

**COMMUNITY REDEVELOPMENT AGENCY
TAX INCREMENT REVENUE REFUNDING BONDS
(Downtown District Project)
SERIES 2004**

DETAILS OF FINANCING:

Program: Community Redevelopment Agency/Tax Increment

Date of Issuance: February 5, 2004

Bond Type: Tax Increment Revenue Refunding Bonds

Bond Size: \$9,855,000

Outstanding: \$8,420,000

Type of Loan: Fixed

Payments Dates: Interest is payable semi-annually on each April 1 and October 1
Principal payments are made each October 1
(see *Amortization Schedule*)

Insurance: Financial Guaranty Insurance - AMBAC

Ratings at issuance: Insured: Fitch “AAA”; Moody’s “Aaa”; S&P “AAA”
Underlying: Fitch “A+”; Moody’s “A2”; S&P “A”

Trustee: The Bank of New York

Paying Agent: U.S. Bank Trust

Bond Counsel: Bryant, Miller and Olive, P.A.

Disclosure Counsel: Holland & Knight LLP

Underwriters: UBS PaineWebber Inc. – Senior
First Southwest Company
Guzman & Company

Special Legal Counsel: Shutts & Bowen LLP

Project: To current refund the Agency’s Tax Increment Revenue Bonds, Series 1993, including the cost of redemption premium, and to pay the costs of the issuance thereof, including the premium for guaranty insurance.

SECURITY OF BONDS

Agency obligations payable solely from irrevocable lien on pledged revenues.

Pledged Revenues:

- (I) Tax Increment Revenues received by Agency from each non-exempt taxing authority within the Downtown District
- (II) Income earned and received from invested monies deposited in accounts created under the Bond Resolution
- (III) Moneys in certain of the accounts set forth in the Bond Resolution

RESERVE FUND: A portion of the proceeds from the issuance of the 2004 Bonds will be deposited in the Bond Reserve Account on the date of issuance of the 2004 Bonds in an amount which, together with amounts then on deposit in the Bond Reserve Account, will equal the Maximum Annual Debt Service on the 2004 Bonds and the 2002 Bonds.

REDEMPTION OF BONDS

The 2004 Bonds are not subject to redemption prior to maturity.

TAX INCREMENT REVENUES

Bonds are secured in part by the pledge of the Tax Increment Revenues deposited into the Downtown District Redevelopment Trust Fund.

Sources of Tax Increment Revenues

On or before January 1: 95% of the difference between (a) the amount of ad valorem taxes levied each year, exclusive of any amount from any debt service millage, on taxable real property within the **CRA I** and (b) the amount of ad valorem taxes which would have been produced by the current millage rate of that taxing authority, exclusive of any debt service millage, had it been applied to the assessed valuation of the taxable real property within the **CRA I** as of January 1, 1981.

On or before January 1: 95% of the difference between (a) the amount of ad valorem taxes levied each year, exclusive of any amount from any debt service millage, on taxable real property within the **CRA Expansion Area** and (b) the amount of ad valorem taxes which would have been produced by the current millage rate of that taxing authority, exclusive of any debt service millage, had it been applied to the assessed valuation of the taxable real property within the **CRA Expansion Area** as of January 1, 1989.

The Bond Resolution also defines Tax Increment Revenues to include funds received by the Agency from the rental or resale of any projects owned by the Agency within the Downtown District.