

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

NO DOCUMENTARY TRANSFER TAX DUE. This Grant of Easement is exempt from California transfer tax pursuant to Section 11928 of the California Revenue and Taxation code and from recording fees pursuant to Sections 6103 and 27383 of the California Government Code.

[THE AREA ABOVE IS RESERVED FOR
RECORDER'S USE]

GRANT OF EASEMENT

The County of Mendocino, a political subdivision of the State of California (the "County"), does hereby grant to U.S. Bank National Association, as Trustee (the "Trustee") under the Trust Agreement, dated as of May 1, 2012 (the "Trust Agreement"), by and among the County, the Mendocino County Public Facilities Financing Corporation (the "Corporation"), and the Trustee, a non-exclusive easement (this "Easement") for parking and public utility purposes over, under, and through land situated in the City of Ukiah, County of Mendocino, State of California, owned by County and which is described on Exhibit A hereto.

RECITALS

WHEREAS, the County and Corporation executed and entered into a Site Lease (the "Original Site Lease"), dated as of May 1, 2012, as amended by the First Amendment to Site Lease, dated as of [Dated Date] (the "First Amendment to Site Lease" and, together with the Original Site Lease, the "Site Lease") whereby the County leases to the Corporation certain real property and improvements thereon more particularly described in Exhibit A to the Facility Lease (the "Leased Property"), and a Facility Lease (the "Facility Lease"), dated as of May 1, 2012, as amended by the First Amendment to Facility Lease, dated as of [Dated Date] (the "First Amendment to Facility Lease" and, together with the Original Facility Lease, the "Facility Lease") whereby the County subleases the Leased Property from the Corporation;

WHEREAS, the Corporation assigned without recourse all its rights to receive the base rental payments scheduled to be paid by the County under and pursuant to the Facility Lease, and certain other rights to the Trustee pursuant to the Assignment Agreement (the "Assignment Agreement") dated as of May 1, 2012, as amended by the First Amendment to Assignment

Agreement, dated as of [Dated Date] (the “First Amendment to Assignment Agreement” and, together with the Original Assignment Agreement, the “Assignment Agreement”);

WHEREAS, in consideration of the assignments pursuant to the Assignment Agreement and the execution and delivery of this Trust Agreement, the Trustee executed and delivered certificates of participation (the “Certificates”), each evidencing and representing a proportionate, undivided interest in the Base Rental Payments (as defined herein);

WHEREAS, in accordance with the Facility Lease, the County released a portion of the Original Leased Property (as defined in the hereinafter referred to First Amendment to the Facility Lease), and, in connection therewith, is providing the Trustee with this Easement.

1. Definitions. Unless otherwise required by the context, all capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the First Amendment to the Facility Lease.

2. Grant and Description of Easement. The County, as the owner of the Easement Property as shown in Exhibit B hereto (the “Easement Property”), hereby establishes and grants to and for the benefit of the Trustee, as Trustee under the Indenture, a non-exclusive easement over and across the Easement Property for parking and public utility purposes to and from the Leased Property. The County reserves the right to make use of the real property burdened by this Easement, including on, above or adjacent to the Easement as long as such use does not unduly obstruct or interfere with the use of such easement for the purposes as set forth herein and to grant one or more additional non-exclusive easements in the Easement Property to third parties so long as the rights granted by such easements do not materially interfere with or hinder the use of the Easement by the Trustee.

3. No Unreasonable Interference. The County shall not conduct any activity on, under or about the Easement Property that would unreasonably interfere with the use of the Easement.

4. Term of Easement Agreement. The term of this Easement Agreement shall be coextensive with the Term of the Facility Lease, as such Term may be extended or terminated.

5. Covenants Running with the Land; Binding on Successors. Pursuant to California Civil Code section 1468, this Easement shall be binding upon the Easement Property and shall be binding on and shall inure to the benefit of the lessees, successors and assigns of the County and the Trustee.

8. Recordation of Easement Agreement. This Easement shall be recorded in the Official Records of Mendocino County, State of California.

9. Entire Agreement; Amendments. This Easement contains the entire agreement of the County hereto relating to the Easement herein granted. Any representations or modifications concerning this Easement shall be of no force and effect, excepting a subsequent modification in writing, duly executed by the County and the Trustee and approved by the Bond Insurer and recorded in the Official Records of Mendocino County, State of California.

10. Warranty of Authority. The County represents and warrants as of the Date hereof

that (i) it is the legal owner of the Easement Property, (ii) it has full power and authority to place the encumbrance of this Easement on the Easement Property, and (iii) it has not conveyed (or purported to convey) any right, title or interest in or to the Easement Property, except as has been disclosed in writing to the Trustee and the Bond Insurer prior to the date hereof.

IN WITNESS WHEREOF, the County has caused this Easement to be executed by its respective officer thereunto duly authorized, all as of the day and year first written above.

THE COUNTY OF MENDOCINO

By:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE Section 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____, before me, _____
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

Personally appeared _____
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to 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.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form to another document.

Description of Attached Document

Title of Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Names Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer - Title(s): _____
- Partner - Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer's Name: _____

- Individual
- Corporate Officer - Title(s): _____
- Partner - Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer is Representing: _____

Signer is Representing: _____

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Easement dated [Dated Date] from the County of Mendocino to the U.S. Bank National Association, as Trustee (the "Trustee") under the Trust Agreement, dated as of May 1, 2012 (the "Trust Agreement"), by and among the County, the Mendocino County Public Facilities Financing Corporation (the "Corporation"), and the Trustee, is hereby accepted.

By: _____

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

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Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to 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.

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Document Date: _____ Number of Pages: _____

Signer(s) Other Than Names Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
Corporate Officer - Title(s):
Partner - Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:
Signer is Representing:

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____

- Individual
Corporate Officer - Title(s):
Partner - Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:
Signer is Representing:

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

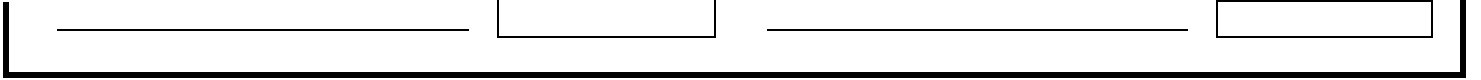


EXHIBIT A

County Property Legal Description

EXHIBIT B

[Easement Property]