TAXPAYER EXHIBIT
B12
June 15, 2010
David Lail and Karen Lail
439458

DECLARATION OF MICHAEL L. DAVIS

My name is Michael L. Davis and I was employed as an investment banker at George K. Baum & Company ("GKB") from May 1994 through April 2007. I worked extensively with David T. Lail during our overlapping tenure with GKB. Additionally, I served in either a lead banker role or in a support position on each of the pooled loan financing transactions executed in 2000 for which David T. Lail was compensated.

I am also familiar with the compensation structure at GKB during that time period. I am familiar with general industry practice regarding the treatment of "proprietary" financing plans or structures developed by investment bankers.

1. To the best of my knowledge, it is not the general practice in the industry to have such "proprietary" financing products patented or copyrighted.

2. I am not aware of any types of "licensing" agreements related to such proprietary financing products, other than certain compensation/bonus arrangements similar to the one in effect for Mr. Lail in connection with the pooled loan transactions and as described in prior affidavits.

3. I am familiar with other similar compensation arrangements paid to other investment bankers for development and implementation of proprietary financing structures.

Michael L. Davis

Michael L. Davis

Dated: December 11, 2009

George K. Baum & Company

INVESTMENT BANKERS SINCE 1928

David Lail Detailed Listing of Compensation For Calendar Year 2000

Pay Period	Salary	Group Term Life	Deferred Comp	Bonus	State
1/15/2000	$ 7,291.67				California
1/31/2000	$ 7,291.67				California
2/15/2000	$ 7,291.67				California
2/28/2000	$ 7,291.67			$ 375,000.00	California
3/15/2000	$ 7,291.67				California
3/31/2000	$ 7,291.67				California
4/15/2000	$ 7,291.67				California
4/30/2000	$ 7,291.67				California
5/15/2000	$ 7,291.67				California
5/31/2000	$ 7,291.67			$ 100,000.00	California
6/15/2000	$ 7,291.67				Florida
6/30/2000	$ 7,291.67				Florida
7/15/2000	$ 7,291.67				Florida
7/31/2000	$ 7,291.67				Florida
8/15/2000	$ 7,291.67				Florida
8/31/2000	$ 7,291.67			$ 5,480,000.00	Florida
9/15/2000	$ 7,291.67				Florida
9/30/2000	$ 7,291.67				Florida
10/15/2000	$ 7,291.67				Florida
10/31/2000	$ 7,291.67			$ 1,148,927.00	Florida
11/15/2000	$ 7,291.67				Florida
11/30/2000	$ 7,291.67		$ 100,000.00	$ 1,339,076.00	Florida
12/15/2000	$ 7,291.67	$ 108.00			Florida
12/31/2000	$ 7,291.67				Florida
Totals	$ 175,000.08	$ 108.00	$ 100,000.00	$ 8,443,003.00	

Total Gross Compensation $ 8,718,111.08

A discretionary bonus in the amount of $250,000 was paid on 11/30 payroll, the remaining bonus was attributable to the projects shown on the bonus attachment

Downtown Kansas City
Twelve Wyandotte Plaza · 120 West 12th Street · Kansas City, Missouri 64105
Phone (816) 474-1100

Country Club Plaza
435 Nichols Road, Suite 200 · Kansas City, Missouri 64112
Phone (816) 474-1100

COMPENSATION REPORT
GEORGE K BAUM & COMPANY - K149

CHECK DATES 05/15/2000 12/29/2000-3 09/29/2003
PERIOD BEGIN 05/01/2000 PERIOD END 12/31/2000 PAGE 1

5th pd & 4/15- 5/15 P/R

EMPLOYEE NAME EMP ID S S NO.	RATE	HOURS	GROSS EARNINGS	FEDERAL EIC	OASDI MEDICARE	STATE SDI	LOCAL OTHER	TAXES DEDUCTS	NET PAY CHECK NO
LAIL, DAVID T		0.00	21815.01	6562.50	0.00	0.00	0.00	6878.81	14936.20
[redacted] [redacted]	05/15/2000		21875.01	0.00	316.31	0.00	0.00	0.00	2
E 1 REGULAR			21875.01						MANUAL
E JB DENTAL 125			-22.50						
E JC DEPT INS PRETAX			-37.50						
LAIL, DAVID T		0.00	7271.67	2187.50	0.00	0.00	0.00	2292.94	4978.73
[redacted] [redacted]	05/31/2000		7291.67	0.00	105.44	0.00	0.00	0.00	210211
E 1 REGULAR			7291.67						MANUAL
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	100000.00	30000.00	0.00	0.00	0.00	31450.00	68550.00
[redacted] [redacted]	05/31/2000			0.00	1450.00	0.00	0.00	0.00	210212
E B BONUS			100000.00						MANUAL
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted] [redacted]	06/15/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted] [redacted]	06/30/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	-143750.02	0.00	0.00	0.00	0.00	0.00	-143750.02
[redacted] [redacted]	06/30/2000		-143750.02	0.00	0.00	0.00	0.00	0.00	10
E 1 REGULAR			-143750.02						VOID
LAIL, DAVID T		0.00	14583.34	0.00	0.00	0.00	0.00	0.00	14583.34
[redacted] [redacted]	06/30/2000		14583.34	0.00	0.00	0.00	0.00	0.00	11
E 1 REGULAR			14583.34						VOID
LAIL, DAVID T		0.00	129166.68	0.00	0.00	0.00	0.00	0.00	129166.68
[redacted] [redacted]	06/30/2000		129166.68	0.00	0.00	0.00	0.00	0.00	12
E 1 REGULAR			129166.68						VOID

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COMPENSATION REPORT

GEORGE K BAUM & COMPANY - K149

CHECK DATES 05/15/2000 TO 12/29/2000-3 09/29/2003
PERIOD BEGIN 05/01/2000 PERIOD END 12/31/2000

EMPLOYEE NAME / EMP ID S S NO.	RATE	HOURS	GROSS EARNINGS	FEDERAL / EIC	OASDI / MEDICARE	STATE / SDI	LOCAL / OTHER	TAXES / DEDUCTS	NET PAY / CHECK NO
LAIL, DAVID T		0.00	143750.02	0.00	0.00	0.00	0.00	0.00	143750.02
[redacted]	06/30/2000		143750.02	0.00	0.00	0.00	0.00	0.00	10
E 1 REGULAR			143750.02						VOID
LAIL, DAVID T		0.00	-14583.34	0.00	0.00	0.00	0.00	0.00	-14583.34
[redacted]	06/30/2000		-14583.34	0.00	0.00	0.00	0.00	0.00	11
E 1 REGULAR			-14583.34						VOID
LAIL, DAVID T		0.00	-129166.68	0.00	0.00	0.00	0.00	0.00	-129166.68
[redacted]	06/30/2000		-129166.68	0.00	0.00	0.00	0.00	0.00	12
E 1 REGULAR			-129166.68						VOID
LAIL, DAVID T		0.00	-143630.02	-43113.00	0.00	0.00	0.00	-45195.63	-98434.39
[redacted]	06/30/2000		-143750.02	0.00	-2082.63	0.00	0.00	0.00	54774
E 1 REGULAR			-43750.02						MANUAL
E B BONUS			-100000.00						
E JB DENTAL 125			45.00						
E JC DEPT INS PRETAX			75.00						
LAIL, DAVID T		0.00	14543.34	4363.00	0.00	0.00	0.00	4573.88	9969.46
[redacted]	06/30/2000		14583.34	0.00	210.88	0.00	0.00	0.00	54775
E 1 REGULAR			14583.34						MANUAL
E JB DENTAL 125			-15.00						
E JC DEPT INS PRETAX			-25.00						
L[redacted] DAVID T		0.00	129086.68	38750.00	0.00	0.00	0.00	40621.75	88464.93
[redacted]	06/30/2000		129166.68	0.00	1871.75	0.00	0.00	0.00	54776
E 1 REGULAR			29166.68						MANUAL
E B BONUS			100000.00						
E JB DENTAL 125			-30.00						
E JC DEPT INS PRETAX			-50.00						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted]	07/14/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	-7271.67	-2181.50	0.00	0.00	0.00	-2286.94	-4984.73
[redacted]	07/31/2000		-7291.67	0.00	-105.44	0.00	0.00	0.00	DIRDEP
E 1 REGULAR			-7291.67						VOID

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COMPENSATION REPORT
GEORGE K BAUM & COMPANY - K149

CHECK DATES 05/15/2000 TO 12/29/2000-3 09/29/2003
PERIOD BEGIN 05/01/2000 PERIOD END 12/31/2000

EMPLOYEE NAME / EMP ID S S NO.	RATE	HOURS	GROSS / EARNINGS	FEDERAL / EIC	OASDI / MEDICARE	STATE / SDI	LOCAL / OTHER	TAXES / DEDUCTS	NET PAY / CHECK NO
LAIL, DAVID T CONTINUED									
E JB DENTAL 125			7.50						
E JC DEPT INS PRETAX			12.50						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	4984.73
[redacted]	07/31/2000		7291.67	0.00	105.44	0.00	0.00	0.00	1012
E 1 REGULAR			7291.67						MANUAL
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted]	07/31/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted]	08/15/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	5480000.00	1644000.00	0.00	0.00	0.00	1723460.00	0.00
[redacted]	08/31/2000			0.00	79460.00	0.00	0.00	3756540.00	DIRDEP
E 5 BONUS			5480000.00			D A ADVANCE DED		3756540.00	
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted]	08/31/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted]	09/15/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	7271.67	2181.50	0.00	0.00	0.00	2286.94	0.00
[redacted]	09/29/2000		7291.67	0.00	105.44	0.00	0.00	4984.73	DIRDEP

21.12

COMPENSATION REPORT
GEORGE K BAUM & COMPANY - K149

CHECK DATES 05/15/2000 12/29/2000-3 09/29/2003
PERIOD BEGIN 05/01/2000 PERIOD END 12/31/2000

EMPLOYEE NAME / EMP ID S S NO.	RATE	HOURS	GROSS EARNINGS	FEDERAL / EIC	OASDI / MEDICARE	STATE / SDI	LOCAL / OTHER	TAXES / DEDUCTS	NET PAY / CHECK NO
E 1 REGULAR			7291.67			D C1 CHECKING1		4984.73	
E JB DENTAL 125			-7.50						
E JC DEPT INS PRETAX			-12.50						
LAIL, DAVID T		0.00	7265.17	2179.55	0.00	0.00	0.00	2284.89	0.00
[redacted]	10/13/2000		7291.67	0.00	105.34	0.00	0.00	4980.28	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4980.28	
E JB DENTAL 125			-9.00						
E JC DEPT INS PRETAX			-17.50						
LAIL, DAVID T		0.00	1148927.00	344678.10	0.00	0.00	0.00	361337.54	0.00
[redacted]	10/31/2000			0.00	16659.44	0.00	0.00	787589.46	DIRDEP
E B BONUS			1148927.00			D A ADVANCE DED		611612.43	
						D C1 CHECKING1		175977.03	
LAIL, DAVID T		0.00	7265.17	2179.55	0.00	0.00	0.00	2284.89	0.00
[redacted]	10/31/2000		7291.67	0.00	105.34	0.00	0.00	4980.28	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4980.28	
E JB DENTAL 125			-9.00						
E JC DEPT INS PRETAX			-17.50						
LAIL, DAVID T		0.00	7265.17	2179.55	0.00	0.00	0.00	2284.89	0.00
[redacted]	11/15/2000		7291.67	0.00	105.34	0.00	0.00	4980.28	DIRDEP
E 1 REGULAR			7291.67			D A ADVANCE DED		5.88	
E JB DENTAL 125			-9.00			D C1 CHECKING1		4974.40	
E JC DEPT INS PRETAX			-17.50						
LAIL, DAVID T		0.00	1439076.00	401722.80	0.00	0.00	0.00	422589.40	0.00
[redacted]	11/30/2000			0.00	20866.60	0.00	0.00	1016486.60	DIRDEP
			1339076.00			D 80 CAP ACCUM (OUT		100000.00	
E 80 CAP ACCUM (IN)			100000.00			D C1 CHECKING1		916486.60	
LAIL, DAVID T		0.00	7265.17	2179.55	0.00	0.00	0.00	2284.89	0.00
[redacted]	11/30/2000		7291.67	0.00	105.34	0.00	0.00	4980.28	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4980.28	
E JB DENTAL 125			-9.00						
E JC DEPT INS PRETAX			-17.50						
LAIL, DAVID T		0.00	7373.17	2211.95	0.00	0.00	0.00	2318.86	0.00
[redacted]	12/15/2000		7399.67	0.00	106.91	0.00	0.00	5054.31	DIRDEP
E 1 REGULAR			7291.67			D C1 CHECKING1		4946.31	

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GEORGE K. BAUM & COM
BANKER ACCRUAL
YEAR TO DATE JULY 31, 2000

08/04/00
10:50 AM

ISSUE		PROJ NO	PAY CODE	NET MGMT FEE	ESCROW PROFIT	TOTAL TAKEDOWN	TOTAL PROFIT	PAYOUT	%	UW	DATE FEES REC'D	FIRST ACCT ACTIVITY
IC STRUCTURE FEE 2000	-	FL199	5000	4,550,000	0	0	4,550,000	2,275,000	100	LAIL, DAVID	7/6/00	7/6/00
ORANGE CNTY FL HFA VRD RE	-	FL197	4400	1,688,317	0	165,000	1,853,317	815,459	100	LAIL, DAVID	6/29/00	6/23/00
ARIZONA 2000 FEE INCOME	-	AZ138	5000	1,740,392	0	0	1,740,392	870,196	100	LAIL, DAVID	6/8/00	6/8/00
IM 2000 FEE INCOME	-	NM344	5000	1,350,000	0	0	1,350,000	675,000	100	LAIL, DAVID	7/6/00	7/6/00
Z HLTH FAC AUTH POOL 200	-	AZ132	4400	1,266,336	0	63,985	1,330,321	565,341	100	LAIL, DAVID	6/8/00	3/10/00
IC STRUCTURING FEE 2000	-	OK138	5000	792,000	0	0	792,000	396,000	100	LAIL, DAVID	1/13/00	1/13/00
IM HOSP EQUP CNCL POOL/RE	-	NM335	4400	543,565	0	25,500	569,065	250,389	60	LAIL, DAVID	6/21/00	1/31/00
K DFA HLTHCRE PLD FIN PG	-	OK127	4400	264,212	0	19,800	284,012	124,965	60	LAIL, DAVID	1/13/00	12/30/99
FLORIDA HOSPITAL ASSOC PO	-	FL177	5000	181,869	0	0	181,869	90,934	100	LAIL, DAVID	4/18/00	8/4/97
MISS HME CORP SFMR SER 99	-	MS153	4400	17,611	0	76,563	94,174	41,436	100	LAIL, DAVID	12/14/99	10/29/9
OKDFA VRDN HOSP REV	-	OK137	4400	9,225	0	3,861	13,086	5,758	50	LAIL, DAVID	7/26/00	7/26/00
AR HOSP EQUIP FIN AUTH RE	-	AR116	4400	0	0	2,172	2,172	956	33	LAIL, DAVID		
L HLTHCARE POOL	-	IL303	4400	815	0	0	815	359	33	LAIL, DAVID		
CLINTON CNTY OH POOL DEAL	-	OH118	4400	307	0	0	307	135	33	LAIL, DAVID		
OKDFA INTEGER'S BAPTIST M	-	OK140	0	(7)	0	0	(7)	0	50	LAIL, DAVID		
KY ECON DVLP BASIS PTS RE	-	KY104	5000	(10)	0	0	(10)	(5)	100	LAIL, DAVID		
MOHEFA MO HOSP POOL HOSP	-	MO637	4400	(23)	0	0	(23)	(10)	50	LAIL, DAVID		
L DVLP FIN AUTH VRD 99B-	-	IL359	0	(30)	0	0	(30)	0	50	LAIL, DAVID		
LDFA VAR RTE REV (POOL F	-	IL319	4400	(82)	0	0	(82)	(27)	33	LAIL, DAVID		
LLINOIS DFA VAR RATE DEM	-	IL351	0	(239)	0	0	(239)	0	50	LAIL, DAVID		
MHC SFM 99A	-	MS150	4400	(336)	0	0	(336)	(148)	100	LAIL, DAVID		
L DFA VAR RATE DEM 99 B-	-	IL350	0	(819)	0	0	(819)	0	100	LAIL, DAVID		
NM HEALTHCARE POOL	-	NM347	0	(898)	0	0	(898)	0	100	LAIL, DAVID		
OK INDSTRIES AUTH VRDN HS	-	OK136	4400	(3,582)	0	2,500	(1,082)	(476)	50	LAIL, DAVID		
GA HTLHCARE POOL REV	-	GA120	4400	(2,703)	0	0	(2,703)	(1,189)	33	LAIL, DAVID		
MHC SFMR NEXT DEAL	-	MS154	0	(5,138)	0	0	(5,138)	0	100	LAIL, DAVID		
				12,390,804	0	359,381	12,750,185	6,130,074				

(405)

SALARY <175,000>

PREV PAID <475,000>

5,480,074

PAY 5,480,000

GEORGE K. BAUM & C[illegible]
BANKER ACCRU
YEAR TO DATE OCTOBER 31, 2000

11/07/00
08:52 AM

ISSUE		PROJ NO	PAY CODE	NET MGMT FEE	ESCROW PROFIT	TOTAL TAKEDOWN	TOTAL PROFIT	PAYOUT	%	UW	DATE FEES REC'D	DATE FIRS ACCT ACT.
SIC STRUCTURE FEE 2000	-	FL199	5000	4,550,000	0	0	4,550,000	2,275,000	100	LAIL, DAVID		
TRUCTURE FEE 2000	X -	WV103	5000	2,660,000	0	0	2,660,000	1,330,000	100	LAIL, DAVID	8/23/00	8/23/00
R ENT OK SWAPTION FEE P	X -	OK143	5000	2,075,000	0	0	2,075,000	1,037,500	100	LAIL, DAVID	10/25/00	10/25/00
IZONA 2000 FEE INCOME	-	AZ138	5000	1,740,392	0	0	1,740,392	870,196	100	LAIL, DAVID		
ANGE CNTY FL HFA VRD RE	-	FL197	4400	1,277,899	0	165,000	1,442,899	634,875	100	LAIL, DAVID		
NM 2000 FEE INCOME	-	NM344	5000	1,350,000	0	0	1,350,000	675,000	100	LAIL, DAVID		
AZ HLTH FAC AUTH POOL 200	-	AZ132	4400	1,259,254	0	63,985	1,323,239	582,225	100	LAIL, DAVID		
SIC STRUCTURING FEE 2000	-	OK133	5000	792,000	0	0	792,000	396,000	100	LAIL, DAVID		
NM HOSP EQUIP CNCL POOL/RE	-	NM333	4400	543,509	0	25,500	569,009	250,364	60	LAIL, DAVID		
RURAL ENTERPRISE OK VAR R	X -	OK158	4400	317,264	0	30,000	347,264	152,796	60	LAIL, DAVID	10/25/00	10/4/00
OK DFA HLTHCRE PLD FIN PG	-	OK127	4400	264,212	0	19,800	284,012	124,965	60	LAIL, DAVID		
FLORIDA HOSPITAL ASSOC PO	-	FL177	5000	181,869	0	0	181,869	90,934	100	LAIL, DAVID		
MISS HME CORP SFMR SER 99	-	MS153	4400	17,611	0	76,563	94,174	41,438	100	LAIL, DAVID		
OKDFA VRDN HOSP REV	-	OK137	4400	9,209	0	3,861	13,070	5,751	50	LAIL, DAVID		
AR HOSP EQUIP FIN AUTH RE	-	AR116	4400	0	0	3,765	3,765	1,657	50	LAIL, DAVID		
OK INDSTRIES AUTH VRDN HS	X -	OK138	4400	(868)	0	2,500	1,632	718	60	LAIL, DAVID	7/31/00	7/31/00
L HLTHCARE POOL	-	IL303	4400	815	0	0	815	359	33	LAIL, DAVID		
CLINTON CNTY OH POOL DEAL	-	OH118	4400	460	0	0	460	202	50	LAIL, DAVID		
KY ECON DVLP BASIS PTS RE	-	KY104	5000	(10)	0	0	(10)	(5)	100	LAIL, DAVID		
MOHEFA MO HOSP POOL HOSP	-	MO637	4400	(23)	0	0	(23)	(10)	50	LAIL, DAVID		
L DVLP FIN AUTH VRD 99B-	-	IL353	0	(30)	0	0	(30)	0	50	LAIL, DAVID		
DFA VAR RTE REV (POOL F	-	IL319	4400	(64)	0	0	(64)	(28)	33	LAIL, DAVID		
HELC RMCHC HOSP REV 00	-	NM350	0	(146)	0	0	(146)	0	34	LAIL, DAVID		
NOIS DFA VAR RATE DEM	-	IL351	0	(239)	0	0	(239)	0	50	LAIL, DAVID		
C SFM 99A	-	MS150	4400	(336)	0	0	(336)	(148)	100	LAIL, DAVID		
DFA VAR RATE DEM 99 B-	-	IL350	0	(819)	0	0	(819)	0	100	LAIL, DAVID		
HEALTHCARE POOL	-	NM347	0	(925)	0	0	(925)	0	100	LAIL, DAVID		
ISSOURI HEFA VAR REV 99B	-	MO809	0	(1,611)	0	0	(1,611)	0	100	LAIL, DAVID		
UPHIN COUNTY FL	-	FL204	0	(1,638)	0	0	(1,638)	0	100	LAIL, DAVID		
DFA INTEGER'S BAPTIST M	-	OK140	0	(3,781)	0	0	(3,781)	0	50	LAIL, DAVID		
HTLHCARE POOL REV	-	GA120	4400	(4,055)	0	0	(4,055)	(1,784)	50	LAIL, DAVID		
C SFMR NEXT DEAL	-	MS154	0	(5,138)	0	0	(5,138)	0	100	LAIL, DAVID		
				17,019,610	0	390,973	17,410,583	8,468,003				

SALARY ⟨175,000⟩
PREV PAID ⟨7,103,927⟩
ADDL BONUS 250,000
1,439,076

44% Revest .06 = 247,800

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217

GEORGE K. BAUM & C Y
BANKER ACCRL
YEAR TO DATE SEPTEMBER 30, 2000

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UE		PROJ NO	PAY CODE	NET MGMT FEE	ESCROW PROFIT	TOTAL TAKEDOWN	TOTAL PROFIT	PAYOUT	%	UW
IC STRUCTURE FEE 2000	-	FL199	5000	4,550,000	0	0	4,550,000	2,275,000	100	LAIL, DAVID
UCTURE FEE 2000	X -	WV103	5000	2,660,000	0	0	2,660,000	1,330,000	100	LAIL, DAVID
ZONA 2000 FEE INCOME	-	AZ136	5000	1,740,392	0	0	1,740,392	870,196	100	LAIL, DAVID
VIGE CNTY FL HFA VRD RE	-	FL197	4400	1,277,899	0	165,000	1,442,899	634,875	100	LAIL, DAVID
M 2000 FEE INCOME	-	NM344	5000	1,350,000	0	0	1,350,000	675,000	100	LAIL, DAVID
Z HLTH FAC AUTH POOL 200	-	AZ132	4400	1,261,963	0	63,985	1,325,948	583,417	100	LAIL, DAVID
IC STRUCTURING FEE 2000	-	OK133	5000	792,000	0	0	792,000	396,000	100	LAIL, DAVID
IM HOSP EQUP CNCL POOL/RE	-	NM393	4400	543,585	0	25,500	569,065	250,389	60	LAIL, DAVID
K DFA HLTHCRE PLD FIN PG	-	OK127	4400	264,212	0	19,800	284,012	124,965	60	LAIL, DAVID
LORIDA HOSPITAL ASSOC PO	-	FL177	5000	181,869	0	0	181,869	90,934	100	LAIL, DAVID
ISS HME CORP SFMR SER 99	-	MS155	4400	17,611	0	76,563	94,174	41,436	100	LAIL, DAVID
KDFA VRDN HOSP REV	-	OK137	4400	9,211	0	3,861	13,072	5,752	50	LAIL, DAVID
R HOSP EQUIP FIN AUTH RE	-	AR118	4400	0	0	3,765	3,765	1,657	50	LAIL, DAVID
K INDSTRIES AUTH VRDN HS	X -	OK138	4400	(868)	0	2,500	1,632	718	50	LAIL, DAVID
L HLTHCARE POOL	-	IL309	4400	815	0	0	815	359	33	LAIL, DAVID
LINTON CNTY OH POOL DEAL	-	OH118	4400	460	0	0	460	202	50	LAIL, DAVID
Y ECON DVLP BASIS PTS RE	-	KY104	5000	(10)	0	0	(10)	(5)	100	LAIL, DAVID
KDFA INTEGER'S BAPTIST M	-	OK140	0	(17)	0	0	(17)	0	50	LAIL, DAVID
IOHEFA MO HOSP POOL HOSP	-	MO837	4400	(23)	0	0	(23)	(10)	50	LAIL, DAVID
DVLP FIN AUTH VRD 99B-	-	IL353	0	(30)	0	0	(30)	0	50	LAIL, DAVID
DFA VAR RTE REV (POOL F	-	IL319	4400	(62)	0	0	(62)	(27)	33	LAIL, DAVID
IELC RMCHC HOSP REV 00	-	NM350	0	(122)	0	0	(122)	0	34	LAIL, DAVID
NOIS DFA VAR RATE DEM	-	IL351	0	(239)	0	0	(239)	0	50	LAIL, DAVID
SFM 99A	-	MS150	4400	(336)	0	0	(336)	(148)	100	LAIL, DAVID
FA VAR RATE DEM 99 B-	-	IL350	0	(819)	0	0	(819)	0	100	LAIL, DAVID
HEALTHCARE POOL	-	NM347	0	(925)	0	0	(925)	0	100	LAIL, DAVID
HTLHCARE POOL REV	-	GA129	4400	(4,055)	0	0	(4,055)	(1,784)	50	LAIL, DAVID
SFMR NEXT DEAL	-	MS154	0	(5,138)	0	0	(5,138)	0	100	LAIL, DAVID
				14,637,352	0	360,973	14,998,326	7,278,927		

SALARY < 175,000 >
PAID TO DATE <5,955,000>
AMT DUE 1,148,927

GEORGE K. BAUM & COMPANY
BANKER ACCRUAL
YEAR TO DATE OCTOBER 31, 2000

11/07/00
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ISSUE		PROJ NO	PAY CODE (44% or 50%)	NET MGMT FEE	ESCROW PROFIT	TOTAL TAKEDOWN	Revenue TOTAL PROFIT	PAYOUT	%	UW	DATE FEES REC'D	FIRST ACCT ACTIVITY
GIC STRUCTURE FEE 2000	-	FL199	5000	4,550,000	0	0	4,550,000	2,275,000	100	LAIL, DAVID	7/6/00	7/6/00
STRUCTURE FEE 2000	-	WV103	5000	2,660,000	0	0	2,660,000	1,330,000	100	LAIL, DAVID	8/23/00	8/23/00
RUR ENT OK SWAPTION FEE P	-	OK143	5000	2,075,000	0	0	2,075,000	1,037,500	100	LAIL, DAVID	10/25/00	10/25/00
ARIZONA 2000 FEE INCOME	-	AZ136	5000	1,740,392	0	0	1,740,392	870,196	100	LAIL, DAVID	6/8/00	6/8/00
ORANGE CNTY FL HFA VRD RE	-	FL197	4400	1,277,899	0	165,000	1,442,899	634,875	100	LAIL, DAVID	6/29/00	6/23/00
NM 2000 FEE INCOME	-	NM344	5000	1,350,000	0	0	1,350,000	675,000	100	LAIL, DAVID	7/6/00	7/6/00
AZ HLTH FAC AUTH POOL 200	-	AZ132	4400	1,259,254	0	63,985	1,323,239	582,225	100	LAIL, DAVID	6/8/00	3/10/00
GIC STRUCTURING FEE 2000	-	OK133	5000	792,000	0	0	792,000	396,000	100	LAIL, DAVID	1/13/00	1/13/00
NM HOSP EQUP CNCL POOL/RE	-	NM333	4400	543,509	0	25,500	569,009	250,384	60	LAIL, DAVID	6/21/00	1/31/[illegible]
RURAL ENTERPRISE OK VAR R	-	OK138	4400	317,264	0	30,000	347,264	152,796	60	LAIL, DAVID	10/25/00	10/4/[illegible]
OK DFA HLTHCRE PLD FIN PG	-	OK127	4400	264,212	0	19,800	284,012	124,965	60	LAIL, DAVID	1/13/00	12/30/99
FLORIDA HOSPITAL ASSOC PO	-	FL177	5000	181,889	0	0	181,889	90,934	100	LAIL, DAVID	4/18/00	8/4/97
MISS HME CORP SFMR SER 99	-	MS153	4400	17,611	0	76,563	94,174	41,436	100	LAIL, DAVID	12/14/99	10/29/99
OKDFA VRDN HOSP REV	-	OK137	4400	9,209	0	3,861	13,070	5,751	50	LAIL, DAVID	7/26/00	7/26/00
AR HOSP EQUIP FIN AUTH RE	-	AR116	4400	0	0	3,765	3,765	1,657	50	LAIL, DAVID	FROM 12/17/99	7/31/98
OK INDSTRIES AUTH VRDN HS	-	OK136	4400	(868)	0	2,500	1,632	718	50	LAIL, DAVID	TO 9/20/00	
IL HLTHCARE POOL	-	IL303	4400	815	0	0	815	359	33	LAIL, DAVID		
CLINTON CNTY OH POOL DEAL	-	OH118	4400	460	0	0	460	202	50	LAIL, DAVID		
KY ECON DVLP BASIS PTS RE	-	KY104	5000	(10)	0	0	(10)	(5)	100	LAIL, DAVID		
MOHEFA MO HOSP POOL HOSP	-	MO537	4400	(23)	0	0	(23)	(10)	50	LAIL, DAVID		
IL DVLP FIN AUTH VRD 99B-	-	IL953	0	(30)	0	0	(30)	0	50	LAIL, DAVID		
ILDFA VAR RTE REV (POOL F	-	IL319	4400	(64)	0	0	(64)	(29)	33	LAIL, DAVID		
NMHELC RMCHC HOSP REV 00	-	NM350	0	(146)	0	0	(146)	0	34	LAIL, DAVID		
ILLINOIS DFA VAR RATE DEM	-	IL351	0	(239)	0	0	(239)	0	50	LAIL, DAVID		
MHC SFM 99A	-	MS150	4400	(336)	0	0	(336)	(148)	100	LAIL, DAVID		
IL DFA VAR RATE DEM 99 B-	-	IL350	0	(819)	0	0	(819)	0	100	LAIL, DAVID		
NM HEALTHCARE POOL	-	NM347	0	(925)	0	0	(925)	0	100	LAIL, DAVID		
MISSOURI HEFA VAR REV 99B	-	MO809	0	(1,611)	0	0	(1,611)	0	100	LAIL, DAVID		
DAUPHIN COUNTY FL	-	FL204	0	(1,638)	0	0	(1,638)	0	100	LAIL, DAVID		
OKDFA INTEGER'S BAPTIST M	-	OK140	0	(3,781)	0	0	(3,781)	0	50	LAIL, DAVID		
GA HTLHCARE POOL REV	-	GA120	4400	(4,055)	0	0	(4,055)	(1,784)	50	LAIL, DAVID		
MHC SFMR NEXT DEAL	-	MS154	0	(5,138)	0	0	(5,138)	0	100	LAIL, DAVID		
				17,019,610	0	390,973	17,410,583	8,468,003				

COMPENSATION SUMMARY FOR 2000:

COMMISSION PER ABOVE	8,468,003
DISCRETIONARY BONUS	250,000
GROUP TERM LIFE INSURANCE	108
	8,718,111

George K. Baum & Company

INVESTMENT BANKERS SINCE 1928

August 16, 2004

Roubina Gharashor
State of California
Franchise Tax Board
100 N Barranca Street, Suite 600
West Covina, CA 91791-1600

RE: David T. Lail and Karen Lail

Dear Ms. Gharashor:

I am responding to your request for information on the above-referenced employees of George K. Baum & Company.

Mr. David Lail was hired on May 29, 1990 and is currently still an employee of George K. Baum & Company. His primary duties are representing George K. Baum & Company with regard to issuance and underwriting of bond issues. We have no formal written employment contract with Mr. Lail and his bonuses are paid based on the type of bond issue per a verbal agreement. Mr. Lail currently holds the title of Managing Director and had previously held the title of Senior Vice President up until his promotion on February 26, 2001.

Ms. Karen Lail was hired on January 3, 1993 and terminated her employment on October 31, 1995. Ms. Lail was rehired on September 16, 1996 and remained an employee until her position was eliminated in March 31, 2004. We had no formal employment contract with Ms. Lail at either time of her employment. She held the title of Vice President from the date of her reemployment until her termination this year. Ms. Lail's primary position was executive assistant to Mr. Lail.

In tax year 2000 Mr. David Lail had gross compensation in the amount of $8,718,111.08 and Ms. Karen Lail had gross compensation in the amount of $195,107.92. I have enclosed payroll schedules which outline the pay period, type of compensation, and state each payment was taxed in on our company letterhead per our conversation. I have also enclosed copies of all W-2's and W-2c's for both David and Karen Lail. There were no 1099-Misc issued to either employee.

A schedule outlining the bonuses paid to Mr. Lail is also enclosed. Please make note of the pay code column which indicates the percentage of total revenue that Mr. Lail was paid. Please also note that he received a discretionary bonus of $250,000. Ms. Lail's $100,000 bonus was also discretionary and not related to any specific project.

Mr. Lail had some stock options through George K. Baum Holdings, Inc. I have enclosed the stock option agreements as well as the documentation on the exercised options. There was no compensation attributable to the exercise of the options as the FMV of the shares was less then the exercised cost at the time of issuance of the stock options. Mr. Lail currently holds 50 shares and has .0085% ownership of George K. Baum Holdings, Inc. Ms. Lail had no stock options during her employment with George K. Baum & Company and has no ownership in George K. Baum Holdings, Inc.

David and Karen Lail's mailing address on January 1, 2000 was [redacted] Effective June 1, 2000, their new mailing address [redacted]

Please contact me if you require any additional information.

Sincerely,

GEORGE K. BAUM & COMPANY

Jullee Windle

Jullee Windle
Assistant Vice President

Enclosures

Declaration of Michael Davis

My name is Michael Davis and I am an investment banker at George K. Baum & Company ("GKB") and have been employed by such firm since May 1994. I worked extensively with David Lail during our overlapping tenure with the firm and am familiar with the financial transactions Mr. Lail handled during the 2000 calendar year.

I am also generally familiar with the compensation structure at GKB during that time period. Compensation of bankers at GKB was typically based upon a percentage of the revenue production attributed to such bankers. The allocation of revenue from a particular financing transaction was generally negotiated directly between the bankers involved in the bond deal. These negotiations usually resulted in an allocation of revenue based upon each banker's contribution to the financing in terms of 1) the existing or developed relationship necessary to secure the financing, 2) the management and processing of the transaction and 3) the creation or development of a unique financing structure or product essential to the financing. The innovative financing structures developed by Mr. Lail prior to 1998 were vital elements of and the basis for his compensation on the bond financings completed in 2000 by Mr. Lail.

Michael L. Davis

Michael L. Davis

February 28, 2007

DECLARATION OF DAVID T. LAIL

I, David T. Lail hereby declare:

I am the taxpayer in the audit of my 2000 state income tax return. I have personal knowledge of the facts set forth herein, and if called as a witness, I could and would completely testify with respect thereto:

I. RESIDENCY

I moved to the state of Florida on or about June 1, 2000, purchased a home in Rosemary Beach, Florida, and became a resident of that state at that time. I advised my employer, George K Baum & Company ("GKB") of my change of residence and, in fact, made them aware of the proposed change of residence several months prior to June of 2000. "GKB" took the necessary legal actions to establish an Investment Banking office in the state of Florida for my activities. The address o [redacted] is noted in the audit issue presentation that certain contracts contain a California business address after my change of residency to the state of Florida. It should be noted for the record, that the California address was later changed to the new Florida address in all relevant contracts, and that the earlier reference to the California address was a clerical oversight and was not considered material to the financial transactions that were being conducted.

Prior to December 30th of 1998, I was a resident of the State of Texas for fifteen years. In August of 1996, I was advised by medical professionals in Houston, Texas to seek a treatment program at the Eisenhower Medical Center, located in Rancho Mirage, California. I arrived in Rancho Mirage, CA in July of 1996, was admitted to the Eisenhower facility in August of 1996 and discharged in September, 1996. Upon discharge, I was advised by medical professionals at the medical center, that it would be beneficial to my recovery to seek continued care and to enroll in after-care programs offered by the medical center and only available in the Rancho Mirage area. Based on such medical advice, I purchased a home in December of 1996 in Palm Desert, California, in order to participate in the recommended after-care programs. I maintained my home and residency in Houston, Texas, until 1999 at which time I declared my California residency. I continued such after-care programs on the advice of medical professionals throughout the year 1999 and part of 2000, after which, I moved to the State of Florida. It was never my intention to become a permanent resident of California or to conduct my business from the State of California. The factual records show that there was not any business conducted by myself or GKB during this period of time that involved any California business entities nor were there any transactions that closed in the State of California during the time in question. Accordingly, I believe the record clearly supports the fact that my change of residence was not tax motivated.

II. COMPENSATION

My compensation agreement with GKB was not the subject of a written contract. This arrangement is described as "unusual" in the audit issue presentation. It should be noted for the record that oral compensation agreements are, in fact, the accepted standard in the investment banking industry, in fact, GKB has confirmed that it did not have a written compensation agreement with me. My compensation agreement regarding the subject transactions, were based on an arrangement entered into with GKB prior to my residency in the state of California. The compensation agreement generally provided that I would receive forty percent to fifty percent of the revenue generated by a particular transaction, which used a financing structure that I had developed while a resident of the State of Texas since 1995, prior to establishing residency in California. The exact percentage of my compensation depended on the extent on my personal involvement in a transaction, in order to assist other investment bankers, who were using the particular financing structure which I had developed. My primary role in these transactions, as confirmed by GKB in its prior factual statements, was to conduct and finalize the bidding of certain investment agreements used in these transactions. The facts are not disputed that the investment agreements in each of the transactions, which are the subject of the audit issue presentation, were bid and finalized after the date on which I became a resident of the State of Florida. My involvement in each of the subject transactions was minimal prior to the date on which I became a resident of the State of Florida. The extent of my involvement in each of the transactions prior to the date of residency change, may be established by the factual statements of the investment bankers involved in each of these transactions.

Under such bankers compensation agreement with the GKB their compensation increased, provided that my involvement was held to a minimum. Conversely, the larger my involvement in a transaction, the more compensation I received on a particular deal, which resulted in less compensation being paid to the other bankers accordingly. The other bankers had a financial incentive to minimize my day to day involvement in a particular transaction.

Once again, my principle duties with my connection to the subject of these transactions, was to conduct the bidding of investment agreements. Such bidding occurred within five to seven days within the closing of a transaction, and in all transactions occurred after I became a resident of the State of Florida. The supporting documentation for closing dates has been previously provided by GKB. I believe that the foregoing factual statements clearly support my position that my involvement in the subject transactions was minimal prior to the date of my change of residency to the State of Florida.

As stated in the audit issue presentation "the critical factor in determining the source of income... is the place where the services are actually performed." See audit issue presentation p. 16. The facts are not disputed that the services in question were "actually performed" **out of the State of California and after the date of my change of residency to the State of Florida.**

David T. Lail
October 25, 2005

FA 2/1/02

SO 4-02

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OMB APPROVAL
OMB Number: 3235-0123
Expires: October 31, 2001
Estimated average burden hours per response . . . 12.00

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SEC FILE NUMBER
8- 47195

ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

U.S. POST OFFICE DELAYED

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING November 1, 2000 (MM/DD/YY) AND ENDING October 31, 2001 (MM/DD/YY).

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
George K. Baum & Company

OFFICIAL USE ONLY
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

120 W. 12th Street
(No. and Street)

Kansas City	Missouri	64105
(City)	(State)	(Zip Code)

'AME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Dana L. Bjornson, CFO (816) 474-1100
(Area Code – Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ernst & Young LLP
(Name – *of individual, state last, first, middle name*)

One Kansas City Place, 1200 Main Street	Kansas City	Missouri	64105
(Address)	(City)	(State)	(Zip Code)

PROCESSED
FEB 06 2002
THOMSON FINANCIAL

CHECK ONE:
- ☒ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

**Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2).*

EC 1410 (7-00)

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

0112-0254346

VCW

OATH OR AFFIRMATION

Dana L. Bjornson, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of George K. Baum & Company, as of October 31, 2001, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer, or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

None

Signature

Executive Vice President

Title

Jennifer L. Edwards

Notary Public

JENNIFER L. EDWARDS
Notary Public – Notary Seal
State of Missouri
Clay County
My Commission Expires Apr 26, 2004

This report** contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Operations.
- ☐ (d) Statement of Cash Flows.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims or Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A or Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- ☐ (o) Schedule of Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Commodity Exchanges.
- ☐ (p) Statement of Secured Amount and Funds Held in Separate Accounts for Foreign Futures and Options Customers Pursuant to Commission Regulation 30.7.

***For conditions of confidential treatment of certain portions of this filing, see Section 240.17a-5(e)(3).*

0112-0254346

STATEMENT OF FINANCIAL CONDITION

George K. Baum & Company
As of October 31, 2001
With Report and Supplementary Report of Independent Auditors

0112-0254346

George K. Baum & Company

Statement of Financial Condition

October 31, 2001

Contents

0112-0254346

ERNST & YOUNG

Ernst & Young LLP
One Kansas City Place
1200 Main Street
Kansas City, Missouri 64105-2143

Phone: (816) 474-5200
www.ey.com

Report of Independent Auditors

The Board of Directors
George K. Baum & Company

We have audited the accompanying statement of financial condition of George K. Baum & Company (the Company) as of October 31, 2001. This statement of financial condition is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement of financial condition based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of George K. Baum & Company at October 31, 2001, in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

November 21, 2001

George K. Baum & Company

Statement of Financial Condition

October 31, 2001

Assets		
Cash		$ 5,309,620
Cash segregated under federal and other regulations		414,338
Receivables from customers		5,054,292
Receivables from brokers, dealers and clearing organizations		89,395
Receivables from affiliates		1,720,348
Securities owned, at fair value:		
U.S. government obligations	696,163	
State and municipal obligations	24,235,637	
Corporate stock and debt obligations	936,279	
		25,868,079
Deferred taxes		3,357,000
Prepaids and other assets		4,924,710
		$46,737,782
Liabilities and stockholder's investment		
Payables to customers		$ 2,197,026
Payables to brokers, dealers and clearing organizations		3,482,184
Accrued compensation and benefits		12,867,599
Other liabilities and accrued expenses		8,590,885
		27,137,694
Subordinated borrowings		1,600,088
Stockholder's investment		18,000,000
		$46,737,782

See accompanying notes.

0112-0254346

George K. Baum & Company

Notes to Financial Statements

October 31, 2001

1. Organization

George K. Baum & Company (the Company) is a wholly-owned subsidiary of George K. Baum Holdings, Inc. (the Parent). The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. The Company, which provides a range of investment banking services, is a leading underwriter of tax-exempt securities.

2. Significant Accounting Policies

Revenue Recognition

Securities transactions and related commission and trading revenue and expenses are recorded on a settlement-date basis which does not differ materially from a trade-date basis.

Securities Owned

Securities owned are stated at fair value. Fair value generally is based on published market prices or other relevant factors including dealer price quotations and valuation pricing models, which take into account time value and volatility factors underlying the securities.

Receivables From and Payables to Customers

Receivables from and payables to customers include amounts due on cash and margin transactions. Securities owned by customers, but not fully paid for, are held as collateral against the receivables. Such collateral is not reflected in the accompanying statement of financial condition. Included in payables to customers are free credit balances of $1,948,000.

Fixed Assets

Fixed assets include furniture and equipment, which are depreciated using the straight-line method over the useful lives of the assets, and leasehold improvements, which are amortized using the straight-line method over the shorter of the lease term or useful life.

2. Significant Accounting Policies (continued)

Income Taxes

The Company is included in the consolidated federal income tax return filed by the Parent. The Company files separate state and local income tax returns. State and local taxes have been provided for in the statement of financial condition at the effective rate of the Company.

The Company's income tax provision is computed in accordance with a Tax Sharing Agreement between the Parent and its subsidiaries. In accordance with this agreement, any temporary tax differences will be attributed to the Parent. Accordingly, deferred tax assets of the Company are offset with current taxes payable.

Use of Estimates

The preparation of the statement of financial condition in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

3. Cash Segregated Under Federal Regulations

The Company has $414,338 of cash segregated and secured in accordance with federal and other regulations. The Company made an additional deposit on November 2, 2001 in the amount of $900,000 and thus was in compliance with the customer reserve requirements of Rule 15c3-3 as of October 31, 2001.

4. Income Taxes

Included in receivables from affiliates is a receivable of $590,000 which relates to the tax sharing agreement with the Parent.

The Company's deferred tax assets of $3,357,000 consists primarily of temporary differences associated with deferred compensation, accrual for discontinued operations, and certain other liabilities being recognized for financial reporting purposes which are deferred for tax purposes. The realization of the deferred tax assets is dependent on the Company's ability to generate taxable income in future periods.

5. Commitments and Contingencies

The Company is obligated to pay rent for office space under noncancelable leases with minimum annual rental payments. Such leases are subject to escalation clauses covering operating expenses and real estate taxes. Expected minimum annual rental payments excluding those rental payments pertaining to discontinued operations for years ending October 31 are as follows:

	Minimum Annual Rental Payments
2002	$2,490,000
2003	1,959,000
2004	1,811,000
2005	1,151,000
2006	758,000
Thereafter	1,811,000
	$9,980,000

The Company is a party to certain financial instruments and contracts with off-balance-sheet risk in the normal course of principal trading, securities underwriting, and clearance of securities transactions. These financial instruments involve elements of market risk whose ultimate obligation may exceed the amount recognized in the statement of financial condition.

In connection with certain municipal underwriting transactions, the Company receives a fee for the assumption of certain risk exposures. The exposure to the Company is dependent on a number of factors and triggering events during the early stages of these transactions. To date, the Company has not incurred any obligations pertaining to these transactions. Management has recorded a reserve for potential losses and certain deferred commissions under these contracts of $1,250,000.

The Company is involved in litigation arising in the normal course of business. In the opinion of management, after consultation with legal counsel, the ultimate resolution of such litigation will not have a materially adverse effect on the Company's financial position.

5. Commitments and Contingencies (continued)

As a securities broker-dealer, the Company maintains margin and cash security accounts for its customers. Virtually all customer receivables are collateralized by securities. The Company's exposure to credit risk associated with the nonperformance in fulfilling contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair the customers' or counterparties' ability to satisfy their obligations to the Company.

The Company seeks to minimize the above off-balance-sheet risks and credit risks through a variety of reporting and control procedures. Among the policies of the Company to address these risks, besides maintaining collateral in compliance with regulatory and internal requirements, is the setting and monitoring of credit limits for customers and other brokers with which it conducts significant transactions and continual monitoring of market exposure and counterparty risk.

6. Short-Term Borrowings

Short-term borrowings of the Company represent credit arrangements which are secured by firm-owned securities and are payable on demand. Interest is charged at fluctuating rates tied to the daily federal funds rate. Under these lines of credit, the Company had no outstanding borrowings at October 31, 2001.

7. Subordinated Liabilities

The Company has subordinated liabilities of $1,600,088 relating to the Company's deferred compensation plan. Participants voluntarily defer a portion of their compensation, which is invested in a variety of approved investments for a minimum of five years. The subordination agreements have been approved by the Company's designated self-regulatory organization and therefore are allowable in the computation of net capital under the Securities and Exchange Commission rules. The subordinated liabilities are secondary to the claims of all other creditors and, to the extent these liabilities are necessary for the Company's continued compliance with minimum net capital requirements, they may not be repaid.

8. Financial Instruments

The Company's financial instruments are recorded at fair value or contract amount, which approximates fair value in the Company's statement of financial condition. Financial instruments that are recorded by the Company at contract amount include receivables from and payables to brokers, dealers, and clearing organizations; receivables from and payables to affiliates and customers; bank loans; and subordinated borrowings. The financial instruments carried at contract amount have short-term maturities (one year or less), are repriced frequently, or bear market interest rates and, accordingly, are carried at amounts approximating fair value.

The Company's customer activities include margin transactions, for which the Company extends credit to the customer, subject to various regulatory and internal margin requirements, collateralized by cash and securities in the customer's account. In the event a customer or broker fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at prevailing market prices in order to fulfill the customer's obligations. The Company monitors required margin levels daily and, pursuant to such guidelines, requires customers to deposit additional collateral or reduce positions, when necessary.

9. Related-Party Transactions

The Company has advanced funds to the Parent for general corporate purposes. The receivable balance related to such payments is $1,130,250 as of October 31, 2001.

10. Discontinued Operations

In October 2000, the Company announced a repositioning of the Company's business activities that included exiting the retail equity brokerage and equity capital markets businesses. During the current year, the Company made certain adjustments to its accruals for these discontinued operations to reflect actual results and experience pertaining primarily to lease commitments and pending and settled litigation. The remaining reserve for discontinued operations as of October 31, 2001 was approximately $2,300,000, which is a component of other liabilities and accrued expenses.

11. Net Capital Requirements and Other Regulatory Matters

As a registered broker-dealer with the Securities and Exchange Commission (the SEC), the Company is subject to the SEC's net capital rule (Rule 15c3-1). The Company computes its net capital requirements under the alternative method provided for in Rule 15c3-1, which requires that the Company maintain net capital equal to the greater of 2% of aggregate customer-related debit items, as defined, or $250,000.

At October 31, 2001, the Company had net capital of $9,658,403, which was 454% of aggregate debit balances and $9,408,403 in excess of the required net capital.

Advances to affiliates, repayment of subordinated liabilities, dividend payments, and other equity withdrawals are subject to certain notification and other provisions of the net capital rule of the SEC and other regulatory bodies.

Supplementary Report of Independent Auditors

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Supplementary Report of Independent Auditors on Internal Control

The Board of Directors
George K. Baum & Company

In planning and performing our audit of the financial statements of George K. Baum & Company (the Company) for the year ended October 31, 2001, we considered its internal control, including control activities for safeguarding securities, to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the criteria stated in Rule 17a-5(g), in the following:

1. Making the periodic computations of aggregate debits and net capital under Rule 17a-3(a)(11) and the reserve required by Rule 15c3-3(e) of the SEC.

2. Making the quarterly securities examinations, counts, verifications, and comparisons and the recordation of differences required by Rule 17a-13.

3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

4. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned criteria. Two of the criteria of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the

Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States. Rule 17a-5(g) of the SEC lists additional criteria of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control or the practices and procedures referred to above, misstatement due to errors or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that internal control may become inadequate because of changes in conditions, or that the effectiveness of their design and operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control components does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, and its operation that we consider to be material weaknesses as defined above.

We understand that practices and procedures that meet the criteria referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not meet such criteria in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at October 31, 2001 to meet the SEC's criteria.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the NASD, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers and is not intended to be and should not be used by anyone other than these specified parties.

Ernst + Young LLP

November 21, 2001

OFFICIAL STATEMENT

NEW ISSUE, BOOK-ENTRY ONLY

Moody's "Aaa/VMIG-1"
(See "Rating" herein)

In the opinion of Squire, Sanders & Dempsey L.L.P., Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) interest on the Bonds is exempt from Arizona state income tax. Interest on the Bonds may be subject to certain federal taxes imposed only on certain corporations, including the corporate alternative minimum tax on a portion of that interest. For a more complete discussion of the tax aspects, see "TAX EXEMPTION" herein.

$127,970,000
ARIZONA HEALTH FACILITIES AUTHORITY
Variable Rate Demand Revenue Bonds
(Arizona Healthcare Pooled Financing Program), 2000 Series A

Dated: **Date of Issuance and otherwise as described herein** Price: **100%** Due: June 1, 2030

The Arizona Health Facilities Authority's Variable Rate Demand Revenue Bonds (Arizona Healthcare Pooled Financing Program), 2000 Series A (the "Series A Bonds"), will be in denominations of $100,000 and any integral multiple of $5,000 in excess thereof and will be registered in the name of Cede & Co. as the registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. See "BOOK ENTRY ONLY SYSTEM" herein. The Series A Bonds will bear interest at a variable interest rate, adjusted weekly, with interest payable monthly on the first Wednesday of each calendar month, or if such Wednesday is not a Business Day (as defined herein) the next succeeding Business Day commencing July 5, 2000. The interest on all or a portion of the Series A Bonds may be converted to a fixed interest rate to maturity and at such time, the Series A Bonds or portion thereof will be subject to a mandatory tender as described herein.

The Series A Bonds will be secured solely by amounts held in the Program Fund and the Debt Service Reserve Fund under a Trust Indenture dated as of June 1, 2000 (the "Indenture") between the Arizona Health Facilities Authority (the "Issuer") and Bank One Trust Company, N.A., Phoenix, Arizona, as trustee (the "Trustee"). Such amounts shall be invested pursuant to the Initial Investment Agreement provided by CDC Funding Corp. See "THE INVESTMENT AGREEMENT" herein.

Pursuant to a Standby Bond Purchase Agreement, dated as of June 1, 2000 (the "Standby Purchase Agreement" or the "Liquidity Facility"), among the Issuer, the Trustee and Landesbank Hessen-Thüringen Girozentrale, New York Branch, as Liquidity Provider (the "Bank"), and subject to the conditions contained in the Standby Purchase Agreement, the Bank, as Liquidity Provider, is obligated to purchase the Series A Bonds that are tendered for purchase and not remarketed, subject in all respects to the right of the Bank to terminate the Standby Purchase Agreement immediately upon the occurrence of certain conditions and to terminate with prior notice its obligation to purchase the Series A Bonds upon the occurrence of certain other conditions. The stated expiration date of the Standby Purchase Agreement is June 8, 2003, subject to early termination in certain events or in connection with the substitution of an Alternate Liquidity Facility. See "THE LIQUIDITY FACILITY" herein.

The Series A Bonds are required to be purchased, at the option of the holder thereof, in the principal amount thereof, plus accrued interest, if any, at the times and subject to the conditions described herein. The Series A Bonds are subject to mandatory purchase upon (1) expiration or termination of the Liquidity Facility unless an Alternate Liquidity Facility is furnished that does not reduce or cause a withdrawal of the ratings on the Series A Bonds in connection with the substitution of the Liquidity Facility and (2) conversion to a Related Series of Bonds as described herein. The Series A Bonds are also subject to optional and mandatory redemption prior to maturity as described herein.

THE SERIES A BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE SERIES A BONDS, INTEREST THEREON, ANY REDEMPTION PREMIUM THEREFOR OR THE PURCHASE PRICE THEREOF EXCEPT FROM THE REVENUES AND THE PROCEEDS PLEDGED THEREFOR. THE SERIES A BONDS DO NOT CONSTITUTE INDEBTEDNESS OF THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION, AGENCY OR PUBLIC INSTRUMENTALITY THEREOF OR OF THE ISSUER WITHIN THE MEANING OF ANY PROVISION OF THE CONSTITUTION OR LAWS OF THE STATE OF ARIZONA. NEITHER THE CREDIT NOR THE TAXING POWER OF THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION, AGENCY OR PUBLIC INSTRUMENTALITY THEREOF OR OF THE ISSUER IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES A BONDS. THE ISSUER HAS NO TAXING POWER.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information necessary to make an informed investment decision.

This Official Statement describes the Series A Bonds prior to their mandatory purchase or tender.

THE SERIES A BONDS BEING OFFERED HEREBY ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PURCHASERS WHO ARE SOPHISTICATED INVESTORS HAVING SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT IT IS CAPABLE OF EVALUATING THE MERITS OF THE PROSPECTIVE INVESTMENT IN THE SERIES A BONDS. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" AND "INVESTMENT CONSIDERATIONS" HEREIN.

This Official Statement completes the Preliminary Official Statement, dated June 5, 2000. The Preliminary Official Statement dated June 5, 2000 replaced in its entirety the Preliminary Official Statement dated April 28, 2000.

The Series A Bonds are offered when, as and if issued by the Issuer, subject to prior sale, withdrawal or modification of the offer without any notice and to the legal opinion regarding the Series A Bonds of Squire, Sanders & Dempsey L.L.P., Phoenix, Arizona, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Hunton & Williams, Atlanta, Georgia. Certain legal matters with respect to the Standby Purchase Agreement will be passed upon for the Bank by its counsel, Hughes Hubbard & Reed LLP, New York, New York and by German Counsel to the Bank. It is expected that Series A Bonds in definitive form will be delivered to DTC in New York, New York, on or about June 8, 2000.

GEORGE K. BAUM & COMPANY

The date of this Official Statement is June 7, 2000.

Limitations on Liability

The officers, agents, employees, and members of the Issuer shall not be personally liable for any costs, losses, damages or liabilities caused or incurred by the Issuer or the Trustee in connection with the Bonds, the Indenture or the Loan Agreements, or for the payment of any obligation under the Bonds, the Indenture or the Loan Agreements.

SOURCES AND USES OF FUNDS

The sources and uses of the proceeds of the Bonds are as follows:

SOURCES OF FUNDS	
Proceeds of Bonds	$127,970,000
TOTAL SOURCES	$127,970,000
USES OF FUNDS	
Program Fund	$115,175,000
Debt Service Reserve Fund	$ 12,795,000
TOTAL USES	$127,970,000

Money deposited under the Indenture into the Program Fund and the Debt Service Reserve Fund will be invested in the Initial Investment Agreement with CDC Funding Corp. Amounts provided through a separate financing arrangement will be deposited in the Expense Fund (which will not be pledged to secure the Bonds) and will be used to pay the costs of issuing and underwriting the sale of the Bonds, Bond Counsel fees, paying agent and registrar fees, Bond and official statement printing costs, certain fees of the Bank, the Issuer's issuance fees and the fees and expenses of the Issuer's counsel, and certain other expenses associated with issuance of the Bonds and the remarketing of the Series A Bonds. Amounts deposited at closing in the Expense Fund also will be used to pay certain of the ongoing administrative expenses of the Program during the Origination Period (defined herein).

THE PROGRAM

Description of the Program

The Program involves the financing or refinancing of the costs of construction, acquisition and installation of capital improvements, including equipment, for nonprofit and public agencies operating healthcare facilities within the State of Arizona. The Program is being financed with a tax-exempt variable rate pool of funds which is funded with the proceeds of the Series A Bonds. The Program will be administered by the Program Administrator and the Trustee, as set forth in the Indenture. The Program Administrator, on behalf of the Issuer, has received demand surveys from healthcare institutions representing fifteen hospitals or separate healthcare facilities. Each of such institutions is expected to satisfy the requirements under the Indenture to finance its Project with a loan under the Program on a tax-exempt basis. Although such healthcare institutions are expected to satisfy these requirements, there is no assurance that such institutions will borrow under the Program. The institutions that borrow under the Program are referred to herein collectively as the "Institutions." The Institutions are located throughout the State of Arizona. None of the Institutions has identified in its responses any intent to use the proceeds of the Bonds to acquire the assets of another entity or an interest in another entity.

The Issuer and/or the Trustee may from time to time enter into one or more financial transactions (including, but not limited to, interest rate swaps, interest rate caps and/or interest rate collars) in connection with the Program. In the future, George K. Baum & Company may engage in certain secondary market transactions related to the Bonds, or participate in other unrelated transactions with the Issuer, and may receive compensation therefor.

NEW ISSUE, BOOK-ENTRY ONLY

In the opinion of Squire, Sanders & Dempsey, L.L.P., Bond Counsel, under existing law assuming compliance with certain covenants, interest on the Series A Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code of 1986, as amended. That interest may be subject to certain federal taxes, including the alternative minimum tax on a portion of that interest. See "TAX EXEMPTION" herein.

AMR Association Management Resources

$125,000,000

ILLINOIS DEVELOPMENT FINANCE AUTHORITY
Variable Rate Demand Revenue Bonds
(AMR Pooled Financing Program), 1999 Series A

Price 100%

Dated: Date of issuance and otherwise as described herein **Due: October 1, 2029**

The Illinois Development Finance Authority (the "Issuer") will issue its Variable Rate Demand Revenue Bonds (AMR Pooled Financing Program), 1999 Series A (the "Series A Bonds" and, together with any other series of bonds issued under the Indenture defined herein, the"Bonds"). The Series A Bonds will initially be issued in denominations of $100,000 and any integral multiple of $5,000 in excess thereof and will initially be registered in the name of Cede & Co. as the registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. The principal of, interest and premium, if any, on the Bonds will be payable, as described herein, to the registered owner by American National Bank and Trust Company of Chicago, Chicago, Illinois, as trustee (the "Trustee").

Initially, the Series A Bonds will bear interest at a variable interest rate, adjusted weekly, with interest payable monthly on the first Business Day of each calendar month, commencing December 1. The interest rate on all or a portion of the Series A Bonds may be converted to a fixed interest rate to maturity as described herein. The interest rate borne by the Bonds may never exceed the Maximum Interest Rate as defined herein.

The Bonds are being issued primarily to provide funds which will be used: (1) to provide loans to any not-for-profit institution qualified under Section 501(c)(3) of the Internal Revenue Code that has taken certain official actions and obtained certain approvals prior to the issuance of the Bonds as described herein, in each case authorized to provide health care facilities in the State of Illinois (the "State"), or any finance subsidiary of the foregoing (an "Institution") which becomes a party to a loan agreement (a "Loan Agreement") between the Issuer and each Institution for the purpose of financing or refinancing the costs of construction, acquisition and installation of capital improvements, including equipment for the health care facilities owned by the respective Institutions and (2) to establish a debt service reserve fund. The Program will be administered by Association Management Resources (the "Program Administrator"), a subsidiary of Association Venture Corporation, itself a subsidiary of the Illinois Hospital and HealthSystems Association (the "Association"). Each related series of Bonds is payable solely from, and is secured by an assignment and a pledge of, (i) unspent Related Series Bond proceeds and other money pledged therefor under a Trust Indenture dated as of October 1,1999 (the "Indenture") between the Issuer and the Trustee, as it may be supplemented; (ii) after conversion to a Series of Correlative Bonds, as described herein, the payments and other revenues to be received by the Issuer under the Loan Agreements among the Issuer, and the applicable Institutions, as described herein; (iii) after conversion to a Series of Correlative Bonds, the applicable Related Series Credit Enhancement; and (iv) as to the purchase price only, any money obtained by the Trustee under the Standby Bond Purchase Agreement or other applicable Liquidity Facility.

Pursuant to a Standby Bond Purchase Agreement, dated as of October 1, 1999 (the "Standby Bond Purchase Agreement"), among the Issuer, the Trustee, The Bank of Nova Scotia, New York Agency, as agent and liquidity provider, and Banque Nationale de Paris, San Francisco Branch, as liquidity providers (each a "Bank" and collectively, the "Banks"), and subject to the conditions contained in the Standby Bond Purchase Agreement, each Bank, as liquidity provider, is obligated, severally and not jointly, to purchase, prior to their conversion to a Series of Correlative Bonds, their pro rata share of Series A Bonds that are tendered for purchase and not remarketed, subject in all respects to the Bank's right to terminate the Standby Bond Purchase Agreement immediately upon the occurrence of certain conditions and to terminate said Agreement with prior notice upon the occurrence of certain other conditions. The stated expiration date of the Standby Bond Purchase Agreement is November 6, 2002, subject to early termination in certain events or in connection with the substitution of an Alternate Liquidity Facility. See "THE STANDBY BOND PURCHASE AGREEMENT" and "THE INDENTURE - Extension, Renewal, Substitution, Expiration or Termination of the Liquidity Facility" herein.

Initially the Series A Bonds will be secured solely by amounts held under the Indenture, including any amount invested under the Initial Investment Agreement, as described herein. Upon a conversion of each portion of the Series A Bonds to a Series of Correlative Bonds pursuant to a Supplemental Indenture, as defined herein, and in connection with delivery of a Loan Agreement by an Institution, payment of scheduled interest on such Correlative Bonds and the principal of such Correlative Bonds when due as provided in the respective Supplemental Indenture will be insured by a municipal bond insurance policy or a direct pay letter of credit (the "Related Series Credit Enhancement") to be issued by a qualified municipal bond insurer or letter of credit provider simultaneously with the remarketing of the Series A Bonds as such Correlative Bonds.

The Series A Bonds are required to be purchased, at the option of the holder thereof, in the principal amount thereof, plus accrued interest, if any, at the times and subject to the conditions described herein. Any Series A Bonds that are being converted to Correlative Bonds with a Variable Interest Rate or converted to Fixed Rate Bonds at the direction of the Issuer and the applicable Institution are subject to mandatory purchase at the time of conversion, subject to the conditions described herein. The Series A Bonds are subject to mandatory purchase upon expiration or termination of the Standby Bond Purchase Agreement unless an Alternate Liquidity Facility is furnished that does not reduce or cause a withdrawal of the ratings on the Series A Bonds. The Series A Bonds are also subject to optional and mandatory redemption prior to maturity as described herein.

THE BONDS WILL NOT CONSTITUTE AN INDEBTEDNESS OR AN OBLIGATION OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL LIMITATION OR STATUTORY PROVISION OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER, IF ANY, OF ANY OF THEM. NO OWNER OF ANY OF THE BONDS WILL HAVE ANY RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER, IF ANY, OF THE ISSUER, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF THE BONDS, OR THE INTEREST OR PREMIUM, IF ANY, THEREON. PAYMENT OF THE BONDS, INCLUDING THE PRINCIPAL THEREOF, REDEMPTION PREMIUM, IF ANY, AND THE INTEREST THEREON, WILL BE MADE SOLELY FROM THE FUNDS AND OBLIGATIONS DULY PLEDGED THEREFOR AS DESCRIBED IN THIS OFFICIAL STATEMENT. THERE WILL BE NO PLEDGE OF ANY OF THE CREDIT OR THE TAXING POWER, IF ANY, OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, TO THE OBLIGATIONS OF THE BONDS AND NO OWNER OF ANY OF THE BONDS CAN EVER SUBMIT A CLAIM AGAINST ANY SUCH CREDIT OR TAXING POWER. THE ISSUER HAS NO TAXING POWER.

The Bonds are offered when, as and if issued by the Issuer, subject to prior sale, withdrawal or modification of the offer without any notice and to the approving opinions of Squire, Sanders & Dempsey, L.L.P., as Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Burke Burns & Pinelli, Ltd., Chicago, Illinois; for the Issuer by its counsel, Kevin M. Cahill, Esq., Chicago, Illinois; and for the Program Administrator by its counsel, Mark Deaton, General Counsel of the Association, Naperville, Illinois. Certain legal matters with respect to the Standby Bond Purchase Agreement will be passed upon for the Banks by their counsel, Hughes Hubbard & Reed L.L.P., New York, New York, and by foreign counsel to each bank . It is expected that Bonds in definitive form will be delivered to DTC in New York, New York, on or about October 29, 1999.

GEORGE K. BAUM & COMPANY

The date of this Official Statement is October 29, 1999

SOURCES AND USES OF FUNDS

The sources and uses of the proceeds of the Series A Bonds are as follows:

SOURCES OF FUNDS	
Proceeds of Series A Bonds	$125,000,000
TOTAL SOURCES	$125,000,000
USES OF FUNDS	
Program Fund	$112,500,000
Debt Service Reserve Fund	$ 12,500,000
TOTAL USES	$125,000,000

Money deposited into the funds under the Indenture for the Program Fund and the Debt Service Reserve Fund will be invested in the Initial Investment Agreement with Bank of America, N. A.

Amounts provided by the Remarketing Agent will be deposited in the Expense Fund and will be used to pay Bond Counsel fees, initial paying agent and registrar fees, bond and official statement printing costs, certain fees of the Banks, the Issuer's issuance fees and the fees and expenses of the Issuer's counsel, and certain other expenses associated with issuance of the Series A Bonds (See "UNDERWRITING AND REMARKETING"). Amounts deposited in the Expense Fund will also be used to pay certain of the ongoing administrative expenses of the Program.

THE PROGRAM

Description of the Program

The Program involves the financing or refinancing of the costs of construction, acquisition and installation of capital improvements, including equipment, for certain health care facilities operated within the State by any institution organized as a not-for-profit corporation qualified under Section 501(c)(3) of the Code that has taken certain official actions and obtained certain approvals prior to the issuance of the Series A Bonds. The Program is being financed with a tax-exempt variable rate pool of funds which is funded with a portion of the proceeds of the Series A Bonds. The Program will be administered by the Administrator. The Administrator, on behalf of the Issuer, has received demand surveys from health care providers representing 14 hospital or separate health care facilities.

NEW ISSUE, BOOK-ENTRY ONLY

Rating: S&P "AAA/A1+"
(See "RATING" herein)

In the opinion of Fulbright & Jaworski L.L.P., co-Bond Counsel, under existing law and assuming continuing compliance by the Authority and the Institutions with certain covenants contained in the Indenture and the Loan Agreements, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes and not be included in computing the alternative minimum taxable income of the owners thereof who are individuals, and, further, in the opinions of Fulbright & Jaworski L.L.P. and William L. Zvara, P.A. (upon whom Fulbright & Jaworski L.L.P. have relied), co-Bond Counsel, the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profit on debt obligations owned by corporations, banks and savings associations. For more complete discussion of tax consequences of owning the Bonds, including a description of the alternative minimum tax consequences for corporations, see "TAX EXEMPTION" herein.

$300,000,000
CAPITAL PROJECTS FINANCE AUTHORITY
Variable Rate Demand Revenue Bonds
(Florida Hospital Association - Capital Projects Loan Program) Series 1998A

Dated: Date of Issuance **Price: 100%** **Due: June 1, 2028**

Capital Projects Finance Authority (the "Authority") will issue its Variable Rate Demand Revenue Bonds (Florida Hospital Association - Capital Projects Loan Program), Series 1998A (the "Variable Rate Bonds" or, except as the context requires otherwise, the "Bonds"). The Bonds are issuable as fully registered bonds, initially in denominations of $100,000 and any integral multiple of $5,000 in excess thereof. The Bonds when issued will be registered in the name of Cede & Co. as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). Purchasers of beneficial ownership interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. Beneficial ownership interests in the Bonds will be evidenced by book-entry only. As long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, payments of the principal of, premium, if any, and interest on the Bonds will be made directly to DTC, through Cede & Co., as its nominee, which will in turn remit such payments to DTC Participants for subsequent disbursement to the Beneficial Owners. See "THE BONDS" and "BOOK-ENTRY ONLY SYSTEM" herein.

Initially, all of the Bonds will bear interest at a variable interest rate, adjusted weekly, with interest payable monthly on the first Wednesday of each calendar month, or if such Wednesday is not a Business Day then the next succeeding Business Day, commencing July 1, 1998. The interest rate borne by the Variable Rate Bonds (other than Bank Bonds, defined herein) shall never exceed 12% per annum. The interest rate on all or a portion of the Bonds may be converted to a fixed interest rate to maturity as described herein.

The Bonds are being issued to fund the Florida Hospital Association-Capital Projects Loan Program (the "Program") consisting of the financing or refinancing of costs of construction, acquisition and installation of capital improvements, including equipment (the "Projects"), located in the State of Florida, for certain governmental and private nonprofit healthcare institutions (the "Institutions"), and to establish a debt service reserve. The Program will be administered by the Florida Hospital Association Management Corporation, Inc. The Bonds are payable solely from and are secured by an assignment and a pledge of the "Trust Estate" (as described below) under a Trust Indenture dated as of May 1, 1998 (the "Indenture") between the Authority and First Union National Bank (the "Trustee"), pursuant to which the Bonds are issued and secured.

Pursuant to a Liquidity Facility, in the form of a Standby Bond Purchase Agreement to be dated the date of the Bonds (the "Standby Purchase Agreement"), among the Authority, Credit Suisse First Boston, a bank organized under the laws of Switzerland, acting by and through its New York Branch (the "Bank"), as Liquidity Provider, and the Trustee, as Tender Agent, and subject to the conditions contained in the Standby Purchase Agreement, the Bank is obligated to purchase the Bonds that are tendered for purchase and not remarketed, subject in all respects to immediate termination upon the occurrence of a Bond Insurer Default as defined herein. The stated expiration date of the Standby Purchase Agreement is June 22, 2001, subject to early termination and substitution with an Alternate Liquidity Facility and to the right of the Bank to terminate the Standby Purchase Agreement under certain conditions as described herein. See "THE LIQUIDITY FACILITY" herein.

Payment of scheduled interest on the Bonds when due and payment of the principal of the Bonds when due as a result of mandatory sinking fund redemption and at their stated maturity will be insured by a municipal bond insurance policy (the "Bond Insurance Policy") to be issued by Financial Security Assurance Inc.

FSA.

as Bond Insurer, simultaneously with the delivery of the Bonds. Upon the satisfaction of certain conditions, the Bond Insurance Policy is subject to cancellation upon the substitution of a substitute bond insurance policy, letter of credit or other credit facility. In connection with any such cancellation and substitution, the Bonds will be subject to mandatory tender for purchase at a price of par plus accrued interest to, but not including, the purchase date. See "INSURANCE ON THE BONDS—Substitutions of the Bond Insurance Policy" and "THE BONDS—Mandatory Purchase of Bonds" herein.

Variable Rate Bonds are required to be purchased, at the option of the holder thereof, at the principal amount thereof, plus accrued interest, if any, at the times and subject to the conditions described herein. Any Variable Rate Bonds which are being converted to Fixed Rate Bonds at the direction of the Authority and the applicable Institution are subject to mandatory tender for purchase at the time of conversion, subject to the conditions described herein. The Variable Rate Bonds are subject to mandatory tender for purchase upon expiration or termination of the Liquidity Facility, in connection with the substitution of the Liquidity Facility and in connection with substitution of the Bond Insurance Policy. The Variable Rate Bonds are also subject to optional and mandatory redemption prior to maturity as described herein. The right of an owner to tender Variable Rate Bonds for purchase is subject to immediate termination upon the occurrence of a Bond Insurer Default as described herein.

The Bonds are special, limited obligations of the Authority payable solely from and secured by the "Trust Estate" (as defined in the Indenture), consisting, generally, of all right, title and interest of the Authority in and to: (i) the Revenues (as defined in the Indenture), subject to certain exceptions, (ii) the money and investments held under the Indenture (other than in the Rebate Fund, the Expense Fund, the Custodian Fund and the Bond Purchase Fund) and earnings thereon, (iii) the Interlocal Agreements, the Notes and the Loan Agreements (except for "Reserved Rights" as defined in the Indenture), (iv) all collateral pledged to secure obligations of Institutions under the Notes and the Authority's rights (except the Reserved Rights) under any other agreement relating to the Notes and the Loans, and (v) all other rights and interests transferred or granted by the Authority or with its written consent to the Trustee as additional security under the Indenture.

THE AUTHORITY IS NOT OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE BONDS OR TO MAKE ANY OTHER PAYMENTS WITH RESPECT THERETO, EXCEPT FROM THE TRUST ESTATE IN THE MANNER PROVIDED IN THE INDENTURE, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS. THE AUTHORITY HAS NO TAXING POWER.

THE BONDS WILL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE AUTHORITY OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION, MUNICIPAL CORPORATION OR PUBLIC ENTITY, OR A LIEN UPON ANY PROPERTY OWNED BY OR SITUATED WITHIN OR WITHOUT THE TERRITORIAL LIMITS OF THE STATE OF FLORIDA OR ANY POLITICAL DIVISION, MUNICIPAL CORPORATION OR PUBLIC ENTITY, EXCEPT THE TRUST ESTATE, IN THE MANNER AND WITH THE PRIORITY SET FORTH IN THE INDENTURE.

THE BONDS ARE OFFERED SOLELY ON THE BASIS OF THE STRUCTURAL CHARACTERISTICS OF THE PROGRAM DESCRIBED HEREIN AND ARE NOT OFFERED ON THE BASIS OF THE CREDIT OF ANY INSTITUTIONS THAT MAY OR WILL BORROW UNDER THE PROGRAM.

THE PURCHASE PRICE OF ANY BONDS TENDERED OR DEEMED TENDERED FOR PURCHASE IS PAYABLE ONLY FROM REMARKETING PROCEEDS AND PURSUANT TO THE STANDBY PURCHASE AGREEMENT. PAYMENT OF SUCH PURCHASE PRICE IS NOT AN OBLIGATION OF THE BOND INSURER, THE AUTHORITY OR ANY INSTITUTION.

The Bonds are offered when, as and if issued by the Authority, subject to prior sale, withdrawal or modification of the offer without any notice and subject to the approving opinions of Fulbright & Jaworski L.L.P. and William L. Zvara, P.A., Jacksonville, Florida, co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Foley & Lardner, Jacksonville, Florida, and for the Authority by its counsel, Steven A. Ramunni, LaBelle, Florida. Certain legal matters with respect to the Standby Purchase Agreement will be passed upon for the Bank by its counsel, Kutak Rock, Atlanta, Georgia. It is expected that Bonds in definitive form will be delivered to DTC in New York, New York, on about June 24, 1998.

William R. Hough & Co.® **GEORGE K. BAUM & COMPANY**

The date of this Official Statement is June 16, 1998

Limited Participation

The Authority has had limited participation in the preparation of this Official Statement and takes no responsibility for its content other than the information included under the headings "THE AUTHORITY" and "VALIDATION" herein and the information relating to it under the heading "CERTAIN DISCLOSURE MATTERS—Disclosure Required by Florida Blue Sky Regulations" herein.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of the proceeds of the Bonds and other funds are as follows:

SOURCES OF FUNDS	
Proceeds of Bonds	$300,000,000
Other funds paid by the Program Administrator	4,447,783
TOTAL SOURCES	$304,447,783
USES OF FUNDS	
Program Fund	$270,000,000
Debt Service Reserve Fund[1]	30,000,000
Custodian Fund[2]	4,447,783
TOTAL USES	$304,447,783

[1] Represents the initial Debt Service Reserve Fund Requirement on the Bonds. Proceeds of the Bonds deposited into the Program Fund and the Debt Service Reserve Fund will be invested in Authorized Investments, which initially will include the Initial Investment Agreement. See "INITIAL INVESTMENT AGREEMENT" herein.

[2] Costs of issuance of the Bonds and certain administrative expenses will be paid from other funds paid by the Program Administrator to the Trustee and deposited in the Custodian Fund. See "THE PROGRAM ADMINISTRATOR" and "THE INDENTURE—Custodian Fund" herein.

THE PROGRAM

Description of the Program

The Program involves the financing or refinancing of the costs of construction, acquisition and installation of capital improvements, including equipment (the "Projects"), located in the State of Florida, for certain governmental and private nonprofit healthcare institutions. The Program is being financed with a pool of funds which is funded with a portion of the proceeds of the Bonds. The Program will be administered by the Program Administrator. The Program Administrator, on behalf of the Authority, has received demand surveys from 16 healthcare institutions wherein each institution states that it reasonably expects to favorably consider a Loan as a financing option to meet capital needs, which capital needs for all of those institutions amount in the aggregate to more than $655,000,000. Those institutions have received all approvals required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and are believed qualified to receive all other necessary approvals required by applicable provisions of the Act in order to participate in the Program and to enable their Projects to be financed through the Authority. Although such approvals are expected, the expressions of interest from such institutions are not binding and there is no assurance that such institutions will borrow under the Program. Each such institution must apply for credit approval from the Bond Insurer. See "INVESTMENT CONSIDERATIONS"

FINAL OFFICIAL STATEMENT

Rating: *Moody's: "Aaa/VMIG 1"*
(See "RATING" herein.)

In the opinion of Peck, Shaffer & Williams LLP, Special Tax Counsel, under existing law, (i) interest on the Bonds will be excludible from gross income of the holders thereof for purposes of federal income taxation, and (ii) interest on the Bonds will not be a specific item of tax preference for purposes of federal alternative minimum tax imposed on individuals and corporations. In the opinion of The Godfrey Firm, P.L.C., Bond Counsel, the Bonds, together with interest thereof, income therefrom and gain upon the sale thereof, are exempt from all State of Louisiana and local taxes. For more complete discussion of tax aspects, see "TAX EXEMPTION" herein.

$125,000,000
LOUISIANA LOCAL GOVERNMENT ENVIRONMENTAL FACILITIES AND COMMUNITY DEVELOPMENT AUTHORITY
Variable Rate Demand Revenue Bonds (LCDA Loan Financing Program) 2001 Series A

Dated: Date of Delivery **Price:** 100% **Due:** June 1, 2031

The Variable Rate Demand Revenue Bonds (LCDA Loan Financing Program), 2001 Series A (the "Bonds") will be issued by the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Issuer"), a political subdivision of the State of Louisiana (the "State"). The Bonds are issuable only as fully registered Bonds, without coupons, in denominations of $100,000 principal amount or any integral multiple of $5,000 in excess of $100,000, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in Book-Entry form and individual purchasers will not receive certificates representing their ownership interests in the Bonds. Principal of and interest on the Bonds will be paid by Hancock Bank of Louisiana, Baton Rouge, Louisiana, as trustee (the "Trustee") under a Trust Indenture dated as of June 1, 2001 (the "Indenture"), between the Issuer and the Trustee, directly to DTC or Cede & Co., its nominee. DTC will in turn remit such principal and interest to its participants (the "DTC Participants") for subsequent distribution to the actual purchasers of the Bonds as recorded through the records of the DTC Participants. The Bonds will bear interest at a rate determined weekly as described herein, payable monthly in arrears on the first Wednesday of each calendar month (or, if such day is not a Business Day, the next Business Day), commencing July 5, 2001.

The Bonds are being issued by the Issuer pursuant to the Indenture to (i) fund the Program Fund of the Indenture for the purpose of providing funds to loan to Borrowers (as hereinafter defined) for the purpose of assisting such Borrowers in financing or refinancing the cost of any Project (as hereinafter defined); and (ii) fund a Debt Service Reserve Fund for the Bonds. See "SUMMARY" herein. The financing or refinancing of the Projects with proceeds of the Bonds will be through a program (the "Program") administered by Holley, Tucker, Bossier & Nosacka, a Louisiana corporation (the "Program Administrator"). Upon the loan of amounts in the Program Fund to a Borrower, a corresponding principal amount of Bonds will be subject to mandatory tender and conversion to a separate series of bonds (the "Converted Bonds"). Each separate series of bonds will be separate from each other series of bonds, will not be on a parity with the Bonds or with any other separate series of bonds, and will be payable and secured by its separate trust estate and a separate supplemental trust indenture to be executed and delivered for each separate series of bonds. **This Official Statement is not intended to provide any information to prospective owners of Converted Bonds.**

The Bonds are subject to optional redemption, special mandatory redemption, non-origination redemption and mandatory tender prior to maturity as described herein. The Bonds are also subject to optional tender in accordance with the Indenture, at the times and subject to the conditions described herein.

The Bonds are limited obligations of the Issuer, payable solely from and secured by the Trust Estate (as hereinafter defined) established by the Indenture with respect thereto, consisting of amounts held in the Program Fund and the Debt Service Reserve Fund. Prior to the loan of amounts in the Program Fund to a Borrower to finance or refinance the costs of a Project, the Program Fund and the Debt Service Reserve Fund will be invested in a guaranteed investment agreement (the "Investment Agreement") between the Trustee and CDC Funding Corp. (the "Investment Agreement Provider"). Additionally, in the event of a failed remarketing of any tendered Bonds, BNP Paribas, acting through its Los Angeles Branch, and AmSouth Bank, an Alabama bank (each, a "Bank" and, together, the "Banks"), have each agreed, severally and not jointly, to purchase such Bonds, subject to the terms and conditions contained in the Standby Bond Purchase Agreement dated as of June 1, 2001 (the "Liquidity Facility"), by and among the Issuer, BNP Paribas, acting through its Los Angeles Branch, in its capacity as agent for the Banks (the "Bank Agent"), AmSouth Bank, in its capacity as co-agent for the Banks (the "Co-Agent"), the Banks and the Trustee. **The Bonds are being offered on the basis of the credit of the Investment Agreement Provider and the liquidity support from the Banks, and not on the credit of any particular Borrower or the Borrowers as a whole.**

THE SEVERAL BUT NOT JOINT OBLIGATIONS OF THE BANKS UNDER THE LIQUIDITY FACILITY ARE SUBJECT TO IMMEDIATE TERMINATION, WITHOUT ADVANCE NOTICE TO ANY OWNER OF BONDS AND WITHOUT PROVIDING ANY OWNER AN OPPORTUNITY TO TENDER BONDS FOR PURCHASE PRIOR TO SUCH TERMINATION, IN CERTAIN CIRCUMSTANCES, UPON THE OCCURRENCE OF CERTAIN EVENTS RELATED TO THE INVESTMENT AGREEMENT OR THE INDENTURE, OR OTHER BOND DOCUMENTS.

THE BONDS AND THE OBLIGATION TO PAY INTEREST THEREON AND REDEMPTION PREMIUMS WITH RESPECT THERETO ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE REVENUES AND INCOME DERIVED FROM THE TRUST ESTATE. THE BONDS AND THE OBLIGATION TO PAY INTEREST THEREON AND REDEMPTION PREMIUM WITH RESPECT THERETO SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS, A LIABILITY OR AN OBLIGATION OF THE STATE OF LOUISIANA OR ANY AGENCY THEREOF OR ANY PARISH, MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL PROVISION AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, THE STATE OF LOUISIANA OR ANY AGENCY THEREOF OR ANY PARISH, MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS ARE NOT A GENERAL OBLIGATION OF THE ISSUER (WHICH RECEIVES NO FUNDS FROM ANY GOVERNMENTAL BODY), THE STATE OF LOUISIANA OR ANY AGENCY THEREOF OR ANY PARISH, MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION THEREOF OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS, IF ANY, OF ANY OF THEM. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER, IF ANY, OF THE ISSUER, THE STATE OF LOUISIANA OR ANY PARISH, MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION THEREOF TO PAY ANY PRINCIPAL INSTALLMENT OF, REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

THE BONDS BEING OFFERED HEREBY ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PURCHASERS WHO ARE SOPHISTICATED INVESTORS HAVING SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT THEY ARE CAPABLE OF EVALUATING THE MERITS OF THE PROSPECTIVE INVESTMENT IN THE BONDS. SEE "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" AND "INVESTMENT CONSIDERATIONS" HEREIN.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued by the Issuer and received by the Underwriters, subject to prior sale, withdrawal or modification of such offer without notice, subject to the approving opinion of The Godfrey Firm, P.L.C., New Orleans, Louisiana, Bond Counsel. Certain federal tax matters will be passed upon by Peck, Shaffer & Williams LLP, Cincinnati, Ohio, as Special Tax Counsel. Certain legal matters will be passed upon by Breazeale, Sachse & Wilson, L.L.P., Baton Rouge, Louisiana, as Counsel to the Underwriters. Certain legal matters will be passed upon by Law Office of Bernard L. Charbonnet, Jr., New Orleans, Louisiana, as Counsel to the Issuer. Certain legal matters with respect to the Liquidity Facility will be passed upon for the Banks by their counsel, Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, and additionally on behalf of AmSouth Bank by its counsel, Boult, Cummings, Conners & Berry, PLC, Nashville, Tennessee. Holley, Tucker, Bossier & Nosacka, Baton Rouge, Louisiana, is acting as financial advisor to the Issuer in connection with the issuance of the Bonds and Program Administrator in connection with the ongoing administration of the Program. It is anticipated that the Bonds in book-entry form will be available for delivery to DTC in New York, New York on or about June 28, 2001, against payment therefor.

Sisung Securities Corporation **George K. Baum & Company**

This Official Statement is dated June 28, 2001.

issuance of the Bonds. Amounts deposited at closing into the Program Administration Account of the Expense Fund will be used to pay certain of the ongoing administrative expenses of the Program during the Origination Period (defined herein).

THE PROGRAM

Description of the Program

The Program involves providing funds to loan to Borrowers for the purpose of assisting such Borrowers in financing or refinancing Projects located within the State of Louisiana. The Program is being financed with the proceeds of the Bonds. The Program will be administered by the Program Administrator. Each of the Borrowers is required to receive all necessary approvals required by the Act in order to participate in the Program and to enable the Projects to be financed through the Issuer on a tax-exempt basis. All prospective Borrowers are located throughout the State of Louisiana. None of the prospective Borrowers have identified in its responses to the Issuer's demand study any intent to use the proceeds of the Bonds to acquire the assets of another entity or an interest in another entity.

The Issuer has received completed demand surveys and certifications from prospective Borrowers expressing interest in Loans under the Program aggregating $483,659,850, for a period of five (5) years. Such Borrowers are required to receive approval of the Louisiana State Bond Commission as required by the applicable provisions of the Act in order to participate in the Program and to enable their respective Projects to be financed by the Issuer through the Program on a tax-exempt basis. The participation by these prospective Borrowers has been approved by the Louisiana State Bond Commission at its meeting of March 15, 2001. However, the expressions of interest from such Borrowers are not binding and there is no assurance that such Borrowers will borrow the amounts indicated in their respective response to the demand survey, if at all, under the Program. See "INVESTMENT CONSIDERATIONS" herein. Therefore, a list of potential Borrowers is not included herein. The Program is not limited to prospective Borrowers who have replied to the demand survey, and the Issuer and the Program Administrator will continue to meet with other prospective Borrowers with respect to the Program. Each Borrower will be required to provide evidence satisfactory to Bond Counsel that it is a governmental unit within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code") and a "political subdivision" within the meaning of the Act.

The Issuer expects that at least ten percent (10%) of the proceeds of the Bonds will be lent to participating Borrowers no later than ninety (90) days after the date of issuance of the Bonds and at least eighty-five percent (85%) of the lendable proceeds will be used to make Loans within three (3) years of the date of issuance of the Bonds.

It is a requirement of the Program that prior to the issuance and delivery of the Bonds, at least one prospective Borrower adopt a resolution stating its intent to participate in the Program and that such resolution provide that the Borrower, pending then current market conditions, will execute a Loan Agreement within ninety (90) days of the adoption of such resolution.

On May 23, 2001, the Jefferson Parish Council, acting as governing authority of the Parish of Jefferson, State of Louisiana (the "Parish"), adopted an ordinance authorizing the Parish to borrow not to exceed $60,000,000, in one or more series of loans, from the Program. The Issuer reasonably expects that the initial loan to the Parish in the principal amount of $20,000,000 will be made on or before August 1, 2001 (the "Jefferson Loan").

Program Limitations

The money deposited into the Program Fund established under the Indenture is intended to be loaned to the Borrowers for the purpose of financing or refinancing the costs of the Projects. Pursuant to the Indenture and the Loan Agreement, (a) no more than five percent (5%) of the proceeds of a Loan, and the investment earnings thereon, can be used, directly or indirectly, to make or finance loans to any persons other than state or local governmental

NEW ISSUE, BOOK-ENTRY ONLY

Standard & Poor's "AAA/A-1+"
(Expected; see "Rating" herein)

In the opinion of Fagin, Brown, Bush, Tinney & Kiser, Bond Counsel, under existing law and assuming continuing compliance by the Issuer and the Institutions with certain covenants contained in the Indenture and the Loan Agreements (i) interest on the Series A Bonds will be excludable from gross income of the holders thereof for purposes of federal income taxation, and (ii) interest on the Series A Bonds will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (although such interest may be included in adjusted current earnings in computing the federal alternative minimum tax imposed on certain corporations). In the opinion of Bond Counsel, under existing law, the Series A Bonds and the income therefrom are exempt from all state, county and municipal taxation in the State of Oklahoma. See "TAX EXEMPTION" herein.

$66,000,000
THE OKLAHOMA DEVELOPMENT FINANCE AUTHORITY
Variable Rate Demand Revenue Bonds
(Oklahoma Hospital Association - Pooled Hospital Loan Program), 2000 Series A

Dated: **Date of Issuance and otherwise as described herein** Price: **100%** Due: January 1, 2030

The Oklahoma Development Finance Authority (the "Issuer") will issue its Variable Rate Demand Revenue Bonds (Oklahoma Hospital Association - Pooled Hospital Loan Program), 2000 Series A (the "Bonds"). The Bonds will initially be in denominations of $100,000 and any integral multiple of $5,000 in excess thereof and will initially be registered in the name of Cede & Co. as the registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. The principal of and premium, if any, on the Bonds will be payable to the registered owner at the corporate trust office of Bank of Oklahoma, National Association, Oklahoma City, Oklahoma, as trustee (the "Trustee"). The interest on the Bonds will be payable by the Trustee to the registered owner by check or draft (or by wire transfer to any registered owner of $1,000,000 or more aggregate principal amount of Bonds).

Initially, all of the Bonds will bear interest at a variable interest rate, adjusted weekly, with interest payable monthly on the first Wednesday of each calendar month, commencing February 2, 2000. The interest rate on all or a portion of the Bonds may be converted to a fixed interest rate to maturity as described herein. The interest rate borne by the Bonds may never exceed 14% per annum.

The Bonds are being issued primarily to provide funds which will be used: (1) to provide loans to public agencies operating within the State of Oklahoma (the "Institutions"), which become a party to the loan agreements (the "Loan Agreements") between the Issuer and each Institution for the purpose of financing or refinancing of the costs of construction, acquisition and installation of capital improvements, including equipment for the health care facilities owned by the Institutions (the "Projects") and (2) to establish certain reserves. The Program will be administered by Oklahoma Hospital Association, Incorporated (the "Program Administrator"), an Oklahoma not-for-profit corporation. The Bonds are payable solely from, and are secured by an assignment and a pledge of (i) unspent Bond proceeds and other money pledged therefor under a Trust Indenture dated as of January 1, 2000 (the "Indenture") between the Issuer and the Trustee pursuant to which the Bonds are issued and secured, (ii) after conversion to Correlative Bonds, as described herein, the payments and other revenues to be received by the Issuer under the Related Loan Agreements among the Issuer, and the applicable Institutions, as described herein, (iii) after conversion to Correlative Bonds, the applicable Bond Insurance Policy, and (iv) as to the purchase price only, any money obtained by the Trustee under the Standby Purchase Agreement or other applicable Liquidity Facility.

Pursuant to a Standby Bond Purchase Agreement, dated as of January 1, 2000 (the "Standby Purchase Agreement" or the "Liquidity Facility"), among the Issuer, the Trustee and Landesbank Hessen-Thüringen Girozentrale, New York Branch, as Liquidity Provider (the "Bank"), and subject to the conditions contained in the Standby Purchase Agreement, the Bank, as Liquidity Provider, is obligated to purchase the Series A Bonds that are tendered for purchase and not remarketed, subject in all respects to the right of the Bank to terminate the Standby Purchase Agreement immediately upon the occurrence of certain conditions and to terminate with prior notice its obligation to purchase the Bonds upon the occurrence of certain other conditions. The stated expiration date of the Standby Purchase Agreement is January 12, 2003, subject to early termination in certain events or in connection with the substitution of an Alternate Liquidity Facility. See "THE LIQUIDITY FACILITY" herein.

Initially the Bonds will be secured solely by amounts held under the Indenture in the Program Fund and the Debt Service Reserve Fund. Upon a conversion of each portion of the Bonds to another Related Series in connection with delivery of a Loan Agreement by an Institution, such other Related Series will be secured by accounts established in the Debt Service Reserve Fund, separate from the account securing the Series A Bonds, but will not be secured by amounts in the Program Fund, and payment of scheduled interest on such other Related Series and the principal of other such Related Series when due as a result of mandatory sinking fund redemption and at their stated maturity will be insured by a municipal bond insurance policy or a direct pay letter of credit (the "Bond Insurance Policy") to be issued by a qualified Bond Insurer, simultaneously with the remarketing of the Bonds of such Related Series. Upon the satisfaction of certain conditions, including the maintenance of the long-term rating on the Bonds, the Bond Insurance Policy is subject to cancellation upon the substitution of a Substitute Bond Insurance Policy. See "INSURANCE ON THE BONDS" herein.

The Bonds are required to be purchased, at the option of the holder thereof, in the principal amount thereof, plus accrued interest, if any, at the times and subject to the conditions described herein. Any Bonds that are being converted to Correlative Bonds with a Variable Interest Rate or converted to Fixed Rate Bonds at the direction of the Issuer and the applicable Institution are subject to mandatory purchase at the time of conversion, subject to the conditions described herein. The Bonds are subject to mandatory purchase upon expiration or termination of the Liquidity Facility unless an Alternate Liquidity Facility is furnished that does not reduce or cause a withdrawal of the ratings on the Bonds in connection with the substitution of the Liquidity Facility. The Bonds are also subject to optional and mandatory redemption prior to maturity as described herein.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON OR ANY REDEMPTION PREMIUM THEREFOR OR THE PURCHASE PRICE THEREOF EXCEPT FROM THE REVENUES AND THE PROCEEDS PLEDGED THEREFOR. NEITHER THE STATE OF OKLAHOMA NOR ANY POLITICAL SUBDIVISION , MUNICIPAL CORPORATION OR INSTRUMENTALITY THEREOF IS LIABLE ON THE BONDS. THE BONDS SHALL NOT CREATE OR CONSTITUTE AN INDEBTEDNESS, LIABILITY OR OBLIGATION OF THE STATE OF OKLAHOMA OR ANY SUCH POLITICAL SUBDIVISION, MUNICIPAL CORPORATION OR INSTRUMENTALITY. THE ISSUER HAS NO TAXING POWER.

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The Bonds are offered when, as and if issued by the Issuer, subject to prior sale, withdrawal or modification of the offer without any notice and to the approving opinion of Fagin, Brown, Bush, Tinney & Kiser, Oklahoma City, Oklahoma, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Hunton & Williams, Atlanta, Georgia; and for the Issuer by its counsel, Crowe & Dunlevy, Oklahoma City, Oklahoma. Certain legal matters with respect to the Standby Purchase Agreement will be passed upon for the Bank by its counsel, Hughes Hubbard & Reed L.L.P and by German Counsel to the Bank. It is expected that Bonds in definitive form will be delivered to DTC in New York, New York, on or about January 13, 2000.

GEORGE K. BAUM & COMPANY

OPPENHEIM
A Division of BOSC, Inc.

The date of this Official Statement is January 12, 2000

EACH SERIES OF BONDS ISSUED BY THE ISSUER IS PAYABLE ONLY FROM REVENUES PROVIDED BY THE ENTITY ON WHOSE BEHALF SUCH SERIES WAS ISSUED AND GENERAL FUNDS OF THE ISSUER ARE NOT AVAILABLE FOR THE PAYMENT OF SUCH BONDS. THE ISSUER HAS NO TAXING POWER.

Limitations on Liability

The officers, agents, employees, and members of the Issuer shall not be personally liable for any costs, losses, damages or liabilities caused or incurred by the Issuer or the Trustee in connection with the Bonds, the Indenture or the Loan Agreements, or for the payment of any obligation under the Bonds, the Indenture or the Loan Agreements.

SOURCES AND USES OF FUNDS

The sources and uses of the proceeds of the Bonds are as follows:

SOURCES OF FUNDS	
Proceeds of Bonds	$ 66,000,000
TOTAL SOURCES	$ 66,000,000
USES OF FUNDS	
Program Fund	$ 60,000,000
Debt Service Reserve Fund	$ 6,000,000
TOTAL USES	$ 66,000,000

Money deposited into the funds under the Indenture for the Program Fund and the Debt Service Reserve Fund will be invested in the Initial Investment Agreement with CDC Funding Corp. Amounts provided through a separate financing arrangement will be deposited in the Expense Fund and will be used to pay the costs of issuing and underwriting the sale of the Bonds, Bond Counsel fees, paying agent and registrar fees, Bond and official statement printing costs, certain fees of the Bank, the Issuer's issuance fees and the fees and expenses of the Issuer's counsel, and certain other expenses associated with issuance of the Bonds and the remarketing of the Series A Bonds. Amounts deposited at closing in the Expense Fund also will be used to pay certain of the ongoing administrative expenses of the Program during the Origination Period (defined herein).

THE PROGRAM

Description of the Program

The Program involves the financing or refinancing of the costs of construction, acquisition and installation of capital improvements, including equipment, for public agencies operating health care facilities within the State of Oklahoma. The Program is being financed with a tax-exempt variable rate pool of funds which is funded with a portion of the proceeds of the Bonds. The Program will be administered by the Program Administrator. The Program Administrator, on behalf of the Issuer, has received demand surveys from health care institutions representing six (6) hospitals or separate health care facilities. Each of such institutions is expected to receive all necessary approvals required by the Act in order to participate in the Program and to enable the Projects to be financed through the Issuer on a tax-exempt basis. Although such approvals are expected to be obtained, there is no assurance that such institutions will borrow under the Program. Each must apply for credit approval from a Bond Insurer. The institutions that borrow under the Program are referred to herein collectively as the "Institutions." The Institutions are located throughout the State of Oklahoma.

The Issuer and/or the Trustee may from time to time enter into one or more financial transactions (including, but not limited to, interest rate swaps, interest rate caps and/or interest rate collars) in connection with the Program. In the future, George K. Baum & Company and Leo Oppenheim, a division of BOSC, Inc., may engage in certain secondary market transactions related to the Bonds, or participate in other unrelated transactions with the Issuer, and may receive compensation therefor.

TRANSACTION DISBURSEMENT SCHEDULE

Florida Transaction:

Total Revenues*:		$ 6,310,330
Expenses	$ 38,102	
David Lail	$ 3,090,459	
(compensation for development of financing structure)		
Other Bankers	$ 400,000	
(compensation for assistance in processing deal and/or client relations)		
Sales & Trading	$ 165,000	
(compensation for sale and placement of bonds)		
GKB & Co.	$ 2,616,769	
(compensation for investment banking and underwriting services)		
Total Disbursements		$ 6,310,330

Arizona Transaction:

Total Revenues*:		$ 4,043,852
Expenses	$ 836,007	
David Lail	$ 1,455,531	
(compensation for development of financing structure)		
Other Bankers	$ 105,000	
(compensation and expenses for assistance in processing deal and/or client relations)		
Sales & Trading	$ 63,985	
(compensation for sale and placement of bonds)		
GKB & Co.	$ 1,583,330	
(compensation for investment banking and underwriting services)		
Total Disburseemnts		$ 4,043,852

New Mexico Transaction:

Total Revenues*:		$2,880,000
Expenses	$ 9,353	
David Lail	$ 925,389	
(compensation for development of financing structure)		
Other Bankers	$ 705,300	
(compensation for assistance in processing deal and/or client relations)		
Sales & Trading	$ 42,500	
(compensatin for sale and placement of bonds)		
GKB & Co.	$ 1,197,458	
(compensation for investment banking and underwriting services)		
Total Disbursements		$ 2,880,000

West Virginia Transaction:

Total Revenues*: $ 2,660,000

David Lail $ 1,330,000

(compensation for development of financing structure) (municipal swap)

GKB & Co. $ 1,330,000

(compensation for investment banking and underwriting services)

Total Disbursements $ 2,660,000

Rural Enterprises of Oklahoma Transaction:

Total Revenues*: $ 3,875,000

Expenses $ 15,192

David Lail $ 1,190,296

(compensation for development of financing structure)

Other Bankers** $ 125,000

(compensation for assistance in processing deal and/or client relations)

Sales & Trading $ 547,308

(compensatin for sale and placement of bonds)

GKB & Co. $ 1,997,204

(compensation for investment banking and underwriting services)

Total Disbursements $ 3,875,000

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* Includes amounts received for "Takedown", "Underwriting", GIC Structuring Fees, Options, Swaps and Hedges

** Approximate; Mike Neuman compensation paid from GKB&Co. compensation

Project : FL197 ORANGE CNTY FL HFA VRD RE

PROFIT FROM TRADE TICKETS, DESIGNATIONS & GROUP SALES.

CUSIP	SECURITY DESCRIPTION	PROFIT (LOSS)
[redacted]	ORANGE CO FL HLTH FCS	165,000.00
	TOTAL	165,000.00

TOTAL TAKEDOWN PROFIT 165,000.00

** END OF REPORT **

Project FL197 ORANGE CNTY FL HFA VRD REV 00A

Date	SC	Reference	Description	Amount
2000/07/18	AD	M DAVIS	6/27 CLSG DNR	3,100.00-
2000/08/29	AD	LAIL D	36DAVID T LAIL	87.68-
2000/08/29	AD	LAIL D	36DAVID T LAIL	78.32-
2000/08/29	AD	LAIL D	36DAVID T LAIL	182.11-
Account [redacted] - 0017 Total				3,581.84-
Account [redacted] - 0030 COI-MESSNGR & SYND DEL EXPS				
[redacted]08/29	AD	LAIL D	6/26 ORLANDO,FL CLSG DNR	194.46-
Account [redacted] - 0030 Total				194.46-
Account [redacted] - 0035 COI-TELEPHONE				
[redacted]07/18	AD	M DAVIS	1418MIKE DAVIS	.50-
Account [redacted] - 0035 Total				.50-
Account [redacted] - 0051 COI-OTHER LEGAL FEES				
[redacted]07/21	AD	STIN HAG	JUN-BOND OPINIONS	525.00-
Account [redacted] - 0051 Total				525.00-
Account [redacted] - 0075 COI-REGULATORY FEES				
[redacted]06/29	AD	BOND HARDE	720843THE BOND MARKET ASSOC	9,900.00-
Account [redacted] - 0075 Total				9,900.00-
Account [redacted] - 0080 COI-OTHER U/W EXPENSES				
2000/06/29	JE	0629	DAY LOAN INT-ORANGE CNTY	9,210.98-
2000/06/29	JE	3042	6/29 DTC CHARGE	229.30-
2000/07/06	JE	0705	DAY LOAN INT-FLORIDA	3,361.11-
2000/07/31	JE	4021	RCD 7/3 ORNG CO INTEREST	3,194.44-
2000/08/29	AD	LAIL D	6/26 ORLANDO,FL CLSG DNR	191.45-
Account [redacted] 0080 Total				16,187.28-

NET MANAGEMENT FEE: 1,277,898.81

** END OF REPORT **

Project FL199 GK STRUCTURE FEE 2000

	Date	SC Reference	Description	Amount
Account [redacted] - 0003			U/W INC-SYNDICATE P/L	
	07/06	JE 0706	ORANGE CNTY FL U/W WIRE	4,550,000.00
Account [redacted] - 0003 Total				4,550,000.00
NET MANAGEMENT FEE:				4,550,000.00

** END OF REPORT **

Project FL199 GK STRUCTURE FEE 2000
6/28/00 UNASSIGNED

LAIL, DAVID 100.00 %

ACCOUNT SUMMARY:

Account [redacted] - 0003	U/W INC-SYNDICATE P/L	4,550,000.00
NET MANAGEMENT FEE:		4,550,000.00

** END OF REPORT **

Project NH333 NH HOSP EQUP CNCL POOL/REV

	Date	SC	Reference	Description	Amount
Account [redacted] - 0003 U/W INC-SYNDICATE P/L					
	2000/06/21	JE	0621	WIRE REC'D NH U/W	1,530,000.00
	2000/06/21	JE	3025	6/21 DIFF NH333	614,800.00-
Account [redacted]003 Total					915,200.00
Account [redacted]011 COI-AIR TRANSPORTATION					
	2000/04/14	AD	DINERS CLB	LAILD-PSPPHX-0312	1,122.00-
Account [redacted] - 0011 Total					1,122.00-
Account [redacted] - 0013 COI-AUTO EXPS & MILEAGE					
	2000/01/31	AD	ARCHULETA	4164JOHN ARCHULETA	50.06-
	2000/01/31	AD	ARCHULETA	4164JOHN ARCHULETA	14.95-
	2000/03/16	AD	ARCHULETA	2/21-31 NH HOSP	10.73-
	2000/03/16	AD	ARCHULETA	2/21-31 NH HOSP	10.73-
	2000/03/17	AD	ARCHULETA	4164JOHN ARCHULETA	43.55-
	2000/03/17	AD	ARCHULETA	4164JOHN ARCHULETA	10.40-
	2000/04/11	AD	ARCHULETA	3/15 SF NM	44.40-
	2000/04/11	AD	ARCHULETA	3/13 TAOS NM	93.27-
	2000/04/20	AD	ARCHULETA	4/3 SF NM	49.85-
	2000/04/24	AD	LAIL D	3/12 ALBQU NM	95.00-
	2000/05/30	AD	ARCHULETA	4164JOHN ARCHULETA	5.85-
	2000/05/30	AD	ARCHULETA	4/14 NM HOSPTL	10.40-
	2000/06/29	AD	ARCHULETA	4049JOHN D ARCHULETA	9.10-
	2000/07/19	AD	NEWMAN MIC	6/19 ABLQUE NM	422.40-
Account [redacted] - 0013 Total					870.69-
Account [redacted] - 0015 COI-ACCOMODATIONS					
	2000/04/24	AD	LAIL D	3/12 ALBQU NM	371.22-
	2000/07/19	AD	NEWMAN MIC	6/19 ABLQUE NM	285.04-
Account [redacted] - 0015 Total					656.26-
Account [redacted] - 0016 COI-BUSINESS MEALS					
	2000/04/11	AD	ARCHULETA	3/13 TAOS NM	6.35-
	2000/04/20	AD	ARCHULETA	4/3 SF NM	13.50-
	2000/04/24	AD	LAIL D	3/12 ALBQU NM	3.04-
	2000/05/30	AD	ARCHULETA	4/14 NM HOSPTL	7.47-
	2000/07/19	AD	NEWMAN MIC	6/19 ABLQUE NM	8.36-
Account [redacted] - 0016 Total					38.72-
Account [redacted] - 0017 COI-CLIENT ENTERTAINMENT					
	2000/03/16	AD	ARCHULETA	2/21-31 NH HOSP	42.08-

Project NM333 NM HOSP EQUIP CNCL POOL/REV
NEW MEXICO HOSPITAL EQUIPMENT COUNCIL POOL REVENUE BONDS
1/24/00 ARCHULETA/LAIL/RIFFLE

ARCHULETA, JOHN 10.00 % LAIL, DAVID 90.00 %

ACCOUNT SUMMARY:

Account [redacted]	- 0003	U/W INC-SYNDICATE P/L	915,200.00
Account [redacted]	- 0011	COI-AIR TRANSPORTATION	1,122.00-
Account [redacted]	- 0013	COI-AUTO EXPS & MILEAGE	870.69-
Account [redacted]	- 0015	COI-ACCOMODATIONS	656.26-
Account [redacted]	- 0016	COI-BUSINESS MEALS	38.72-
Account [redacted]	- 0017	COI-CLIENT ENTERTAINMENT	427.19-
Account [redacted]	- 0030	COI-MESSNGR & SYND DEL EXPS	32.40-
Account [redacted]	- 0035	COI-TELEPHONE	106.00-
Account [redacted]	- 0046	COI-OTHER PRINTING	219.89-
Account [redacted]	- 0051	COI-OTHER LEGAL FEES	525.00-
Account [redacted]	0072	COI-CUSIP FEES	199.00-
Account [redacted]	0075	COI-REGULATORY FEES	2,550.00-
Account [redacted]	0080	COI-OTHER U/W EXPENSES	2,606.31-
NET MANAGEMENT FEE:			905,847.54

** END OF REPORT **

Project NM333 NM HOSP EQUP CNCL POOL/REV

Date	SC	Reference	Description	Amount
2000/03/16	AD	ARCHULETA	2/21-31 NM HOSP	36.05-
2000/03/16	AD	ARCHULETA	2/21-31 NM HOSP	25.43-
2000/03/17	AD	ARCHULETA	4164JOHN ARCHULETA	6.38-
2000/03/17	AD	ARCHULETA	4164JOHN ARCHULETA	17.57-
2000/04/11	AD	ARCHULETA	3/16 ML J SWEENEY	19.12-
2000/04/11	AD	ARCHULETA	3/17 ML C RAIL	13.58-
2000/04/24	AD	LAIL D	3/12 LNH NM HOSP ASSOC	89.80-
2000/05/30	AD	ARCHULETA	4164JOHN ARCHULETA	28.12-
2000/06/29	AD	ARCHULETA	4049JOHN D ARCHULETA	70.18-
2000/07/19	AD	NEWMAN MIC	6/19 DRKS LPENT	78.88-
Account [redacted] - 0017 Total				427.19-
Account [redacted] - 0030 COI-MESSNGR & SYND DEL EXPS				
2000/04/26	AD	FED EXPR	4/18 ALBQUE NM	32.40-
Account [redacted] 0030 Total				32.40-
Account [redacted] 0035 COI-TELEPHONE				
2000/03/17	AD	ARCHULETA	4164JOHN ARCHULETA	20.00-
2000/04/11	AD	ARCHULETA	4164JOHN ARCHULETA	30.00-
2000/05/30	AD	ARCHULETA	MAY CELL PHN	15.00-
2000/06/20	AD	ARCHULETA	4164JOHN ARCHULETA	20.00-
2000/07/19	AD	NEWMAN MIC	6/19 ABLQUE NM	20.00-
Account [redacted] - 0035 Total				105.00-
Account [redacted] - 0046 COI-OTHER PRINTING				
2000/03/31	AD	CENTER COP	TABS-INDEX	15.02-
2000/04/05	AD	CENTER COP	INDEX TABS	42.92-
2000/04/06	AD	CAIN T SQU	LAMINATIONS/COPIES	161.95-
Account [redacted] - 0046 Total				219.89-
Account [redacted] - 0051 COI-OTHER LEGAL FEES				
2000/07/21	AD	STIN MAG	JUN-BOND OPINIONS	525.00-
Account [redacted] - 0051 Total				525.00-
Account [redacted] - 0072 COI-CUSIP FEES				
2000/06/23	AD	CUSIP	165637CUSIP SERVICE BUREAU	105.00-
2000/10/26	AD	CUSIP	165637CUSIP SERVICE BUREAU	94.00-
Account [redacted] - 0072 Total				199.00-
Account [redacted] - 0075 COI-REGULATORY FEES				
2000/06/29	AD	BOND MARDE	720843THE BOND MARKET ASSOC	2,550.00-
Account [redacted] - 0075 Total				2,550.00-

Project NH333 NH HOSP EQUP CNCL POOL/REV

	Date	SC	Reference	Description	Amount
Account [redacted] - 0080				COI-OTHER U/W EXPENSES	
	2000/06/21	JE	0621	DAY LOAN INT-NM HOSPITAL	2,377.01-
	2000/06/21	JE	3025	6/21 DTC NH333	229.30-
Account [redacted] - 0080 Total					2,606.31-
NET MANAGEMENT FEE:					905,847.54

/490,500 To [illegible]

** END OF REPORT **

Project : NM333 NM HOSP EQUP CNCL POOL/RE

PROFIT FROM TRADE TICKETS, DESIGNATIONS & GROUP SALES.

CUSIP	SECURITY DESCRIPTION	PROFIT (LOSS)
[redacted]	NEW MEXICO ST HSP EQP LN	42,500.00
	TOTAL	42,500.00

TOTAL TAKEDOWN PROFIT 42,500.00

** END OF REPORT **

Net Management Fee Summary 8:24:45
11/01/99 - 10/31/00

Project NM344 NM 2000 FEE INCOME OTHER
NEW MEXICO 2000 FEE INCOME OTHER
6/20/00 U/W UNASSIGNED

LAIL, DAVID 100.00 %

ACCOUNT SUMMARY:

Account [redacted] - 0003	U/W INC-SYNDICATE P/L	1,350,000.00
NET MANAGEMENT FEE:		1,350,000.00

** END OF REPORT **

Project NM344 NM 2000 FEE INCOME OTHER

	Date	SC Reference	Description	Amount
Account [redacted] - 0003	U/W INC-SYNDICATE P/L			
	2000/07/06	JE 0706	WIRE REC'D NEW MEXICO U/W	1,350,000.00
Account [redacted] - 0003 Total				1,350,000.00
NET MANAGEMENT FEE:				1,350,000.00

** END OF REPORT **

MPA007R George K. B[illegible] & Company 8/16/07 Page 1

Net Management Fee Summary 8:26:00

11/01/99 - 10/31/00

Project WV103 STRUCTURE FEE 2000

LAIL, DAVID 100.00 %

ACCOUNT SUMMARY:

Account [redacted] - 0003	U/W INC-SYNDICATE P/L	2,660,000.00
NET MANAGEMENT FEE:		2,660,000.00

** END OF REPORT **

Project WV103 STRUCTURE FEE 2000

Date	SC	Reference	Description	Amount
Account [redacted] - 0003 U/W INC-SYNDICATE P/L				
2000/08/23	JE	0823	WIRE REC'D-WEST VIRGINIA UW	1,580,000.00
2000/08/25	JE	0825	WIRE REC'D WEST VIRGINIA UW	1,000,000.00
2000/09/21	JE	0921	WEST VIRGINIA U/W BAL DUE	80,000.00
Account [redacted] - 0003 Total				2,660,000.00
NET MANAGEMENT FEE:				2,660,000.00

** END OF REPORT **

Project OK143   RUR ENT OK SWAPTION FEE PL FIN
RURAL ENTERPRISES OKLAHOMA SWAPTION FEE POOL FINANCING
10/23/00 LAIL

LAIL, DAVID   100.00 %

ACCOUNT SUMMARY:

Account [redacted] - 0003 U/W INC-SYNDICATE P/L		2,076,000.00
NET MANAGEMENT FEE:		2,076,000.00

** END OF REPORT **

Project OK143 RUR ENT OK SWAPTION FEE PL FIN

Date	SC Reference	Description	Amount
Account [redacted] - 0003		U/W INC-SYNDICATE P/L	
2000/10/25	JE 1026	OK PLACEMENT AGENT FEE	1,075,000.00
2000/10/27	JE 1027	OK STRUCTURING FEE	1,000,000.00
Account [redacted] - 0003 Total			2,075,000.00
NET MANAGEMENT FEE:			2,075,000.00

** END OF REPORT **

Project OK138 RURAL ENTERPRISES OF OKLAHOMA, INC VARIABLE RATE DEMAND REVENUE BONDS (OKLAHOMA GOVERNMENTAL FINANCING PROGRAM) 2000 SERIES A
6/28/00 LAIL/RIFFLE

LAIL, DAVID - 100.00 %

ACCOUNT SUMMARY:

Account	[redacted] - 0003	U/W INC-SYNDICATE P/L	1,090,500.00
Account	[redacted] - 0011	COI-AIR TRANSPORTATION	675.75-
Account	[redacted] - 0013	COI-AUTO EXPS & MILEAGE	1,065.01-
Account	[redacted] - 0015	COI-ACCOMODATIONS	1,201.07-
Account	[redacted] - 0016	COI-BUSINESS MEALS	135.80-
Account	[redacted] - 0017	COI-CLIENT ENTERTAINMENT	2,156.42-
Account	[redacted] - 0030	COI-MESSNGR & SYND DEL EXPS	19.34-
Account	[redacted] - 0035	COI-TELEPHONE	14.69-
Account	[redacted] - 0072	COI-CUSIP FEES	105.00-
Account	[redacted] - 0075	COI-REGULATORY FEES	6,000.00-
Account	[redacted] - 0080	COI-OTHER U/W EXPENSES	3,046.27-
Account	[redacted] - 0100	SYND SETTLEMTS & DESIGNATIONS	547,308.06-
NET MANAGEMENT FEE:			528,772.59

** END OF REPORT **

Project OK138 RURAL ENTERPRISES OF OKLAHOMA, INC VARIABLE RATE DEMAND REVENUE BONDS

	Date	SC	Reference	Description	Amount
Account [redacted] - 0003 U/W INC-SYNDICATE P/L					
	2000/10/25	JE	1025	OK U/W DISC	1,800,000.00
	2000/10/19	JE	3018	10/19 DIFFERENCE	709,500.00-
Account [redacted] - 0003 Total					1,090,500.00
Account [redacted] - 0011 COI-AIR TRANSPORTATION					
	2000/10/31	AD	DINERS CLB	NWMNM-EWRMCI-1016	675.75-
Account [redacted] - 0011 Total					675.75-
Account [redacted] - 0013 COI-AUTO EXPS & MILEAGE					
	2000/10/04	AD	NEWMAN MIC	9/15 OKC OK	227.29-
	2000/10/27	AD	STEINBERG	10/17-19 OKC	20.00-
	2000/10/30	AD	RIFFLE SCO	10/18 NORMAN OK	188.52-
	2000/10/31	AD	NEWMAN MIC	10/18 OKC OK	214.07-
	2000/10/31	AD	LAIL D	9/15 NORMAN OK	375.63-
	2000/10/31	AD	HARVEY MEA	10/17-19 OKC	39.50-
Account [redacted] - 0013 Total					1,065.01-
Account [redacted] - 0015 COI-ACCOMODATIONS					
	2000/10/04	AD	NEWMAN MIC	9/15 OKC OK	126.96-
	2000/10/27	AD	STEINBERG	10/17-19 OKC	305.46-
	2000/10/30	AD	RIFFLE SCO	10/18 NORMAN OK	305.46-
	2000/10/31	AD	NEWMAN MIC	10/18 OKC OK	157.73-
	2000/10/31	AD	HARVEY MEA	10/17-19 OKC	305.46-
Account [redacted] 0015 Total					1,201.07-
Account [redacted] 0016 COI-BUSINESS MEALS					
	2000/10/27	AD	STEINBERG	10/17-19 OKC	31.67-
	2000/10/30	AD	RIFFLE SCO	10/18 NORMAN OK	26.25-
	2000/10/31	AD	NEWMAN MIC	10/18 OKC OK	28.75-
	2000/10/31	AD	HARVEY MEA	10/17-19 OKC	49.13-
Account [redacted] - 0016 Total					135.80-
Account [redacted] - 0017 COI-CLIENT ENTERTAINMENT					
	2000/10/30	AD	RIFFLE SCO	10/18 CLSG DINNER	1,897.88-
	2000/10/31	AD	NEWMAN MIC	10/19 DNR D SHELCER	11.65-
	2000/10/31	AD	LAIL D	9/15 NORMAN OK	137.57-
	2000/10/31	AD	HARVEY MEA	10/17-19 OKC	109.32-
Account [redacted] - 0017 Total					2,156.42-

Project OK138 RURAL ENTERPRISES OF OKLAHOMA, INC VARIABLE RATE DEMAND REVENUE BONDS

Date	SC	Reference	Description	Amount
Account [redacted] - 0030			COI-MESSNGR & SYND DEL EXPS	
2000/10/16	AD	FED EXPR	276717FEDERAL EXPRESS CORP	9.67-
2000/10/30	AD	FED EXPR	10/23 ATLANTA GA	9.67-
Account [redacted] - 0030 Total				19.34-
Account [redacted] - 0035			COI-TELEPHONE	
2000/10/04	AD	NEWMAN MIC	9/16 OKC OK	1.15-
2000/10/27	AD	STEINBERG	10/17-19 OKC	11.84-
2000/10/31	AD	HARVEY MEA	10/17-19 OKC	1.70-
Account [redacted] - 0035 Total				14.69-
Account [redacted] - 0072			COI-CUSIP FEES	
2000/10/25	AD	CUSIP	781692AA6	105.00-
Account [redacted] - 0072 Total				105.00-
Account [redacted] - 0075			COI-REGULATORY FEES	
2000/10/31	JE	3034	OCT MSRB ASSESSMENTS	3,000.00-
2000/10/27	AD	BOND MRKT	3573BOND MARKET ASSOCIATI	3,000.00-
Account [redacted] - 0075 Total				6,000.00-
Account [redacted] - 0080			COI-OTHER U/W EXPENSES	
2000/10/19	JE	1019	DAY LOAN INT-RURAL OK	2,796.10-
2000/10/19	JE	3018	10/19 DTC CHARGE	229.30-
2000/10/31	AD	LAIL D	AIRPORT GOODIES	20.87-
Account [redacted] - 0080 Total				3,046.27-
Account [redacted] - 0100			SYND SETTLEMTS & DESIGNATIONS	
2000/10/26	JE	1026	WIRE OK DEV	547,308.06-
Account [redacted] - 0100 Total				547,308.06-
NET MANAGEMENT FEE:				528,772.59

** END OF REPORT **

George K. B[illegible] & Company
Takedown Profit
From 11/01/99 To 10/31/00

Project : OK138 RURAL ENTERPRISE OK VAR R

PROFIT FROM TRADE TICKETS, DESIGNATIONS & GROUP SALES.

CUSIP	SECURITY DESCRIPTION	PROFIT (LOSS)
[redacted]	RRL ENTERPRISES OK VAR	50,000.00
	TOTAL	50,000.00

TOTAL TAKEDOWN PROFIT 50,000.00

** END OF REPORT **

Project FL197 ORANGE CNTY FL HFA VRD REV 00A

Date	SC	Reference	Description	Amount
Account [redacted] - 0003			U/W INC-SYNDICATE P/L	
2000/06/29	JE	0629	ORANGE CNTY INCOMING WIRE	6,600,000.00-
2000/06/29	JE	0629	ORANGE CNTY OUTGOING WIRE	2,082,447.00-
2000/06/29	JE	0629	ORANGE CNTY OUTGOING WIRE	1,041,223.00-
2000/06/29	JE	3042	6/29 DIFFERENCE	1,760,330.00
2000/08/31	JE	3029	TR REVENUE TO DAVIS	400,000.00-
Account [redacted] - 0003 Total				1,316,000.00
Account [redacted] - 0011			COI-AIR TRANSPORTATION	
2000/07/14	AD	DINERS CLB	DAVIS-PFNMCO-0627	545.00-
2000/08/24	AD	DINERS CLB	LAILD-LAXPSP-0707	200.50-
2000/08/24	AD	DINERS CLB	LAILD-PFNMEM-0707	934.00-
2000/08/24	AD	DINERS CLB	LAILD-MCOVPS-0628	291.50-
2000/08/24	AD	DINERS CLB	LAILD-PSPLAX-0626	852.26-
2000/08/24	AD	DINERS CLB	LAILK-LAXPSP-0707	200.50-
2000/08/24	AD	DINERS CLB	LAILK-PFNMEM-0707	934.00-
2000/08/24	AD	DINERS CLB	LAILK-MCOVPS-0628	291.50-
2000/08/24	AD	DINERS CLB	LAILK-PSPLAX-0626	852.26-
Account [redacted] - 0011 Total				5,101.52-
Account [redacted] - 0013			COI-AUTO EXPS & MILEAGE	
2000/06/23	AD	NEWMAN MIC	5052MICHAEL NEWMAN	201.37-
2000/07/18	AD	M DAVIS	1418MIKE DAVIS	166.00-
2000/08/29	AD	LAIL D	6/26 ORLANDO,FL CLSG DNR	1,304.35-
Account [redacted] - 0013 Total				1,671.72-
Account [redacted] - 0015			COI-ACCOMODATIONS	
2000/06/23	AD	NEWMAN MIC	5/23 ORLANDO FL	160.29-
2000/07/18	AD	M DAVIS	1418MIKE DAVIS	98.79-
2000/08/29	AD	LAIL D	6/26 ORLANDO,FL CLSG DNR	341.37-
Account [redacted] - 0015 Total				600.45-
Account [redacted] - 0016			COI-BUSINESS MEALS	
[redacted]6/23	AD	NEWMAN MIC	5/23 ORLANDO FL	24.25-
2000/07/18	AD	M DAVIS	1418MIKE DAVIS	26.75-
2000/08/29	AD	LAIL D	36DAVID T LAIL	70.06-
2000/08/29	AD	LAIL D	6/26 ORLANDO,FL CLSG DNR	217.36-
Account [redacted] - 0016 Total				338.42-
Account [redacted] - 0017			COI-CLIENT ENTERTAINMENT	
2000/06/23	AD	NEWMAN MIC	5/23 JH.BAILEY/BC/MP/BN	133.73-

Project FL197 ORANGE CNTY FL HFA VRD REV 00A
ORANGE COUNTY FLORIDA HEALTH FACILITIES AUTHORITY VARIABLE RATE DEMAND REVENUE BONDS SERIES 2000 A (HOSPITAL ASSOCIATION HEALTH FACILITIES LOAN PROGRAM)
6/22/00 LAIL

UNDERWRITING - UNASSIGNED 100.00 %

ACCOUNT SUMMARY:

Account [redacted]	- 0003	U/W INC-SYNDICATE P/L	1,316,000.00
Account [redacted]	- 0011	COI-AIR TRANSPORTATION	5,101.52-
Account [redacted]	- 0013	COI-AUTO EXPS & MILEAGE	1,671.72-
Account [redacted]	- 0015	COI-ACCOMODATIONS	600.45-
Account [redacted]	- 0016	COI-BUSINESS MEALS	338.42-
Account [redacted]	- 0017	COI-CLIENT ENTERTAINMENT	3,581.84-
Account [redacted]	- 0030	COI-MESSNGR & SYND DEL EXPS	194.46-
Account [redacted]	- 0035	COI-TELEPHONE	.50-
Account [redacted]	- 0051	COI-OTHER LEGAL FEES	525.00-
Account [redacted]	- 0075	COI-REGULATORY FEES	9,900.00-
Account [redacted]	- 0080	COI-OTHER U/W EXPENSES	16,187.28-
NET MANAGEMENT FEE:			1,277,898.81

** END OF REPORT **

HPA007h

George K. [illegible] & Company
Net Management Fee Summary
11/01/99 - 10/31/00

8/16/07 Page 1
8:24:30

Project AZ136 ARIZONA 2000 FEE INCOME
4/28 U/W UNASSIGNED

LAIL, DAVID 100.00 %

ACCOUNT SUMMARY:

Account [redacted]	0003	U/W INC-SYNDICATE P/L	1,740,392.00
NET MANAGEMENT FEE:			1,740,392.00

** END OF REPORT **

Project AZ136 ARIZONA 2000 FEE INCOME

	Date	SC	Reference	Description	Amount
Account [redacted] - 0003 U/W INC-SYNDICATE P/L					
	2000/06/08	JE	0608	ARIZONA U/W	1,740,392.00
Account [redacted] - 0003 Total					1,740,392.00
NET MANAGEMENT FEE:					1,740,392.00

** END OF REPORT **

HPA007R

George K. B[illegible] & Company
Net Management Fee Summary
11/01/99 - 10/31/00

8/16/07 [illegible]ge 1
8:25:03

Project AZ132 AZ HLTH FAC AUTH POOL
ARIZONA HEALTH FACILITIES AUTHORITY POOLED HEALTHCARE LOAN FINANCING
PROGRAM SERIES 2000 A
3/9/00 KNIGHT/LAIL

LAIL, DAVID 100.00 %

ACCOUNT SUMMARY:

Account [redacted]	- 0003	U/W INC-SYNDICATE P/L	1,305,467.00
Account	- 0011	COI-AIR TRANSPORTATION	16,523.52-
Account	- 0013	COI-AUTO EXPS & MILEAGE	4,337.52-
Account	- 0015	COI-ACCOMODATIONS	5,890.16-
Account	- 0016	COI-BUSINESS MEALS	930.97-
Account	- 0017	COI-CLIENT ENTERTAINMENT	3,719.16-
Account	- 0030	COI-MESSNGR & SYND DEL EXPS	325.97-
Account	- 0035	COI-TELEPHONE	466.82-
Account	- 0045	COI-OFFICIAL STATEMENT PRINTNG	2,000.00-
Account	- 0046	COI-OTHER PRINTING	1,428.43-
Account	- 0051	COI-OTHER LEGAL FEES	525.00-
Account	- 0070	COI-OTHER PROFESSIONAL FEES	2,000.00-
Account	- 0072	COI-CUSIP FEES	105.00-
Account	- 0075	COI-REGULATORY FEES	3,839.10-
Account	- 0080	COI-OTHER U/W EXPENSES	4,121.62-

NET MANAGEMENT FEE: 1,259,263.73

** END OF REPORT **

Project AZ132 AZ HLTH FAC AUTH POOL

Date	SC	Reference	Description	Amount
Account [redacted] 0003			U/W INC-SYNDICATE P/L	
2000/06/08	JE	0608	WIRE-OVERPAY AZ U/W	6,999.50
2000/06/08	JE	0608	ARIZONA U/W	2,303,460.00
2000/06/08	JE	3007	6/8 COI	836,007.50-
2000/06/12	JE	3010	6/12 TAKEDOWN	63,985.00-
2000/06/21	JE	3029	BOOK CKNIGHT @MISC EXP	105,000.00-
Account [redacted] - 0003 Total				1,305,467.00
Account [redacted] - 0011			COI-AIR TRANSPORTATION	
2000/03/21	AD	DINERS CLB	SCHOR-DENPHX-0323	843.00-
2000/03/23	AD	DINERS CLB	KNGTC-MCIPHX-0309	75.50-
2000/04/07	AD	DINERS CLB	LAILK-ATLPHX-0404	1,107.00-
2000/04/07	AD	DINERS CLB	SCHOR-DENPHX-0405	819.00-
2000/04/12	AD	DINERS CLB	LAILD-ATLPHX-0404	1,167.00-
2000/04/13	AD	DINERS CLB	COIT/A-PSPPHX-0323	531.00-
2000/04/13	AD	DINERS CLB	LAILD-PSPPHX-0323	511.00-
2000/04/24	AD	LAIL D	4/11 PHOENIX AZ	511.00-
2000/05/11	AD	DINERS CLB	NWMNM-EWRORD-0502	610.00-
2000/05/12	AD	DINERS CLB	SCHOR-DENPHX-0512	721.48-
2000/05/23	AD	DINERS CLB	KNGTC-MCIMKE-0516	281.66-
2000/05/23	AD	DINERS CLB	KNGTC-PHXMCI-0521	117.75-
2000/05/31	AD	DINERS CLB	KNGTC-MCIPHX-0523	235.50-
2000/05/31	AD	DINERS CLB	KNGTC-MCIPHX-0512	229.00-
2000/06/07	AD	DINERS CLB	NWMNM-EWRPHX-0531	2,157.00-
2000/06/07	AD	DINERS CLB	KNGTC-MCIPHX-0607	471.00-
2000/06/08	AD	LAIL D	5/2-3 PHX	521.00-
2000/06/19	AD	DINERS CLB	NWMNM-EWRPHX-0517	2,257.00-
2000/06/26	AD	DINERS CLB	KNGTC-PHXMCI-0521	117.75
2000/06/29	AD	KNIGHT CC	6/7-9 PHX	235.50-
2000/07/12	AD	DINERS CLB	NWMNM-WERDEN-0606	1,074.88-
2000/09/30	AD	DINERS CLB	NWMNM-EWRPHX-0910	1,910.50-
2000/09/30	AD	DINERS CLB	NWMNM-PHXOKC-0914	254.60-
Account [redacted] - 0011 Total				16,523.52-
Account [redacted] - 0013			COI-AUTO EXPS & MILEAGE	
2000/03/10	AD	KNIGHT CC	1/20 PHX,AZ	76.71-
2000/03/10	AD	KNIGHT CC	1/20 PHX,AZ	18.00-
2000/03/10	AD	KNIGHT CC	1/20 PHX,AZ	10.50-
2000/03/10	AD	KNIGHT CC	1/26-28 PHX,AZ	38.00-
2000/03/10	AD	KNIGHT CC	1/26-28 PHX,AZ	170.68-
2000/03/10	AD	SCHORR JAN	3/1-2 PHOENIX,AZ	45.75-
2000/03/31	AD	KNIGHT CC	3/22-23 PHOENIX	115.00-
2000/03/31	AD	KNIGHT CC	3/9-10 PHOENIX	112.33-
2000/03/31	AD	SCHORR JAN	3/14 PHOENIX	46.50-
2000/04/11	AD	SCHORR JAN	4/5 PHOENIX AZ	46.50-
2000/04/20	AD	KNIGHT CC	4/4 PHEONIX AZ	96.51-

Project AZ132 AZ HLTH FAC AUTH POOL

Date	SC	Reference	Description	Amount
2000/04/20	AD	LAIL D	3/23 PHOENIX AZ	75.00-
2000/04/24	AD	LAIL D	4/11 PHOENIX AZ	90.00-
2000/04/24	AD	LAIL D	4/4 PHOENIX AZ	42.50-
2000/04/24	AD	LAIL D	3/1 PHOENIX AZ	106.00-
2000/04/28	AD	KNIGHT CC	4/11-14 PHOENIX	122.31-
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	122.31
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	122.31-
2000/05/17	AD	NEWMAN MIC	5/2-4 PHOENIX	238.90-
2000/05/30	AD	KNIGHT CC	3560C COURTNEY KNIGHT	55.63-
2000/05/30	AD	KNIGHT CC	3560C COURTNEY KNIGHT	105.00-
2000/06/08	AD	KNIGHT CC	3560C COURTNEY KNIGHT	249.94-
2000/06/08	AD	KNIGHT CC	5/12-15 PHX	231.34-
2000/06/08	AD	LAIL D	5/2-3 PHX	199.00-
2000/06/20	AD	KNIGHT CC	3560C COURTNEY KNIGHT	211.63-
2000/06/23	AD	NEWMAN MIC	5/31 PHOENIX AZ	480.85-
2000/06/23	AD	NEWMAN MIC	5/17 PHOENIX AZ	147.65-
2000/06/29	AD	KNIGHT CC	6/7-9 PHX	223.71-
2000/07/19	AD	NEWMAN MIC	6/6 PHOENIX AZ	266.90-
2000/10/04	AD	NEWMAN MIC	9/11 PHX AZ	364.22-
2000/10/04	AD	NEWMAN MIC	9/10 PHX AZ	112.70-
2000/10/24	AD	SCHORR JAN	9/11 TUSCON AZ	237.86-
Account [redacted] - 0013 Total				4,337.52-

Account [redacted] - 0015 COI-ACCOMODATIONS

Date	SC	Reference	Description	Amount
2000/03/10	AD	SCHORR JAN	3/1-2 PHOENIX,AZ	209.17-
2000/04/20	AD	KNIGHT CC	4/4 PHEONIX AZ	109.97-
2000/04/24	AD	LAIL D	4/11 PHOENIX AZ	297.70-
2000/04/24	AD	LAIL D	4/4 PHOENIX AZ	254.33-
2000/04/24	AD	LAIL D	3/1 PHOENIX AZ	503.02-
2000/04/28	AD	KNIGHT CC	4/11-14 PHOENIX	296.90-
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	296.90
2000/05/11	AD	KNIGHT CC	3560C COURTNEY KNIGHT	296.90-
2000/05/17	AD	NEWMAN MIC	5/2-4 PHOENIX	386.06-
2000/05/30	AD	KNIGHT CC	3560C COURTNEY KNIGHT	297.15-
2000/06/08	AD	KNIGHT CC	5/12-15 PHX	104.03-
2000/06/08	AD	LAIL D	5/2-3 PHX	551.87-
2000/06/20	AD	KNIGHT CC	3560C COURTNEY KNIGHT	166.00-
2000/06/23	AD	NEWMAN MIC	5/31 PHOENIX AZ	243.12-
2000/06/23	AD	NEWMAN MIC	5/17 PHOENIX AZ	437.40-
2000/07/19	AD	NEWMAN MIC	6/6 PHOENIX AZ	512.42-
2000/10/04	AD	NEWMAN MIC	9/11 PHX AZ	939.67-
2000/10/04	AD	NEWMAN MIC	9/10 PHX AZ	315.89-
2000/10/24	AD	SCHORR JAN	9/11 TUSCON AZ	265.46-
Account [redacted] - 0015 Total				5,890.16-

Account [redacted] - 0016 COI-BUSINESS MEALS

Date	SC	Reference	Description	Amount
2000/03/10	AD	KNIGHT CC	1/26-28 PHX,AZ	29.70-
2000/03/10	AD	SCHORR JAN	3/1-2 PHOENIX,AZ	16.31-
2000/03/31	AD	KNIGHT CC	3/22-23 PHOENIX	42.47-

Project AZ132 AZ HLTH FAC AUTH POOL

Date	SC	Reference	Description	Amount
2000/04/20	AD	LAIL D	3/23 PHOENIX AZ	8.14-
2000/04/24	AD	LAIL D	4/11 PHOENIX AZ	82.47-
2000/04/24	AD	LAIL D	4/4 PHOENIX AZ	10.95-
2000/04/24	AD	LAIL D	3/1 PHOENIX AZ	16.70-
2000/04/28	AD	KNIGHT CC	4/11-14 PHOENIX	68.83-
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	68.83
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	68.83-
2000/05/17	AD	NEWMAN MIC	5/2-4 PHOENIX	53.30-
2000/05/30	AD	KNIGHT CC	3560C COURTNEY KNIGHT	31.41-
2000/06/08	AD	KNIGHT CC	3560C COURTNEY KNIGHT	21.40-
2000/06/08	AD	LAIL D	5/2-3 PHX	235.59-
2000/06/20	AD	KNIGHT CC	3560C COURTNEY KNIGHT	77.43-
2000/06/23	AD	NEWMAN MIC	5/31 PHOENIX AZ	36.53-
2000/06/23	AD	NEWMAN MIC	5/17 PHOENIX AZ	17.11-
2000/06/29	AD	KNIGHT CC	6/7-9 PHX	3.84-
2000/07/19	AD	NEWMAN MIC	6/6 PHOENIX AZ	63.26-
2000/10/04	AD	NEWMAN MIC	9/11 PHX AZ	56.92-
2000/10/04	AD	NEWMAN MIC	9/10 PHX AZ	26.10-
2000/10/24	AD	SCHORR JAN	9/11 TUSCON AZ	32.51-

Account [redacted] - 0016 Total 930.97-

Account [redacted] - 0017 COI-CLIENT ENTERTAINMENT

Date	SC	Reference	Description	Amount
2000/03/10	AD	KNIGHT CC	1/26-28 PHX,AZ	46.36-
2000/03/10	AD	KNIGHT CC	1/26-28 PHX,AZ	60.48-
2000/03/31	AD	KNIGHT CC	3/9 BECKY K	118.64-
2000/04/20	AD	KNIGHT CC	3/29 SUNS GAME/4/4 DNR B RODMN	589.62-
2000/04/28	AD	KNIGHT CC	4/11-14 PHOENIX	196.95-
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	196.95
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	196.95-
2000/05/17	AD	NEWMAN MIC	5/2-4 PHOENIX	37.00-
2000/06/08	AD	KNIGHT CC	3560C COURTNEY KNIGHT	17.86-
2000/06/08	AD	KNIGHT CC	3560C COURTNEY KNIGHT	98.00-
2000/06/08	AD	KNIGHT CC	5/12-15 PHX	213.89-
2000/06/08	AD	KNIGHT CC	5/12-15 PHX	125.86-
2000/06/08	AD	KNIGHT CC	5/12-15 PHX	113.85-
2000/06/20	AD	KNIGHT CC	3560C COURTNEY KNIGHT	94.00-
2000/06/20	AD	KNIGHT CC	3560C COURTNEY KNIGHT	37.16-
2000/06/29	AD	KNIGHT CC	6/7-9 PHX	1,505.48-
2000/06/29	AD	KNIGHT CC	6/7-9 PHX	67.66-
2000/06/29	AD	KNIGHT CC	6/7-9 PHX	44.00-
2000/07/19	AD	NEWMAN MIC	6/8 LNH	46.81-
2000/07/19	AD	NEWMAN MIC	6/8 LNH J STLTNPHL/J PASTORE	32.00-
2000/07/19	AD	NEWMAN MIC	6/7 D SHELCER	75.00-
2000/10/04	AD	NEWMAN MIC	9/12 DNR J STELTENPOHL	97.00-
2000/10/04	AD	NEWMAN MIC	9/12 LNH B KAHN	42.54-
2000/10/04	AD	NEWMAN MIC	9/11 DNR BK	60.00-

Account [redacted] 0017 Total 3,719.16-

Account [redacted] 0030 COI-MESSNGR & SYND DEL EXPS

Date	SC	Reference	Description	Amount
2000/03/15	AD	FED EXPR	276717FEDERAL EXPRESS CORP	12.31-

Project AZ132 AZ HLTH FAC AUTH POOL

Date	SC	Reference	Description	Amount
2000/03/15	AD	FED EXPR	276717FEDERAL EXPRESS CORP	14.83-
2000/05/31	AD	FED EXPR	SCOTTSDALE,AZ	76.23-
2000/05/31	AD	FED EXPR	276717FEDERAL EXPRESS CORP	13.57-
2000/06/07	AD	FED EXPR	6/18-25FEDEX	15.44-
2000/06/12	AD	FED EXPR	6/26-6/5 SHIPMNTS	10.87-
2000/07/26	AD	FED EXPR	276717FEDERAL EXPRESS CORP	13.57-
2000/07/26	AD	FED EXPR	276717FEDERAL EXPRESS CORP	13.57-
2000/07/26	AD	FED EXPR	276717FEDERAL EXPRESS CORP	13.57-
2000/07/26	AD	FED EXPR	276717FEDERAL EXPRESS CORP	13.57-
2000/07/26	AD	FED EXPR	276717FEDERAL EXPRESS CORP	12.43-
2000/07/26	AD	FED EXPR	276717FEDERAL EXPRESS CORP	12.43-
2000/08/15	AD	FED EXPR	276717FEDERAL EXPRESS CORP	15.76-
2000/08/15	AD	FED EXPR	276717FEDERAL EXPRESS CORP	14.35-
2000/08/15	AD	FED EXPR	276717FEDERAL EXPRESS CORP	15.13-
2000/08/28	AD	FED EXPR	276717FEDERAL EXPRESS CORP	15.44-
2000/08/28	AD	FED EXPR	276717FEDERAL EXPRESS CORP	14.98-
2000/08/28	AD	FED EXPR	276717FEDERAL EXPRESS CORP	14.35-
2000/08/28	AD	FED EXPR	276717FEDERAL EXPRESS CORP	13.57-
Account [redacted] - 0030 Total				326.97-
Account [redacted] - 0035 COI-TELEPHONE				
2000/03/10	AD	KNIGHT CC	1/20 PHX,AZ	10.60-
2000/04/20	AD	KNIGHT CC	4/4 PHEONIX AZ	.38-
2000/04/28	AD	KNIGHT CC	4/11-14 PHOENIX	7.50-
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	7.50
2000/05/11	AD	KNIGHT CC	4/11-14 PHOENIX	7.50-
2000/05/17	AD	NEWMAN MIC	5/2-4 PHOENIX	86.38-
2000/05/30	AD	KNIGHT CC	3560C COURTNEY KNIGHT	3.38-
2000/06/08	AD	KNIGHT CC	3560C COURTNEY KNIGHT	17.57-
2000/06/08	AD	KNIGHT CC	5/12-15 PHX	.75-
2000/06/08	AD	LAIL D	5/2-3 PHX	98.95-
2000/06/20	AD	KNIGHT CC	3560C COURTNEY KNIGHT	2.00-
2000/06/23	AD	NEWMAN MIC	5/31 PHOENIX AZ	3.40-
2000/06/23	AD	NEWMAN MIC	5/17 PHOENIX AZ	42.42-
2000/07/19	AD	NEWMAN MIC	6/6 PHOENIX AZ	132.49-
2000/10/04	AD	NEWMAN MIC	9/11 PHX AZ	53.25-
2000/10/04	AD	NEWMAN MIC	9/10 PHX AZ	.75-
2000/10/24	AD	SCHORR JAN	9/11 TUSCON AZ	7.00-
Account [redacted] - 0035 Total				466.82-
Account [redacted] - 0045 COI-OFFICIAL STATEMENT PRINTNG				
[redacted]08/24	AD	BOWNE CHI	OS-AZ HLTH FAC	2,000.00-
Account [redacted] - 0045 Total				2,000.00-
Account [redacted] - 0046 COI-OTHER PRINTING				
2000/06/14	AD	CAIN T SQU	FHCR/PRINTS	623.34-
2000/06/20	AD	CAIN T SQU	BOOTH MTRLS-AZ HLTHCR	353.75-

Notwithstanding the references on pages 5, 17 and 43 herein to June 1, 1999, as the first date the Bonds are subject to redemption from unexpended proceeds, the Bonds are subject to unexpended proceeds on any date on or after March 1, 1999.

NEW ISSUE
Book-Entry Only

RATING: *Moody's "Aaa"*

In the opinion of Bond Counsel, interest on the Class 1 Bonds, the Class 2 Bonds and the Class 3 Bonds (collectively, the "Taxable Bonds") is subject to federal income taxation as described herein. The Corporation does not intend to elect to treat the arrangement by which the collateral secures the Taxable Bonds as a "Real Estate Mortgage Investment Conduit" for federal income tax purposes. See "TAX MATTERS" herein. In the opinion of Bond Counsel, assuming continuing compliance with certain tax covenants, under existing laws, regulations, rulings and court decisions, interest on the Class 4 Bonds, the Class 5 Bonds and the Class 6 Bonds (collectively, the "Tax-Exempt Bonds") is not includable in the gross income of the owners thereof for federal income tax purposes. Interest on the Class 4 Bonds is not a separate tax preference item for purposes of calculating the alternative minimum tax imposed on individuals and corporations. Interest on the Class 5 Bonds and the Class 6 Bonds is a specific item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Tax-Exempt Bonds. In addition, in the opinion of Bond Counsel, interest on the Bonds is exempt from taxes imposed by the State of Mississippi, except for estate or gift taxes and taxes on transfers. See "TAX MATTERS" herein.

$38,460,000
MISSISSIPPI HOME CORPORATION
Single Family Mortgage Revenue Bonds
Series 1998A

Dated: March 1, 1998 **Due:** As shown below

The Bonds are issuable only as fully registered bonds, without coupons, by means of a book-entry only system, evidencing ownership and transfer of the Bonds on the records of the Depository Trust Company ("DTC") and its participants. Initially, the Bonds will be issued in denominations of $5,000 each, or any integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds. The principal of, premium, if any, and interest on the Bonds are payable by Deposit Guaranty National Bank, Jackson, Mississippi, as Trustee, to DTC, or its nominee, Cede & Co., which will in turn remit such principal, premium, if any, and interest to its Direct Participants, which will in turn remit such principal, premium, if any, and interest to the Indirect Participants or the Beneficial Owners of the Bonds, as described herein. The Taxable Bonds will bear interest at the rates set forth below, payable on the first day of each month, commencing June 1, 1998. The Tax-Exempt Bonds will bear interest at the rates set forth below, payable on June 1 and December 1 of each year, commencing December 1, 1998.

The Class 4 Bonds, the Class 5 Bonds and a portion of the Class 6 Bonds are being issued to provide funds to refund certain outstanding obligations of the Corporation, thereby making funds available, together with the proceeds of the Taxable Bonds and the remainder of the proceeds of the Class 6 Bonds, to finance the purchase of (i) fully modified mortgage-backed securities ("GNMA Certificates"), guaranteed as to timely payment of monthly principal and interest by the Government National Mortgage Association ("GNMA") and backed by pools of qualifying FHA insured, VA guaranteed or USDA/RD guaranteed mortgage loans and (ii) mortgage-backed securities ("Fannie Mae Securities") guaranteed as to timely payment of monthly principal and interest by the Federal National Mortgage Association ("Fannie Mae") and backed by pools of qualifying conventional mortgage loans. The mortgage loans will be made to qualified persons or families of low or moderate income to finance the purchase of single family residences in the State of Mississippi.

The Bonds are subject to mandatory and optional redemption prior to maturity on the terms described herein. The Tax-Exempt Bonds are subject to sinking fund redemption as described herein.

THE BONDS ARE LIMITED OBLIGATIONS OF THE CORPORATION PAYABLE SOLELY AS PROVIDED IN THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE OF MISSISSIPPI, ANY MUNICIPALITY OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF MISSISSIPPI. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF MISSISSIPPI OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED FOR PAYMENT OF THE BONDS. THE CORPORATION HAS NO TAXING POWER. THE BONDS ARE NOT A DEBT OF THE UNITED STATES OF AMERICA, OR ANY AGENCY THEREOF, OR GNMA OR FANNIE MAE AND ARE NOT GUARANTEED BY THE FULL FAITH AND CREDIT OF THE UNITED STATES OF AMERICA.

MATURITY SCHEDULE

Class	Principal Amount	Maturity Date	Interest Rate	Price	Tax Status
1 (PAC)**	$4,615,000	12/1/2009	6.16%	100%	(a)
2 (PAC)**	1,925,000	6/1/2012	6.31	100	(a)
3 (PAC)**	7,885,000	6/1/2024	6.56	100	(a)
4	3,215,000	12/1/2017	5.125	100	(b)
5	1,590,000	12/1/2018	5.25	100	(c)
6	19,230,000	6/1/2030	***	108	(c)

** Planned Amortization Class; such Classes will receive planned principal distributions so long as principal payments on the Mortgage Loans are received at a rate not less than 65% nor more than 300% of the PSA Prepayment Model.
*** 5.20% through March 1, 1999, and 6.25% thereafter.
(a) Taxable
(b) Tax-exempt, Non-AMT
(c) Tax-exempt, AMT

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds defined herein as the Class 1 Bonds, the Class 2 Bonds, the Class 3 Bonds, the Class 4 Bonds, $1,090,000 aggregate principal amount of the Class 5 Bonds, and the Class 6 Bonds (collectively, the "Underwritten Bonds") are offered for delivery when, as and if issued by the Corporation and accepted by the Underwriters, subject to receipt of an approving opinion by Kutak Rock, Atlanta, Georgia, Bond Counsel. Class 5 Bonds in the aggregate principal amount of $500,000 (the "Placed Bonds") are being sold directly to an institutional investor by the Corporation and are not being offered by the Underwriters, subject to the receipt of an approving opinion of Bond Counsel. Certain legal matters incident to the authorization and issuance of the Bonds will be passed upon by Kutak Rock, Atlanta, Georgia, Bond Counsel. Certain legal matters will be passed upon for the Corporation by its in-house counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Crosthwait Terney, PLLC, Jackson, Mississippi. It is expected that the Bonds will be available for delivery in New York, New York at DTC on or about April 9, 1998.

MORGAN KEEGAN & COMPANY, INC. GEORGE K. BAUM & COMPANY

Dated: March 27, 1998