COPY

No: N-1

THIS NOTE MAY NOT BE TRANSFERRED IN PART AND MAY BE TRANSFERRED IN WHOLE ONLY (A) TO A SUCCESSOR CUSTODIAN, (B) TO A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED, WHO EXECUTES AN INVESTOR LETTER IN SUBSTANTIALLY THE FORM ATTACHED HERETO AS EXHIBIT A, (C) TO THE BOND INSURER OR (D) TO ANY OTHER TRANSFEREE APPROVED BY THE DISTRICT IN ITS SOLE DISCRETION.

THIS NOTE IS A SPECIAL OBLIGATION OF THE DISTRICT, IS NOT A GENERAL OBLIGATION OF THE DISTRICT, IS NOT A PLEDGE OF, AND DOES NOT INVOLVE, THE FAITH AND CREDIT OR THE TAXING POWER OF THE DISTRICT (OTHER THAN AS EXPRESSLY PROVIDED IN THE ACT (AS HEREINAFTER DEFINED)), DOES NOT CONSTITUTE A DEBT OF THE DISTRICT, AND DOES NOT CONSTITUTE LENDING OF THE PUBLIC CREDIT FOR PRIVATE UNDERTAKINGS AS PROHIBITED BY SECTION 602(a)(2) OF THE HOME RULE ACT.

DISTRICT OF COLUMBIA

TAXABLE FINANCING NOTE

DC ARENA L.P. PROJECT (VERIZON CENTER)

SERIES 2007A

$43,570,000 December 20, 2007

The District of Columbia (the "District"), a public body municipal and corporate, for value received, hereby promises to pay to DC Arena L.P. ("DCALP"), a District of Columbia limited partnership, or the Custodian as DCALP's registered assign, or any subsequent permitted successors or assigns (the "Registered Owner"), on August 15, 2047 (the "Maturity Date"), the principal sum of FORTY THREE MILLION FIVE HUNDRED SEVENTY THOUSAND DOLLARS ($43,570,000), subject to prior payment, with interest on the unpaid principal sum, from the date hereof until said principal sum shall be paid, at an interest rate of six and 734/1000 percent (6.734%) per annum. This Note is issued pursuant to that certain Development Agreement, dated as of December 1, 2007 (the "Development Agreement") and in satisfaction of the District's obligations under the terms and conditions as set forth herein and in the

Development Agreement, between the District and DCALP. All capitalized terms used herein and not defined herein shall have the same meaning as in the Development Agreement.

This Note is one of two notes (the other note hereinafter the "Other Note") issued on the date hereof by the District pursuant to the provisions of, and in full compliance with, the laws of the District, in particular, the District of Columbia Home Rule Act (87 Stat. 774; D.C. Code §§ 1-201.01 et seq.) (the "Home Rule Act"), and the Verizon Center Sales Tax Revenue Bond Approval Act of 2007 (D.C. Law 17-12; effective July 12, 2007), as amended (the "Act") to provide financing to pay and reimburse DCALP for certain Development Costs relating to the Project in accordance with the terms of the Act.

The District, for good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, and interest and premium, if any, on, this Note either at maturity or upon prior redemption thereof, and to secure the payment of any Policy Costs (as hereinafter defined), according to the tenor and effect of this Note, does hereby convey, transfer, assign and pledge ("Pledge") the Verizon Center Fund and the Verizon Center Debt Service Fund and all amounts therein (collectively, the "Funds") to, and grants a security interest in and to the Funds to, the Registered Owner, and its successors and assigns, and, in its capacity as the provider of the Reserve Policy, to Financial Security, to have and to hold forever, such conveyance, transfer, assignment, pledge and security interest to be effective without the recording of any instrument; provided, that if the principal of, premium, if any, on, and interest on (including interest at the Late Payment Rate (as hereinafter defined), if applicable), this Note shall have been indefeasibly paid to the Registered Owner, then, except as otherwise provided herein with respect to Policy Costs, this Pledge and security interest shall be deemed cancelled and discharged in its entirety, and the Registered Owner shall execute and deliver to the District such instruments in writing as the District shall request to evidence such discharge. The foregoing Pledge and grant of a security interest shall be on a parity with the identical pledge and grant of a security interest to the Registered Owner (as defined in the Other Note) of the Other Note (the "Other Registered Owner") pursuant to the terms of the Other Note.

There is further allocated to the payment of amounts due under this Note, the Available Increment subordinate solely to the District's obligations under the Reserve Agreement in connection with the 2002 Bonds and any Refunding Bonds. Payments under this Note will be made from the Available Increment only if other Available Funds (including any Aged Monies) are insufficient to pay the principal, including any prepayments of, premium on, and interest on, and other amounts payable under, this Note. The foregoing allocation shall be on a parity with an identical allocation made pursuant to the terms of the Other Note.

This Note is a special limited obligation of the District. The sole sources of repayment of this Note shall be the Available Funds and the Reserve Policy, and the District shall have no obligation to make any payments on this Note, other than from the Available Funds and the Reserve Policy. The obligations of the District under this Note are unconditional and irrevocable and are payable without setoff or counterclaim, regardless of any dispute between the District and DCALP, any default under the Development Agreement, any damage or destruction to the Verizon Center, or any other reason whatsoever.

Payments with regard to principal of, and interest (including interest at the Late Payment Rate, if applicable) on, and premium, if any, on, this Note shall be made to the Registered Owner on the date payment is due in lawful money of the United States of America in immediately available funds. Failure to pay amounts due on this Note when due shall constitute a default by the District unless such failure is the result of Financial Security failing to honor a draw on the Reserve Policy made in accordance with the terms of the Reserve Policy; provided that a default under this Note shall not give rise to any right to accelerate payment of this Note or to any requirement that this Note be paid from amounts other than Available Funds. If and when the Available Funds are sufficient to pay any shortfall on this Note (on a parity with any shortfall on the Other Note), the District shall pay the amount of the shortfall to the Registered Owner without any penalty, interest or premium thereon, other than interest at the Late Payment Rate.

Promptly upon receipt by the District, the Single Site Taxes shall be deposited in the Verizon Center Fund which shall be held by the Collection Agent subject to the security interest granted by the District in favor of the Registered Owners and Financial Security as provided herein and in the Other Note. The earnings on the Verizon Center Fund shall be retained therein on behalf of the District until transferred to the Verizon Center Debt Service Fund. All moneys in the Verizon Center Fund shall be transferred to the Verizon Center Debt Service Fund on the first Business Day of each calendar month and on the last Business Day of each fiscal year of the District.

The Verizon Center Debt Service Fund shall be held by the Paying Agent subject to the security interest granted by the District in favor of the Registered Owners and Financial Security as provided herein and in the Other Note. The earnings on the Verizon Center Debt Service Fund shall be retained therein until they are used to pay principal of, premium, if any, on, or interest on, this Note or the Other Note or to pay Policy Costs or Policy Costs as defined in the Other Note (hereinafter "Other Policy Costs"). Any amounts in the Verizon Center Debt Service Fund that are not used to pay principal of, premium on, or interest on, this Note or the Other Note or to pay Policy Costs or Other Policy Costs shall be held in the Verizon Center Debt Service Fund on behalf of the Registered Owners as a reserve to secure the payment of principal of, premium on, or interest on, the Notes in the future; provided that, the District may use any such reserves constituting Available Funds (a) to pay principal of and interest on the Notes (on a pro rata basis if amounts available are insufficient to make such payments in full) when such payments come due, (b) at any time to prepay all or any portion of the principal of the Notes, in accordance with the prepayment provisions herein and in the Other Note, plus any premium and interest due on such prepaid principal, and (c) to pay Policy Costs and Other Policy Costs (on a pro rata basis if amounts available are insufficient to make such payments in full) when due.

Pursuant to the Act, the District agrees to allocate, to the extent necessary, the Available Increment to the payment of debt service on this Note, with the intent that the Available Increment shall constitute tax increment as defined in section 490(m)(6) of the Home Rule Act, subordinate only as to the portion of the Available Increment described in Section 8(b) of the Act, to the allocation of Available Increment to the "Budgeted Reserve" (as defined in the Reserve Agreement) used to pay the 2002 Bonds and any Refunding Bonds. No portion of the Budgeted Reserve shall be pledged to or available to pay the debt service on this Note.

The District hereby covenants that: (a) after the date hereof, the District will not issue any debt or other obligations ("Additional Debt") to be paid, in whole or in part, from the Available Increment on a parity with the Notes unless the Available Increment for the District's fiscal year immediately preceding the issuance of such Additional Debt is not less than three times the maximum annual debt service on the Notes and any other obligations of the District, including such Additional Debt, that are also to be paid, in whole or in part, from the Available Increment on a parity with the Notes; (b) after the date hereof, the District will not issue any Additional Debt that is, with respect to any payments from or security interest in the Available Increment, senior to the Notes, provided that the foregoing will not apply to bonds or notes that refund all or any portion of the 2002 Bonds; (c) after the date hereof, the District shall not issue any Additional Debt that is secured by or subject to a pledge of the Available Increment unless the Notes also are secured by or subject to a pledge of the Available Increment to the same extent, and on a parity with, such Additional Debt, provided that the foregoing shall not apply to Refunding Bonds; (d) the Downtown TIF Area (as defined in the Reserve Agreement) will remain in existence with its current boundaries (except for expansions thereof) until all of the obligations hereunder have been paid in full; (e) the District will not make any pledge or assignment of or create or suffer any lien or encumbrance upon the Verizon Center Fund or the Verizon Center Debt Service Fund except as and if authorized or permitted hereunder; and (f) pursuant to Section 8(c) of the Act (as defined in the Master Trust Indenture (the "Indenture") between the District and the Gallery Place Trustee (as defined in the Reserve Agreement) dated April 1, 2002), the District will not limit or alter the basis upon which available real property taxes and available sales taxes constituting Available Increment is received, allocated, applied and pledged pursuant to the Indenture, the Act (as defined in the Indenture), this Note and the Other Note, will not impair the District's contractual obligations to fulfill the terms of this Note, and will not in any way impair the rights or remedies of the Registered Owner or Financial Security as provided in this Note until the all of the obligations under this Note, including all Policy Costs, and all costs and expenses in connection with any suit, action or proceeding by or on behalf of the Registered Owner or Financial Security with respect to this Note, are fully met and discharged.

The covenant contained in Section 5.03(c) of the Indenture and the provisions of Section 4 of the Reserve Agreement are incorporated by reference into this Note as if set forth directly herein, without regard to any termination of such agreements and without regard to any amendments thereof unless such amendments are consented to by Financial Security.

The District acknowledges that the Registered Owner may from time to time assign, pledge or otherwise transfer its right, title and interest in and to this Note in whole, but not in part, (a) to a successor Custodian, (b) to a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act of 1933, as amended, who executes an investor letter in substantially the form attached hereto as Exhibit A, (c) to the Bond Insurer, or (d) to any other transferee approved by the District in its sole discretion.

The transfer of this Note shall be registered upon the registration books of the Paying Agent, as registrar, at the written request of the Registered Owner hereof or his attorney duly authorized in writing, upon surrender of this Note at the principal office of the Paying Agent, duly endorsed

for transfer or accompanied by a written instrument of transfer satisfactory to the Paying Agent duly executed by the Registered Owner or his duly authorized attorney and upon payment of the charges of the Paying Agent for transfer.

Beginning on the date hereof, this Note shall bear interest at a fixed interest rate of six and 734/1000 percent (6.734%) per annum. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Interest on this Note shall be payable in arrears semiannually on the fifteenth day of every August and February commencing August 15, 2008 (each a "Payment Date"). Principal on this Note shall be payable in accordance with the Sinking Fund Schedule attached hereto as Exhibit B. Available Funds shall be used (i) first, to payment of (A) Policy Costs as required pursuant to paragraph (a) beginning on page 8 hereof and (B) Other Policy Costs as required pursuant to the Other Note, (ii) second, to payment of any shortfall with respect to payments due under this Note and payments due under the Other Note but unpaid in prior months, (iii) third, to payment of current interest due under this Note and current interest due under the Other Note, (iv) fourth, to payment of (A) principal of this Note then due pursuant to the Sinking Fund Schedule and (B) principal of the Other Note then due pursuant to the Sinking Fund Schedule attached to the Other Note, (v) fifth, to payment of all remaining Policy Costs and Other Policy Costs, and (vi) sixth, at the option of the District (except as otherwise provided herein with respect to amounts paid by DCALP), to prepayment of principal of, and premium, if any, on, this Note and the Other Note in accordance with the prepayment provisions herein and therein. With respect to payments pursuant to (i) through (v) above, if amounts available are insufficient to make such payments in full, then payments shall be made on a pro rata basis.

If any payment of the principal of, premium, if any, on, or interest on, this Note is due on a day that is not a Business Day, such payment will be made on the next succeeding Business Day, and no interest will accrue on the amount of such payment during the intervening period.

Any amounts that are due under this Note that are not paid when due shall bear interest at the Late Payment Rate until paid. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on this Note and (b) the maximum rate permissible under applicable usury or other laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as Financial Security shall specify. Amounts paid by the Bond Insurer under the Bond Insurance Policy shall not be deemed paid for purposes of this Note, and the related payments under this Note shall remain outstanding and continue to be due and owing until paid by the District in accordance with this Note.

Payments of principal of and interest and premium, if any, on this Note shall be made to the Registered Owner hereof and applied only to payment of the principal of and interest and

premium, if any, on this Note. The obligations of the District hereunder shall not terminate until all amounts due under this Note, including any Policy Costs, have been paid indefeasibly in full. The obligation of the District to pay from the Available Increment any principal of, premium, if any, on, and interest on, this Note, or any other obligations due under this Note, shall terminate on August 15, 2047.

This Note is subject to optional prepayment, in whole or in part, prior to the Maturity Date, at the option of the District, on any date, at a prepayment amount equal to the greater of:

(A) One hundred percent (100%) of the principal amount of the portion of this Note to be prepaid, or

(B) The sum of the present values of the remaining scheduled payments of principal and interest on the portion of this Note to be prepaid (exclusive of interest accrued to the prepayment date) discounted to the prepayment date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (defined below) plus 25 basis points, determined in each instance as of the 3rd Business Day prior to the prepayment date,

plus, in each case, accrued interest to the prepayment date on the portion of this Note to be prepaid.

For the purpose of determining the Treasury Rate, the following definitions apply:

"Treasury Rate" means, with respect to any prepayment date, the rate per annum, expressed as a percentage of the principal amount, equal to the semiannual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the prepayment date for a price equal to the Comparable Treasury Price, as calculated by the Designated Treasury Dealer.

"Comparable Treasury Issue" means, with respect to any prepayment date, the U.S. Treasury security or securities selected by the Designated Treasury Dealer which has an actual or interpolated maturity comparable to the remaining average life of this Note, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of this Note.

"Comparable Treasury Price" means, with respect to any prepayment date, (1) if the Designated Treasury Dealer receives at least four Reference Treasury Dealer Quotations, the average of such quotations for such prepayment date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Designated Treasury Dealer obtains fewer than four Reference Treasury Dealer Quotations, the average of all such quotations.

"Designated Treasury Dealer" means one of the Reference Treasury Dealers designated by the District.

"Reference Treasury Dealer" means four firms, selected by the District from time to time, that are primary U.S. Government securities dealers (each a "Primary Treasury Dealer"); provided, however, that if any of them ceases to be a Primary Treasury Dealer, the District will substitute another Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any prepayment date, the average, as determined by the Designated Treasury Dealer, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Treasury Dealer by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third Business Day preceding such prepayment date.

At least one day before the prepayment date of any portion of this Note, the District shall cause a notice of such prepayment to be sent by telefacsimile followed by first class mail to the Registered Owner of this Note. Failure to deliver any such notice shall not affect the validity of the prepayment.

Any prepayments of the principal of the Notes shall be applied to the principal payments due in inverse order of their due dates with the result being that any such prepayments shall be applied exclusively to this Note until it is paid in full. Thereafter, any such prepayments shall be applied to the Other Note. Notwithstanding anything to the contrary contained herein, any amounts received from or on behalf of DCALP which are to be used to pay amounts under this Note shall be Aged Monies. Beginning in 2010, the District agrees to use Aged Monies in the Verizon Center Earnings Account, as and when such amounts are available, to prepay the principal payments of this Note that are due in 2046 and 2047, in inverse order of maturity; provided that any such prepayments shall be in increments no smaller than $100,000 in principal amount of this Note, plus interest on such prepaid principal to the date of prepayment and premium, if any, on such prepaid principal.

If the District shall default in its obligations under this Note, the Registered Owner or, with respect to its rights related to the Reserve Policy, Financial Security may, by action, writ, or other proceeding, including mandamus, enforce its right to require the District to carry out and perform such obligations pursuant to this Note or by action, petition to enjoin any acts or things that may be unlawful or in violation of this Note.

For any default, other than a failure to make any payment to the Registered Owner or to Financial Security on the date such payment is due, if such default is capable of cure, the District shall have thirty (30) days to cure such default; provided that, if such default cannot be cured within such thirty-day period and the District is working diligently to cure such default, the District shall have sixty (60) days to cure such default.

The District shall provide notice to the Registered Owner and Financial Security of (a) the

commencement of any proceeding by or against the District commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") and (b) the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, this Note.

This Note shall be governed by, and construed in accordance with, the laws of the District without regard to conflicts of law provisions.

In connection with the issuance of this Note, Financial Security is issuing a Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Policy"). The "Debt Service Reserve Requirement" as that term is used in the Reserve Policy is $4,680,688. As a consequence of the issuance of the Reserve Policy, the following provisions are included in this Note as additional covenants of the District enforceable by Financial Security:

(a) The District shall repay any draws under the Reserve Policy with respect to this Note and pay all related reasonable expenses incurred by Financial Security. Interest shall accrue and be payable on such draws and expenses from the date of payment by Financial Security at the Late Payment Rate.

Repayment of draws with respect to this Note and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Such repayments shall be made by the District from the same sources of payment that secure principal and interest payable under this Note.

Amounts in respect of Policy Costs paid to Financial Security shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to Financial Security on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

(b) If the District shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, Financial Security shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Note other than acceleration of the maturity of this Note.

(c) This Note shall not be discharged until all Policy Costs owing to Financial Security shall have been paid in full. The District's obligation to pay such amounts shall expressly survive payment in full of this Note.

(d) The District shall cause the agreement with the Paying Agent (the

"Paying Agent Agreement') to require the Paying Agent to ascertain the necessity for a claim upon the Reserve Policy and to provide notice to Financial Security in accordance with the terms of the Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on this Note. Since transfers from the Verizon Center Fund to the Verizon Center Debt Service Fund are required to be made on a monthly basis, the Paying Agent Agreement shall require the Paying Agent to give notice to Financial Security within two Business Days of the failure of any such required transfer to be made.

IN WITNESS WHEREOF, the District has caused this Note to be executed in its name by the signature of the Chief Financial Officer of the District of Columbia and its corporate seal to be impressed or printed and attested by the manual or facsimile signature of the secretary of the District of Columbia all as of the date first above written.

DISTRICT OF COLUMBIA

(SEAL)

Adrian M. Fenty
Mayor

Attest:

Stephanie D. Scott
Secretary of the District of Columbia

Assignment
Series 2007A Note

COPY

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto
Wells Fargo Bank, National Association, as Custodian
PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE - N/A

9062 Old Annapolis Road
Columbia, MD 21045
Attn: Jay Smith

Address of Assignee

the within Note and all rights thereunder without recourse or warranty, except warranty of title, ~~[Note: form of assignment may be modified to accommodate a partial transfer of the Note]~~, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

DC ARENA L.P., a District of Columbia
limited partnership
By: Washington Sports & Entertainment, Inc., its general partner

COPY

Dated: 12/20/07

By: _____
Signature
President - Business Operations

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

_____
(Signature Guaranty)

EXHIBIT A
Investor Letter

[Form of Investor Letter]

[Date]

District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, DC. 20004

COPY

DC Arena, L.P.
Verizon Center
601 F Street, N.W.
Washington, D.C. 20004
Attn: CFO

$43,570,000
DISTRICT OF COLUMBIA
TAXABLE FINANCING NOTE
DC ARENA L.P. PROJECT (VERIZON CENTER)
SERIES 2007A

Ladies and Gentlemen:

_____ ("_____"), for its own account, is purchasing the above referenced note (the "Note").

In connection with this purchase, makes the following representations upon which you may rely:

1. "_____" is a "qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). "_____" can bear the economic risk of the purchase of the Note and has such knowledge and experience in business and financial matters, including the analysis of the purchase of similar investments, as to be capable of evaluating the merits and risks of an investment in the Note on the basis of the information requested and reviewed by us and our review as described herein.

2. "_____" is sufficiently knowledgeable and experienced in financial and business matters, including the purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Note, and it is capable of and has made its own investigation of DC Arena L.P. ("DCALP") and the Project in connection with its decision to purchase the Note.

3. "_____" is duly and legally authorized to purchase the Note, and

"_____" is duly and legally authorized to execute this Investment Letter; "_____" has satisfied itself that the Note is a lawful investment for it under all applicable laws.

4. "_____" has been provided with, or given access to, all financial and other information it has requested of DCALP relating to the purchase of the Note.

5. "_____" has had an opportunity to ask questions and receive answers from DCALP relative to the Note and to obtain any additional information furnished in response to such questions, and all such information so furnished has been to the satisfaction of "_____".

6. "_____" has made such independent investigation of DCALP and the security for the Note as "_____" deems to be necessary or advisable, and "_____" has been supplied with all information or data which "_____" believes to be necessary in order to reach an informed decision as to the advisability of purchasing the Note.

7. "_____" understands that the Note (i) has not been registered under the Securities Act of 1933, as amended (the "Act"), and (ii) has not been registered or qualified under any state securities or "Blue Sky" laws.

8. The Note has been acquired for "_____"'s own account and not as agent or nominee, and for the purpose of investment and not with a current view toward any distribution or resale of the Note. "_____" understands that it may not sell, transfer, or otherwise dispose of the Note or any interest therein without registration or qualification under the Act or without qualifying for an exemption therefrom.

9. The undersigned hereby represents and warrants that the Note will be sold only to subsequent purchasers or transferees who meet the requirements of this Investment Letter and who execute an investor letter in substantially the same form as this Investment Letter.

10. Although at present there is no intention to resell the Note, in the event that "_____" ever elects to sell the Note in the future, it will take full responsibility for any registration, qualification or disclosure of all material information that may be necessary to comply with all federal and related state securities laws with respect to the Note. "_____" understands that the Note may be sold only in whole and not in part.

11. All representations of "_____" contained herein shall survive the sale and delivery of the Note to "_____" as representations of fact existing as of the date of execution and delivery of this Investment Letter.

12. "_____" acknowledges that neither the District nor any of its officers, employees or agents, including its counsel or financial advisors, (a) will have any responsibility to us for the accuracy or completeness of information obtained by us from any source regarding the Project or the Note except for those matters, if any, to which any such party has opined in a letter addressed to "_____" by name and representations made by the District in the related Development Agreement or (ii) has had any involvement in the sale or other transfer of the Note to "_____".

13. This letter shall inure only to the benefit of the addressees and their successors.

[NAME]

_____

[NAME]
President

[The remainder of this page has been left blank intentionally.]

EXHIBIT B
Sinking Fund Schedule

COPY

Sinking Fund Schedule

Year	Principal Amount
2028	$1,025,000
2029	1,135,000
2030	1,250,000
2031	1,375,000
2032	1,510,000
2033	1,655,000
2034	1,805,000
2035	1,970,000
2036	2,145,000
2037	2,330,000
2038	2,535,000
2039	2,745,000
2040	2,975,000
2041	3,220,000
2042	3,485,000
2043	3,765,000
2044	4,065,000
2045	4,380,000
2046	100,000
2047	100,000*

*Final Maturity