

When Recorded Return to:

Michael Eng, Project Manager
Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, CA 94105

_____ AMENDMENT TO MASTER SITE LEASE

by and between the

CITY OF SACRAMENTO

and the

SACRAMENTO CITY FINANCING AUTHORITY

RELATING TO THE

CITY OF SACRAMENTO
_____ BUILDING ACQUISITION

Executed and Entered Into as of _____ 1, 200_

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AMENDMENT TO MASTER SITE LEASE

This ____ Amendment to Master Site Lease (the “ ____ Amendment to Master Site Lease”), executed and entered into as of _____ 1, 200_, by and between the City of Sacramento, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the “City”), and the Sacramento City Financing Authority, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the “Authority”);

WITNESSETH:

WHEREAS, the City and the Authority duly executed and entered into a Master Site Lease (the “Master Site Lease”) as of December 1, 1999, that was recorded on December 14, 1999, in Book 1991214 of the Official Records of Sacramento County, at Page 1004, whereby the City leased to the Authority those certain parcels of real property described therein (the “1999 Site”); and

WHEREAS, the Authority and the City thereafter duly executed and entered into a Master Project Lease (the “Master Project Lease”) as of December 1, 1999, that was recorded on December 14, 1999, in Book 1991214 of the Official Records of Sacramento County, at Page 1005, whereby the Authority and the City determined that it was in the best interests of the City and the residents of the City and the Redevelopment Agency of the City of Sacramento (the “Agency”) for the Authority to assist the City and the Agency by financing the acquisition and construction of certain capital improvement projects for the City and by financing the acquisition of certain loan obligations of the Agency so that the Agency can undertake redevelopment activities for the benefit of the City, and the Authority leased the 1999 Site to the City, together with the improvements located thereon (the “1999 Project”); and

WHEREAS, pursuant to the Master Project Lease, the Authority may from time to time finance or refinance the acquisition and construction of additional capital improvement projects for the citizens of the City and may finance the acquisition of additional loan obligations of the Agency so that the Agency can undertake redevelopment activities for the benefit of the City, (A) by the City leasing additional parcels of real property (each an “Additional Site”) to the Authority as provided in the Master Site Lease, and (B) by the Authority leasing such additional parcels of real property, together with the improvements then located thereon or to be acquired and constructed thereon (each an “Additional Project”) to the City; and

WHEREAS, pursuant to an Amendment to Master Site Lease (the “Amendment to Master Site Lease”) executed and entered into as of July 1, 2000, by and between the City and the Authority that was recorded on July 25, 2000, in Book 20000725 of the Official Records of Sacramento County, at Page 1311, and an Amendment to Master Project Lease (the “Amendment to Master Project Lease”) executed and entered into as of July 1, 2000, by and between the Authority and the City that was recorded on July 25, 2000, in Book 20000725 of the Official Records of Sacramento County, at Page 1312, the Authority and the City provided for the financing of the acquisition and construction of certain additional capital improvement projects for the City by the City leasing additional parcels of real property (the “2000 Site”) to

the Authority and the Authority leasing such additional parcels of real property, together with the improvements located thereon (the “2000 Project”), to the City; and

WHEREAS, pursuant to a Second Amendment to Master Site Lease (the “Second Amendment to Master Site Lease”) executed and entered into as of April 1, 2001, by and between the City and the Authority that was recorded on April 24, 2001, in Book 20010424 of the Official Records of Sacramento County, at Page 1415, and a Second Amendment to Master Project Lease (the “Second Amendment to Master Project Lease”) executed and entered into as of April 1, 2001, by and between the Authority and the City that was recorded on April 24, 2001, in Book 20010424 of the Official Records of Sacramento County, at Page 1416, the Authority and the City provided for the financing of the acquisition and construction of certain additional capital improvement projects for the City by the City leasing additional parcels of real property (the “2001 Site”) to the Authority and the Authority leasing such additional parcels of real property, together with the improvements located thereon (the “2001 Project”) to the City; and

WHEREAS, pursuant to a Third Amendment to Master Site Lease (the “Third Amendment to Master Site Lease”) executed and entered into as of July 1, 2002, by and between the City and the Authority that was recorded on July 1, 2002, in Book 20020701 of the Official Records of Sacramento County, at Page 1649, and a Third Amendment to Master Project Lease (the “Third Amendment to Master Project Lease”) executed and entered into as of July 1, 2002, by and between the Authority and the City that was recorded on July 1, 2002, in Book 20020701 of the Official Records of Sacramento County, at Page 1650, the Authority and the City provided for the financing of the acquisition and construction of certain additional capital improvement projects for the City and for the financing of the acquisition of certain loan obligations of the Agency by the City leasing additional parcels of real property (the “2002A Site”) to the Authority and the Authority leasing such additional parcels of real property, together with the improvements located thereon (the “2002A Project”) to the City; and

WHEREAS, pursuant to a Fourth Amendment to Master Site Lease (the “Fourth Amendment to Master Site Lease”) executed and entered into as of September 1, 2003, by and between the City and the Authority that was recorded on September 29, 2003, in Book 20030929 of the Official Records of Sacramento County, at Page 2762, and a Fourth Amendment to Master Project Lease (the “Fourth Amendment to Master Project Lease”) executed and entered into as of September 1, 2003, by and between the Authority and the City that was recorded on September 29, 2003, in Book 20030929 of the Official Records of Sacramento County, at Page 2763, the Authority and the City provided for the financing of the acquisition and construction of certain additional capital improvement projects for the City by the City leasing additional parcels of real property (the “2003 Site”) to the Authority and the Authority leasing such additional parcels of real property, together with the improvements located thereon (the “2003 Project”) to the City; and

WHEREAS, pursuant to a Fifth Amendment to Master Project Lease (the “Fifth Amendment to Master Project Lease”) executed and entered into as of June 1, 2005, by and between the Authority and the City that was recorded on July 11, 2005, in Book 20050711 of the Official Records of Sacramento County, at Page 498, the Authority and the City provided for the refunding of a portion of the Sacramento City Financing Authority 1999 Capital Improvement Revenue Bonds (Solid Waste and Redevelopment Projects), all of the Sacramento City

Financing Authority 2000 Capital Improvement Revenue Bonds (City of Sacramento 2000 Public Safety and Parking Improvements), and a portion of Sacramento City Financing Authority 2001 Capital Improvement Revenue Bonds (Water and Capital Improvement Projects) and the Sacramento City Financing Authority 2002 Revenue Bonds, Series A (City Hall and Redevelopment Projects) by amendment and restatement of the 1999 Base Rental Payments, the 2001 Base Rental Payments and the 2002A Base Rental Payments (as defined below); and

WHEREAS, pursuant to a Fifth Amendment to Master Site Lease (the “Fifth Amendment to Master Site Lease”) executed and entered into as of June 1, 2006, by and between the City and the Authority that was recorded on June 14, 2006, in Book 20060614 of the Official Records of Sacramento County, at Page 175, and a Sixth Amendment to Master Project Lease (the “Sixth Amendment to Master Project Lease”) executed and entered into as of June 1, 2006, by and between the Authority and the City that was recorded on June 14, 2006, in Book 20060614 of the Official Records of Sacramento County, at Page 176, the Authority and the City provided for the financing of the acquisition and construction of certain additional capital improvement projects for the City by the City leasing additional parcels of real property (the “2006 Site”) to the Authority and the Authority leasing such additional parcels of real property, together with the improvements located thereon (the “2006 Project”) to the City; and

WHEREAS, the City is obligated under the Master Project Lease to make scheduled base rental payments (the “1999 Base Rental Payments”) and additional rental payments (the “1999 Additional Rental Payments”) to the Authority for the lease of the 1999 Project by the Authority to the City, and the City is obligated under the Amendment to Master Project Lease to make scheduled base rental payments (the “2000 Base Rental Payments”) and additional rental payments (the “2000 Additional Rental Payments”) to the Authority for the lease of the 2000 Project by the Authority to the City, and the City is obligated under the Second Amendment to Master Project Lease to make scheduled base rental payments (the “2001 Base Rental Payments”) and additional rental payments (the “2001 Additional Rental Payments”) to the Authority for the lease of the 2001 Project by the Authority to the City, and the City is obligated under the Third Amendment to Master Project Lease to make scheduled base rental payments (the “2002A Base Rental Payments”) and additional rental payments (the “2002A Additional Rental Payments”) to the Authority for the lease of the 2002A Project by the Authority to the City, and the City is obligated under the Fourth Amendment to Master Project Lease to make scheduled base rental payments (the “2003 Base Rental Payments”) and additional rental payments (the “2003 Additional Rental Payments”) to the Authority for the lease of the 2003 Project by the Authority to the City, and the City is obligated under the Fifth Amendment to Master Project Lease to make scheduled base rental payments (the “2005 Base Rental Payments”) and additional rental payments (the “2005 Additional Rental Payments”) to the Authority for the lease of the Project by the Authority to the City and the City is obligated under the Sixth Amendment to Master Project Lease to make scheduled base rental payments (the “2006 Base Rental Payments”) and additional rental payments (the “2006 Additional Rental Payments”) to the Authority for the lease of the 2006 Project by the Authority to the City; and

WHEREAS, the Authority and the City have determined to finance the acquisition of the _____ Building (comprising an “Additional Improvement” under the Master Project Lease, and herein the “_____ Project”); and

WHEREAS, in order to finance the acquisition and improvement of the _____ Project for the citizens of the City, (A) the City will lease to the Authority, pursuant to the _____ Amendment to Master Site Lease, those certain parcels of real property (the “200_&_ Site”) more particularly described in Exhibit A attached hereto and incorporated herein and made a part hereof, which, together with the 1999 Site, the 2000 Site, the 2001 Site, the 2002A Site, the 2003 Site and the 2006 Site, will thereafter constitute the “Site” (as more particularly described in Exhibit B attached hereto and incorporated herein and made a part hereof) as provided in the Master Site Lease, and (B) the Authority will lease to the City, pursuant to the Seventh Amendment to Master Project Lease, the 200_&_ Site, together with the improvements located thereon (the “200_&_ Project”), which, together with the 1999 Project, the 2000 Project, the 2001 Project, the 2002A Project, the 2003 Project and the 2006 Project, will thereafter constitute the “Project” as provided in the Master Project Lease; and

WHEREAS, pursuant to the Seventh Amendment to Master Project Lease, the City will become obligated thereunder to make additional scheduled base rental payments (the “_____ Base Rental Payments”), which, together with the 1999 Base Rental Payments, the 2000 Base Rental Payments, the 2001 Base Rental Payments, the 2002A Base Rental Payments, the 2003 Base Rental Payments, the 2005 Base Rental Payments and the 2006 Base Rental Payments, will constitute the “Base Rental Payments” as provided in the Master Project Lease and additional rental payments (the “_____ Additional Rental Payments”), which, together with the 1999 Additional Rental Payments, the 2000 Additional Rental Payments, the 2001 Additional Rental Payments, the 2002A Additional Rental Payments, the 2003 Additional Rental Payments, the 2005 Additional Rental Payments and the 2006 Additional Rental Payments, will constitute the “Additional Rental Payments” as provided in the Master Project Lease, to the Authority for the lease of the 200_&_ Project to the City; and

WHEREAS, the City and the Authority hereby certify that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of the _____ Amendment to Master Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the _____ Amendment to Master Site Lease;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. Leased Premises. The City hereby leases to the Authority and the Authority hereby hires from the City, on the terms and conditions set forth herein and in the Master Site Lease, the Amendment to Master Site Lease, the Second Amendment to Master Site Lease, the Third Amendment to Master Site Lease, the Fourth Amendment to Master Site Lease, the Fifth Amendment to Master Site Lease and the _____ Amendment to Master Site Lease, those certain parcels of real property more particularly described in Exhibit A attached hereto and incorporated herein and made a part hereof (constituting the 200_&_ Site), which, together with the 1999 Site, the 2000 Site, the 2001 Site, the 2002A Site, the 2003 Site and the 2006 Site, will, on the date of commencement hereof, constitute the Site under the Master Site Lease (as

more particularly described in Exhibit B attached hereto and incorporated hereof and made a part hereof).

SECTION 2. Term of the Master Site Lease. If on December 1, _____, all _____ Base Rental Payments and the interest accrued thereon and all _____ Additional Rental Payments and the interest accrued thereon and all fees and expenses of the Trustee (as that term is defined in the Indenture (the “Indenture”) dated as of _____ 1, 200____, by and between the Authority and The Bank of New York Trust Company, N.A., as Trustee (the “Trustee”) relating to the Authority’s 200____ Capital Improvement Revenue Bonds, Series C (_____ Building Acquisition) (the “Series ____ Bonds”) and 2006 Taxable Capital Improvement Revenue Bonds, Series ____ (_____ Building Acquisition) (the “Series ____ Bonds” and, collectively with the Series ____ Bonds, the “Bonds”)) shall not have been fully paid pursuant to the Master Project Lease, or if any _____ Base Rental Payments shall have been abated such that any of the Bonds otherwise payable from such abated _____ Base Rental Payments shall not have been fully paid in accordance with the terms of the Indenture, then the term of the Master Site Lease shall (subject to Section 14 of the Master Site Lease) be extended until the earlier of (i) the date on which all such payments and all such Bonds have been fully paid pursuant to the Master Project Lease and the Indenture; or (ii) December 1, _____; provided, that if prior to December 1, _____, all such payments shall have been fully paid, the term of the Master Site Lease shall (subject to Section 14 of the Master Site Lease) end on the date of such payment.

SECTION 3. Rental. The Authority shall pay to the City, on the date of commencement hereof, as and for the total rental payable hereunder, the sum of one dollar (\$1.00).

SECTION 4. Effect of Amendment. Except as in the _____ Amendment to Master Site Lease otherwise provided, the Master Site Lease (as amended by the Amendment to Master Site Lease, the Second Amendment to Master Site Lease, the Third Amendment to Master Site Lease, the Fourth Amendment to Master Site Lease and the Fifth Amendment to Master Site Lease) and all agreements, conditions, covenants and terms contained or defined therein shall remain in full force and effect, and are hereby approved, confirmed and ratified by the parties hereto, and all terms which are defined in the Master Site Lease shall (except as otherwise provided herein) have the same definitions, respectively, in the _____ Amendment to Master Site Lease that are given to such terms in the Master Site Lease.

SECTION 5. Execution. The _____ Amendment to Master Site Lease may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed and entered into the _____ Amendment to Master Site Lease by their officers thereunto duly authorized as of the day and year first above written.

CITY OF SACRAMENTO

By _____
Thomas P. Friery
City Treasurer

(SEAL)

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

SACRAMENTO CITY FINANCING AUTHORITY

By _____
Thomas P. Friery
Treasurer

ATTEST:

Secretary

EXHIBIT A

DESCRIPTION OF THE 200 __ & _ Site

The attached description of the 200 __ & _ Site includes [TO COME].

All those certain parcels of real property in the City of Sacramento, the County of Sacramento, the State of California, described as attached.

EXHIBIT B

DESCRIPTION OF THE SITE AFTER THE ADDITION OF THE 200 & Site

[UPDATE] The attached description of the Site includes as Parcel AD (Sacramento River Underground Reservoir and Sacramento River Water Treatment Plant) property greater than that which is to be leased pursuant to the Master Project Lease in that the property to be leased pursuant to the Master Project Lease is only that portion of Parcel AD that underlies the following components of the Sacramento River Water Treatment Plant: (i) Basin 1; (ii) Basin 2 and (iii) Filters West. The portion of Parcel AD that underlies the Sacramento River Underground Reservoir was encumbered as a portion of the 2001 Site. Accordingly, all other portions of Parcel AD do not constitute any portion of the Site.

All those certain parcels of real property in the City of Sacramento, the County of Sacramento, the State of California, described as attached.