

AGENDA

REGULAR MEETING

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY

TUESDAY, JULY 16, 2013, 6:36 P.M.

CHAMBERS

1010 10TH STREET, BASEMENT LEVEL

MODESTO, CA 95354

- I. CALL TO ORDER**
- II. AGENDA ITEMS**
 - A. Approval of a Resolution to Refinance the 2004 Series A and B Certificates of Participation through an Internal Borrowing from the Stanislaus County Treasury Pool; and Related Actions – Chief Executive Office
- III. PUBLIC FORUM**
- IV. ADJOURNMENT**

SITTING AS THE CAPITAL IMPROVEMENT FINANCING AUTHORITY
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # 6:36 p.m. II.A.

Urgent

Routine

AGENDA DATE July 16, 2013

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval of a Resolution to Refinance the 2004 Series A and B Certificates of Participation through an Internal Borrowing from the Stanislaus County Treasury Pool; and Related Actions

STAFF RECOMMENDATIONS:

1. Approve a resolution to refinance the 2004 Series A and B Certificates of Participation through an internal borrowing from the Stanislaus County Treasury Pool, which includes:
 - a) The form of the Facilities Sublease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus;
 - b) The form of the Site Lease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus;

(Continued on Page 2)

FISCAL IMPACT:

On July 10, 2012, the Board of Supervisors authorized the Chief Executive Officer to proceed with the necessary financing actions to refund and privately place the 1998 Series A Certificate of Participation (COP). The agenda item also authorized staff to proceed with the necessary financial analysis for the potential public or private refunding of the 2004 Series A and B Certificates of Participation. Given current refinancing opportunities that have been identified by the County's Financial Advisor,

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2013-366

On motion of Supervisor O'Brien, Seconded by Supervisor Withrow,
and approved by the following vote,

Ayes: Supervisors: O'Brien, Withrow, De Martini and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: Monteith

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST: 
CHRISTINE FERRARO TALLMAN, Clerk

File No.

STAFF RECOMMENDATIONS: (Continued)

- c) The form of the Assignment and Purchase Agreement between the Stanislaus County Capital Improvements Financing Authority and the Treasurer/Tax Collector acting on behalf of the Stanislaus County Treasury Pool;
- d) Authorization for the Chairman of the Board and Secretary of the Authority to execute, acknowledge and deliver any and all documents required for the refinancing;
- e) Authorization for the Chairman of the Board, Secretary, and other officers of the Authority, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary and advisable to complete the refinancing.

FISCAL IMPACT: (Continued)

the Chief Executive Officer has worked in collaboration with Debt Advisory Committee members, and outside special Bond/Tax counsel to finalize a refinancing plan.

2004 Series A COP – Gallo Center for the Arts

The original final maturity date of the 2004 Series A COP was September 1, 2025. The interest rate for the remaining years, through maturity, ranged from 3.25% in 2013 and gradually increased to 4.375% in 2025. As of June 30, 2013, the total debt remaining on the 2004 Series A COP is \$11,050,000, which includes principal and interest to maturity. The gross debt service payment for Fiscal Year 2013-2014 is \$1,106,220, which is comprised of a scheduled principal payment of \$675,000 and an interest payment of \$431,220. The annual gross debt service payment for the 2004 Series A COP is offset by \$12,125 in excess interest earnings from the reserve fund, which is invested in the County Investment Pool currently earning 1% annually. Accordingly, the annual net debt obligation for Fiscal Year 2013-2014 approved by the Board of Supervisors on June 11, 2013, as part of the 2013-2014 Proposed Budget was \$1,094,095.

2004 Series B COP – 12 Street Office & Parking Garage and Salida Library

Consistent with the Series A COP, the original final maturity date of the 2004 Series B COP was September 1, 2025. The interest rate for the remaining years, through maturity, ranged from 3.25% in 2013 and gradually increased to 4.375% in 2025. As of June 30, 2013, the total debt remaining on the 2004 Series B COP is \$19,770,000, which includes principal and interest to maturity. The gross debt service payment for Fiscal Year 2013-2014 is \$1,976,580, which is comprised of a scheduled principal payment of \$1,205,000 and an interest payment of \$771,580. The annual gross debt service payment for the 2004 Series B COP is offset by \$21,748 in excess interest earnings from the reserve fund invested in the County Investment Pool currently earning

Approval of a Resolution to Refinance the 2004 Series A and B Certificates of Participation through an Internal Borrowing from the Stanislaus County Treasury Pool; and Related Actions

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1% annually. Accordingly, the annual net debt obligation for Fiscal Year 2013-2014 approved by the Board of Supervisors on June 11, 2013, as part of the Proposed Budget was \$1,954,832.

The annual debt service (\$3,048,927) for the 2004 Series A and B COPs is included in the 2013-2014 Adopted Proposed Budget and paid with \$743,682 in revenue from Public Facilities Fees, Miscellaneous Rents of \$147,093, a contribution from the Criminal Justice Facilities Fund of \$350,000, and a General Fund contribution of \$1,808,152, as outlined in the chart below:

| 2004 Series A and B Certificates of Participation Sources | | Fiscal Year 2013-2014 |
|--|----------|------------------------------|
| Gross Annual Debt Service | | \$3,082,800 |
| Interest Earnings Held with Trustee from original investment contract* | | \$33,873 |
| | Subtotal | \$3,048,927 |
| Offsetting Revenues: | | |
| Public Facility Fees | | \$743,682 |
| Miscellaneous Rent | | \$147,093 |
| Criminal Facilities Fund | | \$350,000 |
| | Subtotal | \$1,240,775 |
| General Fund Net County Cost Contribution | | \$1,808,152 |

The recommended 2013 Lease Refunding through the Treasury Pool includes a total par amount of \$19,540,000, with a fixed interest rate of 1.50% with a final maturity date of August 1, 2017. The recommended refinancing through the internal borrowing from the Stanislaus County Treasury Pool is estimated to increase the County's annual debt service payment obligation by approximately \$2.0 million due to the shortened duration of the term. Furthermore, in order to lower the amount borrowed so that annual debt service payments do not exceed the fair market rent value, the County must make a \$4,050,000 one-time cash contribution to buy-down the debt as outlined in the following chart:

| 2013 Lease Refunding | | Fiscal Year 2013-2014 |
|--|----------|------------------------------|
| Debt Service payment to be made on August 1, 2013 for old 2004 AB COPs | | \$4,800,000 |
| Interest Payment on February 1, 2014 | | \$146,550 |
| | Subtotal | \$4,946,550 |
| Offsetting Revenues (adjusted): | | |
| Public Facility Fees | | \$964,577 |
| Miscellaneous Rent | | \$147,093 |
| Criminal Facilities Fund | | \$800,000 |
| | Subtotal | \$1,911,670 |
| General Fund Net County Cost Contribution | | \$3,034,880 |
| One-time buy down of debt | | \$4,050,000 |
| Total General Fund Contribution in 2013-2014 | | \$7,084,880 |
| Increase in General Fund Net County Cost Contribution for Fiscal Year 2013-2014 | | \$5,276,728 |

Approval of a Resolution to Refinance the 2004 Series A and B Certificates of Participation through an Internal Borrowing from the Stanislaus County Treasury Pool; and Related Actions
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Although the County's annual debt service payment obligation will significantly increase, the payment obligation will be shortened by eight years, with the final maturity date being August 1, 2017, as opposed to September 1, 2025, as specified in the original agreement.

The increased debt service has been included in the County's long range model planning. Funds for the buy-down and additional lease payment this fiscal year will come from projected year-end fund balance generated by one-time discretionary revenue received in the 2012-2013 fiscal year.

The cost of issuance associated with the refinancing of the 2004 Series A and B COPs include a \$50,000 fixed fee contract with KNN Public Financing, excluding expenses. Expenses are not to exceed \$2,500 and are contingent on the successful closing of the transaction. KNN will provide financial consulting services as indicated in the attached agreement for the proposed refinancing through the internal borrowing from the Stanislaus County Treasury Pool. In addition, a \$30,000 contract with Stradling, Yocca, Carlson & Rauth, excluding expenses, and expenses not to exceed \$2,000 is recommended to provide legal services as indicated in the attached agreement. Additional minor costs of issuance are also anticipated for obtaining the Preliminary Title Report, Document Recording Fees, etc.

The Board's approval of the Resolution to refinance the 2004 Series A and B COPs through an internal borrowing from the Stanislaus County Treasury Pool will shorten the maturity date by eight years, provide approximately \$4.9 million in Net Present Value savings and will free up operational funding in Budget Year 2018-2019, and beyond, that can be used to address anticipated increases in cost associated with the expansion of the County's detention facilities. The Net Present Value savings as a percentage of the par amount on the refunded bonds equates to nearly 16%, which is well above the 3% industry standard for current refundings.

The original financing strategy for the 2004 Series B COP, approved by the Board of Supervisors in April 2003, included an annual payment of \$150,000 from Justice Public Facilities Fees (PFF), \$350,000 from the Criminal Justice Facilities Fund, the use of Library PFF to cover 19.5% of the annual debt service (\$593,682 for FY13/14), and an estimated \$84,809 in parking license income from Westland Development.

As part of this refunding, it is recommended that Justice PFF no longer be used due to insufficient fund balance and that the Criminal Justice Facilities Fund annual contribution be increased to \$800,000 to cover the Justice PFF and the increase in payment due to the debt acceleration. The Library's 19.5% PFF contribution will also increase to \$964,577 in FY13/14 to cover the higher debt service payments.

DISCUSSION:

Background

On February 17, 2004, the Board of Supervisors sitting as the Capital Improvement Financing Authority (Authority), authorized the issuance and approved the financing plan and related agreements for the 2004 Series A and B COPs which were issued to finance a portion of the Gallo Center for the Arts, the 12th Street Office building and parking garage, and reimbursement of acquisition and renovation costs for the Nick W. Blom Salida Regional Library. The approval was for a total par amount financed up to \$46 million, broken into two series, with a fixed interest rate that ranged from 1.625% in 2006 and gradually increased to 4.375% through a final maturity date of September 1, 2025.

On February 17, 2004, the Stanislaus County Capital Improvement Financing Authority adopted a resolution authorizing the execution of two site leases, lease agreements, trust agreements, assignment agreements, and a purchase contract between the County and the Capital Improvements Financing Authority. The actual amount borrowed was \$42,795,000.

Refinancing Opportunities

On July 10, 2012, the Board of Supervisors authorized staff to proceed with the necessary financial analysis for the potential public or private refunding of the 2004 Series A and B Certificates of Participation. The County immediately began discussions with its Financial Advisor and after several months of analyzing, two refinancing opportunities were identified.

On May 20, 2013, consistent with the County's debt policy, the Chief Executive Officer convened the Debt Advisory Committee (DAC) to review the following two refinance options, presented by KNN Public Finance: a private placement purchased by the County Investment Pool; and a public sale of refunding the COPs. A unanimous decision by the Debt Advisory Committee was made to go forward with the recommendations and next steps for refinancing. After many discussions and a thorough review, the County determined the best course of action would be to refinance the COPs through the internal borrowing of the Treasury Pool over a four-year period.

The County ordered an updated appraisal of the assets pledged for the refinancing of the 2004 Series A and B COPs to determine the annual fair rental value. The appraisal determined that there was not enough asset value to justify the higher annual debt service payments/lease rental payments under a five-year refinancing scenario, and as a result, KNN suggested that the County could either "buy-down" a portion of the debt to reduce its annual debt service payments to be consistent with the appraised annual fair rental value, or pledge additional assets.

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The pledged sites used for the original financing of the 2004A and B COPs included the Gallo Center for the Arts, the 12th Street Garage, the Salida Library, the Men's County Jail, and the 801 11th Street Office Building. As part of the refinancing, there was a substitute of assets. Floors 3, 4, and 5 of the 12th Street Office Building, excluding the common areas, will be included as part of the pledged sites in place of the 801 11th Street Office Building and the Men's County Jail.

Recommended Plan of Finance

- Refund COPs through a four-year borrowing from the County Investment Pool which includes a "buy-down" of approximately \$4.05 million of outstanding par amount.
- Fixed interest rate of 1.50% for the internal borrowing negotiated between County and Treasurer.
- County will make an interest payment on the new refunding lease on February 1, 2014.
- The 2004 Series A and B COPs will be called in full at a redemption price of 100% at or after September 3, 2013.

The chart below illustrates the new debt service schedule for the 2004 Series A and B COPs :

DEBT SERVICE SCHEDULE
Treasury Pool Internal Borrowing

| Payment Date | Principal | Interest | Debt Service |
|--------------|---------------|---------------|------------------|
| 2/1/2014 | | 146,550.00 | 146,550.00 |
| 8/1/2014 | 4,775,000 | 146,550.00 | 4,921,550.00 |
| 2/1/2015 | | 110,737.50 | 110,737.50 |
| 8/1/2015 | 4,850,000 | 110,737.50 | 4,960,737.50 |
| 2/1/2016 | | 74,362.50 | 74,362.50 |
| 8/1/2016 | 4,925,000 | 74,362.50 | 4,999,362.50 |
| 2/1/2017 | | 37,425.00 | 37,425.00 |
| 8/1/2017 | 4,990,000 | 37,425.00 | 5,027,425.00 |
| | \$ 19,540,000 | \$ 738,150.00 | \$ 20,278,150.00 |

Authority of Treasurer of Stanislaus County

The Stanislaus County Treasury Pool Investment Policy, as approved by the Board on March 26, 2013, and effective April 1, 2013, sets forth the type of investments which are authorized to be made by the Treasurer of Stanislaus County. The applicable provisions of these policies have been reviewed by County Counsel in conjunction with the proposed re-financing of the 2004 Series A and B Certificates of Participation. In the opinion of County Counsel, the proposed purchase by the Treasury Pool of the

Approval of a Resolution to Refinance the 2004 Series A and B Certificates of Participation through an Internal Borrowing from the Stanislaus County Treasury Pool; and Related Actions
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certificates is an authorized investment. Specifically, part "d)" of the policies concerning "AUTHORIZED INVESTMENTS" provides as follows: "California local agency bonds, notes, warrants or other indebtedness and the California State Local Agency Investment Fund (LAIF).

This will be the first time that an internal borrowing of this nature will be financed through the Stanislaus County Treasury Pool. Similar to any other investment, the Treasurer reviewed the current market and how this investment fits in the portfolio in regards to safety, liquidity, and yield. Important financing requirements that the Treasurer took into consideration in evaluating the organization of Stanislaus County's financial risk were the following:

- The nature and type of Pledged Assets
- The Fair Rental Value of the Pledged Assets
- The County's COP Credit Rating of "A+" with Standard & Poor's Corporation

POLICY ISSUES:

Approval of this recommendation will meet the Board of Supervisor's priority of Efficient Delivery of Public Service by reducing the County's annual debt service payments for its Certificates of Participation.

STAFFING IMPACTS:

Staff from the Chief Executive Office, Treasurer-Tax Collector and County Counsel are available to support the execution of all necessary agreements and documents to complete the refinancing.

CONTACT PERSON:

Monica Nino, Chief Executive Officer. 525-6333

Attachments:

1. Resolution of the Board of Supervisors Authorizing the Execution and Delivery of Certain Documents and Authorization Certain Actions in Connection Therewith in Order to Refinance the County of Stanislaus 2004 Series A and B COPs
2. Facilities Sublease by and between the Stanislaus County Capital Improvements Financing Authority and County of Stanislaus
3. Site Lease between County of Stanislaus and the Stanislaus County Capital Improvements Financing Authority
4. Assignment and Purchase Agreement by and between the Stanislaus County Capital Improvements Financing Authority and the Treasurer/Tax Collector of the County of Stanislaus, acting on behalf of the Stanislaus County Treasury Pool

Attachment

1

RESOLUTION NO. 2013-01

**A RESOLUTION OF THE STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY
AUTHORIZING THE EXECUTION AND DELIVERY OF
CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN
ACTIONS IN CONNECTION THEREWITH IN ORDER TO
REFINANCE THE COUNTY OF STANISLAUS SERIES 2004A
AND SERIES 2004B CERTIFICATES OF PARTICIPATION**

WHEREAS, the Stanislaus County Capital Improvements Financing Authority is a joint powers authority organized and existing under the laws of the State of California (the "Authority") and has assisted the County of Stanislaus (the "County") in financing various capital improvements through the execution and delivery of the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects), Series 2004A (the "2004A Certificates") and the County of Stanislaus Certificates of Participation (2004 Capital Improvements Projects) Series 2004B (the "2004B Certificates" and together with the 2004A Certificates, the "Prior Certificates"); and

WHEREAS, the Authority and the County desire to proceed with the refunding and prepayment of the Prior Certificates in order to reduce the lease payments that the County is required to make with respect to the Prior Certificates thereby providing a financial benefit to the County;

WHEREAS, to facilitate the refunding of the Prior Certificates the Authority desires to enter into that certain Site Lease by and between the Authority and the County (the "Site Lease") and to enter into that certain Facilities Sublease by and between the County and the Authority (the "Sublease"), the forms of which have been presented to this Board of Directors at the meeting at which this Resolution has been adopted, pursuant to which Site Lease the Authority will agree to lease from the County all or a portion of the real property currently leased with respect to the Prior Certificates and floors 3, 4 and 5 of the office building located at 832 12th Street (the "Leased Premises"), and pursuant to which Sublease the County will agree to sublease the Leased Premises from the Authority and to pay certain lease payments in connection therewith to the Authority; and

WHEREAS, the Authority and the County Treasurer/Tax Collector (the "County Treasurer"), acting on behalf of the Stanislaus County Treasury Pool, will enter into an Assignment and Purchase Agreement by and between the Authority and the County Treasurer (the "Assignment Agreement"), the form of which has been presented to this Board of Directors at the meeting at which this Resolution has been adopted, pursuant to which the Authority will sell and assign certain of its rights in the Site Lease and the Sublease to the County Treasurer, and the County Treasurer will, in consideration of such assignment, pay an amount equal to the Principal Component of the Base Rental (as defined in the Facilities Sublease);

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, the Governing Board of the Stanislaus County Capital Improvements Financing Authority does hereby resolve as follows:

SECTION 1. Each of the foregoing recitals is true and correct.

SECTION 2. The forms of the Site Lease, the Sublease and the Assignment Agreement presented at this meeting are hereby approved. Each of the Chairman, the Vice Chairman and the Secretary of the Authority and their designees (collectively, the "Authorized Officers"), acting alone, is hereby authorized for and in the name of the Authority to execute and deliver the Site Lease, the Sublease and the Assignment Agreement. Each of the Authorized Officers, acting alone, is hereby authorized to execute, acknowledge and deliver any and all documents required to consummate the transactions contemplated by the Site Lease, the Sublease, the Assignment Agreement and this Resolution. The Site Lease, the Sublease and the Assignment Agreement shall be executed in substantially the forms hereby approved, with such additions thereto and changes therein as are recommended or approved by County Counsel or by Special Counsel to the County and approved by the Authorized Officer or the Authorized Officers executing such documents, such approval to be conclusively evidenced by the execution and delivery thereof.

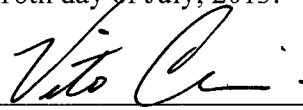
SECTION 3. All actions heretofore taken by any officer of the Authority in connection with or related to any of the agreements referenced herein or the refunding and prepayment of the Prior Certificates are hereby approved, confirmed and ratified.

SECTION 4. The Authorized Officers and other officers of the Authority are, and each of them acting alone is, hereby authorized to do any and all things and to execute and deliver any and all documents which they may deem necessary and advisable in order to consummate the refunding and prepayment of the Prior Certificates and otherwise effectuate the purposes of this Resolution, including, but not limited to, executing one or more agreements to terminate any of the leases or other agreements relating to the Prior Certificates or entering into an escrow agreement with the trustee for the Prior Certificates.

SECTION 5. In the event the Chairman is unavailable or unable to execute and deliver any of the above-referenced documents, any other member of the Board of Directors may validly execute and deliver such documents, and any documents required to be signed by the Secretary may be signed by any deputy secretary.

SECTION 6. This Resolution shall take effect from and after its date of adoption.

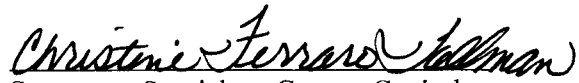
ADOPTED, SIGNED AND APPROVED this 16th day of July, 2013.

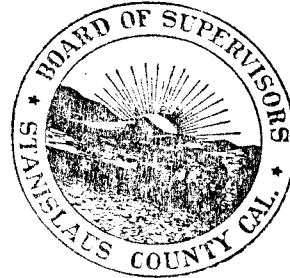


Chairman, Stanislaus County Capital Improvements
Financing Authority

(SEAL)

ATTEST:


Secretary, Stanislaus County Capital
Improvements Financing Authority



STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)

I, Christine Ferraro Tallman, Secretary of the Governing Board of the Stanislaus County Capital Improvements Financing Authority, do hereby certify that the above and foregoing Resolution was duly and regularly adopted by the Governing Board of said Authority at a regular meeting held on the 16th day of July, 2013, and that it was so adopted by the following vote:

AYES: O'Brien, Withrow, De Martini and Chairman Chiesa

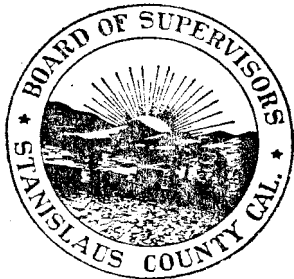
NOES: None

ABSENT: Monteith

ABSTAIN: None


Secretary, Stanislaus County Capital Improvements
Financing Authority

(SEAL)



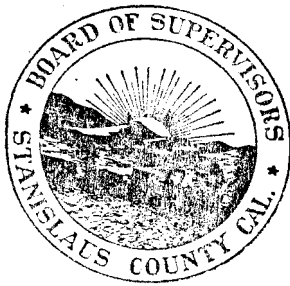
STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)

I, Christine Ferraro Tallman, Secretary of the Governing Board of the Stanislaus County Capital Improvements Financing Authority, do hereby certify that the above and foregoing Resolution is a full, true and correct copy of Resolution No. 2013-01 of said Board, and that the same has not been amended or repealed as of the date hereof.

DATED: July 16, 2013.

Christine Ferraro Tallman
Secretary, Stanislaus County Capital Improvements
Financing Authority

(SEAL)



Attachment

2

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attn: Robert J. Whalen, Esq.)

[Space above for Recorder's use]

FACILITIES SUBLEASE

by and between

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY,
as Authority

and

COUNTY OF STANISLAUS, CALIFORNIA,
as County

Relating to

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

Dated as of August 1, 2013

NO DOCUMENTARY TRANSFER TAX DUE. This Facilities Sublease is recorded for the benefit of the County of Stanislaus and the recording is fee-exempt under Section 27383 of the California Government Code.

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FACILITIES SUBLEASE

(Series 2004A and 2004B Certificates of Participation Refinancing Refinancing)

This FACILITIES SUBLEASE, dated as of August 1, 2013 (this "Sublease"), is made by and between STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority"), as sublessor, and the COUNTY OF STANISLAUS (the "County"), a political subdivision of the State of California duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "State"), as sublessee.

WITNESSETH:

WHEREAS, the County has previously financed various capital improvements through the execution and delivery of its Certificates of Participation (2004 Capital Improvement Projects) Series 2004A (the "2004A Certificates") and its Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "2004B Certificates" and together with the 2004A Certificates, the "Prior Certificates") and is able to refund and prepay the Prior Certificates at this time with significant savings to the County (the "2004 Refinancing");

WHEREAS, the County and the Authority have entered into a Site Lease (as hereinafter defined), pursuant to which the County has leased to Authority certain real property, as more particularly described in Exhibit "A" hereto, located in the County of Stanislaus, California, together with certain of the improvements located thereon, as more particularly described in Exhibit "B" hereto (collectively, the "Leased Premises");

WHEREAS, the County has determined that, in order to accomplish the 2004 Refinancing, it is necessary and desirable to sublease the Leased Premises pursuant to this Sublease; and

WHEREAS, the Authority is simultaneously providing for the sale and assignment of certain of its rights, title and interest in and to the Site Lease and this Sublease to the Treasurer/Tax Collector of the County (the "Treasurer") pursuant to an Assignment and Purchase Agreement, dated as of August 1, 2013 (the "Assignment Agreement");

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

SECTION 1. DEFINITIONS; REPRESENTATIONS, WARRANTIES AND COVENANTS.

SECTION 1.1 Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Sublease, have the meanings as set forth below.

"Additional Rental" means the amounts specified as such in Section 3.1(b) hereof.

"Applicable Environmental Laws" means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health &

Safety Code sections 25300 et seq.; the Porter-Cologne Water Quality Control Act (the “Porter-Cologne Act”), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern (1) the existence, cleanup, and/or remedy of contamination on property, (2) the protection of the environment from spilled, deposited, or otherwise emplaced contamination, (3) the control of hazardous wastes, or (4) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

“Assignment Agreement” means the Assignment and Purchase Agreement dated as of August 1, 2013 by and between the Authority to the Treasurer.

“Authority” means Stanislaus County Capital Improvements Financing Authority, its successors and assigns.

“Authority Resolution” means the resolution approving the execution of this Sublease, adopted at a regular meeting of the Board of Directors of the Authority on July 16, 2013.

“Base Rental” means the amounts specified as such in Section 3.1(a) hereof, as such amounts may be adjusted from time to time in accordance with the terms hereof, but does not include Additional Rental.

“Base Rental Payments” means the periodic payments of Base Rental to be paid by the County in accordance with Section 3.1(a) hereof, the amounts for which are set out in Exhibit “C” hereto.

“Business Day” means a day other than a Saturday, Sunday or legal holiday or a day on which the Treasurer is not open to the public to transact business.

“Closing Date” means _____, 2013.

“County” means the County of Stanislaus, California.

“County Representative” means the County Executive Officer of the County, any Assistant County Executive Officer, any Deputy County Executive Officer or such officials’ designee or other official designated by the Board of Supervisors of the County and authorized to act on behalf of the County under or with respect to this Sublease and all other agreements related hereto.

“County Resolution” means the resolution approving the execution of this Sublease, adopted by the Board of Supervisors of the County of Stanislaus on July 16, 2013.

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

“Hazardous Substance” any substance that shall, at any time, be listed as “hazardous” or “toxic” in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the facilities, wastes, petroleum, and source, special nuclear, or

by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.)

“Independent Counsel” means an attorney or firm of attorneys of recognized national standing in the field of municipal finance selected by the County.

“Interest Component” means the portion of any Base Rental Payment attributable to interest as indicated in Exhibit “C” hereto.

“Leased Premises” means the real property and improvements subleased hereunder by the Authority to the County as further described in Exhibits “A” and “B” hereto.

“Permitted Encumbrances” means as of any particular time: (1) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the County may, pursuant to Section 4.2 hereof, permit to remain unpaid; (2) the Assignment Agreement, as it may be amended from time to time; (3) this Sublease, as it may be amended from time to time; (4) the Site Lease, as it may be amended from time to time; (5) any right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law after the Closing Date which is being contested by the County in accordance with Section 4.4 hereof; (6) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Closing Date and which the County certifies in writing on the Closing Date will not materially impair the use of the Leased Premises for its intended purpose; (7) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the Closing Date, or existing on any real property substituted for the Leased Premises, to which the Treasurer and the County consent in writing and which the County certifies will not materially impair the use of the Leased Premises or real property substituted for the Leased Premises, as the case may be for its intended purpose and will not, in and of itself, result in abatement of Rental Payments hereunder; and (8) any other encumbrances or subleases expressly permitted under this Sublease.

“Principal Component” means, the portion of any Base Rental Payment attributable to principal as indicated in Exhibit “C” hereto.

“Treasurer” means the Treasurer/Tax Collector of the County.

“Rental Payments” means, collectively, the Base Rental and Additional Rental due hereunder.

“Site” means the real property described from time to time in Exhibit A hereto, as such Exhibit A may be amended and supplemented from time to time in accordance with the provisions of this Sublease.

“Site Lease” means the Site Lease dated as of August 1, 2013 by and between the County, as lessor, and the Authority, as lessee, together with all amendments thereto.

“Sublease” means this Facilities Sublease, including any amendments or supplements hereto.

“Sublease Term” means the term of this Sublease, as provided in Section 2 hereof.

“Sublease Year” means the period from the Closing Date to August 1, 2014, and thereafter the period from each August 2 to and including the following August 1, during the Sublease Term.

SECTION 1.2 Representations, Warranties and Covenants of the County. The County represents, warrants and covenants as follows:

(a) The County is a political subdivision of the State of California duly organized and operating pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the County Resolution and to enter into and perform its duties under this Sublease and the Site Lease. The County Resolution has been adopted and has not been rescinded, and this Sublease and the Site Lease constitute legal, valid and binding obligations of the County enforceable against the County in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if equitable remedies are sought.

(b) The adoption of the County Resolution and the execution and delivery of this Sublease and the Site Lease, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the County’s duties under this Sublease, the Site Lease, the County Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the County is subject or by which it or any of its property is bound.

(c) Except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the County, other than the approval and authorization of the Board of Supervisors, required for the adoption of the County Resolution and execution and delivery of this Sublease and the Site Lease or the consummation by the County of the other transactions contemplated by the County Resolution, this Sublease or the Site Lease.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the County, threatened against the County to restrain or enjoin the delivery of the payments to be made pursuant to the Sublease, or in any way contesting or affecting the validity of this Sublease, the Site Lease or the County Resolution, or contesting the powers of the County to enter into or perform its obligations under any of the foregoing, or which, if determined adversely to the County, would have a material adverse effect on the County’s ability to perform its obligations under any of the foregoing.

(e) By official action of the County prior to the execution hereof, the County 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, this Sublease and the Site Lease and the consummation by it of all other transactions contemplated by this Sublease and the Site Lease.

(f) The County is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any 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 which breach or default would have a material and adverse impact on the County's ability to perform its obligations under this Sublease and the Site Lease, 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.

(g) The County represents that it is not, and has not been at any time, in default as to principal or interest with respect to any indebtedness for borrowed money issued or guaranteed by it, or as to lease payments in connection with certificates of participation.

(h) The Leased Premises are integral for performing the County's governmental functions and during the term of this Sublease will be used by the County only for the purpose of performing one or more essential functions of the County.

(i) No existing lien or encumbrance on the Leased Premises materially impairs the County's use of the Leased Premises.

(j) The Leased Premises are not located in a flood hazard area or flood zone and have never been subject to material damage from flooding.

SECTION 1.3 Authority Representations, Warranties and Covenants. The Authority represents, warrants and covenants as follows:

(a) The Authority is a joint powers authority duly organized and validly existing pursuant to the laws of the State of California and has all necessary power and authority to adopt the Authority Resolution and enter into and perform its duties under this Sublease, the Site Lease and the Assignment Agreement; the Authority Resolution has been adopted and has not been rescinded; and this Sublease, the Site Lease and the Assignment Agreement constitute legal, valid and binding obligations of the Authority in accordance with their respective terms except as enforcement against the Authority may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.

(b) The adoption of the Authority Resolution and the execution and delivery of this Sublease, the Site Lease and the Assignment Agreement and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default of, the Authority's duties under this Sublease, the Site Lease, the Assignment Agreement, the Authority Resolution or any law, administrative regulation, court decree, resolution, charter, by-laws or other agreement to which the Authority is subject or by which it or any of its property is bound.

(c) Except as may be required under blue sky or other securities laws of any state, or except with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the Authority, required for the adoption of the Authority Resolution and the execution and delivery of this Sublease, the Site Lease and the Assignment Agreement or the consummation by the Authority of the other transactions contemplated by the Authority Resolution, this Sublease, the Site Lease and the Assignment Agreement.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the Authority, threatened against the Authority to restrain or enjoin the execution and delivery of this Sublease, the Site Lease and the Assignment Agreement, or in any way contesting or affecting the validity of the this Sublease, the Site Lease and the Assignment Agreement, the Authority Resolution or contesting the powers of the Authority to enter into or perform its obligations under any of the foregoing.

(e) By official action of the Authority prior to the execution hereof, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in this Sublease, the Site Lease and the Assignment Agreement and the consummation by it of all other transactions contemplated by the Authority Resolution, this Sublease, the Site Lease and the Assignment Agreement.

(f) The Authority is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any 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 which breach or default would have a material and adverse impact on the Authority's ability to perform its obligations under this Sublease, the Site Lease and the Assignment Agreement, 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.

SECTION 2. SUBLEASE TERM; TRANSFER OF TITLE TO COUNTY.

The Authority hereby subleases the Leased Premises to the County, and the County hereby subleases the Leased Premises from the Authority and agrees to pay the Base Rental and the Additional Rental as provided herein for the use and occupancy of the Leased Premises, all on the terms and conditions set forth herein. The term of this Sublease shall begin on the Closing Date and end on the earliest of (a) August 1, 2017, (b) such earlier date as the County shall have paid all Principal Components of Base Rental and other amounts payable hereunder, or (c) the date of termination of this Sublease due to casualty or condemnation in accordance with the terms of Section 5 or 6 hereof; provided, however, that if, on August 1, 2017, all Interest Components, Principal Components and Additional Rental shall not have been fully paid by the County as a result of a default in payment or an abatement in payments in accordance with Section 3.5, then County may optionally prepay all such amounts on such date and this Sublease will terminate or, if no such election is made, then the term of this Sublease shall be extended and, subject to the abatement provisions in Section 3.5 hereof, the County shall continue to make Base Rental Payments on each February 1 and August 1 in the amount of the Base Rental Payment due on August 1, 2017 and to pay Additional Rental in accordance with Section 3.1(b) hereof until all such amounts are paid, except in no event shall the term of this Sublease be extended beyond August 1, 2027.

Upon the expiration of the term of this Sublease, all of the Authority's right, title and interest in the Leased Premises shall be transferred directly to the County, free and clear of any interest of the Authority.

SECTION 3. RENT.

SECTION 3.1 Rental Payments. The County hereby agrees, subject to the terms hereof, to pay to the Authority and the Treasurer, as applicable, the Base Rental and Additional Rental in the

amounts, at the times and in the manner hereinafter set forth, such amounts constituting in the aggregate the rent payable under this Sublease.

(a) Base Rental. The County agrees to pay, from legally available funds, Base Rental in the amounts set forth in Exhibit "C" hereto, the Principal Components of which are attributable to principal payable to the Treasurer and the Interest Components of which are attributable to interest payable to the Treasurer as determined in accordance with the terms of such Exhibit. The Base Rental Payments payable by the County shall be due on each February 1 and August 1 during the Sublease Term. Base Rental payable on each February 1 and August 1 shall be in consideration of the use and occupancy of the Leased Premises during the prior six months.

The obligation of the County to pay Base Rental shall commence on the Closing Date.

(b) Additional Rental. In addition to the Base Rental set forth herein, the County agrees to pay as Additional Rental all of the following:

- (i) All taxes and assessments of any nature whatsoever levied upon the Leased Premises or upon any interest of the Authority therein or in this Sublease; and
- (ii) Insurance premiums, if any, on all insurance required under the provisions of Section 4.3 hereof.

Amounts constituting Additional Rental payable hereunder shall be paid by the County directly to the person or persons to whom such amounts shall be payable. The County shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Treasurer (as assignee of the Authority) or the Authority to the County stating the amount of Additional Rental then due and payable and the purpose thereof.

SECTION 3.2 Consideration. The payments of Base Rental and Additional Rental under this Sublease for each Sublease Year or portion thereof during the Sublease Term shall constitute the total rental for such Sublease Year or portion thereof and shall be paid by the County for and in consideration of the right of use and occupancy, and the continued quiet use and enjoyment, of the Leased Premises by the County for and during such Sublease Year or portion thereof. The parties hereto have determined and agreed that such total annual rental is not in excess of the total annual fair rental value of the Leased Premises. In making such determination, consideration has been given to the costs of acquisition and financing of the Leased Premises, the uses and purposes served by the Leased Premises, and the benefits therefrom that will accrue to the parties by reason of this Sublease and to the general public by reason of the County's use of the Leased Premises and to the fair rental value as determined in an independent appraisal commissioned by the County.

SECTION 3.3 Budget. The County hereby covenants to take such action as may be necessary to include all Base Rental and Additional Rental due hereunder in its annual budget and to make the necessary annual appropriations for all such Base Rental and Additional Rental, subject to Section 3.5 hereof. The obligation of the County to make Base Rental or Additional Rental Payments does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation or for which the County has levied or pledged any form of taxation. The obligation of the County to make Base Rental Payments or Additional Rental payments does not constitute an

indebtedness of the County, the State or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

SECTION 3.4 Payment. Base Rental and any Additional Rental owed to the Treasurer shall be paid by the County to the Treasurer (as assignee of the Authority) on the dates set forth in Section 3.1 hereof in lawful money of the United States of America. Except as provided in Section 3.5 hereof, any amount necessary to pay any Base Rental and any Additional Rental payments owed to the Treasurer, or portion thereof which is not so paid, shall remain due and payable until received by the Treasurer. Notwithstanding any dispute between the County and the Authority, the County shall make all Rental Payments when due and shall not withhold any Rental Payments pending the final resolution of such dispute or for any other reason whatsoever. The County's obligation to make Rental Payments in the amount on the terms and conditions specified hereunder shall be absolute and unconditional without any right of set-off or counterclaim, subject only to the provisions of Section 3.5 hereof.

SECTION 3.5 Rental Abatement. Except to the extent of amounts, if any, received in respect of rental interruption insurance, Rental Payments due hereunder shall be subject to abatement in accordance with this Section 3.5 during any period in which, by reason of material damage, destruction or condemnation of the Leased Premises or any portion thereof, or defects in title to the Leased Premises, there is substantial interference with the use and right of possession by the County of the Leased Premises or any portion thereof. The amount of rental abatement shall be such that the resulting Rental Payments in any Sublease Year during which such interference continues, excluding any amounts received in respect of rental interruption insurance, do not exceed the fair rental value of the portions of the Leased Premises as to which such damage, destruction, condemnation or title defect does not substantially interfere with the use and right of possession of the County, as reasonably determined by the County and evidenced by a certificate of the County. Such abatement shall continue for the period commencing with the date of such damage, destruction, condemnation or discovery of such title defect and ending with the restoration of the Leased Premises or portion thereof to tenantable condition or correction of the title defect. In the event of any such damage, destruction, condemnation or title defect, this Sublease shall continue in full force and effect, except as set forth in Sections 5 and 6 hereof.

SECTION 3.6 Triple Net Sublease. This Sublease is intended to be a triple net lease. The County agrees that the rentals provided for herein shall be an absolute net return to the Authority and its assignee free and clear of any expenses, charges or set-offs whatsoever.

SECTION 3.7 Prepayment. The County shall have the right to prepay the aggregate Principal Components of Base Rental payable hereunder in whole or in part, on any date in the event of casualty, title defects or a taking of all or a portion of the Leased Premises pursuant to eminent domain as described in Section 5 or 6 hereof, in an amount equal to 100% of the Principal Components to be prepaid, plus the proportionate amount of the Interest Components accrued to the date of prepayment, plus any Additional Rental due as of the prepayment date.

SECTION 4. AFFIRMATIVE COVENANTS OF THE AUTHORITY AND THE COUNTY.

The Authority and the County are entering into this Sublease in consideration of among other things, the following covenants:

SECTION 4.1 Replacement, Maintenance and Repairs. The County shall, at its own expense, during the Sublease Term maintain the Leased Premises, or cause the same to be maintained,

in good order, condition and repair and shall repair or replace any portion of the Leased Premises which is destroyed or damaged to such an extent that there is substantial interference with the use and right of possession by the County of the Leased Premises or any portion thereof which would result in an abatement of Rental Payments or any portion thereof pursuant to Section 3.5 hereof; provided, however, that the County shall not be required to repair or replace any such portion of the Leased Premises pursuant to this Section 4.1 if insurance proceeds or other legally available funds shall be applied in an amount sufficient to prepay (i) the outstanding Principal Component of the Base Rental Payments (as specified in Exhibit "C"), or (ii) any portion of the outstanding Principal Component of the Base Rental Payments such that the fair rental value of the remaining Leased Premises is not less than the resulting Rental Payments due in any Sublease Year following such partial prepayment.

The County shall provide or cause to be provided all security service, custodial service, janitorial service and other services necessary for the proper upkeep and maintenance of the Leased Premises. It is understood and agreed that in consideration of the payment by the County of the Rental Payments herein provided for, the County is entitled to occupy the Leased Premises and no other party shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Leased Premises during the Sublease Term. The Authority shall not be required at any time to make any improvements, alterations, changes, additions, repairs or replacements of any nature whatsoever in or to the Leased Premises. The County hereby expressly waives the right to make repairs or to perform maintenance of the Leased Premises at the expense of the Authority and (to the extent permitted by law) waives the benefit of Sections 1932, 1941 and 1942 of the Civil Code of the State relating thereto. The County shall keep the Leased Premises free and clear of all liens, charges and encumbrances other than those existing on or prior to the Closing Date and covered by the exceptions and exclusions set forth in the title policies delivered pursuant to Section 4.3 hereof, any liens on improvements, fixtures, equipment or personal property placed on the Leased Premises by the County in accordance with Section 8 hereof, and any liens of mechanics, materialmen, suppliers, vendors or other persons or entities for work or services performed or materials furnished in connection with the Leased Premises which are not due and payable or the amount, validity or application of which is being contested in accordance with Section 4.4 hereof.

SECTION 4.2 Taxes, Other Governmental Charges and Utility Charges. The Authority and the County contemplate that the Leased Premises will be used for a governmental or proprietary purpose of the County and, therefore, that the Leased Premises will be exempt from all taxes which might otherwise be assessed and levied with respect to the Leased Premises. Nevertheless, the County hereby agrees to pay during the Sublease Term, as the same respectively become due, all taxes (except for income or franchise taxes of the Authority), utility charges and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Premises; provided however, that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are accrued during such time as this Sublease is in effect; provided, further, that the County may contest in good faith the validity or application of any tax, utility charge or governmental charge in any reasonable manner which does not, in the opinion of counsel, adversely affect the right, title and interest of the Authority in and to any portion of the Leased Premises or its rights or interests under this Sublease or subject any portion of the Leased Premises to loss or forfeiture. Any such taxes or charges shall constitute Additional Rental under Section 3.1(b) hereof and shall be payable directly to the entity assessing such taxes or charges.

SECTION 4.3 Insurance.

(a) Public Liability and Property Damage Insurance; Workers' Compensation Insurance.

(i) The County shall maintain or cause to be maintained, throughout the term of this Sublease, a standard comprehensive general liability insurance policy or policies in protection of the County, the Authority and their respective members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or ownership of the Leased Premises. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in a single accident or event, and in a minimum amount of \$500,000 for damage to property (subject to a deductible clause of not to exceed \$100,000) resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the County.

(ii) The County shall maintain or cause to be maintained, throughout the term of this Sublease, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the County in connection with the Leased Premises and to cover full liability for compensation under any such act; provided, however, that the County's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 4.3(b) hereof.

(iii) The County shall maintain or cause to be maintained, throughout the term of this Sublease, casualty insurance insuring structures constituting part of the Leased Premises against fire, lightning and all other risks covered by an extended coverage endorsement excluding earthquake and flood, to the full insurable value of such structures, subject to a \$100,000 loss deductible provision, unless some other deductible is acceptable to the Treasurer. The County's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 4.3(b) hereof.

(iv) The County shall maintain or cause to be maintained, throughout the term of this Sublease, rental interruption insurance to cover the Treasurer's loss, total or partial, of Base Rental Payments and Excess Amounts resulting from the loss, total or partial, of the use of any part of the Leased Premises as a result of any of the hazards required to be covered pursuant to subsection (iii) of this Section in an amount equal to lesser of (i) the amount sufficient at all times to pay an amount not less than the product of two times the maximum Base Rental Payment scheduled to be paid in the current or any future period during the Sublease Term, or (ii) such lesser amount as may be agreed to by the Treasurer. Such rental interruption insurance shall be payable for a period adequate to cover the period of repair or reconstruction, but not to exceed two years. The County shall not be permitted to self-insure its obligation under this subsection.

(v) All policies or certificates of insurance provided for in this Section 4.3(a) shall name the County as a named insured, and, with the exception of workers' compensation

insurance, the Authority and the Treasurer as additional insureds. All policies or certificates of insurance maintained under clauses (iii) and (iv) above shall name the County as loss payee, and the proceeds of such insurance shall be deposited with the County for application pursuant to Section 5 hereof. The County agrees to provide to the Treasurer, on request, certificates of insurance evidencing the coverages required by this Sublease. The County covenants to maintain adequate cash reserves to pay the amount of any deductible it is required to pay. Notwithstanding the generality of the foregoing (with the exception of the rental interruption insurance required by clause (iv) above), the County shall not be required to maintain or cause to be maintained more insurance than is specifically referred to above.

(b) Self-Insurance. Insurance provided through a California joint powers authority of which the County is a member or with which the County contracts for insurance shall not be deemed to be self-insurance for purposes hereof. Any self-insurance maintained by the County pursuant to this Section shall comply with the following terms, except to the extent that the Treasurer shall waive any of such terms:

(i) in the case of property insurance described in (iii) above, the self-insurance program shall be approved in writing by the Treasurer;

(ii) the self-insurance program shall be reviewed and analyzed by an independent insurance consultant (“Independent Insurance Consultant”);

(iii) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim shall be paid, the adequacy of each such fund shall be evaluated on an annual basis by the Independent Insurance Consultant and any deficiencies in any self-insured claims reserve fund shall be remedied in accordance with the recommendations of the aforementioned Independent Insurance Consultant; and

(iv) in the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund, as determined by the Independent Insurance Consultant, shall be maintained.

SECTION 4.4 Liens. The County shall promptly pay or cause to be paid all sums of money that may become due for any labor, services, materials, supplies or equipment alleged to have been furnished or to be furnished to or for, in, upon or about the Leased Premises and which may be secured by any mechanic's, materialman's or other lien against the Leased Premises, or the interest of the Authority therein, and shall cause each such lien to be fully discharged and released; provided, however, that the County or the Authority (i) may contest any such claim or lien without payment thereof so long as such non-payment and contest stays execution or enforcement of the lien, but if such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not stayed, or if stayed and the stay thereafter expires, then and in any such event the County shall forthwith pay and discharge such judgment or lien, or (ii) delay payment without contest so long as and to the extent that such delay will not result in the imposition of any penalty or forfeiture

SECTION 4.5 Laws and Ordinances.

(a) General. The County agrees to observe and comply in all material respects with all rules, regulations and laws applicable to the County with respect to the Leased Premises and

the operation thereof. The cost, if any, of such observance and compliance shall be borne by the County, and the Authority shall not be liable therefor.

(b) Hazardous Materials. The County shall not use or permit the Leased Premises or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Leased Premises, including, but not limited to, diesel storage tanks related to the operation of the generators on the Leased Premises, and done only in compliance with all Applicable Environmental Laws, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the release or threat of release of Hazardous Materials on, from or beneath the Leased Premises or onto any other Leased Premises excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of a political subdivision and those used in the underground storage tanks relating to the fueling facility and the generators, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Applicable Environmental Laws. Upon the occurrence of any release or threat of release of Hazardous Materials, the County shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Authority or the Treasurer, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released, on, from or beneath the Leased Premises or other property, in compliance with all Applicable Environmental Laws. Notwithstanding anything to the contrary contained herein, underground storage tanks are permitted so long as they comply with subsection (c).

(c) The County shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with all Applicable Environmental Laws.

SECTION 4.6 Prohibition Against Encumbrance or Sale. The County and the Authority will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon the Leased Premises, except Permitted Encumbrances. The County and the Authority will not sell, lease or otherwise dispose of or abandon the Leased Premises or any property essential to the proper operation of the Leased Premises, except as otherwise provided herein.

SECTION 5. INSURANCE.

SECTION 5.1 Application of Insurance Proceeds.

(a) General. Proceeds of insurance (other than rental interruption insurance) received by the County in respect of destruction of or damage to any portion of the Leased Premises by fire or other casualty or event shall be applied by the County to, the cost of repair or replacement of the Leased Premises or portion thereof, unless the County pays to the Treasurer the amount necessary to prepay the Principal Components of Base Rental Payments in an aggregate principal amount equal to the Principal Component(s) of the Base Rental attributable to such damaged or destroyed portion of the Leased Premises and the Base Rental with respect to the remaining portion of the Leased Premises is sufficient to pay the Principal Components and Interest Components of the Base Rental Payments to remain outstanding after the date on which any Principal Component of Base Rental Payments to be prepaid is prepaid.

The proceeds of any insurance (other than rental interruption insurance), received by the County in respect of destruction of or damage to any portion of the Leased Premises by fire or other casualty or event, not applied to repairing or replacing such damaged or destroyed property, shall forthwith be applied to the prepayment of the Principal Components of Base Rental Payments outstanding. Any insurance proceeds in excess of the amount needed to either repair or replace a damaged or destroyed portion of the Leased Premises or to prepay the Principal Components of Base Rental Payments outstanding shall be remitted to the County.

The proceeds of rental interruption insurance shall be used to pay Base Rental Payments.

(b) If there is an abatement of Rental Payments pursuant to Section 3.5 hereof as a result of such casualty or event, and the County elects to apply such insurance proceeds and such other sums as are deposited by the County pursuant to such section to the prepayment of the Principal Components of Base Rental outstanding rather than replacing or repairing the destroyed or damaged portion of the Leased Premises, then this Sublease shall terminate with respect to the destroyed or damaged portion of the Leased Premises as of the date the amount of such insurance is applied to such prepayment.

SECTION 5.2 Application of Title Insurance and Condemnation Proceeds. Proceeds of any policy of title insurance or condemnation award received by the County in respect of the Leased Premises shall be applied and disbursed by the County as follows:

(a) If the County determines that the title defect or condemnation giving rise to such proceeds has not materially affected the use and occupancy of the Leased Premises and will not result in an abatement of Rental Payments payable by the County under the Sublease, such proceeds shall be remitted to the County.

(b) If the County determines that such title defect will result in an abatement of Rental Payments payable by the County under the Sublease or in the case of a condemnation will result in a termination of this Sublease or an abatement due to a partial condemnation, then the County shall apply such proceeds to the prepayment of the Principal Components of Base Rental Payments outstanding prior to the event causing the abatement.

SECTION 6. EMINENT DOMAIN.

SECTION 6.1 Total Condemnation. If the Leased Premises, or so much thereof as to render the remainder of the Leased Premises unusable for the County's purposes under this Sublease, shall be taken under the power of eminent domain, then this Sublease shall terminate as of the day possession shall be so taken, or, if the County is the condemnor, then this Sublease shall terminate as of the date of entry of a judgment or interlocutory judgment regarding the subleasehold interest in the Leased Premises. Any award made in eminent domain proceedings for the taking shall be paid to the County for application in accordance with the provisions of Section 5.2 hereof.

SECTION 6.2 Partial Condemnation. If less than a substantial portion of the Leased Premises shall be taken under the power of eminent domain, and the remainder is useable for the County's purposes, then this Sublease shall continue in full force and effect as to the remaining portions of the Leased Premises subject only to such rental abatement as is required by Section 3.5 hereof. The County and the Authority hereby waive the benefit of any law to the contrary. Any award

made in eminent domain proceedings for the taking shall be paid to the County for application in accordance with the provisions of Section 5.2 hereof.

SECTION 7. ASSIGNMENT AND SUBLEASE.

The County shall not mortgage, pledge, assign or transfer any interest of the County in this Sublease by voluntary act or by operation of law, or otherwise; provided, however, that the County may sublease all or any portion of the Leased Premises, and may grant concessions to others involving the use of any portion of the Leased Premises, whether such concessions purport to convey a leasehold interest or a license to use a portion of the Leased Premises; provided that any sublease or concessions must at all times be subject and subordinate to this Sublease. The County shall at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Sublease, notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the County of its obligation to pay Base Rental and Additional Rental as provided in this Sublease or to relieve the County of any other obligations contained herein.

The Authority shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Sublease (except for its right to payment of its expenses under Section 3.1(b) hereof and its right to indemnification pursuant to Section 11 hereof), including without limitation its right to receive Rental Payments payable hereunder, to the Treasurer pursuant to the Assignment Agreement, and the County hereby approves such assignment. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith.

SECTION 8. ADDITIONS AND IMPROVEMENTS.

The County shall have the right during the Sublease Term to make any additions or improvements to the Leased Premises, to attach fixtures, structures or signs, and to affix any personal property to the Leased Premises, so long as the fair rental value of the Leased Premises is not thereby reduced below the Rental Payments payable under this Sublease. Title to all fixtures, equipment or personal property placed by the County on the Leased Premises shall remain in the County. Title to any personal property, improvements or fixtures placed on the Leased Premises by any County or licensee of the County shall be controlled by the sublease or license agreement between such County or licensee and the County, which sublease or license agreement shall not be inconsistent with this Sublease.

SECTION 9. RIGHT OF ENTRY.

Representatives of the Authority shall, subject to reasonable security precautions, have the right to enter upon the Leased Premises during reasonable business hours (and in emergencies at all times) (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Authority under this Sublease, or (iii) for all other lawful purposes. The County hereby grants an easement to the Authority to enter upon any property of the County which is adjacent to the Leased Premises in order to enter upon the Leased Premises pursuant to this Section 9.

SECTION 10. QUIET ENJOYMENT.

The Authority covenants and agrees that the County, upon keeping and performing the covenants and agreements herein contained, shall, at all times during the Sublease Term, peaceably and quietly have, hold, and enjoy the Leased Premises.

SECTION 11. INDEMNIFICATION AND HOLD HARMLESS AGREEMENT.

The County shall, to the full extent permitted by law, indemnify, protect, hold harmless, save and keep harmless the Authority and its directors, officers and employees from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of (i) the entering into of this Sublease; (ii) any accident in connection with the operation, use, condition or possession of the Leased Premises or any portion thereof resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the County or the Authority; (iii) the failure to comply with any Applicable Environmental Laws or the use, presence, storage, disposal or release of any Hazardous Substances on or about the Leased Premises; (iv) patent, trademark or copyright infringement; and (v) strict liability in tort. The indemnification arising under this Section 11 shall continue in full force and effect notwithstanding the full payment of all obligations hereunder or the termination hereof for any reason. The County and the Authority mutually agree to promptly give notice to each other of any claim or liability hereby indemnified against following the learning thereof by such party. However, notwithstanding anything to the contrary in this Sublease, this Section 11 provides no indemnity for liability, obligations, losses, claims, or damages caused by the Authority's gross negligence or willful misconduct, and the County shall not indemnify the Authority for the same.

SECTION 12. DEFAULT BY COUNTY.

(a) Events of Default. The following shall be "events of default" under this Sublease and the terms "event of default" and "default" shall mean, whenever they are used in this Sublease, any one or more of the following events:

(i) the County shall fail to pay any Base Rental Payment required to be paid pursuant to Section 3.1(a) hereof by the close of business on the day such payment is required pursuant to Section 3.1(a) hereof;

(ii) the County shall fail to pay any item of Additional Rental as and when the same shall become due and payable pursuant to Section 3.1(b) hereof and shall fail to pay such Additional Rental within a period of 30 days after written notice thereof from the Authority to the County;

(iii) the County shall breach any other terms, covenants or conditions contained herein, and shall fail to remedy any such breach with all reasonable dispatch within a period of 30 days after written notice thereof from the Authority to the County, or, if such breach cannot be remedied within such 30-day period, shall fail to institute corrective action within such 30-day period and diligently pursue the same to completion;

(iv) The County shall fail to maintain insurance as required under Section 4.3;

(v) Any material statement, representation or warranty of the County pursuant to this Sublease or in connection with its execution shall have been false, incorrect or misleading in any material respect when made; or

(vi) The County shall become insolvent or be unable to pay its debts and perform its obligations as the same become due, or the County shall be the subject of bankruptcy, insolvency or receivership proceedings under any applicable law.

(b) Remedies on Default. The Authority shall have the right, at its option, or upon the direction of the Treasurer without any further demand or notice, (1) to terminate this Sublease or to keep this Sublease in full force and effect, and in either event, to reenter the Leased Premises and eject all parties in possession therefrom, and relet the Leased Premises as the agent and for the account of the County upon such terms and conditions as the Authority may deem advisable, in which event the rents received on such re-letting shall be applied first to the expenses of reletting and collection, including expenses necessary for repair or restoration of the Leased Premises to its original condition (taking into account normal wear and tear), reasonable attorneys' fees and any real estate commissions actually paid, and second to the payment of Base Rental and Additional Rental in accordance with this Sublease, and if a sufficient sum shall not be thus realized to pay such sums and other charges, then, if this Sublease shall not have been terminated, the County shall pay to the Authority any net deficiency existing on the date when Base Rental or Additional Rental is due hereunder; or (2) in lieu of the above, so long as the Authority does not terminate the County's right to possession, this Sublease shall continue in effect and the Authority shall have the right to enforce all of its rights and remedies under this Sublease, including the right to recover Base Rental and Additional Rental Payments as they become due under this Sublease pursuant to Section 1951.4 of the California Civil Code.

The County hereby waives and agrees to hold the Authority and its assignee harmless from any and all claims for damages caused, or which may be caused, by the Authority, or its assignee, lawfully entering and taking possession of the Leased Premises, other than damages caused by the negligence of the Authority, or its assignee. The County agrees that the terms of this Lease constitute full and sufficient notice of the right of the Authority, or its assignee, to re-enter the Leased Premises for purposes of terminating this Lease and, alternatively, to enter upon and re let the Leased Premises in the event of such reentry without effecting a surrender of this Lease.

In the event the Authority, or its assignee, elects to terminate this Lease, the County agrees to surrender immediately possession of the Leased Premises and to pay the Authority, or its assignee, all damages recoverable at law that the Authority, or its assignee, may incur by reason of default by the County, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any re-entry upon the Leased Premises by the Authority, or its duly authorized agents in accordance with such termination. In the event of a default, the County further agrees to reimburse the Authority, and its assignee, for any cost or expense, including attorneys' fees, incurred by the Authority or its assignee in connection with the exercise by the Authority, or its assignee, of the remedies hereunder.

(c) In addition to the other remedies set forth above, upon the occurrence of an event of default, the Authority is entitled to proceed to protect and enforce the rights vested in the

Authority by this Sublease or by law. The provisions of this Sublease and the duties of the County and of its supervisors, officers or employees are enforceable by the Authority by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Authority shall have the right to bring the following actions:

(i) Accounting. By action or suit in equity to require the County and its supervisors, officers and employees and its assigns to account as the trustee of an express trust.

(ii) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Authority.

(iii) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's rights against the County (and its board, officers and employees) and to compel the County to perform and carry out its duties and obligations under the law and its covenants and agreements with the County as provided herein.

(d) The County acknowledges and agrees that the rights and remedies of this Section 12 are being assigned by the Authority to the Treasurer pursuant to the Assignment Agreement and that all rights and remedies exercisable by the Authority hereunder shall, with the same force and effect, be exercised solely by the Treasurer. In furtherance thereof, the Authority hereby irrevocably appoints the Treasurer as the agent and attorney-in-fact of the Authority for the purposes of exercising any of the remedies hereunder.

Except as expressly waived herein, each and every remedy of the Authority hereunder or at law shall be available to any assignee of the rights of the Authority hereunder and is cumulative, and the exercise of one remedy shall not impair the right of the Authority or its assignee to any or all other remedies. If any statute or rule validly shall limit the remedies given to the Authority or any assignee of the rights of the Authority hereunder, the Authority or its assignee nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law, except as otherwise expressly provided herein.

The Authority or any assignee of the rights of the Authority hereunder shall not exercise its remedies hereunder so as to cause the portion of Base Rental Payments designated as and comprising interest to be included in gross income for Federal income tax purposes or to be subject to State personal income taxes. Notwithstanding any other provision of this Sublease to the contrary, in no event shall the Authority or any assignee of the rights of the Authority hereunder have the right to accelerate the payment of any Base Rental hereunder.

SECTION 13. WAIVER.

The waiver by the Authority of any breach by the County, and the waiver by the County of any breach by the Authority of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

SECTION 14. DISCLAIMER OF WARRANTIES.

Neither the Authority nor any person acting on its behalf has made or makes any warranty or representation as to the past, present or future condition of the leased premises not herein expressed,

and the County has entered into this sublease without representations or warranties with respect thereto on the part of the Authority, its agents, representatives or employees.

SECTION 15. SUBSTITUTION AND RELEASE OF LEASED PREMISES.

This Sublease and the Site Lease may be modified or amended at any time, with the prior written consent of the Treasurer, (which consent shall not be unreasonably withheld, if such amendment is to correct any error in the description of the Leased Premises) or to release from this Sublease and the Site Lease any portion of the Leased Premises (which consent shall be at the Treasurer's sole discretion), or to substitute other real property and improvements (the "Substituted Property") for the Leased Premises (which consent shall be at the Treasurer's sole discretion); and provided, however, that the County shall have filed with the Authority and the Treasurer all of the following:

(a) Executed copies of the Sublease and the Site Lease or amendments thereto containing the amended legal description of the Leased Premises;

(b) Evidence that copies of the Sublease, the Site Lease and the Assignment Agreement or amendments thereto containing the amended legal description of the Leased Premises have been duly recorded in the official records of the County Recorder of the County of Stanislaus;

(c) A certificate of the County Representative that (i) the annual fair rental value of the property which will constitute the Leased Premises after such release or substitution will be at least equal to 100% of the maximum amount of Base Rental Payments and Additional Rental becoming due in the then current Sublease Year or in any subsequent Sublease Year (assuming for purposes of such calculation that the Additional Rental in each future Sublease Year will be equal to the Additional Rental in the current Sublease Year), (ii) any substitute property has a useful life greater than the Sublease Term; (iii) any substitute property is integral for performing the County's governmental functions, (iv) there is no event that has occurred and is continuing that would give rise to an abatement of Rental Payments with respect to the Leased Premises, as constituted, after such release or substitution, and (v) no event of default under this Sublease has occurred and is continuing;

(d) A certificate of the County Representative setting forth the fair replacement value of the property which will constitute the Leased Premises after such release or substitution and evidencing that such fair replacement value is equal to or greater than the sum of the then unpaid Principal Components of Base Rental Payments as set forth in Exhibit "B" hereto;

(e) In the case of substitution of property for the then existing Leased Premises, evidence that the County has obtained a CLTA Owner's policy or policies, or a commitment or commitments for such policies. Each such insurance instrument, when issued, shall insure such substituted property subject only to such exceptions as do not substantially interfere with the County's right to use and occupy such substituted property and as will not result in an abatement of Rental Payments payable by the County under this Sublease;

(f) An opinion of counsel stating that such amendment or modification (i) is authorized or permitted by the Constitution and laws of the State and by this Sublease; (ii) complies with the terms of the Constitution and laws of the State and of this Sublease; and (iii) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the County in accordance with its terms; and

(g) Such other or additional information and documents as the Treasurer may reasonably require to evidence the value of the Leased Premises following such release of substitution including without limitation an insurance valuation or third party appraisal.

SECTION 16. NOTICES.

All notices, requests, demands and other communications under this Sublease shall be in writing (unless otherwise specified herein) and shall be sufficiently given on the date of service if served personally upon the person to whom notice is to be given or on receipt if sent by telex or other telecommunication facility or courier or, if mailed by first-class mail, postage prepaid, and properly addressed as follows:

To the County:

Stanislaus County
1010 10th Street, Suite 2500
Modesto, CA 95354
Attention: Chief Executive Officer
Phone: (209) 525-6333
Fax: (209) 544-6226

To the Authority:

Stanislaus County Capital Improvements Financing Authority
c/o County of Stanislaus
1010 10th Street, Suite 6800
Modesto, CA 95354
Attention: Chairman

To the Treasurer:

Treasurer/Tax Collector of the County of Stanislaus
1010 10th Street, Suite 6800
Modesto, CA 95354
Attention: Treasurer
Phone: (209) 525-6388
Fax: (209) 525-7868

or to such other address or addresses as any such person shall have designated to the others by notice given in accordance with the provisions of this Section 16.

SECTION 17. VALIDITY.

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

If for any reason this Sublease shall be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Authority or by the County, or if for any reason it is held by such a court that any of the covenants and agreements of the County hereunder, including the covenant to pay Base Rental and Additional Rental hereunder, is unenforceable for the full term hereof, then and in such event for and in consideration of the right of the County to possess, occupy and use the Leased Premises, which right in such event is hereby granted, this Sublease shall thereupon become and shall be deemed to be a lease from year to year under which the annual Base Rental Payments and Additional Rental Payments herein specified will be paid by the County.

SECTION 18. LAW GOVERNING; VENUE.

This Sublease is made in the State under the Constitution and laws of the State and is to be so construed. If any party to this Sublease initiates any legal or equitable action to enforce the terms of this Sublease, to declare the rights of the parties under this Sublease or which relates to this Sublease in any manner, each such party agrees that the place of making and for performance of this Sublease shall be the County of Stanislaus, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the County of Stanislaus.

SECTION 19. AMENDMENT.

The Sublease may be amended in writing by agreement between the Authority and the County, with the consent in writing of the Treasurer. The Site Lease may be amended in writing by agreement between the Authority and the County, with the consent in writing of the Treasurer. Notwithstanding the foregoing, the Site Lease, the Sublease and the rights and obligations provided thereby may also be modified or amended at any time without the consent of the Treasurer, upon the written agreement of the parties thereto, but only (1) for the purpose of curing any ambiguity or omission relating thereto, or of curing, correcting or supplementing any defective provision contained in the Site Lease or the Sublease, (2) to modify or amend the description of the Leased Premises pursuant to Section 15 of the Sublease or (3) for any other reason, provided that such modification or amendment does not materially adversely affect the interests of the Treasurer; provided however, that the Authority and the County may rely in entering into any such amendment or modification thereof upon the opinion of counsel stating that the requirements of this sentence have been met with respect to such amendment or modification.

SECTION 20. EXCESS PAYMENTS.

Notwithstanding anything contained herein to the contrary, if for any reason, including but not limited to damage, destruction, condemnation, transfer, sale or disposition, the County or the Treasurer receive payments, proceeds or awards with respect to the Leased Premises in excess of the amount necessary to pay or prepay all of the Outstanding Principal Components of Base Rental Payments, such excess shall represent the County's equity interest in the Leased Premises and shall all be paid to the County.

SECTION 21. NO MERGER.

If both the Authority's and the County's estate under this or any other lease relating to the Leased Premises or any portion thereof shall at any time or for any reason become vested in one owner, this Sublease and the estate created hereby shall not be destroyed or terminated by the doctrine of merger unless the County so elects as evidenced by recording a written declaration so

stating, and, unless and until the County so elects, the County shall continue to have and enjoy all of its rights and privileges as to the separate estates.

SECTION 22. FURTHER ASSURANCES AND CORRECTIVE INSTRUMENTS.

The County and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises leased hereby or intended to be so leased or for carrying out the expressed intention of this Sublease.

SECTION 23. EXECUTION IN COUNTERPARTS.

This Sublease may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Sublease as of the date first above written.

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY, as
Authority

By: _____
Chairman

ATTEST:

Secretary

COUNTY OF STANISLAUS, CALIFORNIA, as
County

By: _____
Chairman

ATTEST:

Clerk

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Leased Premises conveyed under the foregoing to the County of Stanislaus, a political subdivision of the State of California, duly organized under the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Supervisors of the County of Stanislaus, pursuant to authority conferred by resolution of the Board of Supervisors adopted on July 16, 2013 and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2013

COUNTY OF STANISLAUS

By: _____
County Executive Officer

EXHIBIT A

DESCRIPTION OF THE LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

Gallo Center for the Arts

12th Street Office Building (832 12th Street)

12th Street Parking Garage

EXHIBIT B

DESCRIPTION OF IMPROVEMENTS INCLUDED IN LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

All improvements located on the real property described in Exhibit A for the Salida Library.

Gallo Center for the Arts

All improvements located on the real property described in Exhibit A for Gallo Center for the Arts.

12th Street Office Building

Floors 3, 4 and 5 of the office building located at 832 12th Street on the real property described in Exhibit A for the 12th Street Office Building.

12th Street Parking Garage

All improvements located on the real property described in Exhibit A for the 12th Street Parking Garage.

EXHIBIT C

BASE RENTAL PAYMENTS

The Base Rental Payments shall be comprised of the following Interest Components and Principal Components:

| <i>Payment Date/Period Ending</i> | <i>Principal Component</i> | <i>Interest Rate</i> | <i>Interest Component</i> | <i>Total Base Rental</i> | <i>Total Base Rental for Fiscal Year Ended June 30</i> |
|---|--------------------------------|--------------------------|-------------------------------|--------------------------|--|
|---|--------------------------------|--------------------------|-------------------------------|--------------------------|--|

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

Attachment

3

RECORDING REQUEST BY:)
County of Stanislaus)
AND WHEN RECORDED MAIL TO:)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attention: Robert J. Whalen, Esq.)

[Space above for recorder's use.]

This document is recorded for the benefit of the County of Stanislaus, and the recording is fee exempt under Section 27383 of the Government Code.

SITE LEASE

between

COUNTY OF STANISLAUS

and

**STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY
COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)**

Dated as of August 1, 2013

SITE LEASE

(Series 2004A and 2004B Certificates of Participation Refinancing)

This Site Lease is made and entered into as of August 1, 2013, by and between the COUNTY OF STANISLAUS, a political subdivision of the State of California (the "State") duly organized and existing under and by virtue of the laws of the State, as lessor (the "County"), and the STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State, as lessee (the "Authority").

W I T N E S S E T H :

WHEREAS, the County has entered into this Site Lease (the "Site Lease") with the Authority for the purpose of leasing the real property described in Exhibit A hereto and the improvements thereon as and to the extent described in Exhibit B hereto (such real property and improvements are together referred to herein as the "Leased Premises"), to the Authority, as lessee hereunder; and

WHEREAS, the County intends to sublease the Leased Premises from the Authority, pursuant to the terms of that certain Facilities Sublease, dated the date hereof, between the Authority and the County (the "Sublease") in order to obtain funds to refund and prepay the outstanding portion of the County of Stanislaus Certificates of Participation (2004A Capital Improvement Projects) Series 2004A and the County of Stanislaus Certificates of Participation (2004B Capital Improvement Projects) Series 2004B (such portion being referred to herein as the "Prior Certificates"), which refunding will lower the County's costs of financing and provide a benefit to the County; and

WHEREAS, by resolution of the Board of Supervisors of the County, the County has duly authorized the execution and delivery of this Site Lease;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration, it is hereby mutually agreed as follows:

SECTION 1. Definitions. Unless the context otherwise requires, the capitalized terms herein which are not defined herein shall have the meanings specified in the Sublease.

SECTION 2. Sublease of the Leased Premises; Substitution. The County hereby leases to the Authority and the Authority hereby leases from the County the Leased Premises, on the terms and conditions hereinafter set forth, subject to any easements, encumbrances and restrictions of record.

The County reserves the right at any time to substitute other real property and improvements for all or a portion of the Leased Premises, upon compliance with the provisions of Section 15 of the Sublease (a "Substitution"). In the event of such Substitution, the parties hereto agree to execute the appropriate documents evidencing the termination of the Authority's right hereunder in the prior Leased Premises, or any portion thereof, and its acceptance of an interest in the new Leased Premises, such documents to include the replacement of Exhibits A and B hereto with new Exhibits A and B accurately describing the substitute real property and any improvements thereon. The Authority shall not be entitled to any offset, abatement or reduction in rental hereunder as a result of any Substitution.

SECTION 3. Term. The term of this Site Lease shall commence as of the Delivery Date for the Certificates and shall remain in effect until the earlier of August 1, 2017 or the date of expiration of the Sublease as provided for by Section 2 thereof, unless such term is sooner terminated as hereinafter provided, however, if the term of the Sublease is extended pursuant to Section 2 of the Sublease, the term of this Site Lease shall also be extended, except that the term of this Site Lease shall in no event extend beyond August 1, 2027.

SECTION 4. Rental. The Authority, or any assignee or successor in interest of the Authority under this Site Lease, shall pay upon execution and delivery of this Site Lease to the County as and for rental hereunder, the sum of \$_____ by causing such amount to be deposited with The Bank of New York Mellon N.A., as trustee for the Prior Certificates (the "Trustee"), which amount will be applied, together with other funds held by the Trustee, to prepay the Prior Certificates in whole. As additional consideration for the leasing of the Leased Premises to it, the Authority shall execute and deliver the Sublease. The Authority hereby waives any right that it may have under the laws of the State of California to receive a rebate of any rent paid hereunder in full or in part in the event there is a substantial interference with the use and right of possession by the Authority or its sublessee of the Leased Premises or any portion thereof as a result of material damage, destruction or condemnation.

SECTION 5. Purpose. The Authority shall sublease back the Leased Premises to the County pursuant to the Sublease for the purposes described in the Sublease and for such purposes as may be incidental thereto.

SECTION 6. Representations, Warranties and Covenants. The County represents and warrants that it is the owner in fee of the Leased Premises. The Authority covenants that it shall not encumber the Leased Premises except for Permitted Encumbrances.

SECTION 7. Sale and Assignment by Authority. The County acknowledges and consents to the sale and assignment by the Authority of its right, title and interest in and to this Site Lease to the Treasurer/Tax Collector of the County (the "Treasurer"), under the terms of the Assignment and Purchase Agreement dated as of the date hereof, between the Authority and the Treasurer. No other sale or assignment of any rights hereunder shall be permitted without the consent of the County.

SECTION 8. Actions on Termination. The Authority agrees, upon the termination of this Site Lease, to quit and surrender the Leased Premises in the same good order and condition as it was in at the time the real property then constituting the Leased Premises became subject to this Site Lease, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the real property comprising the Leased Premises at the time of the termination of this Site Lease shall remain thereon and all interest therein shall vest in the County free and clear of any interest of the Authority.

SECTION 9. Quiet Enjoyment. The Authority at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Premises, subject only to Permitted Encumbrances.

SECTION 10. Default. In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following written notice to and demand for correction thereof by the

County, the County may exercise any and all remedies granted by law which do not adversely affect the interests of the Treasurer; provided that the County may not terminate this Site Lease and shall exercise only remedies providing for specific performance hereunder.

SECTION 11. Taxes. The County covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Premises.

SECTION 12. Eminent Domain. In the event the whole or any part of the Leased Premises is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the total amount of the unpaid Principal Components of the Base Rental Payments under the Sublease.

SECTION 13. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 14. Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State.

SECTION 15. Representatives. Whenever under the provisions of this Site Lease the approval of the Authority or the County is required, or the Authority or the County is required to take some action at the request of the other, such approval or such request shall be given for the Authority by an authorized officer of the Authority and for the County by a County Representative and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 16. Notices. All notices or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid:

If to the County:

County of Stanislaus
1010 10th Street, Suite 6800
Modesto, California 95354
Attention: Chief Executive Officer

If to the Authority:

Stanislaus County Capital Improvements Financing Authority
1010 10th Street, Suite 6800
Modesto, California 95354
Attention: Chairman

The Authority and the County, by notice given hereunder, may designate different addresses to which subsequent notices or other communications will be sent.

SECTION 17. Captions. The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision or section of this Site Lease.

SECTION 18. Execution in Counterparts. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

SECTION 19. Amendment. The terms of this Site Lease shall not be waived, altered, modified, supplemented or amended in any manner whatsoever, except by written instrument signed by the Authority and the County, with the prior written consent of the Treasurer.

SECTION 20. Waste. The Authority agrees that at all times that it is in possession of the Leased Premises, it will not commit, suffer or permit any waste on the Leased Premises, and that it will not willfully or knowingly use or permit the use of the Leased Premises for any illegal purpose or act.

SECTION 21. Further Assurances and Corrective Instruments. The County and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises leased or intended to be leased hereunder or for carrying out the expressed intention of this Site Lease and the Sublease.

SECTION 22. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Authority shall be solely liabilities of the Authority as a joint powers authority, and the County hereby releases each and every director and officer of the Authority of and from any personal or individual liability under this Site Lease. No director or officer of the Authority shall at any time or under any circumstances be individually or personally liable under this Site Lease to the County or to any other party whomsoever for anything done or omitted to be done by the Authority hereunder.

All liabilities under this Site Lease on the part of the County shall be solely liabilities of the County, and the Authority hereby releases each and every member of the Board of Supervisors, officer and employee of the County of and from any personal or individual liability under this Site Lease. No member of the Board of Supervisors, officer or employee of the County shall at any time or under any circumstances be individually or personally liable under this Site Lease to the Authority or to any other party whomsoever for anything done or omitted to be done by the County hereunder.

IN WITNESS WHEREOF, the parties have caused this Site Lease to be executed by their duly authorized officers on the date and year first above written.

COUNTY OF STANISLAUS, as Lessor

By: _____
Chief Executive Officer

ATTEST:

Clerk to the Board of Supervisors

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY,
as Lessee

By: _____
Chairman

ATTEST:

Secretary

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed under the foregoing to the Stanislaus County Capital Improvements Financing Authority (the "Authority"), a body corporate and politic, is hereby accepted by the undersigned officer or agent on behalf of the Board of the Authority, pursuant to authority conferred by resolution of the said Board adopted on July 16, 2013, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2013

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY,
as Lessee

By: _____
Chairman

ATTEST:

Secretary

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF THE LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

Gallo Center for the Arts

12th Street Office Building (832 12th Street)

12th Street Parking Garage

EXHIBIT B

DESCRIPTION OF IMPROVEMENTS INCLUDED IN LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

All improvements located on the real property described in Exhibit A for the Salida Library.

Gallo Center for the Arts

All improvements located on the real property described in Exhibit A for Gallo Center for the Arts.

12th Street Office Building

Floors 3, 4 and 5 of the office building located at 832 12th Street on the real property described in Exhibit A for the 12th Street Office Building and all of the County's rights in the common areas of the building.

12th Street Parking Garage

All improvements located on the real property described in Exhibit A for the 12th Street Parking Garage.

Attachment

4

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, CA 92660)
Attn: Robert J. Whalen, Esq.)

[Space above for Recorder's use]

ASSIGNMENT AND PURCHASE AGREEMENT

by and between

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY,

as assignor

and

TREASURER/TAX COLLECTOR OF THE COUNTY OF STANISLAUS,

acting on behalf of the Stanislaus County Treasury Pool, as assignee

Relating to

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

Dated as of August 1, 2013

NO DOCUMENTARY TRANSFER TAX DUE. This Assignment Agreement is recorded for the benefit of the County of Stanislaus and the recording is fee-exempt under Section 27383 of the California Government Code.

ASSIGNMENT AND PURCHASE AGREEMENT
(Series 2004A and 2004B Certificates of Participation Refinancing)

THIS ASSIGNMENT AND PURCHASE AGREEMENT, dated as of August 1, 2013 and effective as of the date of recordation hereof (this "Assignment Agreement"), is made by and between **STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY**, a California joint powers authority (the "Assignor"), as assignor, and the **TREASURER/TAX COLLECTOR OF THE COUNTY OF STANISLAUS**, acting on behalf of the Stanislaus County Treasury Pool (the "Assignee"), as assignee.

W I T N E S S E T H:

WHEREAS, the Assignor and the County of Stanislaus (the "County") have entered into a Site Lease, dated as of August 1, 2013 (the "Site Lease"), pursuant to which the County agreed to lease certain real property, together with certain of the improvements located thereon, located in the County of Stanislaus, California, as more particularly described in Exhibits A and B thereto (the "Leased Premises") to the Assignor; and

WHEREAS, the County and the Assignor have entered into a Facilities Sublease, dated as of August 1, 2013 (the "Sublease"), pursuant to which the Assignor has agreed to lease the Leased Premises to the County, in consideration for which the County has agreed to pay Base Rental Payments and Additional Rental, all as more particularly described in the Sublease; and

WHEREAS, for valuable consideration to be paid by the Assignee, the Assignor desires to sell, assign and transfer all of its right, title and interest in and to the Site Lease and the Sublease (subject to certain exceptions as set forth in Section 2 below) to the Assignee on the terms and conditions set forth herein;

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

SECTION 1. Definitions. All capitalized terms used herein without definition shall have the meanings given to such terms in the Sublease.

SECTION 2. Assignment. As consideration for the receipt of \$_____ paid to it by the Assignee (the "Purchase Price"), the Assignor does hereby sell, assign and transfer to the Assignee, all of the Assignor's rights, title and interest in and to the Site Lease and the Sublease (excepting only the Assignor's rights to receive indemnification and payments under Section 11 of the Sublease, referred to herein as the "Reserved Rights"), including the Assignor's right to receive Base Rental Payments, as well as its rights to enforce payment of such Base Rental Payments when due or otherwise to protect its interest in the event of a default or termination by the County under the Sublease, in accordance with the terms thereof.

SECTION 3. Agreement to Purchase and Acceptance of Assignment. The Assignee hereby agrees to purchase and accepts the assignment of all of the Assignor's rights, title and interest in and to the Site Lease and the Sublease, except for the Reserved Rights.

SECTION 4. No Additional Rights or Duties. This Assignment Agreement shall not confer any rights upon the Assignee beyond those expressly provided in the Site Lease and the Sublease, nor impose any duties, obligation or responsibilities upon the Assignee. This Assignment Agreement shall not impose any duties, obligations or responsibilities upon the Assignor or the County beyond those expressly provided in the Site Lease and the Sublease or as otherwise set forth herein.

SECTION 5. No Subsequent Sale or Assignment by the Assignee. The Assignee's right, title and interest in and to the Site Lease, the Sublease and this Agreement may not be further sold or assigned by the Assignee either in whole or in part.

SECTION 6. Further Assurances. The Assignor will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and to assure and confirm to the Assignee the rights and benefits intended to be conveyed pursuant hereto.

SECTION 7. Amendments. This Assignment Agreement may be amended by an instrument in writing executed by the Assignor and the Assignee, with the written consent of the County.

SECTION 8. Governing Law; Venue. This Assignment Agreement is made in the State of California under the Constitution and laws of the State of California and is to be so construed. If any party to this Assignment Agreement initiates any legal or equitable action to enforce the terms of this Assignment Agreement, to declare the rights of the parties under this Assignment Agreement or which relates to this Assignment Agreement in any manner, each such party agrees that the place of making and for performance of this Assignment Agreement shall be the County of Stanislaus, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the County of Stanislaus.

SECTION 9. Consideration Paid by Assignee. The parties acknowledge that the recordation of this Assignment Agreement will evidence that the Assignee has paid the Purchase Price referenced in Section 2 above as consideration for the execution of this Assignment Agreement by the Assignor and the assignment of rights set forth herein. Such amount shall be paid by the Assignee in accordance with instructions to be delivered to the Assignee by the County.

SECTION 10. Counterparts. This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the date first above written.

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY, as
assignor

By: _____
Title: Chairman

ATTEST:

By: _____
Title: Secretary

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURE PAGE CONTINUED]

TREASURER-TAX COLLECTOR OF THE
COUNTY OF STANISLAUS, acting on behalf of the
Stanislaus County Treasury Pool, as assignee

By: _____
Title: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California,
described as follows:

Salida Library

Gallo Center for the Arts

12th Street Office Building (832 12th Street)

12th Street Parking Garage

ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)

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

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

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

CLOSING MEMORANDUM

Time and Place

The pre-closing will take place at the offices of Stradling Yocca Carlson & Rauth, 660 Newport Center Drive, Suite 1600, Newport Beach, California 92660 at 1:00 p.m., on Wednesday, July 31, 2013. Closing will take place at 8:00 a.m., on Thursday, August 1, 2013 via telephone.

Parties

| | |
|----------------------------|---|
| Issuer | Monica Nino, Chief Executive Officer County of Stanislaus |
| Issuer's Counsel | John P. Doering, County Counsel Dean Wright, Deputy Counsel Thomas E. Boze, Deputy County Counsel County of Stanislaus |
| Bond Counsel | Robert J. Whalen, Esq. Carol L. Lew, Esq. Stradling Yocca Carlson & Rauth |
| Financial Advisor | David Leifer Bobby Cheung Sujay Umashankar KNN Public Finance |
| Purchaser | Gordon Ford Stanislaus County Treasurer/Tax Collector |
| COI Custodian/Escrow Agent | Karen Yu The Bank of New York Mellon Trust Company, N.A. |

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

INDEX OF DOCUMENTS

FINANCING DOCUMENTS

1. Site Lease dated as of August 1, 2013, by and between the County and the Authority, as recorded with the County Recorder
2. Facilities Sublease, dated as of August 1, 2013, by and between the Authority and the County, as recorded with the County Recorder
3. Assignment and Purchase Agreement, dated as of August 1, 2013, by and between the Authority and the Stanislaus County Treasurer/Tax Collector (the "Treasurer"), as recorded with the County Recorder
4. 2004 Escrow Agreement, dated as of August 1, 2013, by and between the County and The Bank of New York Mellon Trust Company, N.A., as escrow agent

DOCUMENTS RELATED TO 2004A AND 2004B CERTIFICATES

5. Termination Agreement (2004A), dated as of August 1, 2013, among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee with respect to the 2004A Certificates
6. Termination Agreement (2004B), dated as of August 1, 2013, among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee with respect to the 2004B Certificates
7. Officer's Certificate Re Incumbency
8. Prior Trustee's Acknowledgement of Release and Satisfaction of 2004A and 2004B Certificates
9. Evidence of Filing Notice of Defeasance with EMMA (2)

DOCUMENTS DELIVERED BY OR ON BEHALF OF THE COUNTY

10. Resolution No. 2013-353 of the Board of Supervisors entitled "A Resolution of the Board of Supervisors of the County of Stanislaus Authorizing the Execution and Delivery of Certain Documents and Authorizing Certain Actions in Connection Therewith in Order to Refinance the County of Stanislaus Series 2004A and Series 2004B Certificates of Participation," adopted July 16, 2013, together with Certificate of Clerk; Minutes.
11. Incumbency and Signature Certificate of the County

12. Instructions to Treasurer and BNY Relating to Payment of Purchase Price and Disbursement of Funds
13. Closing Certificate of the County
14. Certificate of the County Regarding Compliance With Insurance Requirements of the Facilities Sublease; Evidence of Insurance
15. Fair Rental Value Certificate

DOCUMENTS DELIVERED BY OR ON BEHALF OF THE AUTHORITY

16. Resolution No. 2013-01 of the Board of Directors of the Authority entitled "A Resolution of the Stanislaus County Capital Improvements Financing Authority Authorizing the Execution and Delivery of Certain Documents and Authorizing Certain Actions in Connection Therewith in Order to Refinance the County of Stanislaus Series 2004A and Series 2004B Certificates of Participation," adopted July 16, 2013, together with Certificate of Secretary; Minutes.
17. Incumbency and Signature Certificate of the Authority
18. Certificate Regarding Effectiveness of Joint Exercise of Powers Agreement, together with certified copy of Joint Exercise of Powers Agreement; Initial Notice; Statement of Facts Roster of Public Agencies Filing (Updated)
19. Closing Certificate of the Authority

LEGAL OPINIONS

20. Opinion of Special Counsel
21. Reliance Letter of Special Counsel to the Treasurer/Tax Collector
22. Defeasance Opinions (2)
23. Opinion of County Counsel addressed to the County and the Treasurer/Tax Collector
24. Opinion of County Counsel, as Counsel to the Authority, addressed to the County and the Treasurer/Tax Collector
25. Opinion of Counsel to the Escrow Agent

MISCELLANEOUS DOCUMENTS

26. Closing Certificate of the Escrow Agent
27. Receipt of Escrow Agent and COI Custodian
28. Treasurer's Certificate

29. Verification Report
30. Costs of Issuance Custodian Agreement, dated as of August 1, 2013, between the County and The Bank of New York Mellon Trust Company, N.A.
31. Distribution List



Stanislaus, County Recorder
Lee Lundrigan Co Recorder Office
DOC- 2013-0065988-00

RECORDING REQUEST BY:)
County of Stanislaus)
AND WHEN RECORDED MAIL TO:)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attention: Robert J. Whalen, Esq.)

Acct 402-Counter Customers
Thursday, AUG 01, 2013 10:18:59
Ttl Pd \$0.00 Rcpt # 0003413555
OLD/R2/1-14

[Space above for Recorder's use.]

This document is recorded for the benefit of the County of Stanislaus, and the recording is fee exempt under Section 27383 of the Government Code.

SITE LEASE

between

COUNTY OF STANISLAUS

and

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY
COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

Dated as of August 1, 2013

1445

SITE LEASE

(Series 2004A and 2004B Certificates of Participation Refinancing)

This Site Lease is made and entered into as of August 1, 2013, by and between the COUNTY OF STANISLAUS, a political subdivision of the State of California (the "State") duly organized and existing under and by virtue of the laws of the State, as lessor (the "County"), and the STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State, as lessee (the "Authority").

W I T N E S S E T H :

WHEREAS, the County has entered into this Site Lease (the "Site Lease") with the Authority for the purpose of leasing the real property described in Exhibit A hereto and the improvements thereon as and to the extent described in Exhibit B hereto (such real property and improvements are together referred to herein as the "Leased Premises"), to the Authority, as lessee hereunder; and

WHEREAS, the County intends to sublease the Leased Premises from the Authority, pursuant to the terms of that certain Facilities Sublease, dated the date hereof, between the Authority and the County (the "Sublease") in order to obtain funds to refund and prepay the outstanding portion of the County of Stanislaus Certificates of Participation (2004A Capital Improvement Projects) Series 2004A and the County of Stanislaus Certificates of Participation (2004B Capital Improvement Projects) Series 2004B (such portion being referred to herein as the "Prior Certificates"), which refunding will lower the County's costs of financing and provide a benefit to the County; and

WHEREAS, by resolution of the Board of Supervisors of the County, the County has duly authorized the execution and delivery of this Site Lease;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration, it is hereby mutually agreed as follows:

SECTION 1. Definitions. Unless the context otherwise requires, the capitalized terms herein which are not defined herein shall have the meanings specified in the Sublease.

SECTION 2. Sublease of the Leased Premises; Substitution. The County hereby leases to the Authority and the Authority hereby leases from the County the Leased Premises, on the terms and conditions hereinafter set forth, subject to any easements, encumbrances and restrictions of record.

The County reserves the right at any time to substitute other real property and improvements for all or a portion of the Leased Premises, upon compliance with the provisions of Section 15 of the Sublease (a "Substitution"). In the event of such Substitution, the parties hereto agree to execute the appropriate documents evidencing the termination of the Authority's right hereunder in the prior Leased Premises, or any portion thereof, and its acceptance of an interest in the new Leased Premises, such documents to include the replacement of Exhibits A and B hereto with new Exhibits A and B accurately describing the substitute real property and any improvements thereon. The Authority shall not be entitled to any offset, abatement or reduction in rental hereunder as a result of any Substitution.

SECTION 3. Term. The term of this Site Lease shall commence as of the date hereof and shall remain in effect until the earlier of August 1, 2017 or the date of expiration of the Sublease as provided for by Section 2 thereof, unless such term is sooner terminated as hereinafter provided, however, if the term of the Sublease is extended pursuant to Section 2 of the Sublease, the term of this Site Lease shall also be extended, except that the term of this Site Lease shall in no event extend beyond August 1, 2027.

SECTION 4. Rental. The Authority, or any assignee or successor in interest of the Authority under this Site Lease, shall pay upon execution and delivery of this Site Lease to the County as and for rental hereunder, the sum of \$19,540,000 by causing such amount to be deposited with The Bank of New York Mellon Trust Company, N.A., as trustee for the Prior Certificates (the "Trustee"), which amount will be applied, together with other funds held by the Trustee, to prepay the Prior Certificates in whole. As additional consideration for the leasing of the Leased Premises to it, the Authority shall execute and deliver the Sublease. The Authority hereby waives any right that it may have under the laws of the State of California to receive a rebate of any rent paid hereunder in full or in part in the event there is a substantial interference with the use and right of possession by the Authority or its sublessee of the Leased Premises or any portion thereof as a result of material damage, destruction or condemnation.

SECTION 5. Purpose. The Authority shall sublease back the Leased Premises to the County pursuant to the Sublease for the purposes described in the Sublease and for such purposes as may be incidental thereto.

SECTION 6. Representations, Warranties and Covenants. The County represents and warrants that it is the owner in fee of the Leased Premises. The Authority covenants that it shall not encumber the Leased Premises except for Permitted Encumbrances.

SECTION 7. Sale and Assignment by Authority. The County acknowledges and consents to the sale and assignment by the Authority of its right, title and interest in and to this Site Lease to the Treasurer/Tax Collector of the County (the "Treasurer"), under the terms of the Assignment and Purchase Agreement, dated as of the date hereof, by and between the Authority and the Treasurer. No other sale or assignment of any rights hereunder shall be permitted without the consent of the County.

SECTION 8. Actions on Termination. The Authority agrees, upon the termination of this Site Lease, to quit and surrender the Leased Premises in the same good order and condition as they were in at the time the real property then constituting the Leased Premises became subject to this Site Lease, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the real property comprising the Leased Premises at the time of the termination of this Site Lease shall remain thereon and all interest therein shall vest in the County free and clear of any interest of the Authority.

SECTION 9. Quiet Enjoyment. The Authority at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Premises, subject only to Permitted Encumbrances.

SECTION 10. Default. In the event the Authority shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following written notice to and demand for correction thereof by the County, the County

may exercise any and all remedies granted by law which do not adversely affect the interests of the Treasurer as assignee of the Authority; provided that the County may not terminate this Site Lease and shall exercise only remedies providing for specific performance hereunder.

SECTION 11. Taxes. The County covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Premises.

SECTION 12. Eminent Domain. In the event the whole or any part of the Leased Premises is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the total amount of the unpaid Principal Components of the Base Rental Payments under the Sublease.

SECTION 13. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 14. Applicable Law. This Site Lease shall be governed by and construed in accordance with the laws of the State.

SECTION 15. Representatives. Whenever under the provisions of this Site Lease the approval of the Authority or the County is required, or the Authority or the County is required to take some action at the request of the other, such approval or such request shall be given for the Authority by an authorized officer of the Authority and for the County by a County Representative and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 16. Notices. All notices or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid:

If to the County:

County of Stanislaus
1010 10th Street, Suite 6800
Modesto, California 95354
Attention: Chief Executive Officer

If to the Authority:

Stanislaus County Capital Improvements Financing Authority
1010 10th Street, Suite 6800
Modesto, California 95354
Attention: Chairman

The Authority and the County, by notice given hereunder, may designate different addresses to which subsequent notices or other communications will be sent.

SECTION 17. Captions. The captions or headings in this Site Lease are for convenience only and in no way define, limit or describe the scope or intent of any provision or section of this Site Lease.

SECTION 18. Execution in Counterparts. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

SECTION 19. Amendment. The terms of this Site Lease shall not be waived, altered, modified, supplemented or amended in any manner whatsoever, except by written instrument signed by the Authority and the County, with the prior written consent of the Treasurer.

SECTION 20. Waste. The Authority agrees that at all times that it is in possession of the Leased Premises, it will not commit, suffer or permit any waste on the Leased Premises, and that it will not willfully or knowingly use or permit the use of the Leased Premises for any illegal purpose or act.

SECTION 21. Further Assurances and Corrective Instruments. The County and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises leased or intended to be leased hereunder or for carrying out the expressed intention of this Site Lease and the Sublease.

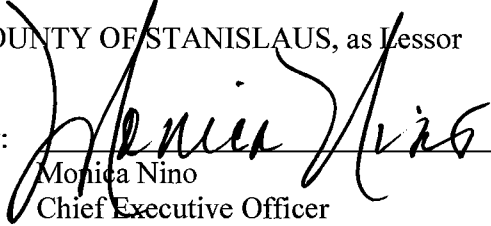
SECTION 22. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Authority shall be solely liabilities of the Authority as a joint powers authority, and the County hereby releases each and every director and officer of the Authority of and from any personal or individual liability under this Site Lease. No director or officer of the Authority shall at any time or under any circumstances be individually or personally liable under this Site Lease to the County or to any other party whomsoever for anything done or omitted to be done by the Authority hereunder.

All liabilities under this Site Lease on the part of the County shall be solely liabilities of the County, and the Authority hereby releases each and every member of the Board of Supervisors, officer and employee of the County of and from any personal or individual liability under this Site Lease. No member of the Board of Supervisors, officer or employee of the County shall at any time or under any circumstances be individually or personally liable under this Site Lease to the Authority or to any other party whomsoever for anything done or omitted to be done by the County hereunder.

IN WITNESS WHEREOF, the parties have caused this Site Lease to be executed by their duly authorized officers on the date and year first above written.

COUNTY OF STANISLAUS, as Lessor

By: _____


Monica Nino
Chief Executive Officer

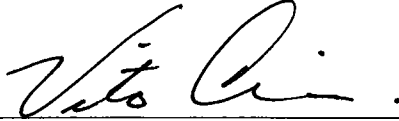
ATTEST:



Christine Ferraro Tallman
Clerk of the Board of Supervisors

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY,
as Lessee

By: _____


Vito Chiesa
Chairman

ATTEST:



Christine Ferraro Tallman
Secretary

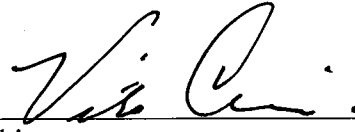
CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed under the foregoing to the Stanislaus County Capital Improvements Financing Authority (the "Authority"), a body corporate and politic, is hereby accepted by the undersigned officer or agent on behalf of the Board of the Authority, pursuant to authority conferred by resolution of the said Board adopted on July 16, 2013, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: July 30, 2013

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY,
as Lessee

By: _____



Vito Chiesa
Chairman

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

On July 30 2013 before me, Melissa A Parikh, Notary Public, personally appeared Vito Chiesa, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal

Melissa A Parikh
SIGNATURE OF NOTARY PUBLIC



STATE OF CALIFORNIA

COUNTY OF STANISLAUS

On July 30, 2013 before me, Melissa A Parikh, Notary Public, personally appeared Monica Nino, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal

Melissa A Parikh
SIGNATURE OF NOTARY PUBLIC



EXHIBIT A

LEGAL DESCRIPTION OF THE LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

PARCEL 1:

PARCEL 2 AS SHOWN UPON THAT CERTAIN PARCEL MAP FILED DECEMBER 04, 1978 IN VOLUME 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPTING THEREFROM THAT PORTION OF LAND GRANTED TO THE STATE OF CALIFORNIA BY THAT CERTAIN GRANT DEED RECORDED AUGUST 23, 2007 AS INSTRUMENT NO. 2007-0108284-00, STANISLAUS COUNTY OFFICIAL RECORDS

PARCEL 2:

30 FOOT WIDE ACCESS EASEMENT DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF PARCEL "C" AS SHOWN ON THE MAP FILED IN BOOK 6 OF PARCEL MAPS, AT PAGE 47, STANISLAUS COUNTY RECORDS AND THAT PORTION OF PARCEL "1" AS SHOWN ON THE MAP FILED IN BOOK 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, LYING IN SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST CORNER OF SAID PARCEL "C" BEING ON THE SOUTHEASTERLY LINE OF EAST BROADWAY; THENCE NORTH 46° 57' 11" EAST, 13.85 FEET ALONG SAID SOUTHEASTERLY LINE TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 950.00 FEET AND A CENTRAL ANGLE OF 0° 57' 38"; THENCE NORTHEASTERLY 15.93 FEET ALONG THE ARC OF SAID CURVE AND SAID SOUTHEASTERLY LINE OF EAST BROADWAY THENCE SOUTH 42° 51' 39" EAST, 239.01 FEET PARALLEL WITH AND 30.00 FEET NORTHEASTERLY OF THE SOUTHWEST LINE OF SAID PARCEL "C"; THENCE SOUTH 10° 32' 10" EAST, 217.02 FEET TO THE SOUTHEAST LINE OF SAID PARCEL "1"; THENCE SOUTH 53° 24' 02" WEST, 33.40 FEET ALONG SAID SOUTHEAST LINE; THENCE NORTH 10° 32' 10" WEST, 223.41 FEET TO THE SOUTH CORNER OF SAID PARCEL "C"; THENCE NORTH 42° 51' 39" WEST, 230.00 FEET ALONG THE SOUTHWEST LINE OF SAID PARCEL "C" TO THE POINT OF BEGINNING, BY DOCUMENT RECORDED FEBRUARY 08, 1980 IN VOLUME 3287 OF OFFICIAL RECORDS, AT PAGE 224, AS INSTRUMENT NO. 49878.

APN: 135-053-006

Gallo Center for the Arts

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

THOSE PORTIONS OF LOTS 1 THROUGH 32, INCLUSIVE OF BLOCK 69 AS SHOWN ON THE MAP OF THE CITY OF MODESTO BLOCK 69, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, TOGETHER WITH THE ALLEY WAY IN BLOCK 69 AS ABANDONED BY RESOLUTION NO. 2003-156 RECORDED FEBRUARY 11, 2004 AS INSTRUMENT NO. 2004-0019219, OF OFFICIAL RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY MOST CORNER OF LOT 1 AS SHOWN ON SAID MAP OF CITY OF MODESTO, THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF BLOCK 69 TO THE INTERSECTION OF SAID NORTHEASTERLY LINE OF BLOCK 69 AND THE NORTHEASTERLY PROJECTION OF THE NORTHWESTERLY EXTERIOR FACE OF AN EXISTING BUILDING, SAID POINT ALSO BEING THE POINT OF BEGINNING OF THE ADJUSTED PARCEL B AS DESCRIBED BY THE COUNTY OF STANISLAUS LOT LINE ADJUSTMENT ENTITLED "GALLO ARTS CENTER"; THENCE SOUTH 46° 29' 12" WEST 113.74 FEET ALONG SAID PROJECTION TO THE WESTERLY MOST CORNER OF SAID EXTERIOR FACE OF AN EXISTING BUILDING; THENCE SOUTH 43° 33' 37" EAST 187.60 FEET ALONG THE SOUTHWESTERLY MOST EXTERIOR FACE OF AN EXISTING BUILDING TO A POINT ON THE SOUTHEASTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 46° 27' 57" WEST 186.73 FEET ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 69 TO THE SOUTHERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 43° 29' 30" WEST 400.21 FEET ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 69 TO THE WESTERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 46° 27' 55" EAST 300.20 FEET ALONG THE NORTHWESTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 69 TO THE POINT OF BEGINNING.

FURTHER DESCRIBED AS "ADJUSTED PARCEL B" OF THE CITY OF MODESTO CERTIFICATE OF APPROVAL OF LOT-LINE ADJUSTMENT, RECORDED APRIL 29, 2004 AS INSTRUMENT NO. 2004-0063453, OF OFFICIAL RECORDS.

APN: 105-039-014

12th Street Office Building Units 3, 4 and 5 (832 12th Street)

PARCEL ONE:

UNITS 3, 4 AND 5 AS DESCRIBED IN THAT CERTAIN "AMENDED AND RESTATED ENABLING DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP IN THE 12TH STREET OFFICE BUILDING PROJECT" TOGETHER WITH THE CONDOMINIUM PLAN ATTACHED THERETO AS EXHIBIT "B" DATED AUGUST 28, 2007 AND RECORDED ON SEPTEMBER 20, 2007, AS INSTRUMENT NO. 2007-0118661-00, OF

THE OFFICIAL RECORDS OF STANISLAUS COUNTY, STATE OF CALIFORNIA ("DECLARATION AND PLAN").

THE INTEREST DESCRIBED HEREIN SHALL REVERT TO THE COUNTY OF STANISLAUS AT MIDNIGHT ON JUNE 30, 2106 AND TITLE TO THE PROPERTY SHALL THEREAFTER VEST IN THE COUNTY OF STANISLAUS. ON SAID DATE, ALL OWNERSIDP INTERESTS IN THE 12TH STREET OFFICE BUILDING PROJECT SHALL REVERT TO STANISLAUS COUNTY, AND THE DECLARATION AND PLAN SHALL TERMINATE.

SUBJECT TO THE DECLARATION AND PLAN.

PARCEL TWO:

AN UNDIVIDED ONE SIXTH (1/6) INTEREST IN THE COMMON AREA AS DEFINED IN PARAGRAPH 1.14 OF THE CONDOMINIUM DECLARATION REFERRED TO IN PARCEL ONE ABOVE.

PARCEL THREE:

AN UNDIVIDED ONE QUARTER (1/4) INTEREST IN THE RESTRICTED USE SYSTEMS "B" (OR "RUS-B") AS SHOWN ON THE CONDOMINIUM DECLARATION REFERRED TO IN PARCEL ONE ABOVE.

PARCEL FOUR:

A NON EXCLUSIVE EASEMENT FOR PEDESTRIAN USE AND ENJOYMENT OVER THE ASSOCIATION COMMON AREA AS DEFINED IN PARAGRAPH 1.07 OF THE DECLARATION REFERRED TO IN PARCEL ONE ABOVE, TOGETHER WITH ALL APPURTENANT RIGHTS, TITLE AND INTERESTS AS SPECIFIED IN THE CONDOMINIUM DECLARATION BEING LOCATED WITHIN THE BOUNDARIES OF THE FOLLOWING DESCRIBED PARCEL OF LAND (THE "LAND") LYING ABOVE THE ELEVATION OF 81.17 FEET (CITY OF MODESTO VERTICAL DATUM):

ALL THAT PORTION OF LOTS 28 - 32 OF BLOCK 94 AS SHOWN ON THE MAP OF THE CITY OF MODESTO, BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43°29'30" EAST 123.50 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46°8'44" EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43°9'35" EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 17,285 SQUARE FEET MORE OR LESS.

THE ABOVE DESCRIBED PARCEL BEING A THE SAME AS "ADJUSTED PARCEL B" AS SET FORTH IN THAT CERTAIN "LOT LINE ADJUSTMENT QUITCLAIM DEED", RECORDED MAY 2, 2006, RECORDER'S SERIES NO. 2006-0066924, OFFICIAL RECORDS OF STANISLAUS COUNTY, CALIFORNIA.

APN I 05-024-014- Unit 3
APN 105-024-015- Unit4
APN 105-024-016- Unit 5

12th Street Parking Garage

ALL THAT PORTION OF LOTS 17 THROUGH 28 OF BLOCK 94 AS SHOWN ON THE MAP OF CITY OF MODESTO BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, AT PAGE 1, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43° 29' 30" EAST 123.59 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46° 28' 44" EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43° 29' 35" EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 38,717 SQUARE FEET, MORE OR LESS.

APN: 105-024-010

EXHIBIT B

DESCRIPTION OF IMPROVEMENTS INCLUDED IN LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

All improvements located on the real property described in Exhibit A for the Salida Library.

Gallo Center for the Arts

All improvements located on the real property described in Exhibit A for Gallo Center for the Arts.

12th Street Office Building

Units 3, 4 and 5 of the office building located at 832 12th Street on the real property described in Exhibit A for the 12th Street Office Building and all of the County's rights in the common areas of the building.

12th Street Parking Garage

All improvements located on the real property described in Exhibit A for the 12th Street Parking Garage.



Stanislaus, County Recorder
Lee Lundrigan Co Recorder Office
DOC- 2013-0065989-00

Acct 402-Counter Customers
Thursday, AUG 01, 2013 10:19:06
Ttl Pd \$0.00 Rcpt # 0003413556
OLD/R2/1-35

REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attn: Robert J. Whalen, Esq.)

[Space above for Recorder's use]

FACILITIES SUBLEASE

by and between

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY,
as Authority

and

COUNTY OF STANISLAUS, CALIFORNIA,
as County

Relating to

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

Dated as of August 1, 2013

NO DOCUMENTARY TRANSFER TAX
DUE. This Facilities Sublease is recorded for
the benefit of the County of Stanislaus and the
recording is fee-exempt under Section 27383
of the California Government Code.

3500

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FACILITIES SUBLEASE

(Series 2004A and 2004B Certificates of Participation Refinancing Refinancing)

This FACILITIES SUBLEASE, dated as of August 1, 2013 (this "Sublease"), is made by and between STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint powers authority organized and existing under the laws of the State of California (the "Authority"), as sublessor, and the COUNTY OF STANISLAUS (the "County"), a political subdivision of the State of California duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "State"), as sublessee.

WITNESSETH:

WHEREAS, the County has previously financed various capital improvements through the execution and delivery of its Certificates of Participation (2004 Capital Improvement Projects) Series 2004A (the "2004A Certificates") and its Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "2004B Certificates" and together with the 2004A Certificates, the "Prior Certificates) and is able to refund and prepay the Prior Certificates at this time with significant savings to the County (the "2004 Refinancing");

WHEREAS, the County and the Authority have entered into a Site Lease (as hereinafter defined), pursuant to which the County has leased to Authority certain real property, as more particularly described in Exhibit "A" hereto, located in the County of Stanislaus, California, together with certain of the improvements located thereon, as more particularly described in Exhibit "B" hereto (collectively, the "Leased Premises");

WHEREAS, the County has determined that, in order to accomplish the 2004 Refinancing, it is necessary and desirable to sublease the Leased Premises pursuant to this Sublease; and

WHEREAS, the Authority is simultaneously providing for the sale and assignment of certain of its rights, title and interest in and to the Site Lease and this Sublease to the Treasurer/Tax Collector of the County (the "Treasurer") pursuant to an Assignment and Purchase Agreement, dated as of August 1, 2013 (the "Assignment Agreement");

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

SECTION 1. DEFINITIONS; REPRESENTATIONS, WARRANTIES AND COVENANTS.

SECTION 1.1 Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Sublease, have the meanings as set forth below.

"Additional Rental" means the amounts specified as such in Section 3.1(b) hereof.

"Applicable Environmental Laws" means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health &

Safety Code sections 25300 et seq.; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern (1) the existence, cleanup, and/or remedy of contamination on property, (2) the protection of the environment from spilled, deposited, or otherwise emplaced contamination, (3) the control of hazardous wastes, or (4) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.

"Assignment Agreement" means the Assignment and Purchase Agreement dated as of August 1, 2013 by and between the Authority to the Treasurer.

"Authority" means Stanislaus County Capital Improvements Financing Authority, its successors and assigns.

"Authority Resolution" means the resolution approving the execution of this Sublease, adopted at a regular meeting of the Board of Directors of the Authority on July 16, 2013.

"Base Rental" means the amounts specified as such in Section 3.1(a) hereof, as such amounts may be adjusted from time to time in accordance with the terms hereof, but does not include Additional Rental.

"Base Rental Payments" means the periodic payments of Base Rental to be paid by the County in accordance with Section 3.1(a) hereof, the amounts for which are set out in Exhibit "C" hereto.

"Business Day" means a day other than a Saturday, Sunday or legal holiday or a day on which the Treasurer is not open to the public to transact business.

"Closing Date" means August 1, 2013.

"County" means the County of Stanislaus, California.

"County Representative" means the Chief Executive Officer, any Assistant Chief Executive Officer or any Deputy Chief Executive Officer of the County, or such officials' designee, or other official designated by the Board of Supervisors of the County and authorized to act on behalf of the County under or with respect to this Sublease and all other agreements related hereto.

"County Resolution" means the resolution approving the execution of this Sublease, adopted by the Board of Supervisors of the County of Stanislaus on July 16, 2013.

"Fiscal Year" means the fiscal year of the County, which at the date of this Sublease is the period from July 1 to and including the following June 30.

"Hazardous Substance" any substance that shall, at any time, be listed as "hazardous" or "toxic" in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the facilities, wastes, petroleum, and source, special nuclear, or

by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.)

“Independent Counsel” means an attorney or firm of attorneys of recognized national standing in the field of municipal finance selected by the County.

“Interest Component” means the portion of any Base Rental Payment attributable to interest as indicated in Exhibit “C” hereto.

“Leased Premises” means the real property and improvements subleased hereunder by the Authority to the County as further described in Exhibits “A” and “B” hereto.

“Permitted Encumbrances” means as of any particular time: (1) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the County may, pursuant to Section 4.2 hereof, permit to remain unpaid; (2) the Assignment Agreement, as it may be amended from time to time; (3) this Sublease, as it may be amended from time to time; (4) the Site Lease, as it may be amended from time to time; (5) any right or claim of any mechanic, laborer, materialman, supplier or vendor filed or perfected in the manner prescribed by law after the Closing Date which is being contested by the County in accordance with Section 4.4 hereof; (6) the Amended and Restated Enabling Declaration Establishing a Plan for Condominium Ownership in 12th Street Office Building Project, Dated August 28, 2007, recorded September 20, 2007 as Instrument No. 2007-0118661-00 in the Official Records of Stanislaus County; (7) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Closing Date and which the County certifies in writing on the Closing Date will not materially impair the use of the Leased Premises for its intended purpose; (8) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the Closing Date, or existing on any real property substituted for the Leased Premises, to which the Treasurer and the County consent in writing and which the County certifies will not materially impair the use of the Leased Premises or real property substituted for the Leased Premises, as the case may be for its intended purpose and will not, in and of itself, result in abatement of Rental Payments hereunder; and (9) any other encumbrances or subleases expressly permitted under this Sublease.

“Principal Component” means, the portion of any Base Rental Payment attributable to principal as indicated in Exhibit “C” hereto.

“Treasurer” means the Treasurer/Tax Collector of the County.

“Rental Payments” means, collectively, the Base Rental and Additional Rental due hereunder.

“Site” means the real property described from time to time in Exhibit A hereto, as such Exhibit A may be amended and supplemented from time to time in accordance with the provisions of this Sublease.

“Site Lease” means the Site Lease dated as of August 1, 2013 by and between the County, as lessor, and the Authority, as lessee, together with all amendments thereto.

“Sublease” means this Facilities Sublease, including any amendments or supplements hereto.

“Sublease Term” means the term of this Sublease, as provided in Section 2 hereof.

“Sublease Year” means the period from the Closing Date to August 1, 2014, and thereafter the period from each August 2 to and including the following August 1, during the Sublease Term.

SECTION 1.2 Representations, Warranties and Covenants of the County. The County represents, warrants and covenants as follows:

(a) The County is a political subdivision of the State of California duly organized and operating pursuant to the Constitution and laws of the State of California and has all necessary power and authority to adopt the County Resolution and to enter into and perform its duties under this Sublease and the Site Lease. The County Resolution has been adopted and has not been rescinded, and this Sublease and the Site Lease constitute legal, valid and binding obligations of the County enforceable against the County in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if equitable remedies are sought.

(b) The adoption of the County Resolution and the execution and delivery of this Sublease and the Site Lease, and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default under, the County’s duties under this Sublease, the Site Lease, the County Resolution or any law, administrative regulation, court decree, resolution, by-laws or other agreement to which the County is subject or by which it or any of its property is bound.

(c) Except as may be required under blue sky or other securities laws of any state, or with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the County, other than the approval and authorization of the Board of Supervisors, required for the adoption of the County Resolution and execution and delivery of this Sublease and the Site Lease or the consummation by the County of the other transactions contemplated by the County Resolution, this Sublease or the Site Lease.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the County, threatened against the County to restrain or enjoin the delivery of the payments to be made pursuant to the Sublease, or in any way contesting or affecting the validity of this Sublease, the Site Lease or the County Resolution, or contesting the powers of the County to enter into or perform its obligations under any of the foregoing, or which, if determined adversely to the County, would have a material adverse effect on the County’s ability to perform its obligations under any of the foregoing.

(e) By official action of the County prior to the execution hereof, the County 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, this Sublease and the Site Lease and the consummation by it of all other transactions contemplated by this Sublease and the Site Lease.

(f) The County is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any 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 which breach or default would have a material and adverse impact on the County's ability to perform its obligations under this Sublease and the Site Lease, 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.

(g) The County represents that it is not, and has not been at any time, in default as to principal or interest with respect to any indebtedness for borrowed money issued or guaranteed by it, or as to lease payments in connection with certificates of participation.

(h) The Leased Premises are integral for performing the County's governmental functions and during the term of this Sublease will be used by the County only for the purpose of performing one or more essential functions of the County.

(i) No existing lien or encumbrance on the Leased Premises materially impairs the County's use of the Leased Premises.

(j) The Leased Premises are not located in a flood hazard area or flood zone and have never been subject to material damage from flooding.

SECTION 1.3 Authority Representations, Warranties and Covenants. The Authority represents, warrants and covenants as follows:

(a) The Authority is a joint powers authority duly organized and validly existing pursuant to the laws of the State of California and has all necessary power and authority to adopt the Authority Resolution and enter into and perform its duties under this Sublease, the Site Lease and the Assignment Agreement; the Authority Resolution has been adopted and has not been rescinded; and this Sublease, the Site Lease and the Assignment Agreement constitute legal, valid and binding obligations of the Authority in accordance with their respective terms except as enforcement against the Authority may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought.

(b) The adoption of the Authority Resolution and the execution and delivery of this Sublease, the Site Lease and the Assignment Agreement and compliance with the provisions thereof, will not in any material respect conflict with, or constitute a breach of or default of, the Authority's duties under this Sublease, the Site Lease, the Assignment Agreement, the Authority Resolution or any law, administrative regulation, court decree, resolution, charter, by-laws or other agreement to which the Authority is subject or by which it or any of its property is bound.

(c) Except as may be required under blue sky or other securities laws of any state, or except with respect to any permits or approvals heretofore received which are in full force and effect, there is no consent, approval, authorization or other order of, or filing with, or certification by, any governmental authority, board, agency or commission or other regulatory authority having jurisdiction over the Authority, required for the adoption of the Authority Resolution and the execution and delivery of this Sublease, the Site Lease and the Assignment

Agreement or the consummation by the Authority of the other transactions contemplated by the Authority Resolution, this Sublease, the Site Lease and the Assignment Agreement.

(d) There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the knowledge of the Authority, threatened against the Authority to restrain or enjoin the execution and delivery of this Sublease, the Site Lease and the Assignment Agreement, or in any way contesting or affecting the validity of the this Sublease, the Site Lease and the Assignment Agreement, the Authority Resolution or contesting the powers of the Authority to enter into or perform its obligations under any of the foregoing.

(e) By official action of the Authority prior to the execution hereof, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in this Sublease, the Site Lease and the Assignment Agreement and the consummation by it of all other transactions contemplated by the Authority Resolution, this Sublease, the Site Lease and the Assignment Agreement.

(f) The Authority is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States or any 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 which breach or default would have a material and adverse impact on the Authority's ability to perform its obligations under this Sublease, the Site Lease and the Assignment Agreement, 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.

SECTION 2. SUBLEASE TERM; TRANSFER OF TITLE TO COUNTY.

The Authority hereby subleases the Leased Premises to the County, and the County hereby subleases the Leased Premises from the Authority and agrees to pay the Base Rental and the Additional Rental as provided herein for the use and occupancy of the Leased Premises, all on the terms and conditions set forth herein. The term of this Sublease shall begin on the Closing Date and end on the earliest of (a) August 1, 2017, (b) such earlier date as the County shall have paid all Principal Components of Base Rental and other amounts payable hereunder, or (c) the date of termination of this Sublease due to casualty or condemnation in accordance with the terms of Section 5 or 6 hereof; provided, however, that if, on August 1, 2017, all Interest Components, Principal Components and Additional Rental shall not have been fully paid by the County as a result of a default in payment or an abatement in payments in accordance with Section 3.5, then County may optionally prepay all such amounts on such date and this Sublease will terminate or, if no such election is made, then the term of this Sublease shall be extended and, subject to the abatement provisions in Section 3.5 hereof, the County shall continue to make Base Rental Payments on each February 1 and August 1 in the amount of the Base Rental Payment due on August 1, 2017 and to pay Additional Rental in accordance with Section 3.1(b) hereof until all such amounts are paid, except in no event shall the term of this Sublease be extended beyond August 1, 2027.

Upon the expiration of the term of this Sublease, all of the Authority's right, title and interest in the Leased Premises shall be transferred directly to the County, free and clear of any interest of the Authority.

SECTION 3. RENT.

SECTION 3.1 Rental Payments. The County hereby agrees, subject to the terms hereof, to pay to the Authority and the Treasurer, as applicable, the Base Rental and Additional Rental in the amounts, at the times and in the manner hereinafter set forth, such amounts constituting in the aggregate the rent payable under this Sublease.

(a) **Base Rental.** The County agrees to pay, from legally available funds, Base Rental on the date and in the amounts set forth in Exhibit "C" hereto, the Principal Components of which are attributable to principal payable to the Treasurer and the Interest Components of which are attributable to interest payable to the Treasurer as determined in accordance with the terms of such Exhibit. The Base Rental Payments payable by the County shall be due on each February 1 and August 1 during the Sublease Term. Base Rental payable on each February 1 and August 1 shall be in consideration of the use and occupancy of the Leased Premises during the prior six months.

The obligation of the County to pay Base Rental shall commence on the Closing Date.

(b) **Additional Rental.** In addition to the Base Rental set forth herein, the County agrees to pay as Additional Rental all of the following:

(i) All taxes and assessments of any nature whatsoever levied upon the Leased Premises or upon any interest of the Authority therein or in this Sublease; and

(ii) Insurance premiums, if any, on all insurance required under the provisions of Section 4.3 hereof.

Amounts constituting Additional Rental payable hereunder shall be paid by the County directly to the person or persons to whom such amounts shall be payable. The County shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Treasurer (as assignee of the Authority) or the Authority to the County stating the amount of Additional Rental then due and payable and the purpose thereof.

SECTION 3.2 Consideration. The payments of Base Rental and Additional Rental under this Sublease for each Sublease Year or portion thereof during the Sublease Term shall constitute the total rental for such Sublease Year or portion thereof and shall be paid by the County for and in consideration of the right of use and occupancy, and the continued quiet use and enjoyment, of the Leased Premises by the County for and during such Sublease Year or portion thereof. The parties hereto have determined and agreed that such total annual rental is not in excess of the total annual fair rental value of the Leased Premises. In making such determination, consideration has been given to the costs of acquisition and financing of the Leased Premises, the uses and purposes served by the Leased Premises, and the benefits therefrom that will accrue to the parties by reason of this Sublease and to the general public by reason of the County's use of the Leased Premises and to the fair rental value as determined in an independent appraisal commissioned by the County.

SECTION 3.3 Budget. The County hereby covenants to take such action as may be necessary to include all Base Rental and Additional Rental due hereunder in its annual budget and to make the necessary annual appropriations for all such Base Rental and Additional Rental, subject to Section 3.5 hereof. The obligation of the County to make Base Rental Payments or Additional Rental

payments does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation or for which the County has levied or pledged any form of taxation. The obligation of the County to make Base Rental Payments or Additional Rental payments does not constitute an indebtedness of the County, the State or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

SECTION 3.4 **Payment.** Base Rental and any Additional Rental owed to the Treasurer shall be paid by the County to the Treasurer (as assignee of the Authority) on the dates set forth in Section 3.1 hereof in lawful money of the United States of America. Except as provided in Section 3.5 hereof, any amount necessary to pay any Base Rental and any Additional Rental payments owed to the Treasurer, or portion thereof which is not so paid, shall remain due and payable until received by the Treasurer. Notwithstanding any dispute between the County and the Authority, the County shall make all Rental Payments when due and shall not withhold any Rental Payments pending the final resolution of such dispute or for any other reason whatsoever. The County's obligation to make Rental Payments in the amount on the terms and conditions specified hereunder shall be absolute and unconditional without any right of set-off or counterclaim, subject only to the provisions of Section 3.5 hereof.

SECTION 3.5 **Rental Abatement.** Except to the extent of amounts, if any, received in respect of rental interruption insurance, Rental Payments due hereunder shall be subject to abatement in accordance with this Section 3.5 during any period in which, by reason of material damage, destruction or condemnation of the Leased Premises or any portion thereof, or defects in title to the Leased Premises, there is substantial interference with the use and right of possession by the County of the Leased Premises or any portion thereof. The amount of rental abatement shall be such that the resulting Rental Payments in any Sublease Year during which such interference continues, excluding any amounts received in respect of rental interruption insurance, do not exceed the fair rental value of the portions of the Leased Premises as to which such damage, destruction, condemnation or title defect does not substantially interfere with the use and right of possession of the County, as reasonably determined by the County and evidenced by a certificate of the County. Such abatement shall continue for the period commencing with the date of such damage, destruction, condemnation or discovery of such title defect and ending with the restoration of the Leased Premises or portion thereof to tenantable condition or correction of the title defect. In the event of any such damage, destruction, condemnation or title defect, this Sublease shall continue in full force and effect, except as set forth in Sections 5 and 6 hereof.

SECTION 3.6 **Triple Net Sublease.** This Sublease is intended to be a triple net lease. The County agrees that the rentals provided for herein shall be an absolute net return to the Authority and its assignee free and clear of any expenses, charges or set-offs whatsoever.

SECTION 3.7 **Prepayment.** The County shall have the right to prepay the aggregate Principal Components of Base Rental payable hereunder in whole or in part, on any date in the event of casualty, title defects or a taking of all or a portion of the Leased Premises pursuant to eminent domain as described in Section 5 or 6 hereof, in an amount equal to 100% of the Principal Components to be prepaid, plus the proportionate amount of the Interest Components accrued to the date of prepayment, plus any Additional Rental due as of the prepayment date.

SECTION 4. AFFIRMATIVE COVENANTS OF THE AUTHORITY AND THE COUNTY.

The Authority and the County are entering into this Sublease in consideration of among other things, the following covenants:

SECTION 4.1 Replacement, Maintenance and Repairs. The County shall, at its own expense, during the Sublease Term maintain the Leased Premises, or cause the same to be maintained, in good order, condition and repair, to the extent that it has lawfully available funds which have been appropriated by the Board of Supervisors for such purpose, and shall repair or replace any portion of the Leased Premises which is destroyed or damaged to such an extent that there is substantial interference with the use and right of possession by the County of the Leased Premises or any portion thereof which would result in an abatement of Rental Payments or any portion thereof pursuant to Section 3.5 hereof; provided, however, that the County shall not be required to repair or replace any such portion of the Leased Premises pursuant to this Section 4.1 if insurance proceeds or other legally available funds shall be applied in an amount sufficient to prepay (i) the outstanding Principal Component of the Base Rental Payments (as specified in Exhibit "C"), or (ii) any portion of the outstanding Principal Component of the Base Rental Payments such that the fair rental value of the remaining Leased Premises is not less than the resulting Rental Payments due in any Sublease Year following such partial prepayment.

The County shall provide or cause to be provided all security service, custodial service, janitorial service and other services necessary for the proper upkeep and maintenance of the Leased Premises. It is understood and agreed that in consideration of the payment by the County of the Rental Payments herein provided for, the County is entitled to occupy the Leased Premises and no other party shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Leased Premises during the Sublease Term. The Authority shall not be required at any time to make any improvements, alterations, changes, additions, repairs or replacements of any nature whatsoever in or to the Leased Premises. The County hereby expressly waives the right to make repairs or to perform maintenance of the Leased Premises at the expense of the Authority and (to the extent permitted by law) waives the benefit of Sections 1932, 1941 and 1942 of the Civil Code of the State relating thereto. The County shall keep the Leased Premises free and clear of all liens, charges and encumbrances other than those existing on or prior to the Closing Date and covered by the exceptions and exclusions set forth in the title policies delivered pursuant to Section 4.3 hereof, any liens on improvements, fixtures, equipment or personal property placed on the Leased Premises by the County in accordance with Section 8 hereof, and any liens of mechanics, materialmen, suppliers, vendors or other persons or entities for work or services performed or materials furnished in connection with the Leased Premises which are not due and payable or the amount, validity or application of which is being contested in accordance with Section 4.4 hereof.

SECTION 4.2 Taxes, Other Governmental Charges and Utility Charges. The Authority and the County contemplate that the Leased Premises will be used for a governmental or proprietary purpose of the County and, therefore, that the Leased Premises will be exempt from all taxes which might otherwise be assessed and levied with respect to the Leased Premises. Nevertheless, the County hereby agrees to pay during the Sublease Term, as the same respectively become due, all taxes (except for income or franchise taxes of the Authority), utility charges and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Premises; provided however, that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, the County shall be obligated to pay only such installments as are accrued during such time as this Sublease is in effect; provided, further, that the County may contest in good faith the validity or application of any tax, utility charge or governmental charge in any reasonable manner which does not, in the opinion of counsel, adversely affect the right, title and interest of the Authority in and to any portion of the Leased Premises or its rights or interests under this Sublease or subject any portion of the Leased Premises to loss or forfeiture. Any such taxes

or charges shall constitute Additional Rental under Section 3.1(b) hereof and shall be payable directly to the entity assessing such taxes or charges.

SECTION 4.3 Insurance.

(a) Public Liability and Property Damage Insurance; Workers' Compensation Insurance.

(i) The County shall maintain or cause to be maintained, throughout the term of this Sublease, a standard comprehensive general liability insurance policy or policies in protection of the County, the Authority and their respective members, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or ownership of the Leased Premises. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in a single accident or event, and in a minimum amount of \$500,000 for damage to property (subject to a deductible clause of not to exceed \$100,000) resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the County.

(ii) The County shall maintain or cause to be maintained, throughout the term of this Sublease, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the County in connection with the Leased Premises and to cover full liability for compensation under any such act; provided, however, that the County's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 4.3(b) hereof.

(iii) The County shall maintain or cause to be maintained, throughout the term of this Sublease, casualty insurance insuring structures constituting part of the Leased Premises against fire, lightning and all other risks covered by an extended coverage endorsement excluding earthquake and flood, to the full insurable value of such structures, subject to a \$100,000 loss deductible provision, unless some other deductible is acceptable to the Treasurer. The County's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 4.3(b) hereof.

(iv) The County shall maintain or cause to be maintained, throughout the term of this Sublease, rental interruption insurance to cover the Treasurer's loss, total or partial, of Base Rental Payments resulting from the loss, total or partial, of the use of any part of the Leased Premises as a result of any of the hazards required to be covered pursuant to subsection (iii) of this Section in an amount equal to lesser of (i) the amount sufficient at all times to pay an amount not less than the product of two times the maximum Base Rental Payment scheduled to be paid in the current or any future period during the Sublease Term, or (ii) such lesser amount as may be agreed to by the Treasurer.

Such rental interruption insurance shall be payable for a period adequate to cover the period of repair or reconstruction, but not to exceed two years. The County shall not be permitted to self-insure its obligation under this subsection.

(v) All policies or certificates of insurance provided for in this Section 4.3(a) shall name the County as a named insured, and, with the exception of workers' compensation insurance, the Authority and the Treasurer as additional insureds. All policies or certificates of insurance maintained under clauses (iii) and (iv) above shall name the County as loss payee, and the proceeds of such insurance shall be deposited with the County for application pursuant to Section 5 hereof. The County agrees to provide to the Treasurer, on request, certificates of insurance evidencing the coverages required by this Sublease. The County covenants to maintain adequate cash reserves to pay the amount of any deductible it is required to pay. Notwithstanding the generality of the foregoing (with the exception of the rental interruption insurance required by clause (iv) above), the County shall not be required to maintain or cause to be maintained more insurance than is specifically referred to above.

(b) Self-Insurance. Insurance provided through a California joint powers authority of which the County is a member or with which the County contracts for insurance shall not be deemed to be self-insurance for purposes hereof. Any self-insurance maintained by the County pursuant to this Section shall comply with the following terms, except to the extent that the Treasurer shall waive any of such terms:

(i) in the case of property insurance described in (iii) above, the self-insurance program shall be approved in writing by the Treasurer;

(ii) the self-insurance program shall be reviewed and analyzed by an independent insurance consultant ("Independent Insurance Consultant");

(iii) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim shall be paid, the adequacy of each such fund shall be evaluated on an annual basis by the Independent Insurance Consultant and any deficiencies in any self-insured claims reserve fund shall be remedied in accordance with the recommendations of the aforementioned Independent Insurance Consultant; and

(iv) in the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund, as determined by the Independent Insurance Consultant, shall be maintained.

SECTION 4.4 Liens. The County shall promptly pay or cause to be paid all sums of money that may become due for any labor, services, materials, supplies or equipment alleged to have been furnished or to be furnished to or for, in, upon or about the Leased Premises and which may be secured by any mechanic's, materialman's or other lien against the Leased Premises, or the interest of the Authority therein, and shall cause each such lien to be fully discharged and released; provided, however, that the County or the Authority (i) may contest any such claim or lien without payment thereof so long as such non-payment and contest stays execution or enforcement of the lien, but if such lien is reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not stayed, or if stayed and the stay thereafter expires, then and in any such event the County shall forthwith pay and discharge such judgment or lien, or (ii) delay payment

without contest so long as and to the extent that such delay will not result in the imposition of any penalty or forfeiture.

SECTION 4.5 Laws and Ordinances.

(a) General. The County agrees to observe and comply in all material respects with all rules, regulations and laws applicable to the County with respect to the Leased Premises and the operation thereof. The cost, if any, of such observance and compliance shall be borne by the County, and the Authority shall not be liable therefor.

(b) Hazardous Materials. The County shall not use or permit the Leased Premises or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Leased Premises, including, but not limited to, diesel storage tanks related to the operation of the generators on the Leased Premises, and done only in compliance with all Applicable Environmental Laws, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the release or threat of release of Hazardous Materials on, from or beneath the Leased Premises or onto any other Leased Premises excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of a political subdivision and those used in the underground storage tanks relating to the fueling facility and the generators, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Applicable Environmental Laws. Upon the occurrence of any release or threat of release of Hazardous Materials, the County shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Authority or the Treasurer, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released, on, from or beneath the Leased Premises or other property, in compliance with all Applicable Environmental Laws. Notwithstanding anything to the contrary contained herein, underground storage tanks are permitted so long as they comply with subsection (c).

(c) The County shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair, and replace such tanks only in accordance with all Applicable Environmental Laws.

SECTION 4.6 Prohibition Against Encumbrance or Sale. The County and the Authority will not create or suffer to be created any mortgage, pledge, lien, charge or encumbrance upon the Leased Premises, except Permitted Encumbrances. The County and the Authority will not sell, lease or otherwise dispose of or abandon the Leased Premises or any property essential to the proper operation of the Leased Premises, except as otherwise provided herein.

SECTION 5. INSURANCE.

SECTION 5.1 Application of Insurance Proceeds.

(a) General. Proceeds of insurance (other than rental interruption insurance) received by the County in respect of destruction of or damage to any portion of the Leased Premises by fire or other casualty or event shall be applied by the County to, the cost of repair or replacement of the Leased Premises or portion thereof, unless the County pays to the Treasurer the amount necessary to prepay the Principal Components of Base Rental Payments in an aggregate principal amount equal to the Principal Components of the Base Rental Payments attributable to such damaged or destroyed portion of the Leased Premises and the Base Rental with respect to the remaining portion of the Leased Premises is sufficient to pay the Principal Components and Interest Components of the Base Rental Payments to remain outstanding after the date on which any Principal Component of Base Rental Payments to be prepaid is prepaid.

The proceeds of any insurance (other than rental interruption insurance), received by the County in respect of destruction of or damage to any portion of the Leased Premises by fire or other casualty or event, not applied to repairing or replacing such damaged or destroyed property, shall forthwith be applied to the prepayment of the Principal Components of Base Rental Payments outstanding. Any insurance proceeds in excess of the amount needed to either repair or replace a damaged or destroyed portion of the Leased Premises or to prepay the Principal Components of Base Rental Payments outstanding shall be remitted to the County.

The proceeds of rental interruption insurance shall be used to pay Base Rental Payments.

(b) If there is an abatement of Rental Payments pursuant to Section 3.5 hereof as a result of such casualty or event, and the County elects to apply such insurance proceeds and such other sums as are deposited by the County pursuant to such section to the prepayment of the Principal Components of Base Rental outstanding rather than replacing or repairing the destroyed or damaged portion of the Leased Premises, then this Sublease shall terminate with respect to the destroyed or damaged portion of the Leased Premises as of the date the amount of such insurance is applied to such prepayment.

SECTION 5.2 Application of Title Insurance and Condemnation Proceeds. Proceeds of any policy of title insurance or condemnation award received by the County in respect of the Leased Premises shall be applied and disbursed by the County as follows:

(a) If the County determines that the title defect or condemnation giving rise to such proceeds has not materially affected the use and occupancy of the Leased Premises and will not result in an abatement of Rental Payments payable by the County under the Sublease, such proceeds shall be remitted to the County.

(b) If the County determines that such title defect will result in an abatement of Rental Payments payable by the County under the Sublease or in the case of a condemnation will result in a termination of this Sublease or an abatement due to a partial condemnation, then the County shall apply such proceeds to the prepayment of the Principal Components of Base Rental Payments outstanding prior to the event causing the abatement.

SECTION 6. EMINENT DOMAIN.

SECTION 6.1 Total Condemnation. If the Leased Premises, or so much thereof as to render the remainder of the Leased Premises unusable for the County's purposes under this Sublease, shall be taken under the power of eminent domain, then this Sublease shall terminate as of the day possession shall be so taken, or, if the County is the condemnor, then this Sublease shall terminate as of the date of entry of a judgment or interlocutory judgment regarding the subleasehold interest in the Leased Premises. Any award made in eminent domain proceedings for the taking shall be paid to the County for application in accordance with the provisions of Section 5.2 hereof.

SECTION 6.2 Partial Condemnation. If less than a substantial portion of the Leased Premises shall be taken under the power of eminent domain, and the remainder is useable for the County's purposes, then this Sublease shall continue in full force and effect as to the remaining portions of the Leased Premises subject only to such rental abatement as is required by Section 3.5 hereof. The County and the Authority hereby waive the benefit of any law to the contrary. Any award made in eminent domain proceedings for the taking shall be paid to the County for application in accordance with the provisions of Section 5.2 hereof.

SECTION 7. ASSIGNMENT AND SUBLEASE.

The County shall not mortgage, pledge, assign or transfer any interest of the County in this Sublease by voluntary act or by operation of law, or otherwise; provided, however, that the County may sublease all or any portion of the Leased Premises, and may grant concessions to others involving the use of any portion of the Leased Premises, whether such concessions purport to convey a leasehold interest or a license to use a portion of the Leased Premises; provided that any sublease or concessions must at all times be subject and subordinate to this Sublease. The County shall at all times remain liable for the performance of the covenants and conditions on its part to be performed under this Sublease, notwithstanding any subletting or granting of concessions which may be made. Nothing herein contained shall be construed to relieve the County of its obligation to pay Base Rental and Additional Rental as provided in this Sublease or to relieve the County of any other obligations contained herein.

The Authority shall, concurrently with the execution hereof, assign all of its right, title and interest in and to this Sublease (except for its right to payment of its expenses under Section 3.1(b) hereof and its right to indemnification pursuant to Section 11 hereof), including without limitation its right to receive Rental Payments payable hereunder, to the Treasurer pursuant to the Assignment Agreement, and the County hereby approves such assignment. The parties hereto further agree to execute any and all documents necessary and proper in connection therewith.

SECTION 8. ADDITIONS AND IMPROVEMENTS.

The County shall have the right during the Sublease Term to make any additions or improvements to the Leased Premises, to attach fixtures, structures or signs, and to affix any personal property to the Leased Premises, so long as the fair rental value of the Leased Premises is not thereby reduced below the Rental Payments payable under this Sublease. Title to all fixtures, equipment or personal property placed by the County on the Leased Premises shall remain in the County. Title to any personal property, improvements or fixtures placed on the Leased Premises by any County or licensee of the County shall be controlled by the sublease or license agreement between such County

or licensee and the County, which sublease or license agreement shall not be inconsistent with this Sublease.

SECTION 9. RIGHT OF ENTRY.

Representatives of the Authority shall, subject to reasonable security precautions, have the right to enter upon the Leased Premises during reasonable business hours (and in emergencies at all times) (i) to inspect the same, (ii) for any purpose connected with the rights or obligations of the Authority under this Sublease, or (iii) for all other lawful purposes. The County hereby grants an easement to the Authority to enter upon any property of the County which is adjacent to the Leased Premises in order to enter upon the Leased Premises pursuant to this Section 9.

SECTION 10. QUIET ENJOYMENT.

The Authority covenants and agrees that the County, upon keeping and performing the covenants and agreements herein contained, shall, at all times during the Sublease Term, peaceably and quietly have, hold, and enjoy the Leased Premises.

SECTION 11. INDEMNIFICATION AND HOLD HARMLESS AGREEMENT.

The County shall, to the full extent permitted by law, indemnify, protect, hold harmless, save and keep harmless the Authority and its directors, officers and employees from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of (i) the entering into of this Sublease; (ii) any accident in connection with the operation, use, condition or possession of the Leased Premises or any portion thereof resulting in damage to property or injury to or death to any person including, without limitation, any claim alleging latent and other defects, whether or not discoverable by the County or the Authority; (iii) the failure to comply with any Applicable Environmental Laws or the use, presence, storage, disposal or release of any Hazardous Substances on or about the Leased Premises; (iv) patent, trademark or copyright infringement; and (v) strict liability in tort. The indemnification arising under this Section 11 shall continue in full force and effect notwithstanding the full payment of all obligations hereunder or the termination hereof for any reason. The County and the Authority mutually agree to promptly give notice to each other of any claim or liability hereby indemnified against following the learning thereof by such party. However, notwithstanding anything to the contrary in this Sublease, this Section 11 provides no indemnity for liability, obligations, losses, claims, or damages caused by the Authority's gross negligence or willful misconduct, and the County shall not indemnify the Authority for the same.

SECTION 12. DEFAULT BY COUNTY.

(a) Events of Default. The following shall be "events of default" under this Sublease and the terms "event of default" and "default" shall mean, whenever they are used in this Sublease, any one or more of the following events:

(i) the County shall fail to pay any Base Rental Payment required to be paid pursuant to Section 3.1(a) hereof by the close of business on the day such payment is required pursuant to Section 3.1(a) hereof;

(ii) the County shall fail to pay any item of Additional Rental as and when the same shall become due and payable pursuant to Section 3.1(b) hereof and shall fail to pay such Additional Rental within a period of 30 days after written notice thereof from the Authority to the County;

(iii) the County shall breach any other terms, covenants or conditions contained herein, and shall fail to remedy any such breach with all reasonable dispatch within a period of 30 days after written notice thereof from the Authority to the County, or, if such breach cannot be remedied within such 30-day period, shall fail to institute corrective action within such 30-day period and diligently pursue the same to completion;

(iv) The County shall fail to maintain insurance as required under Section 4.3;

(v) Any material statement, representation or warranty of the County pursuant to this Sublease or in connection with its execution shall have been false, incorrect or misleading in any material respect when made; or

(vi) The County shall become insolvent or be unable to pay its debts and perform its obligations as the same become due, or the County shall be the subject of bankruptcy, insolvency or receivership proceedings under any applicable law.

(b) Remedies on Default. The Authority shall have the right, at its option, or upon the direction of the Treasurer without any further demand or notice, (1) to terminate this Sublease or to keep this Sublease in full force and effect, and in either event, to reenter the Leased Premises and eject all parties in possession therefrom, and relet the Leased Premises as the agent and for the account of the County upon such terms and conditions as the Authority may deem advisable, in which event the rents received on such re-letting shall be applied first to the expenses of reletting and collection, including expenses necessary for repair or restoration of the Leased Premises to its original condition (taking into account normal wear and tear), reasonable attorneys' fees and any real estate commissions actually paid, and second to the payment of Base Rental and Additional Rental in accordance with this Sublease, and if a sufficient sum shall not be thus realized to pay such sums and other charges, then, if this Sublease shall not have been terminated, the County shall pay to the Authority any net deficiency existing on the date when Base Rental or Additional Rental is due hereunder; or (2) in lieu of the above, so long as the Authority does not terminate the County's right to possession, this Sublease shall continue in effect and the Authority shall have the right to enforce all of its rights and remedies under this Sublease, including the right to recover Base Rental Payments and Additional Rental payments as they become due under this Sublease pursuant to Section 1951.4 of the California Civil Code.

The County hereby waives and agrees to hold the Authority and its assignee harmless from any and all claims for damages caused, or which may be caused, by the Authority, or its assignee, lawfully entering and taking possession of the Leased Premises, other than damages caused by the negligence of the Authority, or its assignee. The County agrees that the terms of this Lease constitute full and sufficient notice of the right of the Authority, or its assignee, to re-enter the Leased Premises for purposes of terminating this Lease and, alternatively, to enter upon and re let the Leased Premises in the event of such reentry without effecting a surrender of this Lease.

In the event the Authority, or its assignee, elects to terminate this Lease, the County agrees to surrender immediately possession of the Leased Premises and to pay the Authority, or its assignee, all damages recoverable at law that the Authority, or its assignee, may incur by reason of default by the County, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any re-entry upon the Leased Premises by the Authority, or its duly authorized agents in accordance with such termination. In the event of a default, the County further agrees to reimburse the Authority, and its assignee, for any cost or expense, including attorneys' fees, incurred by the Authority or its assignee in connection with the exercise by the Authority, or its assignee, of the remedies hereunder.

(c) In addition to the other remedies set forth above, upon the occurrence of an event of default, the Authority is entitled to proceed to protect and enforce the rights vested in the Authority by this Sublease or by law. The provisions of this Sublease and the duties of the County and of its supervisors, officers or employees are enforceable by the Authority by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Authority shall have the right to bring the following actions:

(i) Accounting. By action or suit in equity to require the County and its supervisors, officers and employees and its assigns to account as the trustee of an express trust.

(ii) Injunction. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Authority.

(iii) Mandamus. By mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's rights against the County (and its board, officers and employees) and to compel the County to perform and carry out its duties and obligations under the law and its covenants and agreements with the County as provided herein.

(d) The County acknowledges and agrees that the rights and remedies of this Section 12 are being assigned by the Authority to the Treasurer pursuant to the Assignment Agreement and that all rights and remedies exercisable by the Authority hereunder shall, with the same force and effect, be exercised solely by the Treasurer. In furtherance thereof, the Authority hereby irrevocably appoints the Treasurer as the agent and attorney-in-fact of the Authority for the purposes of exercising any of the remedies hereunder.

Except as expressly waived herein, each and every remedy of the Authority hereunder or at law shall be available to any assignee of the rights of the Authority hereunder and is cumulative, and the exercise of one remedy shall not impair the right of the Authority or its assignee to any or all other remedies. If any statute or rule validly shall limit the remedies given to the Authority or any assignee of the rights of the Authority hereunder, the Authority or its assignee nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law, except as otherwise expressly provided herein.

The Authority or any assignee of the rights of the Authority hereunder shall not exercise its remedies hereunder so as to cause the portion of Base Rental Payments designated as and comprising interest to be included in gross income for Federal income tax purposes or to be subject to State personal income taxes. Notwithstanding any other provision of this Sublease to the contrary, in no event shall the Authority or any assignee of the rights of the Authority hereunder have the right to accelerate the payment of any Base Rental hereunder.

SECTION 13. WAIVER.

The waiver by the Authority of any breach by the County, and the waiver by the County of any breach by the Authority of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant or condition hereof.

SECTION 14. DISCLAIMER OF WARRANTIES.

Neither the Authority nor any person acting on its behalf has made or makes any warranty or representation as to the past, present or future condition of the leased premises not herein expressed, and the County has entered into this sublease without representations or warranties with respect thereto on the part of the Authority, its agents, representatives or employees.

SECTION 15. SUBSTITUTION AND RELEASE OF LEASED PREMISES.

This Sublease and the Site Lease may be modified or amended at any time, with the prior written consent of the Treasurer (which consent shall not be unreasonably withheld, if such amendment is to correct any error in the description of the Leased Premises) or to release from this Sublease and the Site Lease any portion of the Leased Premises (which consent shall be at the Treasurer's sole discretion), or to substitute other real property and improvements (the "Substituted Property") for the Leased Premises (which consent shall be at the Treasurer's sole discretion); and provided, however, that the County shall have filed with the Authority and the Treasurer all of the following:

(a) Executed copies of the Sublease and the Site Lease or amendments thereto containing the amended legal description of the Leased Premises;

(b) Evidence that copies of the Sublease, the Site Lease and the Assignment Agreement or amendments thereto containing the amended legal description of the Leased Premises have been duly recorded in the official records of the County Recorder of the County of Stanislaus;

(c) A certificate of the County Representative that (i) the annual fair rental value of the property which will constitute the Leased Premises after such release or substitution will be at least equal to 100% of the maximum amount of Base Rental Payments and Additional Rental becoming due in the then current Sublease Year or in any subsequent Sublease Year (assuming for purposes of such calculation that the Additional Rental in each future Sublease Year will be equal to the Additional Rental in the current Sublease Year), (ii) any substitute property has a useful life greater than the Sublease Term; (iii) any substitute property is integral for performing the County's governmental functions, (iv) there is no event that has occurred and is continuing that would give rise to an abatement of Rental Payments with respect to the Leased Premises, as constituted, after such release or substitution, and (v) no event of default under this Sublease has occurred and is continuing;

(d) A certificate of the County Representative setting forth the fair replacement value of the property which will constitute the Leased Premises after such release or substitution and evidencing that such fair replacement value is equal to or greater than the sum of the then unpaid Principal Components of Base Rental Payments as set forth in Exhibit "B" hereto;

(e) In the case of substitution of property for the then existing Leased Premises, evidence that the County has obtained a CLTA Owner's policy or policies, or a commitment or

commitments for such policies. Each such insurance instrument, when issued, shall insure such substituted property subject only to such exceptions as do not substantially interfere with the County's right to use and occupy such substituted property and as will not result in an abatement of Rental Payments payable by the County under this Sublease;

(f) An opinion of counsel stating that such amendment or modification (i) is authorized or permitted by the Constitution and laws of the State and by this Sublease; (ii) complies with the terms of the Constitution and laws of the State and of this Sublease; and (iii) will, upon the execution and delivery thereof, be valid and binding upon the Authority and the County in accordance with its terms; and

(g) Such other or additional information and documents as the Treasurer may reasonably require to evidence the value of the Leased Premises following such release of substitution including without limitation an insurance valuation or third party appraisal.

SECTION 16. NOTICES.

All notices, requests, demands and other communications under this Sublease shall be in writing (unless otherwise specified herein) and shall be sufficiently given on the date of service if served personally upon the person to whom notice is to be given or on receipt if sent by telex or other telecommunication facility or courier or, if mailed by first-class mail, postage prepaid, and properly addressed as follows:

To the County:

Stanislaus County
1010 10th Street, Suite 2500
Modesto, CA 95354
Attention: Chief Executive Officer
Phone: (209) 525-6333
Fax: (209) 544-6226

To the Authority:

Stanislaus County Capital Improvements Financing Authority
c/o County of Stanislaus
1010 10th Street, Suite 6800
Modesto, CA 95354
Attention: Chairman

To the Treasurer:

Treasurer/Tax Collector of the County of Stanislaus
1010 10th Street, Suite 6800
Modesto, CA 95354
Attention: Treasurer
Phone: (209) 525-6388
Fax: (209) 525-7868

or to such other address or addresses as any such person shall have designated to the others by notice given in accordance with the provisions of this Section 16.

SECTION 17. VALIDITY.

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

If for any reason this Sublease shall be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Authority or by the County, or if for any reason it is held by such a court that any of the covenants and agreements of the County hereunder, including the covenant to pay Base Rental and Additional Rental hereunder, is unenforceable for the full term hereof, then and in such event for and in consideration of the right of the County to possess, occupy and use the Leased Premises, which right in such event is hereby granted, this Sublease shall thereupon become and shall be deemed to be a lease from year to year under which the annual Base Rental Payments and Additional Rental payments herein specified will be paid by the County.

SECTION 18. LAW GOVERNING; VENUE.

This Sublease is made in the State under the Constitution and laws of the State and is to be so construed. If any party to this Sublease initiates any legal or equitable action to enforce the terms of this Sublease, to declare the rights of the parties under this Sublease or which relates to this Sublease in any manner, each such party agrees that the place of making and for performance of this Sublease shall be the County of Stanislaus, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the County of Stanislaus.

SECTION 19. AMENDMENT.

The Sublease may be amended in writing by agreement between the Authority and the County, with the consent in writing of the Treasurer. The Site Lease may be amended in writing by agreement between the Authority and the County, with the consent in writing of the Treasurer. Notwithstanding the foregoing, the Site Lease, the Sublease and the rights and obligations provided thereby may also be modified or amended at any time without the consent of the Treasurer, upon the written agreement of the parties thereto, but only (1) for the purpose of curing any ambiguity or omission relating thereto, or of curing, correcting or supplementing any defective provision contained in the Site Lease or the Sublease, (2) to modify or amend the description of the Leased Premises pursuant to Section 15 of the Sublease or (3) for any other reason, provided that such modification or amendment does not materially adversely affect the interests of the Treasurer; provided however, that the Authority and the County may rely in entering into any such amendment or modification thereof upon the opinion of counsel stating that the requirements of this sentence have been met with respect to such amendment or modification.

SECTION 20. EXCESS PAYMENTS.

Notwithstanding anything contained herein to the contrary, if for any reason, including but not limited to damage, destruction, condemnation, transfer, sale or disposition, the County or the

Treasurer receive payments, proceeds or awards with respect to the Leased Premises in excess of the amount necessary to pay or prepay all of the Outstanding Principal Components of Base Rental Payments, such excess shall represent the County's equity interest in the Leased Premises and shall all be paid to the County.

SECTION 21. NO MERGER.

If both the Authority's and the County's estate under this or any other lease relating to the Leased Premises or any portion thereof shall at any time or for any reason become vested in one owner, this Sublease and the estate created hereby shall not be destroyed or terminated by the doctrine of merger unless the County so elects as evidenced by recording a written declaration so stating, and, unless and until the County so elects, the County shall continue to have and enjoy all of its rights and privileges as to the separate estates.

SECTION 22. FURTHER ASSURANCES AND CORRECTIVE INSTRUMENTS.

The County and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Premises leased hereby or intended to be so leased or for carrying out the expressed intention of this Sublease.


SECTION 23. EXECUTION IN COUNTERPARTS.

This Sublease may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same agreement.

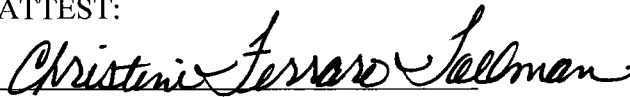
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IN WITNESS WHEREOF, the parties hereto have executed this Sublease as of the date first above written.

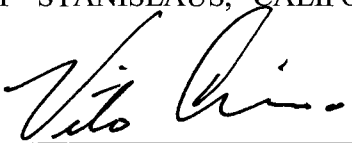
STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY, as
Authority

By: 
Vito Chiesa
Chairman


ATTEST:


Christine Ferraro Tallman
Secretary

COUNTY OF STANISLAUS, CALIFORNIA, as
County

By: 
Vito Chiesa
Chairman

ATTEST:


Christine Ferraro Tallman
Clerk of the Board of Supervisors

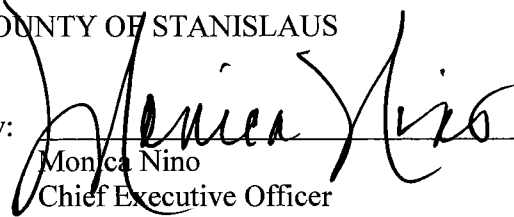
CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the Leased Premises conveyed under the foregoing to the County of Stanislaus, a political subdivision of the State of California, duly organized under the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Supervisors of the County of Stanislaus, pursuant to authority conferred by resolution of the Board of Supervisors adopted on July 16, 2013 and the grantee consents to recordation thereof by its duly authorized officer.

Dated: July 30, 2013

COUNTY OF STANISLAUS

By:



Monica Nino
Chief Executive Officer

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

On July 30, 2013 before me, Melissa A Parikh, Notary Public, personally appeared Vito Chiesa, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal

Melissa A Parikh
SIGNATURE OF NOTARY PUBLIC



STATE OF CALIFORNIA

COUNTY OF STANISLAUS

On July 30, 2013 before me, Melissa A Parikh, Notary Public, personally appeared Monica Nino, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal

Melissa A Parikh
SIGNATURE OF NOTARY PUBLIC



EXHIBIT A

DESCRIPTION OF THE LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

PARCEL 1:

PARCEL 2 AS SHOWN UPON THAT CERTAIN PARCEL MAP FILED DECEMBER 04, 1978 IN VOLUME 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPTING THEREFROM THAT PORTION OF LAND GRANTED TO THE STATE OF CALIFORNIA BY THAT CERTAIN GRANT DEED RECORDED AUGUST 23, 2007 AS INSTRUMENT NO. 2007-0108284-00, STANISLAUS COUNTY OFFICIAL RECORDS

PARCEL 2:

30 FOOT WIDE ACCESS EASEMENT DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF PARCEL "C" AS SHOWN ON THE MAP FILED IN BOOK 6 OF PARCEL MAPS, AT PAGE 47, STANISLAUS COUNTY RECORDS AND THAT PORTION OF PARCEL "1" AS SHOWN ON THE MAP FILED IN BOOK 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, LYING IN SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST CORNER OF SAID PARCEL "C" BEING ON THE SOUTHEASTERLY LINE OF EAST BROADWAY; THENCE NORTH $46^{\circ} 57' 11''$ EAST, 13.85 FEET ALONG SAID SOUTHEASTERLY LINE TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 950.00 FEET AND A CENTRAL ANGLE OF $0^{\circ} 57' 38''$; THENCE NORTHEASTERLY 15.93 FEET ALONG THE ARC OF SAID CURVE AND SAID SOUTHEASTERLY LINE OF EAST BROADWAY THENCE SOUTH $42^{\circ} 51' 39''$ EAST, 239.01 FEET PARALLEL WITH AND 30.00 FEET NORTHEASTERLY OF THE SOUTHWEST LINE OF SAID PARCEL "C"; THENCE SOUTH $10^{\circ} 32' 10''$ EAST, 217.02 FEET TO THE SOUTHEAST LINE OF SAID PARCEL "1"; THENCE SOUTH $53^{\circ} 24' 02''$ WEST, 33.40 FEET ALONG SAID SOUTHEAST LINE; THENCE NORTH $10^{\circ} 32' 10''$ WEST, 223.41 FEET TO THE SOUTH CORNER OF SAID PARCEL "C"; THENCE NORTH $42^{\circ} 51' 39''$ WEST, 230.00 FEET ALONG THE SOUTHWEST LINE OF SAID PARCEL "C" TO THE POINT OF BEGINNING, BY DOCUMENT RECORDED FEBRUARY 08, 1980 IN VOLUME 3287 OF OFFICIAL RECORDS, AT PAGE 224, AS INSTRUMENT NO. 49878.

APN: 135-053-006

Gallo Center for the Arts

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

THOSE PORTIONS OF LOTS 1 THROUGH 32, INCLUSIVE OF BLOCK 69 AS SHOWN ON THE MAP OF THE CITY OF MODESTO BLOCK 69, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, TOGETHER WITH THE ALLEY WAY IN BLOCK 69 AS ABANDONED BY RESOLUTION NO. 2003-156 RECORDED FEBRUARY 11, 2004 AS INSTRUMENT NO. 2004-0019219, OF OFFICIAL RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY MOST CORNER OF LOT 1 AS SHOWN ON SAID MAP OF CITY OF MODESTO, THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF BLOCK 69 TO THE INTERSECTION OF SAID NORTHEASTERLY LINE OF BLOCK 69 AND THE NORTHEASTERLY PROJECTION OF THE NORTHWESTERLY EXTERIOR FACE OF AN EXISTING BUILDING, SAID POINT ALSO BEING THE POINT OF BEGINNING OF THE ADJUSTED PARCEL B AS DESCRIBED BY THE COUNTY OF STANISLAUS LOT LINE ADJUSTMENT ENTITLED "GALLO ARTS CENTER"; THENCE SOUTH 46° 29' 12" WEST 113.74 FEET ALONG SAID PROJECTION TO THE WESTERLY MOST CORNER OF SAID EXTERIOR FACE OF AN EXISTING BUILDING; THENCE SOUTH 43° 33' 37" EAST 187.60 FEET ALONG THE SOUTHWESTERLY MOST EXTERIOR FACE OF AN EXISTING BUILDING TO A POINT ON THE SOUTHEASTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 46° 27' 57" WEST 186.73 FEET ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 69 TO THE SOUTHERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 43° 29' 30" WEST 400.21 FEET ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 69 TO THE WESTERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 46° 27' 55" EAST 300.20 FEET ALONG THE NORTHWESTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 69 TO THE POINT OF BEGINNING.

FURTHER DESCRIBED AS "ADJUSTED PARCEL B" OF THE CITY OF MODESTO CERTIFICATE OF APPROVAL OF LOT-LINE ADJUSTMENT, RECORDED APRIL 29, 2004 AS INSTRUMENT NO. 2004-0063453, OF OFFICIAL RECORDS.

APN: 105-039-014

12th Street Office Building Units 3, 4 and 5 (832 12th Street)

PARCEL ONE:

UNITS 3, 4 AND 5 AS DESCRIBED IN THAT CERTAIN "AMENDED AND RESTATED ENABLING DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP IN THE 12TH STREET OFFICE BUILDING PROJECT" TOGETHER WITH THE CONDOMINIUM PLAN ATTACHED THERETO AS EXHIBIT "B" DATED AUGUST 28, 2007 AND RECORDED ON SEPTEMBER 20, 2007, AS INSTRUMENT NO. 2007-0118661-00, OF

THE OFFICIAL RECORDS OF STANISLAUS COUNTY, STATE OF CALIFORNIA (“DECLARATION AND PLAN”).

THE INTEREST DESCRIBED HEREIN SHALL REVERT TO THE COUNTY OF STANISLAUS AT MIDNIGHT ON JUNE 30, 2106 AND TITLE TO THE PROPERTY SHALL THEREAFTER VEST IN THE COUNTY OF STANISLAUS. ON SAID DATE, ALL OWNERSHIP INTERESTS IN THE 12TH STREET OFFICE BUILDING PROJECT SHALL REVERT TO STANISLAUS COUNTY, AND THE DECLARATION AND PLAN SHALL TERMINATE.

SUBJECT TO THE DECLARATION AND PLAN.

PARCEL TWO:

AN UNDIVIDED ONE SIXTH (1/6) INTEREST IN THE COMMON AREA AS DEFINED IN PARAGRAPH 1.14 OF THE CONDOMINIUM DECLARATION REFERRED TO IN PARCEL ONE ABOVE.

PARCEL THREE:

AN UNDIVIDED ONE QUARTER (1/4) INTEREST IN THE RESTRICTED USE SYSTEMS “B” (OR “RUS-B”) AS SHOWN ON THE CONDOMINIUM DECLARATION REFERRED TO IN PARCEL ONE ABOVE.

PARCEL FOUR:

A NON EXCLUSIVE EASEMENT FOR PEDESTRIAN USE AND ENJOYMENT OVER THE ASSOCIATION COMMON AREA AS DEFINED IN PARAGRAPH 1.07 OF THE DECLARATION REFERRED TO IN PARCEL ONE ABOVE, TOGETHER WITH ALL APPURTENANT RIGHTS, TITLE AND INTERESTS AS SPECIFIED IN THE CONDOMINIUM DECLARATION BEING LOCATED WITHIN THE BOUNDARIES OF THE FOLLOWING DESCRIBED PARCEL OF LAND (THE “LAND”) LYING ABOVE THE ELEVATION OF 81.17 FEET (CITY OF MODESTO VERTICAL DATUM):

ALL THAT PORTION OF LOTS 28 - 32 OF BLOCK 94 AS SHOWN ON THE MAP OF THE CITY OF MODESTO, BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43°29’30” EAST 123.50 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46°8’44” EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43°9’35” EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 17,285 SQUARE FEET MORE OR LESS.

THE ABOVE DESCRIBED PARCEL BEING A THE SAME AS "ADJUSTED PARCEL B" AS SET FORTH IN THAT CERTAIN "LOT LINE ADJUSTMENT QUITCLAIM DEED", RECORDED MAY 2, 2006, RECORDER'S SERIES NO. 2006-0066924, OFFICIAL RECORDS OF STANISLAUS COUNTY, CALIFORNIA.

APN I 05-024-014- Unit 3
APN 105-024-015- Unit4
APN 105-024-016- Unit 5

12th Street Parking Garage

ALL THAT PORTION OF LOTS 17 THROUGH 28 OF BLOCK 94 AS SHOWN ON THE MAP OF CITY OF MODESTO BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, AT PAGE 1, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43° 29' 30" EAST 123.59 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46° 28' 44" EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43° 29' 35" EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 38,717 SQUARE FEET, MORE OR LESS.

APN: 105-024-010

EXHIBIT B

DESCRIPTION OF IMPROVEMENTS INCLUDED IN LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

All improvements located on the real property described in Exhibit A for the Salida Library.

Gallo Center for the Arts

All improvements located on the real property described in Exhibit A for Gallo Center for the Arts.

12th Street Office Building

Units 3, 4 and 5 of the office building located at 832 12th Street on the real property described in Exhibit A for the 12th Street Office Building and all of the County's rights in the common areas of the building.

12th Street Parking Garage

All improvements located on the real property described in Exhibit A for the 12th Street Parking Garage.

EXHIBIT C

BASE RENTAL PAYMENTS

The Base Rental Payments shall be comprised of the following Interest Components and Principal Components:

| <i>Payment Date/Period Ending</i> | <i>Principal Component</i> | <i>Interest Component</i> | <i>Total Base Rental</i> | <i>Total Base Rental for Fiscal Year Ended June 30</i> |
|---|--------------------------------|-------------------------------|--------------------------|--|
| 02/01/2014 | | \$ 146,550.00 | \$ 146,550.00 | |
| 06/30/2014 | | 0.00 | 0.00 | \$ 146,550.00 |
| 08/01/2014 | \$ 4,775,000 | 146,550.00 | 4,921,550.00 | 0.00 |
| 02/01/2015 | 0 | 110,737.50 | 110,737.50 | 0.00 |
| 06/30/2015 | 0 | | 0.00 | 5,032,287.50 |
| 08/01/2015 | 4,850,000 | 110,737.50 | 4,960,737.50 | 0.00 |
| 02/01/2016 | 0 | 74,362.50 | 74,362.50 | 0.00 |
| 06/30/2016 | 0 | | 0.00 | 5,035,100.00 |
| 08/01/2016 | 4,925,000 | 74,362.50 | 4,999,362.50 | 0.00 |
| 02/01/2017 | 0 | 37,425.00 | 37,425.00 | 0.00 |
| 06/30/2017 | 0 | | 0.00 | 5,036,787.50 |
| 08/01/2017 | 4,990,000 | 37,425.00 | 5,027,425.00 | 0.00 |
| 06/30/2018 | <u>0</u> | <u>0.00</u> | <u>0.00</u> | <u>5,027,425.00</u> |
| | \$ 19,540,000 | \$ 738,150.00 | \$ 20,278,150.00 | \$ 20,278,150.00 |



Stanislaus, County Recorder
Lee Lundrigan Co Recorder Office
DOC- 2013-0065990-00

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)

Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, CA 92660)
Attn: Robert J. Whalen, Esq.)

Acct 402-Counter Customers
Thursday, AUG 01, 2013 10:19:10
Ttl Pd \$0.00 Rcpt # 0003413557
OLD/R2/1-13

[Space above for Recorder's use]

ASSIGNMENT AND PURCHASE AGREEMENT

by and between

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY,
as assignor

and

TREASURER/TAX COLLECTOR OF THE COUNTY OF STANISLAUS,
acting on behalf of the Stanislaus County Treasury Pool, as assignee

Relating to

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

Dated as of August 1, 2013

NO DOCUMENTARY TRANSFER TAX
DUE. This Assignment Agreement is
recorded for the benefit of the County of
Stanislaus and the recording is fee-exempt
under Section 27383 of the California
Government Code.

1250

ASSIGNMENT AND PURCHASE AGREEMENT
(Series 2004A and 2004B Certificates of Participation Refinancing)

THIS ASSIGNMENT AND PURCHASE AGREEMENT, dated as of August 1, 2013 and effective as of the date of recordation hereof (this "Assignment Agreement"), is made by and between **STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY**, a California joint powers authority (the "Assignor"), as assignor, and the **TREASURER/TAX COLLECTOR OF THE COUNTY OF STANISLAUS**, acting on behalf of the Stanislaus County Treasury Pool (the "Assignee"), as assignee.

W I T N E S S E T H:

WHEREAS, the Assignor and the County of Stanislaus (the "County") have entered into a Site Lease, dated as of August 1, 2013 (the "Site Lease"), pursuant to which the County agreed to lease certain real property, together with certain of the improvements located thereon, located in the County of Stanislaus, California, as more particularly described in Exhibits A and B thereto (the "Leased Premises") to the Assignor; and

WHEREAS, the County and the Assignor have entered into a Facilities Sublease, dated as of August 1, 2013 (the "Sublease"), pursuant to which the Assignor has agreed to lease the Leased Premises to the County, in consideration for which the County has agreed to pay Base Rental Payments and Additional Rental, all as more particularly described in the Sublease; and

WHEREAS, for valuable consideration to be paid by the Assignee, the Assignor desires to sell, assign and transfer all of its right, title and interest in and to the Site Lease and the Sublease (subject to certain exceptions as set forth in Section 2 below) to the Assignee on the terms and conditions set forth herein;

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

SECTION 1. Definitions. All capitalized terms used herein without definition shall have the meanings given to such terms in the Sublease.

SECTION 2. Assignment. As consideration for the receipt of \$19,540,000 paid to it by the Assignee (the "Purchase Price"), the Assignor does hereby sell, assign and transfer to the Assignee, all of the Assignor's rights, title and interest in and to the Site Lease and the Sublease (excepting only the Assignor's rights to receive indemnification and payments under Section 11 of the Sublease, referred to herein as the "Reserved Rights"), including the Assignor's right to receive Base Rental Payments, as well as its rights to enforce payment of such Base Rental Payments when due or otherwise to protect its interest in the event of a default or termination by the County under the Sublease, in accordance with the terms thereof.

SECTION 3. Agreement to Purchase and Acceptance of Assignment. The Assignee hereby agrees to purchase and accepts the assignment of all of the Assignor's rights, title and interest in and to the Site Lease and the Sublease, except for the Reserved Rights.

SECTION 4. No Additional Rights or Duties. This Assignment Agreement shall not confer any rights upon the Assignee beyond those expressly provided in the Site Lease and the Sublease, nor impose any duties, obligation or responsibilities upon the Assignee. This Assignment Agreement shall not impose any duties, obligations or responsibilities upon the Assignor or the County beyond those expressly provided in the Site Lease and the Sublease or as otherwise set forth herein.

SECTION 5. No Subsequent Sale or Assignment by the Assignee. The Assignee's right, title and interest in and to the Site Lease, the Sublease and this Agreement may not be further sold or assigned by the Assignee either in whole or in part.

SECTION 6. Further Assurances. The Assignor will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and to assure and confirm to the Assignee the rights and benefits intended to be conveyed pursuant hereto.

SECTION 7. Amendments. This Assignment Agreement may be amended by an instrument in writing executed by the Assignor and the Assignee, with the written consent of the County.

SECTION 8. Governing Law; Venue. This Assignment Agreement is made in the State of California under the Constitution and laws of the State of California and is to be so construed. If any party to this Assignment Agreement initiates any legal or equitable action to enforce the terms of this Assignment Agreement, to declare the rights of the parties under this Assignment Agreement or which relates to this Assignment Agreement in any manner, each such party agrees that the place of making and for performance of this Assignment Agreement shall be the County of Stanislaus, State of California, and the proper venue for any such action is the Superior Court of the State of California, in and for the County of Stanislaus.

SECTION 9. Consideration Paid by Assignee. The parties acknowledge that the recordation of this Assignment Agreement will evidence that the Assignee has paid the Purchase Price referenced in Section 2 above as consideration for the execution of this Assignment Agreement by the Assignor and the assignment of rights set forth herein. Such amount shall be paid by the Assignee in accordance with instructions to be delivered to the Assignee by the County.

SECTION 10. Counterparts. This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the date first above written.

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY, as
assignor

By: 
Vito Chiesa
Chairman

ATTEST:


Christine Ferraro Tallman
Secretary

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURE PAGE CONTINUED]

TREASURER/TAX COLLECTOR OF THE
COUNTY OF STANISLAUS, acting on behalf of the
Stanislaus County Treasury Pool, as assignee

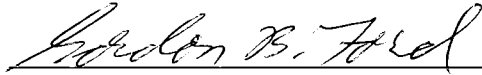
By: 
Gordon B. Ford
Treasurer/Tax Collector

EXHIBIT A

LEGAL DESCRIPTION OF THE LEASED PREMISES

Real property in the unincorporated area of the County of Stanislaus, State of California, described as follows:

Salida Library

PARCEL 1:

PARCEL 2 AS SHOWN UPON THAT CERTAIN PARCEL MAP FILED DECEMBER 04, 1978 IN VOLUME 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPTING THEREFROM THAT PORTION OF LAND GRANTED TO THE STATE OF CALIFORNIA BY THAT CERTAIN GRANT DEED RECORDED AUGUST 23, 2007 AS INSTRUMENT NO. 2007-0108284-00, STANISLAUS COUNTY OFFICIAL RECORDS

PARCEL 2:

30 FOOT WIDE ACCESS EASEMENT DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF PARCEL "C" AS SHOWN ON THE MAP FILED IN BOOK 6 OF PARCEL MAPS, AT PAGE 47, STANISLAUS COUNTY RECORDS AND THAT PORTION OF PARCEL "1" AS SHOWN ON THE MAP FILED IN BOOK 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, LYING IN SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST CORNER OF SAID PARCEL "C" BEING ON THE SOUTHEASTERLY LINE OF EAST BROADWAY; THENCE NORTH 46° 57' 11" EAST, 13.85 FEET ALONG SAID SOUTHEASTERLY LINE TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 950.00 FEET AND A CENTRAL ANGLE OF 0° 57' 38"; THENCE NORTHEASTERLY 15.93 FEET ALONG THE ARC OF SAID CURVE AND SAID SOUTHEASTERLY LINE OF EAST BROADWAY THENCE SOUTH 42° 51' 39" EAST, 239.01 FEET PARALLEL WITH AND 30.00 FEET NORTHEASTERLY OF THE SOUTHWEST LINE OF SAID PARCEL "C"; THENCE SOUTH 10° 32' 10" EAST, 217.02 FEET TO THE SOUTHEAST LINE OF SAID PARCEL "1"; THENCE SOUTH 53° 24' 02" WEST, 33.40 FEET ALONG SAID SOUTHEAST LINE; THENCE NORTH 10° 32' 10" WEST, 223.41 FEET TO THE SOUTH CORNER OF SAID PARCEL "C"; THENCE NORTH 42° 51' 39" WEST, 230.00 FEET ALONG THE SOUTHWEST LINE OF SAID PARCEL "C" TO THE POINT OF BEGINNING, BY DOCUMENT RECORDED FEBRUARY 08, 1980 IN VOLUME 3287 OF OFFICIAL RECORDS, AT PAGE 224, AS INSTRUMENT NO. 49878.

APN: 135-053-006

Gallo Center for the Arts

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

THOSE PORTIONS OF LOTS 1 THROUGH 32, INCLUSIVE OF BLOCK 69 AS SHOWN ON THE MAP OF THE CITY OF MODESTO BLOCK 69, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, TOGETHER WITH THE ALLEY WAY IN BLOCK 69 AS ABANDONED BY RESOLUTION NO. 2003-156 RECORDED FEBRUARY 11, 2004 AS INSTRUMENT NO. 2004-0019219, OF OFFICIAL RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY MOST CORNER OF LOT 1 AS SHOWN ON SAID MAP OF CITY OF MODESTO, THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF BLOCK 69 TO THE INTERSECTION OF SAID NORTHEASTERLY LINE OF BLOCK 69 AND THE NORTHEASTERLY PROJECTION OF THE NORTHWESTERLY EXTERIOR FACE OF AN EXISTING BUILDING, SAID POINT ALSO BEING THE POINT OF BEGINNING OF THE ADJUSTED PARCEL B AS DESCRIBED BY THE COUNTY OF STANISLAUS LOT LINE ADJUSTMENT ENTITLED "GALLO ARTS CENTER"; THENCE SOUTH 46° 29' 12" WEST 113.74 FEET ALONG SAID PROJECTION TO THE WESTERLY MOST CORNER OF SAID EXTERIOR FACE OF AN EXISTING BUILDING; THENCE SOUTH 43° 33' 37" EAST 187.60 FEET ALONG THE SOUTHWESTERLY MOST EXTERIOR FACE OF AN EXISTING BUILDING TO A POINT ON THE SOUTHEASTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 46° 27' 57" WEST 186.73 FEET ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 69 TO THE SOUTHERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 43° 29' 30" WEST 400.21 FEET ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 69 TO THE WESTERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 46° 27' 55" EAST 300.20 FEET ALONG THE NORTHWESTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 69 TO THE POINT OF BEGINNING.

FURTHER DESCRIBED AS "ADJUSTED PARCEL B" OF THE CITY OF MODESTO CERTIFICATE OF APPROVAL OF LOT-LINE ADJUSTMENT, RECORDED APRIL 29, 2004 AS INSTRUMENT NO. 2004-0063453, OF OFFICIAL RECORDS.

APN: 105-039-014

12th Street Office Building Units 3, 4 and 5 (832 12th Street)

PARCEL ONE:

UNITS 3, 4 AND 5 AS DESCRIBED IN THAT CERTAIN "AMENDED AND RESTATED ENABLING DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP IN THE 12TH STREET OFFICE BUILDING PROJECT" TOGETHER WITH THE CONDOMINIUM PLAN ATTACHED THERETO AS EXHIBIT "B" DATED AUGUST 28, 2007 AND RECORDED ON SEPTEMBER 20, 2007, AS INSTRUMENT NO. 2007-0118661-00, OF

THE OFFICIAL RECORDS OF STANISLAUS COUNTY, STATE OF CALIFORNIA ("DECLARATION AND PLAN").

THE INTEREST DESCRIBED HEREIN SHALL REVERT TO THE COUNTY OF STANISLAUS AT MIDNIGHT ON JUNE 30, 2106 AND TITLE TO THE PROPERTY SHALL THEREAFTER VEST IN THE COUNTY OF STANISLAUS. ON SAID DATE, ALL OWNERSHIP INTERESTS IN THE 12TH STREET OFFICE BUILDING PROJECT SHALL REVERT TO STANISLAUS COUNTY, AND THE DECLARATION AND PLAN SHALL TERMINATE.

SUBJECT TO THE DECLARATION AND PLAN.

PARCEL TWO:

AN UNDIVIDED ONE SIXTH (1/6) INTEREST IN THE COMMON AREA AS DEFINED IN PARAGRAPH 1.14 OF THE CONDOMINIUM DECLARATION REFERRED TO IN PARCEL ONE ABOVE.

PARCEL THREE:

AN UNDIVIDED ONE QUARTER (1/4) INTEREST IN THE RESTRICTED USE SYSTEMS "B" (OR "RUS-B") AS SHOWN ON THE CONDOMINIUM DECLARATION REFERRED TO IN PARCEL ONE ABOVE.

PARCEL FOUR:

A NON EXCLUSIVE EASEMENT FOR PEDESTRIAN USE AND ENJOYMENT OVER THE ASSOCIATION COMMON AREA AS DEFINED IN PARAGRAPH 1.07 OF THE DECLARATION REFERRED TO IN PARCEL ONE ABOVE, TOGETHER WITH ALL APPURTENANT RIGHTS, TITLE AND INTERESTS AS SPECIFIED IN THE CONDOMINIUM DECLARATION BEING LOCATED WITHIN THE BOUNDARIES OF THE FOLLOWING DESCRIBED PARCEL OF LAND (THE "LAND") LYING ABOVE THE ELEVATION OF 81.17 FEET (CITY OF MODESTO VERTICAL DATUM):

ALL THAT PORTION OF LOTS 28 - 32 OF BLOCK 94 AS SHOWN ON THE MAP OF THE CITY OF MODESTO, BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43°29'30" EAST 123.50 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46°8'44" EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43°9'35" EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 17,285 SQUARE FEET MORE OR LESS.

THE ABOVE DESCRIBED PARCEL BEING A THE SAME AS "ADJUSTED PARCEL B" AS SET FORTH IN THAT CERTAIN "LOT LINE ADJUSTMENT QUITCLAIM DEED", RECORDED MAY 2, 2006, RECORDER'S SERIES NO. 2006-0066924, OFFICIAL RECORDS OF STANISLAUS COUNTY, CALIFORNIA.

APN I 05-024-014- Unit 3
APN 105-024-015- Unit4
APN 105-024-016- Unit 5

12th Street Parking Garage

ALL THAT PORTION OF LOTS 17 THROUGH 28 OF BLOCK 94 AS SHOWN ON THE MAP OF CITY OF MODESTO BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, AT PAGE 1, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43° 29' 30" EAST 123.59 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46° 28' 44" EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43° 29' 35" EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 38,717 SQUARE FEET, MORE OR LESS.

APN: 105-024-010

2004 ESCROW AGREEMENT

**COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004A**

and

**COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004B**

THIS 2004 ESCROW AGREEMENT (the "Agreement"), made and entered into as of August 1, 2013, by and between the County of Stanislaus (the "County"), and The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent").

WITNESSETH:

WHEREAS, in 2004, the County authorized the execution and delivery of the County of Stanislaus \$15,340,000 Certificates of Participation (2004 Capital Improvement Projects) Series 2004A (the "2004A Certificates") pursuant to a Trust Agreement, dated as of April 1, 2004, (the "2004A Trust Agreement") by and among the County, the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "2004A Trustee") and the County of Stanislaus \$27,455,000 Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "2004B Certificates") pursuant to a Trust Agreement, dated as of April 1, 2004 (the "2004B Trust Agreement"), by and among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "2004B Trustee"); and

WHEREAS, pursuant to a resolution of the Board of Supervisors of the County adopted on July 16, 2013 (the "Resolution") the County authorized the outstanding 2004A Certificates maturing on and after September 1, 2013 to be defeased and the 2004A Certificates set forth on Schedule A attached hereto (the "Prepaid 2004A Certificates") to be prepaid on September 1, 2013 at a prepayment price of 100% of the principal amount thereof (the "2004A Prepayment Price") and the outstanding 2004B Certificates maturing on and after September 1, 2013 to be defeased and the outstanding 2004B Certificates set forth on Schedule B attached hereto (the "Prepaid 2004B Certificates") to be prepaid on September 1, 2013 at a prepayment price of 100% of the principal amount thereof (the "2004B Prepayment Price," and with the 2004A Prepayment Price, the "Prepayment Price"); and

WHEREAS, the 2004A Trust Agreement provides that amounts being applied to defease the 2004A Certificates shall be deposited in a special escrow fund as is being created hereunder and maintained by the Escrow Agent (the "2004A Escrow Fund") and the 2004B Trust Agreement provides that amounts being applied to defease the 2004B Certificates shall be deposited in a special escrow fund as is being created hereunder and maintained by the Escrow Agent (the "2004B Escrow Fund," and with the 2004A Escrow Fund, the "Escrow Funds");

NOW, THEREFORE, the County and the Escrow Agent hereby agree as follows:

Section 1. Establishment, Funding and Maintenance of Escrow Funds.

(a) The Escrow Agent agrees to establish and maintain the 2004A Escrow Fund until the Prepaid 2004A Certificates have been paid in full and to hold the moneys therein at all times as a special and separate escrow fund (wholly segregated from all other securities, investments or moneys on deposit with the Escrow Agent). The County shall deposit with the Escrow Agent \$11,271,094.38 for purposes of defeasing the 2004A Certificates and prepaying the Prepaid 2004A Certificates, which moneys shall be held uninvested.

(b) The Escrow Agent agrees to establish and maintain the 2004B Escrow Fund until the Prepaid 2004B Certificates have been paid in full and to hold the moneys therein at all times as a special and separate escrow fund (wholly segregated from all other securities, investments or moneys on deposit with the Escrow Agent). The County shall deposit with the Escrow Agent \$20,165,580.13 for purposes of defeasing the 2004A Certificates and prepaying the Prepaid 2004B Certificates, which moneys shall be held uninvested.

Section 2. Verification Report. The Escrow Agent hereby acknowledges receipt of the verification report of Causey Demgen & Moore, P.C., certified public accountants, dated August 1, 2013 (the "Verification Report") with respect to the County's defeasance of the 2004A Certificates in the manner and to the extent provided in Section 14.01 of the 2004A Trust Agreement and Section 14.01 of the 2004B Trust Agreement.

Section 3. Payment of the 2004A Certificates and the 2004B Certificates.

(a) The County hereby requests and irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees, to pay to the 2004A Trustee on September 1, 2013 from amounts in the 2004A Escrow Fund the principal and interest due with respect to the outstanding 2004A Certificates on September 1, 2013, and to pay to the 2004A Trustee on September 1, 2013 the 2004A Prepayment Price due on the 2004A Prepaid Certificates on September 1, 2013, which amounts will be applied to the payment of the 2004A Certificates at the places and in the manner stipulated in the 2004A Trust Agreement. In accordance with Sections 4.05 and 14.01 of the 2004A Trust Agreement, the County has irrevocably instructed the 2004A Trustee to (i) prepay the Prepaid 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013, (ii) mail a notice of prepayment in the form required by the 2004A Trust Agreement on August 3, 2013, and (iii) mail a notice of defeasance substantially in the form attached as Schedule C hereto to the owners of the 2004A Certificates and Ambac Insurance Corporation. Upon payment in full of the all outstanding 2004A Certificates, the Escrow Agent shall transfer any moneys or securities remaining in the 2004A Escrow Fund to the County.

(b) The County hereby requests and irrevocably instructs the Escrow Agent, and the Escrow Agent hereby agrees, to pay to the 2004B Trustee on September 1, 2013 from amounts in the 2004B Escrow Fund the principal and interest due with respect to the outstanding 2004A Certificates on September 1, 2013, and to pay to the 2004B Trustee on September 1, 2013 the 2004B Prepayment Price due on the 2004B Prepaid Certificates on September 1, 2013, which amounts will be applied to the payment of the 2004B Certificates at the places and in the manner stipulated in the 2004B Trust Agreement. In accordance with Sections 4.05 and 14.01 of the 2004B Trust Agreement, the County has irrevocably instructed the 2004B Trustee to (i) prepay the Prepaid 2004B Certificates

maturing on and after September 1, 2014 on September 1, 2013, (ii) mail a notice of prepayment in the form required by the 2004B Trust Agreement on August 3, 2013, and (iii) mail a notice of defeasance substantially in the form attached as Schedule C hereto to the owners of the 2004B Certificates and Ambac Insurance Corporation. Upon payment in full of the all outstanding 2004B Certificates, the Escrow Agent shall transfer any moneys or securities remaining in the 2004B Escrow Fund to the County.

(c) This Agreement shall terminate on the date that all amounts held in the 2004A Escrow Fund and the 2004B Escrow Fund have been disbursed to the 2004A Trustee and the 2004B Trustee, respectively.

Section 4. Possible Deficiencies; Amounts in Excess of Required Cash Balance.

(a) If at any time the Escrow Agent has actual knowledge that the moneys in the 2004A Escrow Fund or the 2004B Escrow Fund will not be sufficient to make all payments required by Section 3 hereof, the Escrow Agent shall notify the County in writing as soon as is reasonably practicable, of such fact, the amount of such deficiency and the reason therefor solely to the extent actually known to it; provided, however, the County shall have no liability for any deficiency and shall not be required to provide funds to eliminate any such deficiency.

(b) The Escrow Agent shall in no manner be responsible for any deficiency in the 2004A Escrow Fund or the 2004B Escrow Fund.

Section 5. Fees and Costs.

(a) The County shall pay to the Escrow Agent from time to time reasonable compensation for all services rendered under this Agreement and shall reimburse the Escrow Agent for all out of pocket expenses (including reasonable legal fees and expenses) incurred hereunder.

(b) The fees of and the costs incurred by the Escrow Agent shall in no event be deducted or payable from, or constitute a lien against, the 2004A Escrow Fund or the 2004B Escrow Fund.

Section 6. Merger or Consolidation. Any company into which the Escrow Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under this Agreement, shall be the successor to such Escrow Agent without the execution or filing of any paper or any further act, notwithstanding anything herein to the contrary.

Section 7. Indemnity. To the maximum extent permitted by law, the County hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the County or any other person under any other agreement or

instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the 2004A Escrow Fund or the 2004B Escrow Fund, the acceptance of the funds deposited therein and any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the County shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligent or willful misconduct of the Escrow Agent's respective successors, assigns, agents and employees or the breach by the Escrow Agent of the terms of this Agreement. In no event shall the County or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this section. The indemnities contained in this section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.

Section 8. Responsibilities of the Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the 2004A Escrow Fund or the 2004B Escrow Fund, the acceptance of the moneys deposited therein or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the County and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the validity of this Agreement as to the County and, except as otherwise provided herein, the Escrow Agent shall incur no liability with respect thereto. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement and no implied covenants or obligations shall be read against the Escrow Agent hereunder. The Escrow Agent may consult with counsel, who may or may not be counsel to the County, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection with respect to any action taken, suffered or omitted by it in good faith in accordance therewith. No provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability by the performance or exercise of its rights or powers. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the County.

The Escrow Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the

likelihood of such loss or damage and regardless of the form of action. The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the County elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The County agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 9. Amendments. This Agreement is made for the benefit of the County and the owners from time to time of the outstanding 2004A Certificates and 2004B Certificates and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the County; provided, however, that if the County and the Escrow Agent receive an opinion of nationally recognized bond attorneys to the effect that the exclusion from gross income for federal income tax purposes of the interest on the 2004A Certificates and the 2004B Certificates will not be adversely affected thereby, they may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not materially adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the 2004A Certificates and the 2004B Certificates any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; (iii) to include under this Agreement additional funds, securities or properties (but only if the sufficiency of the 2004A Escrow Fund or the 2004B Escrow Fund for the purpose herein set forth is verified by a nationally recognized firm of independent certified public accountants) and shall hold funds received by it uninvested. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized municipal bond attorneys with respect to compliance with this Section 9, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the 2004A Certificates and 2004B Certificates or that any instrument executed hereunder complies with the conditions and provisions of this Section 9.

Section 10. Resignation or Removal of Escrow Agent.

(a) The Escrow Agent may resign by giving not less than 30 days' notice in writing to the County, which notice shall be mailed to the owners of the 2004A Certificates and 2004B Certificates remaining unpaid. The Escrow Agent may be removed (1) by (i) filing with the County of an instrument or instruments executed by the owners of at least 51% in aggregate principal amount of the 2004A Certificates and 2004B Certificates remaining unpaid, and (ii) the delivery of a copy of the instruments filed with the County to the Escrow Agent, or (2) by a court of competent jurisdiction for failure to act in accordance with the provisions of this Agreement upon application by the County or the owners of 5% in aggregate principal amount of the 2004A Certificates and 2004B Certificates then remaining unpaid.

(b) If the position of Escrow Agent becomes vacant due to resignation or removal of the Escrow Agent or any other reason, a successor Escrow Agent may be appointed by the County. Notice of such appointment shall be mailed by first class mail, postage prepaid, to the registered owners of the 2004A Certificates and 2004B Certificates. Within one year after a vacancy, the owners of a majority in principal amount of the 2004A Certificates and 2004B Certificates then remaining unpaid may, by an instrument or instruments filed with the County, appoint a successor Escrow Agent who shall supersede any Escrow Agent theretofore appointed by the County. If no successor Escrow Agent is appointed by the County or the owners of such 2004A Certificates and 2004B Certificates then remaining unpaid, within 45 days after any such resignation or removal, the Escrow Agent may petition the appropriate court having jurisdiction for the appointment of a successor Escrow Agent. The responsibilities of the Escrow Agent under this Escrow Agreement will not be discharged until a new Escrow Agent is appointed and until the cash held under this Escrow Agreement is transferred to the new Escrow Agent.

Section 11. Severability. If any section, paragraph, sentence, clause or provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of this Agreement.

Section 12. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 13. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 14. Definitions. Any capitalized term used but not otherwise defined in this Agreement shall have the meaning assigned to such term in the Resolution.

Section 15. Assignment. This Agreement shall not be assigned by the Escrow Agent or any successor thereto without the prior written consent of the County provided, however, that an assignment made pursuant to Section 6 hereof shall not require prior written consent.

Section 16. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in which the principal office of the Escrow Agent is located are authorized by law to remain closed, such payment may be made or act performed or right exercised

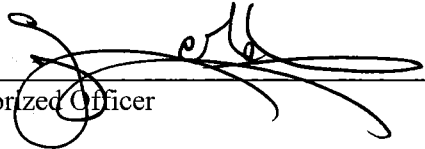
on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement; and no interest shall accrue for the period from and after such nominal date.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the County of Stanislaus and The Bank of New York Mellon Trust Company, N.A., have caused this Agreement to be executed each on its behalf as of the day and year first above written.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Escrow Agent

By:



Authorized Officer

COUNTY OF STANISLAUS

By:


Chief Executive Officer

IN WITNESS WHEREOF, the County of Stanislaus and The Bank of New York Mellon Trust Company, N.A., have caused this Agreement to be executed each on its behalf as of the day and year first above written.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Escrow Agent

By: _____
Authorized Officer

COUNTY OF STANISLAUS

By:  _____
Chief Executive Officer

SCHEDULE A

PREPAID 2004A CERTIFICATES

| <i>Maturity Date (September 1)</i> | <i>Principal Amount</i> | <i>Interest Rate</i> | <i>Prepayment Date</i> | <i>Prepayment Price</i> |
|--|-------------------------|----------------------|------------------------|-----------------------------|
| 2014 | \$ 700,000 | 3.500% | September 1, 2013 | 100 |
| 2015 | 720,000 | 3.600 | September 1, 2013 | 100 |
| 2016 | 750,000 | 3.700 | September 1, 2013 | 100 |
| 2017 | 775,000 | 3.800 | September 1, 2013 | 100 |
| 2019 | 1,635,000 | 4.000 | September 1, 2013 | 100 |
| 2020 | 870,000 | 4.100 | September 1, 2013 | 100 |
| 2021 | 905,000 | 4.125 | September 1, 2013 | 100 |
| 2022 | 940,000 | 4.200 | September 1, 2013 | 100 |
| 2025 | 3,080,000 | 4.375 | September 1, 2013 | 100 |

SCHEDULE B

PREPAID 2004B CERTIFICATES

| <i>Maturity Date (September 1)</i> | <i>Principal Amount</i> | <i>Interest Rate</i> | <i>Prepayment Date</i> | <i>Prepayment Price</i> |
|---|--------------------------------|-----------------------------|-------------------------------|------------------------------------|
| 2014 | \$ 1,245,000 | 3.500% | September 1, 2013 | 100 |
| 2015 | 1,295,000 | 3.600 | September 1, 2013 | 100 |
| 2016 | 1,340,000 | 3.700 | September 1, 2013 | 100 |
| 2017 | 1,390,000 | 3.800 | September 1, 2013 | 100 |
| 2019 | 2,925,000 | 4.000 | September 1, 2013 | 100 |
| 2020 | 1,555,000 | 4.100 | September 1, 2013 | 100 |
| 2021 | 1,620,000 | 4.125 | September 1, 2013 | 100 |
| 2022 | 1,690,000 | 4.200 | September 1, 2013 | 100 |
| 2025 | 5,505,000 | 4.375 | September 1, 2013 | 100 |

SCHEDULE C

NOTICE OF DEFEASANCE OF COUNTY OF STANISLAUS CERTIFICATES OF PARTICIPATION (2004 CAPITAL IMPROVEMENT PROJECTS) SERIES 2004A

Notice is hereby given to the owners of the outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A maturing on and after September 1, 2013 as shown in Exhibit A hereto (the "2004A Certificates") that:

(i) There has been deposited in an Escrow Fund with The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the "Escrow Agent"), certain monies as permitted by the Trust Agreement, dated as of April 1, 2004 (the "2004A Trust Agreement"), by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "2004A Trustee"), for the purpose of paying the principal and interest due on September 1, 2013 with respect to the 2004A Certificates and prepaying the 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013. The Escrow Agent has received a verification report of an independent accounting firm evidencing that the moneys deposited with the Escrow Agent will be sufficient to pay the principal and interest due on September 1, 2013 with respect to the 2004A Certificates and prepay the 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(ii) The 2004A Trustee has been irrevocably instructed by the County to prepay the 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(iii) The 2004A Certificates are deemed to be paid in accordance with Section 14.01 of the 2004A Trust Agreement and all obligations of the County, the Authority and the 2004A Trustee under the 2004A Trust Agreement have ceased and terminated except as expressly set forth in Section 14.01 of the 2004A Trust Agreement.

Dated: August 1, 2013

COUNTY OF STANISLAUS

EXHIBIT A
COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004A

| <i>Maturity Date (September 1)</i> | <i>Principal Amount</i> | <i>Interest Rate</i> | <i>CUSIP</i> |
|--|-------------------------|----------------------|--------------|
| 2013 | \$ 675,000 | 3.250% | 854450GJ6 |
| 2014 | 700,000 | 3.500 | 854450GK3 |
| 2015 | 720,000 | 3.600 | 854450GL1 |
| 2016 | 750,000 | 3.700 | 854450GM9 |
| 2017 | 775,000 | 3.800 | 854450GN7 |
| 2019 | 1,635,000 | 4.000 | 854450GP2 |
| 2020 | 870,000 | 4.100 | 854450GQ0 |
| 2021 | 905,000 | 4.125 | 854450GR8 |
| 2022 | 940,000 | 4.200 | 854450GS6 |
| 2025 | 3,080,000 | 4.375 | 854450GT4 |

SCHEDULE D
NOTICE OF DEFEASANCE OF
COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004B

Notice is hereby given to the owners of the outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B maturing on and after September 1, 2013 as shown in Exhibit A hereto (the "2004B Certificates") that:

(i) There has been deposited in an Escrow Fund with The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the "Escrow Agent"), certain monies as permitted by the Trust Agreement, dated as of April 1, 2004 (the "2004B Trust Agreement"), by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "2004B Trustee"), for the purpose of paying the principal and interest due on September 1, 2013 with respect to the 2004B Certificates and prepaying the 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013. The Escrow Agent has received a verification report of an independent accounting firm evidencing that the moneys deposited with the Escrow Agent will be sufficient to pay the principal and interest due on September 1, 2013 with respect to the 2004B Certificates and prepay the 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(ii) The 2004B Trustee has been irrevocably instructed by the County to prepay the 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(iii) The 2004B Certificates are deemed to be paid in accordance with Section 14.01 of the 2004B Trust Agreement and all obligations of the County, the Authority and the 2004B Trustee under the 2004B Trust Agreement have ceased and terminated except as expressly set forth in Section 14.01 of the 2004B Trust Agreement.

Dated: August 1, 2013

COUNTY OF STANISLAUS

EXHIBIT A
COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004A

PREPAID 2004B CERTIFICATES

| <i>Maturity Date (September 1)</i> | <i>Principal Amount</i> | <i>Interest Rate</i> | <i>CUSIP</i> |
|--|-------------------------|----------------------|--------------|
| 2013 | \$ 1,205,000 | 3.250% | 854450HB2 |
| 2014 | 1,245,000 | 3.500 | 854450HC0 |
| 2015 | 1,295,000 | 3.600 | 854450HD8 |
| 2016 | 1,340,000 | 3.700 | 854450HE6 |
| 2017 | 1,390,000 | 3.800 | 854450HF3 |
| 2019 | 2,925,000 | 4.000 | 854450HG1 |
| 2020 | 1,555,000 | 4.100 | 854450HH9 |
| 2021 | 1,620,000 | 4.125 | 854450HJ5 |
| 2022 | 1,690,000 | 4.200 | 854450HK2 |
| 2025 | 5,505,000 | 4.375 | 854450HL0 |



Stanislaus, County Recorder
Lee Lundrigan Co Recorder Office
DOC- 2013-0065991-00

Acct 402-Counter Customers
Thursday, AUG 01, 2013 10:19:13
Ttl Pd \$0.00 Rcpt # 0003413558
OLD/R2/1-9

RECORDING REQUESTED BY:)
COUNTY OF STANISLAUS)

AND WHEN RECORDED MAIL TO:)

Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attention: Robert J. Whalen, Esq.)

[Space above for Recorder's use]

TERMINATION AGREEMENT (2004A)

by and among the

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY

and the

COUNTY OF STANISLAUS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(successor-in-interest to BNY Western Trust Company),
as Trustee

Relating to
Certificates of Participation
(2004 Capital Improvement Projects)
Series 2004A

Dated as of August 1, 2013

NO DOCUMENTARY TRANSFER TAX
DUE. This Termination Agreement is
recorded for the benefit of the County of
Stanislaus and the recording is fee-exempt
under Section 27383 of the California
Government Code.

TERMINATION AGREEMENT (2004A)

THIS TERMINATION AGREEMENT (2004A) (this "Agreement") dated as of August 1, 2013 and effective as of the date of recordation hereof, is by and among the STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint exercise of powers agency organized and existing under the laws of the State of California (the "Authority"), the COUNTY OF STANISLAUS, a political subdivision of the State of California duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "County"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (successor-in-interest to BNY Western Trust Company), as Trustee (the "Trustee") with respect to the County of Stanislaus Certificates of Participation, (2004 Capital Improvement Projects) Series 2004A (the "2004A Certificates").

RECITALS:

A. WHEREAS, the County, as lessor, and the Authority, as lessee, entered into that certain Site Lease (the "Site Lease") dated as of April 1, 2004 and recorded April 5, 2004, as Instrument No. 2004-0048683-00 in the Official Records of Stanislaus County, California, pursuant to which the County leased certain property and improvements described therein (the "Leased Premises") to the Authority.

B. WHEREAS, the Authority, as lessor, and the County, as lessee, entered into that certain Lease/Purchase Agreement (the "Lease") dated as of April 1, 2004 and recorded April 5, 2004, as Instrument No. 2004-0048684-00 in the Official Records of Stanislaus County, California, pursuant to which the Authority leased the Leased Premises to the County.

C. WHEREAS, pursuant to an Assignment Agreement (the "Assignment Agreement") dated as of April 1, 2004 and recorded April 5, 2004, as Instrument No. 2004-0048685-00 in the Official Records of Stanislaus County, California, by and among the Authority and the Trustee, the Authority assigned to the Trustee certain of its rights pursuant to the Lease.

D. WHEREAS, the County previously notified the Authority of its intention to exercise its option to prepay all Lease Payments (as defined in the Lease) pursuant to the terms of Section 10.3 of the Lease.

E. WHEREAS, the County hereby certifies that it has caused to be delivered to The Bank of New York Mellon Trust Company, N.A. moneys sufficient to prepay all remaining Lease Payments thereby causing a defeasance of the 2004A Certificates on August 1, 2013 and a prepayment of all 2004A Certificates maturing on and after September 1, 2014 on September 3, 2013.

F. WHEREAS, the County and the Authority now desire to terminate and discharge the Site Lease and the Lease, and the Trustee and the Authority now desire to terminate and discharge the Assignment Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Termination of Site Lease. The County and the Authority hereby acknowledge and agree that the Site Lease is terminated and discharged, and is of no further force or effect and from and after the date hereof, the Authority shall have no further interest in the Leased Premises pursuant to the Site Lease.

2. Termination of Lease. The County and the Authority hereby acknowledge and agree that the Lease is terminated and discharged, and is of no further force or effect and from and after the date hereof, the Authority shall have no further interest in the Leased Premises pursuant to the Lease.

3. Termination of Assignment Agreement. The Authority and the Trustee hereby acknowledge and agree that the Assignment Agreement is terminated and discharged, and is of no further force or effect.

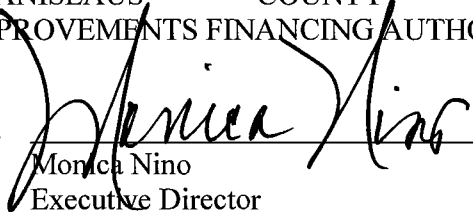
4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one agreement. The signature and acknowledgment pages from each counterpart may be removed and attached to a single document in order to create one original instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Termination Agreement has been executed by each party's respective duly authorized officers, as of the date first above written.

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY

By:



Monica Nino
Executive Director

ATTEST:




Christine Ferraro Tallman
Secretary

[SIGNATURES CONTINUED ON NEXT PAGE.]

[SIGNATURE PAGE CONTINUED.]


COUNTY OF STANISLAUS

By:



Monica Nino
Chief Executive Officer

ATTEST:


Christine Ferraro Tallman
Clerk of the Board of Supervisors

[SIGNATURES CONTINUED ON NEXT PAGE.]

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

On July 30, 2013 before me, Melissa A Parikh, Notary Public, personally appeared Monica Nino, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

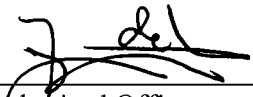
WITNESS my hand and official seal

Melissa A Parikh
SIGNATURE OF NOTARY PUBLIC



[SIGNATURE PAGE CONTINUED.]

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: 
Authorized Officer GONZALO UREY

ACKNOWLEDGMENT

State of California
County of Los Angeles)

On July 29, 2013 before me, Jacqueline M. Nowak, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature  (Seal)

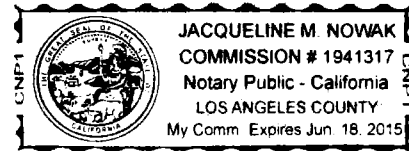


EXHIBIT A

DESCRIPTION OF THE SITE

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

THOSE PORTIONS OF LOTS 1 THROUGH 32, INCLUSIVE OF BLOCK 69 AS SHOWN ON THE MAP OF THE CITY OF MODESTO BLOCK 69, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, STANISLAUS COUNTY RECORDS, TOGETHER WITH THE ALLEY WAY IN BLOCK 69 AS ABANDONED BY RESOLUTION NO. 2003-156 RECORDED FEBRUARY 11, 2004 AS INSTRUMENT NO. 2004-0019219, OF OFFICIAL RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY MOST CORNER OF LOT 1 AS SHOWN ON SAID MAP OF CITY OF MODESTO, THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF BLOCK 69 TO THE INTERSECTION OF SAID NORTHEASTERLY LINE OF BLOCK 69 AND THE NORTHEASTERLY PROJECTION OF THE NORTHWESTERLY EXTERIOR FACE OF AN EXISTING BUILDING, SAID POINT ALSO BEING THE POINT OF BEGINNING OF THE ADJUSTED PARCEL B AS DESCRIBED BY THE COUNTY OF STANISLAUS LOT LINE ADJUSTMENT ENTITLED "GALLO ARTS CENTER"; THENCE SOUTH 46° 29' 12" WEST 113.74 FEET ALONG SAID PROJECTION TO THE WESTERLY MOST CORNER OF SAID EXTERIOR FACE OF AN EXISTING BUILDING; THENCE SOUTH 43° 33' 37" EAST 187.60 FEET ALONG THE SOUTHWESTERLY MOST EXTERIOR FACE OF AN EXISTING BUILDING TO A POINT ON THE SOUTHEASTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 46° 27' 57" WEST 186.73 FEET ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 69 TO THE SOUTHERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 43° 29' 30" WEST 400.21 FEET ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 69 TO THE WESTERLY MOST CORNER OF SAID BLOCK 69; THENCE NORTH 46° 27' 55" EAST 300.20 FEET ALONG THE NORTHWESTERLY LINE OF SAID BLOCK 69; THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 69 TO THE POINT OF BEGINNING.

FURTHER DESCRIBED AS "ADJUSTED PARCEL B" OF THE CITY OF MODESTO CERTIFICATE OF APPROVAL OF LOT-LINE ADJUSTMENT, RECORDED APRIL 29, 2004 AS INSTRUMENT NO. 2004-0063453, OF OFFICIAL RECORDS.

APN: 105-039-014



Stanislaus, County Recorder
Lee Lundrigan Co Recorder Office
DOC- 2013-0065992-00

Acct 402-Counter Customers
Thursday, AUG 01, 2013 10:19:16
Ttl Pd \$0.00 Rcpt # 0003413559
OLD/R2/1-11

RECORDING REQUESTED BY:)
COUNTY OF STANISLAUS)
)
AND WHEN RECORDED MAIL TO:)
)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attention: Robert J. Whalen, Esq.)

[Space above for Recorder's use]

TERMINATION AGREEMENT (2004B)

by and among the

STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY

and the

COUNTY OF STANISLAUS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(successor-in-interest to BNY Western Trust Company),
as Trustee

Relating to
Certificates of Participation
(2004 Capital Improvement Projects)
Series 2004B

Dated as of August 1, 2013

NO DOCUMENTARY TRANSFER TAX
DUE. This Termination Agreement is
recorded for the benefit of the County of
Stanislaus and the recording is fee-exempt
under Section 27383 of the California
Government Code.

1110

TERMINATION AGREEMENT (2004B)

THIS TERMINATION AGREEMENT (2004B) (this "Agreement") dated as of August 1, 2013 and effective as of the date of recordation hereof, is by and among the STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY, a joint exercise of powers agency organized and existing under the laws of the State of California (the "Authority"), the COUNTY OF STANISLAUS, a political subdivision of the State of California duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "County"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (successor-in-interest to BNY Western Trust Company), as Trustee (the "Trustee") with respect to the County of Stanislaus Certificates of Participation, (2004 Capital Improvement Projects) Series 2004B (the "2004B Certificates").

RECITALS:

A. WHEREAS, the County, as lessor, and the Authority, as lessee, entered into that certain Site Lease (the "Site Lease") dated as of April 1, 2004 and recorded April 5, 2004, as Instrument No. 2004-0048686-00 in the Official Records of Stanislaus County, California, pursuant to which the County leased certain property and improvements described therein (the "Leased Premises") to the Authority.

B. WHEREAS, the Authority, as lessor, and the County, as lessee, entered into that certain Lease/Purchase Agreement (the "Lease") dated as of April 1, 2004 and recorded April 5, 2004, as Instrument No. 2004-0048687-00 in the Official Records of Stanislaus County, California, pursuant to which the Authority leased the Leased Premises to the County.

C. WHEREAS, pursuant to an Assignment Agreement (the "Assignment Agreement") dated as of April 1, 2004 and recorded April 5, 2004, as Instrument No. 2004-0048688-00 in the Official Records of Stanislaus County, California, by and among the Authority and the Trustee, the Authority assigned to the Trustee certain of its rights pursuant to the Lease.

D. WHEREAS, the County previously notified the Authority of its intention to exercise its option to secure the payment of all Lease Payments (as defined in the Lease) pursuant to the terms of Section 10.3 of the Lease.

E. WHEREAS, the County hereby certifies that it has caused to be delivered to The Bank of New York Mellon Trust Company, N.A. moneys sufficient to prepay all remaining Lease Payments thereby causing a defeasance of the 2004B Certificates on August 1, 2013 and a prepayment of all 2004B Certificates maturing on and after September 1, 2014 on September 3, 2013.

F. WHEREAS, the County and the Authority now desire to terminate and discharge the Site Lease, the Authority and the County now desire to terminate and discharge the Lease, and the Trustee and the Authority now desire to terminate and discharge the Assignment Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Termination of Site Lease. The County and the Authority hereby acknowledge and agree that the Site Lease is terminated and discharged, and is of no further force or effect and from and after the date hereof, the Authority shall have no further interest in the Leased Premises pursuant to the Site Lease.

2. Termination of Lease. The County and the Authority hereby acknowledge and agree that the Lease is terminated and discharged, and is of no further force or effect and from and after the date hereof, the Authority shall have no further interest in the Leased Premises pursuant to the Lease.

3. Termination of Assignment Agreement. The Authority and the Trustee hereby acknowledge and agree that the Assignment Agreement is terminated and discharged, and is of no further force or effect.

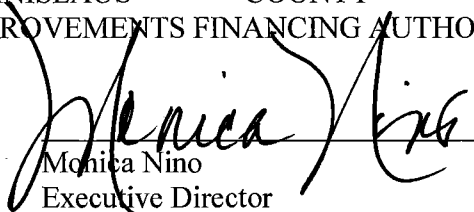
4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one agreement. The signature and acknowledgment pages from each counterpart may be removed and attached to a single document in order to create one original instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Termination Agreement has been executed by each party's respective duly authorized officers, as of the date first above written.

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY

By:



Monica Nino
Executive Director

ATTEST:



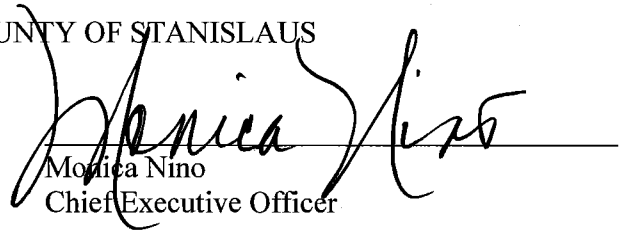
Christine Ferraro Tallman
Secretary

[SIGNATURES CONTINUED ON NEXT PAGE.]


[SIGNATURE PAGE CONTINUED.]

COUNTY OF STANISLAUS

By:


Monica Nino
Chief Executive Officer

ATTEST:


Christine Ferraro Tallman
Clerk of the Board of Supervisors

[SIGNATURES CONTINUED ON NEXT PAGE.]

STATE OF CALIFORNIA

COUNTY OF STANISLAUS

On July 30 2013 before me, Melissa A Parikh, Notary Public, personally appeared Monica Nino, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal


Melissa A Parikh
SIGNATURE OF NOTARY PUBLIC



[SIGNATURE PAGE CONTINUED.]

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By:


Authorized Officer Gonzalo Urey

ACKNOWLEDGMENT

State of California
County of Los Angeles

On July 29, 2013 before me, Jacqueline M. Nowak, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature 

(Seal)

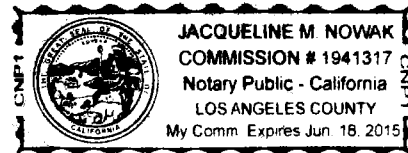


EXHIBIT A

DESCRIPTION OF THE SITE

Real property In the City of Modesto, County of Stanislaus, State of California, described as follows:

PARCEL NO. 1: FORMER CITY HALL

THOSE PORTIONS OF LOTS 9 THROUGH 16 OF BLOCK 69 AS SHOWN ON THE MAP OF CITY OF MODESTO BLOCK 69, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, AT PAGE 1, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY MOST CORNER OF LOT 1 AS SHOWN ON SAID MAP OF CITY OF MODESTO, THENCE SOUTH 43° 30' 09" EAST 212.65 FEET ALONG THE NORTHEASTERLY LINE OF BLOCK 69 TO THE INTERSECTION OF SAID NORTHEASTERLY LINE OF BLOCK 69 AND THE NORTHEASTERLY PROJECTION OF THE NORTHWESTERLY EXTERIOR FACE OF AN EXISTING BUILDING, SAID POINT ALSO BEING THE POINT OF BEGINNING OF PARCEL A AS DESCRIBED BY THE COUNTY OF STANISLAUS LOT LINE ADJUSTMENT ENTITLED "GALLO ARTS CENTER"; THENCE SOUTH 43° 30' 09" EAST 187.56 FEET ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 69 TO THE EASTERLY MOST CORNER OF SAID BLOCK 69; THENCE SOUTH 46° 27' 57" WEST 113.55 FEET ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 69 TO THE NTERSECTION OF THE SOUTHEASTERLY PROJECTION OF THE SOUTHWESTERLY MOST EXTERIOR FACE OF AN EXISTING BUILDING; THENCE NORTH 43° 33' 37" WEST 187.60 FEET ALONG SAID PROJECTION TO THE WESTERLY MOST CORNER OF SAID EXTERIOR FACE OF AN EXISTING BUILDING; THENCE NORTH 46° 29' 12" EAST 113.74 FEET ALONG THE NORTHWESTERLY MOST EXTERIOR FACE OF AN EXISTING BUILDING TO THE POINT OF BEGINNING AND CONTAINING 0.49 ACRES MORE OR LESS.

APN: 105-039-013

PARCEL NO. 2: PARKING GARAGE

ALL THAT PORTION OF LOTS 17 THROUGH 28 OF BLOCK 94 AS SHOWN ON THE MAP OF CITY OF MODESTO BLOCK 94, RECORDED ON DECEMBER 21, 1942 IN BOOK 15 OF MAPS, AT PAGE 1, STANISLAUS COUNTY RECORDS, SITUATE IN SECTION 29, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, CITY OF MODESTO, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, LYING SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHWESTERLY LINE OF SAID LOT 28 THAT BEARS SOUTH 43° 29' 30" EAST 123.59 FEET FROM THE WESTERLY MOST CORNER OF LOT 32 AS SHOWN ON SAID MAP OF CITY OF MODESTO; THENCE NORTH 46° 28' 44" EAST 139.96 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 28 AND BEING SOUTH 43° 29'

35" EAST 123.50 FEET FROM THE NORTHERLY MOST CORNER OF SAID LOT 32 AND CONTAINING 38,717 SQUARE FEET, MORE OR LESS.

APN: 105-024-010

PARCEL NO. 3A: DOWNTOWN JAIL

A PORTION OF BLOCK 83, OF THE CITY OF MODESTO, FILED IN VOLUME 15 OF MAPS, AT PAGE 1, ON DECEMBER 21, 1942, STANISLAUS COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID BLOCK 83; THENCE ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 83 AND SOUTHWESTERLY LINE OF 12TH STREET (40.00 FOOT HALF WIDTH) NORTH 43° 29' 30" WEST 186.71 FEET; THENCE LEAVING SAID NORTHEASTERLY LINE SOUTH 46° 30' 47" WEST 107.65 FEET; THENCE SOUTH 43° 29' 13" EAST 15.26 FEET; THENCE SOUTH 46° 30' 47" WEST 11.97 FEET; THENCE SOUTH 43° 29' 13" EAST 111.54 FEET; THENCE SOUTH 46° 30' 47" WEST 16.34 FEET; THENCE SOUTH 43° 29' 13" EAST 28.87 FEET TO THE EXTERIOR FACE OF THE EXISTING STANISLAUS COUNTY JAIL BUILDING; THENCE ALONG SAID BUILDING FACE SOUTH 46° 30' 47" WEST 8.76 FEET; THENCE CONTINUING ALONG SAID BUILDING FACE SOUTH 43° 29' 13" EAST 31.01 FEET TO THE SOUTHEASTERLY LINE OF SAID BLOCK 83 AND THE NORTHWESTERLY LINE OF "H" STREET (40.00 FOOT HALF WIDTH); THENCE ALONG SAID SOUTHEASTERLY LINE NORTH 46° 29' 12" EAST 144.74 FEET TO THE POINT OF BEGINNING.

APN: 105-025-003

PARCEL NO. 3B: DOWNTOWN JAIL

A PORTION OF BLOCK 83, OF THE CITY OF MODESTO, FILED IN VOLUME 15 OF MAPS, AT PAGE 1, ON DECEMBER 21, 1942, STANISLAUS COUNTY RECORDS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID BLOCK 83; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK 83 AND THE NORTHWESTERLY LINE OF "H" STREET (40.00 FOOT HALF WIDTH) NORTH 46° 29' 12" EAST 120.04 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT HEREINAFTER REFERRED TO AS POINT "A"; THENCE LEAVING SAID TRUE POINT OF BEGINNING, AND SAID SOUTHEASTERLY LINE NORTH 43° 36' 46" WEST 149.93 FEET; THENCE SOUTH 46° 30' 47" WEST 23.77 FEET; THENCE NORTH 43° 29' 13" WEST 18.03 FEET; THENCE SOUTH 46° 31' 46" WEST 14.02 FEET; THENCE NORTH 43° 28' 49" WEST 76.13 FEET; THENCE NORTH 46° 30' 47" EAST 34.17 FEET; THENCE SOUTH 43° 29' 13" EAST 2.59 FEET; THENCE NORTH 46° 30' 53" EAST 33.75 FEET; THENCE SOUTH 43° 29' 13" EAST 4.90 FEET; THENCE NORTH 46° 30' 47" EAST 9.71 FEET; THENCE SOUTH 43° 35' 44" EAST 2.76 FEET; THENCE NORTH 68° 53' 36" EAST 4.73 FEET; THENCE NORTH 46° 30' 47" EAST 16.59 FEET; THENCE SOUTH 43° 29' 13" EAST 172.15 FEET; THENCE SOUTH 46° 30' 47" WEST 16.34 FEET; THENCE SOUTH 43° 29' 13" EAST 28.87 FEET TO THE EXTERIOR FACE OF THE EXISTING STANISLAUS COUNTY JAIL BUILDING; THENCE ALONG SAID BUILDING FACE SOUTH 46° 30' 47" WEST 8.76 FEET; THENCE CONTINUING ALONG SAID BUILDING FACE

SOUTH 43° 29' 13" EAST 31.01 FEET TO SAID SOUTHEASTERLY LINE; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 46° 29' 12" WEST 35.38 FEET TO THE TRUE POINT OF BEGINNING.

APN: 105-025-005

PARCEL NO. 4: SALIDA LIBRARY

PARCEL 1:

PARCEL 2 AS SHOWN UPON THAT CERTAIN PARCEL MAP FILED DECEMBER 04, 1978 IN VOLUME 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN.

EXCEPTING THEREFROM THAT PORTION OF LAND GRANTED TO THE STATE OF CALIFORNIA BY THAT CERTAIN GRANT DEED RECORDED AUGUST 23, 2007 AS INSTRUMENT NO. 2007-0108284-00, STANISLAUS COUNTY OFFICIAL RECORDS

PARCEL 2:

30 FOOT WIDE ACCESS EASEMENT DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF PARCEL "C" AS SHOWN ON THE MAP FILED IN BOOK 6 OF PARCEL MAPS, AT PAGE 47, STANISLAUS COUNTY RECORDS AND THAT PORTION OF PARCEL "1" AS SHOWN ON THE MAP FILED IN BOOK 28 OF PARCEL MAPS, AT PAGE 31, STANISLAUS COUNTY RECORDS, LYING IN SECTION 3, TOWNSHIP 3 SOUTH, RANGE 8 EAST, MOUNT DIABLO BASE AND MERIDIAN, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST CORNER OF SAID PARCEL "C" BEING ON THE SOUTHEASTERLY LINE OF EAST BROADWAY; THENCE NORTH 46° 57' 11" EAST, 13.85 FEET ALONG SAID SOUTHEASTERLY LINE TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 950.00 FEET AND A CENTRAL ANGLE OF 0° 57' 38"; THENCE NORTHEASTERLY 15.93 FEET ALONG THE ARC OF SAID CURVE AND SAID SOUTHEASTERLY LINE OF EAST BROADWAY THENCE SOUTH 42° 51' 39" EAST, 239.01 FEET PARALLEL WITH AND 30.00 FEET NORTHEASTERLY OF THE SOUTHWEST LINE OF SAID PARCEL "C"; THENCE SOUTH 10° 32' 10" EAST, 217.02 FEET TO THE SOUTHEAST LINE OF SAID PARCEL "1"; THENCE SOUTH 53° 24' 02" WEST, 33.40 FEET ALONG SAID SOUTHEAST LINE; THENCE NORTH 10° 32' 10" WEST, 223.41 FEET TO THE SOUTH CORNER OF SAID PARCEL "C"; THENCE NORTH 42° 51' 39" WEST, 230.00 FEET ALONG THE SOUTHWEST LINE OF SAID PARCEL "C" TO THE POINT OF BEGINNING, BY DOCUMENT RECORDED FEBRUARY 08, 1980 IN VOLUME 3287 OF OFFICIAL RECORDS, AT PAGE 224, AS INSTRUMENT NO. 49878.

APN: 135-053-006

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

OFFICER'S CERTIFICATE

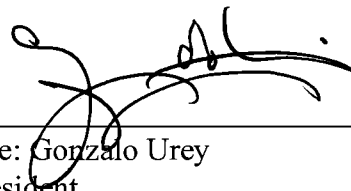
I do hereby certify that:

(i) I am the duly elected Officer of The Bank of New York Mellon Trust Company, N.A.; (the Company”);

(ii) attached hereto is a true, correct copy of Signing Authorities extracts from by-laws of the Company adopted by action of the Board of Directors of the Company and presently in effect;

(iii) attached hereto is a list of the persons who, as of the date hereof, are certain duly elected officers of the Company, which lists sets forth the title of each such officer next to his or her typed name, with which officers I am personally familiar; and

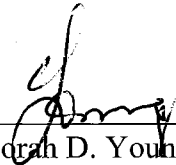
IN WITNESS WHEREOF, I have hereunto executed this Certificate as Vice President of the Company this 1st day of August, 2013.



Officer's Name: Gonzalo Urey
Title: Vice President

I hereby certify that as of the date hereof that Gonzalo Urey is the duly elected Officer of The Bank of New York Mellon Trust Company, N.A. and that the signature which appears on the foregoing pages is the signature of Gonzalo Urey and that it is a signature with which I am personally familiar and do certify as to its authenticity:

Dated: August 1, 2013



By: Deborah D. Young
Title: Vice President

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

I, the undersigned, Barbara J. Parrish, Assistant Secretary of The Bank of New York Mellon Trust Company, N.A., a national banking association organized under the laws of the United States (the "Association") and located in the State of California, DO HEREBY CERTIFY that the following individuals are duly appointed and qualified Officers of the Association:

| <u>Officer</u> | <u>Title</u> | <u>Signing Authority</u> |
|---|--|--------------------------|
| <u>LOS ANGELES, CA (400 South Hope Street)</u> | | |
| Frank P. Sulzberger | Managing Director | B1, H, J, N, P11 |
| Maria E. Allison | Vice President and Assistant Secretary | A, C1, J, N, P1 |
| John A. (Alex) Briffett | Vice President | A, C5, J, N, P2 |
| Eladia Burgos | Vice President | C2, I1, I2, N, P11 |
| Maria Rose Bystrom | Vice President & Assistant Secretary | A, C1, J, N, P1 |
| Fanny Chen | Vice President | A, C5, J, N, P2 |
| Gregory Chenail | Vice President | A, C2, J, N, P1 |
| Patricia Cronin | Vice President | A, C5, J, P2 |
| Christopher Davy | Vice President | A, C6, J, P2 |
| Teresa Fructuoso | Vice President & Assistant Secretary | A, C2, J, P1 |
| Evelyn T. Furukawa | Vice President & Assistant Secretary | A, C1, J, P1 |
| Cristina D. Garchitorea | Vice President | A, C5, J, P2 |
| Mark A. Golder | Vice President & Assistant Secretary | A, C2, J, P1 |
| Lisa Infusino | Vice President | A, C2, J, N, P1 |
| Christopher Johnson | Vice President | A, C5, J, N, P2 |
| Daniel Marroquin | Vice President | A, C2, J, N, P2 |
| Aaron Masters | Vice President | C2 |
| Jose M. Matamoros | Vice President | A |
| Marina Meza | Vice President | A, C5, J, P2 |
| Melinda Murrell | Vice President | A, C3, J, P2 |
| Rena Kajita Nakashima | Vice President | A, C2, J, P2 |
| Jacqueline Nowak | Vice President | A, C2, J, P1 |
| Agnes Obando | Vice President | A, C2, J, N, P1 |
| Linda G. Ojeda | Vice President & Assistant Secretary | A, C1, J, P1 |
| Teresa Petta | Vice President | A, C2, J, N, P1 |
| Aurora Quiazon | Vice President | A, C6, J, P2 |
| Johanna Tokunaga | Vice President & Assistant Secretary | A, C2, J, N, P1 |
| Raymond Torres | Vice President | A, C5, J, N, P2 |
| Fe R. Tuzon | Vice President | A, C6, J, P2 |
| Gonzalo Urey | Vice President | A, C5, J, N, P2 |
| Deborah D. Young | Vice President | A, C2, J, P1 |
| Melonee Young | Vice President | A, C2, J, N, P1 |
| Karen Yu | Vice President | A, C5, J, N, P2 |
| Kitty Kwong | Senior Associate | A, C5, J, N, P2 |
| Zenaida (Gabby) Rodriguez | Senior Associate | A, C6, J, N, P2 |
| Icela Arms | Associate | C2, I1, I2, N |
| Justin Bui | Associate | A, C3, J, N, P3 |

| | | |
|----------------------|-----------|-----------------|
| Alexander Dominguez | Associate | C2, I1, I2, N |
| Valere D. Jones-Shaw | Associate | A, C3, J, N |
| Ty Jamaal Jordan | Associate | C2, I1, I2, N |
| Amy Kung | Associate | A, C3, J, N |
| Alfredo Miranda | Associate | C2, I1, I2, N |
| Matthew Moon | Associate | A, C5, J, N, P2 |
| Norma Nkala-Hendon | Associate | A, C5, J, N, P3 |
| Teresita D. Sanchez | Associate | C3, P10 |

SAN FRANCISCO, CA (100 Pine Street, Suite 3100)

| | | |
|------------------------|--------------------------------------|--------------------|
| Antonio Nunes, Jr. | Managing Director | P9 |
| Sheila A. Bowman | Vice President | A, C2, J, N, P2 |
| Milly P. Canessa | Vice President | A, C2, J, N, P1 |
| Janelle Farooque | Vice President | A, C5, J, N, P2 |
| Josephine Libunao | Vice President & Assistant Secretary | A, C1, J, N, P1 |
| Rosalinda B. Ronquillo | Vice President & Assistant Secretary | A, C2, J, P2 |
| Julia (Jing) Sun | Vice President | C2, I1, I2, N, P11 |
| Helen Hamilton Vial | Vice President | A, N |
| Gordon Fung | Associate | A, C3, J, N, P3 |
| Regina Vernitskaya | Associate | C2, I1, I2, N |
| Wade Winkler | N/A | A, C4, J, N, P4 |

TEMPE, AZ (1225 W. Washington St., Suite 126)

| | | |
|--------------------|--------------------------------------|-----------------|
| Scott Blair | Vice President | A, C3, J, N, P2 |
| Mark Krietemeyer | Vice President & Assistant Secretary | A, C2, J, N, P1 |
| Deborah M. Scherer | Vice President | A, C2, J, N, P1 |
| Nancy Wakefield | Vice President | A, C3, J, N, P2 |
| Ashley Cornwell | Associate | C2, I1, I2, N |
| Laura A. Underwood | Associate | A, C3, J, N, P3 |

DENVER, CO (1775 Sherman Street)

| | | |
|------------------|----------------|-----------------|
| Elmo Morales | Vice President | I1, I2 |
| Ryan M. Pollihan | Vice President | A, C2, J, N, P2 |
| Troy Pitman | Vice President | A, C3, J, N, P2 |

SEATTLE, WA (601 Union Street)

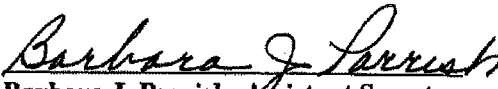
| | | |
|------------------|--------------------------------------|------------------|
| Roy H. Davis | Vice President | A, C2, J, N, P2 |
| Kathleen Gylland | Vice President | A, C2, J, N, P2 |
| Michael A. Jones | Vice President | A |
| Carol J. Nelson | Vice President & Assistant Secretary | A, C1, J, N, P10 |
| Gene H. Romaine | Vice President | A, C5, J, N, P2 |
| Perry Tobe | Vice President | A, C2, J, N, P2 |
| Diem Lam | Associate | C2, I1, I2, N |

I further certify that as of this date they have been authorized to sign on behalf of the Association in discharging or performing their duties in accordance with the senior and limited signing powers provided under Article V, Sections 5.2 and 5.3 of the By-Laws of the Association

and the paragraphs indicated above of the signing authority resolution of the Board of Directors of the Association.

Attached hereto are true and correct copies of excerpts of the By-Laws of the Association and the signing authority resolution, which have not been amended or revised since October 15, 2009 and are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of The Bank of New York Mellon Trust Company, N.A. this 16th day of October 2012.


Barbara J. Parrish, Assistant Secretary

Extracts from By-Laws
of
The Bank of New York Mellon Trust Company, N.A.
As Amended through October 15, 2009

ARTICLE V
SIGNING AUTHORITIES

Section 5.1 Real Property. Real property owned by the Association in its own right shall not be deeded, conveyed, mortgaged, assigned or transferred except when duly authorized by a resolution of the Board. The Board may from time-to-time authorize officers to deed, convey, mortgage, assign or transfer real property owned by the Association in its own right with such maximum values as the Board may fix in its authorizing resolution.

Section 5.2. Senior Signing Powers. Subject to the exception provided in Section 5.1, the President and any Executive Vice President is authorized to accept, endorse, execute or sign any document, instrument or paper in the name of, or on behalf of, the Association in all transactions arising out of, or in connection with, the normal course of the Association's business or in any fiduciary, representative or agency capacity and, when required, to affix the seal of the Association thereto. In such instances as in the judgment of the President, or any Executive Vice President may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer to have the powers set forth in this section applicable only to the performance or discharge of the duties of such officer within his or her particular division or function. Any officer of the Association authorized in or pursuant to Section 5.3 to have any of the powers set forth therein, other than the officer signing pursuant to this Section 5.2, is authorized to attest to the seal of the Association on any documents requiring such seal.

Section 5.3. Limited Signing Powers. Subject to the exception provided in Section 5.1, in such instances as in the judgment of the President or any Executive Vice President, may be proper and desirable, any one of said officers may authorize in writing from time-to-time any other officer, employee or individual to have the limited signing powers or limited power to affix the seal of the Association to specified classes of documents set forth in a resolution of the Board applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function.

Section 5.4. Powers of Attorney. All powers of attorney on behalf of the Association shall be executed by any officer of the Association jointly with the President, any Executive Vice President, or any Managing Director, provided that the execution by such Managing Director of said Power of Attorney shall be applicable only to the performance or discharge of the duties of said officer within his or her particular division or function. Any such power of attorney may, however, be executed by any officer or officers or person or persons who may be specifically authorized to execute the same by the Board of Directors.

Section 5.5. Auditor. The Auditor or any officer designated by the Auditor is authorized to certify in the name of, or on behalf of the Association, in its own right or in a fiduciary or representative capacity, as to the accuracy and completeness of any account, schedule of assets, or other document, instrument or paper requiring such certification.

SIGNING AUTHORITY RESOLUTION

**Pursuant to Article V, Section 5.3 of the By-Laws
Adopted October 15, 2009**

RESOLVED that, pursuant to Section 5.3 of the By-Laws of the Association, authority be, and hereby is, granted to the President or any Executive Vice President, in such instances as in the judgment of any one of said officers may be proper and desirable, to authorize in writing from time-to-time any other officer, employee or individual to have the limited signing authority set forth in any one or more of the following paragraphs applicable only to the performance or discharge of the duties of such officer, employee or individual within his or her division or function:

(A) All signing authority set forth in paragraphs (B) through (I) below except Level C which must be specifically designated.

(B1) Individuals authorized to accept, endorse, execute or sign any bill receivable; certification; contract, document or other instrument evidencing, embodying a commitment with respect to, or reflecting the terms or conditions of, a loan or an extension of credit by the Association; note; and document, instrument or paper of any type, including stock and bond powers, required for purchasing, selling, transferring, exchanging or otherwise disposing of or dealing in foreign currency, derivatives or any form of securities, including options and futures thereon; in each case in transactions arising out of, or in connection with, the normal course of the Association's business.

(B2) Individuals authorized to endorse, execute or sign any certification; disclosure notice required by law; document, instrument or paper of any type required for judicial, regulatory or administrative proceedings or filings; and legal opinions.

(C1) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in excess of \$500,000,000 with single authorization for all transactions.

(C2) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in excess of \$500,000,000*.

(C3) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$500,000,000.

(C4) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount in excess of \$100,000,000 but not to exceed \$500,000,000*.

(C5) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$100,000,000.

(C6) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$10,000,000.

(C7) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$5,000,000.

(C8) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$1,000,000.

(C9) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$250,000.

(C10) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$50,000.

(C11) Authority to accept, endorse, execute or sign or effect the issuance of any cashiers, certified or other official check; draft; order for payment of money; check certification; receipt; certificate of deposit; money transfer wire; and internal transfers resulting in a change of beneficial ownership; in each case, in an amount up to \$5,000.

*Dual authorization is required by any combination of senior officer and/or Sector Head approved designee for non-exempt transactions. Single authorization required for exempt transactions.

(D1) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$1,000,000.

(D2) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$250,000.

(D3) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$50,000.

(D4) Authority to accept, endorse, execute or sign any contract obligating the Association for the payment of money or the provision of services in an amount up to \$5,000.

(E) Authority to accept, endorse, execute or sign any guarantee of signature to assignments of stocks, bonds or other instruments; certification required for transfers and deliveries of stocks, bonds or other instruments; and document, instrument or paper of any type required in connection with any Individual Retirement Account or Keogh Plan or similar plan.

(F) Authority to accept, endorse, execute or sign any certificate of authentication as bond, unit investment trust or debenture trustee and on behalf of the Association as registrar and transfer agent.

(G) Authority to accept, endorse, execute or sign any bankers acceptance; letter of credit; and bill of lading.

(H) Authority to accept, endorse, execute or sign any document, instrument or paper of any type required in connection with the ownership, management or transfer of real or personal property held by the Association in trust or in connection with any transaction with respect to which the Association is acting in any fiduciary, representative or agency capacity, including the acceptance of such fiduciary, representative or agency account.

(I1) Authority to effect the external movement of free delivery of securities and internal transfers resulting in changes of beneficial ownership.

(I2) Authority to effect the movement of securities versus payment at market or contract value.

(J) Authority to either sign on behalf of the Association or to affix the seal of the Association to any of the following classes of documents: Trust Indentures, Escrow Agreements, Pooling and Servicing Agreements, Collateral Agency Agreements, Custody Agreements, Trustee's Deeds, Executor's Deeds, Personal Representative's Deeds, Other Real Estate Deeds for property not owned by the Association in its own right, Corporate Resolutions, Mortgage Satisfactions, Mortgage Assignments, Trust Agreements, Loan Agreements, Trust and Estate Accountings, Probate Petitions, responsive pleadings in litigated matters and Petitions in Probate Court with respect to Accountings, Contracts for providing customers with Association products or services.

(N) Individuals authorized to accept, endorse, execute or sign internal transactions only, (i.e., general ledger tickets); does not include the authority to authorize external money movements, internal money movements or internal free deliveries that result in changes of beneficial ownership.

(P1) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in excess of \$10,000,000.

(P2) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$10,000,000.

(P3) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$5,000,000.

(P4) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$1,000,000.

(P5) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$250,000.

(P6) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$100,000.

(P7) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$50,000.

(P8) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$25,000.

(P9) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$10,000.

(P10) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$5,000.

(P11) Authority to approve the payment of valid expenses as incurred to meet the obligations of the Association, excluding salary and other employee directed benefit payments; in each case, in an amount up to \$3,000.

RESOLVED, that any signing authority granted pursuant to this resolution may be rescinded by the President or any Executive Vice President and such signing authority shall terminate without the necessity of any further action when the person having such authority leaves the employ of the Association.

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
ACKNOWLEDGEMENT OF RELEASE AND SATISFACTION

I am a duly appointed, qualified and acting representative of The Bank of New York Mellon Trust Company, N.A. (the "Prior Trustee"), and DO HEREBY CERTIFY as follows:

1. In accordance with the provisions of that certain Trust Agreement dated as of April 1, 2004 (the "2004A Trust Agreement"), by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority and the Prior Trustee, the Prior Trustee executed and delivered County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A (the "2004A Certificates").

2. In accordance with the provisions of that certain Trust Agreement dated as of April 1, 2004 (the "2004B Trust Agreement"), by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority and the Prior Trustee, the Prior Trustee executed and delivered County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "2004B Certificates").

3. Section 14.01 of the 2004A Trust Agreement provides that, if the County shall pay or cause to be paid the interest, principal and premium represented by the Certificates in the manner provided in Section 14.01, then all agreements and covenants of the Authority, the County and the Trustee under the 2004A Trust Agreement shall thereupon cease and terminate and the 2004A Certificates shall no longer be outstanding, except as expressly set forth in Section 14.01 of the 2004A Trust Agreement.

4. Section 14.01 of the 2004B Trust Agreement provides that, if the County shall pay or cause to be paid the interest, principal and premium represented by the Certificates in the manner provided in Section 14.01, then all agreements and covenants of the Authority, the County and the Trustee under the 2004B Trust Agreement shall thereupon cease and terminate and the 2004B Certificates shall no longer be outstanding, except as expressly set forth in Section 14.01 of the 2004B Trust Agreement.

5. The County has delivered to the Prior Trustee notice of its intent to prepay Lease Payments and irrevocable instructions to prepay the 2004A Certificates on September 1, 2013 in accordance with Section 4.03(a) of the 2004A Trust Agreement. The Prior Trustee has received an opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation regarding the defeasance of the 2004A Certificates.

6. The County has delivered to the Prior Trustee notice of its intent to prepay Lease Payments and irrevocable instructions to prepay the 2004B Certificates on September 1, 2013 in accordance with Section 4.03(a) of the 2004B Trust Agreement. The Prior Trustee has received an opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation regarding the defeasance of the 2004B Certificates.

7. The Prior Trustee in its capacity as Escrow Agent (the "Escrow Agent") under the Escrow Agreement dated as of August 1, 2013 by and between the Escrow Agent and the County has received from the County money for deposit to the 2004A Escrow Fund which, together with amounts transferred from the 2004A Trust Agreement, is sufficient in amount to pay the principal and interest due on the 2004A Certificates on September 1, 2013 and to prepay all of the remaining 2004A Certificates on September 1, 2013 as set forth in the Verification Report of Causey Demgen & Moore, P.C. dated as of August 1, 2013. The Prior Trustee acknowledges that the 2004A Trust Agreement is discharged and satisfied (except as otherwise provided in Section 14.01 thereof).

8. The Prior Trustee in its capacity as Escrow Agent (the "Escrow Agent") under the Escrow Agreement dated as of August 1, 2013 by and between the Escrow Agent and the County has received from the County money for deposit to the 2004B Escrow Fund which, together with amounts transferred from the 2004B Trust Agreement, is sufficient in amount to pay the principal and interest due on the 2004B Certificates on September 1, 2013 and to prepay all of the remaining 2004B Certificates on September 1, 2013 as set forth in the Verification Report of Causey Demgen & Moore, P.C. dated as of August 1, 2013. The Prior Trustee acknowledges that the 2004B Trust Agreement is discharged and satisfied (except as otherwise provided in Section 14.01 thereof).

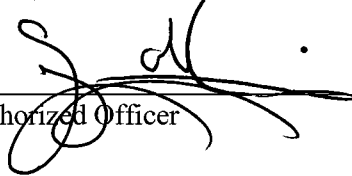
Capitalized terms not defined herein shall have the meaning set forth in the 2004A Trust Agreement or the 2004B Trust Agreement, as applicable.

Dated: August 1, 2013

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee

By: _____

Authorized Officer





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Continuing Disclosure Details

EVENT FILING (CUSIP-9 BASED)

Rule 15c2-12 Disclosure
 Defeasance dated 08/01/2013

Total CUSIPs associated with this submission: 10

VIEW DOCUMENTS

- [-] Event Filing dated 08/01/2013
 - Stanislaus Cnty 04A Defeasance.pdf posted 08/01/2013 [View](#)

[+] CUSIP-6s

[+] [STANISLAUS CNTY CALIF CTFS PARTN, CA \(854450\)](#)

STANISLAUS CNTY CALIF CTFS PARTN, CA (854450)

Displaying 1 issue.
 Total CUSIPs selected for this CUSIP-6: 10.

| Issue Description * | Dated Date | Maturity Dates | Official Statement |
|-------------------------|------------|----------------|-------------------------|
| [+] CAP IMPT PROJ-SER A | 04/06/2004 | 2008 to 2025 | Preview |

SUBMITTER'S CONTACT INFORMATION

Company: The Bank of New York Mellon Trust Company, N.A
 Name: GREG CHENAIL
 Address: 400 S HOPE STREET
 City, State: LOS ANGELES, CA 90071
 Zip:
 Phone Number: 2136306229
 Email: greg.chenail@bnymellon.com

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**NOTICE OF DEFEASANCE OF
COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004A**

Notice is hereby given to the owners of the outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A maturing on and after September 1, 2013 as shown in Exhibit A hereto (the "2004A Certificates") that:

(i) There has been deposited in an Escrow Fund with The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the "Escrow Agent"), certain monies as permitted by the Trust Agreement, dated as of April 1, 2004 (the "2004A Trust Agreement"), by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "2004A Trustee"), for the purpose of paying the principal and interest due on September 1, 2013 with respect to the 2004A Certificates and prepaying the 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013. The Escrow Agent has received a verification report of an independent accounting firm evidencing that the moneys deposited with the Escrow Agent will be sufficient to pay the principal and interest due on September 1, 2013 with respect to the 2004A Certificates and prepay the 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(ii) The 2004A Trustee has been irrevocably instructed by the County to prepay the 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(iii) The 2004A Certificates are deemed to be paid in accordance with Section 14.01 of the 2004A Trust Agreement and all obligations of the County, the Authority and the 2004A Trustee under the 2004A Trust Agreement have ceased and terminated except as expressly set forth in Section 14.01 of the 2004A Trust Agreement.

Dated: August 1, 2013

COUNTY OF STANISLAUS

EXHIBIT A

**COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004A**

| <i>Maturity Date (September 1)</i> | <i>Principal Amount</i> | <i>Interest Rate</i> | <i>CUSIP</i> |
|--|-------------------------|----------------------|--------------|
| 2013 | \$ 675,000 | 3.250% | 854450GJ6 |
| 2014 | 700,000 | 3.500 | 854450GK3 |
| 2015 | 720,000 | 3.600 | 854450GL1 |
| 2016 | 750,000 | 3.700 | 854450GM9 |
| 2017 | 775,000 | 3.800 | 854450GN7 |
| 2019 | 1,635,000 | 4.000 | 854450GP2 |
| 2020 | 870,000 | 4.100 | 854450GQ0 |
| 2021 | 905,000 | 4.125 | 854450GR8 |
| 2022 | 940,000 | 4.200 | 854450GS6 |
| 2025 | 3,080,000 | 4.375 | 854450GT4 |



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Continuing Disclosure Details

EVENT FILING (CUSIP-9 BASED)

Rule 15c2-12 Disclosure
 Defeasance dated 08/01/2013

Total CUSIPs associated with this submission: 10

VIEW DOCUMENTS

[-] Event Filing dated 08/01/2013
 Stanislaus Cnty 04B Defeasance.pdf posted 08/01/2013 View

[+] CUSIP-6s

> [STANISLAUS CNTY CALIF CTFS PARTN. CA. \(854450\)](#)

STANISLAUS CNTY CALIF CTFS PARTN, CA (854450)

Displaying 1 issue.
 Total CUSIPs selected for this CUSIP-6: 10.

| Issue Description * | Dated Date | Maturity Dates | Official Statement |
|-------------------------|------------|----------------|-------------------------|
| [+] CAP IMPT PROJ-SER B | 04/06/2004 | 2006 to 2025 | Preview |

SUBMITTER'S CONTACT INFORMATION

Company: The Bank of New York Mellon Trust Company, N.A
 Name: GREG CHENAIL
 Address: 400 S HOPE STREET
 City, State: LOS ANGELES, CA 90071
 Zip:
 Phone Number: 2136306229
 Email: greg.chenail@bnymellon.com

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**NOTICE OF DEFEASANCE OF
COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)
SERIES 2004B**

Notice is hereby given to the owners of the outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B maturing on and after September 1, 2013 as shown in Exhibit A hereto (the "2004B Certificates") that:

(i) There has been deposited in an Escrow Fund with The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the "Escrow Agent"), certain monies as permitted by the Trust Agreement, dated as of April 1, 2004 (the "2004B Trust Agreement"), by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "2004B Trustee"), for the purpose of paying the principal and interest due on September 1, 2013 with respect to the 2004B Certificates and prepaying the 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013. The Escrow Agent has received a verification report of an independent accounting firm evidencing that the moneys deposited with the Escrow Agent will be sufficient to pay the principal and interest due on September 1, 2013 with respect to the 2004B Certificates and prepay the 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(ii) The 2004B Trustee has been irrevocably instructed by the County to prepay the 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013 at a prepayment price of 100%.

(iii) The 2004B Certificates are deemed to be paid in accordance with Section 14.01 of the 2004B Trust Agreement and all obligations of the County, the Authority and the 2004B Trustee under the 2004B Trust Agreement have ceased and terminated except as expressly set forth in Section 14.01 of the 2004B Trust Agreement.

Dated: August 1, 2013

COUNTY OF STANISLAUS

EXHIBIT A

**COUNTY OF STANISLAUS
CERTIFICATES OF PARTICIPATION
(2004 CAPITAL IMPROVEMENT PROJECTS)**

PREPAID 2004B CERTIFICATES

| <i>Maturity Date (September 1)</i> | <i>Principal Amount</i> | <i>Interest Rate</i> | <i>CUSIP</i> |
|--|-------------------------|----------------------|--------------|
| 2013 | \$ 1,205,000 | 3.250% | 854450HB2 |
| 2014 | 1,245,000 | 3.500 | 854450HC0 |
| 2015 | 1,295,000 | 3.600 | 854450HD8 |
| 2016 | 1,340,000 | 3.700 | 854450HE6 |
| 2017 | 1,390,000 | 3.800 | 854450HF3 |
| 2019 | 2,925,000 | 4.000 | 854450HG1 |
| 2020 | 1,555,000 | 4.100 | 854450HH9 |
| 2021 | 1,620,000 | 4.125 | 854450HJ5 |
| 2022 | 1,690,000 | 4.200 | 854450HK2 |
| 2025 | 5,505,000 | 4.375 | 854450HL0 |

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

**CERTIFICATE OF THE CLERK OF THE BOARD OF
SUPERVISORS OF THE COUNTY OF STANISLAUS
WITH RESPECT TO RESOLUTION NO. 2013-353**

The undersigned, as the duly appointed, qualified and acting Clerk of the Board of Supervisors of the County of Stanislaus, a political subdivision of the State of California (the "County"), hereby states and certifies that:

(i) attached hereto is a true and complete copy of Resolution No. 2013-353 of the County, adopted on July 16, 2013 (the "Resolution") relating to the execution and delivery of a Site Lease and a Facilities Sublease related to the refunding of the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A and the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B; and

(ii) the Resolution was duly adopted by the County's Board of Supervisors on July 16, 2013, at a regular meeting which was called and held in accordance with applicable law and at which a quorum was present and acting throughout and the Resolution has not been modified, amended, rescinded or revoked and is in full force and effect as of this date.

Dated: August 1, 2013

COUNTY OF STANISLAUS, CALIFORNIA

By: *Christine Ferraro Tellman*
Clerk of the Board of Supervisors

RESOLUTION NO. 2013-353

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF
THE COUNTY OF STANISLAUS AUTHORIZING THE
EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS
AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION
THEREWITH IN ORDER TO REFINANCE THE COUNTY OF
STANISLAUS SERIES 2004A AND SERIES 2004B
CERTIFICATES OF PARTICIPATION**

WHEREAS, the Stanislaus County Capital Improvements Financing Authority is a joint powers authority organized and existing under the laws of the State of California (the "Authority") and has assisted the County of Stanislaus (the "County") in financing various capital improvements through the execution and delivery of the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects), Series 2004A (the "2004A Certificates") and the County of Stanislaus Certificates of Participation (2004 Capital Improvements Projects) Series 2004B (together with the 2004A Certificates, the "Prior Certificates"); and

WHEREAS, the Authority and the County desire to proceed with the refunding and prepayment of the Prior Certificates in order to reduce the lease payments that the County is required to make with respect to the Prior Certificates thereby providing a financial benefit to the County;

WHEREAS, to facilitate the refunding of the Prior Certificates the County desires to enter into that certain Site Lease by and between the Authority and the County (the "Site Lease") and that certain Facilities Sublease by and between the County and the Authority (the "Sublease"), the forms of which have been presented to this Board of Supervisors at the meeting at which this Resolution has been adopted, pursuant to which Site Lease the Authority will agree to lease from the County all or a portion of the real property currently leased with respect to the Prior Certificates and floors 3, 4 and 5 of the office building located at 832 12th Street (the "Leased Premises"), and pursuant to which Sublease the County will agree to sublease the Leased Premises from the Authority and to pay certain lease payments in connection therewith to the Authority; and

WHEREAS, the Authority and the County Treasurer/Tax Collector (the "Treasurer") acting on behalf of the Stanislaus County Treasury Pool will enter into an Assignment and Purchase Agreement by and between the Authority and the Treasurer (the "Assignment Agreement"), the form of which has been presented to this Board of Supervisors at the meeting at which this Resolution has been adopted, pursuant to which the Authority will sell and assign certain rights in the Site Lease and the Sublease to the Treasurer, and the Treasurer will, in consideration of such assignment, pay an amount equal to the Principal Component of the Base Rental Payments (as such terms are defined in the Facilities Sublease);

WHEREAS, the Board of Supervisors desires to consent to the terms of the Assignment Agreement and to authorize the purchase by the Treasurer of the Authority's rights under the Site Lease and the Facilities Sublease pursuant to the terms of the Assignment Agreement and state expressly its intention that such purchase not result in any extinguishment of the County's obligations under the Site Lease and the Facilities Sublease as provided for in Government Code Section 5925; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the County is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Stanislaus that:

Section 1. Each of the foregoing recitals is true and correct.

Section 2. The forms of the Site Lease, the Sublease and the Assignment Agreement presented at this meeting are hereby approved. Each of the Chairman of the Board of Supervisors and the Chief Executive Officer of the County or their designees (collectively, the "Authorized Officers"), acting alone, is hereby authorized for and in the name of the County to execute, and the Clerk to the Board of Supervisors is authorized to attest, the Site Lease and the Sublease, in substantially the forms hereby approved, with such additions thereto and changes therein as the Authorized Officer or Authorized Officers executing the same deem to be necessary, including, but not limited to, additions and changes thereto as are required by the Treasurer as condition to its entering into and performing its obligations under the Assignment Agreement; provided, however, that the terms of the Sublease, as executed, shall comply with the limitations set forth in Section 3 below. Approval of such changes shall be conclusively evidenced by the execution and delivery thereof by any one of the Authorized Officers. Each of the Authorized Officers is further authorized to execute, acknowledge and deliver any and all documents required to consummate the transactions contemplated by the Site Lease, the Sublease and the Assignment Agreement, including for the termination of the existing leases related to the Prior Certificates.

Section 3. The term of the Sublease shall end not later than five years after the date it commences, except as otherwise provided therein regarding an extension of the term. Base Rental Payments to be made by the County under the Sublease shall not exceed \$5,042,000 in any Sublease Year and the Principal Components of Base Rental Payments shall not exceed \$26,000,000. The Board of Supervisors hereby finds and determines that the Base Rental Payments and the Additional Rental to be paid by the County under the Facilities Sublease in each Sublease Year will not exceed the contemporaneous consideration received by the County for its use and occupancy of the Leased Premises in such Sublease Year. Capitalized terms used in this paragraph not defined herein shall have the meaning set forth in the Sublease.

Section 4. The County hereby consents to the sale and assignment by the Authority to the Treasurer of certain of the Authority's rights under the Site Lease and the Sublease, including the right to receive the Base Rental Payments and Additional Rental payments due to the Treasurer under the Sublease, and hereby approves the form of the Assignment Agreement by and between the Authority and the Treasurer. The consideration paid by the Treasurer pursuant to the Assignment Agreement shall be in an amount equal to the Principal Components of the Base Rental Payments due under the Sublease. The Board hereby finds and determines that, in accordance with Government Code Section 5925, such purchase will not result in an extinguishment of the County's obligations under the Site Lease and the Sublease.

Section 5. Each of the Authorized Officers and the other officers of the County, acting alone, is hereby authorized to do any and all things and to execute and deliver any and all documents and agreements which they may deem necessary and advisable in order to consummate the refunding and prepayment of the Prior Certificates and otherwise effectuate the purposes of this Resolution, including, but not limited to, entering into an escrow agreement with the trustee for the Prior Certificates and one or more termination agreements related to the leases and the assignment agreements executed with respect to the Prior Certificates and paying all expenses related to the refunding and prepayment, including legal, trustee, financial advisory and verification agent fees and expenses. In the event the Chairman and Vice Chairman of the Board of Supervisors are unavailable or unable to execute and deliver any of the above referenced documents, any other member of the Board of Supervisors may validly execute and deliver such document. In the event that the Clerk to the Board of Supervisors is unavailable or unable to execute and deliver any of the above-referenced documents, any deputy clerk may validly execute and deliver such document.

Section 6. All actions heretofore taken by any officer of the County with respect to the execution and delivery of the Site Lease and the Sublease and the refunding of the Prior Certificates are hereby approved, confirmed and ratified.

Section 7. This Resolution shall take effect from and after its date of adoption.

ADOPTED, SIGNED AND APPROVED this 16th day of July, 2013.

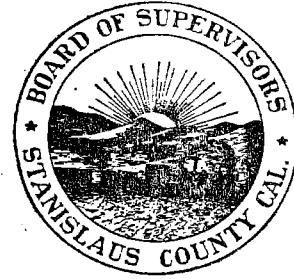


Chairman of the Board of Supervisors

ATTEST:



Clerk to the Board of Supervisors
County of Stanislaus, California



STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)

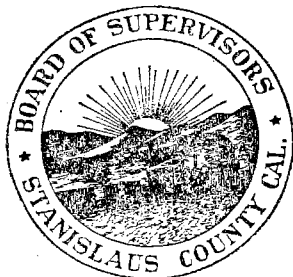
I, Christine Ferraro Tallman, Clerk to the Board of Supervisors of Stanislaus County, California, hereby certify that the above and foregoing Resolution was duly and regularly adopted by the said Board at a regular meeting thereof held on the 16th day of July, 2013, and that it was so adopted by the following vote of said Board:

AYES: SUPERVISORS O'Brien, Withrow, De Martini and Chairman Chiesa

NOES: SUPERVISORS None

ABSENT: SUPERVISORS Monteith

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 16th day of
July, 2013.



Christine Ferraro Tallman
Clerk to the Board of Supervisors of
Stanislaus County, California

STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)

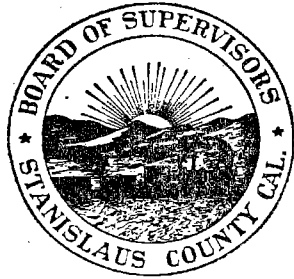
I, Christine Ferraro Tallman, Clerk to the Board of Supervisors of the County of Stanislaus, do hereby certify that the above and foregoing Resolution is a full, true and correct copy of Resolution No. 2013-353 of said Board, and that the same has not been amended or repealed as of the date hereof.

DATED: July 16, 2013.

Christine Ferraro Tallman

Clerk to the Board of Supervisors of Stanislaus
County, California

(SEAL)



THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Regular Session

Tuesday

July 16, 2013

Supervisor Monteith Absent

Pledge of Allegiance to the Flag

A moment of silence was held for Herman Meyer from the Sheriff's Department.

Sheriff Adam Christianson presented the 2013 Earl Pride Scholarship Award to recipients Colleen Reed and Samantha Shipley.

The Chairman administered the Oath of Office to Billy Powell upon his appointment by the Governor to the Partnership for the San Joaquin Valley.

Vernon Lee Price provided information to the Board regarding the Homeless Challenge Project by the National Coalition for the Homeless.

Chris Cosner presented his financial spreadsheets for his mobile food concession at the Woodward Reservoir.

Katherine Borges voiced concerns regarding the proposed City of Modesto general plan updates that were presented at the City's Planning Commission meeting yesterday.

Emerson Drake spoke regarding a variety of issues including: the Modesto Chamber of Commerce's Pathways to growth presentation, MID and the County's water retention plan, records retention at the Clerk-Recorder's office, and LAFCO's disclosure requirements for lobbyists.

Nancy Vinson, AFSCME Business Agent, spoke regarding their labor negotiations with the Stanislaus Housing Authority.

Juanita Nicholson, employee of the Housing Authority of Stanislaus County, spoke regarding the leadership of the Housing Authority.

Tamra Losinski, employee of the Housing Authority of Stanislaus County and a Clerical Unit Job Steward, spoke regarding labor negotiations with the Housing Authority.

Maryellen McLaughlin spoke regarding the importance of the In-Home Supportive Services (IHSS) Program.

Allen Bruce stated that the wages paid to IHSS Providers strengthens the community, and that every state and federal government dollar that comes into a community is spent four times in the local economy.

Astrid Zuniga spoke in support of a wage increase for IHSS Providers.

Danielle Maxwell spoke regarding the difficulty in raising a special needs child and the financial hardships. She stated that there was an 8% cut statewide to the IHSS program, and she spoke in support of a wage increase.

De Martini/Withrow (4-0)(Monteith absent) Adopted the consent calendar

- *A1 Approved the minutes of 07/02/2013
- *A2 Adopted and waived the second reading of Ordinance C.S. 1134 to amend Title 11, Section 11.08.080, of the Stanislaus County Code, amending angle parking on Ninth Street in Stanislaus County, Keyes Area ORD-55-R-3 2013-340
- *A3a Appointed Mary Jayne Budd and Stephanie Gruskiewicz to the Advisory Board on Substance Abuse Programs 2013-341
- *A3b Appointed Arby Hoobyar, Jr. to the Nuisance Abatement Hearing Board 2013-342
- *A4 Accepted the resignation of Charles Turner from the Stanislaus Consolidated Fire Protection District Board 2013-343
- *A5 Declared a vacancy on the Empire MAC 2013-344
- *A6 Consolidated the City of Waterford Special Municipal Election with the Consolidated District Election (UDEL) on 11/05/2013 2013-345
- *A7 Proclaimed August 2013 as Child Support Awareness Month 2013-346
- *B1 Directed the Auditor-Controller to establish a project budget in the amount of \$152,825 within the CEO-County Facilities Budget for repairs resulting from theft and vandalism at 2846 Finch Road, Modesto, CA; authorized the Project Manager to finalize and pursue reimbursement of the Finch Road Facility vandalism and theft repairs project costs utilizing insurance proceeds upon completion of the repairs; and, directed the Auditor-Controller to increase appropriations and estimated revenue for this project in per the Budget Journal form – CEO 2013-347
- *B2 Approved the Community Services Facility (CSF) Interim Facility Plan; authorized the Project Manager to implement the (CSF) Interim Facility Plan to include certain facility alterations and/or furnishings for to re-locate the WIC Program to the first floor of the CSF and to re-purpose the CSA File Room for staff space; authorized the Project Manager to issue a Notice Inviting Bids for the electrical and/or mechanical alterations to repurpose the CSA File Room for staff Facility, and to award the bid to the lowest responsive bidder; and, authorized the Director of CSA to coordinate with the Purchasing Agent to negotiate and enter into a three-year lease for the property located at 275 Third Street in Turlock, California to accommodate the CSA Staff Development Training Office – CEO 2013-348
- *B3 Authorized the Project Manager to reject all proposals received for the design-build construction of the Coroner Public Administration Facility, Video Visitation and Medical Records Project at 700 17th Street, Modesto, CA; directed the Project Manager to identify future options for the project, including cost savings to bring the project within the project budget, redesign elements of the project where necessary, and consider all other options and return to the Board with a recommended plan to meet those facility needs; and, authorized the Project Manager to take routine actions necessary to manage the project including construction management, professional services and other project related expenses as necessary to manage the project as long as the costs are within the Project Budget approved by the Board – CEO 2013-349
- *B4 Approved the submission by HSA of the Federally Qualified Health Center Look-Alike Recertification Application; authorized the Managing Director to sign required documents as part of the Federally Qualified Health Center Look-Alike Recertification Application; and, authorized the Managing Director to submit future annual recertification applications through the current five-year renewal period that ends September 2017 – HSA 2013-350

- *C1 Adopted the Plans and Specifications for the RSTP Phase F project; directed the Department of Public Works to set the bid opening date and time; and, directed the Public Works Department staff to mail the notice inviting bids to trade journals as required by law – PW 2013-351
- *C2 Approved the purchase agreement for the acquisition of a portion of the parcel identified as: assessor's parcel number (APN): 082-006-056 (portion); authorized the Chairman of the Board to execute the purchase agreement; and, directed the Director of Public Works to sign and cause to record the Grant Deed on behalf of Stanislaus County as authorized by Board Resolution No. 2011-141 executed on 03/08/2011– PW 2013-352

Recessed to sit as the Stanislaus County Capital Improvements Financing Authority (CIFA) Special Meeting at 7:22 p.m.

- O'Brien/Withrow (4-0)(Monteith absent) **6:35 p.m.** Approved the consent calendar
- 6:35 p.m.*II-A** Appointed Vito Chiesa as the Chairman and Jim De Martini as the Vice-Chairman of Stanislaus County CIFA 2013-364
 - 6:35 p.m.*II-B** Approved the minutes of 11/13/2012
 - 6:35 p.m.*II-C** Approved the resolution establishing regularly scheduled meeting calendar for FY 2013-2014 for CIFA on the following dates: 07/16/2013 2013-365

Adjourned the CIFA Special Meeting and Convened the CIFA Regular Meeting at 7:23 p.m.

O'Brien/Withrow (4-0)(Monteith absent) **6:36 p.m.*II-A** Approved a resolution to refinance the 2004 Series A and B Certificates of Participation through an internal borrowing from the Stanislaus County Treasury Pool, which includes: a) the form of the Facilities Sublease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; b) the form of the Site Lease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; c) the form of the Assignment and Purchase Agreement between the Stanislaus County Capital Improvements Financing Authority and the Treasurer/Tax Collector acting on behalf of the Stanislaus County Treasury Pool; d) authorized the Chairman of the Board and Secretary of the Authority to execute, acknowledge and deliver any and all documents required for the refinancing; and, e) authorized the Chairman of the Board, Secretary, and other officers of the Authority, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary and advisable to complete the refinancing – CEO 2013-366

Reconvened to sit as the Stanislaus County Board of Supervisors at 7:48 p.m.

O'Brien/Withrow (4-0)(Monteith absent) **B5** Approved a resolution to refinance the 2004 Series A and B Certificates of Participation through an internal borrowing from the Stanislaus County Treasury Pool, which includes: a) the form of the Facilities Sublease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; b) the form of the Site Lease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; c) the form of the Assignment and Purchase Agreement between the Stanislaus County Capital Improvements Financing Authority and the Treasurer/Tax Collector acting on behalf of the Stanislaus County Treasury Pool; d) authorized for the Chairman of the Board and Secretary of the Authority to execute, acknowledge and deliver any and all documents required for the refinancing; e) authorized for the Chairman of the Board, Secretary, and other officers of the Authority, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary and advisable to complete the refinancing; authorized the CEO to negotiate and execute all necessary agreements and all other documents to complete the financing; authorized the CEO to enter into, sign and execute agreements for financial consulting with KNN Public Finance, and legal services from Special Bond/Tax Counsel

Stradling, Yocca, Carlson, & Rauth, associated with the refinancing of the 2004 Series A and B Certificates of Participation; directed the Auditor-Controller to set up an interest-bearing Agency Fund to record the loan with the Stanislaus County Treasury Pool; and, directed the Auditor-Controller to make the necessary budget adjustments per the budget journal and to make any necessary budget and accounting adjustments to effectuate the refinancing – CEO 2013-353

DeMartini/O'Brien (4-0)(Monteith absent) **B6** Considered the recommended decision of the Nuisance Abatement Hearing Board regarding CE No. 12-0224 at 0 Bystrum Road, Modesto, California and **continued** this item to the 8/20/2013 meeting as requested by the representative of Central Valley Recycling – DER 2013-354

O'Brien/De Martini (4-0)(Monteith absent) **C3a** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-014-010; Parcel Owners: Lloyd E. Fugett and Beatrice C. Fugett, Trustees of the Fugett Living Trust) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached to the agenda item as Attachment A; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-355

O'Brien/De Martini (4-0)(Monteith absent) **C3b** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-006-004; Parcel Owner: Pauline Bavaro, Trustee of the Irrevocable Bavaro Family Trust) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached to the agenda item as Attachment A; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-356

O'Brien/De Martini (4-0)(Monteith absent) **C3c** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-014-009; Parcel Owner: Gregory Development Co., a California Corporation) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-357

O'Brien/De Martini (4-0)(Monteith absent) **C3d** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 083-002-001; Parcel Owner: Martin Family Holdings, a California Limited Liability Company) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-358

O'Brien/De Martini (4-0)(Monteith absent) **C3e** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-004-004; Parcel Owners: Ante Rodin and Florence Rodin as Trustees of the Ante and Florence Rodin 1995 Revocable Trust) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-359

O'Brien/De Martini (4-0)(Monteith absent) **C3f** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-014-007; Parcel Owners: D. Lowell McGrane and Rosalie J. McGrane, Trustees of McGrane Living Trust Dated 9-3-08, and Angie Bosio of the Bosio 2003 Family L.P., a California Limited Partnership) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired – PW 2013-360

O'Brien/De Martini (4-0)(Monteith absent) **C3g** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-015-006; Parcel Owner: KB Farm Fab and Welding, a General Partnership) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-361

O'Brien/De Martini (4-0)(Monteith absent) **C3h** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-004-030; Parcel Owner: Big Sky Investments 3 LLC, a California Limited Liability Company) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-362

O'Brien/De Martini (4-0)(Monteith absent) **C3i** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-004-038; Parcel Owner: Big Sky Investments 3 LLC, a California Limited Liability Company) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-363

Corr 1 Acknowledged receipt of the report and referred to CSA a copy of the 2012-2013 Final Report of the Stanislaus County Civil Grand Jury. M-39-M-8

Corr 2 Referred to the Alliance WorkNet and the Stanislaus Economic Development and Workforce Alliance, a letter from Silgan Containers Manufacturing Corporation regarding the temporary layoff of approximately 173 employees at their 3250 Patterson Road, Riverbank, CA facility and expects to recall employees on 09/09/2013 per the Workers Adjustment and Retraining Notification (WARN Act) requirements.

Corr 3 Referred to Alliance WorkNet and the Stanislaus Economic Development and Workforce Alliance, a letter from Sutter Health regarding the termination of approximately 9 employees that is expected to be permanent and to commence on or about 09/30/2013, from their Sutter Central Valley Hospitals dba Memorial Medical Center per the Worker Adjustment and Retraining Notification (WARN Act) requirements.

Corr 4 Referred to Alliance WorkNet and the Stanislaus Economic Development and Workforce Alliance, a letter from Sutter Health regarding the termination of approximately 16 employees that is expected to be permanent and to commence on or about 08/30/2013, from their Sutter Central Valley Hospitals dba Memorial Medical Center per the Worker Adjustment and Retraining Notification (WARN Act) requirements.

Corr 5 Referred to PW and CEO, a letter from the San Joaquin Valley Air Pollution Control District providing notification of their new grant opportunity to fund alternative fuel infrastructure projects.

Corr 6 Acknowledged receipt of claims and referred to the CEO-Risk Management Division the following claims: Donald Ellerd; Carlos J. Martinez; David S. Hernandez; Danielle Emel; and, Federal Bureau of Investigation.

Supervisor De Martini reported that he has received a preliminary report on StanCERA returns for the last fiscal year which ended on 06/30/2013. The total fund is now over \$1.5 billion and the return was 14.6%, which is a return of over \$200 million.

Recessed to sit as the Stanislaus County In-Home Supportive Services (IHSS) Public Authority 9:07 p.m.

O'Brien/Withrow (4-0)(Monteith absent) Approved the consent calendar
X. *II-A Approved the minutes of 07/02/2013

Reconvened to sit as the Stanislaus County Board of Supervisors at 9:08 p.m.

Adjourned at 9:08 p.m.

ATTESTED: CHRISTINE FERRARO TALLMAN, Clerk
of the Board of Supervisors
of the County of Stanislaus
State of California

BY: ELIZABETH A. KING, Assistant Clerk of the Board of Supervisors
(The above is a summary of the minutes of the Board of Supervisors. Complete minutes are available from the Clerk of the Board's Office.)

THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

July 16, 2013

There being no further business to come before this Board, the meeting adjourned at 9:08 p.m.

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk
of the Board of Supervisors

Christine Ferraro

COUNTERSIGNED BY:

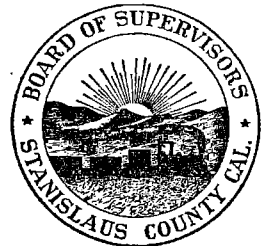
Vito Chiesa, Chairman
of the Board of Supervisors

Vito Chiesa

I hereby certify that the foregoing is a full,
true and correct copy of the Original entered
in the Minutes of the Board of Supervisors.

CHRISTINE FERRARO TALLMAN
Clerk of the Board of Supervisors of the
County of Stanislaus, State of California

By *Christine Ferraro Tallman*



COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

INCUMBENCY AND SIGNATURE CERTIFICATE OF THE COUNTY

The undersigned hereby states and certifies:

(a) that she is the duly appointed or elected, qualified and acting Clerk of the Board of Supervisors of the County of Stanislaus (the "County"), a political subdivision of the State of California duly organized and existing under the Constitution and the laws of the State of California, and, as such, is familiar with the facts herein certified and is authorized to certify the same;

(b) that at the present time and at all times from and including July 16, 2013, the Board of Supervisors and officers of the County are as follows:

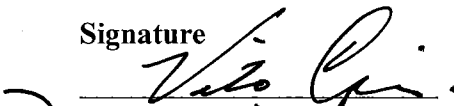
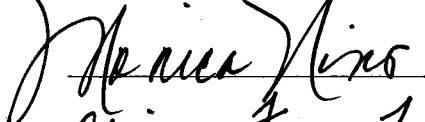
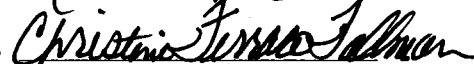
Board of Supervisors

| Name | Title |
|---------------|---------------|
| Vito Chiesa | Chairman |
| Jim DeMartini | Vice-Chairman |
| Terry Withrow | Supervisor |
| Dick Monteith | Supervisor |
| Jim DeMartini | Supervisor |

County Officials

| Name | Title |
|---------------------------|-----------------------------------|
| Monica Nino | Chief Executive Officer |
| Gordon B. Ford | Treasurer/Tax Collector |
| John P. Doering | County Counsel |
| Christine Ferraro Tallman | Clerk of the Board of Supervisors |

(c) the persons named below have been duly elected or appointed to and now hold the office of the County set forth below and the signature set forth opposite such person's name and title is such person's true and genuine signature:

| Name | Title | Signature |
|---------------------------|-----------------------------------|---|
| Vito Chiesa | Chairman |  |
| Monica Nino | Chief Executive Officer |  |
| Christine Ferraro Tallman | Clerk of the Board of Supervisors |  |

(d) Resolution No. 2013-353 previously adopted by the Board of Supervisors of the County on July 16, 2013, remains in full force and effect and has not been modified, amended, rescinded, or repealed by any other action of the Board of Supervisors of the County since its date of adoption;

(e) Each of the following documents has been executed and delivered by one or more of the duly authorized officers of the County listed in paragraph (c) above:

- (i) the Site Lease, dated as of August 1, 2013, by and between the County and the Authority;
- (ii) the Facilities Sublease, dated as of August 1, 2013, by and between the Authority and the County;
- (iii) the Termination Agreement (2004A), dated as of August 1, 2013, among the County, the Authority, and The Bank of New York Mellon Trust Company, N.A., as Trustee with respect to the 2004A Certificates;
- (iv) the Termination Agreement (2004B), dated as of August 1, 2013, among the County, the Authority, and The Bank of New York Mellon Trust Company, N.A., as Trustee with respect to the 2004B Certificates;
- (v) the Cost of Issuance Custodian Agreement, dated as of August 1, 2013, by and between the County and The Bank of New York Mellon Trust Company, N.A., as COI Custodian; and
- (vi) the 2004 Escrow Agreement, dated as of August 1, 2013, by and between the County and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

The undersigned is the duly appointed or elected, qualified and acting Clerk of the Board of Supervisors of the County of Stanislaus.

Dated: August 1, 2013

COUNTY OF STANISLAUS, CALIFORNIA

By: *Christine Ferraro Tallman*
Clerk of the Board of Supervisors

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

INSTRUCTIONS TO TREASURER AND
THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
RELATING TO PAYMENT OF PURCHASE PRICE AND DISBURSEMENT OF FUNDS

The undersigned, on behalf of the County of Stanislaus, a political subdivision of the State of California (the "County") hereby states and certifies to (i) the Stanislaus County Treasurer/Tax Collector (the "Treasurer") pursuant to the terms and provisions of the Assignment and Purchase Agreement, dated as of August 1, 2013 (the "Assignment Agreement"), by and between the Stanislaus County Capital Improvements Financing Authority (the "Authority") and the Treasurer; and (ii) The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee for the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A (the "2004A Trustee") pursuant to a Trust Agreement dated as of April 1, 2004, by and among the County, the Authority and the 2004A Trustee (the "2004A Trust Agreement"), in its capacity as Trustee for the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "2004B Trustee") pursuant to a Trust Agreement dated as of April 1, 2004, by and among the County, the Authority and the 2004B Trustee (the "2004B Trust Agreement"), in its capacity as escrow agent (the "Escrow Agent") pursuant to the 2004 Escrow Agreement dated as of August 1, 2013 (the "Escrow Agreement") by and between the County and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, and in its capacity as custodian (the "Custodian") pursuant to the Costs of Issuance Custodian Agreement dated as of August 1, 2013 (the "COI Agreement") between the County and The Bank of New York Mellon Trust Company, N.A., as Custodian, that:

(a) On August 1, 2013, the Treasurer will pay a purchase price of \$19,540,000.00 (the "Purchase Price") to acquire certain rights under the Assignment Agreement. The Treasurer is instructed to wire the Purchase Price of \$19,540,000 to The Bank of New York Mellon Trust Company, N.A. in its capacity as Escrow Bank and the Custodian.

(b) On August 1, 2013, the 2004A Trustee will make the scheduled payment of principal and interest on the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A and the 2004B Trustee will make the scheduled payment of principal and interest on the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B. Such amounts shall total \$4,800,000.

(c) On or prior to August 1, 2013, the County will wire transfer \$4,028,754.32 to the Escrow Agent to be deposited by the Escrow Agent to the 2004A Escrow Fund.

(d) The County hereby notifies the 2004A Trustee of its election to prepay all Lease Payments due with respect to the 2004A Certificates in accordance with Section 10.3 of the 2004A Lease and irrevocably instructs the 2004A Trustee to mail a notice of prepayment in accordance with Section 4.05 of the 2004A Trust Agreement calling all of the 2004A Certificates maturing on and after September 1, 2014 for prepayment on September 1, 2013. The 2004A Trustee is directed to request the Treasurer to withdraw from the County Investment Pool and transfer to the Escrow Agent

all amounts in the Reserve Fund established under the 2004A Trust Agreement for deposit to the 2004A Escrow Fund established under the Escrow Agreement.

(e) The County hereby notifies the 2004B Trustee of its election to prepay all Lease Payments due with respect to the 2004B Certificates in accordance with Section 10.3 of the Lease and irrevocably instructs the 2004B Trustee to mail a notice of prepayment in accordance with Section 4.05 of the 2004B Trust Agreement calling all of the 2004B Certificates maturing on and after September 1, 2014 for prepayment on September 1, 2013. The 2004B Trustee is directed to request the Treasurer to withdraw from the County Investment Pool and transfer to the Escrow Agent all amounts in the Reserve Fund established under the 2004B Trust Agreement for deposit to the 2004B Escrow Fund established under the Escrow Agreement.

(f) The amounts described in paragraphs (a), (b), (c), (d) and (e) above are set forth below and the Escrow Agent and the Custodian are instructed to apply such amounts as described below:

| | |
|-------------------------|---|
| \$ 19,540,000.00 | Received from the Treasurer |
| 4,800,000.00 | Debt Service Funds on Hand |
| 1,135,204.62 | 2004A Reserve Fund |
| 2,029,366.07 | 2004B Reserve Fund |
| <u>4,028,754.32</u> | County Contribution |
| <u>\$ 31,533,325.01</u> | TOTAL SOURCES |
| | Deposit to Cost of Issuance Account established pursuant to |
| \$ 96,650.00 | Custodian Agreement |
| 11,271,094.38 | Deposit to 2004A Escrow Fund |
| <u>20,165,580.63</u> | Deposit to 2004B Escrow Fund |
| <u>\$ 31,533,325.01</u> | TOTAL USES |

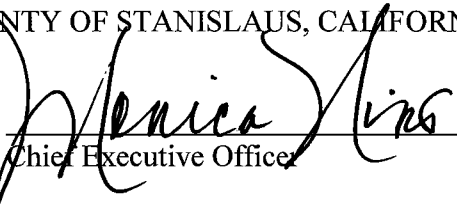
(g) The 2004A Trustee and the 2004B Trustee are instructed to transfer to the County any amounts received after the date hereof for deposit to any fund or account under the 2004A Trust Agreement and the 2004B Trust Agreement.

Capitalized terms used herein but not defined herein shall have the meanings set forth in the 2004A Trust Agreement and the 2004B Trust Agreement

Dated: August 1, 2013

COUNTY OF STANISLAUS, CALIFORNIA

By:



Chief Executive Officer

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

CLOSING CERTIFICATE OF THE COUNTY

The undersigned, as a duly appointed, qualified and acting Chief Executive Officer of the County of Stanislaus (the "County"), hereby states and certifies that:

(i) the representations, warranties and covenants of the County contained in the Site Lease, dated as of August 1, 2013, by and between the County and the Authority, the Facilities Sublease, dated as of August 1, 2013, by and between the Authority and the County, the Cost of Issuance Custodian Agreement dated as of August 1, 2013, by and between the County and The Bank of New York Mellon Trust Company, N.A., as COI Custodian, the 2004 Escrow Agreement, dated as of August 1, 2013, by and between the County and The Bank of New York Mellon Trust Company, N.A., the Termination Agreement (2004A), dated as of August 1, 2013, among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee with respect to the 2004A Certificates, and the Termination Agreement (2004B), dated as of August 1, 2013, among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee with respect to the 2004B Certificates (collectively, the "County Documents") are true and correct on and as of the date hereof with the same effect as if made on and as of the date hereof by the County, and the County has complied with all of the terms and conditions of the County Documents required to be complied with by the County at or prior to the date hereof;

(ii) at and prior to the date hereof, the County has complied with all agreements and satisfied all the conditions on its part to be performed or satisfied under the County Documents and the resolution (the "Resolution") adopted by the Board of Supervisors of the County on July 16, 2013 authorizing the execution and delivery of the County Documents, and the officers of the County that executed and delivered the County Documents were duly authorized to execute and deliver the County Documents for and on behalf of the County;

(iii) no default or event of default has occurred and is continuing or would result from the execution or performance of the County Documents;

(iv) all things, conditions and acts required by the Constitution and laws of the State, to have happened and to have been performed precedent to and in the execution and the delivery of the County Documents, do exist, have happened and have been performed in due time, form and manner, as required by law; and

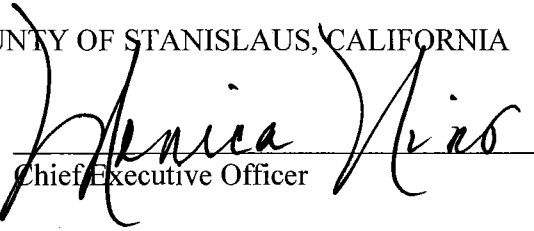
(v) copies of the County Documents delivered to the Stanislaus County Treasurer/Tax Collector on the date hereof are true, correct and complete and were duly executed and delivered by the County, have not been modified, amended or rescinded and are in full force and effect on and as of the date hereof.

Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Facilities Sublease.

Dated: August 1, 2013

COUNTY OF STANISLAUS, CALIFORNIA

By:


Chief Executive Officer

**COUNTY OF STANISLAUS
(Downtown Center Refinancing)**

**CERTIFICATE OF THE COUNTY REGARDING COMPLIANCE WITH INSURANCE
REQUIREMENTS OF THE FACILITIES SUBLEASE**

The undersigned hereby states and certifies as follows:

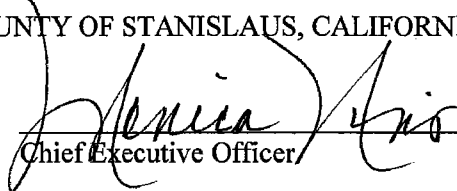
(a) I am a duly appointed, qualified and acting Chief Executive Officer of the County of Stanislaus (the "County"), and I am knowledgeable with respect to the matters set forth herein;

(b) I have reviewed the provisions of Section 4.3 of the Facilities Sublease dated as of July 1, 2012 (the "Sublease"), by and between the Stanislaus County Capital Improvements Financing Authority and the County; and

(c) The County considers that the requirements of Section 4.3 of the Sublease are satisfied as of the date hereof.

Dated: August 1, 2012

COUNTY OF STANISLAUS, CALIFORNIA

By: 
Chief Executive Officer



THIS CANCELS AND REPLACES CERTIFICATE ISSUED 7/25/2012

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/30/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | |
|--|--|
| PRODUCER Alliant Insurance Services, Inc. 1301 Dove St., Suite 200 Newport Beach, CA 92660 949-756-0271 • Fax 949-756-2713 • License No. 0C36861 | CONTACT NAME: _____ PHONE: _____ PHONE: _____ _____ A/C. NO.: _____ |
| | E-MAIL ADDRESS: _____ PRODUCER: CUSTOMER ID # _____ |
| INSURED: SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) MEMBER: THE CITY COUNTY CAPITAL IMPROVEMENTS AND FINANCING AGENCY, A JOINT POWERS AGENCY BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS, 10TH STREET PLACE PROJECT C/O CITY OF MODESTO P.O. BOX 642 MODESTO, CA 95353 | INSURER(S) AFFORDING COVERAGE NAIC # |
| | INSURER A: ASSOCIATED INDUSTRIES INSURANCE CO. 23140 |
| | INSURER B: _____ |
| | INSURER C: _____ |
| | INSURER D: _____ |
| | INSURER E: _____ INSURER F: _____ |

COVERAGES **CERTIFICATE NUMBER:** _____ **REVISION NUMBER:** _____

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

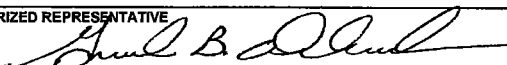
| INSR LTR | TYPE OF INSURANCE | ADDL INSR | SUBR VWD | POLICY NUMBER | POLICY EFF (MM/DD/YY) | POLICY EXP (MM/DD/YY) | LIMITS | |
|--|---|------------------------------|----------|----------------|-----------------------|-----------------------|--|-------------|
| A | GENERAL LIABILITY | X | | PAC 1000001 00 | 09/29/11 | 09/29/12 | EACH OCCURRENCE | \$3,000,000 |
| | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY | | | | | | DAMAGE TO RENTED PREMISES (Ea Occurrence) | \$1,000,000 |
| | CLAIMS MADE <input checked="" type="checkbox"/> OCCUR | | | | | | MED EXP (Any one person) | N/A |
| | GL DED: NONE | | | | | | PERSONAL & ADV INJURY | \$3,000,000 |
| GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | | GENERAL AGGREGATE | NA* |
| <input checked="" type="checkbox"/> POLICY | <input type="checkbox"/> PROJECT | <input type="checkbox"/> LOC | | | | | PRODUCTS-COMP/OP AGG. | \$3,000,000 |
| | AUTOMOBILE LIABILITY | | | | | | COMBINED SINGLE LIMIT (Ea Accident) | |
| | <input type="checkbox"/> ANY AUTO | | | | | | BODILY INJURY (Per person) | |
| | <input type="checkbox"/> ALL OWNED AUTOS | | | | | | BODILY INJURY (Per accident) | |
| | <input type="checkbox"/> SCHEDULED AUTOS | | | | | | PROPERTY DAMAGE (Per Accident) | |
| | <input type="checkbox"/> HIRED AUTOS | | | | | | | |
| | <input type="checkbox"/> NON-OWNED AUTOS | | | | | | | |
| | UMBRELLA LIAB | <input type="checkbox"/> | | | | | EACH OCCURRENCE | |
| | EXCESS LIAB | <input type="checkbox"/> | | | | | AGGREGATE | |
| | DEDUCTIBLE | | | | | | | |
| | RETENTION | | | | | | | |
| | WORKERS COMPENSATION AND EMPLOYERS LIABILITY | | | | | | <input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER | |
| | ANY PROPRIETARY PARTNER / EXECUTIVE OFFICER / MEMBER EXCLUDED? (MANDATORY IN NH) IF YES, DESCRIBE UNDER DESCRIPTION OF OPERATIONS BELOW | | N/A | | | | E.L. EACH ACCIDENT | |
| | | | | | | | E.L. DISEASE - EA EMPLOYEE | |
| | | | | | | | E.L. DISEASE - POLICY LIMIT | |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach Acord 101, Additional Remarks Schedules, if more space is required)

THE STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY AND THE BANK OF THE WEST SHALL BE NAMED AS ADDITIONAL INSURED. ADDITIONAL INSURED ENDORSEMENT ATTACHED. SUBJECT TO POLICY TERMS, CONDITIONS AND EXCLUSIONS.

*POLICY FORM DOES NOT CONTAIN A GENERAL LIABILITY AGGREGATE

CERTIFICATE HOLDER **CANCELLATION**

| | |
|---|---|
| BANK OF THE WEST ATTN: SHARI SACKS 180 MONTGOMERY STREET SAN FRANCISCO, CA 94104 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE  |
|---|---|

AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

Page 2 of 3

| | | | |
|---|---------------------------|--|--|
| AGENCY ALLIANT INSURANCE SERVICES, INC. | | NAMED INSURED: SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) MEMBER: | |
| POLICY NUMBER PAC 1000001 00 | | THE CITY COUNTY CAPITAL IMPROVEMENTS AND FINANCING AGENCY, A JOINT POWERS AGENCY BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS, 10TH STREET PLACE PROJECT | |
| CARRIER ASSOCIATED INDUSTRIES INSURANCE CO. | NAIC CODE 23140 | C/O CITY OF MODESTO P.O. BOX 642 MODESTO, CA 95353 | |
| | | EFFECTIVE DATE: 09/29/11 | |

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 (2009/09) FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Notice of cancellation will be delivered only to the participating named insured as stated in Item 1 of the Participation Endorsement.

The Company may cancel the coverage by mailing to the first Participating Named Insured at the address shown in the participation endorsement written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. Provided that the Participating Named Insured fails to discharge, when due, any of its obligations in connection with the payment of premium for the policy or any installment thereof, the coverage may be canceled by the Company by mailing to the Participating Named Insured at the address shown in the participation endorsement, written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Additional Insured - Designated Person or Organization

This endorsement modifies insurance provided under the following:

**SPECIAL LIABILITY POLICY FOR PUBLIC ENTITIES AND NON-PROFIT
CORPORATIONS**

Name of Person or Organization:

Any person or entity that the "Named Insured" has entered into a written agreement, prior to a loss, to provide defense, indemnity or additional insured protection.

**BANK OF THE WEST
ATTN: SHARI SACKS
180 MONTGOMERY STREET
SAN FRANCISCO, CA 94104**

The following is added to Section **V. PERSONS OR ENTITIES INSURED:**

Any person(s) or organization(s) listed in the Schedule above is an Additional Insured, but only as respects "Bodily Injury" and "Property Damage" arising, in whole or in part, out of the operations of the Named Insured. The inclusion of such Additional Insured shall not serve to increase the "Company's" Limit of Liability as specified in the participation endorsement of this Policy:

However, additional insured coverage provided by this insurance will not be broader than coverage required in the written agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/25/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | | | |
|--|--------------------------------------|-------------------------------------|---------------|
| PRODUCER Alliant Insurance Services, Inc. 1301 Dove St., Suite 200 Newport Beach, CA 92660 949-756-0271 • Fax 949-756-2713 • License No. 0C36861 | CONTACT NAME: | | |
| | PHONE: | PHONE: A/C. NO.: | |
| | E-MAIL ADDRESS: | | |
| | PRODUCER: CUSTOMER ID # | | |
| INSURED: SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) MEMBER: THE CITY COUNTY CAPITAL IMPROVEMENTS AND FINANCING AGENCY, A JOINT POWERS AGENCY BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS, 10TH STREET PLACE PROJECT C/O CITY OF MODESTO P.O. BOX 642 MODESTO, CA 95353 | INSURER(S) AFFORDING COVERAGE | | NAIC # |
| | INSURER A: | ASSOCIATED INDUSTRIES INSURANCE CO. | 23140 |
| | INSURER B: | | |
| | INSURER C: | | |
| | INSURER D: | | |
| | INSURER E: | | |
| | INSURER F: | | |

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

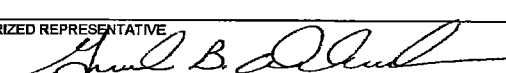
| INSR LTR | TYPE OF INSURANCE | ADDL INSR | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YY) | POLICY EXP (MM/DD/YY) | LIMITS | |
|--|--|------------------------------|----------|----------------|-----------------------|--------------------------------|---|-------------|
| A | GENERAL LIABILITY | X | | PAC 1000001 00 | 09/29/11 | 09/29/12 | EACH OCCURRENCE | \$3,000,000 |
| | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY | | | | | | DAMAGE TO RENTED PREMISES (Ea Occurrence) | \$1,000,000 |
| | <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR | | | | | | MED EXP (Any one person) | N/A |
| | <input type="checkbox"/> GL DED: NONE | | | | | | PERSONAL & ADV INJURY | \$3,000,000 |
| GEN'L AGGREGATE LIMIT APPLIES PER: | | | | | | | GENERAL AGGREGATE | NA* |
| <input checked="" type="checkbox"/> POLICY | <input type="checkbox"/> PROJECT | <input type="checkbox"/> LOC | | | | PRODUCTS-COMP/OP AGG. | \$3,000,000 | |
| AUTOMOBILE LIABILITY | | | | | | | COMBINED SINGLE LIMIT (Ea Accident) | |
| <input type="checkbox"/> | ANY AUTO | | | | | BODILY INJURY (Per person) | | |
| <input type="checkbox"/> | ALL OWNED AUTOS | | | | | BODILY INJURY (Per accident) | | |
| <input type="checkbox"/> | SCHEDULED AUTOS | | | | | PROPERTY DAMAGE (Per Accident) | | |
| <input type="checkbox"/> | HIRED AUTOS | | | | | | | |
| <input type="checkbox"/> | NON-OWNED AUTOS | | | | | | | |
| UMBRELLA LIAB <input type="checkbox"/> OCCUR | | | | | | | EACH OCCURRENCE | |
| EXCESS LIAB <input type="checkbox"/> CLAIMS MADE | | | | | | | AGGREGATE | |
| DEDUCTIBLE | | | | | | | | |
| RETENTION | | | | | | | | |
| WORKERS COMPENSATION AND EMPLOYERS LIABILITY | | | | | | | WC STATUTORY LIMITS | OTHER |
| ANY PROPRIETOR/PARTNER / EXECUTIVE OFFICER / MEMBER EXCLUDED? <input type="checkbox"/> Y/N | | | | | | | E.L. EACH ACCIDENT | |
| (MANDATORY IN NH) IF YES, DESCRIBE | | | | | | | E.L. DISEASE - EA EMPLOYEE | |
| UNDER DESCRIPTION OF OPERATIONS BELOW | | | | | | | E.L. DISEASE - POLICY LIMIT | |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES (Attach Acord 101, Additional Remarks Schedules, if more space is required)

THE STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY AND THE BANK OF THE WEST SHALL BE NAMED AS ADDITIONAL INSURED. ADDITIONAL INSURED ENDORSEMENT ATTACHED. SUBJECT TO POLICY TERMS, CONDITIONS AND EXCLUSIONS.

*POLICY FORM DOES NOT CONTAIN A GENERAL LIABILITY AGGREGATE

CERTIFICATE HOLDER **CANCELLATION**

| | |
|---|--|
| STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY C/O COUNTY OF STANISLAUS ATTN: CHIEF EXECUTIVE OFFICER 1100 "H" STREET MODESTO, CA 95354 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. |
| | AUTHORIZED REPRESENTATIVE  |

AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

| | | | |
|--|--------------------|--|--|
| AGENCY ALLIANT INSURANCE SERVICES, INC. | | NAMED INSURED: SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) MEMBER: | |
| POLICY NUMBER PAC 1000001 00 | | THE CITY COUNTY CAPITAL IMPROVEMENTS AND FINANCING AGENCY, A JOINT POWERS AGENCY BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS, 10TH STREET PLACE PROJECT | |
| CARRIER ASSOCIATED INDUSTRIES INSURANCE CO. | NAIC CODE 23140 | C/O CITY OF MODESTO P.O. BOX 642 MODESTO, CA 95353 | |
| | | EFFECTIVE DATE: 09/29/11 | |

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 (2009/09) FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Notice of cancellation will be delivered only to the participating named insured as stated in Item 1 of the Participation Endorsement.

The Company may cancel the coverage by mailing to the first Participating Named Insured at the address shown in the participation endorsement written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. Provided that the Participating Named Insured fails to discharge, when due, any of its obligations in connection with the payment of premium for the policy or any installment thereof, the coverage may be canceled by the Company by mailing to the Participating Named Insured at the address shown in the participation endorsement, written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Additional Insured - Designated Person or Organization

This endorsement modifies insurance provided under the following:

**SPECIAL LIABILITY POLICY FOR PUBLIC ENTITIES AND NON-PROFIT
CORPORATIONS**

| |
|--|
| Name of Person or Organization: |
| Any person or entity that the "Named Insured" has entered into a written agreement, prior to a loss, to provide defense, indemnity or additional insured protection. |

The following is added to Section V. **PERSONS OR ENTITIES INSURED:**

Any person(s) or organization(s) listed in the Schedule above is an Additional Insured, but only as respects "Bodily Injury" and "Property Damage" arising, in whole or in part, out of the operations of the Named Insured. The inclusion of such Additional Insured shall not serve to increase the "Company's" Limit of Liability as specified in the participation endorsement of this Policy:

However, additional insured coverage provided by this insurance will not be broader than coverage required in the written agreement.



EVIDENCE OF PROPERTY INSURANCE

ISSUE DATE (MM/DD/YYYY)
07/30/2012

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S) AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

| | | | |
|---|-----------------|--|---|
| PRODUCER ALLIANT INSURANCE SERVICES, INC. P.O. BOX 6450 NEWPORT BEACH, CA 92658-6450 PH (949) 756-0271 / FAX (949) 756-2713 LICENSE NO. 0C36861 | | COMPANY VARIOUS PER ATTACHED SCHEDULE 01 | |
| INSURED PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP): CITY/COUNTY CAPITAL IMPROVEMENTS & FINANCIAL AGENCY ATTN: MARY AKIN, RISK MGR. 1010 10TH STREET MODESTO, CA 95353 | | LOAN NUMBER | PRIMARY LAYER POLICY NUMBER 11660421 |
| CODE | SUB-CODE | EFFECTIVE DATE (MM/DD/YYYY) 07/01/12 | EXPIRATION DATE (MM/DD/YYYY) 07/01/13 |
| | | CONT. UNTIL TERMINATED IF CHECKED | <input type="checkbox"/> |
| THIS REPLACES PRIOR EVIDENCE DATED: | | | |

PROPERTY INFORMATION

LOCATION / DESCRIPTION

THE CITY COUNTY CAPITAL IMPROVEMENTS AND FINANCING AGENCY, A JOINT POWERS AGENCY BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS, 10TH STREET PLACE PROJECT AS RESPECTS PROPERTY LOCATED AT 1010 TENTH STREET, MODESTO, CA 95353 (LOC 1).

THIS CANCELS AND REPLACES CERTIFICATE ISSUED 07/25/12 TO CHANGE CERTIFICATE HOLDER FROM STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY.

COVERAGE INFORMATION

| COVERAGE / PERILS / FORMS | AMOUNT OF INSURANCE | DEDUCTIBLE |
|---|--|------------|
| ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE EXCLUDING EARTHQUAKE AND FLOOD PER SCHEDULE ON FILE WITH COMPANY. COVERAGE INCLUDES REAL AND PERSONAL PROPERTY, RENTAL INCOME INCLUDING BOND REVENUE REQUIREMENTS, BUSINESS INTERRUPTION, EXTRA EXPENSE AND ALL EXTENSIONS AND SUBLIMITS OF COVERAGE AS SHOWN ON MANUSCRIPT POLICY FORM. | \$1,000,000,000 LOSS LIMIT PER OCCURRENCE | SEE BELOW |
| REPAIR OR REPLACEMENT COST VALUATION SUBJECT TO POLICY PROVISIONS VEHICLES IF PURCHASED ARE SUBJECT TO ACTUAL CASH VALUE (ACV) OR REPLACEMENT COST PER POLICY PROVISIONS | BOILER & MACHINERY \$100,000,000 | |

THE POLICIES OF INSURANCE LISTED ABOVE HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

REMARKS (Including Special Conditions)

| | |
|---|---|
| DEDUCTIBLES: ALL RISK: \$10,000 | OTHER: \$10,000 CONTRACTOR EQUIPMENT BOILER & MACHINERY: \$1,000 - HIGHER DED APPLY BASED ON SPECIFIC OBJECT/SIZE/PERIL |
|---|---|

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

| | | | |
|--|--|------------------------------------|--|
| NAME AND ADDRESS BANK OF THE WEST ATTN: SHARI SACKS 180 MONTGOMERY STREET SAN FRANCISCO, CA 94104 | NATURE OF INTEREST | <input type="checkbox"/> MORTGAGEE | <input checked="" type="checkbox"/> ADDITIONAL INSURED |
| | <input checked="" type="checkbox"/> LOSS PAYEE 438BFU | <input type="checkbox"/> (OTHER) | |
| SIGNATURE OF AUTHORIZED AGENT OF COMPANY | | | |



PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP)

2012-2013

NAMED INSURED

AS OF 07/30/2012

MEMBER: City/County Capital Improvements
& Financial Agency, a JPA
1010 10th Street, Suite 6100
Modesto, CA 95353

NAMED INSURED:
City/County Capital Improvements
& Financial Agency, A JPA
City of Modesto
County of Stanislaus

First Named Insured Member shall be deemed the sole agent of each and every named insured for the purpose of:

- (1) Giving notice of cancellation,
- (2) Giving instructions for changes in the Policy and accepting changes in this Policy
- (3) The payment of assessments / premiums or receipt of return assessments / premiums.

LENDER'S LOSS PAYABLE ENDORSEMENT

1. Loss or damage, if any, under this policy, shall be paid to the Payee named on the first page of this policy, its successors and assigns, hereinafter referred to as "the Lender", in whatever form or capacity its interests may appear and whether said interest be vested in said Lender in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
2. The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated nor suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto; (b) by the commencement of foreclosure proceedings or the giving of notice of sale of any of the property covered by this policy by virtue of any mortgage or trust deed; (c) by any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now or hereafter attached thereto, by the named insured, the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they failed to prevent, whether occurring before or after the attachment of this endorsement, or whether before or after a loss, which under the provisions of this policy of insurance or of any rider or endorsement attached thereto would invalidate or suspend the insurance as to the named insured, excluding herefrom, however, any acts or omissions of the Lender while exercising active control and management of the property.
3. In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy or on account of any change in occupancy or increase in hazard not permitted by this policy, this Insurer agrees to give written notice to the Lender of such non-payment of premium after sixty (60) days from and within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by this Insurer of the failure of the insured to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Insurer's demand in writing therefor. If the Lender shall decline to pay said premium or additional premium, the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.
4. Whenever this Insurer shall pay to the Lender any sum for loss or damage under this policy and shall claim that as to the insured no liability therefor exists, this Insurer, at its option, may pay to the Lender the whole principal sum and interest and other indebtedness due or to become due from the insured, whether secured or unsecured, (with refund of all interest not accrued), and this Insurer, to the extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.
5. If there be any other insurance upon the within described property, this Insurer shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby insured bears to the entire insurance of similar character on said property under policies held by, payable to and expressly consented to by the Lender. Any Contribution Clause included in any Fallen Building Clause Waiver or any Extended Coverage Endorsement attached to this contract of insurance is hereby nullified, and also any Contribution Clause in any other endorsement or rider attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the insured has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such Contribution Clause is made a part of the consideration for insuring such other hazards. The Lender upon the payment to it of the full amount of its claim, will subrogate this Insurer (pro rata with all other insurers contributing to said payment) to all of the Lender's rights of contribution under said other insurance.
6. This Insurer reserves the right to cancel this policy at any time, as provided by its terms, but in such case this policy shall continue in force for the benefit of the Lender for ten (10) days after written notice of such cancellation is received by the Lender and shall then cease.
7. This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after its expiration unless an acceptable policy in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance Insurer and accepted by the Lender.
8. Should legal title to and beneficial ownership of any of the property covered under this policy become vested in the Lender or its agents, insurance under this policy shall continue for the term thereof for the benefit of the Lender but, in such event, any privileges granted by this Lender's Loss Payable Endorsement which are not also granted the insured under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.
9. All notices herein provided to be give by the Insurer to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch described on the first page of the policy.

Approved:

Board of Fire Underwriters of the Pacific,
California Bankers' Association
Committee on Insurance.

AG. ADDITIONAL INSURED'S / LOSS PAYEES

It is hereby understood and agreed that the interest of Additional Insured's and/or Loss Payees is automatically included, as per schedule held on file with Alliant Insurance Services, Inc.



**PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP)
 LEXINGTON INSURANCE COMPANY \$25M PRIMARY LAYER
 JULY 1, 2012 TO JULY 1, 2013
 SCHEDULE OF INSURERS (BOUND)**

| Company | A.M. Best's I.D. # | A.M. Best's Guide Rating (VERIFIED JUNE 2012) | Standard and Poor's Financial Strength (VERIFIED JUNE 2012) | California Status |
|---------------------------------------|--------------------|---|--|-------------------|
| ACE – Illinois Union Ins. Co. | 003510 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 or greater | AA- Very Strong | Non-Admitted |
| Arch Specialty Insurance Company | 012523 | A+, Superior; Financial Size Category 11; \$250,000,000 to \$500,000,000 | A+ Strong | Non-Admitted |
| Axis Surplus Insurance Company | 012515 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A+ Strong | Non-Admitted |
| Axis Specialty Europe Ltd | 83007 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Non-Admitted |
| Continental Casualty Co. (CNA) | 002128 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Admitted |
| Empire Indemnity Insurance Co. | 002148 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | AA- Very Strong | Non-Admitted |
| Endurance Am. Specialty Ins. Co. | 013033 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A Strong | Non-Admitted |
| Essex Insurance Company | 002732 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | Not Rated | Non-Admitted |
| Everest Indemnity | 12096 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | Not Rated | Non-Admitted |
| First Mercury Ins Company | 011883 | A, Excellent; Financial Size Category 11; \$250,000,000 to \$500,000,000 | Not Rated | Non-Admitted |
| Great American E&S Ins. Company | 003837 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | A+ Strong | Non-Admitted |
| Hartford Steam Boiler Inspec & Ins | 00465 | A++, Superior; Financial Size Category 10 \$500,000,000 to \$750,000,000 | Not Rated | Admitted |
| Hermitage Insurance Company | 01969 | A-, Excellent; Financial Size Category 10; \$500,000,000 to \$750,000,000 | Not Rated | Non-Admitted |
| Homeland Ins. Co. of New York | 010604 | A, Excellent; Financial Size Category 11; \$750,000,000 to \$1,000,000,000 | A- Strong | Non-Admitted |
| Hudson Specialty | 12631 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Non-Admitted |
| Ironshore Specialty Insurance Co. | 013866 | A-, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | Not Rated | Non-Admitted |
| Lancashire Insurance Company LTD | 078141 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | A- Strong | Non-Admitted |
| Lancashire Insurance Co. (UK) LTD | 078390 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | A- Strong | Non-Admitted |
| Landmark American Insurance Co. | 012619 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | Not Rated | Non-Admitted |
| Lexington Ins. Company | 002350 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A Strong | Non-Admitted |
| Liberty Surplus Insurance Corporation | 012078 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Non-Admitted |
| Lloyd's of London | 085202 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A+ Strong | Non-Admitted |
| Maiden Specialty Insurance Company | 011034 | A-, Excellent; Financial Size Category 10; \$500,000,000 to \$750,000,000 | BBB+ Good | Non-Admitted |
| Maxum Indemnity Company | 012563 | A-, Excellent; Financial Size Category 7; \$50,000,000 to \$100,000,000 | Not Rated | Non-Admitted |
| Partner Re Ireland Ins Ltd Status N/A | 88621 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | A+ Strong | Not Applicable |
| Princeton E&S Lines Insurance Co. | 012170 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | Not Rated | Non-Admitted |
| QBE Specialty Insurance Company | 012562 | A, Excellent; Financial Size Category 11; \$750,000,000 to \$1,000,000,000 | A+ Strong | Non-Admitted |
| XL Insurance America, Inc. | 002423 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A Strong | Admitted |



EVIDENCE OF PROPERTY INSURANCE

ISSUE DATE (MM/DD/YYYY)

07/25/2012

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S) AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

| | | | |
|--|--|---|---|
| PRODUCER ALLIANT INSURANCE SERVICES, INC. P.O. BOX 6450 NEWPORT BEACH, CA 92658-6450 PH (949) 756-0271 / FAX (949) 756-2713 LICENSE NO. OC36861 CODE _____ SUB-CODE _____ | | COMPANY VARIOUS PER ATTACHED SCHEDULE 01 | |
| INSURED PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP): CITY/COUNTY CAPITAL IMPROVEMENTS & FINANCIAL AGENCY ATTN: MARY AKIN, RISK MGR. 1010 10TH STREET MODESTO, CA 95353 | | LOAN NUMBER | PRIMARY LAYER POLICY NUMBER 11660421 |
| | | EFFECTIVE DATE (MM/DD/YYYY) 07/01/12 | EXPIRATION DATE (MM/DD/YYYY) 07/01/13 |
| | | CONT. UNTIL TERMINATED IF CHECKED <input type="checkbox"/> | |
| THIS REPLACES PRIOR EVIDENCE DATED: | | | |

PROPERTY INFORMATION

LOCATION / DESCRIPTION

THE CITY COUNTY CAPITAL IMPROVEMENTS AND FINANCING AGENCY, A JOINT POWERS AGENCY BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS, 10TH STREET PLACE PROJECT AS RESPECTS PROPERTY LOCATED AT 1010 TENTH STREET, MODESTO, CA 95353 (LOC 1).

COVERAGE INFORMATION

| COVERAGE / PERILS / FORMS | AMOUNT OF INSURANCE | DEDUCTIBLE |
|--|---|------------|
| ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE EXCLUDING EARTHQUAKE AND FLOOD PER SCHEDULE ON FILE WITH COMPANY. COVERAGE INCLUDES REAL AND PERSONAL PROPERTY, RENTAL INCOME INCLUDING BOND REVENUE REQUIREMENTS, BUSINESS INTERRUPTION, EXTRA EXPENSE AND ALL EXTENSIONS AND SUBLIMITS OF COVERAGE AS SHOWN ON MANUSCRIPT POLICY FORM. REPAIR OR REPLACEMENT COST VALUATION SUBJECT TO POLICY PROVISIONS VEHICLES IF PURCHASED ARE SUBJECT TO ACTUAL CASH VALUE (ACV) OR REPLACEMENT COST PER POLICY PROVISIONS | \$1,000,000,000 LOSS LIMIT PER OCCURRENCE BOILER & MACHINERY \$100,000,000 | SEE BELOW |
| THE POLICIES OF INSURANCE LISTED ABOVE HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. | | |

REMARKS (including Special Conditions)

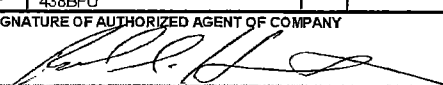
DEDUCTIBLES:
ALL RISK: \$10,000

OTHER:
\$10,000 CONTRACTOR EQUIPMENT
BOILER & MACHINERY:
\$1,000 - HIGHER DED APPLY BASED ON SPECIFIC OBJECT/SIZE/PERIL

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

| | | |
|--|--|---|
| NAME AND ADDRESS STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY C/O COUNTY OF STANISLAUS ATTN: CHIEF EXECUTIVE OFFICER 1100 "H" STREET MODESTO, CALIFORNIA 95354 | NATURE OF INTEREST | |
| | <input type="checkbox"/> MORTGAGEE | <input type="checkbox"/> ADDITIONAL INSURED |
| | <input checked="" type="checkbox"/> LOSS PAYEE 438BFU | <input type="checkbox"/> (OTHER) |
| SIGNATURE OF AUTHORIZED AGENT OF COMPANY  | | |

CA

LENDER'S LOSS PAYABLE ENDORSEMENT

1. Loss or damage, if any, under this policy, shall be paid to the Payee named on the first page of this policy, its successors and assigns, hereinafter referred to as "the Lender", in whatever form or capacity its interests may appear and whether said interest be vested in said Lender in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
2. The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated nor suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto; (b) by the commencement of foreclosure proceedings or the giving of notice of sale of any of the property covered by this policy by virtue of any mortgage or trust deed; (c) by any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now or hereafter attached thereto, by the named insured, the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they failed to prevent, whether occurring before or after the attachment of this endorsement, or whether before or after a loss, which under the provisions of this policy of insurance or of any rider or endorsement attached thereto would invalidate or suspend the insurance as to the named insured, excluding herefrom, however, any acts or omissions of the Lender while exercising active control and management of the property.
3. In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy or on account of any change in occupancy or increase in hazard not permitted by this policy, this Insurer agrees to give written notice to the Lender of such non-payment of premium after sixty (60) days from and within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by this Insurer of the failure of the insured to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Insurer's demand in writing therefor. If the Lender shall decline to pay said premium or additional premium, the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.
4. Whenever this Insurer shall pay to the Lender any sum for loss or damage under this policy and shall claim that as to the insured no liability therefor exists, this Insurer, at its option, may pay to the Lender the whole principal sum and interest and other indebtedness due or to become due from the insured, whether secured or unsecured, (with refund of all interest not accrued), and this Insurer, to the extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.
5. If there be any other insurance upon the within described property, this Insurer shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby insured bears to the entire insurance of similar character on said property under policies held by, payable to and expressly consented to by the Lender. Any Contribution Clause included in any Fallen Building Clause Waiver or any Extended Coverage Endorsement attached to this contract of insurance is hereby nullified, and also any Contribution Clause in any other endorsement or rider attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the insured has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such Contribution Clause is made a part of the consideration for insuring such other hazards. The Lender upon the payment to it of the full amount of its claim, will subrogate this Insurer (pro rata with all other insurers contributing to said payment) to all of the Lender's rights of contribution under said other insurance.
6. This Insurer reserves the right to cancel this policy at any time, as provided by its terms, but in such case this policy shall continue in force for the benefit of the Lender for ten (10) days after written notice of such cancellation is received by the Lender and shall then cease.
7. This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after its expiration unless an acceptable policy in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance insurer and accepted by the Lender.
8. Should legal title to and beneficial ownership of any of the property covered under this policy become vested in the Lender or its agents, insurance under this policy shall continue for the term thereof for the benefit of the Lender but, in such event, any privileges granted by this Lender's Loss Payable Endorsement which are not also granted the insured under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.
9. All notices herein provided to be give by the Insurer to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch described on the first page of the policy.

Approved:

Board of Fire Underwriters of the Pacific,
California Bankers' Association
Committee on Insurance.



**PUBLIC ENTITY PROPERTY INSURANCE PROGRAM (PEPIP)
 LEXINGTON INSURANCE COMPANY \$25M PRIMARY LAYER
 JULY 1, 2012 TO JULY 1, 2013
 SCHEDULE OF INSURERS (BOUND)**

| Company | A.M. Best's I.D. # | A.M. Best's Guide Rating (<i>VERIFIED JUNE 2012</i>) | Standard and Poor's Financial Strength (<i>VERIFIED JUNE 2012</i>) | California Status |
|---------------------------------------|--------------------|---|---|-------------------|
| ACE – Illinois Union Ins. Co. | 003510 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 or greater | AA- Very Strong | Non-Admitted |
| Arch Specialty Insurance Company | 012523 | A+, Superior; Financial Size Category 11; \$250,000,000 to \$500,000,000 | A+ Strong | Non-Admitted |
| Axis Surplus Insurance Company | 012515 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A+ Strong | Non-Admitted |
| Axis Specialty Europe Ltd | 83007 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Non-Admitted |
| Continental Casualty Co. (CNA) | 002128 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Admitted |
| Empire Indemnity Insurance Co. | 002148 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | AA- Very Strong | Non-Admitted |
| Endurance Am. Specialty Ins. Co. | 013033 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A Strong | Non-Admitted |
| Essex Insurance Company | 002732 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | Not Rated | Non-Admitted |
| Everest Indemnity | 12096 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | Not Rated | Non-Admitted |
| First Mercury Ins Company | 011883 | A, Excellent; Financial Size Category 11; \$250,000,000 to \$500,000,000 | Not Rated | Non-Admitted |
| Great American E&S Ins. Company | 003837 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | A+ Strong | Non-Admitted |
| Hartford Steam Boiler Inspec & Ins | 00465 | A++, Superior; Financial Size Category 10 \$500,000,000 to \$750,000,000 | Not Rated | Admitted |
| Hermitage Insurance Company | 01969 | A-, Excellent; Financial Size Category 10; \$500,000,000 to \$750,000,000 | Not Rated | Non-Admitted |
| Homeland Ins. Co. of New York | 010604 | A, Excellent; Financial Size Category 11; \$750,000,000 to \$1,000,000,000 | A- Strong | Non-Admitted |
| Hudson Specialty | 12631 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Non-Admitted |
| Ironshore Specialty Insurance Co. | 013866 | A-, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | Not Rated | Non-Admitted |
| Lancashire Insurance Company LTD | 078141 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | A- Strong | Non-Admitted |
| Lancashire Insurance Co. (UK) LTD | 078390 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | A- Strong | Non-Admitted |
| Landmark American Insurance Co. | 012619 | A, Excellent; Financial Size Category 13; \$1,250,000,000 to \$1,500,000,000 | Not Rated | Non-Admitted |
| Lexington Ins. Company | 002350 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A Strong | Non-Admitted |
| Liberty Surplus Insurance Corporation | 012078 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A- Strong | Non-Admitted |
| Lloyd's of London | 085202 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A+ Strong | Non-Admitted |
| Maiden Specialty Insurance Company | 011034 | A-, Excellent; Financial Size Category 10; \$500,000,000 to \$750,000,000 | BBB+ Good | Non-Admitted |
| Maxum Indemnity Company | 012563 | A-, Excellent; Financial Size Category 7; \$50,000,000 to \$100,000,000 | Not Rated | Non-Admitted |
| Partner Re Ireland Ins Ltd Status N/A | 88621 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | A+ Strong | Not Applicable |
| Princeton E&S Lines Insurance Co. | 012170 | A+, Superior; Financial Size Category 15; Greater than \$2,000,000,000 | Not Rated | Non-Admitted |
| QBE Specialty Insurance Company | 012562 | A, Excellent; Financial Size Category 11; \$750,000,000 to \$1,000,000,000 | A+ Strong | Non-Admitted |
| XL Insurance America, Inc. | 002423 | A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000 | A Strong | Admitted |

CERTIFICATE NO.

ISSUE DATE (MM/DD/YYYY)

| | | | | | |
|---|---|---|--|--|---|
| WC-170 | CERTIFICATE OF COVERAGE | | | 06/28/2012 | |
| CSAC Excess Insurance Authority C/O ALLIANT INSURANCE SERVICES, INC. PO BOX 6450 NEWPORT BEACH, CA 92658-6450 PHONE (949) 756-0271 / FAX (619) 699-0901 LICENSE #0C36861 | | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER | | | |
| | | IMPORTANT: If the certificate holder is requesting a WAIVER OF SUBROGATION, the Memorandums of Coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s). | | | |
| | | COVERAGE AFFORDED BY: A - See attached schedule of insurers | | | |
| | | COVERAGE AFFORDED BY: B | | | |
| Member: STANISLAUS COUNTY ATTN: PEGGY HUNTSINGER P.O. BOX 1723 MODESTO, CA 95353-1723 | | COVERAGE AFFORDED BY: C | | | |
| | | COVERAGE AFFORDED BY: D | | | |
| | | COVERAGE AFFORDED BY: D | | | |
| Coverages THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE AND POLICIES LISTED BELOW HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS AND POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS AND POLICIES. | | | | | |
| CO LTR | TYPE OF COVERAGE | MEMORANDUM/ POLICY NUMBER | COVERAGE EFFECTIVE DATE (MM/DD/YYYY) | COVERAGE EXPIRATION DATE (MM/DD/YYYY) | LIABILITY LIMITS |
| A | EXCESS WORKERS' COMPENSATION & EMPLOYER'S LIABILITY | See attached Schedule of Insurers for policy numbers | 07/01/2012 | 07/01/2013 | WORKERS' COMPENSATION: Difference between Statutory and Member's \$500,000 Retention EMPLOYERS' LIABILITY: Difference between \$5,000,000 and Member's \$500,000 Retention |
| LIMITS APPLY PER OCCURRENCE FOR ALL PROGRAM MEMBERS COMBINED. | | | | | |
| Description of Operations/Locations/Vehicles/Special Items: AS RESPECTS EVIDENCE OF COVERAGE. | | | | | |
| Certificate Holder FOR THE PURPOSE OF EVIDENCE ONLY C/O STANISLAUS COUNTY P.O. BOX 1723 MODESTO, CA 95353-1723 | | | Cancellation SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUMS OF COVERAGE/POLICIES BE CANCELLED BEFORE THE EXPIRATION THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUMS OF COVERAGE/POLICIES PROVISIONS. | | |
| | | | AUTHORIZED REPRESENTATIVE  CSAC EXCESS INSURANCE AUTHORITY | | |

**CSAC EXCESS INSURANCE AUTHORITY
EXCESS WORKERS' COMPENSATION PROGRAM
2012/2013 SCHEDULE OF INSURERS
Stanislaus County**

| PROVIDER | MEMORANDUM/POLICY NUMBER | LIMIT |
|---|--------------------------|--|
| CSAC Excess Insurance Authority | EIA 12 EWC-31 | <p>Workers' Compensation: \$50,000,000 each accident/each employee for disease \$50,000,000 each accident/each employee for communicable disease</p> <p>(Difference between \$50,000,000 and the individual member's retention)</p> <p>Employers' Liability: \$5,000,000 each Accident \$5,000,000 each Employee for Disease</p> <p>(Difference between \$5,000,000 and the individual member's retention)</p> |
| National Union Fire Insurance Co. of Pittsburgh, PA (Chartis) excess insurance policy | 91-0609 | Statutory each accident/ each employee for disease excess of \$50,000,000 |

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

FAIR RENTAL VALUE CERTIFICATE

The undersigned, Chief Executive Officer of the County of Stanislaus, a political subdivision of the State of California (the "County"), hereby states and certifies that the annual fair market rental value of the Leased Premises, as defined in that certain Facilities Sublease dated as of August 1, 2013 (the "Sublease"), by and between the Stanislaus County Capital Improvements Financing Authority and the County, equals or exceeds the Base Rental Payments and the Additional Rental to be paid for such Leased Premises under the Sublease in any Sublease Year.

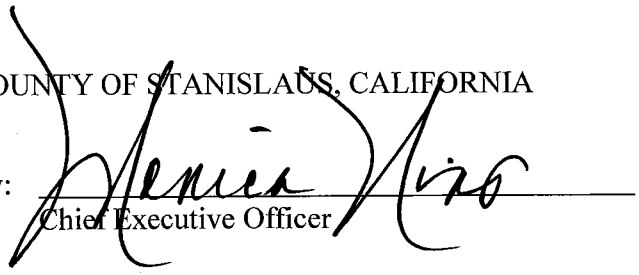
Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Sublease.

Dated: August 1, 2013

COUNTY OF STANISLAUS, CALIFORNIA

By: _____

Chief Executive Officer

A handwritten signature in black ink, appearing to read "Monica Viro", is written over a horizontal line. The signature is fluid and cursive.

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

CERTIFICATE OF THE SECRETARY OF THE
STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY
WITH RESPECT TO RESOLUTION NO. 2013-0001

I, Christine Ferraro Tallman, the duly appointed, qualified and acting Secretary of the Stanislaus County Capital Improvements Financing Authority, a joint exercise of powers authority duly organized, validly existing and in good standing under the Constitution and the laws of the State of California (the "Authority"), hereby states and certifies that:

(i) attached hereto is a true and complete copy of Resolution No. 2013-0001 of the Authority, adopted July 16, 2013 (the "Resolution") authorizing the execution and delivery of a Facilities Sublease and Assignment and Purchase Agreement relating to the Series 2004A and Series 2004B Certificates of Participation Refinancing; and

(ii) the Resolution was duly adopted by the Authority's Board on July 16, 2013 at a regular meeting which was called and held in accordance with applicable law and at which a quorum was present and acting throughout and the Resolution has not been modified, amended, rescinded or revoked and is in full force and effect as of this date.

Dated: August 1, 2013

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY

By: Christine Ferraro Tallman
Secretary

RESOLUTION NO. 2013-01

A RESOLUTION OF THE STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH IN ORDER TO REFINANCE THE COUNTY OF STANISLAUS SERIES 2004A AND SERIES 2004B CERTIFICATES OF PARTICIPATION

WHEREAS, the Stanislaus County Capital Improvements Financing Authority is a joint powers authority organized and existing under the laws of the State of California (the "Authority") and has assisted the County of Stanislaus (the "County") in financing various capital improvements through the execution and delivery of the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects), Series 2004A (the "2004A Certificates") and the County of Stanislaus Certificates of Participation (2004 Capital Improvements Projects) Series 2004B (the "2004B Certificates" and together with the 2004A Certificates, the "Prior Certificates"); and

WHEREAS, the Authority and the County desire to proceed with the refunding and prepayment of the Prior Certificates in order to reduce the lease payments that the County is required to make with respect to the Prior Certificates thereby providing a financial benefit to the County;

WHEREAS, to facilitate the refunding of the Prior Certificates the Authority desires to enter into that certain Site Lease by and between the Authority and the County (the "Site Lease") and to enter into that certain Facilities Sublease by and between the County and the Authority (the "Sublease"), the forms of which have been presented to this Board of Directors at the meeting at which this Resolution has been adopted, pursuant to which Site Lease the Authority will agree to lease from the County all or a portion of the real property currently leased with respect to the Prior Certificates and floors 3, 4 and 5 of the office building located at 832 12th Street (the "Leased Premises"), and pursuant to which Sublease the County will agree to sublease the Leased Premises from the Authority and to pay certain lease payments in connection therewith to the Authority; and

WHEREAS, the Authority and the County Treasurer/Tax Collector (the "County Treasurer"), acting on behalf of the Stanislaus County Treasury Pool, will enter into an Assignment and Purchase Agreement by and between the Authority and the County Treasurer (the "Assignment Agreement"), the form of which has been presented to this Board of Directors at the meeting at which this Resolution has been adopted, pursuant to which the Authority will sell and assign certain of its rights in the Site Lease and the Sublease to the County Treasurer, and the County Treasurer will, in consideration of such assignment, pay an amount equal to the Principal Component of the Base Rental (as defined in the Facilities Sublease);

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, the Governing Board of the Stanislaus County Capital Improvements Financing Authority does hereby resolve as follows:

SECTION 1. Each of the foregoing recitals is true and correct.

SECTION 2. The forms of the Site Lease, the Sublease and the Assignment Agreement presented at this meeting are hereby approved. Each of the Chairman, the Vice Chairman and the Secretary of the Authority and their designees (collectively, the "Authorized Officers"), acting alone, is hereby authorized for and in the name of the Authority to execute and deliver the Site Lease, the Sublease and the Assignment Agreement. Each of the Authorized Officers, acting alone, is hereby authorized to execute, acknowledge and deliver any and all documents required to consummate the transactions contemplated by the Site Lease, the Sublease, the Assignment Agreement and this Resolution. The Site Lease, the Sublease and the Assignment Agreement shall be executed in substantially the forms hereby approved, with such additions thereto and changes therein as are recommended or approved by County Counsel or by Special Counsel to the County and approved by the Authorized Officer or the Authorized Officers executing such documents, such approval to be conclusively evidenced by the execution and delivery thereof.

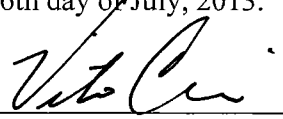
SECTION 3. All actions heretofore taken by any officer of the Authority in connection with or related to any of the agreements referenced herein or the refunding and prepayment of the Prior Certificates are hereby approved, confirmed and ratified.

SECTION 4. The Authorized Officers and other officers of the Authority are, and each of them acting alone is, hereby authorized to do any and all things and to execute and deliver any and all documents which they may deem necessary and advisable in order to consummate the refunding and prepayment of the Prior Certificates and otherwise effectuate the purposes of this Resolution, including, but not limited to, executing one or more agreements to terminate any of the leases or other agreements relating to the Prior Certificates or entering into an escrow agreement with the trustee for the Prior Certificates.

SECTION 5. In the event the Chairman is unavailable or unable to execute and deliver any of the above-referenced documents, any other member of the Board of Directors may validly execute and deliver such documents, and any documents required to be signed by the Secretary may be signed by any deputy secretary.

SECTION 6. This Resolution shall take effect from and after its date of adoption.


ADOPTED, SIGNED AND APPROVED this 16th day of July, 2013.

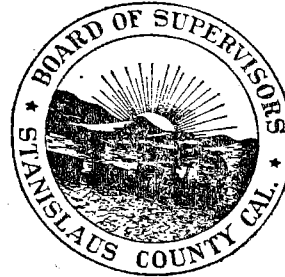


Chairman, Stanislaus County Capital Improvements
Financing Authority

(SEAL)

ATTEST:


Secretary, Stanislaus County Capital
Improvements Financing Authority



STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)


I, Christine Ferraro Tallman, Secretary of the Governing Board of the Stanislaus County Capital Improvements Financing Authority, do hereby certify that the above and foregoing Resolution was duly and regularly adopted by the Governing Board of said Authority at a regular meeting held on the 16th day of July, 2013, and that it was so adopted by the following vote:

AYES: O'Brien, Withrow, De Martini and Chairman Chiesa

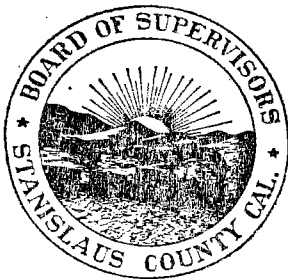
NOES: None

ABSENT: Monteith

ABSTAIN: None


Secretary, Stanislaus County Capital Improvements
Financing Authority

(SEAL)



STATE OF CALIFORNIA)
) ss.
COUNTY OF STANISLAUS)

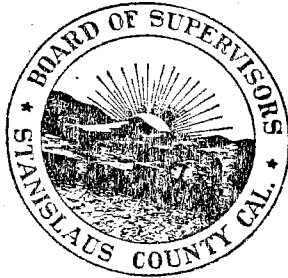
I, Christine Ferraro Tallman, Secretary of the Governing Board of the Stanislaus County Capital Improvements Financing Authority, do hereby certify that the above and foregoing Resolution is a full, true and correct copy of Resolution No. 2013-01 of said Board, and that the same has not been amended or repealed as of the date hereof.

DATED: July 16, 2013.

Christine Ferraro Tallman

Secretary, Stanislaus County Capital Improvements
Financing Authority

(SEAL)



THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Regular Session
Supervisor Monteith Absent
Pledge of Allegiance to the Flag

Tuesday

July 16, 2013

A moment of silence was held for Herman Meyer from the Sheriff's Department.

Sheriff Adam Christianson presented the 2013 Earl Pride Scholarship Award to recipients Colleen Reed and Samantha Shipley.

The Chairman administered the Oath of Office to Billy Powell upon his appointment by the Governor to the Partnership for the San Joaquin Valley.

Vernon Lee Price provided information to the Board regarding the Homeless Challenge Project by the National Coalition for the Homeless.

Chris Cosner presented his financial spreadsheets for his mobile food concession at the Woodward Reservoir.

Katherine Borges voiced concerns regarding the proposed City of Modesto general plan updates that were presented at the City's Planning Commission meeting yesterday.

Emerson Drake spoke regarding a variety of issues including: the Modesto Chamber of Commerce's Pathways to growth presentation, MID and the County's water retention plan, records retention at the Clerk-Recorder's office, and LAFCO's disclosure requirements for lobbyists.

Nancy Vinson, AFSCME Business Agent, spoke regarding their labor negotiations with the Stanislaus Housing Authority.

Juanita Nicholson, employee of the Housing Authority of Stanislaus County, spoke regarding the leadership of the Housing Authority.

Tamra Losinski, employee of the Housing Authority of Stanislaus County and a Clerical Unit Job Steward, spoke regarding labor negotiations with the Housing Authority.

Maryellen McLaughlin spoke regarding the importance of the In-Home Supportive Services (IHSS) Program.

Allen Bruce stated that the wages paid to IHSS Providers strengthens the community, and that every state and federal government dollar that comes into a community is spent four times in the local economy.

Astrid Zuniga spoke in support of a wage increase for IHSS Providers.

Danielle Maxwell spoke regarding the difficulty in raising a special needs child and the financial hardships. She stated that there was an 8% cut statewide to the IHSS program, and she spoke in support of a wage increase.

De Martini/Withrow (4-0)(Monteith absent) Adopted the consent calendar

- *A1 Approved the minutes of 07/02/2013
- *A2 Adopted and waived the second reading of Ordinance C.S. 1134 to amend Title 11, Section 11.08.080, of the Stanislaus County Code, amending angle parking on Ninth Street in Stanislaus County, Keyes Area ORD-55-R-3 2013-340
- *A3a Appointed Mary Jayne Budd and Stephanie Gruskiewicz to the Advisory Board on Substance Abuse Programs 2013-341
- *A3b Appointed Arby Hoobyar, Jr. to the Nuisance Abatement Hearing Board 2013-342
- *A4 Accepted the resignation of Charles Turner from the Stanislaus Consolidated Fire Protection District Board 2013-343
- *A5 Declared a vacancy on the Empire MAC 2013-344
- *A6 Consolidated the City of Waterford Special Municipal Election with the Consolidated District Election (UDEL) on 11/05/2013 2013-345
- *A7 Proclaimed August 2013 as Child Support Awareness Month 2013-346
- *B1 Directed the Auditor-Controller to establish a project budget in the amount of \$152,825 within the CEO-County Facilities Budget for repairs resulting from theft and vandalism at 2846 Finch Road, Modesto, CA; authorized the Project Manager to finalize and pursue reimbursement of the Finch Road Facility vandalism and theft repairs project costs utilizing insurance proceeds upon completion of the repairs; and, directed the Auditor-Controller to increase appropriations and estimated revenue for this project in per the Budget Journal form – CEO 2013-347
- *B2 Approved the Community Services Facility (CSF) Interim Facility Plan; authorized the Project Manager to implement the (CSF) Interim Facility Plan to include certain facility alterations and/or furnishings for to re-locate the WIC Program to the first floor of the CSF and to re-purpose the CSA File Room for staff space; authorized the Project Manager to issue a Notice Inviting Bids for the electrical and/or mechanical alterations to repurpose the CSA File Room for staff Facility, and to award the bid to the lowest responsive bidder; and, authorized the Director of CSA to coordinate with the Purchasing Agent to negotiate and enter into a three-year lease for the property located at 275 Third Street in Turlock, California to accommodate the CSA Staff Development Training Office – CEO 2013-348
- *B3 Authorized the Project Manager to reject all proposals received for the design-build construction of the Coroner Public Administration Facility, Video Visitation and Medical Records Project at 700 17th Street, Modesto, CA; directed the Project Manager to identify future options for the project, including cost savings to bring the project within the project budget, redesign elements of the project where necessary, and consider all other options and return to the Board with a recommended plan to meet those facility needs; and, authorized the Project Manager to take routine actions necessary to manage the project including construction management, professional services and other project related expenses as necessary to manage the project as long as the costs are within the Project Budget approved by the Board – CEO 2013-349
- *B4 Approved the submission by HSA of the Federally Qualified Health Center Look-Alike Recertification Application; authorized the Managing Director to sign required documents as part of the Federally Qualified Health Center Look-Alike Recertification Application; and, authorized the Managing Director to submit future annual recertification applications through the current five-year renewal period that ends September 2017 – HSA 2013-350

- *C1 Adopted the Plans and Specifications for the RSTP Phase F project; directed the Department of Public Works to set the bid opening date and time; and, directed the Public Works Department staff to mail the notice inviting bids to trade journals as required by law – PW 2013-351
- *C2 Approved the purchase agreement for the acquisition of a portion of the parcel identified as: assessor's parcel number (APN): 082-006-056 (portion); authorized the Chairman of the Board to execute the purchase agreement; and, directed the Director of Public Works to sign and cause to record the Grant Deed on behalf of Stanislaus County as authorized by Board Resolution No. 2011-141 executed on 03/08/2011– PW 2013-352

Recessed to sit as the Stanislaus County Capital Improvements Financing Authority (CIFA) Special Meeting at 7:22 p.m.

- O'Brien/Withrow (4-0)(Monteith absent) **6:35 p.m.** Approved the consent calendar
- 6:35 p.m.*II-A** Appointed Vito Chiesa as the Chairman and Jim De Martini as the Vice-Chairman of Stanislaus County CIFA 2013-364
 - 6:35 p.m.*II-B** Approved the minutes of 11/13/2012
 - 6:35 p.m.*II-C** Approved the resolution establishing regularly scheduled meeting calendar for FY 2013-2014 for CIFA on the following dates: 07/16/2013 2013-365

Adjourned the CIFA Special Meeting and Convened the CIFA Regular Meeting at 7:23 p.m.

O'Brien/Withrow (4-0)(Monteith absent) **6:36 p.m.*II-A** Approved a resolution to refinance the 2004 Series A and B Certificates of Participation through an internal borrowing from the Stanislaus County Treasury Pool, which includes: a) the form of the Facilities Sublease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; b) the form of the Site Lease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; c) the form of the Assignment and Purchase Agreement between the Stanislaus County Capital Improvements Financing Authority and the Treasurer/Tax Collector acting on behalf of the Stanislaus County Treasury Pool; d) authorized the Chairman of the Board and Secretary of the Authority to execute, acknowledge and deliver any and all documents required for the refinancing; and, e) authorized the Chairman of the Board, Secretary, and other officers of the Authority, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary and advisable to complete the refinancing – CEO 2013-366

Reconvened to sit as the Stanislaus County Board of Supervisors at 7:48 p.m.

O'Brien/Withrow (4-0)(Monteith absent) **B5** Approved a resolution to refinance the 2004 Series A and B Certificates of Participation through an internal borrowing from the Stanislaus County Treasury Pool, which includes: a) the form of the Facilities Sublease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; b) the form of the Site Lease between the Stanislaus County Capital Improvements Financing Authority and the County of Stanislaus; c) the form of the Assignment and Purchase Agreement between the Stanislaus County Capital Improvements Financing Authority and the Treasurer/Tax Collector acting on behalf of the Stanislaus County Treasury Pool; d) authorized for the Chairman of the Board and Secretary of the Authority to execute, acknowledge and deliver any and all documents required for the refinancing; e) authorized for the Chairman of the Board, Secretary, and other officers of the Authority, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary and advisable to complete the refinancing; authorized the CEO to negotiate and execute all necessary agreements and all other documents to complete the financing; authorized the CEO to enter into, sign and execute agreements for financial consulting with KNN Public Finance, and legal services from Special Bond/Tax Counsel

Stradling, Yocca, Carlson, & Rauth, associated with the refinancing of the 2004 Series A and B Certificates of Participation; directed the Auditor-Controller to set up an interest-bearing Agency Fund to record the loan with the Stanislaus County Treasury Pool; and, directed the Auditor-Controller to make the necessary budget adjustments per the budget journal and to make any necessary budget and accounting adjustments to effectuate the refinancing – CEO 2013-353

DeMartini/O'Brien (4-0)(Monteith absent) **B6** Considered the recommended decision of the Nuisance Abatement Hearing Board regarding CE No. 12-0224 at 0 Bystrum Road, Modesto, California and **continued** this item to the 8/20/2013 meeting as requested by the representative of Central Valley Recycling – DER 2013-354

O'Brien/De Martini (4-0)(Monteith absent) **C3a** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-014-010; Parcel Owners: Lloyd E. Fugett and Beatrice C. Fugett, Trustees of the Fugett Living Trust) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached to the agenda item as Attachment A; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-355

O'Brien/De Martini (4-0)(Monteith absent) **C3b** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-006-004; Parcel Owner: Pauline Bavaro, Trustee of the Irrevocable Bavaro Family Trust) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached to the agenda item as Attachment A; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-356

O'Brien/De Martini (4-0)(Monteith absent) **C3c** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-014-009; Parcel Owner: Gregory Development Co., a California Corporation) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-357

O'Brien/De Martini (4-0)(Monteith absent) **C3d** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 083-002-001; Parcel Owner: Martin Family Holdings, a California Limited Liability Company) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW 2013-358

O'Brien/De Martini (4-0)(Monteith absent) **C3e** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-004-004; Parcel Owners: Ante Rodin and Florence Rodin as Trustees of the Ante and Florence Rodin 1995 Revocable Trust) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW
2013-359

O'Brien/De Martini (4-0)(Monteith absent) **C3f** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-014-007; Parcel Owners: D. Lowell McGrane and Rosalie J. McGrane, Trustees of McGrane Living Trust Dated 9-3-08, and Angie Bosio of the Bosio 2003 Family L.P., a California Limited Partnership) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired – PW
2013-360

O'Brien/De Martini (4-0)(Monteith absent) **C3g** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 074-015-006; Parcel Owner: KB Farm Fab and Welding, a General Partnership) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW
2013-361

O'Brien/De Martini (4-0)(Monteith absent) **C3h** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-004-030; Parcel Owner: Big Sky Investments 3 LLC, a California Limited Liability Company) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW
2013-362

O'Brien/De Martini (4-0)(Monteith absent) **C3i** Finds that the public interest and necessity require the Claribel Road Widening Project; finds that the proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; finds that the subject property (APN: 082-004-038; Parcel Owner: Big Sky Investments 3 LLC, a California Limited Liability Company) described in the Resolution is necessary for the proposed project; finds that the offer required by section 7267.2 of the Government Code has been made to the owners of record of the property to be acquired; adopted a Resolution of Necessity in the form attached as Attachment A of the agenda item; and, authorized County Counsel to initiate eminent domain proceedings to acquire the subject property – PW
2013-363

Corr 1 Acknowledged receipt of the report and referred to CSA a copy of the 2012-2013 Final Report of the Stanislaus County Civil Grand Jury. M-39-M-8

Corr 2 Referred to the Alliance WorkNet and the Stanislaus Economic Development and Workforce Alliance, a letter from Silgan Containers Manufacturing Corporation regarding the temporary layoff of approximately 173 employees at their 3250 Patterson Road, Riverbank, CA facility and expects to recall employees on 09/09/2013 per the Workers Adjustment and Retraining Notification (WARN Act) requirements.

Corr 3 Referred to Alliance WorkNet and the Stanislaus Economic Development and Workforce Alliance, a letter from Sutter Health regarding the termination of approximately 9 employees that is expected to be permanent and to commence on or about 09/30/2013, from their Sutter Central Valley Hospitals dba Memorial Medical Center per the Worker Adjustment and Retraining Notification (WARN Act) requirements.

Corr 4 Referred to Alliance WorkNet and the Stanislaus Economic Development and Workforce Alliance, a letter from Sutter Health regarding the termination of approximately 16 employees that is expected to be permanent and to commence on or about 08/30/2013, from their Sutter Central Valley Hospitals dba Memorial Medical Center per the Worker Adjustment and Retraining Notification (WARN Act) requirements.

Corr 5 Referred to PW and CEO, a letter from the San Joaquin Valley Air Pollution Control District providing notification of their new grant opportunity to fund alternative fuel infrastructure projects.

Corr 6 Acknowledged receipt of claims and referred to the CEO-Risk Management Division the following claims: Donald Ellerd; Carlos J. Martinez; David S. Hernandez; Danielle Emel; and, Federal Bureau of Investigation.

Supervisor De Martini reported that he has received a preliminary report on StanCERA returns for the last fiscal year which ended on 06/30/2013. The total fund is now over \$1.5 billion and the return was 14.6%, which is a return of over \$200 million.

Recessed to sit as the Stanislaus County In-Home Supportive Services (IHSS) Public Authority 9:07 p.m.

O'Brien/Withrow (4-0)(Monteith absent) Approved the consent calendar
X. *II-A Approved the minutes of 07/02/2013

Reconvened to sit as the Stanislaus County Board of Supervisors at 9:08 p.m.

Adjourned at 9:08 p.m.

ATTESTED: CHRISTINE FERRARO TALLMAN, Clerk
of the Board of Supervisors
of the County of Stanislaus
State of California

BY: ELIZABETH A. KING, Assistant Clerk of the Board of Supervisors
(The above is a summary of the minutes of the Board of Supervisors. Complete minutes are available from the Clerk of the Board's Office.)

THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

July 16, 2013

There being no further business to come before this Board, the meeting adjourned at 9:08 p.m.

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk
of the Board of Supervisors

Christine Ferraro

COUNTERSIGNED BY:

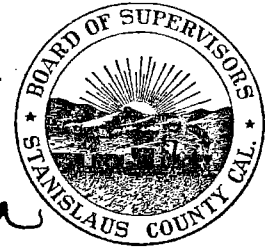
Vito Chiesa, Chairman
of the Board of Supervisors

Vito Chiesa

I hereby certify that the foregoing is a full,
true and correct copy of the Original entered
in the Minutes of the Board of Supervisors.

CHRISTINE FERRARO TALLMAN
Clerk of the Board of Supervisors of the
County of Stanislaus, State of California

By *Christine Ferraro Tallman*



COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

INCUMBENCY AND SIGNATURE CERTIFICATE OF THE AUTHORITY

The undersigned hereby states and certifies:

(a) that she is the duly appointed or elected, qualified and acting Secretary of the Stanislaus County Capital Improvements Financing Authority, a joint exercise of powers authority duly organized, validly existing and in good standing under the Constitution and the laws of the State of California (the "Authority"), and, as such, is familiar with the facts herein certified and is authorized to certify the same;

(b) that at the present time and at all times pertinent to the issuance of the above-captioned transaction, the Board Members and Officers of the Authority are as follows:


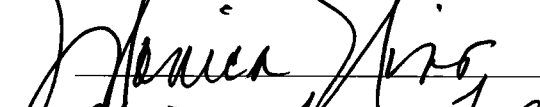
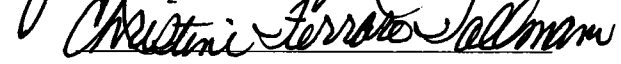
Board

| Name | Title |
|-----------------|---------------|
| Vito Chiesa | Chairman |
| Jim DeMartini | Vice-Chairman |
| Terry Withrow | Board Member |
| Dick Monteith | Board Member |
| William O'Brien | Board Member |

Officers

| Name | Title |
|---------------------------|--------------|
| Gordon B. Ford | Treasurer |
| Christine Ferraro Tallman | Secretary |

(c) the persons named below have been duly elected or appointed to and now hold the office of the Authority set forth below and the signature set forth opposite such person's name and title is such person's true and genuine signature:

| Name | Title | Signature |
|---------------------------|--------------------|--|
| Vito Chiesa | Chairman |  |
| Monica Nino | Executive Director |  |
| Christine Ferraro Tallman | Secretary |  |

(d) Resolution No. 2013-0001 previously adopted by the Board of the Authority on July 16, 2013, remains in full force and effect and has not been modified, amended, rescinded, or repealed by any other action of the Board of the Authority since its date of adoption; and

(e) Each of the following documents has been executed and delivered by one or more of the duly authorized officers of the Authority listed in paragraph (c) above:

- (i) the Site Lease, dated as of August 1, 2013, by and between the Authority the County;
- (ii) the Facilities Sublease, dated as of August 1, 2013, by and between the Authority and the County;
- (iii) the Assignment and Purchase Agreement, dated as of August 1, 2013, between the Authority and the Stanislaus County Treasurer/Tax Collector;
- (iv) the Termination Agreement (2004A), dated as of August 1, 2013, among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee with respect to the 2004A Certificates; and
- (v) the Termination Agreement (2004B), dated as of August 1, 2013, among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee with respect to the 2004B Certificates.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

The undersigned is the duly appointed or elected, qualified and acting Secretary of the Authority.

Dated: August 1, 2013

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY

By: Christine Ferraro Tallman
Secretary

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

**CERTIFICATE REGARDING EFFECTIVENESS
OF JOINT POWERS AGREEMENT**

The undersigned hereby states and certifies:

(i) that I am the duly appointed, qualified and acting Secretary of the Stanislaus County Capital Improvements Financing Authority (the "Authority"), a joint powers authority duly organized and existing under the laws of the State of California, and operating pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code (the "Act") and pursuant to a Joint Exercise of Powers Agreement dated September 19, 1989 by and between Stanislaus County and the Redevelopment Agency of Stanislaus County (the "Agreement"), and, as such, am familiar with the facts herein certified and is authorized and qualified to certify the same;

(ii) that attached hereto as Exhibit A is a true, correct and complete copy of the Agreement, which each original member of the Authority has duly executed, which Agreement has not been amended, modified or rescinded in any way and is in full force and effect as of the date hereof; and

(iii) that, to the best of my knowledge after due inquiry, all filings with the Secretary of State of the State of California required to be made by the Authority under the Act have been made, and the Authority is in good standing as a joint powers authority under the Act.

Dated: August 1, 2013

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY

By: *Christina Ferraro Tallman*
Secretary

Dept: Chief Executive Office

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: September 19, 1989

No. 89-1210

On motion of Supervisor Simon , Seconded by Supervisor Cannella
and approved by the following vote,

Ayes: Supervisors: Paul, Blom, Simon, Cannella and Chairman Starn

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

-B-7-

THE FOLLOWING RESOLUTION WAS ADOPTED:

IN RE: APPROVING FORMATION OF STANISLAUS COUNTY CAPITAL IMPROVEMENT
FINANCING AUTHORITY

WHEREAS, this Board authorized the Refunding of the Certificates of Participation associated with financing a new Social Services building and an addition to the third floor of the County Administration Building on July 25, 1989; and

WHEREAS, transactions financed through Certificates of Participation require lease arrangements, therefore, it is necessary that an entity be created to serve as a leasing authority; and

WHEREAS, Government Code Section 6500 et seq. authorizes the establishment of a joint exercise of powers entity for purposes of issuing bonds or certificates of participation to assist local agencies in the financing of capital improvements and equipment; and

WHEREAS, a joint exercise of powers also allows the County to enter into an agreement with its own Redevelopment Agency to form such an entity; and

WHEREAS, said Authority created by this Joint Powers Agreement will have all the powers necessary for the Refunding of the Certificates of Participation and will serve as the lessor for said project and may also be used in the financing of other public capital improvement projects in the future,

ATTEST: CLAUDIA LEONG, Clerk
Stanislaus County Board of Supervisors,
State of California.

Patricia A. Minton
By: PATRICIA A. MINTON, Assistant Clerk

(Approving Formation of Capital Improvements Financing Authority - 9/19/89)

NOW, THEREFORE, BE IT RESOLVED that the Stanislaus County Board of Supervisors does hereby approve a Joint Exercise of Powers Agreement with the Stanislaus County Redevelopment Agency to create the Stanislaus County Capital Improvement Financing Authority and the Chairman is hereby authorized to sign same.

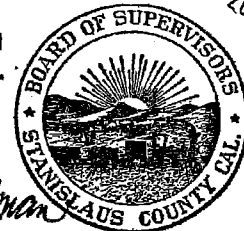
BE IT FURTHER RESOLVED that the first meeting of the Capital Improvements Financing Authority is hereby scheduled for September 26, 1989 for the purpose of adopting by-laws, electing officers, and other related work necessary for the formation of said Authority.

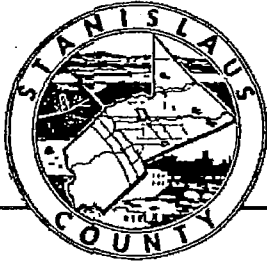
I hereby certify that the foregoing is a full,
true and correct copy of the Original entered
in the Minutes of the Board of Supervisors.

CHRISTINE FERRARO TALLMAN

Clerk of the Board of Supervisors of the
County of Stanislaus, State of California

By Christine Ferraro Tallman





B-7
Board 9/19/89

Stanislaus County

Chief Administrative Officer

P.O. Box 3404
Modesto, California
95353
(209) 525-6333

September 19, 1989

TO: Board of Supervisors

FROM: Lamar Bartholomew
Interim Chief Administrative Officer

SUBJECT: APPROVAL OF FORMATION OF JOINT POWERS AUTHORITY WITH THE
STANISLAUS COUNTY REDEVELOPMENT AGENCY FOR STANISLAUS
COUNTY CAPITAL IMPROVEMENT FINANCING AUTHORITY AGREEMENT
AND AUTHORIZATION FOR CHAIRMAN TO SIGN

BACKGROUND

On July 25, 1989 you authorized the Refunding of the Certificates of Participation associated with financing a new Social Services building and an addition to the third floor of the County Administration building. Since the transactions financed through Certificates of Participation require lease arrangements, it is necessary that an entity be created to serve as a leasing authority. Government Code Section 6500 et seq. authorizes the establishment of a joint exercise of powers entity for purposes of issuing bonds or certificates of participation to assist local agencies in the financing of capital improvements and equipment. Further, it allows Stanislaus County to enter into an agreement with its own Redevelopment Agency to form such an entity. The Authority created by the proposed Joint Exercise of Powers Agreement will have all of the powers necessary for the Refunding of the Certificates of Participation. This Authority can serve as the lessor for this project and may also be used in the financing of other public capital improvement projects in the future.

RECOMMENDATION

I recommend your approval for Stanislaus County to enter into a Joint Exercise of Powers Agreement with the Stanislaus County Redevelopment Agency to create the Stanislaus County Capital Improvement Financing Authority and request authorization for the Chairman of the Board to sign the Agreement. The Agreement has been reviewed by County Counsel.

Formation of JPA
September 19, 1989

Page 2

I also recommend you schedule the first meeting of the Joint Powers Authority on Tuesday, September 26, 1989 for the purpose of adopting by-laws, electing officers, and other related work necessary for the formation of this new Authority. At the first meeting of the Joint Powers Authority, I will be requesting your approval of the lease agreements and other legal documents relative to the Refunding of the Certificates of Participation.

GC:da

ATTACHMENT(S) AVAILABLE
FROM YOUR CLERK

**JOINT EXERCISE OF POWERS AGREEMENT
STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY**

THIS AGREEMENT, dated for convenience as of September 1, 1989, is by and between Stanislaus County ("County") and the Redevelopment Agency of Stanislaus County ("Agency"), each duly organized and existing under the laws of the State of California (the "State"), collectively called the "Members".

W I T N E S S E T H :

WHEREAS, each of the Members is authorized to lease, purchase, receive and hold property necessary or convenient for the governmental operation of such Member; and

WHEREAS, the acquisition, construction and installation of property and Public Capital Improvements, and the financing of such, by each of the Members acting separately may result in duplication of effort, inefficiencies in administration, and excessive cost in said acquisition, construction, installation and financing of such, all of which, in the judgment of the Members, could be eliminated, to the substantial benefit of the citizens and taxpayers of each of the Members, if the financing were to be performed through a single public agency, and such is the purpose of this Agreement;

NOW, THEREFORE, in consideration of the above premises of the mutual promises herein contained, the Members do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the words and terms defined in this Article shall, for the purpose hereof, have the meanings herein specified.

"Act" means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Governmental Code of the State.

"Agreement" means this Agreement.

"Authority" means the Stanislaus County Capital Improvements Financing Authority established pursuant to this Agreement.

"Board" means the Board referred to in Section 2.04, which shall be the governing body of the Authority.

"Board Members" means the representatives of the members appointed to the Board pursuant to Section 2.03.

"Bond Law" means any law hereafter legally available for use by the Authority in the authorization and issuance of bonds to finance the acquisition of Obligations and/or Public Capital Improvements.

"Bond Purchase Agreement" means an agreement between the Authority and a Member pursuant to which the Authority agrees to purchase Obligations from such Member.

"Bonds" means bonds of the Authority issued pursuant to Section 6590 of the Act.

"Certificates of Participation" or "Certificates" means fully registered tax exempt securities issued to evidence entitlement to receive pro rata portions of principal of or interest on lease payments or Obligations, which Certificates of Participation or Certificates are authorized and issued in connection with any financing undertaken by or on behalf of any Member in which the Authority is a participant.

"Fiscal Year" means the period from July 1st to and including the following June 30th.

"Members and Member" means each of the parties to this Agreement and "Member" means any such party.

"Obligations" has the meaning given to the term "Bonds" in Section 6585(c) of the Act.

"Public Agency" means any public agency authorized by the Act to enter into a joint exercise of powers agreement with the Members.

"Public Capital Improvement" has the meaning given to such term in Section 6585(g) of the Act, as in effect on the date hereof, and as hereinafter amended.

"Secretary" means the secretary of the Authority.

"State" means the State of California.

"Treasurer" means the Treasurer of the Authority appointed pursuant to Section 3.02.

ARTICLE II

GENERAL PROVISIONS

Section 2.01. Purpose. This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the Members. The purpose of this Agreement is to provide for the financing or refinancing of all or a prescribed portion of the cost and expense of acquisition, construction and installation of authorized Public Capital Improvements for the Members through any financing procedure legally available to the Members, including but not limited to authorization and issuance of Bonds and Certificates of Participation and the execution of Bond Purchase Agreements.

Section 2.02. Creation of Authority. Pursuant to the Act, there is hereby created a public entity to be known as the "Stanislaus County Capital Improvements Financing Authority." The Authority shall be a public entity separate and apart from the Members, and shall administer this Agreement.

Section 2.03. Board. The Authority shall be administered by a Board of five (5) Board Members. The members of the Board of Supervisors of the County and the members of the governing body of the Agency ex officio shall constitute the Board Members of the Authority. The number and composition of the Board Members may be changed by amendment of this Agreement. The Board shall be called the "Governing Board of the Stanislaus County Capital Improvements Financing Authority." All voting power of the Authority shall reside in the Board.

Section 2.04. Meetings of the Board.

(a) Regular Meetings. The Board shall provide for its regular meetings; provided, however, that at least one regular meeting shall be held each year. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Board and a copy of such resolution shall be filed with each of the Members.

(b) Special Meetings. Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State.

(c) Call, Notice and Conduct of Meetings. All meetings of the Board, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of Sections 54950 et seq. of the Government Code of the State.

Section 2.05. Minutes. The Secretary shall cause to be kept minutes of the meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Board Member and to each of the Members.

Section 2.06. Voting. Each Board Member shall have one vote.

Section 2.07. Quorum; Required Votes; Approvals. Board Members holding a majority of the votes shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Board Members shall be required to take any action by the Board.

Section 2.08. Bylaws. The Board may adopt, from time to time, such bylaws, rules and regulations for the conduct of its meetings as are necessary for the purposes hereof.

ARTICLE III

OFFICERS AND EMPLOYEES

Section 3.01. Chairman, Vice-Chairman and Secretary. The Board shall elect a Chairman and Vice-Chairman from among the Board Members, and shall appoint a Secretary who may, but need not, be a Board Member. The officers shall perform the duties normal to said offices; and

(a) the Chairman shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Board;

(b) the Vice-Chairman shall act, sign contracts and perform all of the Chairman's duties in the absence of the Chairman; and

(c) the Secretary shall countersign all contracts signed by the Chairman or Vice-Chairman on behalf

of the Authority, perform such other duties as may be imposed by the Board and cause a copy of this Agreement to be filed with the Secretary of State pursuant to the Act.

Section 3.02. Treasurer. Pursuant to Section 6505.6 of the Act, the Finance Officer of Stanislaus County is hereby designated as the Treasurer of the Authority. The Treasurer shall be the depository, shall have custody of all of the accounts, funds and money of the Authority from whatever source, shall have the duties and obligations set forth in Sections 6506 and 6505.5 of the Act and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority. As provided in Section 6505, the Treasurer shall make arrangements with a certified public accountant or firm of certified public accountants for the annual audit of accounts and records of the Authority which may be combined with the annual audit of accounts and records of either Member.

Section 3.03. Officers in Charge of Records, Funds and Accounts. Pursuant to Section 6505.1 of the Act, the Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

Section 3.04. Bonding of Persons Having Access to Public Capital Improvements. From time to time, the Board may designate persons, in addition to the Secretary and the Treasurer, having charge of, handling or having access to any records, funds or accounts or any Public Capital Improvement of the Authority and the respective amounts of the official bonds of the Secretary and the Treasurer and such other persons pursuant to Section 6505.1 of the Act.

Section 3.05. Legal Advisor. The Board shall have the power to appoint legal advisors of the Authority who shall perform such duties as may be prescribed by the Board. Such legal advisors shall be approved by the County Counsel of Stanislaus County.

Section 3.06. Other Employees. The Board shall have the power to appoint and employ such other consultants and independent contractors as may be necessary for the purposes of this Agreement.

All of the privileges and immunities from liability, exemption from laws; ordinances and rules, all

pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents, or employees of a Public Agency when performing their respective functions shall apply to them to the same degree and extent while engaged in the performances of any of the functions and other duties under this Agreement.

None of the officers, agencies, or employees directly employed by the Board shall be deemed, by reason of their employment by the Board to be employed by any Member or, by reason of their employment by the Board, to be subject to any of the requirements of the Members.

Section 3.07. Assistant Officers. The Board may appoint such assistants to act in the place of the Secretary or other officers of the Authority (other than any Board Member) as the Board shall from time to time deem appropriate.

ARTICLE IV

POWERS

Section 4.01. General Powers. The Authority shall exercise in the manner herein provided the powers common to each of the Members and necessary to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 4.04.

As provided in the Act, the Authority shall be a public entity separate from the Members. The Authority shall have the power to assist in the financing or refinancing of all or a prescribed portion of the acquisition, construction and installation of Public Capital Improvements and/or personal property necessary or convenient for the operation of the Members.

Section 4.02. Power to Issue Revenue Bonds. The Authority shall have all of the powers provided in Article 4 of the Act (commencing with Section 6584), including the power to issue Bonds under the Bond Law.

Section 4.03. Specific Powers. The Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers, including but not limited to, any or all of the following:

(a) to make and enter into contracts, including but not limited to site leases, lease agreements,

lease purchase agreements and installment sale agreements and assignment agreements;

(b) to employ agents or employees;

(c) to acquire, construct, manage, maintain or operate any Public Capital Improvements, including the common power of the Members to acquire any Public Capital Improvement by the power of eminent domain;

(d) to sue and be sued in its own name;

(e) to issue Bonds and otherwise, to incur debts, liabilities or obligations, provided that no such Bond, debt, liability or obligation shall constitute a debt, liability or obligation of any of the Members unless such Member shall expressly agree to repay such Bond, debt, liability or obligation;

(f) to apply for, accept, receive and disburse grants, loans and other aids from any agency of the United States of America or of the State;

(g) to invest any money in the treasury pursuant to Section 6505.5 of the Act that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the Government Code of the State;

(h) to apply for letters of credit, bond insurance, surety bonds or other forms of credit enhancement in order to secure the repayment of Bonds or Certificates of Participation and enter into agreements in connection therewith;

(i) to carry out and enforce all the provisions of this Agreement;

(j) to make and enter into Bond Purchase Agreements; and

(k) to exercise any and all other powers as may be provided in the Bond Law.

Section 4.04. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in the Act and in the Bond Law, and, except for those powers set forth in the Bond Law, shall be subject (in accordance with Section 6509 of the Act) to the restrictions

upon the manner of exercising such powers that are imposed upon County in the exercise of similar powers.

Section 4.05. Obligations of Authority. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of any of the Members unless such Member shall expressly agree to repay such debt, liability or obligation.

ARTICLE V

METHODS OF PROCEDURE; CREDIT TO MEMBERS

Section 5.01. Assumption of Responsibilities By the Authority. As soon as practicable after the date of execution of this Agreement, County shall give notice (in the manner required by Section 2.04) of the organizational meeting of the Board. At said meeting the Board shall provide for its regular meetings as required by Section 2.04 and elect a Chairman and Vice-Chairman and appoint the Secretary.

Section 5.02. Delegation of Powers. Each of the Members hereby delegates to the Authority the power and duty to acquire, by site lease, lease, lease-purchase, installment sale agreements, or otherwise, such Public Capital Improvement or obligation necessary, or convenient for the operation of any of the Members.

Section 5.03. Credit to Members. All accounts or funds created and established pursuant to any Trust Agreement to which the Authority is a party, and any interest earned or accrued thereon, shall inure to the benefit of the respective Members for which such funds or accounts were created.

ARTICLE VI

CONTRIBUTIONS: ACCOUNTS AND REPORTS: FUNDS

Section 6.01. Contributions. The Members may in the appropriate circumstance when required hereunder: (a) make contributions from their treasuries for the purpose set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use its personnel, equipment or property in lieu of other contributions or advances. The

provisions of Government Code 6513 are hereby incorporated into this Agreement.

Section 6.02. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust agreement entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of the Members. The Treasurer, within 120 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such fiscal year to the Members to the extent such activities are not covered by the report of such trustee. The trustee appointed under any trust agreement or indenture shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust agreement or indenture. Said trustee may be given such duties in said trust agreement or indenture as may be desirable to carry out this Agreement.

Section 6.03. Funds. Subject to the applicable provisions of any trust agreement or indenture which the Authority may enter into, which may provide for a trustee to receive, have custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 6.04. Annual Budget and Administrative Expenses. The Board shall adopt a budget for administrative expenses, which shall include all expenses not included in any bond issue of the Authority, annually prior to March 1st of each year. The estimated annual administrative expenses of the Authority shall be allocated by the Authority to the parties hereto equally.

ARTICLE VII

TERM

Section 7.01. Term. This Agreement shall become effective as of September 1, 1989 and shall continue in full force and effect so long as any Bonds or Certificates of Participation remain outstanding; provided, however, that:

(a) this Agreement shall terminate five (5) years from the date hereof in the event no Obligations have been purchased by the Authority pursuant to a Bond Purchase Agreement or if no Bonds or Certificates of Participation shall have been issued on or before said date, and (b) if all of said Bonds and Certificates of Participation have been paid in full or adequate provision for such payments has been made in accordance with the proceedings for the issuance thereof, this Agreement shall automatically terminate.

Section 7.02. Disposition of Assets. Upon termination of this Agreement, all property of the Authority, both real and personal, shall be divided among the Members in such manner as shall be agreed upon by the Members.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.01. Notices. Notices hereunder shall be in writing and shall be sufficient if delivered to:

Stanislaus County and Redevelopment Agency
of Stanislaus County
1100 H Street
Modesto, California 95354

Stanislaus County Capital Improvements
Financing Authority
c/o Finance Officer
Stanislaus County
1100 H Street
Modesto, California 95354

Section 8.02. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provisions of this Agreement.

Section 8.03. Consent. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

Section 8.04. Law Governing. This Agreement is made in the State under the Constitution and laws of the State and is to be so construed.

Section 8.05. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by contract with the owners of Bonds issued by the Authority or Certificates of Participation in payments to be made by the Authority or the Members or by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by all of the parties to this Agreement either as required in order to carry out any of the provisions of this Agreement or for any other purpose including without limitation addition of new Members (including any public agencies heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 8.06. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including but not limited to injunction and specific performance, necessary or permitted by law to enforce this Agreement.

Section 8.07. Severability. Should any party, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 8.08. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Members. None of the Members may assign any right or obligation hereunder without the written consent of the other Members.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunder duly authorized and their official seal to be hereto affixed, on the day and year set opposite the name of each of the parties.

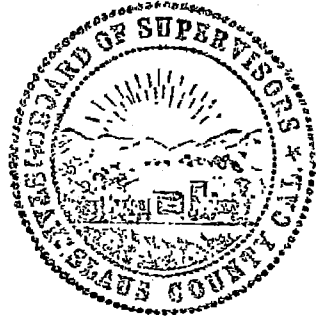
STANISLAUS COUNTY

Dated: SEP 19 1989

[Signature]
Chairman

Attest:

By: *Patricia A. Meator*
Clerk of the Board:



(SEAL)

REDEVELOPMENT AGENCY OF
STANISLAUS COUNTY

Dated: SEP 19 1989

[Signature]
Chairman

Attest:

Victor Holanda
Secretary

(SEAL)

APPROVED AS TO FORM AND LEGAL PROPERIES:

Michael H. Lawrence
COUNTY COUNSEL

DATE 9-19-89



State of California
March Fong Eu
Secretary of State

FILE NO. 1007

FILED
In the office of the Secretary of State
of the State of California

OCT - 3 1989

March Fong Eu
MARCH FONG EU, Secretary of State

(Office Use Only)

NOTICE OF A JOINT POWERS AGREEMENT
(Government Code Section 6503.5 or 6503.7)

Instructions:

1. Complete and mail to: Secretary of State,
P.O. Box 704, Sacramento, CA 95812-0704 (916) 324-6778
2. Include filing fee of \$5.00.
3. Do not include attachments, unless otherwise specified.

The name of the agency or entity created under the agreement and responsible for the administration of the agreement is: _____

Stanislaus County Capital Improvements Financing Authority

Mailing address: c/o Finance Officer, Stanislaus County, 1100 H Street,
Modesto, CA 95354

Provide a short title of the agreement if applicable: _____

The public agencies party to the agreement are:

- (1) Stanislaus County
- (2) Redevelopment Agency of Stanislaus County
- (3) _____

if more space is needed, continue on a separate sheet and attach it to this form.

The effective date of the agreement is: September 1, 1989

Provide a condensed statement of the agreement's purpose or the powers to be exercised: The purpose
is to provide for the financing or refinancing of the cost of
acquisition, construction and installation of capital improvements
of the Members.

JA Stava
Signature
Jeff A. Stava, Esq.
Nossaman, Guthner, Knox & Elliott
Bond Counsel to Authority
Typed Name and Title





I hereby certify that the foregoing transcript of 21 page(s) is a full, true and correct copy of the original record in the custody of the California Secretary of State's office.

JP

JUL 31 2013

Date: _____

Debra Bowen

DEBRA BOWEN, Secretary of State



State of California
Secretary of State

STATEMENT OF FACTS
ROSTER OF PUBLIC AGENCIES FILING
(Government Code section 53051)

FILED
Secretary of State
State of California
JUL 25 2013
(Office Use Only)

Instructions:

- 1. Complete and mail to: Secretary of State, P.O. Box 942877, Sacramento, CA 94277-0001 (916) 653-3984
2. A street address must be given as the official mailing address or as the address of the presiding officer.
3. Complete addresses as required.
4. If you need additional space, attach information on an 8 1/2" X 11" page, one sided and legible.

New Filing [] Update [x]

Legal name of Public Agency: Stanislaus County Capital Improvements Financing Authority

Nature of Update: Update Board of Directors

County: Stanislaus

Official Mailing Address: 1010 Tenth Street Place, Modesto, CA 95353

Name and Address of each member of the governing board:

Chairman, President or other Presiding Officer (Indicate Title): Chairman

Name: Vito Chiesa Address: same as above

Secretary or Clerk (Indicate Title): Secretary

Name: Christine Ferraro Tallman Address: same as above

Members:

Name: Jim DeMartini Address: same as above

Name: Terry Withrow Address: same as above

Name: Dick Monteith Address: same as above

Name: William O'Brien Address: same as above

Name: Address:

RETURN ACKNOWLEDGMENT TO: (Type or Print)

July 26, 2013

NAME [Stradling Yocca Carlson & Rauth]
ADDRESS 660 Newport Center Drive, Suite 1600
CITY/STATE/ZIP [Newport Beach, CA 92660]

Date

Signature

Robert Whalen, Bond Counsel
Typed Name and Title



I hereby certify that the foregoing transcript of 01 page(s) is a full, true and correct copy of the original record in the custody of the California Secretary of State's office.

RP

JUL 31 2013

Date: _____

Debra Bowen

DEBRA BOWEN, Secretary of State

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

CLOSING CERTIFICATE OF THE
STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCING AUTHORITY

The undersigned, the duly appointed, qualified and acting Treasurer of the Stanislaus County Capital Improvements Financing Authority (the "Authority"), hereby states and certifies that:

(a) the representations and warranties of the Authority contained in the Site Lease, dated as of August 1, 2013, by and between the Authority and the County of Stanislaus (the "County"), the Facilities Sublease, dated as of August 1, 2013 (the "Sublease"), by and between the Authority and the County, the Assignment and Purchase Agreement, dated as of August 1, 2013, by and between the Authority and the Stanislaus County Treasurer/Tax Collector, the Termination Agreement (2004A), dated as of August 1, 2013, by and among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee with respect to the 2004A Certificates, and the Termination Agreement (2004B), dated as of August 1, 2013, by and among the County, the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee with respect to the 2004B Certificates (collectively, the "Authority Documents") are true and correct on and as of the date hereof with the same effect as if made on the date hereof by the Authority, 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 hereof, and the officers of the Authority that executed and delivered the Authority Documents were duly authorized to execute and deliver the Authority Documents for and on behalf of the Authority;

(b) no default or event of default has occurred and is continuing, or would result from the Authority's execution and performance of any of the Authority Documents;

(c) all conditions precedent to the execution and delivery of the Authority Documents have been satisfied;

(d) copies of the Authority Documents delivered to the Stanislaus County Treasurer/Tax Collector on the date hereof are true, correct and complete and were duly executed and delivered by the Authority, have not been modified, amended or rescinded and are in full force and effect on and as of the date hereof; and

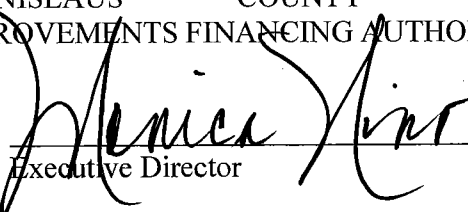
(e) there is currently outstanding indebtedness of the Successor Agency to the Redevelopment Agency of Stanislaus County with a maturity date later than August 1, 2027.

Capitalized terms used herein and not defined shall have the meanings set forth in the Sublease.

Dated: August 1, 2013

STANISLAUS COUNTY CAPITAL
IMPROVEMENTS FINANCING AUTHORITY

By:


Executive Director

STRADLING YOCCA CARLSON & RAUTH

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
660 NEWPORT CENTER DRIVE, SUITE 1600
NEWPORT BEACH, CA 92660-6422
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FACSIMILE (949) 725-4100

ORANGE COUNTY
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SAN DIEGO
(658) 926-3000
SAN FRANCISCO
(415) 283-2240
SANTA BARBARA
(805) 730-6800
SANTA MONICA
(424) 214-7000
SACRAMENTO
(916) 449-2350

August 1, 2013

Board of Supervisors of the County of Stanislaus
Modesto, California

*Re: County of Stanislaus (Series 2004A and 2004B Certificates of Participation
Refinancing)*

Ladies and Gentlemen:

We have acted as Special Counsel to the County of Stanislaus (the "County") in connection with the execution and delivery of the Facilities Sublease dated as of August 1, 2013 (the "Sublease") by and between the County and the Stanislaus County Capital Improvements Financing Authority (the "Authority"). The Sublease is being executed for the purpose of defeasing the currently outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A and the currently outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Sublease.

In our capacity as Special Counsel, we have examined originals, or copies identified to our satisfaction as being true copies, of the Site Lease, the Sublease, the Assignment and Purchase Agreement dated as of August 1, 2013 (the "Assignment Agreement"), between the Authority and the Treasurer/Tax Collector of the County of Stanislaus (the "Treasurer") and such records and proceedings of the County and the Authority and such other documents, agreements, opinions and matters, including certificates of officials of the County, the Authority, the Treasurer and others, as we have considered necessary for the purposes of rendering the opinions expressed below.

We have assumed the genuineness of all documents and signatures presented to us, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. We have not undertaken to verify independently, and have assumed the accuracy of the factual matters represented, warranted or certified in the documents and certificates, and of the legal conclusions contained in the opinions referred to, in the preceding paragraphs of this opinion. Furthermore, we have assumed compliance with all covenants and agreements contained in the Site Lease, the Sublease and the Assignment Agreement. We call attention to the fact that the enforceability of the Site Lease, the Sublease and the Assignment Agreement may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, by the application of equitable principles and the

exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

We express no opinion herein with respect to any indemnification, contribution, choice of law, choice of forum, penalty or waiver provisions contained in the Site Lease, the Sublease or the Assignment Agreement, nor do we express any opinion with respect to the state or quality of title to any of the real or personal property described in the Sublease or the Assignment Agreement, or the accuracy or sufficiency of the description of any such property contained therein.

Based on and subject to the foregoing, and in reliance thereon and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

1. The Site Lease has been duly authorized, executed and delivered by the County and the Authority and constitutes a valid and legally binding obligation of each of the County and the Authority.

2. The Sublease has been duly authorized, executed and delivered by the County and the Authority and the Sublease constitutes a valid and legally binding obligation of each of the Authority and the County.

3. The Assignment Agreement has been duly authorized, executed, and delivered by, the Authority, and, assuming due authorization, execution and delivery by the Treasurer, constitutes a valid and legally binding obligation of the Authority.

We observe that the Interest Components of the Base Rental Payments are not excludable from gross income for federal income tax purposes and otherwise express no opinion as to any tax consequences related to the Sublease.

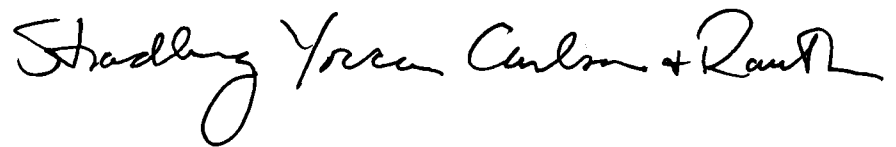
The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur, and we disclaim any obligation to update this opinion. Our engagement as Special Counsel terminates upon the execution and delivery of the Site Lease, the Sublease and the Assignment Agreement on the date hereof.

Our opinion is limited to matters governed by the laws of the State of California. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

Board of Supervisors of the County of Stanislaus
August 1, 2013
Page 3

The scope of our engagement in relation to the matters set forth herein has been limited solely to the examination of facts and law incident to rendering the opinions expressed herein. We express no opinion herein as to the accuracy, completeness, fairness or sufficiency of any representations made to the Treasurer by the County or the Authority in connection with the matters set forth herein.

Respectfully submitted,

A handwritten signature in cursive script that reads "Shadley Yocco Carlson + Rand". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

STRADLING YOCCA CARLSON & RAUTH

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August 1, 2013

Treasurer/Tax Collector of the County of Stanislaus
Modesto, California

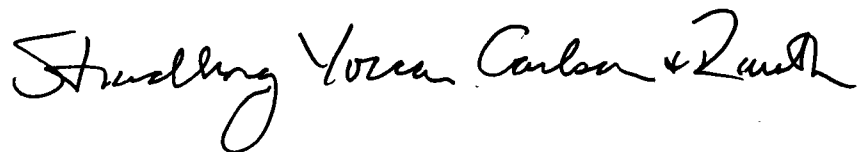
Re: County of Stanislaus (Series 2004A and 2004B Certificates of Participation Refinancing)

Ladies and Gentlemen:

We deliver to you herewith a copy of our approving legal opinion dated the date hereof relating to the execution of certain documents in connection with the County of Stanislaus (Series 2004A and 2004B Certificates of Participation Refinancing) transaction, including, without limitation, that certain Facilities Sublease dated as of August 1, 2013, by and between the County of Stanislaus and the Stanislaus County Capital Improvements Financing Authority (the "Authority") and that certain Assignment and Purchase Agreement dated as of August 1, 2013 (the "Assignment Agreement"), by and between the Authority and you.

You are entitled to rely on such opinion as if the same were addressed to you. No attorney-client relationship has existed or exists between our firm and you in connection with the execution of such documents or by virtue of this letter. With respect to matters related to your authority to execute and deliver the Assignment Agreement you have relied upon the advice of County Counsel. Our engagement by the County terminates as of the date hereof and we expressly disclaim any obligation to update our approving legal opinion or this letter. This letter is solely for your benefit, and may not be relied upon by others without our prior written consent.

Respectfully submitted,



STRADLING YOCCA CARLSON & RAUTH

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August 1, 2013

County of Stanislaus
Modesto, California

The Bank of New York Mellon Trust Company, N.A., as Trustee
Los Angeles, California

County of Stanislaus Treasurer/Tax Collector
Modesto, California

Ambac Assurance Corporation
New York, New York

*Re: County of Stanislaus Certificates of Participation (2004 Capital Improvement
Projects) Series 2004A*

Ladies and Gentlemen:

The County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A (the "2004A Certificates") were executed and delivered pursuant to that certain Trust Agreement dated as of April 1, 2004, by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company) (the "2004A Trustee"). We have been advised that on the date hereof the County is depositing certain monies with The Bank of New York Mellon Trust Company, N.A. in its capacity as escrow agent (the "Escrow Agent") pursuant to the 2004 Escrow Agreement dated as of August 1, 2013 (the "Escrow Agreement") by and between the Escrow Agent and the County and will irrevocably instruct the 2004A Trustee to pay the principal and interest due with respect to the 2004A Certificates on September 1, 2013 and to prepay all outstanding 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013.

In connection with the delivery of this opinion, we have reviewed the provisions of the 2004A Trust Agreement, the Escrow Agreement and certain instructions provided to the 2004A Trustee by the County regarding the prepayment of the 2004A Certificates, the verification report of Causey Demgen & Moore P.C. dated August 1, 2013 (the "Verification Report") and such other documents, certificates and opinions as we have deemed necessary for rendering the opinions set forth below.

County of Stanislaus
The Bank of New York Mellon Trust Company, N.A., as Trustee
County of Stanislaus Treasurer/Tax Collector
August 1, 2013
Page 2

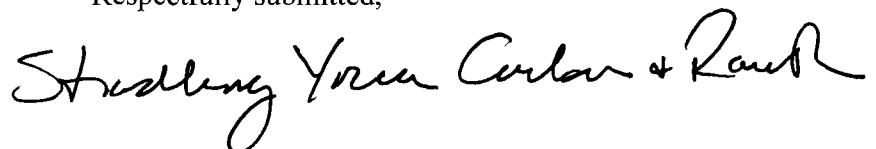
In rendering the opinion set forth below, we have relied upon the Verification Report and the correctness of the assumptions recited therein and have assumed that the amounts on deposit in the 2004A Escrow Fund established under the Escrow Agreement will be sufficient to pay the interest and principal due on September 1, 2013 with respect to all of the outstanding 2004A Certificates and to prepay all of the outstanding 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013, and we have made no independent calculations or verifications concerning the actual deposit of the amounts with the Escrow Agent, the outstanding principal amount of the 2004A Certificates or the adequacy of the amounts deposited with the Escrow Agent to pay the principal and interest due with respect to the 2004A Certificates on September 1, 2013 or to prepay the outstanding 2004A Certificates maturing on and after September 1, 2014 on September 1, 2013. We have also assumed that the deposit required to be made with the Escrow Agent pursuant to the Escrow Agreement has been made, that all other instructions set forth in the 2004A Trust Agreement and related documents have been complied with, and that on or prior to August 1, 2013, the 2004A Trustee will give notice of prepayment of the 2004A Certificates being prepaid on September 1, 2013 as required by Section 4.03 of the 2004A Trust Agreement.

Based upon the foregoing, we are of the opinion that the 2004A Certificates have been discharged in accordance with Section 14.01 of the 2004A Trust Agreement, and all obligations of the Authority, the 2004A Trustee and the County have ceased and terminated except for the obligation of the 2004A Trustee to pay, or cause to be paid, all amounts due with respect to the 2004A Certificates to the owners of said 2004A Certificates from funds on deposit in the 2004A Escrow Fund transferred to the 2004A Trustee, and the other obligations specifically set forth in Section 14.01 of the 2004A Trust Agreement as continuing after the defeasance of the 2004A Certificates.

The opinions expressed herein are solely for your benefit in connection with the defeasance of the 2004A Certificates and may not be relied on in any manner or for any purpose by any other person or entity, nor may copies be delivered or furnished to any other party, nor may all or portions of this opinion be quoted, circulated, or referred to in any other document without our prior written consent.

The rendering of this opinion to you is undertaken in our capacity as Special Counsel to the County with respect to the discharge of the 2004A Certificates and does not create an attorney client relationship between us and anyone other than the County with respect to the matters stated herein. We have not undertaken to advise you or any other person as to matters occurring after the date hereof or as to their effect, if any, on the matters stated herein, and we expressly disclaim any responsibility to do so. Our engagement with respect to the defeasance of the 2004A Certificates terminates as of the date hereof.

Respectfully submitted,



STRADLING YOCCA CARLSON & RAUTH

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SANTA MONICA
(424) 214-7000
SACRAMENTO
(916) 449-2350

August 1, 2013

County of Stanislaus
Modesto, California

The Bank of New York Mellon Trust Company, N.A., as Trustee
Los Angeles, California

County of Stanislaus Treasurer/Tax Collector
Modesto, California

Ambac Assurance Corporation
New York, New York

Re: County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B

Ladies and Gentlemen:

The County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "2004B Certificates") were executed and delivered pursuant to that certain Trust Agreement dated as of April 1, 2004, by and among the County of Stanislaus (the "County"), the Stanislaus County Capital Improvements Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A. (formerly known as BNY Western Trust Company) (the "2004B Trustee"). We have been advised that on the date hereof the County is depositing certain monies with The Bank of New York Mellon Trust Company, N.A. in its capacity as escrow agent (the "Escrow Agent") pursuant to the 2004 Escrow Agreement dated as of August 1, 2013 (the "Escrow Agreement") by and between the Escrow Agent and the County and will irrevocably instruct the 2004B Trustee to pay the principal and interest due with respect to the 2004B Certificates on September 1, 2013 and to prepay all outstanding 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013.

In connection with the delivery of this opinion, we have reviewed the provisions of the 2004B Trust Agreement, the Escrow Agreement and certain instructions provided to the 2004B Trustee by the County regarding the prepayment of the 2004B Certificates, the verification report of Causey Demgen & Moore P.C. dated August 1, 2013 (the "Verification Report") and such other documents, certificates and opinions as we have deemed necessary for rendering the opinions set forth below.

County of Stanislaus
The Bank of New York Mellon Trust Company, N.A., as Trustee
County of Stanislaus Treasurer/Tax Collector
August 1, 2013
Page 2

In rendering the opinion set forth below, we have relied upon the Verification Report and the correctness of the assumptions recited therein and have assumed that the amounts on deposit in the 2004B Escrow Fund established under the Escrow Agreement will be sufficient to pay the interest and principal due on September 1, 2013 with respect to all of the outstanding 2004B Certificates and to prepay all of the outstanding 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013, and we have made no independent calculations or verifications concerning the actual deposit of the amounts with the Escrow Agent, the outstanding principal amount of the 2004B Certificates or the adequacy of the amounts deposited with the Escrow Agent to pay the principal and interest due with respect to the 2004B Certificates on September 1, 2013 or to prepay the outstanding 2004B Certificates maturing on and after September 1, 2014 on September 1, 2013. We have also assumed that the deposit required to be made with the Escrow Agent pursuant to the Escrow Agreement has been made, that all other instructions set forth in the 2004B Trust Agreement and related documents have been complied with, and that on or prior to August 1, 2013, the 2004B Trustee will give notice of prepayment of the 2004B Certificates being prepaid on September 1, 2013 as required by Section 4.03 of the 2004B Trust Agreement.

Based upon the foregoing, we are of the opinion that the 2004B Certificates have been discharged in accordance with Section 14.01 of the 2004B Trust Agreement, and all obligations of the Authority, the 2004B Trustee and the County have ceased and terminated except for the obligation of the 2004B Trustee to pay, or cause to be paid, all amounts due with respect to the 2004B Certificates to the owners of said 2004B Certificates from funds on deposit in the 2004B Escrow Fund transferred to the 2004B Trustee, and the other obligations specifically set forth in Section 14.01 of the 2004B Trust Agreement as continuing after the defeasance of the 2004B Certificates.

The opinions expressed herein are solely for your benefit in connection with the defeasance of the 2004B Certificates and may not be relied on in any manner or for any purpose by any other person or entity, nor may copies be delivered or furnished to any other party, nor may all or portions of this opinion be quoted, circulated, or referred to in any other document without our prior written consent.

The rendering of this opinion to you is undertaken in our capacity as Special Counsel to the County with respect to the discharge of the 2004B Certificates and does not create an attorney client relationship between us and anyone other than the County with respect to the matters stated herein. We have not undertaken to advise you or any other person as to matters occurring after the date hereof or as to their effect, if any, on the matters stated herein, and we expressly disclaim any responsibility to do so. Our engagement with respect to the defeasance of the 2004B Certificates terminates as of the date hereof.

Respectfully submitted,





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August 1, 2013

County of Stanislaus
Modesto, California

County of Stanislaus Treasurer/Tax Collector
Modesto, California

Stradling Yocca Carlson & Rauth
Newport Beach, California

Re: County of Stanislaus (Series 2004A and 2004B Certificates of Participation Refinancing)

Ladies and Gentlemen:

As counsel for the County of Stanislaus (the "County"), the Office of County Counsel ("County Counsel") has reviewed the record of proceedings and such other documents, records and matters of law as we have deemed necessary for the purposes of this opinion relative to the execution and delivery by the County of the Site Lease, the Facilities Sublease, the Escrow Agreement, the Termination Agreement (2004A) and the Termination Agreement (2004B) (each as defined below).

The County is leasing certain real property and improvements located in the County (the "Leased Premises") to the Stanislaus County Capital Improvements Financing Authority (the "Authority") pursuant to a Site Lease dated as of August 1, 2013 (the "Site Lease").

The Authority is subleasing the Leased Premises to the County pursuant to a Facilities Sublease dated as of August 1, 2013 (the "Sublease"). Unless otherwise defined or unless the context otherwise requires, all terms not defined herein shall have the meaning set forth in the Sublease.

The Authority is selling and assigning certain of its rights under the Site Lease and the Sublease to the County of Stanislaus Treasurer/Tax Collector (the "Treasurer") under an Assignment and Purchase Agreement dated as of August 1, 2013 (the "Assignment Agreement") by and between the Authority and the Treasurer.

In consideration of the County entering into the Site Lease and the Sublease, the Authority has agreed to use the purchase price paid to it by the Treasurer under the Assignment Agreement to defease and prepay the outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A and outstanding County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B by transferring the purchase price to The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") for application in accordance with the Escrow Agreement dated as of August 1, 2013 (the "Escrow Agreement"), by and between the County and the Escrow Agent.

The Authority, the County and The Bank of New York Mellon Trust Company, N.A. (successor-in-interest to BNY Western Trust Company), as Trustee (the "Trustee"), have entered into a Termination Agreement (2004A) and a Termination Agreement (2004B), each dated as of August 1, 2013 (together, the "Termination Agreements"), which Termination Agreements terminate certain agreements by and among the Authority, the County and the Trustee that presently encumber the Leased Premises (as defined in the Sublease).

The Site Lease, the Sublease, the Escrow Agreement and the Termination Agreements are referred to herein, collectively, as the "County Documents." The execution and delivery of the County Documents was provided for by a resolution of the Board relating thereto adopted July 16, 2013 (the "County Resolution").

It is the opinion of County Counsel that:

(A) the County is a political subdivision duly organized and validly existing under the Constitution and laws of the State of California and has full legal power and adequate authority to adopt the County Resolution, to enter into the County Documents, and to own or lease its properties and to carry on its business as now conducted and as contemplated by the County Documents;

(B) the County Resolution was duly adopted at a meeting of the governing body of the County 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, and the County Resolution is now in full force and effect;

(C) the County Documents have been duly authorized by all necessary official action on the part of the County, have been duly executed and delivered by the County and are valid, legal and binding agreements of the County (assuming due authorization, execution and delivery by and validity against the respective counterparties thereto);

(D) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the County has been served or, to the best of County Counsel's knowledge, threatened against or affecting the County, (i) which would materially adversely impact the County's ability to complete the transactions contemplated by the County Documents, or restrain or enjoin the payment of Base Rental Payments due under the Sublease, (ii) contesting the existence of the County, or the title to the office of the officers of the County, or the power of the County to enter into the County Documents, or (iii) in any way contesting or affecting the validity of the County Documents or the transactions described in and contemplated thereby;

(E) the adoption of the County Resolution and the execution and delivery of the County Documents and compliance with the provisions thereof, 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, which breach or default has or may have a material adverse effect on the ability of the County to perform its obligations under the County Documents; and

(F) no authorization, approval, consent, or other order of the State of California or any other governmental body within the State of California is required for the valid

authorization, execution and delivery of the County Documents by the County or the consummation by the County of the transactions on its part contemplated therein, except such as have been obtained in connection with the execution of the Assignment Agreement by the Treasurer.


Notwithstanding anything stated to the contrary herein:

1. We expressly decline to render any opinion regarding the taxability or tax effect (under both state and federal law) of the transactions which are the subject of this opinion, including, but not limited to, the authorization, execution, and delivery of the Sublease, and the interest component of Base Rental payable thereunder.
2. This opinion is based on the existing laws of the State of California as of this date and we expressly decline to render any opinion as to any laws or regulations of other states or jurisdictions (including federal law and regulations) as they may pertain to the County Documents, or with respect to the effect of noncompliance under any such laws or regulations of any other jurisdictions (including federal law and regulations, blue sky and tax laws).
3. This opinion is furnished for you and is solely for your benefit. It may not be relied upon by any other person or entity however organized.
4. This opinion may be used only in connection with the transactions contemplated under the County Documents.
5. This opinion is given as of this date, and we expressly decline any undertaking to advise you of any matters arising subsequent to the date hereof which would cause us to amend any portion of this opinion in whole or in part.
6. The opinions set forth are subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally. The enforcement of the County Documents is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State of California and the application of California law relating to conflicts of interest to which public entities are subject. We express no opinion as to the enforceability of any provisions relating to indemnification or forum.

Yours Very Truly,

JOHN P. DOERING
County Counsel

By:



Dean Wright
Deputy County Counsel



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August 1, 2013

Stanislaus County Capital Improvements Financing Authority
Modesto, California

County of Stanislaus Treasurer/Tax Collector
Modesto, California

Stradling Yocca Carlson & Rauth
Newport Beach, California

Re: County of Stanislaus (Series 2004A and 2004B Certificates of Participation Refinancing)

Ladies and Gentlemen:

As counsel for the Stanislaus County Capital Improvements Financing Authority, a joint exercise of powers agency duly organized, validly existing and in good standing under the Constitution and the laws of the State of California (the "Authority"), the Office of County Counsel ("County Counsel") has reviewed the record of proceedings and such other documents, records and matters of law as we have deemed necessary for the purposes of this opinion relative to the execution and delivery by the Authority of the Site Lease, the Facilities Sublease, the Assignment and Purchase Agreement, the Termination Agreement (2004A) and the Termination Agreement (2004B) (each as defined below).

The County of Stanislaus (the "County") is leasing certain real property and improvements located in the County (the "Leased Premises") to the Authority pursuant to a Site Lease, dated as of August 1, 2013 (the "Site Lease"), by and between the County and the Authority. The Authority is subleasing the Leased Premises to the County pursuant to a Facilities Sublease dated as of August 1, 2013 (the "Sublease"), by and between the Authority and the County. Pursuant to an Assignment and Purchase Agreement dated as of August 1, 2013 (the "Assignment Agreement"), between the Authority and the County of Stanislaus Treasurer/Tax Collector (the "Treasurer"), the Authority is selling and assigning to the Treasurer, all of its right, title and interest (other than its rights to indemnification and to receive certain Additional Rental payments) in and to the Sublease, including the right to receive Base Rental Payments under the Sublease. Unless otherwise defined or unless the context otherwise requires, all terms not defined herein shall have the meaning set forth in the Sublease.

The Authority, the County and The Bank of New York Mellon Trust Company, N.A. (successor-in-interest to BNY Western Trust Company), as trustee (the "Trustee"), have entered into a Termination Agreement (2004A) and a Termination Agreement (2004B), each dated as of August 1, 2013 (together, the "Termination Agreements"), which Termination Agreements terminate certain agreements by and among the Authority, the County and the Trustee that presently encumber the

Leased Premises. The Site Lease, the Sublease, the Assignment Agreement and the Termination Agreements are referred to herein, collectively, as the "Authority Documents."

The execution and delivery of the Authority Documents were provided for by a resolution of the Authority adopted at a regular meeting of the Authority on July 16, 2013 (the "Authority Resolution").

It is the opinion of County Counsel that:

(a) the Authority is a joint exercise of powers agency duly organized, validly existing and in good standing under the Constitution and the laws of the State of California and has full legal power and adequate authority to adopt the Authority Resolution, to enter into the Authority Documents, and to own or lease real property, to sell and assign its interests under the Site Lease and the Sublease to the Treasurer and to carry on its business as now conducted and as contemplated by the Authority Documents;

(b) the Authority Resolution was duly adopted at a regular meeting of the governing body of the Authority 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, and the Authority Resolution is now in full force and effect;

(c) the Authority Documents have been duly authorized by all necessary official action on the part of the Authority, have been duly executed and delivered by the Authority and are valid, legal and binding agreements of the Authority (assuming due authorization, execution and delivery by and validity against the respective counterparties thereto);

(d) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the Authority has been served or, to the best of County Counsel's knowledge, threatened against or affecting the Authority, (i) contesting the existence of the Authority, or the title to the office of the officers of the Authority, or affecting any powers of the Authority, including the power to enter into the Authority Documents; (ii) which would materially adversely impact the Authority's ability to complete the transactions contemplated by the Authority Documents, or restrain or enjoin the collection of Base Rental in accordance with the Sublease, or (iii) in any way contesting or affecting the validity of the Authority Documents or the transactions described in and contemplated thereby;

(e) the adoption of the Authority Resolution and the execution and delivery of the Authority Documents and compliance with the provisions thereof, 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, which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents; and

(f) no authorization, approval, consent, or other order of the State of California or any other governmental body within the State of California is required for the valid authorization, execution and delivery of the Authority Documents or the consummation by the Authority of the transactions on its part contemplated therein, except such as have been obtained and except such as

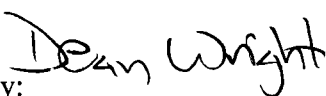
may be required under state securities or blue sky laws in connection with the execution of the Assignment Agreement by the Treasurer.

Notwithstanding anything stated to the contrary herein:

1. We expressly decline to render any opinion regarding the taxability or tax effect (under both state and federal law) of the transactions which are the subject of this opinion, including, but not limited to, the authorization, execution, and delivery of the Authority Documents, and the interest component of Base Rental payable pursuant to the Sublease.
2. This opinion is based on the existing laws of the State of California as of this date and we expressly decline to render any opinion as to any laws or regulations of other states or jurisdictions (including federal law and regulations) as they may pertain to the Authority Documents, or with respect to the effect of noncompliance under any such laws or regulations of any other jurisdictions (including federal law and regulations, blue sky and tax laws).
3. This opinion is furnished for you and is solely for your benefit. It may not be relied upon by any other person or entity however organized.
4. This opinion may be used only in connection with the transactions contemplated under the Authority Documents.
5. This opinion is given as of this date, and we expressly decline any undertaking to advise you of any matters arising subsequent to the date hereof which would cause us to amend any portion of this opinion in whole or in part.
6. The opinions set forth are subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally. The enforcement of the Authority Documents is subject to the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or at law, and to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public entities in the State of California and the application of California law relating to conflicts of interest to which public entities are subject. We express no opinion as to the enforceability of any provisions relating to indemnification or forum.

Yours Very Truly,

JOHN P. DOERING
County Counsel

By: 
Dean Wright
Deputy County Counsel

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SAMUEL D. WALDMAN

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August 1, 2013

County of Stanislaus
Modesto, California

County of Stanislaus Treasurer/Tax Collector
Modesto, California

Ambac Assurance Corporation
New York, New York

*Re: County of Stanislaus Certificates of Participation (2004 Capital Improvement
Projects) Series 2004A and 2004B*

Ladies and Gentlemen:

I have acted as special counsel to The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent") in the capacity as escrow agent under that certain 2004 Escrow Agreement, dated as of August 1, 2013 (the "Escrow Agreement") by and between the County of Stanislaus (the "County") and the Escrow Agent. Except as set forth herein, capitalized terms used in this opinion letter are defined as set forth in the Escrow Agreement.

In my capacity as counsel to the Escrow Agent, I have examined originals or copies identified to my satisfaction of: (i) the Articles of Association and By-Laws of the Escrow Agent, (ii) the Escrow Agreement, and (iii) such other records, certificates and documents as I have considered necessary or appropriate for the purpose of the opinion hereinafter rendered.

In rendering this opinion, I have relied upon the facts and information obtained from the records of the Escrow Agent, officers of the Escrow Agent, and other sources believed by me to be reliable, and have not undertaken to independently verify the accuracy of the factual matters represented, warranted, or certified in such documents. I have assumed the genuineness of all signatures, the authenticity of documents, certificates and records submitted to me as originals, the conformity to the originals of all documents, certificates and records submitted to me as certified or reproduction copies, the legal capacity of all natural persons executing documents and the completeness and accuracy as of the date of this opinion letter of the information contained in such documents, certificates and records, which assumptions I have not independently verified. The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions.

County of Stanislaus
County of Stanislaus Treasurer/Tax Collector
Ambac Assurance Corporation
August 1, 2013
Page 2

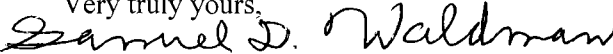
Based upon and subject to the foregoing and subject to the qualifications set forth below, I am of the opinion that:

- (1) the Escrow Agent is a national banking association duly organized and validly existing under the laws of the United States having full power and being qualified to enter into, accept and agree to the provisions of the Escrow Agreement; and
- (2) the Escrow Agreement has been duly authorized, executed and delivered by the Escrow Agent and assuming due authorization, execution and delivery by the County of the Escrow Agreement, the Escrow Agreement constitutes the legal, valid and binding obligations of the Escrow Agent, enforceable against the Escrow Agent in accordance with its respective terms, except as such enforcement thereof may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, and other similar laws affecting the rights and remedies of creditors generally, and by the effect of general principles of equity, including without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief, whether considered in a proceeding at law or in equity.

I express no opinion as to any matter other than as expressly set forth above. This opinion is as of the date hereof, and I have undertaken no, and hereby disclaim any, obligation to advise you of any change in any matter set forth herein even though the changes may affect a legal analysis, conclusion or an information confirmation in this opinion letter.

I express no opinion as to the effect of any law other than the law of California and the federal laws of the United States of America on the matters referred to herein, in each case as they exist on the date hereof. I express no opinion with respect to the laws, regulations, or ordinances of any county, municipal or other local governmental agency.

This opinion is furnished by me solely for your benefit. This opinion letter may be relied upon by you only in connection with the transaction described in the initial paragraph of this opinion letter and may not be used or relied upon by you for any other purpose or by any other person for any purpose whatsoever without, in each instance, my prior written consent; provided, however, a copy may be included in the transcript of the proceedings for the Bonds.

Very truly yours,

Samuel D. Waldman

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

CLOSING CERTIFICATE OF THE ESCROW AGENT

The undersigned, hereby states and certifies that:

1. The undersigned is an authorized officer of The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the "Escrow Agent"), under that certain Escrow Agreement dated as of August 1, 2013 relating to the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004A and the County of Stanislaus Certificates of Participation (2004 Capital Improvement Projects) Series 2004B (the "Escrow Agreement"), by and between the County of Stanislaus and the Escrow Agent, and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same.

2. The Escrow Agent is duly organized and existing as a national banking association under the laws of the United States of America, having full corporate power and authority to enter into and perform its duties under the Escrow Agreement.

3. The Escrow Agent's actions in executing and delivering the Escrow Agreement, as applicable, is in full compliance with and does not conflict with any applicable law or governmental regulation currently in effect and does not conflict with or violate any contract to which the Escrow Agent is a party or any administrative or judicial decisions by the Escrow Agent is bound.

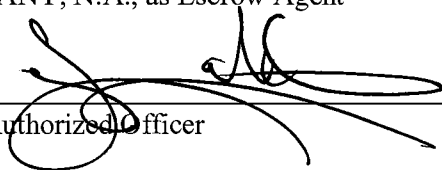
4. The Escrow Agent is duly authorized to enter into the Escrow Agreement and has duly executed and delivered the Escrow Agreement, and assuming due authorization and execution by the other party thereto, the Escrow Agreement is legal, valid and binding upon the Escrow Agent, and enforceable against the Escrow Agent in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors' rights generally.

Dated: August 1, 2013

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Escrow Agent

By: _____

Authorized Officer



COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

RECEIPT OF ESCROW AGENT AND COI CUSTODIAN

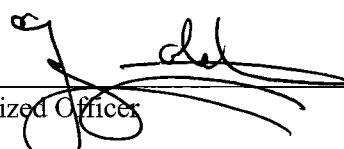
1. The undersigned, on behalf of The Bank of New York Mellon Trust Company, N.A., as (i) Escrow Agent (the "Escrow Agent") pursuant to the Escrow Agreement dated as of August 1, 2013 (the "Escrow Agreement"), by and between the County of Stanislaus (the "County") and The Bank of New York Mellon Trust Company, N.A., and (ii) Custodian (the "COI Custodian") pursuant to the Costs of Issuance Custodian Agreement, dated as of August 1, 2013 (the "Custodian Agreement"), between the County and the COI Custodian, hereby acknowledges receipt of the funds described in paragraph (2) below.

2. The Escrow Agent and the COI Custodian shall apply the funds received as set forth below in accordance with the Escrow Agreement and the Custodian Agreement, as applicable.

| | |
|-------------------------|---|
| \$ 19,540,000.00 | Received from the Treasurer |
| 4,800,000.00 | Debt Service Funds on Hand |
| 1,135,204.62 | 2004A Reserve Fund |
| 2,029,366.07 | 2004B Reserve Fund |
| <u>4,028,754.32</u> | County Contribution |
| <u>\$ 31,533,325.01</u> | TOTAL SOURCES |
| | |
| \$ 96,650.00 | Deposit to Cost of Issuance Account established pursuant to |
| 11,271,094.38 | Custodian Agreement |
| <u>20,165,580.63</u> | Deposit to 2004A Escrow Fund |
| | Deposit to 2004B Escrow Fund |
| <u>\$ 31,533,325.01</u> | TOTAL USES |

Dated: August 1, 2013

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Escrow Agent and COI
Custodian

By: 
Authorized Officer

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

TREASURER'S CERTIFICATE

The undersigned, on behalf of Stanislaus County Treasurer/Tax Collector (the "Treasurer") does hereby certify as follows with regard to the Assignment and Purchase Agreement, dated as of August 1, 2013 (the "Assignment Agreement"), between the Treasurer and the Stanislaus County Capital Improvements Financing Authority (the "Authority") pursuant to which the Authority assigns to the Treasurer certain rights of the Authority under the Site Lease, dated as of August 1, 2013 and the Facilities Sublease, dated as of August 1, 2013 (the "Sublease") each by and between the Authority and County of Stanislaus (the "County"):

1. The Treasurer has full power and authority to carry on its business as now conducted, deliver this certificate and make the representations and certifications contained herein. The Treasurer has duly authorized the execution and delivery of the Assignment Agreement and this Treasurer's Certificate, and the Assignment Agreement has been duly executed and delivered by an authorized officer of the Treasurer.

2. The Treasurer manages a county treasury pool (the "Treasury Pool") that is permitted to purchase state and local government obligations such as the Sublease, and the purchase of the Authority's interest in the Sublease is permitted by and consistent with the adopted Investment Policy for the Treasury Pool.

3. The Treasurer has conducted its own investigation of the financial condition of the County, and has obtained such information regarding the Sublease and the County and its operations, financial condition and financial prospects as the Treasurer deems necessary to make an informed investment decision with respect to its purchase of the Authority's interest in the Sublease.

4. The Treasurer is purchasing the Authority's interest in the Sublease solely as an investment for the Treasury Pool and acknowledges that the interest being purchased by it is not transferable and the investment in the Sublease must be held to maturity.

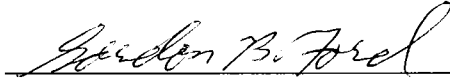
5. The Treasurer understands that the obligation of the County to pay Base Rental Payments and Additional Rental under the Sublease constitutes a current expense of the County and shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the County, nor shall anything contained in the Sublease constitute a pledge of the full faith and credit or taxing power of the County.

6. The Treasurer acknowledges that the certificates of insurance delivered by the County satisfy the requirements of Section 4.3(a) of the Sublease.

[SIGNATURE PAGE TO TREASURER'S CERTIFICATE]

Dated: August 1, 2013

STANISLAUS COUNTY TREASURER/TAX
COLLECTOR

By: 
Treasurer/Tax Collector

COUNTY OF STANISLAUS

**VERIFICATION REPORT FOR THE
2013 LEASE REFUNDING**

CAUSEY DEMGEN & MOORE P.C.
Certified Public Accountants and Consultants

CAUSEY DEMGEN & MOORE P.C.

Certified Public Accountants and Consultants

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Denver, Colorado 80202-2025
Telephone: (303) 296-2229
Facsimile: (303) 296-3731
www.causeycpas.com

August 1, 2013

County of Stanislaus
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Modesto, California 95353

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660

KNN Public Finance
1333 Broadway, Suite 1000
Oakland, California 94612

Ambac Assurance Corporation
One State Street Plaza, 15th Floor
New York, New York 10004

We have completed our engagement to verify the mathematical accuracy of the computations relating to the adequacy of cash to be held in separate escrow accounts to pay the debt service requirements of the following certificates (herein collectively referred to as the "Refunded Certificates") executed and delivered by the County of Stanislaus (herein referred to as the "County"):

- Certificates of Participation (2004 Capital Improvement Projects), Series 2004A (herein referred to as the "Refunded 2004A Certificates"),
- Certificates of Participation (2004 Capital Improvement Projects), Series 2004B (herein referred to as the "Refunded 2004B Certificates").

We express no opinion as to the attainability of the assumptions underlying the computations or the tax-exempt status of the 2013 Lease Refunding (herein referred to as the "Refunding Lease") to be executed and delivered by the County. Our verification was performed solely on the schedules of proposed transactions provided by KNN Public Finance (herein referred to as the "Financial Advisor"). In the course of our engagement to verify the mathematical accuracy of the computations in the schedules provided to us, we prepared Exhibits A through B-1 attached hereto and made a part hereof.

The scope of our engagement consisted of performing the procedures described herein. These procedures were performed in a manner that we deem to be appropriate.

The accompanying exhibits of proposed transactions were prepared on the basis of assumptions underlying the computations and in accordance with the procedures described herein. We did not independently confirm the information used with outside parties.

OUR UNDERSTANDING OF THE TRANSACTION

The County intends to execute and deliver the Refunding Lease on August 1, 2013 to currently refund the Refunded Certificates. A portion of the proceeds of the Refunding Lease will be used,

CAUSEY

together with certain amounts to be contributed by the County and certain amounts to be contributed from various funds associated with the Refunded Certificates, to (1) provide cash that will be placed into an escrow account (herein referred to as the "2004A Escrow Account") to currently refund the Refunded 2004A Certificates, and (2) provide cash that will be placed into an escrow account (herein referred to as the "2004B Escrow Account") to currently refund the Refunded 2004B Certificates.

The Escrow Agent will pay the scheduled debt service requirements of the Refunded 2004A Certificates on September 1, 2013 and will prepay those Refunded 2004A Certificates maturing on September 1, 2014 and thereafter, at a redemption price equal to 100% of par, on September 1, 2013.

The Escrow Agent will pay the scheduled debt service requirements of the Refunded 2004B Certificates maturing on September 1, 2013 and will prepay those Refunded 2004B Certificates maturing on September 1, 2014 and thereafter, at a redemption price equal to 100% of par, on September 1, 2013.

2004A ESCROW ACCOUNT TRANSACTIONS

We verified the mathematical accuracy of the accompanying calculations of the escrow account transactions proposed to currently refund the Refunded 2004A Certificates.

The presently outstanding debt service requirements of the Refunded 2004A Certificates, as described above, will be satisfied by \$11,271,094.38 in cash. The cash will be placed in an irrevocable escrow account and held therein until the Refunded 2004A Certificates are prepaid as previously described.

We read a copy of the Official Statement for the Refunded 2004A Certificates insofar as these obligations are described with respect to principal outstanding, interest rates, maturity dates, and prepayment provisions. We assumed this document to be accurate and all debt service payments on the Refunded 2004A Certificates to be current as of August 1, 2013. We compared the above information set forth in this Official Statement with the related information contained in the schedules provided to us and found the information to be consistent.

Based on the procedures and information set forth above, the computations provided to us and represented in Exhibits A and A-1, which indicate that the cash proposed to be placed in escrow by the County will produce the amount necessary to provide for the timely payment of the proposed debt payment schedule on the Refunded 2004A Certificates, are mathematically correct.

2004B ESCROW ACCOUNT TRANSACTIONS

We verified the mathematical accuracy of the accompanying calculations of the escrow account transactions proposed to currently refund the Refunded 2004B Certificates.

County of Stanislaus

August 1, 2013

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The presently outstanding debt service requirements of the Refunded 2004B Certificates, as described above, will be satisfied by \$20,165,580.63 in cash. The cash will be placed in an irrevocable escrow account and held therein until the Refunded 2004B Certificates are prepaid as previously described.

We read a copy of the Official Statement for the Refunded 2004B Certificates insofar as these obligations are described with respect to principal outstanding, interest rates, maturity dates, and prepayment provisions. We assumed this document to be accurate and all debt service payments on the Refunded 2004B Certificates to be current as of August 1, 2013. We compared the above information set forth in this Official Statement with the related information contained in the schedules provided to us and found the information to be consistent.

Based on the procedures and information set forth above, the computations provided to us and represented in Exhibits B and B-1, which indicate that the cash proposed to be placed in escrow by the County will produce the amount necessary to provide for the timely payment of the proposed debt payment schedule on the Refunded 2004B Certificates, are mathematically correct.

USE OF THIS REPORT

It is understood that this report is solely for the information of and assistance to the addressees hereof in connection with the execution and delivery of the Refunding Lease and is not to be used, relied upon, circulated, quoted or otherwise referred to for any other purpose without our written consent, except that (i) reference may be made to the report in any closing documents pertaining to the execution and delivery of the Refunding Lease, (ii) the report may be used in its entirety as an exhibit to the escrow agreements for the Refunded Certificates, (iii) the report may be included in the transcripts pertaining to the execution and delivery of the Refunding Lease, (iv) the report may be relied upon by Special Counsel in connection with its opinions concerning the Refunded Certificates, (v) the report may be relied upon by any rating agency or bond insurer that shall have rated or insured or that will rate or insure the Refunded Certificates or the Refunding Lease, and (vi) the report may be relied upon by the Escrow Agent for the Refunded Certificates.

* * * * *

The scope of our engagement is deemed by the addressees hereto to be sufficient to assist such parties in evaluating the mathematical accuracy of the various computations cited above. The sufficiency of this scope is solely the responsibility of the specified users of this report and should not be taken to supplant any additional inquiries or procedures that the users would undertake in their consideration of the execution and delivery of the lease related to the transaction described herein. We make no representation regarding the sufficiency of the scope of this engagement. This report should not be used by any party who does not agree to the scope set forth herein and who does not take responsibility for the sufficiency and appropriateness of such scope for their purposes.

Causey Demgen & Moore P.C. is registered and licensed to practice as an Accountancy Corporation in the State of California.

County of Stanislaus
August 1, 2013
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We have no obligation to update this report because of events, circumstances, or transactions occurring subsequent to the date of this report.

Very truly yours,

Carsy Dungen & Moore P.C.

EXHIBIT A

**COUNTY OF STANISLAUS
2013 LEASE REFUNDING**

**2004A ESCROW ACCOUNT CASH FLOW
AS OF AUGUST 1, 2013**

| Date | Cash Disbursements From Escrow (Exhibit A-1) | Cash Balance |
|-------------|---|-------------------------|
| Beginning | | |
| Balance: | | \$11,271,094.38 |
| 01-Sep-13 | <u>\$11,271,094.38</u> | 0.00 |
| | <u><u>\$11,271,094.38</u></u> | |

COUNTY OF STANISLAUS
2013 LEASE REFUNDING

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
FOR THE REFUNDED 2004A CERTIFICATES
AS OF AUGUST 1, 2013

| Payment Date | Rate | Payment For | | | Total |
|-----------------|---------|-----------------------|----------------------|--------------|-----------------|
| | | Maturing Principal | Principal Prepaid | Interest | |
| 01-Sep-13 | Various | \$675,000.00 | \$10,375,000.00 | \$221,094.38 | \$11,271,094.38 |
| | | \$675,000.00 | \$10,375,000.00 | \$221,094.38 | \$11,271,094.38 |

EXHIBIT A-2

COUNTY OF STANISLAUS
2013 LEASE REFUNDING

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 2004A CERTIFICATES
ASSUMING NO OPTIONAL PREPAYMENTS PRIOR TO MATURITY
AS OF AUGUST 1, 2013

(FOR INFORMATIONAL PURPOSES ONLY)

| Payment Date | Rate | Payment For | | Total Debt Payment |
|-----------------|--------|------------------------|-----------------------|------------------------|
| | | Principal | Interest | |
| 01-Sep-13 | 3.250% | \$675,000.00 | \$221,094.38 | \$896,094.38 |
| 01-Mar-14 | | | 210,125.63 | 210,125.63 |
| 01-Sep-14 | 3.500% | 700,000.00 | 210,125.63 | 910,125.63 |
| 01-Mar-15 | | | 197,875.63 | 197,875.63 |
| 01-Sep-15 | 3.600% | 720,000.00 | 197,875.63 | 917,875.63 |
| 01-Mar-16 | | | 184,915.63 | 184,915.63 |
| 01-Sep-16 | 3.700% | 750,000.00 | 184,915.63 | 934,915.63 |
| 01-Mar-17 | | | 171,040.63 | 171,040.63 |
| 01-Sep-17 | 3.800% | 775,000.00 | 171,040.63 | 946,040.63 |
| 01-Mar-18 | | | 156,315.63 | 156,315.63 |
| 01-Sep-18 | | | 156,315.63 | 156,315.63 |
| 01-Mar-19 | | | 156,315.63 | 156,315.63 |
| 01-Sep-19 | 4.000% | 1,635,000.00 | 156,315.63 | 1,791,315.63 |
| 01-Mar-20 | | | 123,615.63 | 123,615.63 |
| 01-Sep-20 | 4.100% | 870,000.00 | 123,615.63 | 993,615.63 |
| 01-Mar-21 | | | 105,780.63 | 105,780.63 |
| 01-Sep-21 | 4.125% | 905,000.00 | 105,780.63 | 1,010,780.63 |
| 01-Mar-22 | | | 87,115.00 | 87,115.00 |
| 01-Sep-22 | 4.200% | 940,000.00 | 87,115.00 | 1,027,115.00 |
| 01-Mar-23 | | | 67,375.00 | 67,375.00 |
| 01-Sep-23 | | | 67,375.00 | 67,375.00 |
| 01-Mar-24 | | | 67,375.00 | 67,375.00 |
| 01-Sep-24 | | | 67,375.00 | 67,375.00 |
| 01-Mar-25 | | | 67,375.00 | 67,375.00 |
| 01-Sep-25 | 4.375% | 3,080,000.00 | 67,375.00 | 3,147,375.00 |
| | | <u>\$11,050,000.00</u> | <u>\$3,411,544.46</u> | <u>\$14,461,544.46</u> |

EXHIBIT B

**COUNTY OF STANISLAUS
2013 LEASE REFUNDING**

**2004B ESCROW ACCOUNT CASH FLOW
AS OF AUGUST 1, 2013**

| Date | Cash Disbursements From Escrow (Exhibit B-1) | Cash Balance |
|-------------|---|-------------------------|
| Beginning | | |
| Balance: | | \$20,165,580.63 |
| 01-Sep-13 | <u>\$20,165,580.63</u> | 0.00 |
| | <u><u>\$20,165,580.63</u></u> | |

COUNTY OF STANISLAUS
2013 LEASE REFUNDING

ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
FOR THE REFUNDED 2004B CERTIFICATES
AS OF AUGUST 1, 2013

| Payment Date | Rate | Payment For | | | Total |
|-----------------|---------|-----------------------|----------------------|--------------|-----------------|
| | | Maturing Principal | Principal Prepaid | Interest | |
| 01-Sep-13 | Various | \$1,205,000.00 | \$18,565,000.00 | \$395,580.63 | \$20,165,580.63 |
| | | \$1,205,000.00 | \$18,565,000.00 | \$395,580.63 | \$20,165,580.63 |

EXHIBIT B-2

COUNTY OF STANISLAUS
2013 LEASE REFUNDING

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED 2004B CERTIFICATES
ASSUMING NO OPTIONAL PREPAYMENTS PRIOR TO MATURITY
AS OF AUGUST 1, 2013

(FOR INFORMATIONAL PURPOSES ONLY)

| Payment Date | Rate | Payment For | | Total Debt Payment |
|-----------------|--------|------------------------|-----------------------|------------------------|
| | | Principal | Interest | |
| 01-Sep-13 | 3.250% | \$1,205,000.00 | \$395,580.63 | \$1,600,580.63 |
| 01-Mar-14 | | | 375,999.38 | 375,999.38 |
| 01-Sep-14 | 3.500% | 1,245,000.00 | 375,999.38 | 1,620,999.38 |
| 01-Mar-15 | | | 354,211.88 | 354,211.88 |
| 01-Sep-15 | 3.600% | 1,295,000.00 | 354,211.88 | 1,649,211.88 |
| 01-Mar-16 | | | 330,901.88 | 330,901.88 |
| 01-Sep-16 | 3.700% | 1,340,000.00 | 330,901.88 | 1,670,901.88 |
| 01-Mar-17 | | | 306,111.88 | 306,111.88 |
| 01-Sep-17 | 3.800% | 1,390,000.00 | 306,111.88 | 1,696,111.88 |
| 01-Mar-18 | | | 279,701.88 | 279,701.88 |
| 01-Sep-18 | | | 279,701.88 | 279,701.88 |
| 01-Mar-19 | | | 279,701.88 | 279,701.88 |
| 01-Sep-19 | 4.000% | 2,925,000.00 | 279,701.88 | 3,204,701.88 |
| 01-Mar-20 | | | 221,201.88 | 221,201.88 |
| 01-Sep-20 | 4.100% | 1,555,000.00 | 221,201.88 | 1,776,201.88 |
| 01-Mar-21 | | | 189,324.38 | 189,324.38 |
| 01-Sep-21 | 4.125% | 1,620,000.00 | 189,324.38 | 1,809,324.38 |
| 01-Mar-22 | | | 155,911.88 | 155,911.88 |
| 01-Sep-22 | 4.200% | 1,690,000.00 | 155,911.88 | 1,845,911.88 |
| 01-Mar-23 | | | 120,421.88 | 120,421.88 |
| 01-Sep-23 | | | 120,421.88 | 120,421.88 |
| 01-Mar-24 | | | 120,421.88 | 120,421.88 |
| 01-Sep-24 | | | 120,421.88 | 120,421.88 |
| 01-Mar-25 | | | 120,421.88 | 120,421.88 |
| 01-Sep-25 | 4.375% | 5,505,000.00 | 120,421.88 | 5,625,421.88 |
| | | <u>\$19,770,000.00</u> | <u>\$6,104,245.75</u> | <u>\$25,874,245.75</u> |

EXHIBIT C

**COUNTY OF STANISLAUS
2013 LEASE REFUNDING**

**ESTIMATED SOURCES AND USES OF FUNDS
AS OF AUGUST 1, 2013**

Sources of Funds:

| | |
|----------------------------|-------------------------------|
| Par Value of Lease | \$19,540,000.00 |
| 2004AB DSRF Contribution | 3,164,570.69 |
| County Equity Contribution | 4,028,754.32 |
| DSF Contribution | <u>4,800,000.00</u> |
| Total Sources of Funds | <u><u>\$31,533,325.01</u></u> |

Uses of Funds:

| | |
|---|-------------------------------|
| Beginning 2004A Escrow Account Cash Balance | \$11,271,094.38 |
| Beginning 2004B Escrow Account Cash Balance | 20,165,580.63 |
| Issuance Costs | <u>96,650.00</u> |
| Total Uses of Funds | <u><u>\$31,533,325.01</u></u> |

**COUNTY OF STANISLAUS
2013 LEASE REFUNDING**

**REFUNDING LEASE DEBT SERVICE REQUIREMENTS AND PRODUCTION
AS OF AUGUST 1, 2013**

(FOR INFORMATIONAL PURPOSES ONLY)

| Payment Date | Rate | Payment For | | Total Debt Payment | Reoffering Price | Original Issue Premium/ (Discount) | Total Production |
|-----------------|--------|------------------------|---------------------|------------------------|---------------------|--|------------------------|
| | | Principal | Interest | | | | |
| 01-Feb-14 | | | \$146,550.00 | \$146,550.00 | | | |
| 01-Aug-14 | 1.500% | \$4,775,000.00 | 146,550.00 | 4,921,550.00 | 100.000% | \$0.00 | \$4,775,000.00 |
| 01-Feb-15 | | | 110,737.50 | 110,737.50 | | | |
| 01-Aug-15 | 1.500% | 4,850,000.00 | 110,737.50 | 4,960,737.50 | 100.000% | 0.00 | 4,850,000.00 |
| 01-Feb-16 | | | 74,362.50 | 74,362.50 | | | |
| 01-Aug-16 | 1.500% | 4,925,000.00 | 74,362.50 | 4,999,362.50 | 100.000% | 0.00 | 4,925,000.00 |
| 01-Feb-17 | | | 37,425.00 | 37,425.00 | | | |
| 01-Aug-17 | 1.500% | 4,990,000.00 | 37,425.00 | 5,027,425.00 | 100.000% | 0.00 | 4,990,000.00 |
| | | <u>\$19,540,000.00</u> | <u>\$738,150.00</u> | <u>\$20,278,150.00</u> | | <u>\$0.00</u> | <u>\$19,540,000.00</u> |

COST OF ISSUANCE CUSTODIAN AGREEMENT

This Cost of Issuance Custodian Agreement dated as of August 1, 2013 (this "Agreement") has been entered into by and between County of Stanislaus (the "Issuer") and The Bank of New York Mellon Trust Company, N.A. ("Custodian"). The Custodian has been appointed by the Issuer to act as custodian for the \$101,613.50 cost of issuance deposit for the County of Stanislaus (Series 2004A and 2004B Certificates of Participation Refinancing) (the "Financing"). This Agreement sets out the terms and conditions of said appointment.

The Issuer and the Custodian agree as follows:

1. The Custodian will receive funds from the Issuer and place the funds in the custodian account number 495956 established at the Custodian in the name of the County of Stanislaus (Series 2004A and 2004B Certificates of Participation Refinancing) COI Account (the "Account").

2. The Custodian will hold the fund received from the Issuer on August 1, 2013 until the maturity date of November 1, 2013. Funds shall be held uninvested in cash.

If such designated money market fund terminates, closes, or is otherwise unavailable, the Custodian shall hold such funds uninvested until it receives a new written investment directive from the Issuer. The Custodian shall not invest any cash held hereunder in the absence of timely and specific written direction from the Issuer. In no event shall the Custodian be liable for the selection of investments or for investment losses incurred thereon. The Custodian shall have no liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the Issuer to provide timely written investment direction. The Custodian may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Agreement. The Custodian may conclusively rely upon such written direction from the Issuer as to both the suitability and legality of the directed investments. The Issuer acknowledges that regulations of the Comptroller of the Currency grant the Purchaser the right to receive brokerage confirmations of the security transactions as they occur, at no additional cost. To the extent permitted by law, the Issuer specifically waives compliance with 12 C.F.R. 12 and hereby notifies the Custodian that no brokerage confirmations need be sent relating to the security transactions as they occur.

3. The Custodian is hereby instructed to pay costs of issuance for the Financing from funds on deposit in the Account to each of the entities listed in Exhibit A upon receipt of an invoice from the entity in an amount not to exceed the corresponding amount for such entity or as otherwise instructed, in writing, by the Issuer and from time to time.

4. Any balances remaining in the Account (including any earnings) on November 1, 2013 shall be transferred to the Issuer.

5. This Agreement will terminate November 1, 2013 or earlier as directed in writing by the Issuer.

6. This Agreement shall be governed under the laws of the state of California.

The liability of the Custodian is limited to the duties listed above. The Custodian will not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion of power conferred upon it by this Agreement.


The Issuer hereby agrees to indemnify and hold harmless the Custodian, its officers, directors, agents and employees from and against any and all costs, claims, liabilities, losses or damages whatsoever (including reasonable costs and fees of counsel, auditors or other experts), asserted or arising out of or in connection with the acceptance or administration of this Agreement, except costs, claims, liabilities, losses or damages resulting from the gross negligence or willful misconduct of the Custodian, including the reasonable costs and expenses (including the reasonable fees and expenses of its counsel) of defending itself against any such claim or liability in connection with its exercise or performance of any of its duties hereunder and of enforcing this indemnification provision. The indemnifications set forth herein shall survive the termination of this Agreement and/or the earlier resignation or removal of the Custodian.

The Custodian agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Custodian shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Custodian e-mail or facsimile instructions (or instructions by a similar electronic method) and the Custodian in its discretion elects to act upon such instructions, the Custodian's understanding of such instructions shall be deemed controlling. The Custodian shall not be liable for any losses, costs or expenses arising directly or indirectly from the Custodian's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Custodian, including without limitation the risk of the Custodian acting on unauthorized instructions, and the risk of interception and misuse by third parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorized officers thereunto duly authorized.

COUNTY OF STANISLAUS

By: _____


Monica Nino
Chief Executive Officer

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Custodian

By: _____

Gonzalo Urey
Vice President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorized officers thereunto duly authorized.

COUNTY OF STANISLAUS

By: _____
Monica Nino
Chief Executive Officer

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Custodian

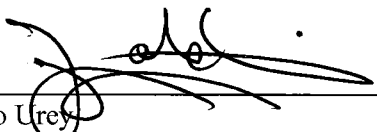
By:  _____
Gonzalo Urey
Vice President

EXHIBIT A

**COUNTY OF STANISLAUS
(SERIES 2004A AND 2004B CERTIFICATES OF PARTICIPATION REFINANCING)**

ESTIMATED COSTS OF ISSUANCE

| Payee | Description | Amount |
|--|--------------------------------------|---------------------------|
| Stradling Yocca Carlson & Rauth | Special Counsel Fees and Expenses | \$ 30,500.00 |
| KNN Public Finance | Financial Advisory Fees and Expenses | 50,000.00 |
| The Bank of New York Mellon | Trustee Fee and Expenses | 1,400.00 |
| Law Offices of Samuel D. Waldman | Trustee Counsel Fee and Expenses | 500.00 |
| Giomi, Inc. | Appraisal and Consultant Fee | 6,500.00 |
| First American Title Insurance Company | Title Reports | 1,500.00 |
| Causey Demgen & Moore P.C. | Verification Report | 1,750.00 |
| Contingency | | <u>4,500.00</u> |
| TOTAL | | <u>\$96,650.00</u> |

COUNTY OF STANISLAUS
(Series 2004A and 2004B Certificates of Participation Refinancing)

DISTRIBUTION LIST

ISSUER

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Modesto, CA 95354

Lauren Klein, CPA, Auditor-Controller

209-525-6398

Treasurer/Tax Collector

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TRUSTEE/PAYING AGENT

The Bank of New York Mellon Trust Company, N.A.
Global Corporate Trust
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Los Angeles, CA 90071

Karen Yu, Vice President/Relationship Manager

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Fax: 213-630-6215
karen.yu@bnymellon.com

Rosalinda Ronquillo, Vice President/Client Service Manager
(Primary Client Contact post-closing)

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Josephine Libunao, Vice President/Relationship Manager

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VERIFICATION AGENT

Causey Demgen & Moore P.C.
1125 Seventeenth Street, Suite 1450
Denver, CO 80202

Fax: 303-468-8233

William Glasso

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