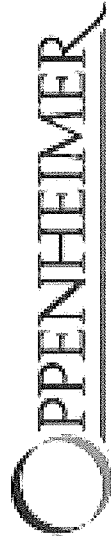




Innovative Financing For Advancement of MNDOT Projects



**The Tinklenberg
Group**

March 2013

IMPORTANT DISCLOSURE

The purpose of the material contained herein is specifically designed to provide information to select prospective clients of the Oppenheimer Project Finance Group.

This presentation, in whole or in part, is not intended to, and may not be made available for general distribution.

THIS PRESENTATION IS NOT AN OFFERING DOCUMENT OF SECURITIES. Indications of interest and orders for securities can only be solicited utilizing a Preliminary Official Statement and a Final Official Statement.

This presentation IS NOT and MAY NOT be considered an Oppenheimer Research Report. This presentation is comprised entirely of information provided as a result of the business generated by and completed within Oppenheimer and/or from publicly available information.

Oppenheimer is providing the information contained in this document for discussion purposes only in anticipation of serving as underwriter of a proposed bond issue. The primary role of Oppenheimer, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and Oppenheimer and that Oppenheimer has financial and other interests that differ from those of the Issuer. Oppenheimer is not acting as a municipal advisor, financial advisor or fiduciary to Issuer or any other person or entity. The information provided is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 as amended. Issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Issuer would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, then the Issuer is free to engage a municipal advisor to serve in that capacity.

OPPENHEIMER

About Oppenheimer & Co.

Oppenheimer & Co. Inc. ("Oppenheimer"), tracing its roots back to 1881, is a highly competitive securities firm that provides a full array of financial products and services. Oppenheimer is one of the fastest growing, full-service investment firms in the United States. Oppenheimer, headquartered at 85 Broad Street, New York, New York, is a member of the New York Stock Exchange (under the ticker symbol "OPY") as well as all other principal stock and futures exchanges.

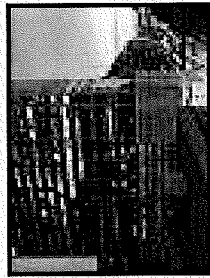
Oppenheimer ranks in the top 10 investment banks nationally. Oppenheimer has 94 offices in 22 states with offices in five foreign countries.

Capital Position

Oppenheimer distinguishes itself by its outstanding capital position relative to other firms in its peer group, as the majority of similar sized firms have much less capital. Oppenheimer's capital is more than sufficient to manage an issue of virtually any size that our clients would sell, now and in the future. The following table contains a financial summary of Oppenheimer & Co. Inc.'s capital position.

Oppenheimer Capital History			
MEASURE	12/31/2009	12/31/2010	12/31/2011
Equity Capital	\$461,012,000	\$507,362,000	\$513,403,000
Net Capital	\$157,800,000	\$170,800,000	\$144,400,000
Excess Net Capital	\$134,800,000	\$146,300,000	\$121,800,000
Mini Underwriting Limit	\$1,925,714,286	\$2,090,000,000	\$1,740,000,000

For more information, see www.opco.com.



"Our mission is to be the leading national investment boutique serving our investment and banking clients alike with independent financial insights, tailored solutions and responsive service."

-Albert G. Lowenthal
Chairman of the Board
Oppenheimer Holdings,
Inc.

Oppenheimer Public Finance. Oppenheimer's Public Finance offices have grown into a national practice that offers our clients a full range of financial services. Oppenheimer's public finance offices serve as originating centers for public finance transactions initiated throughout the country. The Firm has 30 public finance bankers operating out of seven offices and maintains eight municipal bond trading desks (New York, Providence, Philadelphia, Chicago, Kansas City, Los Angeles, Minneapolis and Fort Lauderdale) with over 30 adjacent public finance sales and trading professionals. Public finance clients benefit from Oppenheimer's expertise in bond underwriting, financial advisory services, mergers and acquisitions advisory, asset monetization, advanced refunding structuring, reinvestment programs, arbitrage rebate analysis, tax increment financing and tax incentive advisory services. Oppenheimer provides services to healthcare providers, non-profit organizations, higher education institutions, governmental issuers, development issuers, developers, corporations and partnerships.

Oppenheimer Investment Banking. The company is a leading independent, mid-sized investment bank that executes transactions from start to finish in four distinct areas: Public Financings, Private Placements, Mergers & Acquisitions and Advisory Services. The Investment Banking Group is able to provide emerging growth and middle market corporate clients with creative, cost-effective solutions, knowledgeable advice and efficient execution in the raising of capital and the implementation of strategic and financial plans.

Oppenheimer Capital Markets. The institutional business units of Oppenheimer Capital Markets include the award-winning Equity Research Department, Institutional Equity Sales & Trading, Mortgage-Backed Securities trading desk, and the Municipal and Taxable Fixed Income Departments.

Commitment to Municipal Finance. Oppenheimer is strongly committed to the municipal finance business. The full resources of the Firm are devoted to all our municipal clients and we believe our commitment, our personnel and our record of achievement define our superior qualifications in serving our clients:

- An investor profile ideally suited to the distribution of municipal bonds and private placements.
- Seasoned municipal finance professionals with experience in virtually all types of municipal financings.
- A retail sales force renowned for their ability to market and distribute municipal bonds.
- A veteran institutional sales force actively covering accounts throughout the United States.
- Extensive experience in underwriting healthcare and higher education issues on a negotiated and competitive basis and commitment to maintaining a secondary market for these same securities.

Goals of the Innovative Financing Program

- Significantly Accelerate Projects - State Transportation Improvement Program
- Create Jobs Now – Economic Stimulus
- Construction costs locked at today's pricing
- Projects completed more quickly - allow public usage faster

Similar Oppenheimer Client Applications

- \$38,655,000 Space Coast Infrastructure Agency (I-95 Brevard County DBF Project)
 - \$118,370,000 Total Project Cost
- \$59,110,000 Florida Municipal Loan Council (9B Design Build Finance Project)
 - \$90,259,000 Total Project Cost
- \$150,000,000 (Estimated) Ohio DOT DBF Bridge Project
- Under Discussion:
 - State of Indiana – IDOT
 - Washington DC – DDOT
 - State of Georgia GDOT

Challenges to Traditional Design Build Finance

- Bank Financing, if available, is difficult for Contractors
 - Requires Recourse to Contractor Balance Sheet
 - Problems with Surety Providers – No Step in Rights
 - Bank Financing is an expensive alternative compared to Tax-Exempt Bonds
 - Small to Medium Size Contractors – Pushed out of Bank Financing
- Contractors have Limited Resources to Bid on Projects
 - Recourse diminishes future project bidding capacity
 - Contractors desire to remain on Qualified Lists

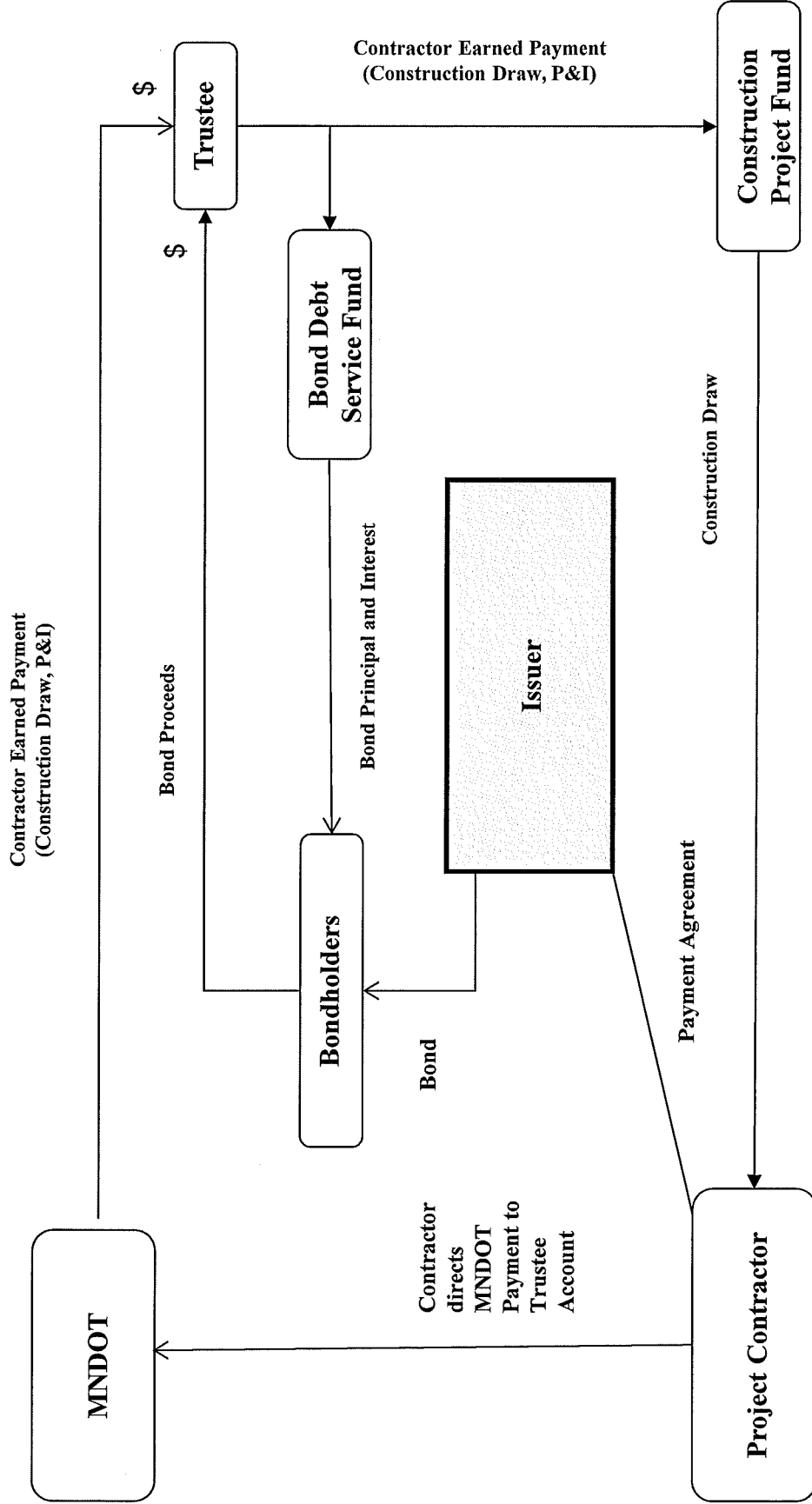
Design Build Finance Details

- Contractors have open opportunity – regardless of size or location
- Eligible Contractors are on MNDOT Approved List
- D-B-F Procurement Process is structured to give all approved Contractors equal access to Financing – Contractors can focus on Creative Designs
- Contractor Short List is established through MNDOT Process
- Competitive RFP process stimulates creativity and lowers costs – Savings from Finance Pricing goes back to State
- MNDOT is in Total Control of Process

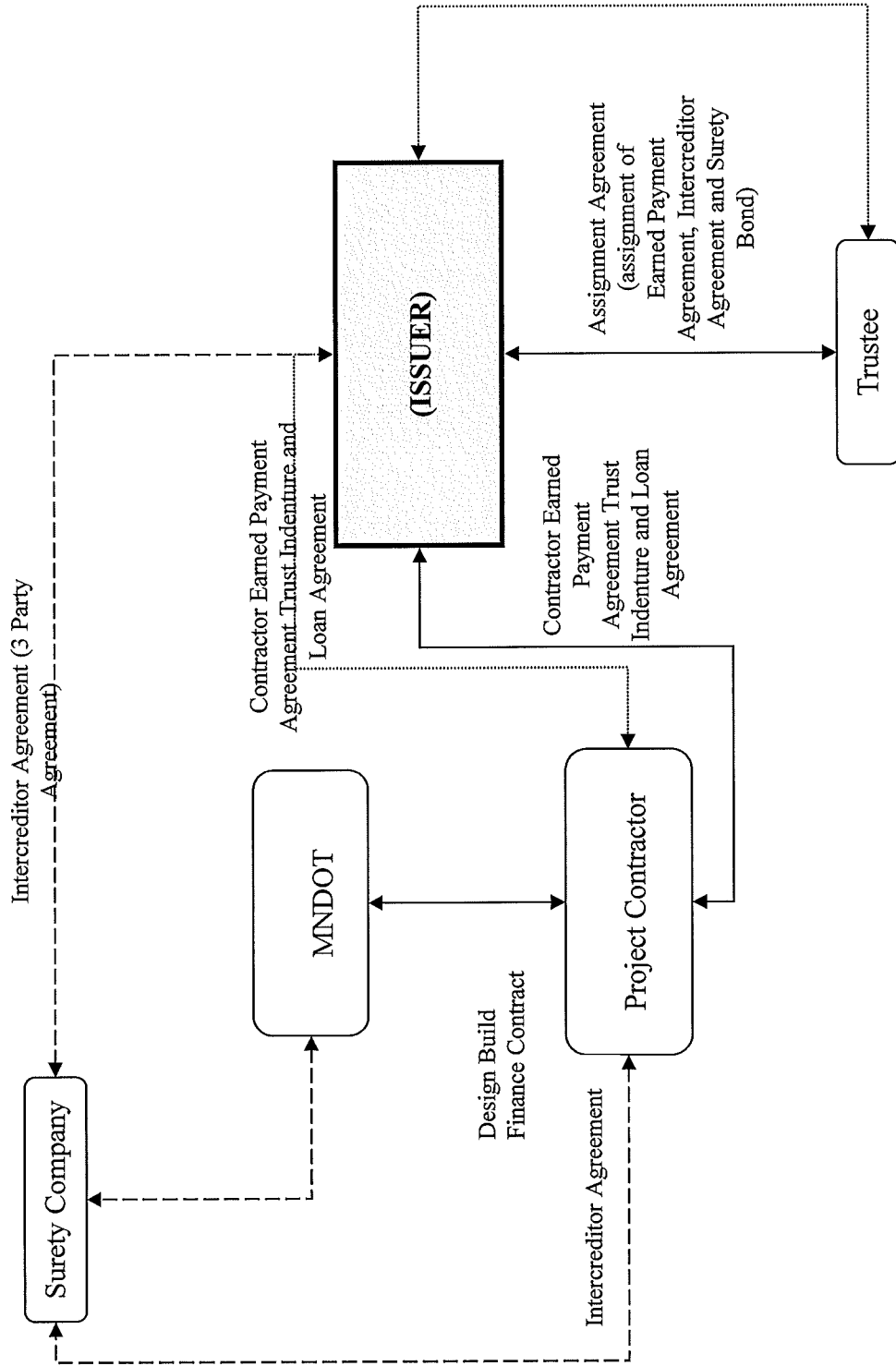
Innovative Design Build Financing Solution

- Tax-Exempt Bond Program made available to the Project – Low Cost Alternative
- Offered to All MNDOT Approved Contractors
- Local/State Conduit Issuer (Not State or MNDOT)
- Contractor must be Pre-Qualified as to Type and Size of Project
- Contractor must provide a 100% Surety Bond
- Non-Recourse to MNDOT and State of Minnesota
- Savings go to State from Bond Pricing
- Non-Recourse to the Contractor
- Credit for Bonds is Contract Obligation, subject to Future Appropriation
- Credit Rating – Based on Strength of Contract

Flow of Funds



Contracts/Agreements



Risk Mitigation – Project Delivery

- Contractor Pre-Qualified by MNDOT for the type/amount of work and selected via MNDOT managed competitive process
- Fixed Price Design-Build Contract
- 100% Performance Bond from Contractor to ensure the work is accomplished – ie: Zurich, Liberty Mutual, CNA, Travelers, Fidelity
- MNDOT Oversight of the Design-Build Project
- Flexible Repayment by MNDOT on DBF Contract Terms – Designed to Meet MNDOT Repayment Schedule
- MNDOT Maintains Control of Entire Process

Summary

- No Legislation Required to Implement
- Bond Opinions and Documents are in Place (Examples)
- Preserves and Protects Competitive Process
- Tax-Exempt Bond Program:
 - Advances Projects, resulting in major economic activity – Provide Jobs NOW!
 - Provides Innovative Financing at the lowest cost possible – Non-Recourse to MNDOT or State – Any Savings from Pricing – Returned to State
 - Ensures maximum competition – All Contractors approved by MNDOT eligible – Equal Access to Financing
 - Bonds backed by future MNDOT Payment Schedule, subject to appropriation
 - Project delivery guaranteed by Performance Bond with Step in Rights
 - Can be used to advance more projects in the future

NEW ISSUE – BOOK ENTRY ONLY

RATINGS: (See "RATINGS" herein.)

In the opinion of Bryant Miller Olive P.A., Bond Counsel, assuming compliance by the Agency (as defined herein) with certain covenants, under existing statutes, regulations and judicial decisions, interest on the Bonds (as defined herein) will be excludable from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. See "TAX MATTERS" herein for a description of certain other tax consequences to holders of the Bonds.

\$38,655,000

**SPACE COAST INFRASTRUCTURE AGENCY⁽¹⁾
INFRASTRUCTURE IMPROVEMENT REVENUE BONDS
(I-95 BREVARD COUNTY DBF PROJECT), SERIES 2012**

Dated: Date of Delivery

Due: June 15 and December 15, as shown on inside cover

The Space Coast Infrastructure Agency (the "Agency" or the "Issuer") is issuing its Infrastructure Improvement Revenue Bonds (I-95 Brevard County DBF Project), Series 2012 (the "Bonds") as fully registered bonds, without coupons. The Bonds, when issued, will be registered in the name of Cede & Co., as holder and securities depository nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only through DTC Participants (as defined herein), in the principal amount of \$5,000 or any integral multiple thereof, and purchasers of the Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, references herein to the bondholders or registered owners shall mean Cede & Co. and shall not mean the Beneficial Owner (as defined herein) of the Bonds. See "THE BONDS – Book Entry System" herein.

The Agency has been created by an interlocal agreement entered into on May 1, 2012 (the "Interlocal Agreement") by Brevard County, Florida (the "County") and the North Brevard Development District (the "District").

The Bonds are being issued under a Trust Indenture dated as of August 1, 2012 (the "Indenture") between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). The Bonds shall be dated their date of delivery, and shall bear interest payable quarterly on March 15, June 15, September 15, and December 15, commencing December 15, 2012.

Pursuant to Section 334.30(1), Florida Statutes, the Florida Department of Transportation ("FDOT") is accelerating the I-95 road widening project within portions of the County and Volusia County (as further described herein, the "Project"). See "THE PROJECT" herein. The Lane Construction Corporation (the "Contractor") has been selected by FDOT as the general contractor for the Project pursuant to a competitive selection process. The Contractor will enter into a Design-Build-Finance Contract (the "DBF Contract") with FDOT prior to delivery of the Bonds. The DBF Contract will describe the duties and responsibilities of the Contractor and FDOT.

Pursuant to the DBF Contract, the Contractor will provide a 100% performance surety bond (the "Surety Bond") to FDOT to be jointly and severally issued by Liberty Mutual Insurance Company, Fidelity and Deposit Company of Maryland and Zurich American Insurance Company (collectively, the "Surety Bond Provider"). See "SURETY" herein. The Surety Bond will insure the completion of performance by the Contractor under the DBF Contract. **THE SURETY BOND WILL NOT INSURE PAYMENT OF PRINCIPAL OR INTEREST ON THE BONDS.**

The Bonds are being issued to provide a portion of the funds for the Contractor to construct the Project. See "BACKGROUND," and "THE PROJECT," herein. The Contractor will enter into a Funding Agreement dated as of August 1, 2012 (the "Funding Agreement") with the Agency and Trustee prior to the delivery of the Bonds for the term of the Bonds whereby the Contractor will assign all of its rights to payments under the DBF Contract to the Trustee.

NEITHER THE CONTRACTOR NOR THE SURETY BOND PROVIDER IS OBLIGATED TO MAKE ANY PAYMENTS OF PRINCIPAL OR INTEREST ON THE BONDS. DEBT SERVICE PAYMENTS ON THE BONDS WILL BE A LIMITED OBLIGATION OF THE ISSUER, PAYABLE SOLELY FROM AMOUNTS PAID BY FDOT PURSUANT TO THE DBF CONTRACT THAT ARE ASSIGNED BY THE CONTRACTOR UNDER THE FUNDING AGREEMENT TO THE TRUSTEE. TO DATE, APPROXIMATELY \$78 MILLION OF THE TOTAL PROJECT COST OF APPROXIMATELY \$118 MILLION HAS BEEN APPROPRIATED BY THE STATE. THE APPROXIMATELY \$40 MILLION REMAINING FUNDS FOR THE PROJECT COST, WHICH WILL BE USED TO PAY THE DEBT SERVICE ON THE BONDS, IS SUBJECT TO APPROPRIATION BY THE STATE OF FLORIDA (LEGISLATURE AND GOVERNOR) AND IS NOT EXPECTED TO BE AVAILABLE UNTIL THE 2015-16 FISCAL YEAR (BEGINNING JULY 1, 2015). THE FAILURE BY THE STATE TO APPROPRIATE THE

REMAINING COST OF THE PROJECT WILL HAVE AN ADVERSE EFFECT ON THE ISSUER'S ABILITY TO PAY THE DEBT SERVICE ON THE BONDS. SEE "RISK FACTORS" HEREIN.

The Bonds are not subject to optional redemption prior to maturity, but will be subject to mandatory and extraordinary mandatory redemption as described herein. See "REDEMPTION" herein.

THE BONDS AND THE OBLIGATIONS EVIDENCED THEREBY ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE FDOT CONTRACT PAYMENTS AND AMOUNTS HELD IN THE FUNDS AND ACCOUNTS UNDER THE INDENTURE. THE BONDS AND THE OBLIGATIONS EVIDENCED THEREBY ARE NOT A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY, THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE COUNTY, THE DISTRICT, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE BONDS, ANY INTEREST THEREON, OR ANY OTHER OBLIGATIONS IN CONNECTION THEREWITH EXCEPT FROM AMOUNTS HELD BY THE TRUSTEE IN THE FUNDS PLEDGED THEREFOR IN THE INDENTURE IN THE MANNER PROVIDED IN THE INDENTURE. NEITHER THE FAITH AND CREDIT OF THE ISSUER, NOR FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY, THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS OR ANY OTHER OBLIGATION OF THE ISSUER UNDER THE INDENTURE OR THE BONDS. NEITHER THE COUNTY, THE DISTRICT, NOR THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF THE ISSUER'S OBLIGATIONS UNDER THE INDENTURE OR THE BONDS. THE ISSUER HAS NO TAXING POWER.

Investment in the Bonds is subject to certain risks. See "RISK FACTORS" and "SUITABILITY FOR INVESTMENT" herein.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors are directed to 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 delivered to the Underwriter, subject to prior sale, withdrawal or modification of the offer without any notice, and to the approval of legality by Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, and to certain other conditions. Certain legal matters will be passed on for the Agency by its counsel Scott Knox, Esq., who is the County Attorney for Brevard County. Certain legal matters will be passed on for the Contractor by Robinson & Cole LLP, Hartford, Connecticut. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson P.A., Tampa, Florida. Clary Consulting, LLC, Tallahassee, Florida, is acting as financial advisor to the Agency in connection with the Bonds. It is expected that the Bonds in definitive form will be available for delivery on or about August 15, 2012.

OPPENHEIMER & CO. INC.

Dated: July 11, 2012

(1) A provisional patent application was filed by Lowell Clary with the U.S. Patent Office on April 20, 2012. The patent is a methods patent that covers the method of structuring and financing design-build-finance gap construction projects in advance of their scheduled funding dates.

FitchRatings

FITCH RATES BREVARD COUNTY, FL SPACE COAST INFRASTRUCTURE AGENCY INFRA IMPRVMT REVS 'A'

Fitch Ratings-New York-31 July 2012: Fitch Ratings assigns an 'A' rating to approximately \$38.7 million in Space Coast Infrastructure Agency (the Agency) Infrastructure Improvement Revenue Bonds (I-95 Brevard County DBF Project), Series 2012. The Outlook on the bonds is stable.

The bonds are expected to close on August 15th and the proceeds will be used to finance a portion of costs of the Florida Department of Transportation's (FDOT) approximately 29 mile widening of I-95 from four lanes to six lanes in Brevard and Volusia Counties (the project).

KEY RATING DRIVERS

SOLID ABILITY & WILLINGNESS OF FDOT TO MEET OBLIGATIONS: Bond payments are derived from statutorily authorized payments to be made by the Florida Department of Transportation (FDOT), subject to appropriation, pursuant to a design build finance (DBF) contract. Pursuant to section 334.30 of Florida Statutes, FDOT can enter into DBF contracts and other public private partnerships for projects included in FDOT's work program.

Payments by FDOT can be made over time, as long as obligations for such payments in total do not exceed 15% of total federal and state funding for the State Transportation Trust Fund (STTF). Fitch views the credit quality of the statutorily authorized payments to be made by FDOT pursuant to the DBF contract as 'A.' This rating will drive the rating on the bonds. Failure of FDOT to appropriate during the principal repayment period or failure to include the project in future work programs would lead to a payment default.

STRUCTURED ARRANGEMENT LIMITS COMPLETION RISK: The bonds are structured similar to a receivable financing, with the bondholder isolated from the risk of the contractor failing to perform. The bonds are structured to have 1.0 times (x) coverage. Bond proceeds are only drawn down for FDOT approved work, ensuring that at any time the combination of bond proceeds, contract payments due from FDOT for approved work and structured liquidity is equal to the par amount of the bonds. A termination of the DBF contract and certain other events would lead to a mandatory tender of the bonds but there is no premium should these occur, meaning that available resources should always be sum sufficient to cover debt service.

INTERESTS OF FDOT & CONTRACTOR ALIGNED: While the structure of the transaction isolates the bondholder from completion risk, the statutes that allow FDOT to enter into DBF contracts and FDOT's construction risk mitigation procedures indicate that the interests of all parties are aligned. The DBF approach allows for project acceleration without a short-term impact to FDOT's cash outlay. In addition, this particular financing structure includes a waiver of offsets by FDOT once work has been approved, minimizing leverage on the DBF contractor's balance sheet. In conjunction with these benefits, FDOT does require a surety bond sized to 100% of the contract price and will only be required to pay for work approved. In addition, FDOT runs an annual qualification process for contractors and surety providers, and also has clearly defined contractual arrangements. While bondholders are not exposed to contract frustration or contract default, the proper alignment of interests between FDOT and the DBF contractor provides comfort.

WHAT COULD TRIGGER A RATING ACTION

--Change in the credit quality of FDOT's Statutorily Authorized Obligations.

SECURITY

The bonds are secured by FDOT Contract payments and all funds held by the Trustee pursuant to the indenture, including the Project Fund and the Bond Fund, which includes the reserve account

and capitalized interest account. The contractor will also be providing a \$2 million letter of credit (LOC) in favor of the Agency and the Trustee that can be used to cover administrative expenses and other items in the event of a mandatory tender. The Bonds are not secured by payments made by the Surety.

TRANSACTION SUMMARY

Pursuant to 334.30(1), Florida Statutes, FDOT is accelerating the I-95 road widening project within Brevard County and also in a portion of Volusia County. Total project costs are estimated at \$118 million, of which approximately \$78 million have been appropriated and are included in FDOT's 5-year work plan. The remaining \$40 million will be provided near-term with \$38.9 million in premium bonds that generate \$2.6 million in premium and \$37.9 million in proceeds. The bonds will be repaid by future appropriations, beginning in 2015.

To accelerate projects, FDOT has allowed contractors to procure their own financing. However, the financial crisis significantly increased the cost of obtaining funding for contractors, slowing down progress. In addition, the gap between project completion and FDOT payment has also increased, making the cost to contractors prohibitive. To help alleviate this issue, FDOT will enter into a DBF agreement with the contractor that commits to a set payment schedule subject to the amount being earned by the contractor and to future appropriation by the Florida Legislature where the project is scheduled in future years. The Agency has agreed to advance funds to the project via the bond issue through the Funding Agreement with the contractor that pledges the future payments from FDOT in the Design-Build-Finance Agreement.

As long as the contractor fulfills its obligations to construct the project pursuant to a fixed price date certain design build contract, then FDOT agrees to pay FDOT Contract Payments pursuant to an agreed upon schedule, subject to appropriation. Bond maturities are structured to match this schedule. The contractor is required to have a surety bond that covers 100% of the project cost plus a cushion for a 25% increase.

Pursuant to the contract, the DBF contractor submits monthly draws to FDOT. Upon acceptance of the work and approval of the draw by FDOT, FDOT will make a Contract Payment pursuant to an agreed upon schedule in the trust indenture and funding agreement. The scheduled payments are such that FDOT Contract Payments will first be used for interest payments and then to fund Contractor draws for work completed. The gap in the schedule will be covered by bond proceeds and then FDOT Contract Payments will commence again and retire the bonds. Separately, the Capitalized Interest account will be used to cover interest on the bonds during the period when FDOT is not providing contractor payments.

A slow-down in construction progress will slow down FDOT payments while accelerated work will only be approved at a level equal to FDOT's Cash Availability Schedule. Pursuant to sections 4.01 and 5.01 of the indenture, a default by the contractor and surety will result in a tender of the bonds, as will a reduction in the contract price exceeding \$250,000 or 15 consecutive or cumulative months of failed FDOT work certifications. A LOC equal to \$2 million will be provided to cover the use of bond proceeds for issuance costs, administrative expenses, and interest costs during the delay should this situation occur.

Bondholders are isolated from contractor risk through several features of the DBF contract, which includes by reference State of Florida DB specifications and also the DBF RFP issued by FDOT. In particular, the trustee will not disburse funds in the FDOT Contract Payment account or the Bond Proceeds account of the Project Fund without an FDOT engineering certification that the work meets FDOT standards and has been accepted. There is no retainage under this framework as FDOT normally retains funds in the final quarter of payment. However, in the DBF arrangement, project completion will have already occurred well before. In addition, pursuant to the RFP which becomes part of the final DBF contract, FDOT indicates that once an approval has been granted, no offsets can be made against that payment. It can only be applied to the approval of future payments. Thus the Trustee will only disburse funds for approved work and pursuant to the RFP, section 337.145 of the State of Florida Statutes regarding offsetting payments is not applicable.

The project is relatively straightforward and consists of adding one lane in each direction on I-95 in

Brevard County and in a section of Volusia County. The existing lanes also need to be milled and overlaid and all interchanges need to be upgraded as well. Delay risk is likely tied to inclement weather. All right of way and permitting requirements are currently in hand. All the contractor needs to do is to handle permit expiration and a few modifications.

Lane Construction Corporation (the contractor) is a large infrastructure contractor that has been involved with numerous highway and rail projects. Lane is currently involved in the Fluor-Lane JV constructing the Capital Beltway HOT lanes and is also involved in the Fluor-Lane JV for the I-95 HOT lanes project, both located in northern Virginia. The DB Contractor currently has a score of over 100 as assigned by FDOT to reflect past performance on FDOT projects. Ultimately, the bonds are not exposed to completion risk as the combination of bond proceeds, the reserve account, capitalized interest account, pending payments for work accepted by DOT and the LOC should always be sufficient to cover debt service payments or a mandatory tender.

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Additional information is available at 'www.fitchratings.com'. The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable Criteria and Related Research:

- 'Rating Criteria for Infrastructure and Project Finance' (June 12, 2012);
- 'Tax Supported Rating Criteria' (Aug. 15, 2011);
- 'US State Government Tax-Supported Rating Criteria' (Aug. 15, 2011).

Applicable Criteria and Related Research:

Rating Criteria for Infrastructure and Project Finance
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=682867
Tax-Supported Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=648898
U.S. State Government Tax-Supported Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=648897

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NEW ISSUE – BOOK ENTRY ONLY

SEE "RATINGS" HEREIN

In the opinion of Bryant Miller Olive P.A., Bond Counsel, assuming compliance by the Issuer (as defined herein) with certain covenants, under existing statutes, regulations and judicial decisions, interest on the Bonds (as defined herein) will be excludable from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. See "TAX MATTERS" herein for a description of certain other tax consequences to holders of the Bonds.

\$59,110,000

**FLORIDA MUNICIPAL LOAN COUNCIL
INFRASTRUCTURE IMPROVEMENT REVENUE BONDS, SERIES 2012
(9B DESIGN-BUILD-FINANCE PROJECT)**

Dated: Date of Delivery

Due: February 15 and August 15 as shown on inside cover

The Florida Municipal Loan Council (the "Issuer") is issuing its Infrastructure Improvement Revenue Bonds, Series 2012 (9B Design-Build-Finance Project) (the "Bonds") as fully registered bonds, without coupons. The Bonds, when issued, will be registered in the name of Cede & Co., as holder and securities depository nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only through DTC Participants (as defined herein), in the principal amount of \$5,000 or any integral multiple thereof, and purchasers of the Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, references herein to the bondholders or registered owners shall mean Cede & Co. and shall not mean the Beneficial Owner (as defined herein) of the Bonds. See "THE BONDS – Book Entry System" herein.

The Bonds are being issued under a Trust Indenture dated as of September 1, 2012 (the "Indenture") between the Issuer and Deutsche Bank Trust Company Americas, as trustee (the "Trustee"). The Bonds shall be dated their date of delivery, and shall bear interest payable quarterly on November 15, February 15, May 15, and August 15, commencing November 15, 2012.

Pursuant to Section 334.30(1), Florida Statutes, the Florida Department of Transportation ("FDOT") is accelerating the construction of State Road 9B from I-95 to U.S. 1 in Duval County, Florida (as further described herein, the "Project"). See "THE PROJECT" herein. Infrastructure Development Partners (the "Contractor"), a joint venture between Superior Construction Company Southeast, LLC and Signet-Superior Infrastructure, LLC has been selected by FDOT as the general contractor for the Project pursuant to a competitive selection process. The Contractor will enter into a Design-Build-Finance Contract (the "DBF Contract") with FDOT prior to delivery of the Bonds. The DBF Contract will describe the duties and responsibilities of the Contractor and FDOT.

Pursuant to the DBF Contract, the Contractor will provide a 100% performance surety bond (the "Surety Bond") to FDOT issued by Continental Casualty Company, or an entity affiliated therewith ("CNA" or the "Surety Bond Provider"). See "SURETY" herein. The Surety Bond will insure the completion of performance by the Contractor under the DBF Contract. **THE SURETY BOND WILL NOT INSURE PAYMENT OF PRINCIPAL OR INTEREST ON THE BONDS.**

The Bonds are being issued to provide a portion of the funds for the Contractor to design and construct the Project. See "BACKGROUND," and "THE PROJECT," herein. The Contractor will enter into a Funding Agreement dated as of September 1, 2012 (the "Funding Agreement") with the Issuer and Trustee prior to the delivery of the Bonds for the term of the Bonds whereby the Contractor will assign all of its rights to all future payments under the DBF Contract to the Trustee.

NEITHER THE CONTRACTOR NOR THE SURETY BOND PROVIDER IS OBLIGATED TO MAKE ANY PAYMENTS OF PRINCIPAL OR INTEREST ON THE BONDS. DEBT SERVICE PAYMENTS ON THE BONDS WILL BE A LIMITED OBLIGATION OF THE ISSUER, PAYABLE SOLELY FROM AMOUNTS HELD UNDER THE INDENTURE AND AMOUNTS PAID BY FDOT PURSUANT TO THE DBF CONTRACT THAT ARE ASSIGNED BY THE CONTRACTOR UNDER THE FUNDING AGREEMENT TO THE TRUSTEE. TO DATE, NONE OF THE TOTAL PROJECT COST OF APPROXIMATELY \$95 MILLION HAS BEEN APPROPRIATED BY THE STATE. FUNDING FOR THE PROJECT COST, WHICH WILL BE USED TO PAY THE DEBT SERVICE ON THE BONDS, IS SUBJECT TO APPROPRIATION BY THE FLORIDA LEGISLATURE AND APPROVAL BY THE GOVERNOR OF THE STATE OF FLORIDA AND IS NOT EXPECTED TO BE AVAILABLE UNTIL THE 2013-14 FISCAL YEAR (BEGINNING JULY 1, 2013). THE FAILURE BY THE STATE TO APPROPRIATE FUNDS FOR THE FDOT'S WORK PLAN THAT INCLUDES THE PROJECT WILL HAVE AN ADVERSE EFFECT ON THE ISSUER'S ABILITY TO PAY THE DEBT SERVICE ON THE BONDS. SEE "RISK FACTORS" HEREIN.

The Bonds are not subject to optional redemption prior to maturity, but will be subject to mandatory and extraordinary mandatory redemption as described herein. See "REDEMPTION" herein.

THE BONDS AND THE OBLIGATIONS EVIDENCED THEREBY ARE LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE FDOT CONTRACT PAYMENTS AND AMOUNTS HELD IN THE FUNDS AND ACCOUNTS UNDER THE INDENTURE. THE BONDS AND THE OBLIGATIONS EVIDENCED THEREBY ARE NOT A DEBT, LIABILITY OR OBLIGATION OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR MUNICIPAL CORPORATION THEREOF, OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR MUNICIPAL CORPORATION THEREOF. THE ISSUER SHALL NOT BE OBLIGATED TO PAY THE BONDS, ANY INTEREST OR PREMIUM THEREON, OR ANY OTHER OBLIGATIONS IN CONNECTION THEREWITH EXCEPT FROM AMOUNTS HELD BY THE TRUSTEE IN THE FUNDS PLEDGED THEREFOR IN THE INDENTURE IN THE MANNER PROVIDED IN THE INDENTURE. NEITHER THE FAITH AND CREDIT OF THE MEMBERS OF THE ISSUER, NOR THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR MUNICIPAL CORPORATION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE BONDS OR ANY OTHER OBLIGATION OF THE ISSUER UNDER THE INDENTURE OR THE BONDS. NEITHER THE STATE OF FLORIDA NOR ANY POLITICAL SUBDIVISION OR MUNICIPAL CORPORATION THEREOF SHALL BE DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY ANY FORM OF TAXATION WHATSOEVER FOR THE PAYMENT OF THE ISSUER'S OBLIGATIONS UNDER THE INDENTURE OR THE BONDS. THE ISSUER HAS NO TAXING POWER.

Investment in the Bonds is subject to certain risks. See "RISK FACTORS" and "SUITABILITY FOR INVESTMENT" herein.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors are directed to 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 delivered to the Underwriters, subject to prior sale, withdrawal or modification of the offer without any notice, and to the approval of legality by Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, and to certain other conditions. Certain legal matters will be passed on for the Issuer by its counsel Craig A. Conn, Esq., Tallahassee, Florida. Certain legal matters will be passed upon for the Contractor by its counsel, Vezina, Lawrence & Piscitelli, P.A., Ft. Lauderdale, Florida and for the Underwriters by their counsel, Nabors, Giblin & Nickerson P.A., Tampa, Florida. Public Resources Advisory Group, St. Petersburg, Florida, is acting as financial advisor to the Issuer in connection with the issuance of the Bonds. It is expected that the Bonds in definitive form will be available for delivery on or about September 7, 2012.

WELLS FARGO SECURITIES

OPPENHEIMER & CO. INC.

Dated: August 7, 2012

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND
INITIAL CUSIP NUMBERS**

\$59,110,000

**FLORIDA MUNICIPAL LOAN COUNCIL
INFRASTRUCTURE IMPROVEMENT REVENUE BONDS, SERIES 2012
(9B DESIGN-BUILD-FINANCE PROJECT)**

\$8,960,000 1.50% Term Bonds due August 15, 2015, Yield 1.50%, Price 100.00, CUSIP: 34282BAB9[†]
\$41,550,000 1.75% Term Bonds due August 15, 2016, Yield 1.75%, Price 100.00, CUSIP: 34282BAC7[†]
\$8,600,000 1.95% Term Bonds due February 15, 2017, Yield 1.95%, Price 100.00, CUSIP: 34282BAA1[†]

[†] The Issuer is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Official Statement.

Fitch Ratings

Fitch Rates Florida Municipal Loan Council Infrastructure Improvement Revenue Bonds 'A' Ratings Endorsement Policy 17 Aug 2012 12:38 PM (EDT)

Fitch Ratings-New York-17 August 2012: Fitch Ratings assigns an 'A' rating to approximately \$59.1 million in Florida Municipal Loan Council (FMLC) infrastructure improvement revenue bonds, series 2012 (9B Design Build Finance Project). The Rating Outlook on the bonds is Stable.

The bonds are expected to close on Sept. 7, and the proceeds will be used to accelerate the SR 9B road project within Duval County to connect US 1 to I-95 via an extension of SR 9B (the project).

KEY RATING DRIVERS

SOLID ABILITY & WILLINGNESS OF FDOT TO MEET OBLIGATIONS: Bond payments are derived from statutorily authorized payments to be made by the Florida Department of Transportation (FDOT), subject to appropriation, pursuant to a design build finance (DBF) contract. Pursuant to section 334.30 of Florida Statutes, FDOT can enter into DBF contracts and other public private partnerships for projects included in FDOT's work program. Payments by FDOT can be made over time, as long as obligations for such payments in total do not exceed 15% of total federal and state funding for the State Transportation Trust Fund (STTF). Fitch views the credit quality of the statutorily authorized payments to be made by FDOT pursuant to the DBF contract as 'A.' This rating will drive the rating on the bonds. Failure of FDOT to appropriate during the principal repayment period or failure to include the project in future work programs would lead to a payment default.

STRUCTURED ARRANGEMENT LIMITS COMPLETION RISK: The bonds are structured similar to a receivable financing, with the bondholder isolated from the risk of the contractor failing to perform. The bonds are structured to have 1.0 times (x) coverage. Bond proceeds are only drawn down for FDOT approved work, ensuring that at any time the combination of bond proceeds, contract payments due from FDOT for approved work and structured liquidity is equal to the par amount of the bonds. A termination of the DBF contract and certain other events would lead to a mandatory tender of the bonds, but there is no premium should these occur, meaning that available resources should always be sum sufficient to cover debt service.

INTERESTS OF FDOT & CONTRACTOR ALIGNED: While the structure of the transaction isolates the bondholder from completion risk, the statutes that allow FDOT to enter into DBF contracts and FDOT's construction risk mitigation procedures indicate that the interests of all parties are aligned. The DBF approach allows for project acceleration without a short-term impact to FDOT's cash outlay. In addition, this particular financing structure includes a waiver of offsets by FDOT once work has been approved, minimizing leverage on the DBF contractor's balance sheet. In conjunction with these benefits, FDOT does require a surety bond sized to 100% of the contract price and will only be required to pay for work approved. In addition, FDOT runs an annual qualification process for contractors and surety providers, and also has clearly defined contractual arrangements. While bondholders are not exposed to contract frustration or contract default, the proper alignment of interests between FDOT and the DBF contractor provides comfort.

WHAT COULD TRIGGER A RATING ACTION
--Change in the credit quality of FDOT's Statutorily Authorized Obligations.

SECURITY
The bonds are secured by FDOT Contract payments and all funds held by the Trustee pursuant to the indenture, including the Project Fund and the Bond Fund, which includes the reserve account and capitalized interest account. The contractor will also be providing a \$2.6 million letter of credit (LOC) in favor of the FMLC and the Trustee that can be used to cover administrative expenses and other items in the event of a mandatory tender. The bonds are not secured by payments made by the Surety.

TRANSACTION SUMMARY
Pursuant to 334.30(1), Florida Statutes, FDOT is accelerating the 9B extension project within Duval County. Total project

costs (including financing) are estimated at \$94.9M, all of which fall in FDOT's adopted five-year (2012-2016) work plan. Most of the FDOT funding will be provided beginning in 2015, requiring \$59.1 million in bonds that generate \$56 million in proceeds. The bonds will be repaid by future appropriations, beginning in 2015.

To accelerate projects, FDOT has allowed contractors to procure their own financing. However, the financial crisis significantly increased the cost of obtaining funding for contractors, slowing down progress. In addition, the gap between project completion and FDOT payment has also increased, making the cost to contractors prohibitive. To help alleviate this issue, FDOT will enter into a DBF agreement with the contractor that commits to a set payment schedule subject to the amount being earned by the contractor and to future appropriation by the Florida Legislature where the project is scheduled in future years. The FMLC has agreed to advance funds to the project via the bond issue through the Funding Agreement with the contractor that pledges the future payments from FDOT in the Design-Build-Finance Agreement. As long as the contractor fulfills its obligations to construct the project pursuant to a fixed price date certain design build contract, then FDOT agrees to pay FDOT Contract Payments pursuant to an agreed upon schedule, subject to appropriation. Bond maturities are structured to match this schedule. The contractor is required to have a surety bond that covers 100% of the project cost plus a cushion for a 25% increase.

Pursuant to the contract, the DBF contractor submits monthly draw requests to the Trustee. Upon FDOT acceptance of the work and certification of the earned amount, FDOT will make a Contract Payment pursuant to an agreed upon schedule in the trust indenture and funding agreement. The gap in the schedule will be covered by bond proceeds. The flow of funds requires FDOT Contract Payments to first be used for interest payments and then to fund Contractor draws for work completed. The gap in the schedule, which in this case occurs early on, will be covered by bond proceeds and the capitalized interest account (first seven interest payments). FDOT Contract Payments will commence in 2013, covering interest payments and supplementing bond proceeds for contractor draws. FDOT payments from 2015 onward will be used to retire the bonds.

A slow-down in construction progress will slow down FDOT payments while accelerated work will only be approved at a level equal to FDOT's Cash Availability Schedule. Pursuant to sections 4.01 and 5.01 of the indenture, a default by the contractor and surety will result in a tender of the bonds, as will a reduction in the contract price exceeding \$250,000 or 15 consecutive or cumulative months of failed FDOT work certifications. A LOC equal to \$2.6 million will be provided to cover the use of bond proceeds for issuance costs, administrative expenses, and interest costs during the delay should this situation occur.

Bondholders are isolated from contractor risk through several features of the DBF contract, which includes by reference State of Florida DB Specifications and also the DBF RFP issued by FDOT. In particular, the trustee will not disburse funds in the FDOT Contract Payment account or the Bond Proceeds account of the Project Fund without an FDOT engineering certification that the work meets FDOT standards and has been accepted. There is no retainage under this framework as FDOT normally retains funds in the final quarter of payment. However, in the DBF arrangement, project completion will have already occurred well before. In addition, pursuant to the RFP which becomes part of the final DBF contract, FDOT indicates that once an approval has been granted, no offsets can be made against that payment. It can only be applied to the approval of future payments. Thus the Trustee will only disburse funds for approved work and pursuant to the RFP, section 337.145 of the State of Florida Statutes regarding offsetting payments is not applicable.

The project is relatively straightforward and consists of connecting US 1 to I-95 via an extension of SR 9B from US 1 to I-95. The project also includes adding final interchanges between SR 9B and US 1 that were not part of the Phase I project. The completed project will provide full connectivity to both US 1 and I-95. Delay risk is likely tied to inclement weather.

Infrastructure Development Partners (the DB Contractor) is a JV comprised of Superior Construction Company Southeast, LLC and Signet Enterprises. Superior is a Florida Licensed General Contractor headquartered in Gary, Indiana and specializes in bridges, highways, major earthwork, concrete and asphalt paving. Superior has been doing work in FDOT district 2 for 25 years and has worked on over \$400 million in FDOT contracts in the last five years. Signet is a firm with project finance/development expertise Superior Construction currently has a score of 99.1 as assigned by FDOT to reflect past performance on FDOT projects. Ultimately, the bonds are not exposed to completion risk as the combination of bond proceeds, the reserve account, capitalized interest account, pending payments for work accepted by DOT and the LOC should always be sufficient to cover debt service payments or a mandatory tender.

For additional information related to the credit quality of the FDOT contract payments, please see Fitch's press release 'Fitch Rates Florida DOT 9B Payment Obligation 'A' dated Aug. 17, 2012 and available at 'www.fitchratings.com'.

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Additional information is available at 'www.fitchratings.com'. The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable Criteria and Related Research:
--'Tax Supported Rating Criteria' (Aug. 14, 2012);
--'US State Government Rating Criteria' (Aug. 14, 2012).

Applicable Criteria and Related Research:
Tax-Supported Rating Criteria
U.S. State Government Tax-Supported Rating Criteria

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