
FIRST AMENDED AND RESTATED

OFFICIAL NOTICE OF SALE

and

OFFICIAL BID FORM

—————
\$11,990,000 *

**CITY AND COUNTY OF SAN FRANCISCO FINANCE CORPORATION
LEASE REVENUE BONDS, SERIES 2008A**

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The City and County of San Francisco Finance Corporation will receive electronic bids and sealed bids for the above-referenced bonds at the place and up to the time specified below:

SALE DATE:	Wednesday, April 9, 2008 (Subject to postponement or cancellation in accordance with this Official Notice of Sale)
TIME:	8:30 a.m. (California time)
PLACE:	1 Dr. Carlton B. Goodlett Place, Room 336 San Francisco, California 94102
DELIVERY DATE:	Wednesday, April 23, 2008 (Subject to postponement or cancellation in accordance with this Official Notice of Sale)
FAX NUMBER:	(415) 554-4864

* Subject to adjustment in accordance with this Official Notice of Sale.

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FIRST AMENDED AND RESTATED OFFICIAL NOTICE OF SALE

\$11,990,000*

**CITY AND COUNTY OF SAN FRANCISCO FINANCE CORPORATION
LEASE REVENUE BONDS, SERIES 2008A**

The Official Notice of Sale dated April 1, 2008, with respect to the above-referenced bonds is amended and restated in its entirety to state as set forth herein. All references herein to “Official Notice of Sale” shall mean this “First Amended and Restated Official Notice of Sale.”

NOTICE IS HEREBY GIVEN that electronic bids and sealed bids will be received, and in the case of sealed bids, opened, and in the case of electronic bids, received solely through Ipreo LLC’s Parity System (“Parity”) in the manner described below, by the Board of Directors of the City and County of San Francisco Finance Corporation (the “Corporation”) at the Office of Public Finance, City Hall, Room 336, 1 Dr. Carlton B. Goodlett Place, San Francisco, California 94102 on:

Wednesday, April 9, 2008 at 8:30 a.m., California time
(subject to postponement in accordance with this Official Notice of Sale)

for the purchase of \$11,990,000* aggregate principal amount of City and County of San Francisco Finance Corporation Lease Revenue Bonds, Series 2008A (the “Bonds”), as more particularly described below. **See “TERMS OF SALE–WARNING REGARDING ELECTRONIC BIDS” hereinafter for information regarding the terms and conditions under which bids will be received through electronic transmission.**

The amount of Bonds to be sold is subject to substantial change, as described herein.

THE RECEIPT OF BIDS ON WEDNESDAY, APRIL 9, 2008, MAY BE POSTPONED OR CANCELED AT OR PRIOR TO THE TIME BIDS ARE TO BE RECEIVED. NOTICE OF SUCH POSTPONEMENT OR CANCELLATION WILL BE COMMUNICATED BY THE CORPORATION THROUGH THE BOND BUYER WIRE AND PARITY (COLLECTIVELY, THE “NEWS SERVICES”) AS SOON AS PRACTICABLE FOLLOWING SUCH POSTPONEMENT OR CANCELLATION. If the sale is postponed, bids will be received at the hour and place set forth above on any weekday during the period from Thursday, April 10, 2008, through Wednesday, May 7, 2008, as the Corporation may determine. Notice of the new date and time for receipt of bids shall be given through the News Services as soon as practicable following a postponement and no later than 1:00 p.m. (California time) on the date preceding the new bid receipt and opening time. See “TERMS OF SALE–Postponement or Cancellation of Sale.” As an accommodation to bidders, telephone, facsimile or electronic notice of any postponement of sale or amendment or modification of this Official Notice of Sale will be given to any bidder requesting such notice from the financial advisor to the Corporation: Kitahata & Company, 137 Joost Avenue, San Francisco, California 94131, Telephone: (415) 710-1251, Fax: (415) 276-3777, Attention: Gary Kitahata; email: gkitahata@aol.com (the “Financial Advisor”); provided, however, that the failure of any bidder to receive such supplemental notice will not affect the sufficiency of any such notice or the legality of the sale.

The Corporation reserves the right to modify or amend this Official Notice of Sale in any respect; provided, however, that any such modification or amendment will be communicated to potential bidders through the News Services prior to the sale. Failure of any potential bidder to receive notice of any modification or amendment will not affect the sufficiency of any such notice or the legality of the sale. See “TERMS OF SALE–Right to Modify or Amend.”

* Subject to adjustment in accordance with this Official Notice of Sale.

Bidders are referred to the Preliminary Official Statement dated April 1, 2008, of the Corporation with respect to the Bonds (the “Preliminary Official Statement”) for additional information regarding the Corporation, the City and County of San Francisco (the “City”), the Bonds, the security therefor and other matters. See “CLOSING PROCEDURES AND DOCUMENTS–Official Statement.” Capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Preliminary Official Statement.

This Official Notice of Sale will be submitted to Ipreo LLC for posting at its website address (www.i-dealprospectus.com) and in the Parity bid delivery system. In the event the summary of the terms of sale of the Bonds posted by Ipreo LLC conflicts with this Official Notice of Sale in any respect, the terms of this Official Notice of Sale shall control, unless a notice of an amendment is given as described herein.

TERMS RELATING TO THE BONDS

THE TERMS OF ISSUANCE, PURPOSE, PRINCIPAL AND INTEREST REPAYMENT, SECURITY, TAX OPINION, AND ALL OTHER INFORMATION REGARDING THE BONDS ARE PRESENTED IN THE PRELIMINARY OFFICIAL STATEMENT, WHICH EACH BIDDER MUST HAVE OBTAINED AND REVIEWED PRIOR TO BIDDING FOR THE BONDS. THIS NOTICE GOVERNS ONLY THE TERMS OF SALE, BIDDING, AWARD AND CLOSING PROCEDURES. THE DESCRIPTION OF THE BONDS CONTAINED IN THIS OFFICIAL NOTICE OF SALE IS QUALIFIED IN ALL RESPECTS BY THE DESCRIPTION CONTAINED IN THE PRELIMINARY OFFICIAL STATEMENT.

Subject to the foregoing, the Bonds are generally described as follows:

Issue. The \$11,990,000* aggregate principal amount of City and County of San Francisco Finance Corporation Lease Revenue Bonds, Series 2008A will be issued as fully registered bonds without coupons in book-entry form in denominations of \$5,000 or any integral multiple thereof, as designated by the successful bidder (the “Purchaser”), all dated the date of delivery, which is expected to be April 23, 2008*. If the sale is postponed, notice of the new date of the sale will also set forth the new date of delivery of the Bonds.

Book-Entry Only. The Bonds will be registered in the name of a nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, and the Purchaser will not receive bond certificates representing its interest in the Bonds purchased. As of the date of award of the Bonds, the Purchaser must either participate in DTC or must clear through or maintain a custodial relationship with an entity that participates in DTC.

Interest Rates. Interest on the Bonds will be payable semiannually on April 1 and October 1 of each year, commencing October 1, 2008 (each, an “Interest Payment Date”). Interest will be calculated on the basis of a 30-day month, 360-day year from the date of the Bonds. Bidders must specify the rate or rates of interest which the Bonds will bear. Bidders may specify any number of separate rates, and the same rate or rates may be repeated as often as desired, provided that:

- (i) The maximum interest rate bid shall not exceed ten percent (10%) per annum;
- (ii) Each interest rate specified in any bid must be a multiple of one-eighth or one-twentieth of one percent (1/8 or 1/20 of 1%) per annum and a zero rate of interest cannot be named;

* Subject to adjustment in accordance with this Official Notice of Sale.

- (iii) Each Bond shall bear interest from its date to its stated maturity date at the single rate of interest specified in the bid;
- (iv) A single interest payment shall be due on each Bond on each Interest Payment Date, and no supplemental payments will be permitted; and
- (v) All Bonds maturing at any one time shall bear the same rate of interest.

Principal Payments. The Bonds shall mature on April 1 and October 1 (each a “Principal Payment Date”) of each year, commencing April 1, 2009 as set forth below. Subject to adjustment as hereinafter provided, the principal amount maturing on each date of each Principal Payment Date is as follows:

<u>Maturity</u>	<u>Principal Amount</u> *
April 1, 2009	\$1,430,000
October 1, 2009	1,450,000
April 1, 2010	1,735,000
October 1, 2010	1,760,000
April 1, 2011	1,790,000
October 1, 2011	1,820,000
April 1, 2012	405,000
October 1, 2012	410,000
April 1, 2013	290,000
October 1, 2013	295,000
April 1, 2014	300,000
October 1, 2014	305,000

Adjustment of Principal Payments. The principal amounts set forth in this Official Notice of Sale reflect certain estimates of the Corporation with respect to the likely interest rates of the winning bid. **Potential bidders will be notified via the News Services prior to the sale of any change to the principal payment schedule for the Bonds to be utilized for the bidding process. The Corporation reserves the right to change the principal payment schedule set forth in this Official Notice of Sale after the determination of the winning bidder, by increasing or decreasing the aggregate principal amount of the Bonds by not more than ten percent (10%) by adjusting one or more principal payments of the Bonds in increments of \$5,000.** IN SUCH EVENT, THE PURCHASER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE REOFFERING PRICES IN ITS REOFFERING PRICE CERTIFICATE AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL PAYMENTS OF THE BONDS IN ACCORDANCE WITH THIS OFFICIAL NOTICE OF SALE; PROVIDED, HOWEVER, THAT THE DOLLAR AMOUNT OF THE PRICE BID WILL BE CHANGED AS NECESSARY SO THAT THE PERCENTAGE OF NET COMPENSATION PAID TO THE PURCHASER UNDER THE ADJUSTED PRINCIPAL PAYMENT STRUCTURE DOES NOT INCREASE OR DECREASE FROM WHAT IT WOULD HAVE BEEN IF NO ADJUSTMENT HAD BEEN MADE TO THE PRINCIPAL AMOUNTS SHOWN IN THE MATURITY SCHEDULE BID UPON BY THE PURCHASER.

No Optional Redemption. The Bonds are not subject to optional redemption prior to maturity.

Special Redemption. The Bonds are subject to redemption at par plus accrued interest, without premium, on any date prior to their maturity, as a whole, or in part, from prepaid rental payments made by the

* Subject to adjustment in accordance with this Official Notice of Sale.

Corporation from the Net Proceeds of any commercial insurance, self-insurance or condemnation award with respect to the Equipment if such Net Proceeds are not used to repair, replace or restore the Equipment.

The Bonds are also subject to redemption, without premium, on the first practicable date for which notice of redemption can be given, following receipt by U.S. Bank National Association, as trustee (the "Trustee"), of a Certificate of Completion, in part, from moneys remaining in the Project Account and transferred to the Redemption Fund.

Municipal Bond Insurance at Bidder's Option. The Corporation has provided information to various bond insurers in order to pre-qualify the Bonds for municipal bond insurance. The Corporation will accept bids which are based upon the issuance of a municipal bond insurance policy for some or all of the Bonds by an insurer whose claims-paying ability is rated in the highest ratings category by each of Moody's Investors Service ("Moody's"), Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies ("Standard & Poor's"), and Fitch Ratings ("Fitch"), if such insurer is rated by Fitch Ratings. However, bids shall not be conditioned upon the issuance of any such policy. The Corporation makes no representation as to whether the Bonds will qualify for municipal bond insurance. Payment of any insurance premium and satisfaction of any conditions to the issuance of a municipal bond insurance policy and payment of any additional rating agency fees shall be the sole responsibility of the bidder. **In particular, neither the Corporation nor the City will amend or supplement the documents authorizing the issuance of the Bonds in any way, nor will either agree to enter into any additional agreement with respect to the provision of any such policy. FAILURE OF THE INSURANCE PROVIDER TO ISSUE ITS POLICY SHALL NOT CONSTITUTE CAUSE FOR A FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF OR PAY FOR THE BONDS.** The Purchaser must provide the Corporation with the municipal bond insurance commitment, including the amount of the policy premium, as well as information with respect to the municipal bond insurance policy and the insurance provider for inclusion in the final Official Statement within two (2) business days following the award of the Bonds by the Corporation. The Corporation will require a certificate from the insurance provider substantially in the form attached hereto as Exhibit A on or prior to the date of delivery of the Bonds, as well as an opinion of counsel to the insurance provider regarding the enforceability of the municipal bond insurance policy and a tax certificate, each in form reasonably satisfactory to the Corporation and Squire, Sanders & Dempsey L.L.P. and Alexis S. M. Chiu, Esq., Co-Bond Counsel (collectively, "Co-Bond Counsel"). **THE PURCHASER SHALL PAY ALL COSTS ASSOCIATED WITH ANY DECISION OF THE CORPORATION TO AMEND, SUPPLEMENT, REPRINT AND/OR "STICKER" THE FINAL OFFICIAL STATEMENT AS A RESULT OF A FAILURE BY THE PURCHASER TO TIMELY PROVIDE INFORMATION FOR THE FINAL OFFICIAL STATEMENT OR ANY SUBSEQUENT EVENT WHICH RESULTS IN THE MUNICIPAL BOND INSURANCE DISCLOSURE PRINTED IN THE FINAL OFFICIAL STATEMENT BEING INACCURATE OR OTHERWISE INADEQUATE.**

Tax Matters. Co-Bond Counsel will deliver an opinion with respect to the tax-exempt status of interest paid on the Bonds. See "TAX MATTERS" in the Preliminary Official Statement.

In the event that prior to the delivery of the Bonds: (a) the income received by any private holder from bonds of the same type and character shall be declared to be taxable (either at the time of such declaration or at any future date) under any federal income tax law, either by the terms of such law or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court; or (b) any adverse tax effect on holders of the Bonds as such; the Purchaser may, at its option, prior to the tender of the Bonds by the Corporation, be relieved of its obligation to purchase the Bonds and in such case the deposit accompanying its bid will be returned. For purposes of the preceding sentence, interest will be treated as excluded from gross income for federal income tax purposes whether or not it is includable as an item of tax preference for calculating alternative minimum taxes or is otherwise includable for the purpose of calculating certain other tax liabilities.

Legal Opinion. A complete copy of the proposed form of opinion of Co-Bond Counsel is set forth in Appendix G to the Preliminary Official Statement. The legal opinion of Co-Bond Counsel with respect to the Bonds, approving the validity of the Bonds, will be furnished, without cost, to the Purchaser upon delivery of the Bonds.

TERMS OF SALE

Form of Bids; Delivery of Bids. Each bid for the Bonds must be (1) for not less than all of the Bonds hereby offered for sale, (2) for not less than 99.5% of the par value of the Bonds, (3) submitted with a Good Faith Deposit (see “–Good Faith Deposit”), (4) unconditional and (5) submitted on the Official Bid Form attached hereto as Exhibit B (the “Official Bid Form”) and signed by the bidder or submitted via Parity. Bids may include a premium on the par value of the Bonds. Electronic bids must conform with the procedures established by Parity. Sealed bids must be enclosed in a sealed envelope, delivered to the Corporation c/o Angela Whittaker of the Office of Public Finance of the City and County of San Francisco at the address set forth on the cover of this Official Notice of Sale and clearly marked “Bid for the City and County of San Francisco Finance Corporation Lease Revenue Bonds, Series 2008A” or words of similar import or submitted in electronic form (in which event a financial surety bond for the good faith deposit must have been provided or a check delivered), as hereinafter described and received by 8:30 a.m. California time, at the offices of the Office of Public Finance, Attention: Angela Whittaker; at the address set forth on this Official Notice of Sale; phone: (415) 554-6643. No bid submitted by facsimile transmission will be accepted. If the sale of the Bonds is canceled or postponed, all sealed bids will be returned unopened. No bid submitted to the Corporation is subject to withdrawal or modification by the bidder. **All bids will be deemed to incorporate and be subject to all of the terms of this Official Notice of Sale.**

Solely as an accommodation to bidders, electronic bids will be received exclusively through Parity in accordance with this Official Notice of Sale, but no bid will be accepted after the time specified for receiving bids. To the extent any instructions or directions set forth in Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about Parity, potential bidders may contact the Financial Advisor or Parity, phone: (212) 849-5021.

The Corporation retains absolute discretion to determine whether any bid, whether sealed or electronic, is timely, legible and complete and conforms to this Official Notice of Sale. The Corporation takes no responsibility for informing any bidder prior to the time for receiving bids that its bid is incomplete, illegible or nonconforming with this Official Notice of Sale or has not been received.

WARNING REGARDING ELECTRONIC BIDS: Bids for the Bonds may be submitted electronically, but only via Parity. The Corporation will attempt to accommodate bids submitted electronically via Parity. However, the Corporation neither endorses nor encourages the use of such electronic bidding service. None of the Corporation, the City, the City Attorney, the Financial Advisor or Co-Bond Counsel assumes any responsibility for any error contained in any bid submitted electronically, or for failure of any bid to be transmitted, received or opened at the official time for receipt of bids and each bidder expressly assumes the risk of, any incomplete, illegible or untimely bid submitted by electronic transmission by such bidder, including without limitation, by reason of garbled transmissions, mechanical failure, engaged telecommunications lines, or any other cause arising from submission by electronic transmission. The official time for receipt of bids will be determined by the Corporation at the place of bid opening, and the Corporation will not be required to accept the time kept by Parity as the official time.

If a bidder submits an electronic bid for the Bonds through Parity, such bidder thereby agrees to the following terms and conditions: (1) if any provision in this Official Notice of Sale with respect to

the Bonds conflicts with information or terms provided or required by Parity, this Official Notice of Sale, including any amendments or modifications issued through the News Services, will control; (2) each bidder will be solely responsible for making necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale; (3) neither the Corporation nor the City will have any duty or obligation to provide or assure access to Parity to any bidder, and neither the Corporation nor the City will be responsible for proper operation of, or have any liability for, any delays, interruptions or damages caused by use of Parity or any incomplete, inaccurate or untimely bid submitted by any bidder through Parity; (4) the Corporation is permitting use of Parity as a communication mechanism, and not as an agent of the Corporation or the City, to facilitate the submission of electronic bids for the Bonds; Parity is acting as an independent contractor, and is not acting for or on behalf of the Corporation or the City; (5) neither the Corporation nor the City is responsible for ensuring or verifying bidder compliance with any procedures established by Parity; (6) the Corporation may regard the electronic transmission of a bid through Parity (including information regarding the purchase price for the Bonds or the interest rates for any maturity of the Bonds) as though the information were submitted on the Official Bid Form and executed on the bidder's behalf by a duly authorized signatory; (7) if the bidder's bid is accepted by the Corporation the winning bidder shall promptly after the verbal award fax to the Corporation the executed, completed and conforming Official Bid Form, and the Official Bid Form, this Official Notice of Sale and the information that is transmitted electronically through Parity will form a contract, and the bidder will be bound by the terms of such contract; and (8) information provided by Parity to bidders will form no part of any bid or of any contract between the Purchaser and the Corporation unless that information is included in this Official Notice of Sale or the Official Bid Form.

Basis of Award. Unless all bids are rejected, the Bonds will be awarded to the responsible bidder whose bid represents the lowest true interest cost ("TIC") to the Corporation, taking into account the interest rate or rates and the discount or premium, if any, specified in the bid. The TIC will be that nominal annual interest rate which, when compounded semiannually and used to discount to the dated date of the Bonds all payments of principal and interest payable on the Bonds, results in an amount equal to the purchase price of such Bonds to be received by the Corporation. In the event that two or more bidders offer bids for the Bonds at the same lowest TIC, the Corporation will determine by lot which bidder will be awarded such Bonds. Bid evaluations or rankings made by Parity are not binding on the Corporation.

Estimate of True Interest Cost. Each bidder is requested, but not required, to state in its bid the amount of interest payable on the Bonds during the life of the issue and the percentage TIC to the Corporation (determined as described above), which estimate will be considered as informative only and not binding on either the bidder or the Corporation.

Multiple Bids. In the event multiple bids are received from a single bidder by any means or combination thereof, the Corporation will have the right to accept the bid representing the lowest TIC to the Corporation, and each bidder agrees by submitting any bid to be bound by the bid representing the lowest TIC to the Corporation.

Good Faith Deposit. Each bid must be accompanied by a cashier's check in immediately available funds drawn on a bank or trust company transacting business in the State of California, or by a financial surety bond, in each case in the amount of \$119,000 payable to the order of the City and County of San Francisco Finance Corporation (the "Good Faith Deposit"), to secure the Corporation from any loss resulting from the failure of the bidder to comply with the terms of its bid.

If a financial surety bond is used, it must be issued by an insurance company licensed to issue such a bond in the State of California, whose claims-paying ability is rated in the highest rating category (without

regard to subcategories) by Moody's and Standard & Poor's. **Such financial surety bond must be in place by no later than the time bids are to be received by the Office of Public Finance, 1 Dr. Carlton B. Goodlett Place, Room 336, San Francisco, California 94102, Attention: Angela Whittaker; Telephone: (415) 554-6643, Fax: (415) 554-4864.** The financial surety bond must identify each bidder whose Good Faith Deposit is guaranteed by such financial surety bond, and the Corporation has no responsibility for any failure of a financial surety bond to list any bidder or to be received on a timely basis as described in the preceding sentence. If the Bonds are awarded to a bidder utilizing a financial surety bond, then the Purchaser shall deliver its Good Faith Deposit to the Corporation, c/o the Trustee, in the form of a cashier's check (meeting the requirements set forth above) or by wire transfer no later than 12:00 noon (California time) on the business day immediately following the award. The wire transfer is to be made to U.S. Bank National Association, ABA: 091000022, 60 Livingston Avenue, St. Paul, Minnesota 55107, for credit to the City and County of San Francisco Finance Corporation, Account No. 180121167365, with notice thereof to Angela Whittaker, Telephone: (415) 554-6643, Fax: (415) 554-4864. If the Good Faith Deposit is not received by such time, the financial surety bond will be drawn on by the Corporation to satisfy the deposit requirement.

The Corporation does not endorse, encourage or discourage the use of a financial surety bond or any particular financial surety bond provider. The Corporation will accept a financial surety bond in lieu of a cashier's check under the terms described herein solely as an accommodation to bidders, and it is understood and agreed by each bidder using such a surety bond that the bidder must make its own arrangements with the provider of the surety bond.

No interest will be paid upon the Good Faith Deposit made by any bidder. Good Faith Deposit checks of all bidders (except the Purchaser) will be returned by the Corporation promptly following the award of the Bonds to the Purchaser or the rejection of all bids. No interest will be paid upon the deposit made by any bidder. The Good Faith Deposit of the Purchaser will, immediately upon acceptance of its bid, become the property of the Corporation and if in the form of a check, will be cashed. The Good Faith Deposit will be held and invested for the exclusive benefit of the Corporation. The principal amount of the Good Faith Deposit will be applied to the purchase price of the Bonds at the time of delivery thereof.

If the purchase price is not paid in full upon tender of the Bonds, the Corporation will retain the Good Faith Deposit and the Purchaser will have no right in or to the Bonds or to the recovery of the Good Faith Deposit, or to any allowance or credit by reason of such deposit, unless it shall appear that the Bonds cannot be validly issued if delivered to the Purchaser in the form and manner proposed. In the event of non-payment for the Bonds upon the valid tender thereof to the Purchaser, the Corporation reserves any and all rights granted by law to recover the full purchase price of the Bonds and, in addition, any damages suffered by the Corporation or the City.

Reoffering Prices and Certificate. Individual maturities of the Bonds may be offered at a discount or a premium, subject to the terms described in this section under the subheading "Form of Bids; Delivery of Bids." The Purchaser of the Bonds must actually reoffer all of the Bonds to the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers).

As soon as is practicable, but not later than one hour after the award of bids, the Purchaser must provide to the Corporation the initial offering prices at which it has offered all of the Bonds of each maturity to the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers), in a bona fide public offering. On or before the date two business days prior to delivery of the Bonds, the Purchaser must provide a reoffering price certificate dated the date of delivery of the Bonds (the "Reoffering Price Certificate") in the form attached as Exhibit C to the Corporation and to Squire, Sanders & Dempsey L.L.P., One Maritime Plaza, Suite 300, San Francisco, California 94111, fax:

(415) 393-9887, Attention: Robin Reese, Esq., e-mail: rreese@ssd.com. In addition, at the request of Co-Bond Counsel, the Purchaser must provide in the Reoffering Price Certificate information regarding its sales of the Bonds. For purposes of this paragraph, sales of Bonds to other securities brokers or dealers will not be considered sales to the general public.

Right of Rejection and Waiver of Irregularity. The Corporation reserves the right, in its sole and absolute discretion, to reject any and all bids, for any reason, and to waive any irregularity or informality in any bid.

Right to Modify or Amend. The Corporation reserves the right to modify or amend this Official Notice of Sale in any respect; *provided*, that any such modification or amendment will be communicated to potential bidders through the News Services not later than 1:00 p.m. (California time) on the business day preceding the date for receiving bids. Failure of any potential bidder to receive notice of any modification or amendment will not affect the sufficiency of any such notice or the legality of the sale.

Postponement or Cancellation of Sale. The Corporation may postpone or cancel the sale of the Bonds at or prior to the time for receiving bids. Notice of such postponement or cancellation will be given through the News Services as soon as practicable following such postponement or cancellation. If the sale is postponed, notice of a new sale date will be given through the News Services not later than 1:00 p.m. (California time) on the business day preceding the date that bids are to be received. Failure of any potential bidder to receive notice of postponement or cancellation will not affect the sufficiency of any such notice. In the event of a postponement of the sale only, any subsequent bid submitted by a bidder will supersede any prior bid made. If the sale is canceled, all sealed bids will be returned unopened.

Prompt Award. The Corporation will take action awarding the Bonds or rejecting all bids not later than thirty (30) hours after the time for receipt of bids, unless such time period is waived by the Purchaser.

CLOSING PROCEDURES AND DOCUMENTS

Delivery and Payment. **Delivery of the Bonds, in the form of one certificate for each maturity, will be made to the Purchaser through the facilities of DTC in New York, New York, or through the facilities of the Trustee via FAST transfer, and is presently expected to take place on Wednesday, April 23, 2008*.** Payment for the Bonds (including any premium) must be made at the time of delivery by wire transfer in funds immediately available in San Francisco. Any expense for making payment in immediately available funds shall be borne by the Purchaser. The costs of preparing the Bonds will be borne by the Corporation. The Corporation will deliver to the Purchaser, dated as of the delivery date, the separate legal opinions of Co-Bond Counsel in the form set forth in APPENDIX G – “PROPOSED FORM OF CO-BOND COUNSEL OPINIONS” to the Preliminary Official Statement, subject to changes, as set forth in “LEGAL MATTERS” in the Preliminary Official Statement.

Qualification for Sale; Blue Sky. The Corporation will furnish such information and take such action not inconsistent with law as the Purchaser may request and the Corporation may deem necessary or appropriate to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Purchaser; *provided, however*, that the Corporation will not execute a general or special consent to service of process or qualify to do business in connection with such qualification or determination in any jurisdiction. By submitting its bid for the Bonds, the Purchaser assumes all responsibility for qualifying the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of the states and jurisdictions in which the Purchaser offers or sells the Bonds, including the payment of fees for such qualification. **The Purchaser will**

*Subject to adjustment in accordance with this Official Notice of Sale.

not sell, offer to sell or solicit any offer to buy, the Bonds in any jurisdiction where it is unlawful for such Purchaser to make such sale, offer or solicitation, and the Purchaser shall comply with the Blue Sky and other securities laws and regulations of the states and jurisdictions in which the Purchaser sells the Bonds.

Right of Cancellation. The Purchaser will have the right, at its option, to cancel its obligation to purchase the Bonds if the Corporation fails to execute the Bonds and tender the same for delivery within 60 days from the date of sale thereof, and in such event the Purchaser will only be entitled to the return of the Good Faith Deposit, without interest thereon.

No Litigation. The Counsel to the Corporation will deliver an opinion stating that no litigation is pending (with service of process having been accomplished), or, to the knowledge of Counsel to the Corporation, threatened, concerning the validity of the Indenture, the Lease (as defined in the Preliminary Official Statement) or the Bonds, the corporate existence of the Corporation, or the title to their respective offices of the officers of the Corporation who will execute the Bonds, the Indenture and the Lease.

In addition, the City Attorney will deliver an opinion addressed only to the Corporation and the Board of Supervisors of the City stating that no litigation is pending (with service of process having been accomplished), or, to the knowledge of the City Attorney, threatened, concerning the validity of the Lease, the corporate existence of the City, or the title to their respective offices of the officers of the City who will execute the Lease.

CUSIP Numbers. It is anticipated that CUSIP numbers will be printed on the Bonds and in the Official Statement, but neither the failure to print such numbers nor any error with respect thereto will constitute cause for a failure or refusal by the Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. The expenses associated with printing CUSIP numbers on the Bonds will be paid by the Corporation, however, the CUSIP Service Bureau charge for the assignment of said CUSIP numbers will be paid by the Purchaser. CUSIP data is provided by Standard and Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. CUSIP numbers will be provided for convenience of reference only. Neither the Corporation nor the City will take any responsibility for the accuracy of such numbers.

California Debt and Investment Advisory Commission Fee. Pursuant to Section 8856 of the California Government Code, the Purchaser must pay to the California Debt and Investment Advisory Commission within 60 days from the sale date the statutory fee for the Bonds purchased.

Official Statement. Copies of the Preliminary Official Statement prepared by the Corporation will be available electronically at www.i-dealprospectus.com or will be furnished to any interested bidder upon request to the Financial Advisor. The contact information for the Financial Advisor is set forth on page one of this Official Notice of Sale. Within seven business days after the date of award of the Bonds, the Purchaser will be furnished with a reasonable number of copies (not to exceed 150) of the final Official Statement, without charge, for distribution in connection with the resale of the Bonds. Upon the request of the Purchaser within two (2) days of the award of the Bonds, the Corporation will supply additional copies of the Official Statement at the expense of the Purchaser.

By submitting a bid for the Bonds, each bidder agrees, if awarded the Bonds, (i) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements prepared by the Corporation, (ii) to promptly file a copy of the final Official Statement, including any supplements prepared by the Corporation, with a nationally recognized municipal securities information repository, as defined in Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), and (iii) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission

and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Bonds to the ultimate purchasers, including without limitation the delivery of a final Official Statement to each investor who purchases Bonds.

The form and content of the final Official Statement of the Corporation is within the sole discretion of the Corporation. The Purchaser's name will not appear on the cover of the Official Statement.

Certificates Regarding Official Statement. At the time of delivery of the Bonds, the Purchaser will receive certificates, signed by an officer of the Corporation and the Controller of the City, confirming to the Purchaser that, to the best knowledge of said officers, the Official Statement relating to the Bonds (excluding information regarding underwriting, the policy of municipal bond insurance and the provider thereof, if any, and The Depository Trust Company and its book-entry system, as to which no view will be expressed), as of the date of sale of the Bonds and as of the date of delivery thereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Continuing Disclosure. In order to assist the Purchaser in complying with paragraph (b)(5) of Rule 15c2-12, the City will undertake, on behalf of the Corporation, pursuant to a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Equal Opportunity. Pursuant to the spirit and intent of the City's Local Business Enterprise ("LBE") Ordinance, Chapter 14B of the Administrative Code of the City, the Corporation strongly encourages the inclusion of Local Business Enterprises certified by the San Francisco Human Rights Commission in prospective bidding syndicates. A list of certified LBEs may be obtained from the San Francisco Human Rights Commission, 25 Van Ness Avenue, 8th Floor, San Francisco, California; phone: (415) 252-2500.

Dated: April 7, 2008

EXHIBIT A

CERTIFICATE OF BOND INSURER

The undersigned, the duly authorized and acting _____ of _____ (the "Bond Insurer"), hereby certifies on behalf of the Bond Insurer as follows:

1. The statements contained in the Official Statement dated _____, 2008 (the "Official Statement"), relating to the \$_____ City and County of San Francisco Finance Corporation Lease Revenue Bonds, Series 2008A (the "Bonds"), provided by the Insurer for use under the captions _____, which statements constitute descriptions or summaries of the municipal bond insurance policy (the "Policy") of the Bond Insurer covering the Bonds, the Bond Insurer, and financial information concerning the Bond Insurer, accurately reflect and fairly present the information set forth therein, and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading; and

2. The form of Policy set forth in Appendix __ of the Official Statement is a true and complete copy of the Policy (except for omissions therefrom of particulars relating to the Bonds).

[NAME OF BOND INSURER]

By: _____

Title: _____

Phone: _____

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**EXHIBIT B
OFFICIAL BID FORM FOR THE PURCHASE OF
\$11,990,000*
CITY AND COUNTY OF SAN FRANCISCO FINANCE CORPORATION
LEASE REVENUE BONDS, SERIES 2008A**

BIDDING FIRM'S NAME:

City and County of San Francisco Finance Corporation
c/o Director of Office of Public Finance
City Hall
1 Dr. Carlton B. Goodlett Place, Room 336
San Francisco, California 94102
Confirmation Number: (415) 554-6643

Subject to the provisions and in accordance with the terms of the Official Notice of Sale dated April __, 2008 (the "Official Notice of Sale"), which is incorporated herein and made a part of this proposal, we have reviewed a Preliminary Official Statement relating to the above-referenced Bonds and hereby offer to purchase all of the Bonds described in the Official Notice of Sale on the following terms, including the submission of the required **Good Faith Deposit in the amount of \$_____ in the form of (check one): _____ cashier's check or _____ surety bond;** and to pay therefor the price of \$_____, which is equal to the par value of the Bonds, **(complete one): less an underwriters' discount of \$_____ or plus a net premium of \$_____.** Bidders are permitted to bid different rates of interest, but (i) each interest rate specified in any bid must be a multiple of 1/8 or 1/20 of 1% per annum and a zero rate of interest cannot be named; (ii) the maximum interest rate shall not exceed ten percent (10%) per annum, payable semiannually on April 1 and October 1 in each year beginning October 1, 2008; (iii) each bond shall bear interest from its date to its stated maturity date at the interest rate specified in the bid; (iv) a single interest payment shall be due on each bond on each interest payment date, and no supplemental payments will be permitted; and (v) all Bonds maturing at any one time shall bear the same interest rate.

MATURITY SCHEDULE

<u>Maturity</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
April 1, 2009		_____ %
October 1, 2009		_____
April 1, 2010		_____
October 1, 2010		_____
April 1, 2011		_____
October 1, 2011		_____
April 1, 2012		_____
October 1, 2012		_____
April 1, 2013		_____
October 1, 2013		_____
April 1, 2014		_____
October 1, 2014		_____

TIC (optional and not binding): _____ %

Authorized Signatory
Phone Number: _____
Fax Number: _____

Bond Insurer, if any: _____
Maturities Insured: _____
Bond Insurance Premium: _____

THE CORPORATION RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID IS TIMELY, LEGIBLE AND COMPLETE AND CONFORMS TO THE OFFICIAL NOTICE OF SALE.

* Subject to adjustment in accordance with the Official Notice of Sale.

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EXHIBIT C

REOFFERING PRICE CERTIFICATE

(TO BE DELIVERED BY THE PURCHASER AS DESCRIBED UNDER "REOFFERING PRICES AND CERTIFICATE" IN THE OFFICIAL NOTICE OF SALE)

_____ (the "Purchaser") is the purchaser of \$_____ aggregate principal amount of the City and County of San Francisco Finance Corporation Lease Revenue Bonds, Series 2008A (the "Bonds"). The Purchaser hereby certifies and represents the following:

A. Issue Price.

1. All Bonds of all maturities have been the subject of an initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) in a bona fide public offering at prices not higher than, or, in the case of obligations sold on a yield basis, at yields not lower than, those set forth in Schedule A attached hereto.

2. On the date of the sale of the Bonds, to the best of our knowledge based on our records, the first price or yield at which at least ten percent (10%) of each maturity [*if less than ten percent of some maturities of the Bonds has been sold to the public, add: ,* except the Bonds maturing in the years 20__, 20__ and 20__], was sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) was not greater than the respective price, or was not lower than the respective yield, set forth in Schedule A attached hereto. At the time we agreed to purchase the Bonds, based on our assessment of the then prevailing market conditions, we had no reason to believe that any of the Bonds would be initially sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices greater than the prices, or yields lower than the yields, set forth in Schedule A attached hereto, and such prices and yields, maturity-by-maturity, represented our best judgment of the fair market value of the Bonds.

3. [Less than ten percent (10%) of the Bonds maturing in the years 20__, 20__ and 20__] was sold to the public following a bona fide public offering at the prices or yields shown in the Official Statement. The unsold Bonds were bought by members of the bond syndicate for the Bonds. Even though on the date of the sale of the Bonds, it was reasonably expected that such unsold Bonds would be held as inventory until sold to the public (as opposed to being held for the bond houses' own accounts), and even though it could then be reasonably expected that such sale to the public might be at prices higher than the prices, or yields lower than the yields, set forth in Schedule A attached hereto, our reasonable expectations regarding the fair market value of such Bonds, as of the date of the sale of the Bonds, were those reflected as the public offering prices or yields of such Bonds set forth in Schedule A attached hereto.]

4. As of the date hereof, neither the Purchaser nor any affiliate of the Purchaser has participated in offering any derivative product with respect to the Bonds.

B. Qualified Guarantee.

The present value of the interest saved as a consequence of the municipal bond insurance policy (the "Insurance") to be issued by _____ (the "Insurer") with respect to the Bonds exceeds the present value of the premium for the Insurance, and the premium for the Insurance does not exceed a reasonable charge for the transfer of credit risk and is comparable with other fees under current market conditions for similar credits. The premium for the Insurance was determined in arm's-length negotiations. We believe that no non-guarantee services are being provided by the Insurer.

C. Compensation.

All compensation received for underwriting services (which includes certain expenses, including the Insurance premium) in connection with the sale and delivery of the Bonds is being paid on the date hereof in the form of a purchase discount in the amount of \$_____, and no part of such compensation includes any payment for any property or services other than underwriting services relating to sale and delivery of the Bonds.

We understand that the representations contained herein will be relied upon by the issuer of the Bonds in making certain of the representations contained in the Tax Certificate relating to the Bonds, and we further understand that Co-Bond Counsel to the issuer may rely upon this certificate, among other things, in providing an opinion with respect to the exclusion from gross income of the interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended.

Dated: _____, 2008

[PURCHASER]

By: _____
Name: _____
Title: _____
Phone: _____

Principal Payment Date	<u>Principal Amount</u>	<u>Coupon Rate</u>	<u>Reoffering Price or Yield</u>
April 1, 2009	\$ _____	_____ %	_____ %
October 1, 2009	_____	_____	_____
April 1, 2010	_____	_____	_____
October 1, 2010	_____	_____	_____
April 1, 2011	_____	_____	_____
October 1, 2011	_____	_____	_____
April 1, 2012	_____	_____	_____
October 1, 2012	_____	_____	_____
April 1, 2013	_____	_____	_____
October 1, 2013	_____	_____	_____
April 1, 2014	_____	_____	_____
October 1, 2014	_____	_____	_____

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