DEBT SERVICE RESERVE
SURETY BOND

MBIA Insurance Corporation
Armonk, New York 10504

Surety Bond No. 33103(2)

MBIA Insurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the
terms of this Surety Bond, hereby unconditionally and irrevocably guarantees the full and complete payments that
are to be applied to payment of principal of and interest on the Obligations (as hereinafter defined) and that are
required to be made by or on behalf of the Board of Regents of the Division of Universities of the State of Florida
Department of Education (the "Obligor") under the resolution of the Governor and Cabinet of the State of Florida,
as the Governing Board of the Division of Bond Finance of the State of Florida (the "Resolution"), authorizing the
issuance of the $24,400,000 State of Florida, Board of Regents, Florida Atlantic University Housing Revenue
Bonds, Series 2000, together with any bonds issued on a parity therewith (collectively, the "Obligations"), to State
Street Bank and Trust Company, N.A., New York, New York and its successors and assigns (the "Paying Agent"),
as such payments are due but shall not be so paid, in connection with the issuance of the Obligations, provided, that
the amount available hereunder for payment pursuant to any one Demand for Payment (as hereinafter defined) shall
not exceed $1,654,182.50 (the "Surety Bond Limit"); provided, further, that the amount available at any particular
time to be paid to the Paying Agent under the terms hereof (the "Surety Bond Coverage") shall be reduced and may
be reinstated from time to time as set forth herein.

1. As used herein, the term "Owner" shall mean the registered owner of any Obligation as indicated in the books
maintained by the applicable paying agent, the Obligor or any designee of the Obligor for such purpose. The term
"Owner" shall not include the Obligor or any person or entity whose obligation or obligations by agreement
constitute the underlying security or source of payment for the Obligations.

2. Upon the later of: (i) three (3) days after receipt by the Insurer of a demand for payment in the form attached
hereto as Attachment 1 (the "Demand for Payment"), duly executed by the State Board of Administration of
Florida (the "SBA") certifying that payment due as required by the Resolution will not be made to the Paying
Agent; or (ii) the payment date of the Obligations as specified in the Demand for Payment presented by the SBA to
the Insurer, the Insurer will make a deposit of funds in an account with State Street Bank and Trust Company,
N.A., in New York, New York, or its successor, sufficient for the payment to the Paying Agent, of amounts that are
then due to the Paying Agent (as specified in the Demand for Payment) subject to the Surety Bond Coverage.

3. Demand for Payment hereunder may be made by prepaid telecopy, telex, TWX or telegram of the executed
Demand for Payment c/o the Insurer. If a Demand for Payment made hereunder does not, in any instance, conform
to the terms and conditions of this Surety Bond, the Insurer shall give notice to the SBA, as promptly as reasonably
practicable, that such Demand for Payment was not effected in accordance with the terms and conditions of this
Surety Bond and briefly state the reason(s) therefor. Upon being notified that such Demand for Payment was not
affected in accordance with this Surety Bond, the SBA may attempt to correct any such nonconforming Demand
for Payment if, and to the extent that, the SBA is entitled and able to do so.

4. The amount payable by the Insurer under this Surety Bond pursuant to a particular Demand for Payment shall
be limited to the Surety Bond Coverage. The Surety Bond Coverage shall be reduced automatically to the extent of
each payment made by the Insurer hereunder and will be reinstated to the extent of each reimbursement of the
Insurer pursuant to the provisions of Article II of the Financial Guaranty Agreement dated the date hereof between
the Insurer and the Obligor (the "Financial Guaranty Agreement"); provided, that in no event shall such
reinstatement exceed the Surety Bond Limit. The Insurer will notify the Obligor and the SBA, in writing within
five (5) days of such reimbursement, that the Surety Bond Coverage has been reinstated to the extent of such
reimbursement pursuant to the Financial Guaranty Agreement and such reinstatement shall be effective as of the
date the Insurer gives such notice. The notice to the Obligor and the SBA will be substantially in the form attached
hereto as Attachment 2.

5. Any service of process on the Insurer or notice to the Insurer may be made to the Insurer at its offices located
at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.
6. The term of this Surety Bond shall expire on the earlier of (i) July 1, 2030 (the maturity date of the Obligations being currently issued), or (ii) the date on which the Issuer has made all payments required to be made on the Obligations pursuant to the Document.

7. The premium payable on this Surety Bond is not refundable for any reason, including the payment prior to maturity of the Obligations.

8. This Surety Bond shall be governed by and interpreted under the laws of the State of Florida. Any suit hereunder in connection with any payment may be brought only by the Paying Agent within one year after (i) a Demand for Payment, with respect to such payment, is made pursuant to the terms of this Surety Bond and the Insurer has failed to make such payment, or (ii) payment would otherwise have been due hereunder but for the failure on the part of the Paying Agent to deliver to the Insurer a Demand for Payment pursuant to the terms of this Surety Bond, whichever is earlier.

9. There shall be no acceleration payment due under this Policy unless such acceleration is at the sole option of the Insurer.

10. The insurance provided by this Policy is not covered by the Florida Insurance Guaranty Association created under chapter 631, Florida Statutes.

In witness whereof, the Insurer has caused this Surety Bond to be executed in facsimile on its behalf by its duly authorized officers, this 4th day of October, 2000.

COUNTERSIGNED:

[Signature]
Resident Licensed Agent

Tampa, Florida
City, State

MBIA Insurance Corporation

[Signature]
President

[Signature]
Attest: Assistant Secretary

SB-DSRF-CS-8-FL
1/1/94
DEMAND FOR PAYMENT

______, 20__

MBIA Insurance Corporation
113 King Street
Armonk, New York 10504

Attention: President

Reference is made to the Surety Bond No. 33103(2) (the "Surety Bond") issued by the MBIA Insurance Corporation (the "Insurer"). The terms which are capitalized herein and not otherwise defined have the meanings specified in the Surety Bond unless the context otherwise requires.

The Paying Agent hereby certifies that:

(a) In accordance with the provisions of the Document (attached hereto as Exhibit A), payment is due to the Owners of the Obligations on ________ (the "Due Date") in an amount equal to $________ (the "Amount Due").

(b) The debt service reserve fund requirement for the Obligations is $________.

(c) The amounts legally available to the Paying Agent on the Due Date will be $____ less than the Amount Due (the "Deficiency").

(d) The Paying Agent has not heretofore made demand under the Surety Bond for the Amount Due or any portion thereof.

The Paying Agent hereby requests that payment of the Deficiency (subject to the Surety Bond Coverage) be made by the Insurer under the Surety Bond and directs that payment under the Surety Bond be made to the following account by bank wire transfer of federal or other immediately available funds in accordance with the terms of the Surety Bond: ____________________________

[Paying Agent's Account]

[PAYING AGENT]

By ____________________________

Its ____________________________
Attachment 2
Surety Bond No. 33103(2)

NOTICE OF REINSTATEMENT

______, 20__

[Paying Agent]
[Address]

Reference is made to the Surety Bond No. 33103(2) (the "Surety Bond") issued by the MBIA Insurance Corporation (the "Insurer"). The terms which are capitalized herein and not otherwise defined have the meanings specified in the Surety Bond unless the context otherwise requires.

The Insurer hereby delivers notice that it is in receipt of payment from the Obligor pursuant to Article II of the Financial Guaranty Agreement and as of the date hereof the Surety Bond Coverage is $__________.

MBIA Insurance Corporation

__________________________________________
President

Attest: _______________________________________
Assistant Secretary
ANNEX B
DEFINITIONS

For all purposes of this Agreement and the Surety Bond, except as otherwise expressly provided herein or unless the context otherwise requires, all capitalized terms shall have the meaning as set out below, which shall be equally applicable to both the singular and plural forms of such terms.

"Agreement" means this Financial Guaranty Agreement.

"Closing Date" means October 4, 2000.

"Commitment" means the commitment to issue Municipal Bond Guaranty Insurance in the form attached hereto as Annex C.

"Debt Service Payments" means those payments required to be made by or on behalf of the Obligor which will be applied to payment of principal of and interest on the Obligations.

"Demand for Payment" means the certificate submitted to the Insurer for payment under the Surety Bond substantially in the form attached to the Surety Bond as Attachment I.

"Document" means the resolutions of the Governor and Cabinet of the State of Florida authorizing the issuance of the Obligations.

"Event of Default" shall mean those events of default set forth in Section 4.01 of the Agreement.

"Insurer" has the same meaning as set forth in the first paragraph of this Agreement.

"Obligations" means $24,400,000 State of Florida, Board of Regents, Florida Atlantic University Housing Revenue Bonds, Series 2000, together with any bonds issued on a parity therewith.

"Obligor" has the same meaning as set forth in the first paragraph of this Agreement.

"Owners" means the registered owner of any Obligation as indicated in the books maintained by the Paying Agent, the Obligor or any designee of the Obligor for such purpose.


"Pledged Revenues" has the same meaning as set forth in the Document.

"Premium" means $50,000 payable to the Insurer on or prior to the Closing Date.
"Reimbursement Period" means, with respect to a particular Surety Bond Payment, the period commencing on the date of such Surety Bond Payment and ending 14 months following such Surety Bond Payment.

"Reimbursement Rate" means State Street Bank and Trust Company's prime rate plus three (3) percent per annum, as of the date of such Surety Bond Payment, said "prime rate" being the rate of interest announced from time to time by State Street Bank and Trust Company, N.A., New York, New York, as its prime rate. The rate of interest shall be calculated on the basis of the actual number of days elapsed over a 360-day year.

"State" means the State of Florida.

"Surety Bond" means that surety bond attached hereto as Annex A and issued by the Insurer guaranteeing, subject to the terms and limitations thereof, Debt Service Payments required to be made by the Obligor under the Document.

"Surety Bond Coverage" means the amount available at any particular time to be paid under the terms of the Surety Bond, which amount shall never exceed the Surety Bond Limit.

"Surety Bond Limit" means $1,654,182.50.

"Surety Bond Payment" means an amount equal to the Debt Service Payment required to be made by the Obligor pursuant to the Document less (i) that portion of the Debt Service Payment paid by or on behalf of the Obligor, and (ii) other funds legally available for payment to the Owners, all as certified in a Demand for Payment.
ANNEX C

COMMITMENT

[To be provided.]
REVISED AS OF SEPTEMBER 15, 2000
COMMITMENT TO ISSUE A
DEBT SERVICE RESERVE SURETY BOND

Application No.: 2000-005784-02
Sale Date: September 13, 2000
Program Type: Negotiated DP

RE: $1,654,182.50 Debt Service Reserve Fund for the $24,400,000 State of Florida Board of Regents, Florida Atlantic University Housing Revenue Bonds, Series 2000, together with any bonds issued on a parity therewith
(the "Obligations")

This commitment to issue a debt service reserve surety bond (the "Commitment") constitutes an agreement between BOARD OF REGENTS OF THE DIVISION OF UNIVERSITIES OF THE STATE OF FLORIDA DEPARTMENT OF EDUCATION (the "Applicant"), and MBIA Insurance Corporation (the "Insurer"), a stock insurance company incorporated under the laws of the State of New York.

Based on an approved application dated August 11, 2000, the Insurer agrees, upon satisfaction of the conditions herein, to issue on the earlier of (i) 120 days of said approval date or (ii) on the date of delivery of and payment for the Obligations, a debt service reserve surety bond (the "Surety Bond"), for the Obligations, guaranteeing the payment to the issuer of up to $1,654,182.50 on the Obligations. The issuance of the Surety Bond shall be subject to the following terms and conditions:

1. Payment by the Applicant, or by the Trustee on behalf of the Applicant, on the date of delivery of and payment for the Obligations, of a nonrefundable premium in the amount of $50,000 [3.0% (premium rate) of $1,654,182.50 (total surety bond amount), premium rounded to the nearest thousand]. The premium set out in this paragraph shall be the total premium required to be paid on the Policy issued pursuant to this Commitment.

2. The Obligations shall have received the unqualified opinion of bond counsel with respect to the tax-exempt status of interest on the Obligations.

3. There shall have been no material adverse change in the Obligations or the Resolution, Bond Ordinance, Trust Indenture or other official document authorizing the issuance of the Obligations or in the final official statement or other similar document, including the financial statements included therein.

4. There shall have been no material adverse change in any information submitted to the Insurer as a part of the Application or subsequently submitted to be a part of the Application to the Insurer.

5. No event shall have occurred which would allow any underwriter or any other purchaser of the Obligations not to be required to purchase the Obligations at closing.

6. Prior to the delivery of and payment for the Obligations, none of the information or documents submitted as a part of the Application to the Insurer shall be determined to contain any untrue or misleading statement of a material fact or fail to state a material fact required to be stated therein or necessary in order to make the statements contained therein not misleading.
7. No material adverse change affecting any security for the Obligations shall have occurred prior to the delivery of and payment for the Obligations.

8. This Commitment may be signed in counterpart by the parties hereto.

9. Compliance with previously negotiated FGA for transactions issued through the Florida Division of Bond Finance.

10. Compliance with the Insurer's Term Sheet for Debt Service Reserve Fund Program (see Attachment A).

Dated this 15th day of September, 2000.

MBIA Insurance Corporation

By: ____________________________
    Assistant Secretary

BOARD OF REGENTS OF THE DIVISION OF UNIVERSITIES OF THE STATE OF FLORIDA DEPARTMENT OF EDUCATION

By: ____________________________
    Title: ____________________________
TERM SHEET FOR DEBT SERVICE RESERVE FUND PROGRAM

Introduction

The Insurer can, under certain circumstances, issue a debt service reserve fund surety bond (the "Surety Bond"), to be used as a replacement for a cash funded reserve, in any amount up to the full amount of the debt service reserve fund requirement.

The Insurer requires that the issuer and/or the underlying obligor of the bonds enter into a Financial Guaranty Agreement with the Insurer providing for, among other things, the reimbursement to the Insurer of amounts drawn under the Surety Bond. A sample draft of such an agreement is attached.

The Insurer will undertake its standard credit analysis of the issuer and/or obligor which may result in requests for modifications of the structure or certain provisions of the bond documents. These changes would be in addition to the specific changes required in all financings where a Surety Bond will be issued (see Required Terms below).

The Surety Bond may be structured to provide debt service reserve fund replacement for the current issue of bonds and any other debt issued on a parity therewith. However, in all cases, the Surety Bond will expire on the final maturity date of the current issue.

The program criteria are subject to change by the Insurer.

General Terms

Provision should be made in the bond documents for the creation of a debt service reserve fund and there should be a requirement to maintain that fund at a certain level. It should also be provided that this requirement may be satisfied by cash or a qualified surety bond or a combination of these two (Note: A "qualified surety bond" means a surety bond issued by an insurance company rated in the highest rating category by Standard & Poor's and Moody's and, if rated by A.M. Best & Company, must also be rated in the highest rating category by A.M. Best & Company).

In those instances where the issuance of parity debt will cause the debt service reserve fund requirement to increase, the Insurer requires that at the time of issuance of such parity debt, either cash or a qualified surety bond be provided so that the increased requirement will be satisfied.

In any event where the debt service reserve fund contains both an the Insurer Surety Bond and cash, the Insurer requires that the cash be drawn down completely before any demand is made on the Surety Bond. In any event where the debt service reserve fund contains a surety bond from another entity and an INSURER Surety Bond, the documents should provide for a pro-rata draw on each of the surety bonds.

With regard to replenishment, any available monies, as defined in the Indenture or Resolution, should be used first to reimburse the Insurer, thereby reinstating the Surety Bond, and second to replenish the cash in the debt service reserve fund.

The rate covenant should be expanded so that, in addition to all other coverage requirements, there are sufficient monies available to pay all amounts owed to the Insurer under the terms of the Financial Guaranty Agreement.

If the documents provide for the issuance of additional bonds that do not share a common reserve fund with the current issue, the Insurer can issue a surety bond that is, by its terms,
available only as a reserve for the current issue. In such cases, the Insurer would require a covenant that any revenues available for debt service must be distributed between the current issue and any additional bonds on a pro rata basis without regard to the existence of a funded debt service reserve or a surety bond.

The bond documents should require the Trustee to deliver a Demand For Payment (see attached form) at least three days prior to the date on which funds are required.

**Required Terms**

With respect to any security interest in collateral granted to the bondholders, the Insurer should be granted that same interest subject only to that of the bondholders. This would apply to existing security, if any, as well as any to be granted in the future.

The Insurer should receive an opinion from counsel to the issuer/obligor that the Financial Guaranty Agreement is a legal, valid and binding obligation of the issuer/obligor and is enforceable against the issuer/obligor in accordance with its terms.

In general terms, the "flow of funds" would be structured as follows:

All gross revenues should be paid in the following order with the priority indicated:

1. expenses of operation and maintenance;
2. debt service on the bonds;
3. reimbursement of amounts advanced by the Insurer under the Surety Bond;
4. reimbursement of cash amounts, if any, drawn from the reserve fund;
5. replenishment of Renewal and Replacement Fund;
6. payment to the Insurer of interest on amounts advanced under the Surety Bond;
7. all other lawful uses, including the debt service payment on any subordinate bonds.

Provision must be made for the Insurer to be paid all amounts owed to it under the terms of the Financial Guaranty Agreement or any other documents before the bond documents may be terminated.

It will be the responsibility of the trustee/paying agent to maintain adequate records, verified with the Insurer, as to the amount available to be drawn at any given time under the Surety Bond and as to the amounts paid and owing to the Insurer under the terms of the Financial Guaranty Agreement.

There may be no optional redemption of bonds or distribution of funds to the issuer and/or the underlying obligor unless all amounts owed to the Insurer under the terms of the Financial Guaranty Agreement or any other documents have been paid in full.

8/12/93