

RESOLUTION OF THE COMMISSIONERS COURT OF POLK COUNTY, AUTHORIZING, APPROVING AND RATIFYING THE EXECUTION OF THE FIRST ADDENDUM TO LEASE AGREEMENT BETWEEN IAH PUBLIC FACILITY CORPORATION AND POLK COUNTY, TEXAS TO MAKE TECHNICAL CORRECTIONS TO THE LEASE AGREEMENT BETWEEN IAH PUBLIC FACILITY CORPORATION AND POLK COUNTY, TEXAS DATED NOVEMBER 1, 2004 AS NOW AMENDED AND RESTATED IN THE FIRST AMENDMENT TO LEASE AGREEMENT DATED DECEMBER 1, 2006.

WHEREAS, Polk County, Texas has entered into a Lease Agreement with IAH Public Facility Corporation which has been amended by the First Amendment to Lease Agreement; and

WHEREAS, the Polk County Commissioners Court and its counsel have undertaken the review of said Lease Agreement between Polk County, Texas and IAH Public Facility Corporation and determined that technical corrections are necessary to accurately document the agreement of the parties; and

WHEREAS, the Polk County Commissioners Court desires to approve, ratify and confirm the execution of the First Addendum to the Lease Agreement between Polk County, Texas and IAH Public Facility Corporation; and

WHEREAS, the entry in to the proposed First Addendum to the Lease Agreement between Polk County, Texas and IAH Public Facility Corporation, subject to the terms and conditions contained therein, is determined to be in the best interest of Polk County, Texas.

NOW, THEREFORE, on the motion of Tommy Overstreet and the second of Ronnie Vincent and upon vote of ALL ayes and NO nays it is **ORDERED** by the Polk County Commissioners Court that the County Judge and County Clerk are authorized to execute the First Addendum to the Lease Agreement between Polk County, Texas and IAH Public Facility Corporation on behalf of Polk County, Texas.

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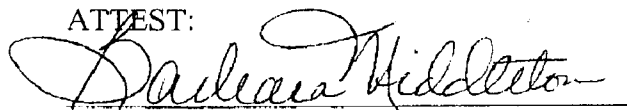
PASSED this 12th day of January, 2007, at the Commissioners Courtroom, Polk County Courthouse, Livingston, Texas.

POLK COUNTY, TEXAS

By:


JOHN P. THOMPSON, County Judge

ATTEST:


County Clerk



**FIRST ADDENDUM TO LEASE AGREEMENT BETWEEN
IAH PUBLIC FACILITY CORPORATION AND POLK COUNTY, TEXAS**

This First Addendum to Lease Agreement Between IAH Public Facility Corporation and Polk County, Texas (hereinafter "Addendum") is entered into by and between the IAH Public Facility Corporation (hereinafter "Lessor") and Polk County, Texas (hereinafter "Lessee") on the 18th day of December, 2006.

RECITALS

WHEREAS, Lessor and Lessee entered into that certain Lease Agreement between IAH Public Facility Corporation and Polk County, Texas, dated November 1, 2004 (hereafter "Lease"); and

WHEREAS, the purpose of the Lease is to provide for the financing of the construction and acquisition of a detention facility, and acquisition of the property upon which it is located, ("Detention Facility") by the Lessee; and

WHEREAS, the intent of the Lessor and Lessee is that the legal title to the Detention Facility vest in the Lessee at the end of the term of the Lease if all rentals have been paid, or upon the Lessee's exercise of its option to purchase under the Lease; and

WHEREAS, the Lease contains clerical errors in this regard which are in need of clarification and correction.

NOW, THEREFORE, the Lessor and the Lessee agree that the Lease should be, and is hereby **Amended** as set forth below:

Section 12.3 currently reads:

12.3 Return of Project. Upon the expiration or termination of this Lease pursuant to Section 5.2(a) or (c), Lessee shall deliver possession of the Project to Lessor in the condition, repair, appearance and working order required in Section 7.1 hereof, and shall, within ten (10) days thereafter, release its interest in the Project granted by this Lease.

Section 12.3 is **Corrected** and **Amended** hereby, effective as of its original execution date, so that it shall provide as follows:

12.3 Return of Project. Upon the expiration or termination of this Lease pursuant to Section 5.2 (b), Lessee shall deliver possession of the Project to Lessor in the condition, repair, appearance and working order required in Section 7.1 hereof, and shall, within ten (10) days thereafter, release its interest in the Project granted by this Lease.

Article XIII currently reads:

ARTICLE XIII

TITLE

During the Term of this Lease, legal title to the Project and any and all repairs, replacements, substitutions and modifications to it shall be in Issuer, subject to Lessee's interest therein under the provisions of this Lease. Lessee shall not permit any lien or encumbrance of any kind to exist against the title to the Project other than Permitted Encumbrances. Upon termination of this Lease for either of the reasons specified in Sections 5.2(b) hereof, legal title to the Project shall become vested in Lessee and Lessor, Issuer and Trustee shall execute and deliver to Lessee at Lessee's expense such documents of Lessee may request to evidence the transfer of title to the Project to Lessee and the termination of Issuer's and Trustee's interests in the Project created under this Lease, the Trust Indenture and the Deed of Trust. Upon termination of this lease for either of the reasons specified in Sections 5.2(a) or (c) hereof, all interest of Lessee in the Project pursuant to this Lease immediately shall revert to Trustee, free of any right, title or interest of Lessee.

Article XIII is **Corrected** and **Amended** hereby, effective as of its original execution date, so that it shall provide as follows:

ARTICLE XIII

TITLE

During the Term of this Lease, legal title to the Project and any and all repairs, replacements, substitutions and modifications to it shall be in Issuer, subject to Lessee's interest therein under the provisions of this Lease. Lessee shall not permit any lien or encumbrance of any kind to exist against the title to the Project other than Permitted Encumbrances. Upon termination of this Lease for either of the reasons specified in Sections 5.2 (a) or (c) hereof, legal title to the Project shall become vested in Lessee and Lessor, Issuer and Trustee shall execute and deliver to Lessee at Lessee's expense such documents of Lessee may request to evidence the transfer of title to the Project to Lessee and the termination of Issuer's and Trustee's interests in the Project created under this Lease, the Trust Indenture and the Deed of Trust. Upon termination of this lease for the reason specified in Section 5.2 (b) hereof, all interest of Lessee in the Project pursuant to this Lease immediately shall revert to Trustee, free of any right, title or interest of Lessee.

Except to the extent necessary to carry out the Amendments set forth above, all other terms of the Lease shall remain unchanged.

IN WITNESS WHEREOF, Lessor has caused this Addendum to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Addendum to be executed in its name by its duly authorized officer, as of the date first above written.

LESSOR:

IAH PUBLIC FACILITY CORPORATION

By: John P. Thompson
Its President

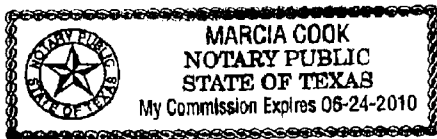
ATTEST:

Darrell Longino
Its: Secretary

THE STATE OF TEXAS)
) ss.
COUNTY OF POLK)

BEFORE ME, the undersigned authority, on this day personally appeared John P. Thompson, the President, and Darrell Longino, the Secretary of IAH Public Facility Corporation, a Texas non-profit public corporation, known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 18th day of December, 2006.



Marcia Cook
Notary Public, State of Texas

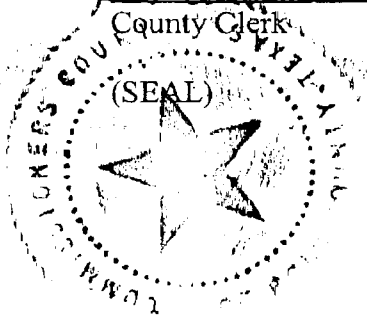
LESSEE:

POLK COUNTY, TEXAS

By: John P. Thompson
County Judge

ATTEST:

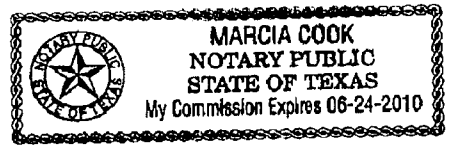
Brianne Hildreth
County Clerk



THE STATE OF TEXAS)
) ss.
COUNTY OF POLK)

BEFORE ME, the undersigned authority, on this day personally appeared **John P. Thompson**, County Judge, and **Barbara Middleton**, County Clerk, of Polk County, known to me to be the persons whose names are subscribed to the forgoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 18th day of December, 2006.



Marcia Cook
Notary Public, State of Texas