in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the

Official Statement, to the best knowledge of the Authority, the adoption of the Authority Resolution, the authorization and the execution and delivery of the Authority Documents and compliance by the Authority with the provisions thereof do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as provided in the Authority Documents.

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

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

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

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

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

(g) By official action of the Authority prior to or concurrently with the execution hereof, the Authority has duly approved the distribution of the Official Statement, has duly adopted the Authority Resolution and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in the

Authority Documents and the consummation by it of all other transactions contemplated by the Official Statement, the Authority Resolution, this Purchase Contract and the other Authority Documents.

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

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

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

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

(l) The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement from the delivery of the Official Statement to the End Date, and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(m) If between the date of this Purchase Contract and the End Date an event occurs, of which the Authority has knowledge, which might or would cause the information in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading in any material respect, the Authority will notify the Underwriter, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Authority will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, provided all expenses thereby incurred will be paid for by the Authority.

(n) If the information contained in the Official Statement is amended or supplemented pursuant to the immediately preceding subparagraph, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date of

the End Date, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was presented, not misleading.

8. Issue Price.

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Authority under this section to establish the issue price of the Bonds may be taken on behalf of the Authority by the Authority's municipal advisor identified herein and any notice or report to be provided to the Authority may be provided to the Authority's municipal advisor.

(b) Except as otherwise set forth in Schedule I attached hereto, the Authority will treat the first price at which 10% of each maturity of the Bonds (the "**10% test**") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "**initial offering price**"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "**hold-the-offering-price rule**"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Authority when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.]

(d) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Authority acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "**public**" means any person other than an underwriter or a related party,

(ii) "**underwriter**" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "**related party**" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (iv) "**sale date**" means the date of execution of this Purchase Contract by all parties.

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

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

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

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

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

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

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

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

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

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

(i) any event shall occur, or information shall become known, which, in the reasonable judgment of the Underwriter, causes the Official Statement to contain any untrue statement of a material fact or omit to state a material fact required to be

stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

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

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

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

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

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

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

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

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

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

(xi) the marketability of the Bonds or the market price thereof, in the opinion of the underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

(xii) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the County's or Authority's obligations.

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

(i) Bond Opinion. The approving opinion of Bond Counsel dated the date of the Closing and substantially in the form included as APPENDIX D to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion was addressed to them.

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

a) The statements and information contained in the Official Statement on the cover page under the captions "INTRODUCTION," "THE BONDS" (other than information relating to DTC and its book-entry only system, as to which no opinion need be expressed), "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "TAX MATTERS," and in APPENDICES B and D, insofar as such statements and information purport to summarize certain provisions of the Bonds, the County Documents and Authority Documents and our opinion with respect to the validity of, and certain federal and State of California tax matters relating to the Bonds, are true and accurate in all material respects.

b) This Purchase Contract has been duly authorized, executed and delivered by the County and Authority, and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding agreements of the County and Authority enforceable against each in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting the enforcement of creditors' rights generally and equitable remedies if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and limitations on remedies against cities, except that no opinion is expressed as to any provisions with respect to indemnification, penalty, contribution, choice of law, choice of forum or waiver provisions contained therein.

c) The Bonds are exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"), and the Indenture is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

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

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

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

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

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

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

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

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

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

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

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

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

d) The execution and delivery of the Authority Documents, the adoption of the Authority Resolution and the approval of the Official Statement, and compliance with the provisions thereof and hereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or

constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject.

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

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

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

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

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

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

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

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

d) acceptance by the Trustee of the duties and obligations

under the Indenture and compliance with provisions thereof will not conflict with or constitute a breach of or default under any law or administrative regulation to which the Trustee is subject.

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

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

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

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

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

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

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

(vii) Disclosure Counsel Opinion. An opinion, dated the date of the Closing addressed to the Authority, the County and the Underwriter, of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, disclosure counsel, to the effect that based upon their participation in the preparation of the Official Statement as Disclosure Counsel to the County and the Authority and without having undertaken to determine independently the accuracy or completeness of the contents in the Official Statement, such counsel has no reason to believe that the Official Statement, as of its date and as of the date of Closing (except for the financial statements and the other financial and statistical data included therein and the information included therein relating to DTC and the book-entry system, and in Appendix B through F thereto, as to

all of which no opinion or belief need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(viii) County Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the County satisfactory in form and substance to the Underwriter, (a) certifying that as of such date the representations and warranties of the County contained in this Purchase Contract and in the County Documents are true and correct as of such date; (b) certifying that the County has complied with all agreements, covenants and conditions to be complied with by the County at or prior to the Closing under the County Documents; (c) certifying that no event affecting the County has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing the statements or information contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and (d) certifying that the County has authorized and consented to the inclusion in the Official Statement of the County's financial report and accountant's opinion for the year ended June 30, 2016, and no further consent of any party is required for such inclusion.

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

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

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

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

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

b) Subject to the provisions of the Indenture, the Trustee will apply the proceeds from the Bonds to the purposes specified in the Indenture.

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

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

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

b) Subject to the provisions of the Escrow Agreement, the Trustee will apply the amounts on deposit in the Escrow Fund to the purposes specified in the Escrow Agreement.

c) The Escrow Agent has duly authorized and executed the Escrow Agreement.

(xii) Verification Report. A report of Causey Demgen Moore P.C. stating that the firm has verified the mathematical accuracy of certain computations relating to the defeasance of the Prior Bonds.

(xiii) Title Policy. A copy of a CLTA title insurance policy in an amount equal to the principal amount of the Bonds, insuring the Authority's leasehold interest in the Leased Property, subject only to permitted encumbrances or such other encumbrances approved in writing prior to the Closing by the Underwriter.

(xiv) Opinion of Underwriter's Counsel. The opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, counsel for the Underwriter, dated the date of Closing and addressed to the Underwriter, satisfactory in form and substance to the Underwriter.

(xv) Defeasance Opinion. The opinion of Bond Counsel dated the date of Closing and addressed to the Prior Trustee to the effect that the Prior Bonds have been defeased in accordance with the Prior Indenture.

(xvi) Prior Facilities Lease Termination. Evidence of the termination of the Prior Facilities Lease.

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

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

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

(xx) County Resolution. Two copies certified by the Clerk or Assistant Clerk of the Board of Supervisors, of each resolution of the County relating to the County Documents, the actions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Section 9(e)(xvi) above.

(xxi) Authority Resolution. Two copies certified by the Secretary or Assistant Secretary of the Authority, of each resolution of the Authority relating to the Authority Documents, the Bonds and the transactions contemplated thereby, provided that such resolutions may be contained in the transcripts provided pursuant to Section 9(e)(xvi) above.

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

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

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

(xxv) Ratings. Evidence as of the Closing satisfactory to the Underwriter that the Bonds have received a rating of "_____" from S&P Global Ratings, and that such rating has not been revoked or downgraded.

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

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

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

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

The Underwriter shall pay: (a) all advertising expenses in connection with the public offering of the Bonds; (b) the fees and expenses of counsel to the Underwriter, including their

fees in connection with the qualification of the Bonds for sale under the Blue Sky or other securities laws and regulations of various jurisdictions; (c) California Debt and Investment Advisory Commission fees; and (d) all other expenses incurred by it in connection with its public offering and distribution of the Bonds.

11. Notice. Any notice or other communication to be given to the Underwriter may be given by delivering the same to Raymond James & Associates, Inc., One Embarcadero Center, Suite 650, San Francisco, California 94111, Attention: Robert Larkins. Any notice or other communication to be given to the Authority or the County pursuant to this Purchase Contract may be given by delivering the same in writing to such entity, at the addresses set forth on the cover page hereof.

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

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

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

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

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Robert Larkins, Managing Director

Accepted as of the date first stated above:

**RIVERSIDE COUNTY INFRASTRUCTURE
FINANCING AUTHORITY**

By: _____
George Johnson, Executive Director

COUNTY OF RIVERSIDE

By: _____
George Johnson, County Executive Officer

Time of Execution: _____

[Signature Page to Purchase Contract]

SCHEDULE I

HOLD-THE-OFFERING PRICE MATURITIES

EXHIBIT A

\$ _____
**Riverside County Infrastructure Financing Authority
Lease Revenue Refunding Bonds
(Riverside County Indio Law Building)
Series 2017A**

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

<u>Maturity Date (November 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				

REDEMPTION PROVISIONS

Extraordinary Redemption. To the extent of any insurance or condemnation proceeds, as provided in the Indenture and Facility Lease, the Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the County, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

Optional Redemption. The Bonds maturing on or prior to November 1, 20__ are not subject to optional redemption prior to maturity. The Bonds maturing on or after November 1, 20__, are subject to optional redemption prior to maturity on or after November 1, 20__ at the option of the County, in whole or in part, on any date, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date, without premium.

Mandatory Redemption. The Bonds maturing on November 1, 20__ (the "20__ Term Bonds") are subject to mandatory redemption prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each November 1 specified below, at a redemption price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for redemption, without premium. The principal amount of such term bonds to be so redeemed and the dates therefor shall be as follows:

Redemption Date (November 1)	Redemption Amount
---------------------------------	-------------------

*

* maturity date

EXHIBIT B

\$ _____
**Riverside County Infrastructure Financing Authority
Lease Revenue Refunding Bonds
(Riverside County Indio Law Building)
Series 2017__**

ISSUE PRICE CERTIFICATE OF THE UNDERWRITER

The undersigned, on behalf of Raymond James & Associates, Inc., as underwriter of the above-captioned bonds (the "Bonds"), hereby certifies and represents the following based upon the information available to it:

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Purchase Contract relating to the Bonds dated _____, 2017 (the "Purchase Contract"), the Underwriter has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2017), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means Riverside County Infrastructure Financing Authority.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2017.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate (as defined in the Purchase Contract) and with respect to compliance with the federal income tax rules affecting the Bonds, and by Orrick, Herrington & Sutcliffe LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Robert Larkins, Managing Director

Dated: _____, 2017

Schedule A

**Sale Prices of the General Rule Maturities and
Initial Offering Prices of the Hold-the-Offering Price Bonds**

(Attached)

Schedule B

Pricing Wire or Equivalent Communication

(Attached)