

Annual Information and the notices of material events is set forth under the caption "APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT."

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

FINANCING PLAN

The Bonds. Pursuant to the applicable Loan Agreement, a portion of the Bonds will be applied to finance certain capital improvements of benefit to Project Area No. 2 and Project Area No. 3 including the following:

Project Area No. 2. The Agency anticipates using Project Area No. 2 - Loan No. 2005-1 proceeds to finance improvements in the Heart of the City which includes, without limitation, Discovery Street, new streets, drainage and related public infrastructure along Barham Street, Twin Oaks Valley Road and Camel Street and other areas within Project Area No. 2. In addition, the Agency will also finance recreational and park sites that serve Project Area No. 2 and certain freeway interchanges that serve Project Area No. 2. See "PROJECT AREA NO. 2 - Current and Proposed Development."

Project Area No. 3. The Agency anticipates using Project Area No. 3 - Loan No. 2005-2 proceeds to finance improvements in the Heart of the City which includes, without limitation, Discovery Street, new streets, drainage and related public infrastructure between Barham Street, Twin Oaks Valley Road and Camel Street and other areas within Project Area No. 3. In addition, the Agency will also finance certain recreational and park sites that serve Project Area No. 3 and certain freeway interchanges that serve Project Area No. 3. See "PROJECT AREA NO. 3 - Current and Proposed Development."

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the sale of the Bonds and other sources of funds available to the Authority and the uses thereof are estimated to be as follows:

<u>Sources of Funds</u>	<u>The Bonds</u>
Principal Amount of Bonds	\$61,735,000.00
plus: Net Original Issue Premium	2,674,920.85
less: Underwriter's Discount	<u>(424,613.33)</u>
Total	\$63,985,307.52
<u>Uses of Funds</u>	
Deposit to Project Area No. 2 Project Fund	\$34,572,695.63
Deposit to Project Area No. 3 Project Fund	28,250,918.87
Deposit to Cost of Issuance Fund ⁽¹⁾	<u>1,161,693.02</u>
Total	\$63,985,307.52

- (1) Costs of issuance include Bond Counsel and Disclosure Counsel fees and expenses, Fiscal Consultant fees and expenses, the initial premium for the Financial Guaranty Insurance Policy and the Surety Bond, printing costs, initial trustee fees, and other miscellaneous expenses.

THE BONDS

The Bonds will be issued as fully registered bonds in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds are dated their date of delivery, bear interest at the rates and mature on the dates and in the principal amounts set forth on the inside front cover page hereof. Interest on the Bonds is computed on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds is payable semiannually on February 1 and August 1 of each year (each an "Interest Payment Date"), commencing August 1, 2005.