



Recording Requested and
When Recorded Return to:
State Public Works Board of the State of California
c/o Michele Bergland
Orrick, Herrington & Sutcliffe LLP
400 Sansome Street
San Francisco, CA 94111

OFFICIAL RECORDS OF SAN MATEO COUNTY
ASSESSOR-COUNTY CLERK-RECORDER
WARREN SLOCUM

Recorded at Request of
STATE PUBLIC WORKS BD OF CALIF

99-029598 02/19/99 03:53

Recording Fee:

DUPLICATE

140

**FIRST AMENDMENT TO FACILITY LEASE
(LEARNING RESOURCE CENTER)**

Dated as of March 1, 1994

and amended as of

October 1, 1998

State Public Works Board of the State of California
c/o Michele Bergland

by and between the

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA

and

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

THIS TRANSACTION IS EXEMPT FROM FILING FEES PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 6103 AND
TRANSFER TAXES PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 11928

PLEASE NOTE THIS DOCUMENT AMENDS THE FACILITY LEASE DATED AS OF MARCH 1, 1994 AND RECORDED AS
DOCUMENT NO. 94061658 IN THE OFFICIAL RECORDS OF THE SAN MATEO COUNTY RECORDER'S OFFICE ON APRIL 6,
1994

DOCSSF1:253433.1

Indenture, dated as of May 1, 1994 and by the Second Supplemental Indenture, dated as of October 1, 1998.

Prior Bonds. The term "Prior Bonds" means the State Public Works Board of the State of California Lease Revenue Bonds (California Community Colleges) 1994 Series A issued by the Board and outstanding as of the date of execution and delivery hereof under and pursuant to the Indenture.

Refunding Bonds. The term "Refunding Bonds" means the State Public Works Board of the State of California Lease Revenue Refunding Bonds (California Community Colleges) 1998 Series D (Various Community College Projects), issued by the Board under and pursuant to the Indenture and a portion of which have been used to refinance the Board's costs of the acquisition and construction of the Project and certain related costs.

State Treasurer. The term "State Treasurer" means the Treasurer of the State of California, or its successor, acting as trustee under and pursuant to the Indenture.

SECTION A2: Purpose and Term.

The Board and the District hereby ratify and confirm in all respects the terms and conditions of the Facility Lease, as amended by this First Amendment to Facility Lease, affecting that certain land described in Exhibit A attached hereto and incorporated herein by reference, so as to afford the public the benefits contemplated by the Act and by the Facility Lease, as so amended, by reducing the amount of base rental provided for in Section 3 hereof, as amended, and thereby improving the financial condition of the District and enhancing its ability to pay such base rental throughout the remaining term of the Facility Lease, as amended. This First Amendment to Facility Lease shall become effective on November 19, 1998, and shall end on October 1, 2014 and shall in no event be extended beyond October 1, 2019 and otherwise in accordance with Section 2 of the Facility Lease.

SECTION A3: Amendment to Section 3 of Facility Lease.

Section 3 of the Facility Lease is hereby amended in its entirety to read as follows:

"SECTION 3. Rental.

Pursuant to Section 15820.60(e) of the Government Code, the Chancellor of the California Community Colleges and the State Controller shall withhold from the District's annual apportionment an amount of funds necessary to pay base rental and additional rental as hereinafter set forth. The State Controller shall withhold such amount and shall, acting on behalf of the District, pay to the Board, its successors or assigns, without deduction or offset of any kind, as rental for the use and occupancy of the Facility, the following amounts at the following times:

- (a) **Prior Base Rental.** In order to pay the principal of and interest on the Prior Bonds, the District shall pay to the Board annual base rental hereunder in such semi-annual installments set forth on Schedule I. Such base rental shall be due and payable on

or before March 15 and September 15 in each year through September 15, 2014, commencing March 15, 1999. If any date for the payment of base rental is not a Business Day, such base rental shall be paid on the next succeeding Business Day. Each payment of annual base rental (in semi-annual installments) shall be for the use of the Facility for the period ending on March 31 of the year succeeding the date on which such rental is due.

(b) **Refunding Base Rental.** In order to pay the principal of and interest on the Refunding Bonds, the District shall pay to the Board refunding base rental hereunder in such semi-annual installments set forth on Schedule II. Such refunding base rental shall be due and payable on or before March 15 and September 15 in each year through September 15, 2014, commencing March 15, 1999. If any date for the payment of refunding base rental is not a Business Day, such refunding base rental shall be paid on the next succeeding Business Day. Each payment of annual base rental (in semi-annual installments) shall be for the use of the Facility for the period ending on March 31 of the year succeeding the date on which such rental is due. The prior base rental described in subsection (a) of this Section 3 and the refunding base rental described in this subsection (b) of this Section 3 are hereinafter collectively referred to as the base rental.

(c) **Additional Rental.** The District shall pay to or upon the order of the Board as additional rental hereunder such reasonable amounts in each year as shall be required by the Board for the payment of all administrative costs and other expenses of the Board in connection with the Facility, including all expenses, compensation and indemnification of the State Treasurer payable by the Board under the Indenture, amounts required to be rebated to the United States government pursuant to the Indenture, fees of accountants, fees of the Attorney General or attorneys, litigation costs, insurance premiums and all other necessary costs of the Board or charges required to be paid by it in order to comply with the terms of the Act or of the Indenture or of the Bonds. Such additional rental shall be billed by the Board or the State Treasurer from time to time, together with a statement certifying that the amount so billed has been paid by the Board or by the State Treasurer on behalf of the Board for one or more of the items above described, or that such amount is then payable by the Board or the State Treasurer on behalf of the Board for such items. Amounts so billed shall be due and payable by the District within thirty (30) days after receipt of the bill by the District.

Such payments of base rental and additional rental for each rental payment period during the term of this lease shall constitute the total rental for such rental payment period, and shall be paid by the District in each rental payment period for and in consideration of the right to the use and occupancy, and the continued quiet enjoyment, of the Facility during each such rental payment period for which such rental is paid. The parties hereto have agreed and determined that such total rental represents the fair rental value of the Facility. In making such determination, consideration has been given to the costs of the construction of the Project to be financed or refinanced by the Board with the proceeds of the Bonds, other obligations of the parties under this lease, the uses and purposes which may be served by the Facility and the benefits therefrom which will accrue to the District and the general public.

Such additional rental shall be billed by the Board or the State Treasurer from time to time, together with a statement certifying that the amount so billed has been paid by the Board or by the State Treasurer on behalf of the Board for one or more of the items above described, or that such amount is then payable by the Board or the State Treasurer on behalf of the Board for such items. Amounts so billed shall be due and payable by the District within thirty (30) days after receipt of the bill by the District.

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Each installment of rental payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Board in Sacramento, California, or such other place as the Board shall designate. Any such installment of rental accruing hereunder which shall not be paid when due shall bear interest at the legal rate of interest per annum at which judgments for money in the State of California bear interest from the date when the same is due hereunder until the same shall be paid. Notwithstanding any dispute between the Board and the District, the District shall make all rental payments when due without deduction or offset of any kind and shall not withhold any rental payments pending the final resolution of such dispute.

The District covenants to take such action as may be necessary to include all such rental payments due hereunder in its annual budgets (and that portion of the budget of the State related to the District) and to make the necessary annual allocations for all such rental payments. The District will furnish to the Board and the State Treasurer copies of each annual budget of the District (and that portion of the budget of the State related to the District) that contains the appropriation to pay rent hereunder, within ten (10) days after the Governor submits his budget to the Legislature. The District further covenants to take all actions necessary and appropriate to implement the procedure contained in California Government Code Section 15848 for making rental payments under this lease if the required rental payments have not been included in the annual budget adopted by the State or the State is operating without a budget. The covenants on the part of the District herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the agreements and covenants in this lease agreed to be carried out and performed by the District.

Pursuant to Government Code Section 15820.60(e), the District hereby authorizes (which authorization has precedence over other expenditure obligations of the District) the Chancellor of the California Community Colleges and the State Controller to withhold from its annual apportionment an amount equal to its annual rental, including the withholding of the additional apportionment amount and the amount determined to be the District's proportional share of the rental payments, as determined by the Chancellor of the California Community Colleges pursuant to Government Code Section 15820.60(d).

All rental payments received shall be applied first to the base rental due hereunder, equally and ratably as to each series of Bonds, and thereafter to all additional rental due hereunder, but no such application of any payments which are less than the total rental due and owing shall be deemed a waiver of any default hereunder.

The rental shall be abated proportionately, equally and ratably as to each series of Bonds, during any period in which, by reason of any damage or destruction (other than by condemnation which is provided for in Section 9), there is substantial interference with the use and occupancy of the Facility or any portion thereof by the District. Such abatement shall continue for the period commencing with such damage or destruction and ending when such use and occupancy are restored. The District waives the benefits of Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate this lease by virtue of any such damage or destruction.

Pursuant to Government Code Section 15820.60(e), the District hereby authorizes (which authorization has precedence over other expenditure obligations of the District) the Chancellor of the California Community Colleges and the State Controller to withhold from its annual apportionment an amount equal to its annual rental, including the withholding of the additional apportionment amount and the amount determined to be the District's proportional share of the rental payments, as determined by the Chancellor of the California Community Colleges pursuant to Government Code Section 15820.60(d).

DOCSSF1:251433 1

SECTION A4. Amendment.

This First Amendment to Facility Lease has been authorized, executed and delivered by the Board and the District in accordance with Section 21 of the Facility Lease, and the Board and the District do hereby both find and determine that this amendment shall not materially adversely affect the owners of the Prior Bonds.

SECTION A5. Execution.

This First Amendment to Facility 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 lease. It is also agreed that separate counterparts of this lease may be separately executed by the Board and by the District, all with the same force and effect as though the same counterpart had been executed by both the Board and the District.

SECTION A6. Amendment.

This First Amendment to Facility Lease has been authorized, executed and delivered by the Board and the District in accordance with Section 21 of the Facility Lease, and the Board and the District do hereby both find and determine that this amendment shall not materially adversely affect the owners of the Prior Bonds.

SECTION A7. Execution.

This First Amendment to Facility 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 lease. It is also agreed that separate counterparts of this lease may be separately executed by the Board and by the District, all with the same force and effect as though the same counterpart had been executed by both the Board and the District.

IN WITNESS WHEREOF, the Board and the District have caused this First Amendment to Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA

By [Signature]
Assistant Administrative Secretary

APPROVED:

DEPARTMENT OF GENERAL SERVICES

By [Signature]

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA

By [Signature]
Authorized Representative

DEPARTMENT OF GENERAL SERVICES

[Signature]

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA

By [Signature]
Authorized Representative

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IN WITNESS WHEREOF, the Board and the District have caused this First Amendment to Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA

By _____ Assistant Administrative Secretary

APPROVED:

DEPARTMENT OF GENERAL SERVICES

By _____

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

STATE PUBLIC WORKS BOARD OF THE STATE OF CALIFORNIA By Christy M. Bell Authorized Representative

50-020598

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

By Christy M. Bell Authorized Representative

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

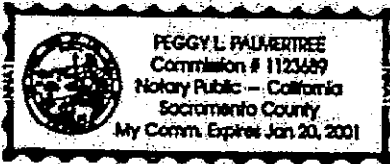
State of CALIFORNIA

County of SACRAMENTO

On NOVEMBER 13, 1998 before me, PEGGY L. PALMISTREE NOTARY PUBLIC
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared SUZANNE V. BOST
Name(s) of Signer(s)

personally known to me - OR - 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.



WITNESS my hand and official seal.

Peggy L. Palmistree
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 removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

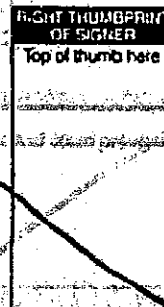
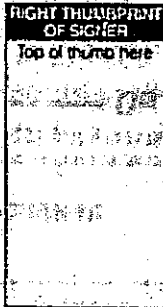
- Individual
- Corporate Officer
Title(s): _____
- Partner Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer's Name: _____

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

Signer Is Representing: _____

Signer Is Representing: _____



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

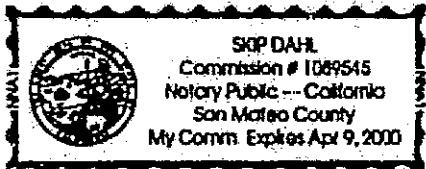
State of CALIFORNIA

County of SAN MATEO

On October 28, 1998 before me, SKIP DAHL, NOTARY PUBLIC
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared CRAIG T. BLAKE
Name(s) of Signer(s)

personally known to me - OR - 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.



WITNESS my hand and official seal.

Skip Dahl
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 removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

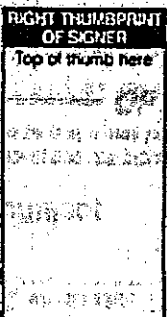
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

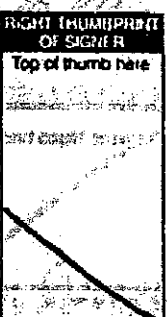
Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

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



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



Signer Is Representing: _____

Signer Is Representing: _____

Brian Kangas Faulk

EXHIBIT A

March 18, 1994

Job No. 920185

**Property Description of Site for
Skyline College Learning Resource Center**

Consulting Engineer
540 First Avenue
Redwood City, CA 94063
415/385-0412
FAX 415/385-1250

SITUATE in the City of San Bruno, County of San Mateo, State of California and described as follows:

BEING a portion of Parcel 1 as said parcel is shown on that certain map entitled "Record of Survey of a portion of San Pedro Rancho, San Bruno, San Mateo County, California," filed January 30, 1959 in Book 4 of L.L.S. Maps at Page 44, San Mateo County records, more particularly described as follows:

COMMENCING at the southwesterly terminus of the course on the northwesterly line of said Parcel 1 described as "North 39° 29' 15" East 720.34 feet" (said line having a bearing of North 72° 19' 15" East for the purposes of this description);

THENCE South 51° 06' 45" East 308.43 feet to the TRUE POINT OF BEGINNING;

THENCE South 89° 58' 56" East 137.67 feet;

THENCE South 0° 01' 04" West 197.67 feet;

THENCE North 89° 58' 56" West 137.67 feet;

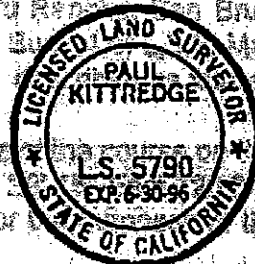
THENCE North 0° 01' 04" East 197.67 feet to the TRUE POINT OF BEGINNING.

Containing an area of 27,213 square feet, more or less.

This description was prepared by:

Paul Kittredge 3/18/94

Paul Kittredge, P.L.S. 5790
License Expires: 6/30/96



PK:klm:pw

50-029538

RECEIVED

A-1

San Mateo-Skyline

SCHEDULES I and II

Community Colleges 1998D

San Mateo/Skyline

Learning Center

Percentage of Total Issue Financed = 9.39%

Series 1998D: Lease Rental Payments

Date	Principal	Coupon	Interest	Payments
10/1/98				
11/19/98				
3/15/99			71,433.75	71,433.75
9/15/99	5,000.00	3.750%	71,433.75	76,433.75
3/15/00			71,340.00	71,340.00
9/15/00	5,000.00	3.750%	71,340.00	76,340.00
3/15/01			71,246.25	71,246.25
9/15/01	5,000.00	3.750%	71,246.25	76,246.25
3/15/02		San Mateo-Skyline	71,152.50	71,152.50
9/15/02	5,000.00	3.750%	71,152.50	76,152.50
3/15/03			71,058.75	71,058.75
9/15/03	5,000.00	3.750%	71,058.75	76,058.75
3/15/04			70,965.00	70,965.00
9/15/04	5,000.00	4.000%	70,965.00	75,965.00
3/15/05			70,865.00	70,865.00
9/15/05	5,000.00	4.000%	70,865.00	75,865.00
3/15/06			70,765.00	70,765.00
9/15/06	5,000.00	4.000%	70,765.00	75,765.00
3/15/07			70,665.00	70,665.00
9/15/07	5,000.00	4.000%	70,665.00	75,665.00
3/15/08			70,565.00	70,565.00
9/15/08	10,000.00	4.250%	70,565.00	80,565.00
3/15/09			70,352.50	70,352.50
9/15/09	15,000.00	4.250%	70,352.50	85,352.50
3/15/10			70,033.75	70,033.75
9/15/10	525,000.00	5.250%	70,033.75	595,033.75
3/15/11			56,252.50	56,252.50
9/15/11	550,000.00	5.250%	56,252.50	606,252.50
3/15/12			41,815.00	41,815.00
9/15/12	575,000.00	4.500%	41,815.00	616,815.00
3/15/13			28,877.50	28,877.50
9/15/13	605,000.00	4.600%	28,877.50	633,877.50
3/15/14			14,962.50	14,962.50
9/15/14		4.000%	70,965.00	70,965.00
3/15/15			70,865.00	70,865.00
9/15/15		4.000%	70,865.00	75,865.00
3/15/16			70,765.00	70,765.00
9/15/16	5,000.00	4.000%	70,765.00	75,765.00
3/15/17			70,665.00	70,665.00
9/15/17		4.250%	70,565.00	70,565.00

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San Mateo-Skyline

DocID: 1999 29598 Page 13 of 14

Series 1994A: Lease Rental Payments (Revised)

Date	Principal	Coupon	Interest	Payments
10/1/98				
11/19/98				
3/15/99			119,291.25	119,291.25
9/15/99	280,000	5.000%	119,291.25	399,291.25
3/15/00			112,291.25	112,291.25
9/15/00	295,000	5.100%	112,291.25	407,291.25
3/15/01			104,768.75	104,768.75
9/15/01	310,000	5.150%	104,768.75	414,768.75
3/15/02			96,786.25	96,786.25
9/15/02	325,000	5.250%	96,786.25	421,786.25
3/15/03			88,255.00	88,255.00
9/15/03	340,000	9.000%	88,255.00	428,255.00
3/15/04			72,955.00	72,955.00
9/15/04	370,000	5.450%	72,955.00	442,955.00
3/15/05			62,872.50	62,872.50
9/15/05	390,000	5.550%	62,872.50	452,872.50
3/15/06			52,050.00	52,050.00
9/15/06	415,000	5.650%	52,050.00	467,050.00
3/15/07			40,326.25 (Revised)	40,326.25
9/15/07	435,000	5.750%	40,326.25	475,326.25
3/15/08			27,820.00	27,820.00
9/15/08	460,000	5.875%	27,820.00	487,820.00
3/15/09			14,307.50	14,307.50
9/15/09	485,000	5.900%	14,307.50	499,307.50
3/15/10			119,291.25	119,291.25
9/15/10			112,291.25	112,291.25
3/15/11			104,768.75	104,768.75
9/15/11			104,768.75	104,768.75
3/15/12			96,786.25	96,786.25
9/15/12			96,786.25	96,786.25
3/15/13			88,255.00	88,255.00
9/15/13			88,255.00	88,255.00
3/15/14			88,255.00	88,255.00
9/15/14			88,255.00	88,255.00
3/15/15			72,955.00	72,955.00
9/15/15			72,955.00	72,955.00
3/15/16			62,872.50	62,872.50
9/15/16			62,872.50	62,872.50
3/15/17			52,050.00	52,050.00
9/15/17			52,050.00	52,050.00
3/15/18			40,326.25	40,326.25
9/15/18			40,326.25	40,326.25
3/15/19			27,820.00	27,820.00
9/15/19			27,820.00	27,820.00
3/15/20			14,307.50	14,307.50
9/15/20			14,307.50	14,307.50

09-020150

San Mateo-Skyline

9.39%

Total Net Rental Payments

Date	1994A	1998D	Periodic Payments
10/1/98			
11/19/98			
3/15/99	119,291.25	52,026.71	171,317.96
9/15/99	399,291.25	76,433.75	475,725.00
3/15/00	112,291.25	71,340.00	183,631.25
9/15/00	407,291.25	76,340.00	483,631.25
3/15/01	104,768.75	71,246.25	176,015.00
9/15/01	414,768.75	76,246.25	491,015.00
3/15/02	96,786.25	71,152.50	167,938.75
9/15/02	421,786.25	76,152.50	497,938.75
3/15/03	88,255.00	71,058.75	159,313.75
9/15/03	428,255.00	76,058.75	504,313.75
3/15/04	72,955.00	70,965.00	143,920.00
9/15/04	442,955.00	75,965.00	518,920.00
3/15/05	62,872.50	70,865.00	133,737.50
9/15/05	452,872.50	75,865.00	528,737.50
3/15/06	52,050.00	70,765.00	122,815.00
9/15/06	467,050.00	75,765.00	542,815.00
3/15/07	40,326.25	70,665.00	110,991.25
9/15/07	475,326.25	75,665.00	550,991.25
3/15/08	27,820.00	70,565.00	98,385.00
9/15/08	487,820.00	80,565.00	568,385.00
3/15/09	14,307.50	70,352.50	84,660.00
9/15/09	499,307.50	85,352.50	584,660.00
3/15/10		70,033.75	70,033.75
9/15/10		595,033.75	595,033.75
3/15/11		56,252.50	56,252.50
9/15/11		606,252.50	606,252.50
3/15/12		41,815.00	41,815.00
9/15/12		616,815.00	616,815.00
3/15/13		28,877.50	28,877.50
9/15/13		633,877.50	633,877.50
3/15/14		14,962.50	14,962.50
9/15/14		644,962.50	644,962.50
	5,688,447.50	4,920,292.96	10,608,740.46

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