

NOTICE OF BOND SALE

\$21,635,000*

STATE OF FLORIDA

Board of Governors

Florida Atlantic University Dormitory Revenue Refunding Bonds, Series 2006B

NOTICE IS HEREBY GIVEN that the Division of Bond Finance of the State Board of Administration of Florida (hereinafter called the "Division of Bond Finance") will receive bids (hereinafter referred to as "Bids") in the office of the Division of Bond Finance, 1801 Hermitage Boulevard, Hermitage Centre, Suite 200, Tallahassee, Florida 32308 up to such date and time as may be determined by the Director of the Division of Bond Finance and communicated through THOMSON MUNICIPAL MARKET MONITOR (and as otherwise provided herein - see "BIDS") not less than 18 hours prior to the time Bids are to be opened for the purchase of \$21,635,000* State of Florida, Board of Governors, Florida Atlantic University Dormitory Revenue Refunding Bonds, Series 2006B (hereinafter referred to as the "2006B Bonds"), as described in the Preliminary Official Statement published in connection with the issuance and sale of the 2006B Bonds (the "Preliminary Official Statement"). For definitions of capitalized terms not defined in the text hereof, see the Preliminary Official Statement.

FORM OF THE 2006B BONDS - BOOK-ENTRY ONLY

The 2006B Bonds will be issued as registered bonds in book-entry only form through The Depository Trust Company, New York, New York ("DTC"), in the denomination of \$5,000 or integral multiples thereof; will be dated October 1, 2006 (the "Dated Date"); and will bear interest as set forth in the terms of this Notice of Bond Sale, payable semiannually on January 1 and July 1 of each year until maturity or redemption, commencing July 1, 2007.

MATURITY SCHEDULE

The 2006B Bonds will mature on July 1 in the years specified in the attached Bid.

TERM BONDS OPTION

The successful bidder on the 2006B Bonds has the option of specifying that all of the principal amount of 2006B Bonds scheduled to mature in any two or more consecutive years beginning in or after 2017 will, in lieu of maturing in each of such years, be considered to comprise a single maturity of 2006B Bonds (a "Term Bond") scheduled to mature in the latest of such years and be subject to mandatory sinking fund redemption in the manner described below in each of the years and in the principal amounts as given in the maturity schedule. The successful bidder may exercise the above option one or more times.

The successful bidder must provide the Division of Bond Finance with the details of its intentions regarding the designation of Term Bonds immediately after the award of the 2006B Bonds.

REDEMPTION PROVISIONS

The 2006B Bonds maturing in the years 2007 through 2016 are not redeemable prior to their stated dates of maturity. The 2006B Bonds maturing in 2017 and thereafter (including any Term Bonds) are redeemable prior to their stated dates of maturity, at the option of the Division of Bond Finance, (i) in part, by maturities and/or Amortization Installments to be selected by the Division of Bond Finance, and by lot within a maturity and/or Amortization Installment if less than an entire maturity and/or Amortization Installment is to be redeemed, or (ii) as a whole, on July 1, 2016, or on any date thereafter, at the principal amount of the 2006B Bonds so redeemed, together with interest accrued to the date of redemption, plus the following premium expressed as a percentage of the principal amount of the 2006B Bonds so redeemed, if redeemed in the following period:

<u>Redemption Period</u>	<u>Premium</u>
July 1, 2016 through June 30, 2017	One Percent (1%)
July 1, 2017 and thereafter	Without Premium

*Preliminary, subject to change.

Any Term Bonds specified pursuant to the Term Bonds option will also be redeemable from funds on deposit in the sinking fund for mandatory redemption of Term Bonds, by lot at par, plus accrued interest, without premium, in the amounts and in the years specified in the maturity schedule and pursuant to the Term Bonds option.

BASIS OF AWARD

Bids must be only for all of the 2006B Bonds and must be unconditional. **The purchase price bid for the 2006B Bonds may include a discount not to exceed 2% of the aggregate principal amount of the 2006B Bonds.** No more than one Bid from any bidder will be considered.

The 2006B Bonds will be awarded to the bidder offering to purchase the 2006B Bonds at the lowest annual interest cost rate computed on the true interest cost basis. The annual true interest cost rate will be determined by doubling the semiannual interest rate (compounded semiannually on a 30 day month and a 360 day year basis) necessary to discount the semiannual debt service payments on the 2006B Bonds to the price bid plus interest accrued from the Dated Date to the date of delivery. **Bidders will be notified by Thomson Municipal Market Monitor of the proposed delivery date; such date will be the date from which the annual true interest cost rate will be calculated.** For purposes of calculating the annual true interest cost rate, the principal amount of the 2006B Bonds which any bidder might wish to designate as being subject to mandatory redemption in each year as part of a Term Bond will be considered to be a serial maturity. If two or more Bids provide the lowest annual true interest cost rate, the Division of Bond Finance will determine by lot which Bid will be accepted, and such determination will be final. The Division of Bond Finance reserves the right to waive any informality or irregularity in any Bid and to reject any and all Bids.

INTEREST RATES PERMITTED

The 2006B Bonds will bear interest expressed in multiples of 1/8 or 1/20 of 1%. No difference greater than 3% will be permitted between the highest and lowest rates of interest specified.

It will not be necessary that all 2006B Bonds bear the same rate of interest, provided that all 2006B Bonds maturing on the same date must bear the same rate of interest. Maturities designated as Term Bonds must bear one rate of interest; however, if more than one Term Bond is designated, each Term Bond need not bear the same rate of interest, as long as the restrictions above are complied with. A rate of interest based upon the use of split or supplemental interest payments or a zero rate of interest will not be considered.

ADJUSTMENT OF PRINCIPAL AMOUNT

If, after final computation of the Bids, the Division of Bond Finance determines in its sole discretion that the funds necessary to accomplish the purposes of the 2006B Bonds are either more or less than the proceeds of the sale of all of the 2006B Bonds or if restructuring the principal maturities is necessary to accomplish the purpose of the financing, the Division of Bond Finance reserves the right to increase or decrease, by no more than 10%, the principal amount (as set forth in this Notice of Bond Sale) of the 2006B Bonds (to be rounded to the nearest \$5,000). The amount of 2006B Bonds maturing or proposed to be amortized in each year may be increased or decreased by more than 10% so long as the Division of Bond Finance adheres to the overall 10% limitation on the amount of change to the total principal amount.

In the event of any such adjustment, no rebidding or recalculation of the Bids submitted will be required or permitted. The purchase price of the 2006B Bonds will be computed by taking the adjusted par amount of the 2006B Bonds and: (1) either subtracting the aggregate original issue discount or adding the aggregate original issue premium, as applicable, computed based on the adjusted par amounts of each maturity of the 2006B Bonds and the prices provided by the underwriters, and (2) subtracting the amount obtained by multiplying the per bond dollar amount of the underwriters' spread by the adjusted par amount of the 2006B Bonds. The 2006B Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yield as specified for that maturity immediately after award of the 2006B Bonds by the successful bidder for the 2006B Bonds. However, the award will be made to the bidder whose Bid produces the lowest annual true interest cost rate, calculated as specified above, solely on the basis of the 2006B Bonds offered, without taking into account any adjustment made pursuant to this paragraph.

BOND REGISTRAR/PAYING AGENT

The Bond Registrar/Paying Agent for the 2006B Bonds is U.S. Bank Trust National Association, New York, New York ("U.S. Bank").

BIDS

Bids for the purchase of the 2006B Bonds will be opened by the Division of Bond Finance on a date and at a time which will be communicated by Thomson Municipal Market Monitor. Bidders not having access to such service may request telephone notification of such date and time by calling Mauro DiFilippo of the Division of Bond Finance at (850) 488-4782. Because of the possibility that such date may be as early as the day after this Notice of Bond Sale is received, potential bidders without access to Thomson Municipal Market Monitor are urged to request such notification immediately.

Bids may be submitted via the i-Deal LLC's Parity/Bidcomp Competitive Bidding System ("PARITY®") or the Bloomberg Terminal Service ("Deal-O-Matic") ("BLOOMBERG®") only by bidders who have executed the Division of Bond Finance's "ELECTRONIC BIDDING CONDITIONS" agreement.

Each bidder will be solely responsible for making the necessary arrangements to access the PARITY® or BLOOMBERG® service for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Bond Sale. Neither i-Deal LLC nor Bloomberg L.P. will have any duty or obligation to provide or assure such access to any bidder, and neither the Division of Bond Finance, i-Deal LLC nor Bloomberg L.P. will be responsible for the proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the PARITY® or BLOOMBERG® services. The Division of Bond Finance is authorizing the use of PARITY® and BLOOMBERG® as communications mechanisms to conduct the electronic bidding for the 2006B Bonds; the owners of such services are not agents of the Division of Bond Finance. The Division of Bond Finance is not bound by any advice and determination of i-Deal LLC or Bloomberg L.P. to the effect that any particular bid complies with the terms of this Notice of Bond Sale and in particular the specifications set forth in "BASIS OF AWARD" and "INTEREST RATES PERMITTED" above. All costs and expenses incurred by bidders in connection with their registration and submission of bids via PARITY® or BLOOMBERG® are the sole responsibility of such bidders.

Alternatively, bids may be submitted by mail, messenger or facsimile, on forms which will be furnished by the Division of Bond Finance. Such Bids must be signed by an authorized representative of the bidder. Such signature indicates acknowledgment, understanding and acceptance of the terms and provisions of this Notice of Bond Sale and of such Bid.

Bids will be accepted by facsimile only from bidders making prior arrangement with the Division of Bond Finance. Facsimile transmission of Bids will be solely at the risk of the bidder and neither the Division of Bond Finance nor any other agency or instrumentality of the State of Florida is responsible or liable for any errors in such transmission or any failure of the Division of Bond Finance to receive such transmission in legible form.

A Good Faith Deposit ("Deposit"), in the form of a cashier's or certified check payable to the order of the State of Florida Division of Bond Finance or in the form of a Financial Surety Bond, in the amount of \$432,700 must be received by the Division of Bond Finance prior to the date and time established for the opening of Bids in order for each Bid to be considered. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Florida and approved by the Division of Bond Finance. (As of the date of this Notice of Bond Sale, only Financial Security Assurance Inc. ("FSA") has been approved for such purpose by the Division of Bond Finance.) Such bond must be submitted to the Division of Bond Finance prior to the opening of the Bids (*in order to ensure that FSA has enough time to notify the Division of Bond Finance that a bidder has purchased a Financial Surety Bond, it is strongly recommended that a bidder ordering such a bond from FSA online complete its order no later than two hours prior to the scheduled sale time; if this deadline is not met, ordering should be accomplished by facsimile transmission to FSA*). The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the 2006B Bonds are awarded to a bidder utilizing a Financial Surety Bond, that bidder is required to submit its Deposit in the form of a wire transfer as instructed by the Division of Bond Finance. Such Deposit will be due and payable on the day the 2006B Bonds are awarded, and will be considered delinquent if not received by 11:00 A.M. Tallahassee time on the next business day following such award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn upon by the Division of Bond Finance to satisfy the Deposit requirement. No interest on the Deposit will accrue to the successful bidder. The Deposit will be applied to the purchase price of the 2006B Bonds. In the event the successful bidder fails to honor its accepted Bid, the Deposit will be

retained by the Division of Bond Finance as liquidated damages. In the event that the Division of Bond Finance fails to deliver the 2006B Bonds to the successful bidder, the Deposit will be immediately delivered by the Division of Bond Finance to the successful bidder or the insurance company that issued the Financial Surety Bond, whichever is applicable, and neither the successful bidder, the Division of Bond Finance, nor any other party will have any further obligation with respect to the 2006B Bonds.

The successful bidder must provide the Division of Bond Finance with the public reoffering prices and/or yields of the 2006B Bonds immediately after the award of the 2006B Bonds.

MINORITY PARTICIPATION

By law (Section 287.0931, Florida Statutes), the State of Florida encourages offering not less than 20% participation to minority underwriting firms in connection with the issuance of its bonds or other tax-exempt obligations. Minority underwriting firms must have full-time employees located in Florida, a permanent place of business located in Florida, and must be at least 51% owned by minority persons (including women), who need not be Florida residents. The winning bidder for the 2006B Bonds will be requested to document its efforts to comply with this policy on a form provided by the Division of Bond Finance. Questions concerning this policy may be addressed to the Division of Bond Finance at the above address or by calling (850) 488-4782.

MUNICIPAL BOND INSURANCE

The 2006B Bonds will be secured by a policy of municipal bond insurance issued by an insurer to be selected by the Division of Bond Finance unconditionally and irrevocably guaranteeing payment of the principal of and interest on the 2006B Bonds. Such policy will be purchased, and the premium paid, by the State of Florida. Reference to such insurance policy will appear on the 2006B Bonds and in the final Official Statement. The determination of the municipal bond insurer will be communicated through Thomson Municipal Market Monitor prior to the sale of the 2006B Bonds.

DELIVERY AND PAYMENT

It is anticipated that the 2006B Bonds will be available for delivery to DTC in book-entry only form approximately three weeks from the date Bids for the 2006B Bonds are received or some other date to be mutually agreed upon between the successful bidder and the Division of Bond Finance. Full payment of the balance of the purchase price, including accrued interest from the Dated Date to the delivery date calculated on a 30 day month and a 360 day year basis, must be made by Federal Reserve wire transfer to the State of Florida, as directed by the Division of Bond Finance, without cost to the State.

CLOSING DOCUMENTS

If requested, the Division of Bond Finance will furnish to the purchaser upon delivery of the 2006B Bonds the following closing documents in a form satisfactory to Bond Counsel: (1) a signature and no-litigation certificate, (2) a certificate respecting arbitrage, (3) a certificate regarding information in the Official Statement, (4) the approving opinion of Bond Counsel, and (5) the seller's receipt as to payment. A copy of the complete transcript of the proceedings authorizing the 2006B Bonds will be delivered to the purchaser of the 2006B Bonds subsequent to the delivery of the 2006B Bonds. Copies of the forms of such closing papers and certificates may be obtained from the Division of Bond Finance.

OFFICIAL STATEMENT

Upon the sale of the 2006B Bonds, the Division of Bond Finance will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. The Division of Bond Finance deems the Preliminary Official Statement to be "final" as described in SEC Rule 15c2-12(b)(1) for the purposes of such Rule. Up to 3,500 copies of the Final Official Statement will be made available to the successful bidder at the expense of the Division of Bond Finance not later than seven business days subsequent to the date of the award of the 2006B Bonds; additional copies, if needed, will be furnished at the expense of the successful bidder.

CUSIP NUMBERS AND DTC ELIGIBILITY

It is anticipated that CUSIP identification numbers will be printed on the 2006B Bonds, but neither the failure to print such number on any 2006B Bonds nor any error with respect thereto will constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the 2006B Bonds in accordance with their agreement to purchase the 2006B Bonds. All expenses in relation to the printing of CUSIP numbers on the 2006B Bonds will be paid for by the State of Florida; provided, however, that it will be the responsibility of the successful bidder to timely obtain and pay for the assignment of such CUSIP numbers.

It is anticipated that the 2006B Bonds will be eligible for custodial deposit with DTC, however, it will be the responsibility of the successful bidder to obtain such eligibility. Failure of the successful bidder to obtain DTC eligibility will not constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the 2006B Bonds in accordance with its agreement to purchase the 2006B Bonds.

UNDERWRITER'S CERTIFICATE

Prior to or at the time of delivery of the 2006B Bonds, the successful bidder will be required to furnish a certificate, in a form satisfactory to Bond Counsel, certifying the initial offering price. Copies of the form of such certificate may be obtained from the Division of Bond Finance.

CONTINUING DISCLOSURE

In order to assist bidders in complying with SEC Rule 15c2-12, the Board will undertake to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain material events. Such financial information and operating data will be transmitted to each Nationally Recognized Municipal Securities Information Repository ("NRMSIR"). Notices of material events will be transmitted to each NRMSIR or will be transmitted to the Municipal Securities Rulemaking Board. Such financial and operating data and notices of material events will also be transmitted to the state information depository (if a state information depository is established for the State of Florida). As of the date hereof, no state information depository has been established for the State of Florida. The form of such undertaking is set forth in the Preliminary Official Statement as an appendix. A copy of the executed undertaking (in substantially the form set forth in such appendix) will be included in the transcript of proceedings relating to the issuance of the 2006B Bonds.

COPIES OF DOCUMENTS

Copies of the Preliminary Official Statement, this Notice of Bond Sale and the Bid form, and further information which may be desired, may be obtained from the Director, Division of Bond Finance, 1801 Hermitage Boulevard, Hermitage Centre, Suite 200, Tallahassee, Florida 32308, telephone (850) 488-4782.

DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA,
on behalf of the BOARD OF GOVERNORS

JEB BUSH
Governor, as Chairman of the
Governing Board of the
Division of Bond Finance

J. BEN WATKINS III, Assistant Secretary of the
Governing Board and Director
Division of Bond Finance

*THE TERMS AND CONDITIONS OF THE PRELIMINARY OFFICIAL STATEMENT
ARE INCORPORATED BY REFERENCE IN THIS NOTICE OF BOND SALE*

*THE TERMS AND CONDITIONS OF THIS NOTICE OF BOND SALE
ARE INCORPORATED BY REFERENCE IN THE BID FOR THE 2006B BONDS*

**BID FOR \$21,635,000* STATE OF FLORIDA
BOARD OF GOVERNORS
FLORIDA ATLANTIC UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES 2006B
DATED OCTOBER 1, 2006**

State Board of Administration of Florida
Division of Bond Finance
1801 Hermitage Boulevard, Suite 200
Tallahassee, Florida 32308

Ladies and Gentlemen:

For the State of Florida, Board of Governors, Florida Atlantic University Dormitory Revenue Refunding Bonds, Series 2006B (the "2006B Bonds"), dated October 1, 2006 and maturing annually on July 1 in the years designated below, in the aggregate principal amount of \$21,635,000* being all of the issue described in the attached Notice of Bond Sale and hereby made a part of this Bid, we will pay you \$21,635,000*, which,

less a **DISCOUNT** in the amount of \$ _____,

OR

plus a **PREMIUM** in the amount of \$ _____,

is our price bid, plus accrued interest from October 1, 2006, to the date of delivery of the Bonds.

The Bonds will bear interest at the rates specified below. **(Do not leave any lines blank.)**

<u>Due July 1</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Due July 1</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Due July 1</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2007	\$410,000	_____ %	2015	\$815,000	_____ %	2023**	\$1,120,000	_____ %
2008	100,000	_____ %	2016	845,000	_____ %	2024**	1,170,000	_____ %
2009	100,000	_____ %	2017**	880,000	_____ %	2025**	1,220,000	_____ %
2010	105,000	_____ %	2018**	910,000	_____ %	2026**	1,270,000	_____ %
2011	705,000	_____ %	2019**	950,000	_____ %	2027**	1,325,000	_____ %
2012	730,000	_____ %	2020**	985,000	_____ %	2028**	1,385,000	_____ %
2013	760,000	_____ %	2021**	1,030,000	_____ %	2029**	1,445,000	_____ %
2014	790,000	_____ %	2022**	1,075,000	_____ %	2030**	1,510,000	_____ %

We will accept delivery of said Bonds at the office of U.S. Bank Trust National Association, New York, New York, approximately three weeks after Bids are received.

[Check one of the following:]

- We submit herewith a cashier's or certified check for \$432,700 payable to the order of the Division of Bond Finance, to be returned to the undersigned upon the award of said 2006B Bonds provided this Bid is not accepted; or, the amount of said check to be retained as and for liquidated damages in case of the failure of the undersigned to make payment as agreed.
- We are an authorized principal of a Financial Surety Bond with respect to this Bid as described in the attached Notice of Bond Sale.

This Bid is not subject to any conditions not expressly stated herein or in the attached Notice of Bond Sale. Receipt of the Preliminary Official Statement relating to the 2006B Bonds is hereby acknowledged. The names of the underwriters or the members of the account who are associated for the purpose of this Bid are listed either below or on a separate sheet attached hereto:

_____ The signature below indicates acknowledgment, understanding and acceptance of the terms and provisions of this Bid and of the Notice of Bond Sale.
By: _____

No addition or alteration is to be made to this Bid. Bids must be submitted on this form except as otherwise provided in the Notice of Bond Sale.

(The below computation is submitted for purposes of information only and is not a part of this Bid.)

The annual true interest cost rate of the Bonds calculated from the date of delivery is %

* Preliminary, subject to change.

** Term Bonds option available; see Term Bonds option provided for in the attached Notice of Bond Sale.