OFFICIAL STATEMENT DATED OCTOBER 18, 2012

Moody's: Aa2
S&P: AA+
(See "RATINGS" herein)

NEW ISSUE: BOOK-ENTRY ONLY

In the opinion of Bond Counsel, based on existing law, the interest on the Series 2012A Bonds is includible in gross income for Federal income tax purposes. As described herein under "Tax Matters," other Federal income tax consequences may arise from ownership of the Series 2012A Bonds. It is also the opinion of Bond Counsel that, under existing law of the State of Maryland, the interest on the Series 2012A Bonds and profit realized from the sale or exchange of the Series 2012A Bonds is exempt from income taxation by the State of Maryland or by any of its political subdivisions; however, the law of the State of Maryland does not expressly refer to, and no opinion is expressed concerning, estate or inheritance taxes, or any other taxes not levied directly on the Series 2012A Bonds or the interest thereon. See "Tax Matters" herein.

$8,395,000
MONTGOMERY COUNTY REVENUE AUTHORITY
TAXABLE LEASE REFUNDING REVENUE BONDS
(MONTGOMERY COUNTY CONFERENCE CENTER PROJECT)
SERIES 2012A

Dated: Date of Delivery **Due: April 15, as set forth on inside front cover**

The Series 2012A Bonds are being issued to advance refund outstanding taxable Lease Refunding Revenue Bonds of the Authority, the proceeds of which were used to finance a portion of the cost of developing, constructing and equipping a conference center in North Bethesda, Maryland (the "Project"). The Series 2012A Bonds are secured by a Trust Agreement between the Authority and U. S. Bank National Association, as trustee (the "Trustee"). Pursuant to a Lease Agreement (the "Lease Agreement") between the Authority and Montgomery County, Maryland (the "County"), the Authority is leasing the Project to the County. The County's payments under the Lease Agreement will be sufficient to pay, when due, the principal of and interest on the Series 2012A Bonds. ***The County's payments under the Lease Agreement are payable solely from amounts (if any) appropriated by the County Council for Montgomery County, Maryland.***

The Series 2012A Bonds are available only in global book-entry form, registered in the name of Cede & Co., as nominee of DTC, acting as securities depository for the Series 2012A Bonds. So long as the Series 2012A Bonds are registered in the name of Cede & Co., payment of the principal of, premium (if any) and interest on the Series 2012A Bonds will be made by the Authority to DTC. DTC is required to remit such payments to DTC participants, who are required in turn to remit such payments to beneficial owners, as described in this Official Statement. **Purchasers of the Series 2012A Bonds will not receive certificates representing their ownership interest in the Series 2012A Bonds.**

The Series 2012A Bonds are issuable only as fully registered bonds without coupons in the denomination of $5,000 each or any integral multiple thereof. Interest due on the Series 2012A Bonds is payable semiannually on April 15 and October 15 of each year, commencing April 15, 2013, by U. S. Bank National Association, as Bond Registrar and Paying Agent, to the registered owner of record as of the first day of the month of the interest payment date at the address shown on the bond registration books. Principal of the Series 2012A Bonds will be payable upon surrender at the corporate trust office of the Bond Registrar and Paying Agent in Richmond, Virginia. The Series 2012A Bonds are subject to redemption by the Authority prior to maturity as set forth herein. See "THE SERIES 2012A BONDS - - Redemption of Bonds" herein.

FOR MATURITY SCHEDULE SEE INSIDE FRONT COVER

THE SERIES 2012A BONDS CONSTITUTE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE SOLELY FROM THE PAYMENTS MADE BY THE COUNTY PURSUANT TO THE LEASE AGREEMENT AND FROM THE OTHER ASSETS PLEDGED UNDER THE TRUST AGREEMENT AS SECURITY FOR THE PAYMENT THEREOF. THE SERIES 2012A BONDS DO NOT CONSTITUTE A DEBT OF THE AUTHORITY, THE COUNTY, THE STATE OF MARYLAND OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY, THE STATE OF MARYLAND OR ANY OF ITS POLITICAL SUBDIVISIONS IS PLEDGED TO THE PAYMENT OF THE SERIES 2012A BONDS OR THE INTEREST THEREON. THE AUTHORITY HAS NO TAXING POWER.

DELIVERY: The Series 2012A Bonds are offered for delivery when, as and if issued, subject to the approving legal opinion of Venable LLP, Baltimore, Maryland, Bond Counsel, and other conditions specified in the official Notice of Sale for the Series 2012A Bonds. It is expected that the Series 2012A Bonds in definitive form will be available for delivery through DTC in New York, New York, on or about November 1, 2012.

The date of this Official Statement is October 18, 2012.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

MATURITY SCHEDULE

Maturity **April 15**	Principal **Amount**	Interest **Rate***	Price or **Yield***	**CUSIP****
2014	$460,000	2.000%	0.650%	613366 JL8
2015	805,000	2.000	0.850	613366 JM6
2016	825,000	2.000	1.250	613366 JN4
2017	845,000	2.000	1.450	613366 JP9
2018	860,000	2.000	1.800	613366 JQ7
2019	880,000	2.000	2.050	613366 JR5
2020	900,000	2.125	2.250	613366 JS3
2021	915,000	2.375	2.450	613366 JT1
2022	940,000	2.600	2.650	613366 JU8
2023	965,000	2.750	2.800	613366 JV6

* The rates shown above are the interest rates payable by the Authority resulting from the successful bid for the Series 2012A Bonds by an investment banking firm at public sale on October 18, 2012. The yields or prices shown above were furnished by the successful bidder. Any additional information concerning the reoffering of the Series 2012A Bonds should be obtained from the successful bidder and not from the Authority or from the County. See “Sale at Competitive Bidding” herein.

** The CUSIP numbers listed above are being provided solely for the convenience of Series 2012A Bondholders only at the time of issuance of the Series 2012A Bonds and neither the Authority nor the County makes any representation with respect to such numbers and undertake no responsibility for their accuracy now or at any time in the future. The CUSIP numbers are subject to being changed after the issuance of the Series 2012A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the Series 2012A Bonds.

No dealer, broker, salesman or any other person has been authorized by the Authority to give any information or to make any representation, other than those contained in this Official Statement, and if given and made, such other information or representation must not be relied upon as having been authorized by the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2012A Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been provided by the Authority and other sources. The Authority believes that the information contained in this Official Statement is correct and complete and has no knowledge of any inaccuracy or incompleteness as to any of the information herein contained. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Authority since the date hereof.

The order and placement of materials in this Official Statement, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections of this Official Statement. The offering of the Series 2012A Bonds is made only by means of this entire Official Statement.

The statements contained in this Official Statement and appendices hereto and in any other information provided by the Authority and other parties to the transactions described herein that are not purely historical are forward-looking statements. Such forward-looking statements can be identified, in some cases, by terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "illustrate," "example," and "continue," or the singular, plural, negative or other derivations of these or other comparable terms. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to such parties on the date hereof, and the Authority assumes no obligation to update any such forward-looking statements. The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including, but not limited to, risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in various important factors. Accordingly, actual results may vary from the projections, forecasts and estimates contained in this Official Statement and such variations may be material, which could affect the ability to fulfill some or all of the obligations under the Series 2012A Bonds.

No quotations from or summaries or explanations of provisions of laws and documents herein purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or owners of any of the Series 2012A Bonds. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The cover page hereof, inside front cover, and the appendices attached hereto are part of this Official Statement.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: www.mcra-md.com. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

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MONTGOMERY COUNTY REVENUE AUTHORITY

Stephen H. Edwards, Chairman
Herbert L. Tyson, Secretary/Treasurer
David D. Freishtat, Member
Jonathan W. Powell, Member
Scott W. Reilly, Member
Ramona Bell-Pearson, *Ex-officio* Member

Keith Miller, Chief Executive Officer

MONTGOMERY COUNTY, MARYLAND

COUNTY EXECUTIVE

Isiah Leggett

COUNTY COUNCIL

Roger Berliner *President*
Nancy Navarro *Vice President*
Phil Andrews
Marc Elrich
Valerie Ervin
Nancy Floreen
George L. Leventhal
Craig Rice
Hans Riemer

APPOINTED OFFICIALS

Timothy L. Firestine *Chief Administrative Officer*
Joseph F. Beach *Director, Department of Finance*
Jennifer A. Hughes *Director, Office of Management and Budget*
Marc P. Hansen *County Attorney*
Linda M. Lauer *Clerk of the Council*

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Venable LLP
Baltimore, Maryland

FINANCIAL ADVISOR

Public Financial Management
Philadelphia, Pennsylvania

TRUSTEE

U. S. Bank National Association
Richmond, Virginia

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OFFICIAL STATEMENT

$8,395,000
MONTGOMERY COUNTY REVENUE AUTHORITY
TAXABLE LEASE REVENUE REFUNDING BONDS
(MONTGOMERY COUNTY CONFERENCE CENTER PROJECT)
SERIES 2012A

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, inside front cover, Table of Contents and Appendices A, B, C, D and E, is to provide certain information concerning the sale and delivery by the Montgomery County Revenue Authority (the "Authority") of $8,395,000 of its Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project), Series 2012A (the "Series 2012A Bonds"). Capitalized terms not otherwise defined in the Official Statement shall have the respective meanings assigned to them in "APPENDIX C – DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - Definitions of Certain Terms" herein.

The Series 2012A Bonds are being issued pursuant to a Trust Agreement dated as of November 1, 2012 (the "Trust Agreement") between the Authority and U. S. Bank National Association, as trustee (the "Trustee").

The proceeds of the Series 2012A Bonds will be used (i) to advance refund the Authority's Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project), Series 2003A (the "Refunded Bonds") and (ii) to pay the costs of issuing the Series 2012A Bonds. The refunded Bonds are more fully identified in Appendix E hereto. The Refunded Bonds were issued to finance a portion of the costs of constructing and equipping a conference center facility with related site improvements and parking facilities (the "Project") located in North Bethesda within Montgomery County, Maryland (the "County"). The Project has been completed and in operation since November 2004. See "THE PROJECT" herein.

The Authority and the County entered into a Master Lease Agreement dated as of June 15, 1999 (the "Master Lease Agreement") pursuant to which the Authority leased an undivided one-half interest in the site of the Project (the "Site") to the County for a period of twenty-five years ending on June 15, 2024, with an option to renew for five additional years. In connection with the issuance of the Refunded Bonds, the Authority and the County will enter into Appendix No. 3 to the Master Lease Agreement, to be dated the date of delivery of the Series 2012A Bonds (the Master Lease Agreement as supplemented by Appendix No. 3, the "Lease Agreement"). Under the terms of the Lease Agreement, the County is obligated (subject to the terms thereof) to pay to the Authority specified rentals, which amounts are calculated to be sufficient in both time and amount to pay, when due, the principal of, premium, if any, and interest on the Series 2012A Bonds and related administrative expenses of the Authority. The County will also be responsible under the Lease Agreement for all aspects of the operation, maintenance and policing of the Project. See "APPENDIX C –DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - Summary of Certain Provisions of the Lease Agreement." Upon the issuance of the Series 2012A Bonds, there will be no other bonds or other obligations payable from lease payments under the Lease Agreement.

In the event that the County Council of Montgomery County (the "County Council") fails or delays to appropriate sufficient moneys to enable the County to make the Lease Payments (hereinafter defined), there may not be sufficient money to pay when due the principal of, premium, if any, and interest on the Series 2012A Bonds. The County will covenant and agree in the Lease Agreement, to the extent permitted by applicable law, to use its best efforts to obtain the authorization and appropriation of funds sufficient to meet its obligations thereunder in full in each fiscal year, including the inclusion of such funds in its budget. There is no Maryland law as to whether such covenants and agreements are enforceable against the County. The County is under no obligation to make any appropriations with respect to the Lease Agreement. No assurance can be given that such appropriations will be made, or that if made, that they will be made at the times and in the amounts necessary to pay when due the principal of, premium, if any, and interest on the Series 2012A Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2012A BONDS" and "Annual Budgets" in the County's Annual Information Statement dated April 13, 2012, incorporated by reference herein as Appendix A and published under separate cover.

Pursuant to the Trust Agreement, the Authority will assign to the Trustee, for the benefit of owners of the Series 2012A Bonds, all of the Authority's rights under the Lease Agreement (except for certain compensation and reimbursement rights of the Authority) including, without limitation (1) the right to receive and collect all of the Lease Payments (including prepayments thereof) and (2) the right to exercise such rights and remedies conferred on the Authority pursuant to the Lease Agreement as may be necessary or appropriate (i) to enforce payment of the Lease Payments, prepayments thereof , and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund established under the Trust Agreement, or (ii) otherwise to protect the interests of the Owners in the event of a default by the County under the Lease Agreement or the Trust Agreement.

The Series 2012A Bonds constitute limited obligations of the Authority and are payable solely from the payments made by the County pursuant to the Lease Agreement and from other assets pledged under the Trust Agreement as security for the payment thereof. The Series 2012A Bonds do not constitute a debt of the Authority, the County, the State of Maryland or any political subdivision thereof within the meaning of any constitutional or statutory limitation. Neither the full faith and credit nor the taxing power of the County, the State of Maryland or any of its political subdivisions is pledged to the payment of the Series 2012A Bonds or the interest thereon. The Authority has no taxing power.

THE SERIES 2012A BONDS

General

The Series 2012A Bonds will be dated the date of their delivery (expected to be November 1, 2012) and will mature and bear interest on the dates and at the rates set forth on the inside front cover page hereof. Interest on the Series 2012A Bonds will be payable semiannually on April 15 and October 15 of each year (each a "Payment Date"), commencing April 15, 2013.

The Series 2012A Bonds shall be delivered in the form of fully registered bonds without coupons in the denomination of $5,000 or any integral multiple thereof. So long as the Series 2012A Bonds shall be maintained under a book-entry system, payments of the principal of, premium (if any) and interest on the Series 2012A Bonds will be made as described below under the heading "—DTC and Book-Entry Only System." At any other time, payments of interest due with respect to any Bond on any Payment Date shall be made to the person who appears on the registration books as the Owner thereof as of the Record Date immediately preceding such Payment Date, such interest to be paid in lawful money of the United States of America by check or draft of the Trustee mailed to such Owner at his address as it appears on the registration books or at such other address as he may have filed with the Trustee for that purpose. The principal and redemption premium, if any, payable with respect to any Bond shall be payable in lawful money of the United States of America upon surrender thereof at the principal office of the Trustee.

Registration and Exchange of Bonds

So long as the Series 2012A Bonds are maintained under a book-entry system, Beneficial Owners (hereinafter defined) thereof will have no right to receive physical possession of the Series 2012A Bonds, and transfers of ownership interests in the Series 2012A Bonds will be made through book-entries by DTC and Direct Participants (as hereinafter defined). See "—DTC and Book-Entry Only System" below.

If the book-entry system is discontinued, Bonds may be exchanged at the corporate trust office of the Trustee in Richmond, Virginia, for a like aggregate principal amount of Bonds of other authorized denominations of the same maturity. No exchange may be made during the 15 days preceding any date set by the Trustee for the selection of Bonds for redemption prior to maturity. The Trustee may require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The registration of any Bond may, in accordance with its terms to be transferred upon the registration books by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal corporate trust office of the Trustee, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. No transfer may be made during the 15 days preceding any date set by the Trustee for the selection of Series 2012A Bonds for redemption prior to maturity. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Trustee shall execute, authenticate and deliver a new Bond or Bonds for a like aggregate principal amount.

If any Bond shall become mutilated, the Trustee, upon the request and at the expense of the Owner of said Bond, shall execute and deliver a new Bond of like tenor, maturity and number in exchange and substitution for the Series 2012A Bond so mutilated, but only upon surrender to the Trustee of the Series 2012A Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be cancelled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Bond Owner, shall execute and deliver a new Bond of like tenor and maturity and numbered as the Trustee shall determine in lieu of and in substitution for the Series 2012A Bond so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each new Bond delivered and of the expenses which may be incurred by the Trustee in carrying out its duties as described in this paragraph. Notwithstanding any other provision of this paragraph, in lieu of delivering a new Bond which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Bond.

Book-Entry Only System

The information contained in the following paragraphs of this subsection "Book-Entry Only System" has been extracted from a schedule prepared by the Depository Trust Company ("DTC") entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY ONLY ISSUANCE." The Authority makes no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2012A Bonds. The Series 2012A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2012A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book- entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012A Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2012A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Series 2012A Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2012A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2012A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond Documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Series 2012A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2012A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2012A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of the principal of, premium, if any, and interest on the Series 2012A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Trustee, or Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2012A Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

NEITHER THE AUTHORITY, THE COUNTY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO 1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; 2) THE PAYMENT BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2012A BONDS; 3) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS; 4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER; OR 5) THE SELECTION BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNER TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF BONDS.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority and the County believe to be reliable, but neither the Authority nor the County takes any responsibility for the accuracy thereof.

Redemption of Series 2012A Bonds

Optional Make-Whole Redemption. The Series 2012A Bonds are subject to redemption prior to their respective maturities in whole or in part at any time at the option of the Authority, at the Make-Whole Redemption Price.

The "Make-Whole Redemption Price" means the amount equal to the greater of the following:

(a) 100% of the principal amount of the Series 2012A Bonds to be redeemed and accrued interest on the Series 2012A Bonds to be redeemed to the redemption date; and

(b) the sum of the present value of the remaining scheduled payments of principal and interest on the Series 2012A Bonds to be redeemed to the maturity date of such Series 2012A Bonds (exclusive of any accrued and unpaid interest as of the date on which the Series 2012A Bonds are to be redeemed), discounted to the date on which the Series 2012A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the U.S. Treasury Rate plus 30 basis points, and accrued interest on the Series 2012A Bonds to be redeemed to the redemption date.

"U.S. Treasury Rate" means, with respect to any redemption date for a particular Series 2012A Bond (i) the yield to maturity as of such redemption date of U.S. Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days, but not more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Trustee, most nearly equal to the period from the redemption date to the maturity date of such Bond or (ii) if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded U.S. Treasury securities adjusted to a constant maturity of one year.

Redemption From Net Proceeds of Insurance and Condemnation Awards. The Series 2012A Bonds are also subject to redemption on any Payment Date, in whole or in part, from any insurance proceeds or condemnation award, to the extent remaining after payment therefrom of all expenses incurred in collection thereof with respect to the Project or the Site (the "Net Proceeds"), which Net Proceeds are deposited in the Lease Payment Fund and credited towards the prepayment of the Lease Payments made by the County in accordance with the Lease Agreement, at a redemption price equal to the principal amount of the Series 2012A Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium. Nothing in the Lease Agreement, the Trust Agreement or any other document relating to the Project purports to prevent the County from exercising its power of eminent domain with respect to the Project, and such an exercise could result in the redemption of the Series 2012A Bonds without premium at any time.

Selection of Series 2012A Bonds for Redemption. The Trustee shall select Series 2012A Bonds for redemption by lot or in any other manner which the Trustee shall in its sole discretion deem appropriate and fair. For the purposes of such selection, Series 2012A Bonds shall be deemed to be composed of $5,000 portions and any such portion may be separately redeemed. Upon surrender of any Bond redeemed in part only, the Trustee shall execute and deliver to the owner thereof, at the expense of the Authority, a new Bond or Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Series 2012A Bond surrendered and of the same interest rate and the same maturity.

Notice of Redemption. When redemption is authorized or required as described above, the Trustee shall give notice of the redemption of the Series 2012A Bonds on behalf of the Authority. Such notice shall state the redemption date and redemption price and, if less than all of the then Outstanding Series 2012A Bonds are to be called for redemption, shall designate the numbers of the Series 2012A Bonds to be called for redemption and shall require that such Series 2012A Bonds be then surrendered, at the principal corporate trust office of the Trustee for redemption at such redemption price. In the case of any Bond called for redemption only in part as described under "Selection of Series 2012A Bonds for Redemption" above, the notice shall further set forth the portion of the principal amount thereof which is to be redeemed. In each case, such notice shall state that on the specified redemption date there shall become due and payable upon each such Bond, the principal and premium, if any, together with interest accrued to such date, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

The notice of redemption shall be mailed by first class mail to the respective Owners of those Series 2012A Bonds designated for redemption at their respective addresses appearing on the registration books of the Trustee, at least 30 days but not more than 60 days prior to the redemption date; provided, however, that neither the failure of any Owner to receive such notice so mailed nor any immaterial defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Series 2012A Bonds.

Effect of Notice of Redemption. If, on said date fixed for redemption, moneys for the redemption of all the Series 2012A Bonds to be redeemed, together with interest to said date of redemption and any applicable redemption premium, shall be held by the Trustee so as to be available therefor on such date of redemption, and if notice of redemption thereof shall have been given as aforesaid, then, from and after said date of redemption, interest with respect to the Series 2012A Bonds designated for redemption shall cease to accrue or become payable. All moneys held by or on behalf of the Trustee for the redemption of Series 2012A Bonds shall be held in trust for the account of the Owners of the Series 2012A Bonds so to be redeemed.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2012A BONDS

General

The Series 2012A Bonds are payable as to principal, premium (if any) and interest solely from (i) the Lease Payments to be paid by the County pursuant to the Lease Agreement, (ii) moneys attributable to the sale, leasing or other disposition of the Project by or on behalf of the Trustee upon the occurrence of certain defaults by the Authority or the County under the Lease Agreement or the Trust Agreement, and (iii) amounts from time to time on deposit in certain funds and accounts established by the Trust Agreement. Pursuant to the Trust Agreement, the Authority will assign to the Trustee certain of its rights under the Lease Agreement, including the right to receive and enforce payment of the Lease Payments.

THE SERIES 2012A BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY AND ARE PAYABLE SOLELY FROM THE PAYMENTS MADE BY THE COUNTY PURSUANT TO THE LEASE AGREEMENT AND FROM OTHER ASSETS PLEDGED UNDER THE TRUST AGREEMENT AS SECURITY FOR THE SERIES 2012A BONDS. THE SERIES 2012A BONDS DO NOT CONSTITUTE A DEBT OF THE AUTHORITY, THE COUNTY, THE STATE OF MARYLAND OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY, THE STATE OF MARYLAND OR ANY OF ITS POLITICAL SUBDIVISIONS IS PLEDGED TO THE PAYMENT OF THE SERIES 2012A BONDS OR THE INTEREST THEREON. THE AUTHORITY HAS NO TAXING POWER.

ALL AMOUNTS PAYABLE BY THE COUNTY UNDER THE LEASE AGREEMENT, INCLUDING THE LEASE PAYMENTS, ARE SUBJECT IN EACH YEAR TO APPROPRIATION BY THE COUNTY. THE COUNTY IS UNDER NO OBLIGATION TO MAKE ANY APPROPRIATION WITH RESPECT TO THE LEASE AGREEMENT. THE LEASE AGREEMENT IS NOT A GENERAL OBLIGATION OF THE COUNTY AND DOES NOT CONSTITUTE A DEBT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE COUNTY.

Lease Agreement

The County and the Authority entered into the Master Lease Agreement in connection with the issuance of the Authority’s Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center), Series 1999A (the “Series 1999A Bonds”). The Series 1999A Bonds have all matured and been paid in accordance with their respective terms, and no Series 1999A Bonds are outstanding as of the date hereof. The County and the Authority entered into Appendix No. 2 to the Master Lease Agreement, dated January 29, 2003, in connection with the issuance of the Refunded Bonds. Upon the issuance of the Series 2012A Bonds, no Refunded Bonds will be outstanding, and no further payments will be due under Appendix No. 2.

As of the date of the issuance of the Series 2012A Bonds, the County and the Authority will enter into Appendix No. 3 to the Master Lease Agreement. The Lease Payments and other payments due under the Lease Agreement are sufficient to pay the scheduled debt service on the Series 2012A Bonds, and certain fees and expenses of the Authority. The County is also obligated under the Lease Agreement to pay all expenses associated with the operation, maintenance and policing of the Project. The Lease Payments are payable semi-annually on April 1 and October 1 of each year so long as any of the Series 2012A Bonds are outstanding and will be paid directly to the Trustee.

The ability of the County to pay the Lease Payments is subject to the annual appropriation of sufficient funds for such purpose by the County Council. The County is under no obligation to make any appropriations with respect to the Lease Agreement. The County has covenanted in the Lease Agreement, to the extent permitted by applicable law, to use its best efforts to obtain the authorization and appropriation of such funds, including, without limitation, the inclusion of such funds in the budget of the County Executive to be submitted to the County Council. The County has also covenanted, subject to applicable law and public policy, not to acquire (by purchase, lease or otherwise) facilities functionally similar to the Project. There is no Maryland law as to the enforceability of such covenants and agreements. If the County fails to make Lease Payments, the Trustee has the right to seek certain remedies, including the termination of the Lease Agreement, the eviction of the County and the sale or lease of the Project. See "APPENDIX C – DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - Summary of Certain Provisions of the Lease Agreement" herein.

Under the Lease Agreement the County is responsible for the design and construction of the Project. See "APPENDIX C – DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - Summary of Certain Provisions of the Lease Agreement" herein.

The County is required under the Lease to insure the Project against damage and destruction. The County intends to provide a portion or all of such insurance through self-insurance. The County currently covers all of its property under a commercial and property insurance policy subject to a deductible and has no plans to change this practice. Net insurance proceeds, as well as condemnation awards, must be applied to the repair or replacement of the Project or to the redemption of all or a portion of the Series 2012A Bonds. See "THE SERIES 2012A BONDS- - REDEMPTION OF SERIES 2012A BONDS- - REDEMPTION FROM NET PROCEEDS OF INSURANCE AND CONDEMNATION AWARDS" and "APPENDIX C – DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - Summary of Certain Provisions of the Lease Agreement" herein.

THE PROJECT

General

The Project consists of an approximately 100,000-square-foot conference center operated by the County. A 450-room hotel (the "Hotel") adjoins the Project. The Hotel is not owned, operated or financed by the Authority or the County, and does not constitute a portion of the Project.

The Project was completed on or about November, 2004.

The Site

The Authority purchased the Site on June 30, 1999, from the Washington Metropolitan Area Transit Authority ("WMATA"). The Authority purchased the Site with the proceeds of the Series 1999 Bonds and other available funds. The Site consists of approximately 11.92 acres located on the northwest corner of Rockville Pike and Marinelli Road, across the street from the White Flint Metrorail station in North Bethesda, Montgomery County, Maryland, in the heavily-developed Rockville Pike corridor. The

Site is convenient to Interstate 495 (the Capital Beltway) and Interstate 270.

The Authority and the County obtained a Phase I environmental site assessment regarding the Site, dated February 1996. This assessment did not identify any environmental hazards on the Site that required remediation.

PLAN OF FINANCING

The Series 2012A Bonds are being issued to (i) refinance the costs of acquiring, constructing and equipping the Project by refunding the Refunded Bonds and (ii) pay the costs of issuing the Series 2012A Bonds. A portion of the proceeds of the Series 2012A Bonds will be deposited with the trustee for the 2003 Bonds, which funds will be used to redeem the Refunded Bonds on February 15, 2013 at a purchase equal to 102% of the outstanding principal amount thereof, plus interest to the redemption date.

Estimated Sources and Uses of Funds

The estimated sources and uses of the proceeds of the Series 2012A Bonds will be as follows:

Sources:	
Principal Amount of the Series 2012A Bonds	$8,395,000.00
Original Issue Premium	57,287.95
Total Sources	$8,452,287.95
Uses:	
Deposit to Refunding Escrow	$8,292,720.00
Underwriter's Discount	49,091.44
Costs of Issuance	110,476.51
Total Uses:	$8,452,287.95

THE AUTHORITY

General

The Authority is a body corporate and politic, an instrumentality of the County and a public corporation. The Authority was formed in 1957 pursuant to the Montgomery County Revenue Authority Act (the "Act"), codified at Chapter 42 of the Montgomery County Code (2004 Edition), as amended. Under the Act, the Authority is authorized to issue revenue bonds, such as the Series 2012A Bonds, for the purpose of financing and refinancing public facilities located in the County. The Authority is governed by a five member board (the "Board"), whose members are appointed by the County Executive of the County, subject to confirmation by the County Council. The current members of the Authority, their titles and the terms of their appointment are as follows:

Member	Expiration of Term
Stephen H. Edwards, Chairman	July 1, 2016
Herbert L. Tyson, Secretary/Treasurer	July 1, 2017
David D. Freishtat, Member	July 1, 2014
Jonathan W. Powell, Member	July 1, 2013
Scott W. Reilly, Member	July 1, 2015
Ramona Bell-Pearson, *Ex-officio* Member	no expiration of term

The Chief Executive Officer of the Authority is Keith Miller. The Chief Executive Officer serves at the pleasure of the Authority.

Outstanding Long-Term Debt of the Authority

The Authority has outstanding certain other revenue bonds, which are limited obligations of the Authority secured by specific lease payments or other specified revenues. As of June 30, 2012, the Authority's revenue bonds were outstanding in the following principal amounts: $6,840,000 Tax-Exempt Lease Revenue Bonds (Montgomery College Project), Series 2011A; $8,585,000 Taxable Lease Revenue Bonds (Montgomery College Project), Series 2011B; $20,172,081 Golf Course System Project and Refunding Revenue Bonds, Series 2010; $15,985,000 Transportation Fund Lease Revenue Bonds (Montgomery College Silver Spring Garage Project), Series 2008A; $28,295,000 Lease Revenue Bonds (Montgomery College Arts Center Project), Series 2005A; $10,770,000 Lease Revenue Bonds (Germantown Indoor Swim Center Project), Series 2004A; the Refunded Bonds; $2,790,000 Lease Revenue Bonds (Human Services Headquarters Project); and $475,000 Montgomery County Revenue Authority Refunding Lease Revenue Bonds, Series 1994A (Regional Indoor Swim Center Project), Series 1994B (Western County Swim Facility Project) and Series 1994C (Olney Indoor Swim Center Project).

Upon the issuance of the Series 2012A Bonds, no other long-term obligations of the Authority will be on a parity with, or will be payable from the same sources of funds as, the Series 2012A Bonds. The Series 2012A Bonds are not cross-collateralized with or cross-defaulted to any other bonds of the Authority.

The Authority has never defaulted in the payment of the principal of or interest on any of its obligations.

THE COUNTY

General

Montgomery County, Maryland is a body politic and corporate and a political subdivision of the State of Maryland. For more information respecting the County, see the County's Annual Information Statement dated April 13, 2012, incorporated by reference herein as Appendix A and published under separate cover.

The Lease Agreement is not a general obligation of the County and does not constitute a pledge of the faith and credit or the taxing powers of the County. Payments under the Lease Agreement are payable solely from amounts (if any) appropriated by the County Council.

Selected Debt and Financial Schedules

Tables 1 through 7 presented on the following pages have been updated to provide current information on Montgomery County's financial position. For more information on the County, and a complete overview of the County's debt, please see the County's Annual Information Statement dated

April 13, 2012, incorporated by reference herein as Appendix A and published under separate cover.

The information contained in Tables 1 through 7 takes into effect the proposed issuance by the County of its general obligation new money and refunding bonds in the approximate aggregate principal amount of $319 million on or about October 24, 2012.

[*table appears on next page*]

Table 1
Statement of County Direct and Overlapping Debt
As of June 30, 2012*

Direct Debt:		
General Obligation Bonds Outstanding	$1,997,290,000	
General Obligation Variable Rate Demand Obligations	100,000,000	
2012 General Obligation Bonds	295,000,000	
2012 General Obligation Refunding Bonds	23,360,000	
Short-Term BANs/Commercial Paper Outstanding*	205,000,000	
Revenue Bonds Outstanding	128,940,000	
Total Direct Debt		$2,749,590,000
Overlapping Debt (as of June 30, 2011):		
Gross Debt:		
Washington Suburban Sanitary Commission Applicable to Montgomery County	900,276,946	
Housing Opportunities Commission	780,566,003	
Montgomery County Revenue Authority	90,005,640	
Maryland-National Capital Park and Planning Commission Applicable to Montgomery County	97,757,611	
Kingsview Village Center Development District	1,905,000	
West Germantown Development District	14,545,000	
Towns, Cities and Villages within Montgomery County	61,381,415	
Total Overlapping Debt		1,946,437,615
Total Direct and Overlapping Debt		4,696,027,615
Less Self-Supporting Debt:		
County Government Revenue Bonds (as of June 30, 2012)	128,940,000	
Washington Suburban Sanitary Commission Applicable to Montgomery County (as of June 30, 2011)	900,276,946	
Housing Opportunities Commission (as of June 30, 2011)	780,566,003	
Montgomery County Revenue Authority (as of June 30, 2011)	90,005,640	
Maryland-National Capital Park and Planning Commission Applicable to Montgomery County (as of June 30, 2011)	2,240,614	
Total Self-Supporting Debt		(1,902,029,203)
Net Direct and Overlapping Debt		$2,793,998,412
Ratio of Debt to June 30, 2012 Assessed Valuation of (100% Assessment):		$165,916,095,468
Direct Debt		1.66%
Net Direct Debt **		1.58%
Direct and Overlapping Debt		2.83%
Net Direct and Overlapping Debt		1.68%
Ratio of Debt to June 30, 2012 Market Value of:		$178,312,217,785
Direct Debt		1.54%
Net Direct Debt **		1.47%
Direct and Overlapping Debt		2.63%
Net Direct and Overlapping Debt		1.57%

*Includes effect of proposed issuance of general obligation new money and refunding bonds.
**Net Direct Debt of $2,621,290,000 is derived by subtracting direct self-supporting debt, which consists only of County Government Revenue Bonds, from Total Direct Debt.

Table 2
Statement of County Legal Debt Margin
As of June 30, 2012*

June 30, 2012 Assessed Valuation – Real Property		$162,197,149,758
Debt Limit (% of Assessed Valuation)		6%
Subtotal Limitation – Real Property		$ 9,731,828,985
June 30, 2012 Assessed Valuation – Personal Property		$3,718,945,710
Debt Limit (% of Assessed Valuation)		15%
Subtotal Limitation – Personal Property		$ 557,841,857
Total Assessed Valuation – Real and Personal Property		$165,916,095,468
Legal Limitation for the Borrowing of Funds and the Issuance of Bonds		$10,289,670,842
Less Amount of Debt Applicable to Debt Limit:		
General Obligation Bonds Outstanding	$1,997,290,000	
General Obligation Variable Rate Demand Obligations	100,000,000	
2012 General Obligation Bonds	295,000,000	
2012 General Obligation Refunding Bonds	23,360,000	
Short-Term BANs/Commercial Paper	205,000,000	
Net Direct Debt		2,620,650,000
Legal Debt Margin		$7,669,020,842
Net Direct Debt as a Percentage of Assessed Valuation		1.58%

*Includes effect of proposed issuance of general obligation new money and refunding bonds.

(The remainder of this page has been left blank intentionally.)

Table 3
General Obligation Debt of the County
As of June 30, 2012

Issue	Dated Date	Original Issue Size	Original Interest Rates	TIC*	Maturity	Principal Outstanding June 30, 2011	Principal Outstanding June 30, 2012
GO Refunding Bonds	11/15/01	146,375,000	3.60-5.25	4.5107	2003-19	$102,010,000	$ --
GO Bonds	02/01/02	160,000,000	3.00-5.00	4.4619	2003-22	16,000,000	--
GO Refunding Bonds	11/15/02	93,595,000	2.75-5.25	3.2799	2005-13	33,580,000	22,775,000
GO Bonds	05/01/03	155,000,000	1.50-4.00	3.6304	2004-23	77,500,000	7,750,000
GO Refunding Bonds	05/01/03	49,505,000	2.00-5.00	2.2900	2004-11	3,515,000	0.00
GO Bonds	03/15/04	154,600,000	3.00-5.00	3.8290	2005-24	77,300,000	23,190,000
GO Refunding Bonds	08/15/04	97,690,000	3.00-5.25	3.7208	2008-17	87,070,000	80,835,000
GO Bonds	05/15/05	200,000,000	4.00-5.00	3.8806	2006-25	100,000,000	50,000,000
GO Refunding Bonds	06/01/05	120,355,000	5.00	3.7817	2011-21	120,355,000	114,175,000
GO Bonds	05/01/06	100,000,000	4.25-5.00	3.8711	2007-16	50,000,000	40,000,000
GO VRDO**	06/07/06	100,000,000	variable	variable	2017-26	100,000,000	100,000,000
GO Bonds	05/01/07	250,000,000	5.00	4.0821	2008-27	150,000,000	125,000,000
GO Refunding Bonds	03/20/08	70,295,000	2.75-5.00	2.8965	2009-15	32,115,000	21,090,000
GO Bonds	07/15/08	250,000,000	3.00-5.00	4.1809	2009-28	225,000,000	212,500,000
GO Bonds***	11/03/09	232,000,000	3.75-5.50	4.8782	2015-29	232,000,000	232,000,000
GO Refunding Bonds	11/03/09	161,755,000	2.00-5.00	2.6487	2011-20	161,755,000	154,770,000
GO Bonds	11/17/09	78,000,000	2.00-5.00	1.1823	2010-14	62,400,000	46,800,000
GO Bonds	07/26/10	195,000,000	2.00-5.00	2.2596	2011-22	195,000,000	178,750,000
GO Bonds****	07/26/10	130,000,000	4.75-5.40	5.0708	2023-30	130,000,000	130,000,000
GO Bonds	08/11/11	320,000,000	2.00-5.00	3.2268	2012-31	--	320,000,000
GO Refunding Bonds	08/11/11	237,655,000	2.00-5.00	1.9896	2012-22	--	237,655,000
GO Bonds	10/24/12	295,000,000	2.50-5.25	2.2977	2013-32	--	295,000,000
GO Refunding Bonds	10/24/12	23,360,000	2.50-5.00	0.3812	2013-16	--	23,360,000
Total						$1,955,600,000	$2,415,650,000

* True Interest Cost
** Variable Rate Demand Obligations
*** Federally Taxable – Build America Bonds – Direct Pay
**** Federally Taxable – Issuer Subsidy – Build America Bonds and Recovery Zone Economic Development Bonds
Note: The blended TIC (net of federal subsidy) for the GO Bonds dated November 3, 2009 and November 17, 2009 is 2.901%; the blended TIC (net of federal subsidy) for the GO Bonds dated July 26, 2010 is 2.809%.

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Table 4
County General Obligation Bonds Authorized – Unissued
As of June 30, 2012

Purpose	Chapter	Act	Amount	Amount Unissued
General County, Parks, and Consolidated Fire Tax District	36	2008	68,200,000	65,890,000
	22	2009	58,700,000	58,700,000
	54	2010	341,600,000	341,600,000
	24	2011	65,400,000	65,400,000
			533,900,000	531,590,000
Road & Storm Drainage				
	22	2009	64,600,000	30,040,000
	54	2010	192,000,000	192,000,000
			256,600,000	222,040,000
Public Schools and Community College	22	2009	272,500,000	233,768,000
	54	2010	108,700,000	108,700,000
	24	2011	214,300,000	214,300,000
			595,500,000	556,768,000
Mass Transit	22	2009	57,100,000	1,005,000
	54	2010	32,600,000	32,600,000
	24	2011	103,200,000	103,200,000
			192,900,000	136,805,000
Public Housing	17	1981	2,650,000	2,590,000
	13	1982	995,000	995,000
	8	1983	230,000	230,000
	20	1985	900,000	900,000
	13	1986	855,000	855,000
	22	2009	1,000,000	1,000,000
	54	2010	46,400,000	46,400,000
			53,030,000	52,970,000
Easements:				
Agricultural Easements	24	2011	2,000,000	2,000,000
Façade Easements	24	2011	1,100,000	1,100,000
			3,100,000	3,100,000
Parking Districts:				
Silver Spring	9	1983	2,945,000	2,045,000
	6	1984	1,220,000	1,220,000
			4,165,000	3,265,000
Bethesda	19	1981	7,325,000	3,040,000
	14	1982	775,000	775,000
	10	1983	1,050,000	1,050,000
			9,150,000	4,865,000
Total Parking Districts			13,315,000	8,130,000
Total General Obligation Bonds			$1,648,345,000	$1,511,403,000

In addition to the above noted authority, the County has authority under the provisions of section 56-13 of the Montgomery County Code, as amended, to issue County bonds, within statutory debt limits, to finance approved urban renewal projects.

Table 5
County Bond Anticipation Notes Outstanding
As of June 30, 2012*

	Balance June 30, 2011	BANs Retired	BANs Issued	Total BANs Outstanding as of June, 30,2012	Proposed BANS to be Retired	Proposed Balance
2012 Issues						
BAN Series 2010 A&B	$ --	$ --	$243,800,000	$243,800,000	$ --	$ --
BAN Series 2009 A&B	--	--	112,200,000	112,200,000	--	--
Prior Years' Issues	--	--		--	--	--
BAN Series 2010-A&B	300,000,000	243,800,000	--	56,200,000	--	--
BAN Series 2009-A&B	200,000,000	112,200,000	--	87,800,000	--	--
Total	$500,000,000	$356,000,000	$356,000,000	$500,000,000	$295,000,000	$205,000,000

*Includes effect of proposed issuance of general obligation new money and refunding bonds.

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Table 6
Schedule of General Fund Revenues, Expenditures, & Transfers In (Out)
(Budgetary, Non-GAAP Basis)
Fiscal Year Actual [1]

	2009	2010	2011	Fiscal Year Budget 2012 [2]	Actual July 1, 2011 to May 31, 2012 (unaudited)
Revenues:					
Taxes:					
Property, including penalty & interest	$ 962,319,307	$ 1,045,604,890	$1,061,582,080	$1,061,187,574	$1,047,064,103
Transfer tax and recordation tax	107,208,955	122,041,019	129,534,809	143,538,000	111,282,368
County income tax	1,291,716,935	1,042,098,527	1,039,234,850	1,117,243,000	980,502,829
Other taxes	179,232,787	205,594,301	304,004,588	325,277,000	237,290,690
Total Taxes	2,540,477,984	2,415,338,737	2,534,356,327	2,647,245,574	2,376,139,990
Licenses and permits	9,319,612	9,542,255	10,372,597	9,769,320	8,892,870
Intergovernmental revenue	90,521,958	50,521,703	51,645,247	42,594,610	28,545,583
Charges for services	14,631,624	9,757,107	9,483,647	9,332,160	7,295,943
Fines and forfeitures	27,604,483	23,107,769	19,249,187	19,508,240	15,903,835
Investment income	568,785	(144,976)	12,206	179,100	9,049
Miscellaneous	17,801,203	13,767,949	16,823,983	13,401,895	8,316,955
Total Revenues	2,700,925,649	2,521,890,544	2,641,943,194	2,742,030,899	2,445,104,225
Expenditures (including encumbrances):					
General County:					
General government	257,466,968	222,489,761	224,132,215	282,611,768	213,499,423
Public safety	355,854,194	344,427,956	334,915,498	345,741,842	318,216,900
Public works and transportation	56,329,154	98,647,800	63,657,144	49,134,099	50,834,414
Health and human services	201,771,333	198,470,632	183,462,232	188,598,002	172,914,460
Culture and recreation	51,710,097	46,478,007	34,021,901	33,463,297	30,393,565
Housing and community development	5,473,883	4,448,701	3,860,221	3,394,923	3,237,657
Environment	5,224,553	4,102,641	2,666,513	2,333,930	2,293,821
Total Expenditures	933,830,182	919,065,498	846,715,724	905,277,861	791,390,240
Transfers In (Out):					
Transfers In:					
Special Revenue Funds	17,699,145	95,441,777	24,649,524	25,443,550	18,608,302
Enterprise Funds	38,601,750	39,859,930	37,771,540	30,993,350	28,941,413
Trust Funds	-	14,779,000	2,500,000	-	-
Internal Service Funds	-	499,847	-	-	-
Component Units	591,084	255,150	247,613	247,610	240,075
Total Transfers In	56,891,979	150,835,704	65,168,677	56,684,510	47,789,790
Transfers Out:					
Special Revenue Funds	(13,437,311)	(13,137,847)	(33,625,392)	(38,607,464)	(13,405,785)
Debt Service Fund	(204,596,878)	(210,865,864)	(220,150,085)	(254,054,490)	(219,981,379)
Capital Projects Fund	(28,736,385)	(18,625,802)	(21,567,200)	(61,107,918)	(56,219,285)
Enterprise Funds	(2,988,617)	(3,171,570)	(3,420,070)	(3,469,970)	(2,542,223)
Internal Service Funds	(1,214,928)	-	-	(378,714)	(284,036)
Component Units	(1,650,994,360)	(1,568,829,854)	(1,532,153,074)	(1,500,974,562)	(1,449,140,423)
Total Transfers Out	(1,901,968,479)	(1,814,630,937)	(1,810,915,821)	(1,858,593,118)	(1,741,573,131)
Net Transfers In (Out)	(1,845,076,500)	(1,663,795,233)	(1,745,747,144)	(1,801,908,608)	(1,693,783,341)
Excess of revenues & transfers in over (under) expenditures, encumbrances and transfers out	(77,981,033)	(60,970,187)	49,480,326	34,844,430	(40,069,356)
Fund Balances, July 1 as previously stated	146,932,820	86,905,675	39,657,640	93,078,794	93,078,794
Net Adjustment for previous year encumbrances	17,953,888	13,722,152	3,940,828	12,028,531	12,028,531
Fund Balances, July 1 restated	164,886,708	100,627,827	43,598,468	105,107,325	105,107,325
Equity transfers in (out)				-	-
Budgetary Fund Balance - Subtotal	$86,905,675	$39,657,640	$93,078,794	$139,951,755	$65,037,969
Projections through year end:					
Revenue / Transfers In Remaining					354,269,963
Expenditures / Transfers Out Remaining					(177,280,690)
Budgetary Fund Balance Projected to June 30					$242,027,242

(1) Amounts for FY 09 - 11 are audited
(2) Updated for Budget Adjustments as of May 31, 2012

NOTE: Actual and budget amounts are for fiscal years ending June 30.

Table 7
General Fund
Schedule of Budgetary Fund Balance to
GAAP Fund Balance Reconciliation

		Fiscal Year			Projected July 1, 2011 to June 30, 2012 (Unaudited)
		2009	2010	2011	
Budgetary to GAAP Reconciliation					
Budgetary Fund Balance as noted above		$ 86,905,675	$39,657,640	$ 93,078,794	$242,027,242
Plus encumbrances outstanding		18,630,308	4,959,728	11,022,956	22,975,899
Unrealized cumulative investment gain (loss)		(338,014)	(300,511)	(272,792)	(272,792)
Cumulative Marriott Conference Center	(1)	2,655,314	2,692,824	3,416,052	3,500,000
Net differences between beginning fund balances		252,779	252,775	266,911	182,963
GAAP Fund Balance as Reported / Projected		$108,106,062	$47,262,456	$107,511,921	$268,413,312
Elements of GAAP Fund Balance: (1)					
Nonspendable (2)		5,923,618	7,596,839	4,181,482	4,250,000
Committed (3)		54,698,140	34,705,889	23,275,746	67,702,054
Assigned (4)		18,630,308	4,959,728	11,022,956	22,975,899
Unassigned (5)		28,853,996	-	69,031,737	173,485,359
Total GAAP Fund Balance		$108,106,062	$47,262,456	$107,511,921	$268,413,312

Notes :

(1) GAAP fund balance amounts presented for FY10 and FY09 have been restated to conform to the FY11 presentation under GASB 54.
(2) Nonspendable amounts in FY10 and prior were classified as Reservations for Inventory and Prepaids.
(3) Committed amounts in FY10 and prior were classified as Unreserved Designations for General Fund Transfers to Capital Projects Fund, and as Reservations for Other Purposes.
(4) Assigned amounts in FY10 and prior were classified as Unreserved Designations for Encumbrances.
(5) Unassigned amounts in FY10 and prior were classified as Unreserved Undesignated.

TAX MATTERS

Federal Income Taxation

In the opinion of Bond Counsel, under existing law, interest on the Series 2012A Bonds is includible in the gross income of the owners thereof for federal income tax purposes.

Summary. The following is a summary of certain of the United States federal income tax consequences of the ownership of the Series 2012A Bonds as of the date hereof. Each prospective purchaser of the Series 2012A Bonds should consult with its own tax advisor regarding the application of United States federal income tax laws, as well as any state, local, foreign or other tax laws, to its particular situation.

This summary is based on the Code, as well as Treasury Department regulations and administrative and judicial rulings and practice. Legislative, judicial and administrative changes may occur, possibly with retroactive effect, that could alter or modify the continued validity of the statements and conclusions set forth herein. This summary is intended as a general explanatory discussion of the consequences of holding the Series 2012A Bonds generally and does not purport to furnish information in the level of detail or with the prospective purchaser's specific tax circumstances that would be provided by a prospective purchaser's own tax advisor. For example, it generally is addressed only to original purchasers of the Series 2012A Bonds that are "U.S. holders" (as defined below), deals only with Series 2012A Bonds held as capital assets within the meaning of Section 1221 of the Code and does not address tax consequences to owners that may be relevant to investors subject to special rules, such as individuals, trusts, estates, tax-exempt investors, foreign investors, cash method taxpayers, dealers in securities, currencies or commodities, banks thrifts, insurance companies, electing large partnerships, mutual funds, regulated investment companies, real estate investment trusts, S corporations, persons that hold Series 2012A Bonds as part of a straddle, hedge, integrated or conversion transaction, and persons whose “functional currency” is not the U.S. dollar. In addition, this summary does not address alternative minimum tax issues, the tax on unearned income imposed by Section 1444 of the Code, or the indirect consequences to a holder of an equity interest in an owner of Series 2012A Bonds.

As used herein, a “U.S. holder” is a “U.S. person” that is a beneficial owner of a Series 2012A Bond. A “non-U.S. investor” is a holder (or beneficial owner) of a Series 2012A Bond that is not a U. S. Person. For these purposes, a “U.S. person” is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof (except, in the case of a partnership, to the extent otherwise provided in Treasury Department regulations), an estate the income of which is subject to United States federal income taxation regardless of its source or a trust if (i) a United States court is able to exercise primary supervision over the trust’s administration and (ii) one or more United States persons have the authority to control all of the trust’s substantial decisions.

The Code requires debt obligations, such as the Series 2012A Bonds, to be issued in registered form and denies certain benefits to the issuer and the holders of debt obligations failing such registration requirement. Such registration requirement with respect to the Series 2012A Bonds is expected to be satisfied.

Subject to certain exceptions, interest payments to the owners of Series 2012A Bonds will be reported to the IRS. Such information will be filed each year with the IRS on Form 1099 (or such other applicable form), which reflects the name, address and taxpayer identification number of each registered owner of the 20I2C Bonds. A copy of Form 1099 (or such other applicable form) will be sent to each registered owner of the Series 2012A Bonds for federal income tax reporting purposes.

Tax Status of the Series 2012A Bonds. The Series 2012A Bonds will be treated, for federal income tax purposes, as indebtedness and interest paid on the Series 2012A Bonds will be included in the income of the owner as it is paid (or, if the owner is an accrual method taxpayer, as it is accrued) as interest.

Original Issue Discount. Certain maturities of the Series 2012A Bonds may be issued at a price which is less than the amount payable on such Series 2012A Bonds at maturity (the “2012A Discount Bonds”). If the stated redemption price at maturity of 2012A Discount Bonds of a particular maturity exceeds the first price at which a substantial amount of such 2012A Discount Bonds was sold for money (excluding sales to bond houses, brokers or similar persons acting as underwriters, placement agents or wholesalers) by more than a de minimis amount, the 2012A Discount Bonds will be treated as having original issue discount. A holder of 2012A Discount Bonds (whether a cash or accrual method taxpayer) is required to include in gross income as interest the amount of such original issue discount which is treated as having accrued during a taxable year with respect to such 2012A Discount Bonds, in advance of the receipt of some or all of the related cash payments. Accrued original issue discount is added to the original cost basis of the holder in determining, for federal income tax purposes, gain or loss upon disposition (including sale, early redemption or repayment at maturity).

Original issue discount on 2012A Discount Bonds will be attributed to permissible compounding periods during the life of any 2012A Discount Bonds in accordance with a constant rate of interest accrual method. The yield to maturity of the 2012A Discount Bonds of each maturity is determined using permissible compounding periods. In general, the length of a permissible compounding period cannot exceed the length of the interval between debt service payments on the 2012A Discount Bonds and must begin or end on the date of such payments. The amount of original issue discount allocable to any compounding period is equal to the excess, if any, of (a) the 2012A Discount Bond's adjusted issue price at the beginning of the compounding period multiplied by its yield to maturity, determined on the basis of compounding at the close of each compounding period and properly adjusted for the length of the compounding period, over (b) the aggregate of all qualified stated interest allocable to the compounding period. Original issue discount allocable to a final compounding period is the difference between the amount payable at maturity, other than a payment of qualified stated interest, and the adjusted issue price at the beginning of the final compounding period. Special rules apply for calculating original issue discount for an initial short compounding period. The "adjusted issue price" of a 2012A Discount Bond at the beginning of any compounding period is equal to its issue price increased by the accrued original issue discount for each prior compounding period (determined without regard to the amortization of any acquisition or bond premium, as described below) and reduced by any payments made on the 2012A Discount Bond (other than qualified stated interest) on or before the first day of the compounding period. Under these rules, a holder of a 2012A Discount Bond will have to include in income increasingly greater amounts of original issue discount in successive compounding periods. The amount of original issue discount accrued on 2012A Discount Bonds held of record by persons other than corporations and other exempt holders will be reported to the Internal Revenue Service. If a 2012A Discount Bond is sold or otherwise disposed of between compounding dates, then interest which would have accrued for that compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period. The term "qualified stated interest" means stated interest that is unconditionally payable in cash or in property, other than debt instruments of the Authority, if the interest to be paid is payable at least once per year, is payable over the entire term of the 2012A Discount Bond and is payable at a single fixed rate or, subject to certain conditions, based on one or more interest indices.

The foregoing summarizes certain federal income tax consequences of original issue discount with respect to the 2012A Discount Bonds but does not purport to deal with all aspects of federal income taxation that may be relevant to particular investors or circumstances, including those set out above. Prospective purchasers of 2012A Discount Bonds should consider possible state and local income, excise or franchise tax consequences arising from original issue discount on 2012A Discount Bonds. In addition, prospective foreign corporate purchasers should consider possible federal tax consequences arising from original issue discount on such 2012A Discount Bonds under the branch profits tax. The amount of original issue discount considered to have accrued may be reportable in the year of accrual for state and local tax purposes or for purposes of the branch profits tax without a corresponding receipt of cash with which to pay any tax liability attributable to such discount. Purchasers with questions concerning the detailed tax consequences of transactions in the 2012A Discount Bonds should consult their tax advisors.

Original Issue Premium. Owners of the Series 2012A Bonds that allocate a basis in the Series 2012A Bonds that is greater than the principal amount of the Series 2012A Bonds should consult their own tax advisors with respect to whether or not they should elect to amortize such premium under Section 171 of the Code on a constant yield method as an offset to interest when includable in income under its regular accounting method. If the holder does not elect to amortize bond premium, that premium will decrease the gain or increase the loss that would otherwise be recognized on disposition of the Series 2012A Bond. An election to amortize premium on a constant yield method will also apply to all debt obligations held or subsequently acquired by the holder on or after the first day of the first taxable year to which the election applies. The holder may not revoke the election without the consent of the Internal Revenue Service.

Market Discount. If an owner acquires a Series 2012A Bond after its original issuance at a cost which is less than its stated redemption price at maturity (or, in the case of a 2012A Discount Bond, its revised issue price) by more than a certain de minimis amount, such subsequent owner will be deemed to have acquired the Series 2012A Bond at "market discount." The amount of market discount treated as having accrued will be determined either on a ratable basis, or, if the owner so elects, on a constant interest method. Upon any subsequent disposition (including a gift, redemption or payment at maturity) of such Series 2012A Bond (other than in connection with certain nonrecognition transactions), the lesser of any gain on such disposition (or appreciation, in the case of a gift) or the portion of the market discount that accrued while the Series 2012A Bond was held by such owner will be treated as ordinary income at the time of the disposition. In lieu of including accrued market discount in income at the time of disposition, an owner may elect to include market discount in income currently. Unless an owner so elects, the owner may be required to defer deductions for a portion of such holder's interest expenses with respect to any indebtedness incurred or maintained to purchase or carry such Series 2012A Bond until the owner disposes of the Series 2012A Bond. The election to include market discount in income currently, once made, is irrevocable and applies to all market discount obligations acquired on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the Internal Revenue Service.

Sale and Exchange of Series 2012A Bonds. Upon a sale or exchange of a Series 2012A Bond, an owner generally will recognize gain or loss on the Series 2012A Bond equal to the difference between the amount realized on the sale and its adjusted tax basis in such Series 2012A Bond. Such gain or loss generally will be capital gain (although any gain attributable to accrued market discount of the Series 2012A Bond not yet taken into income will be ordinary). The adjusted basis of the owner in a Series 2012A Bond will (in general) equal its original purchase price increased by any original issue discount or market discount includible in the gross income of the owner with respect to the Series 2012A Bonds and decreased by any principal payments received on the Series 2012A Bond. In general, if the Series 2012A Bond is held for longer than one year, any gain or loss would be long term capital gain or loss, and capital losses are subject to certain limitations.

Defeasance. Defeasance of any Series 2012A Bond may result in a reissuance thereof, in which event an owner will recognize taxable gain or loss equal to the difference between the amount realized from the sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and the holder's adjusted tax basis in the Series 2012A Bond.

Backup Withholding. Payments made to an owner with respect to the Series 2012A Bonds and proceeds from the sale of the Series 2012A Bonds will ordinarily not be subject to withholding of federal income tax if such owner is a United States person. However, even a United States person will be subject to withholding of such tax at a rate of 28% under certain circumstances. Except in the case of certain "exempt payees" as defined in the Code, such backup withholding will generally be applicable if an owner (1) fails to furnish to the Trustee such owner's social security number or other taxpayer identification number (collectively, "TIN"), (2) furnishes the Trustee an incorrect TIN, (3) fails to report properly interest, dividends or other "reportable payments" as defined in the Code, or (4) under certain circumstances, fails to provide the Trustee with a certified statement, signed under penalty of perjury, that the TIN provided to the Trustee is correct and that such owner is not subject to backup withholding.

Circular 230. Under 31 C.F.R. part 10, the regulations governing practice before the Internal Revenue Service (Circular 230), the Authority and its tax advisors are (or may be) required to inform you that (i) any advice contained herein, including any opinions of counsel referred to herein, is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer; (ii) any such advice is written to support the promotion or marketing of the Series 2012A Bonds and the transactions described herein (or in such opinion or other advice); and (iii) each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Maryland State and Local Income Tax

In the opinion of Bond Counsel, under existing law of the State of Maryland, the interest on the Series 2012A Bonds and profit realized from the sale or exchange of the Series 2012A Bonds is exempt from income taxation by the State of Maryland or by any of its political subdivisions; however, the law of the State of Maryland does not expressly refer to, and no opinion is expressed concerning, estate or inheritance taxes or any other taxes not levied directly on the Series 2012A Bonds or the interest thereon.

Interest on the Series 2012A Bonds may be subject to state or local income taxes in jurisdictions other than the State of Maryland under applicable state or local tax laws. Prospective purchasers of the

Series 2012A Bonds should consult their tax advisors regarding the taxable status of the Series 2012A Bonds in a particular state or local jurisdiction other than the State of Maryland.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, tax-exempt nature and validity of the Series 2012A Bonds are subject to the approving opinion of Bond Counsel.

ENFORCEABILITY OF REMEDIES

The remedies available to the Trustee and the Owners of the Series 2012A Bonds upon an event of default under the Trust Agreement are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing laws and judicial decisions, the remedies provided for under the Trust Agreement may not be readily available or may be limited. The enforceability of certain legal rights related to the Series 2012A Bonds is subject to limitations imposed by bankruptcy, insolvency, moratorium, reorganization and other state and federal laws affecting the enforcement of creditors' rights and to general principles of equity.

ABSENCE OF MATERIAL LITIGATION

In the opinion of the County Attorney of the County, there is no pending or threatened litigation to which the Authority or the County is a party which in any way questions or affects the validity of the Series 2012A Bonds, or any proceedings or transactions relating to their issuance, sale and delivery.

RATINGS

Moody's Investors Service, Inc., and Standard & Poor's Rating Group have given the Series 2012A Bonds the respective ratings indicated on the cover page of this Official Statement. A rating reflects only the view of the rating organization and explanations of the significance of such rating may be obtained from the rating agency furnishing the same. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by any such rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of any such rating may have an adverse effect on the market price of the Series 2012A Bonds.

SALE AT COMPETITIVE BIDDING

The Series 2012A Bonds were offered by the Authority at a competitive bidding on October 18, 2012, in accordance with the Official Notice of Sale (the form of which is attached as Appendix D). The interest rates shown on the inside front cover of this Official Statement are the interest rates payable by the Authority resulting from the successful bid for the Series 2012A Bonds by Raymond James & Associates, Inc. at the competitive bidding. The prices or yields shown above were furnished by Raymond James & Associates, Inc. Any additional information concerning the reoffering of the Series 2012A Bonds should be obtained from Raymond James & Associates, Inc. and not from the Authority.

FINANCIAL ADVISOR

Public Financial Management, Inc., Philadelphia, Pennsylvania, has rendered financial advice to the Authority and the County in the preparation of this Official Statement.

CONTINUING DISCLOSURE

In order to enable participating underwriters, as defined in Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") to comply with the requirements of paragraph (b)(5) of Rule 15c2-12, the Authority and the County, as the "obligated persons" (as defined in Rule 15c2-12) with respect to the Series 2012A Bonds, will execute and deliver a continuing disclosure agreement (the "Continuing Disclosure Agreement") on or before the date of issuance and delivery of the Series 2012A Bonds. The terms of the Continuing Disclosure Agreement are summarized in "APPENDIX C – DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS - Summary of Certain Provisions of the Continuing Disclosure Agreement." Potential purchasers of the Series 2012A Bonds should note that the definition of Reportable Events summarized in Appendix C is intended to completely restate the events specified in Rule 15c2-12. It is noted that certain Reportable Events are expected to have no applicability to the Series 2012A Bonds, such as the possibility of unscheduled draws on debt service reserve funds and events affecting the tax-exempt status of the Series 2012A Bonds.

Neither the Authority nor the County has ever failed to comply with any prior continuing disclosure undertaking made pursuant to Rule 15c2-12.

FINANCIAL STATEMENTS

The audited general purpose financial statements of the County included in the County's Annual Information Statement dated April 13, 2012 and incorporated herein by reference as Appendix A to this Official Statement have been audited by CliftonLarsonAllen, LLP, independent public accountants, as indicated in their report with respect thereto.

MISCELLANEOUS

All references to the Lease Agreement and the Trust Agreement and other documents mentioned herein, including any summaries thereof, are qualified in their entirety by reference to such documents. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the Owners of the Series 2012A Bonds.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority and the purchasers or owners of any of the Series 2012A Bonds.

The execution and delivery of this Official Statement has been duly authorized by the Authority.

MONTGOMERY COUNTY REVENUE AUTHORITY

By: /s/ KEITH MILLER
Keith Miller, Chief Executive Officer

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APPENDIX A

ANNUAL INFORMATION STATEMENT
DATED APRIL 13, 2012

(Provided under separate cover
and incorporated herein by reference)

The County's Annual Information Statement dated April 13, 2012 may be downloaded from bonds.montgomerycountymd.gov, located at the tab for Annual Information Statement.

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APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

Montgomery County Revenue Authority
Rockville, Maryland

Ladies and Gentlemen:

We have acted as bond counsel to the Montgomery County Revenue Authority (the "Authority") in connection with the issuance of its $8,395,000 Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project) Series 2012A (the "Series 2012A Bonds"). In such capacity, we have examined:

(i) Chapter 42 of the Montgomery County Code (2004 Edition), as amended (the "Act");

(ii) a Trust Agreement dated as of November 1, 2012 (the "Trust Agreement") between the Authority and U. S. Bank National Association, as trustee (the "Trustee") authorizing the issuance of the Series 2012A Bonds;

(iii) a Master Lease Agreement dated as of June 15, 1999, as supplemented by Appendix No. 3 dated November 1, 2012 (as supplemented, the "Lease Agreement"), between the Authority and Montgomery County, Maryland (the "County");

(iv) the executed and authenticated Series 2012A Bonds;

(v) relevant provisions of the Constitution and laws of the State of Maryland;

(vi) certified proceedings of the Authority and of the County; and

(vii) other proofs and opinions submitted to us relative to the issuance of the Series 2012A Bonds.

The Series 2012A Bonds are issued as fully-registered bonds in the denominations of $5,000 each or any integral multiple thereof. The Series 2012A Bonds bear interest, mature and are subject to redemption prior to maturity in the manner and upon the terms and conditions set forth therein and in the Trust Agreement.

As to questions of fact material to our opinion, without undertaking to verify the same by independent investigation, we have relied upon the certified proceedings of the Authority and of the County and certifications by public officials.

We do not express any opinion herein regarding any law other than the law of the State of Maryland and the federal law of the United States of America.

We express no opinion as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2012A Bonds.

We express no opinion as to the title to any real or personal property.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any change in law that may hereafter occur.

Based on the foregoing, it is our opinion that, under existing law:

(a) The Authority is a validly created and existing body politic and corporate and an instrumentality of the County, having full power and authority to issue the Series 2012A Bonds.

(b) The Trust Agreement has been duly authorized, executed and delivered by the Authority and, assuming the due authorization, execution and delivery thereof by the Trustee, constitutes the valid and binding obligation of the Authority.

(c) The Lease Agreement has been duly authorized, executed and delivered between the parties thereto and constitutes the valid and binding obligation of the Authority and the County.

(d) The Series 2012A Bonds have been duly authorized, executed and delivered as set forth in the Trust Agreement, and constitute valid and binding limited obligations of the Authority.

(e) By the terms of the Act and the Trust Agreement, neither the Series 2012A Bonds nor the interest thereon shall ever constitute an indebtedness or general obligation of the Authority or a charge against, or pledge of the general credit or taxing powers of the Authority, within the meaning of any constitutional or charter provision or statutory limitation, and neither shall ever constitute or give rise to any pecuniary liability of the Authority. The Series 2012A Bonds and the interest thereon are limited obligations of the Authority, repayable by the Authority solely from the moneys and property pledged to their payment under the Trust Agreement, including the payments to be made by the County under the Lease Agreement. The County has not pledged its full faith and credit or its taxing powers to the payments to be made under the Lease Agreement. The obligation of the County to make payments under the Lease Agreement is subject to annual appropriation as provided in the Lease Agreement.

(f) The interest on the Series 2012A Bonds is includable in gross income for Federal income tax purposes.

(g) Under existing law of the State of Maryland, the interest on the Series 2012A Bonds and profit realized from the sale or exchange of the Series 2012A Bonds is exempt from income taxation by the State of Maryland or by any of its political subdivisions; however, the law of the State of Maryland does not expressly refer to, and no opinion is expressed concerning, estate or inheritance taxes or any other taxes not levied directly on the Series 2012A Bonds or the interest thereon.

Other than as set forth in the preceding paragraphs (f) and (g), we express no opinion regarding the federal or state income tax consequences arising with respect to the Series 2012A Bonds.

To ensure compliance with Treasury Circular 230, taxpayers are hereby advised that: (i) any discussion of U.S. federal tax issues contained herein is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer; (ii) any such advice is written to support the promotion or marketing of the Series 2012A Bonds and the transactions described herein; and (iii) each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

It is to be understood that the rights of the owners of the Series 2012A Bonds and the enforceability of the Series 2012A Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

Very truly yours,

[to be signed "Venable LLP"]

APPENDIX C

DEFINITIONS OF CERTAIN TERMS AND SUMMARIES OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS

Set forth in this APPENDIX C are definitions of certain terms used in this Official Statement and summaries of certain provisions of the principal legal documents. The summaries of the principal legal documents contained in this APPENDIX C do not purport to be complete, and reference is made to the the Lease Agreement, the Trust Agreement and the Continuing Disclosure Agreement for complete statements of their respective terms.

DEFINITIONS OF CERTAIN TERMS

Below are definitions of certain terms used herein and in the Lease Agreement and the Trust Agreement. Terms not defined under this caption or elsewhere in this Official Statement shall have the meanings assigned to them in the Lease Agreement or the Trust Agreement.

"Bond Year" means the period of 12 consecutive months ending on June 30 in any year during which Bonds are or will be Outstanding; provided, however, the final Bond Year shall end on the date on which funds are deposited with the Trustee in an amount sufficient to pay or redeem the last Bonds. For purposes of this definition, the term outstanding shall include Bonds which are deemed paid in accordance with the Trust Agreement.

"Business Day" means a day other than (i) a Saturday, Sunday or legal holiday in the State or the County or (ii) any other day on which banking institutions are authorized or required by law to be closed in the State.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. Each reference to a section of the Code that is applicable to the Series 2012A Bonds or the use of the proceeds thereof shall be deemed to include the regulations promulgated thereunder, now in effect or promulgated hereafter from time to time.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Authority relating to the execution and delivery of the Lease Agreement and the Trust Agreement, and other documents related thereto or to the Project, or the execution, sale and delivery of the Series 2012A Bonds, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee, financing discounts, legal fees and charges, reporting fees, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Series 2012A Bonds, securities depository fees and charges and fees in connection with the foregoing, and title company fees and expenses.

"County" means Montgomery County, Maryland, a body politic and corporate and a political subdivision of the State of Maryland.

"County Representative" means the Director of Finance of the County or any other person designated by the Director of Finance as authorized to act on behalf of the County under or with respect to the Trust Agreement in a written authorization filed with the Trustee.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to the Trust Agreement.

"Event of Default" means, with respect to the Trust Agreement, subject to the provisions of the Lease Agreement relating to nonappropriation, (i) the failure of the County to perform any of its obligations (excepting only the obligation to make Lease Payments or pay any additional rent when due) under the Lease Agreement and the continuance thereof for more than 60 days (or such longer period as may be required, in the reasonable judgment of the Trustee, or at the written direction of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Series 2012A Bonds then Outstanding, to correct such default with the exercise of due diligence) and (ii) on any Payment Date, a failure of the County or the Authority to have deposited with, or made available to, the Trustee for deposit to the Lease Payment Fund, in accordance with the provisions of the Trust

Agreement, an amount of funds sufficient to pay principal of, interest on, and redemption premiums (if any) then due and payable under the Series 2012A Bonds, and (iii) the County's failure to make Lease Payments or pay any additional rent when due and the continuation of such failure for either (i) five days after written notice from the Authority or the Trustee specifying such failure or (ii) in the absence of such notice from the Authority or the Trustee, ten days.

"Government Obligations" means investments described in clause (a) of the definition of Permitted Investments.

"Insurance and Condemnation Fund" means the fund by that name established and held by the Trustee pursuant to the Trust Agreement.

"Lease Agreement" means the Master Lease Agreement with respect to the Project dated as of June 15, 1999 (including all Exhibits thereto), by and between the Authority, as lessor, and the County, as lessee, together with any duly authorized and executed amendments, modifications or supplements thereto.

"Lease Payment Fund" means the fund by that name established and held by the Trustee pursuant to the Trust Agreement.

"Net Proceeds" means any insurance proceeds or condemnation award, to the extent remaining after payment therefrom of an expenses incurred in the collection thereof. Net Proceeds shall not include any amounts available to the County through its self-insurance program.

"Outstanding" or "outstanding", when used as of any particular time with respect to Bonds, means (except for Bonds disqualified pursuant to the Trust Agreement) all Bonds theretofore executed by the Authority and authenticated and delivered by the Trustee under the Trust Agreement except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds for the payment or redemption of which funds or Government Obligations in the necessary amount shall have theretofore been deposited with the Trustee in accordance with the Trust Agreement (whether upon or prior to the maturity or redemption date of such Bonds); provided that, if such Bonds are to be redeemed prior to maturity, notice of such redemption shall have been given as described under "THE SERIES 2012A BONDS - Redemption of Bonds - Notice of Redemption" or provision satisfactory to the Trustee shall have been made for the giving of such notice; and

(c) Bonds in lieu of or in exchange for which other Bonds shall have been executed by the Authority and authenticated and delivered by the Trustee as described under "THE SERIES 2012A BONDS - General".

"Owner" or "Bond Owner" or "Owner of a Bond", or any similar term, when used with respect to a Bond, means the person in whose name such Bond shall be registered on the registration books maintained by the Trustee.

"Permitted Investments" means any of the following which, at the time of investment, constitute legal investments under the laws of the State for the moneys proposed to be invested therein:

(a) an obligation for which the United States has pledged its faith and credit for the payment of the principal and interest;

(b) an obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress;

(c) a repurchase agreement collateralized in an amount not less than 102% of the principal amount by an obligation of the United States, its agencies or instrumentalities, provided the collateral is held by a custodian other than the seller designated by the buyer;

(d) bankers' acceptances guaranteed by a financial institution with a short-term debt rating in the highest letter and numerical rating by at least one Rating Agency;

(e) commercial paper that has received the highest letter and numerical rating by at least one Rating Agency, provided that no more than five percent (5%) of the moneys invested hereunder at any one time may be invested in commercial paper;

(f) money market mutual funds that:

(i) contain only securities of the organizations listed in items (a), (b), and (c) of this subsection;

(ii) are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, 15 U.S.C. § 80(a), as amended; and

(iii) are operated in accordance with Rule 2A-7 of the Investment Company Act of 1940, 17 C.F.R. § 270.2A-7, as amended; and

(g) any investment portfolio created under the Maryland Local Government Investment Pool defined under Article 95, § 22G of the Annotated Code of Maryland, as amended from time to time, that is administered by the Office of the State Treasurer.

"Rating Agencies" means each of Fitch Ratings, New York, New York, Moody's Investors Service, Inc., New York, New York, and Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., New York, New York, or the successors of any of them.

"Record Date" means the close of business on the first day of the month of each Payment Date, whether or not such day is a Business Day.

"State" means the State of Maryland.

SUMMARY OF CERTAIN PROVISIONS OF THE LEASE AGREEMENT

The following statements are a brief summary of certain provisions of the Lease Agreement. This summary does not purport to be complete and reference must be made to the Lease Agreement for a full and complete statement of its provisions, copies of which will be furnished upon request to the Trustee. References in this summary to the Authority shall be deemed to include the Trustee, as the assignee of the Authority, to the extent the Authority has assigned certain of its rights under the Lease Agreement to the Trustee pursuant to the Trust Agreement. See "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT - Assignment" herein.

Term

The term of the Lease Agreement shall be twenty-five years, commencing on the date of its execution and delivery and terminating on June 15, 2024. The County has the option to renew the Lease Agreement for an additional five years upon termination of the original term. When the Series 2012A Bonds shall have been retired and paid in full, or when provisions for their defeasance in full has been made pursuant to the Lease Agreement and the Trust Agreement, the Authority shall, at the option of the County, convey title to the Project to the County, in which event the Lease Agreement shall terminate.

Rent

The County shall pay to the Authority as rent semiannual payments (the "Lease Payments") on the first day of April and October in each year, continuing for so long as the Series 2012A Bonds are outstanding, in an amount which shall not be less than the amounts required to pay, when due, the principal of and interest on the Series 2012A Bonds. In addition to the Lease Payments, the County has agreed to pay to the Authority, as additional rent, amounts sufficient to reimburse the Authority for its direct and indirect costs relating the Lease Agreement and the Series 2012A Bonds.

The County Executive shall, to the extent permitted by applicable law, do all things within the County Executive's power annually to request the appropriation of funds from which the Lease Payments and all other payments to be made by the County under the Lease Agreement may be made, including (without limitation) the inclusion of such funds in the budget of the County to be submitted to the County Council and a request for adequate funds to meet its annual obligations under the Lease Agreement in full in its next fiscal year budget. The County has further agreed to apply funds so appropriated toward the payment of its obligations under the Lease Agreement.

In the event sufficient funds shall not be appropriated or sufficient funds are not otherwise available for the applicable programs administered by the County in any fiscal year for the payment of Lease Payments due under the Lease Agreement, the County may terminate the Lease Agreement at the end of the last fiscal year or earlier date for which an appropriation is available and the County shall not be obligated to make payment of the Lease Payments provided for in the Lease Agreement beyond the last date for which an appropriation is available. Notwithstanding anything contained in the Lease Agreement to the contrary, if a request for an appropriation to pay a Lease Payment has been made by the County Executive to the County Council and the County Council fails to make the appropriation requested, the County shall have the right to terminate the Lease Agreement as described in this paragraph. The County shall report to the Authority and the Trustee on or before June 1 in each calendar year on the actions taken by the County Council on the County's budget for the fiscal year beginning July 1 of such calendar year as such actions regard appropriations for such fiscal year for Lease Payments and other amounts payable under the Lease Agreement during such fiscal year. The failure to give such notice shall not extend the term of the Lease Agreement beyond such fiscal year. Upon termination of the Lease Agreement for nonappropriation, the obligations of the County requiring the expenditure of money will cease so long as all payments previously approved or appropriated have been made, and all interest of the County in the Project under the Lease Agreement will terminate and be conveyed to the Authority (or the Trustee as the assignee of the Authority). The Authority (or the Trustee as the assignee of the Authority) may thereupon take possession of the Project and may take such other actions as are permitted to be taken upon an event of default under the Ground Lease, the Lease Agreement or the Trust Agreement. See "Default", and "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT - Events of Default and Remedies of Bond Owners" herein.

Non-substitution

The County agrees, to the extent permitted by applicable law, (i) not to terminate the Lease Agreement in any fiscal year for which sufficient funds are appropriated for the payment of Lease Payments due in that fiscal year for the acquisition (by either purchase or lease or otherwise), retention and/or operation of the Project, and (ii) the County Executive will use best efforts to obtain the authorization and appropriation of such funds, including, without limitation, the inclusion of such funds in the budget of the County to be submitted to the County Council and a request for adequate funds to meet its obligations under the Lease Agreement in full in its next fiscal year budget. This provision shall not be construed so as to permit the County Executive to, and the County Executive shall not, terminate the Lease Agreement in order to acquire (through construction, purchase, lease or otherwise) similar, functionally similar or competitive improvements from any other party or to allocate funds to perform indirectly essentially the same functions to the same extent for which the Project is intended.

Obligations of County Absolute

Subject to an event of nonappropriation, the obligation of the County to pay Lease Payments and all other amounts payable under the Lease Agreement shall be absolute, irrevocable, complete and unconditional and the amount, manner and time of payment of such amounts shall not be decreased, abated, rebated, setoff, reduced, abrogated, waived, diminished or otherwise modified in any manner or to any extent whatsoever regardless of any right of setoff, recoupment or counterclaim that the County might otherwise have against the Authority or any other party or parties and regardless of any contingency, act of God, event or cause whatsoever and notwithstanding any circumstance or occurrence that may arise or take place before, during or after the completion of the Project, including, but without in any way limiting the generality of the foregoing:

(a) any damage to or destruction of any part or all of the Project, (b) the taking or damaging of any part or all of the Project by any public authority or agency in the exercise of the power of eminent domain or otherwise, except as otherwise provided in the Lease Agreement; (c) any assignment, novation, merger, consolidation, sale or transfer of assets, leasing or other similar transaction of or affecting the County, whether with or without the approval of the Authority, except as otherwise expressly provided in the Lease Agreement; (d) the expiration of any term, covenant or condition of the Lease Agreement pursuant to any provisions thereof or by operation of law, unless the Lease Agreement shall have terminated by operation of the provisions thereof; (e) any change or delay in the time of availability to the County for use of the Project or delays in the development, design, construction or equipping of the Project by the County; (f) the failure to complete or to maintain satisfactory progress in the development, design, construction or equipping of the Project, whether due to the fault or negligence of Authority or any other cause or reason; (g) failure of consideration, failure of title or commercial frustration; and (h) any change in the tax or other laws of the United States of America or any other governmental authority; provided, however, that nothing in this provision shall preclude a separate action by the County with respect to any claim against the Authority.

Prepayment

(a) *Prepayment in Whole.* The County shall have the option to prepay the Lease Payments in whole at any time on or after April 1, 2013, by paying a prepayment price equal to the aggregate unpaid principal amount of all then outstanding Bonds, plus that amount of interest required to be paid with respect to all then outstanding Bonds on the next following Payment Date, all pursuant to the terms of the Series 2012A Bonds and the Trust Agreement. The County shall give the Trustee and the Authority written notice of its intention to exercise such option not less than 60 days in advance of the date of exercise.

(b) *Prepayment in Part.* The County shall have the option to prepay the Lease Payments in part on any Lease Payment Date on or after April 1, 2013, by paying a prepayment price in any integral multiple of $5,000 (the “prepayment price”), plus that amount of interest payable with respect to Bonds in a principal amount equal to the prepayment price on the next following Payment Date, all pursuant to the terms of the Series 2012A Bonds and the Trust Agreement. The County shall give the Trustee and the Authority written notice of its intention to exercise such option not less than 60 days in advance of the date of exercise.

(c) *Security Deposit for all Lease Payments.* Notwithstanding any other provision of the Lease Agreement, the County may, on any date, secure the payment of all regularly scheduled Lease Payments by means of a deposit to the Security Deposit Fund established with the Trustee of as amount of: (1) cash which, together with amounts held by the Trustee under the Trust Agreement, and together with permissible interest to accrue thereon, or (2) non-callable Government Obligations, together with permissible interest to accrue thereon, and, if needed, cash, and, if needed, all or a portion of moneys or non-callable Government Obligations then on deposit with the Trustee under the Trust Agreement, which, in the opinion of an independent certified public accountant, will be fully sufficient to pay all unpaid payments of the principal of, and the interest and redemption premiums (if any) on the Series 2012A Bonds, when and as the same shall become due and payable in accordance with the terms of the Series 2012A Bonds and the Trust Agreement. Said security deposit shall be deemed to be and shall constitute a special fund in full satisfaction of the County’s obligation to make payment of Lease Payments in accordance with the provisions of the Lease Agreement.

(d) *Prepayment from Insurance or Condemnation Proceeds*. The County shall be obligated to prepay the Lease Payments, in whole at any time or in part on any Lease Payment Date, from and to the extent of any Net Proceeds of any insurance award or condemnation award or from any moneys available from self-insurance theretofore deposited in the Lease Payment Fund for such purpose as described under “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT - Insurance and Condemnation Fund; Eminent Domain” herein. The County and the Authority agree that such Net Proceeds or moneys available from self-insurance so deposited, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the County’s obligations described under this paragraph.

Operating Expenses and Responsibility

The County shall at all times during the term of the Lease Agreement maintain the Project in good repair and operating condition. To this end, the County shall be responsible for all aspects of the operation, maintenance and policing of the Project, including but not limited to the payment of all operating expenses relating to the use and occupancy of the Project, such as costs of maintenance and repair of the building and equipment, fixtures, roof, windows, electrical systems, utilities, janitorial services, refuse removal, telephone service, security, maintenance and repair of heating and air conditioning systems, plumbing systems, pest control and any other work or expense incurred by virtue of the use and operation of the Project. The County shall be responsible for the collection of fees received in connection with the operations and programs administered in connection with the Project and any related facilities, the hiring and supervision of employees and contractors in connection with the operation and management of the Project, and the provision of all appropriate personnel. The Authority and the County acknowledge and agree that the County may enter into one or more collateral agreements with other persons, with respect to the upkeep, operation, maintenance and policing of the Project, in which such other persons agree to accept certain responsibilities with respect to all or a portion of the Project; provided that, entry into any such agreements shall not relieve the County of its responsibility, as between the County and the Authority, for such matters described in this paragraph.

Liability, Property Damage and Fire Insurance

The County agrees to keep the Project adequately insured at all times and shall maintain with responsible insurers insurance of such types, in such amounts and against such risks as are customarily maintained by persons in similar circumstances having facilities of a comparable type and size and offering comparable services as those of the Project.

The County may, at its option, satisfy its insurance obligations set forth above by means of self-insurance in the amounts prescribed above; provided, however, that its doing so shall constitute a representation, which shall continue in effect during the period of self-insurance, that it has sufficient resources or reserves to satisfy the minimum insurance requirements set forth above. See “Risk Management” in the County’s Annual Information Statement dated April 13, 2012, incorporated by reference herein as Appendix A and published under separate cover.

In the event that the Project is destroyed or damaged so as to render all or a substantial portion of the Project unfit for the purposes for which the Project are leased to the County, and sufficient monies are available from insurance proceeds and other funding sources for reconstruction, then the Lease Agreement shall not terminate but shall continue in full force and effect, and the Project shall be reconstructed, within 24 months from the date of such damage or destruction from such sources, unless otherwise agreed by the parties to the Lease Agreement.

The Net Proceeds (i.e., proceeds net of any expenses of collection) of any insurance award resulting from any damage to or destruction of the Project by fire or other casualty or moneys available from self-insurance (in the event the County elects not to repair such damage or destruction) shall be paid by the County or the Authority, as the case may be, to the Trustee, as assignee of the Authority under the Trust Agreement, and deposited in the Insurance and Condemnation Fund by the Trustee and applied as set forth in the Trust Agreement. See “SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT - Insurance and Condemnation Fund; Eminent Domain” herein.

Eminent Domain

If all of the Project shall be taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, then the term of the Lease Agreement shall cease as of the day possession shall be so taken. If less than all of the Project shall be taken permanently, or if all of the Project or any part thereof shall be taken temporarily, under the power of eminent domain, then the Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking.

The Net Proceeds (i.e., proceeds net of any expenses of collection) of any eminent domain award resulting from any event described in the preceding paragraph shall be paid by the County or the Authority, as the case may be, to the Trustee, as the assignee of the Authority under the Trust Agreement, and deposited in the Insurance and Condemnation Fund by the Trustee and applied as set forth in the Trust Agreement. See "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT - Insurance and Condemnation Fund; Eminent Domain" herein.

Default

Subject to the provisions of the Lease Agreement regarding nonappropriation, the County shall be in default of the Lease Agreement upon its failure to perform under any term, covenant or condition of the Lease Agreement and the continuance thereof for 60 days after written notice from the Authority specifying said failure; provided, however, that in the case of the County's failure to make Lease Payments or pay any additional rent when due, the County shall be in default if such failure to make Lease Payments or pay any additional rent shall continue for either (i) five days after written notice from the Authority or the Trustee specifying such failure or (ii) in the absence of such notice from the Authority or the Trustee, 10 days.

In the event that the County shall be in default as hereinabove stated, and shall fail to cure said default within the applicable 60-day, five-day or 10-day period described above (or, except in the case of a failure to make Lease Payments or pay any additional rent when due, such longer period as may be reasonably required to correct the default with the exercise of due diligence), then and in every such case thenceforth, at the option of the Authority, the County's right of possession shall thereupon end, and the Authority may proceed to recover possession under the laws of the State.

Notwithstanding any other provision of the Lease Agreement, if the County shall be in default as hereinabove stated, the Authority may proceed to protect or enforce its rights by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained in the Lease Agreement, or in aid of the execution of any power therein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy available therefor to the Authority.

Subject to the provisions of the Lease Agreement regarding nonappropriation, nothing described in this subheading or any other provision of the Lease Agreement shall affect or impair the obligation of the County, which is absolute and unconditional, to pay or prepay the Lease Payments as provided in the Lease Agreement, or affect or impair the right of action, which is also absolute and unconditional, of the Authority to institute suit to enforce and collect such payment. No delay or omission of the Authority to exercise any right or power arising upon any event of default described above shall impair any such right or power or shall be construed to be a waiver of any such event of default or an acquiescence therein, and every power and remedy given to the Authority may be exercised from time to time and as often as shall be deemed expedient by the Authority.

No remedy conferred upon or reserved to the Authority in the Lease Agreement is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Lease Agreement or existing at law or in equity or by statute or otherwise from time to time.

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT

The following statements are a brief summary of certain provisions of the Trust Agreement. This summary does not purport to be complete and reference must be made to the Trust Agreement for a full and complete statement of its provisions, copies of which will be furnished upon request to the Trustee.

Assignment

Pursuant to the Trust Agreement, the Authority has transferred, assigned, and set over to the Trustee, in its capacity as Trustee for the benefit of the Owners of the Series 2012A Bonds, and not in its individual capacity, all of the Authority's rights under the Lease Agreement (excepting certain rights as to additional rent payments and reimbursement rights), including (1) the right to receive and collect all of the Lease Payments (including prepayments thereof) from the County under the Lease Agreement and (2) the right to exercise such rights and remedies conferred on the Authority pursuant to the Lease Agreement as may be necessary or appropriate (i) to enforce payment of the Lease Payments, prepayments thereof, and any other amounts required to be deposited in the Lease Payment Fund, or (ii) otherwise to protect the interests of the Owners in the event of a default by the County under the Lease Agreement or under the Trust Agreement.

Moneys in Funds: Investment

Investments Authorized. Moneys held by the Trustee in any fund or account under the Trust Agreement shall be invested and reinvested by the Trustee, as the County Representative or the County Representative's designee shall from time to time direct, in Permitted Investments.

Flow of Funds

Funds and Accounts. The Trust Agreement creates the following funds of the Authority to be established with the Trustee: (i) the Costs of Issuance Fund; (ii) the Lease Payment Fund; and (iii) the Insurance and Condemnation Fund. The following is a summary of these funds and their operation.

Costs of Issuance Fund. A portion of the proceeds of the Series 2012A Bonds will be deposited in the Costs of Issuance Fund and applied to the payment of Costs of Issuance upon requisition therefor in accordance with the terms of the Trust Agreement.

Lease Payment Fund. All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the Owners of the Series 2012A Bonds. So long as any Bonds are outstanding, the Authority and the County shall have no beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in the Trust Agreement, and such moneys shall be used and applied by the Trustee as set forth in the Trust Agreement.

There shall be deposited in the Lease Payment Fund all Lease Payments received by the Trustee as assignee of the Authority under the Trust Agreement, including any moneys received by the Trustee for deposit therein to be used to redeem the Series 2012A Bonds and any other moneys required to be deposited therein pursuant to the Lease Agreement or pursuant to the Trust Agreement.

All amounts in the Lease Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal, interest and redemption premiums (if any) on the Series 2012A Bonds as the same shall become due and payable. All amounts remaining in the Lease Payment Fund on the Business Day immediately following each Payment Date, to the extent not required to pay the principal, interest, and premiums (if any) then due and payable with respect to the Series 2012A Bonds, shall be promptly withdrawn from the Lease Payment Fund by the Trustee and remitted to the Authority, which shall transfer such amounts to the County; provided, however, that this sentence shall not apply to those amounts transferred by the Trustee to the Lease Payment Fund as described in the last paragraph under "Project Fund" above.

Final Surplus. Any surplus remaining in the Lease Payment Fund, after redemption and payment of all Bonds, including redemption premiums and accrued interest (if any) and payment of any applicable fees and expenses to the Trustee, or provision for such redemption or payment having been made to the satisfaction of the Trustee, shall be withdrawn by the Trustee and remitted to the Authority, which shall then transfer such amounts to the County.

Insurance and Condemnation Fund; Eminent Domain

Insurance and Condemnation Fund. Any Net Proceeds of insurance against damage to or destruction of any structure constituting any part of the Project collected by the County or the Authority in the event of any such damage or destruction shall be paid to the Trustee by the County or the Authority pursuant to the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund". If the County determines and notifies the Trustee in writing of its determination, within 90 days following the date of such deposit, that the replacement, repair, restoration, modification, or improvement of the Project is not in the best interests of the County, then such Net Proceeds shall be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments required of the County pursuant to the Lease Agreement and the redemption of Bonds as described in "THE SERIES 2012A BONDS-Redemption of Bonds"; provided, however, that in the event of damage to or destruction of the Project in full, such Net Proceeds may be transferred to the Lease Payment Fund only if sufficient, together with other moneys available therefor, to cause the prepayment by the County of the principal components of all unpaid Lease Payments pursuant to the Lease Agreement. All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Project by the County, upon receipt of requisitions satisfactory to the Trustee signed by the County Representative, which: (a) state with respect to each payment to be made (i) the requisition number, (ii) the name and address of the person, firm or corporation to whom payment is due, (iii) the amount to be paid, (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, and has not been the basis of any previous withdrawal, and (v) that the County estimates that sufficient funds will remain on deposit in the Insurance and Condemnation Fund following such payment for the purpose of completing such replacement, repair, restoration, modification or improvement; (b) specifies in reasonable detail the nature of the obligation; and (c) is accompanied by a bill or a statement of account for such obligation. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to the Authority, which shall then transfer such amounts to the County.

If there occurs any damage or destruction to the Project and if the County determines and notifies the Trustee in writing of its determination, within 90 days following such damage or destruction, that the replacement, repair, restoration, modification, or improvement of the Project is not in the best interest of the County, then the County shall deposit any moneys available as part of its self-insurance program with the Trustee to be applied to the prepayment of Lease Payments as described above. Otherwise, the County shall apply any moneys available as part of its self-insurance program to the replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Project.

Eminent Domain. If all or any part of the Project shall be taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund pursuant to the Lease Agreement and shall be applied and disbursed by the Trustee as follows:

(a) If the County has given written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the operation of the Project or the ability of the County to meet any of its obligations under the Lease Agreement, and (ii) that such proceeds are not needed for repair or rehabilitation of the Project, the Trustee shall transfer such Net Proceeds to the Lease Payment Fund to be credited towards the prepayments of the Lease Payments pursuant to the Lease Agreement and applied to the redemption of the Series 2012A Bonds in the manner described under "THE SERIES 2012A BONDS - Redemption of Bonds - Redemption From Net Proceeds of Insurance and Condemnation Awards or from Self-Insurance".

(b) If the County has given written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the operation of the Project or the ability of the County to meet any of its obligations under the Lease Agreement, and (ii) such proceeds are needed for repair, rehabilitation or replacement of the Project, the Trustee shall pay to the County, or to its order, from said Net Proceeds such amounts as the County may expend for such repair or rehabilitation, upon the filing of requisitions of the County Representative in the form and containing the provisions in the third preceding paragraph.

(c) If (i) less than all of the Project shall have been taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the County has given written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the operation of the Project or the ability of the County to meet any of its obligations under the Lease Agreement, or (ii) all of the Project shall have been taken in such eminent domain proceedings, then the Trustee shall transfer such Net Proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments required of the County pursuant to the Lease Agreement and applied to the redemption of the Series 2012A Bonds in the manner described under “THE SERIES 2012A BONDS - Redemption of Bonds - Redemption From Net Proceeds of Insurance and Condemnation Awards or from Self-Insurance”.

In making any such determination described under this subcaption, the County may obtain, but shall not be required to obtain, at its expense, the report of an independent engineer or other independent professional consultant. A copy of any such report shall be filed with the Authority and the Trustee. Any such determination by the County shall be final.

The Authority and the Trustee shall cooperate fully with the County at the expense of the County in filing any proof of loss with respect to any insurance policy maintained pursuant to the Lease Agreement and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Project or any portion thereof.

Modification or Amendment of Agreements

The Trust Agreement and the rights and obligations of the Owners of the Series 2012A Bonds, and the Lease Agreement and the rights and obligations of the respective parties thereto, may be modified or amended at any time and from time to time by a supplemental agreement, which shall become effective when written consents with respect to such modification or amendment shall have been filed with the Trustee by or on behalf of the Owners of not less than 60% in aggregate principal amount of the Series 2012A Bonds then Outstanding, exclusive of Bonds disqualified as provided in the Trust Agreement. No such modification or amendment shall (1) extend or have the effect of extending the fixed maturity of any Bond or reducing the interest rate with respect thereto or extending the time for payment of interest thereon, or reducing the amount of principal thereof or interest due thereon or reducing any premium payable upon the redemption thereof, without the express consent of the Owner of such Bond, or (2) reduce or have the effect of reducing the percentage of Bond Owners required for the affirmative vote or written consent to an amendment or modification of the Trust Agreement or the Lease Agreement, or (3) modify any of the rights or obligations of the Trustee (including in its capacity as assignee of the Authority) without its written consent thereto.

The Trust Agreement and the rights and obligations of the Owners of the Series 2012A Bonds, and the Lease Agreement and the rights and obligations of the respective parties thereto, may be modified or amended at any time by a supplemental agreement, without the consent of any such Owners, but only to the extent permitted by law and only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power therein reserved to the Authority or the County, (2) to cure, correct or supplement any ambiguous or defective provision contained therein, (3) in regard to questions arising thereunder, as the parties thereto may deem necessary or desirable and which shall not adversely affect the interests of the Owners of the Series 2012A Bonds, (4) to modify the legal description of the Project to conform to the requirements of title insurance or otherwise to add or delete property descriptions to reflect accurately the description of the parcel intended to be included therein, or (5) to amend or modify the Lease Agreement to recalculate the Lease Payments upon partial prepayment thereof.

Events of Default and Remedies of Bond Owners

Remedies. If an Event of Default shall occur, then and in each and every such case during the continuance of such Event of Default, the Trustee may, in its own discretion, and upon request of the Owners of not less than 25% in aggregate principal amount of the Series 2012A Bonds then Outstanding shall, exercise any and all remedies available pursuant to law (including, but not limited to, the Act) or granted pursuant to the Lease Agreement and/or the Trust Agreement.

Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken as described in the immediately preceding paragraph or the Lease Agreement shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the costs and expenses of the Series 2012A Bond Owners in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel, and to the payment of the costs and expenses of the Trustee, including reasonable compensation to its agents, attorneys and counsel and including amounts due the Trustee for the exercise of its duties in accordance with the Trust Agreement;

Second, to the payment of the whole amount then owing and unpaid with respect to the Series 2012A Bonds then Outstanding for principal and interest, with interest on the overdue principal and on overdue installments of interest at the rate of interest represented by the Outstanding Bonds (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Series 2012A Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Institution of Legal Proceedings. If one or more Events of Default shall occur and be continuing, the Trustee in its discretion may, and upon the written request of the Owners of not less than 25% in principal amount of the Series 2012A Bonds then Outstanding, and upon being indemnified to its satisfaction therefor shall, proceed to protect or enforce its rights or the rights of the Owners of Bonds by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained in the Trust Agreement, or in aid of the execution of any power granted in the Trust Agreement, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights or duties thereunder.

Non-waiver. Nothing described above or in any other provision of the Trust Agreement or in the Series 2012A Bonds, shall affect or impair the obligation of the County to pay or prepay the Lease Payments as provided in the Lease Agreement, or, subject to the provisions described under "Limitations on Suits by Bond Owners" below, affect or impair the right of the Bond Owners to institute suit to enforce and collect such payment. No delay or omission of the Trustee or of any Owner of any of the Series 2012A Bonds to exercise any right or power arising upon the occurrence of any Event of Default shall impair any such right or power or be construed to be a waiver of any such Event of Default or an acquiescence therein in the absence of an express writing to such effect signed by the party to be charged with such waiver or acquiescence, and every power and remedy described under this caption as given to the Trustee or to the Owners of Bonds may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Bond Owners.

Remedies Not Exclusive. No remedy in the Trust Agreement conferred upon or reserved to the Trustee or to the Bond Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Trust Agreement or existing at law or in equity or by statute or otherwise from time to time, including those provided under the Act.

Power of Trustee to Control Proceedings. In the event that the Trustee, upon the occurrence of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties under the Trust Agreement, whether upon its own discretion or upon the written request of the Owners of not less than 25% in principal amount of the Series 2012A Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Series 2012A Bonds, to make decisions with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action.

Limitation on Suits by Bond Owners. No Owner of any Bond issued under the Trust Agreement shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Trust Agreement, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default under the Trust Agreement: (b) the Owners of at least 25% in aggregate principal amount of all the Series 2012A Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers granted by the Trust Agreement or to institute such action, suit or proceeding in its own name, which request shall specify the action which such Owners request the Trustee to take; (c) said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of 60 days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy under the Trust Agreement, it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by such Owner's or their action to enforce any right under the Trust Agreement, except in the manner therein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner provided in the Trust Agreement and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payments of principal and interest under such Bond as the same become due, or to institute suit for the enforcement of such payment, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this subcaption or any other provision of the Trust Agreement.

Defeasance

If and when all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of and interest and redemption premiums (if any) with respect to all Bonds Outstanding, as and when the same become due and payable; or

(b) by depositing with the Trustee security for the payment, when and as the same shall become due and payable, of all unpaid amounts of the principal of, interest on, and redemption premiums (if any) on all Bonds Outstanding at the time of such prepayment, as more particularly described in the Lease Agreement with respect to the prepayment of all remaining Lease Payments, said security to be held by the Trustee as agent for the County in a separate fund to be known as the "Security Deposit Fund", to be applied by the Trustee to pay the unpaid payments of the principal of, interest on, and redemption premiums (if any) on all Bonds Outstanding, as the same become due and payable;

then, notwithstanding that any Bonds shall not have been surrendered for payment, all obligations of the Authority and the County with respect to all Outstanding Bonds shall cease and terminate, except only the obligation to cause the Trustee to pay or cause to be paid, from Lease Payments paid by or on behalf of the County or the Authority from funds deposited in the Security Deposit Fund pursuant to paragraph (b) above, to the Owners of the Series 2012A Bonds not so surrendered and paid all sums due with respect thereto.

Any funds held by the Trustee, at the time of one of the events described in paragraphs (a) and (b) above, which are not required for the payments to be made to Owners shall be paid over to the Authority for transfer to the County.

SUMMARY OF CERTAIN PROVISIONS OF THE CONTINUING DISCLOSURE AGREEMENT

The following statements are a brief summary of certain provisions of the Continuing Disclosure Agreement. This summary does not purport to be complete and reference must be made to the Continuing Disclosure Agreement for a full and complete statement of its provisions, copies of which will be furnished upon request to the Trustee.

Information in the Annual Report

The Annual Report will contain the following information:

The County shall provide to EMMA the following annual financial information and operating data, such information and data to be updated as of the end of the preceding fiscal year and made available within 275 days after the end of the fiscal year, commencing with the fiscal year ending June 30, 2012:

(1) Statement of Direct and Overlapping Debt;

(2) General Bonded Debt Ratios;

(3) Assessed Value of All Taxable Property By Class;

(4) Property Tax Levies and Collections;

(5) Property Tax Rates and Tax Levies, By Purpose, and

(6) Schedule of General Fund Revenues, Expenditures and Transfers In (Out).

The County shall also provide to EMMA annual audited financial statements for the County, such information to be made available within 275 days after the end of the County's fiscal year, commencing with the fiscal year ending June 30, 2012, unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements are not available within 275 days after the end of the County's fiscal year (commencing with the fiscal year ending June 30, 2012), the County will provide unaudited financial statements within such time period.

Notice of Reportable Events

If a Reportable Event occurs, the County shall provide, in a timely manner not in excess of ten (10) business days after the occurrence of such Notice Event, notice of such Reportable Event to (i) the MSRB and (ii) the Trustee.

"Reportable Event" means each of the following:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Bonds**;**

(vii) modifications to rights of owners of the Bonds, if material;

(viii) Bond calls, if material, and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Bonds; if material;

(xi) rating changes.

(xii) bankruptcy, insolvency, receivership or similar event of the Issuer;

(xiii) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such action, other than pursuant to its terms, if material; or

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material**.**

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APPENDIX D

OFFICIAL NOTICE OF SALE

$8,530,000*
MONTGOMERY COUNTY REVENUE AUTHORITY

Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project), Series 2012A

NOTICE IS HEREBY GIVEN that electronic bids will be received on the date and up to the time specified below:

SALE DATE: **Thursday, October 18, 2012**

SALE TIME: **10:30 a.m. Prevailing Eastern Time**

ELECTRONIC BIDS: Must be submitted through ***PARITY®*** as described below.

No other form of bid or provider of electronic bidding services will be accepted.

Bids will be received for the purchase of all, but not less than all, of the Montgomery County Revenue Authority Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project), Series 2012A (the "Series 2012A Bonds") to be issued by the Montgomery County Revenue Authority (the "Authority"). The Series 2012A Bonds are more particularly described in the Preliminary Official Statement dated October 10, 2012, relating to the Series 2012A Bonds (the "Preliminary Official Statement") available at the Authority's website (www.mcra-md.com). Prior to accepting bids, the Authority reserves the right to adjust the aggregate principal amount and principal amounts of each maturity of the Series 2012A Bonds being offered, to change the terms of the Series 2012A Bonds, to postpone the sale of the Series 2012A Bonds to a later date, or to cancel the sale of the Series 2012A Bonds based on market conditions.

Consideration of the bids and the award will be made by the Authority on the Sale Date (as set forth above and in the Bidding Parameters Table herein). The Authority also reserves the right to adjust the principal amount of the Series 2012A Bonds offered, to eliminate maturities, or to cancel the sale of the Series 2012A Bonds after the bids are opened as further described herein. See "Adjustment of Amounts and Maturities" and "Change or Cancellation of Sale Date and/or Date of Delivery."

*Preliminary, subject to change.

CONTACT INFORMATION

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I-DEAL/PARITY® (ELECTRONIC BIDDING PLATFORM)

Client Services
Phone: (212) 849-5024
Email: parity@i-deal.com

BIDDING PARAMETERS TABLE*

INTEREST		**PRICING**	
Dated Date:	Date of Delivery	Max. Aggregate Bid Price:	Unlimited
Anticipated Date of Delivery**:	November 1, 2012	Min. Aggregate Bid Price:	100%
Interest Payment Dates:	April 15 and October 15		
First Interest Payment Date:	April 15, 2013	Max. Reoffering Price (each maturity):	Unlimited
Coupon Multiples:	1/8, 1/20 or 1/100 of 1%	Min. Reoffering Price (each maturity):	98.5%
Maximum Coupon:	N/A		
Minimum Coupon:	N/A		
Maximum TIC:	N/A		
Maximum Difference Between Coupons:	4%		
No Zero Coupon may be specified			
PRINCIPAL		**PROCEDURAL**	
Optional Redemption:	The Series 2012A Bonds are subject to redemption prior to maturity at the option of the Authority in whole or in part at any time at a Make-Whole Redemption Price (defined herein).	Sale Date: Sale Time:	October 18, 2012 10:30 a.m. Prevailing Eastern Time
Redemption from Net Proceeds of Insurance and Condemnation	Described herein	Bid Submission:	Electronic bids through PARITY only
Post-bid Principal Increase Each Maturity: Aggregate:	 N/A 15%	All or None?	Yes
Post-bid Principal Reduction Each Maturity: Aggregate:	 N/A 15%	Bid Award Method:	Lowest True Interest Cost (as defined herein)
Term Bonds:	Two or more consecutive annual principal maturities may be designated as a term bond that matures on the maturity date of the last annual principal payment of the sequence.	Confirmation	Fax of signed PARITY screen
		Awarding of Bid:	On the Sale Date by the Authority
		Good Faith Deposit**:	$85,000; as more fully described herein. See “Good Faith Deposit.”

* If numerical or date references contained in the body of this Official Notice of Sale conflict with the Bidding Parameters Table, the Bidding Parameters Table of this Official Notice of Sale shall control. Consult the body of this Official Notice of Sale for a detailed explanation of the items contained in the Bidding Parameters Table, including interpretation of such items and methodologies used to determine such items.

** Preliminary, subject to change.

BOND AMORTIZATION SCHEDULE

The Series 2012A Bonds will be issued in serial or term bond form as designated by the successful bidder for the Series 2012A Bonds in its proposal, as described below. The principal of the Series 2012A Bonds shall be payable in installments on the dates in the following years and in the following amounts:

$8,530,000* Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project), Series 2012A

Maturing April 15	Principal Amount*
2013	$ 50,000
2014	570,000
2015	815,000
2016	830,000
2017	840,000
2018	855,000
2019	870,000
2020	890,000
2021	910,000
2022	935,000
2023	965,000

THE BONDS

Security

The Series 2012A Bonds constitute limited obligations of the Authority and are payable solely from the payments made by Montgomery County (the "County") pursuant to a Lease Agreement (the "Lease Agreement") and from the other assets pledged under a Trust Agreement as security for the payment thereof. All amounts payable by the County under the Lease Agreement, including the Lease Payments, are subject in each year to appropriation by the County.

Use of Proceeds

The proceeds of the Series 2012A Bonds will be used (i) to advance refund the Authority's Taxable Lease Refunding Revenue Bonds (Montgomery County Conference Center Project), Series 2003A (the "Refunded Bonds") and (ii) to pay the costs of issuing the Series 2012A Bonds. The Refunded Bonds were issued to finance a portion of the costs of constructing and equipping a conference center facility with related site improvements and parking facilities (the "Project") located in North Bethesda within the County. The Project has been completed and in operation since November 2004.

Description of the Bonds

General. The Series 2012A Bonds will be dated as of the Date of Delivery ("Dated Date"), expected to be on or about November 1, 2012, and will be in fully registered form in denominations of $5,000 each and any integral multiple thereof.

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*Preliminary, subject to change.

Interest on the Series 2012A Bonds will accrue from the Dated Date, and will be payable semiannually on each April 15 and October 15, beginning April 15, 2013, until paid or duly called for redemption at the annual rate or rates specified by the successful bidder, subject to the limitations specified below. Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board ("MSRB"). The Series 2012A Bonds will mature on the month and day, in the years and principal amounts shown in the Principal Amortization Schedule, subject in each case to adjustment to the extent permitted in this Official Notice of Sale. See "Adjustments of Amounts and Maturities."

Term Bond Option. Bidders may designate in their proposal two or more consecutive annual principal maturities as a term bond that matures on the maturity date of the last annual principal payment of the sequence. Any term bond so designated shall be subject to mandatory sinking fund redemption in each year on the principal payment date and in the entire principal amount for each annual principal maturity designated for inclusion in such term bond. There is no limitation on the number of term bonds in the Second Series B Bonds.

Form of Bonds. The Series 2012A Bonds shall be issued only in fully registered form without coupons. One bond representing each maturity of the Series 2012A Bonds in principal amount equal to the aggregate principal amount of such maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Series 2012A Bonds and each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Series 2012A Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the bonds purchased. The winning bidder, as a condition to delivery of the Series 2012A Bonds, must consent that the bond certificates representing each maturity will be deposited with DTC.

So long as the Series 2012A Bonds are maintained under a book-entry only system, the Bond Registrar and Paying Agent for the Series 2012A Bonds will be the US Bank, N.A. (the "Trustee") or any other Bond Registrar and Paying Agent designated by the Authority. All payments of the principal of and interest on the Series 2012A Bonds shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Optional Make-Whole Redemption

The Series 2012A Bonds are subject to redemption prior to their respective maturities in whole or in part at any time at the option of the Authority, at the Make-Whole Redemption Price.

The "Make-Whole Redemption Price" means the amount equal to the greater of the following:

(a) 100% of the principal amount of the Series 2012A Bonds to be redeemed and accrued interest on the Series 2012A Bonds to be redeemed to the redemption date; and

(b) the sum of the present value of the remaining scheduled payments of principal and interest on the Series 2012A Bonds to be redeemed to the maturity date of such Series 2012A Bonds (exclusive of any accrued and unpaid interest as of the date on which the Series 2012A Bonds are to be redeemed), discounted to the date on which the Series 2012A Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year containing twelve 30-day months, at the U.S. Treasury Rate plus 30 basis points, and accrued interest on the Series 2012A Bonds to be redeemed to the redemption date.

"U.S. Treasury Rate" means, with respect to any redemption date for a particular Series 2012A Bond (i) the yield to maturity as of such redemption date of U.S. Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days, but not more than 45 calendar days, prior to the redemption date (excluding inflation indexed securities) or, if such Statistical Release is no longer published, any publicly available source of similar market data reasonably selected by the Trustee, most nearly equal to the period from the redemption date to the maturity date of such Bond or (ii) if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded U.S. Treasury securities adjusted to a constant maturity of one year.

Redemption From Net Proceeds of Insurance and Condemnation Awards

The Series 2012A Bonds are also subject to redemption on any Payment Date, in whole or in part, from any insurance proceeds or condemnation award, to the extent remaining after payment therefrom of all expenses incurred in collection thereof with respect to the Project (the "Net Proceeds"), which Net Proceeds are deposited in the Lease Payment Fund and credited towards the prepayment of the Lease Payments made by the County in accordance with the Lease Agreement, at a redemption price equal to the principal amount of the Series 2012A Bonds to be redeemed, together with accrued interest to the date fixed for redemption, without premium. Nothing in the Lease Agreement, the Trust Agreement or any other document relating to the Project purports to prevent the County from exercising its power of eminent domain with respect to the Project, and such an exercise could result in the redemption of the Series 2012A Bonds without premium at any time.

Mandatory Sinking Fund Redemption

The successful bidder for the Series 2012A Bonds may designate two or more consecutive annual principal maturities as a term bond ("Term Bonds"), in accordance with the section of this Notice of Sale captioned "Term Bonds Option." Term Bonds shall be subject to mandatory sinking fund redemption by the Authority at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate stated in the Term Bonds to be redeemed. Each such mandatory sinking fund redemption shall be made on the date on which a sequential maturity included as part of a Term Bond would otherwise have been payable and in the amount of the maturing principal amount of the Series 2012A Bonds of such maturity, determined as described in this Notice of Sale, due on such principal payment date.

ADJUSTMENT OF AMOUNT AND MATURITY

Prior to the Sale Date, the Authority may adjust the preliminary principal amount and/or the maturity of the Series 2012A Bonds as set forth in this Official Notice of Sale (the "Preliminary Amount"). **ANY SUCH REVISIONS MADE PRIOR TO THE OPENING OF THE BIDS** (the "Revised Amount") **WILL BE PUBLISHED ON THOMPSON MUNICIPAL MARKET MONITOR ("TM3") (www.tm3.com) NOT LATER THAN 4:00 P.M., PREVAILING EASTERN TIME, ON THE BUSINESS DAY IMMEDIATELY PRIOR TO THE SALE DATE FOR THE SERIES 2012A BONDS.**

In the event that no such revisions are made prior to the opening of the bids, the Preliminary Amount will constitute the Revised Amount. Bidders shall submit bids based on the Revised Amount, and the Revised Amount will be used to compare bids and select a winning bidder.

After the opening of the bids, the Authority may further adjust the Revised Amount of the Series 2012A Bonds. Changes to be made will be communicated to the successful bidder not later than three (3) hours after the bids have been received and opened and in no case will such changes increase or reduce the Revised Amount of the Series 2012A Bonds by more than 15 percent. It is possible that one or more maturities may be eliminated. The dollar amount bid for principal by the successful bidder will be adjusted proportionally to reflect any increase or reduction in the Revised Amount of the Series 2012A Bonds, but the interest rates specified by the successful bidder will not change. The successful bidder may not withdraw its bid as a result of any changes within these limits. The "Underwriter's Discount" shall be defined as the difference between the purchase price of the Series 2012A Bonds submitted by the bidder and the price at which the Series 2012A Bonds will be issued to the public, calculated from information provided by the bidder, divided by the par amount of the Series 2012A Bonds bid. The dollar amount bid by the successful bidder will be adjusted to reflect any adjustments in the principal amount of the Series 2012A Bonds. Such adjusted bid price will reflect changes in the dollar amount of the Underwriter's Discount and original issue discount/premium, if any, but will not change the Underwriter's Discount, per $1,000 of par amount of the Series 2012A Bonds from the Underwriter's Discount that would have been received based on the purchase price in the winning bid and the initial public offering prices.

CHANGE OR CANCELLATION OF SALE DATE AND/OR DATE OF DELIVERY AND/OR OTHER REVISED TERMS

The Authority may cancel or postpone the sale of the Series 2012A Bonds prior to the Sale Date. Notice of a cancellation or postponement will be announced via the TM3wire at *www.tm3.com*. Any new date and time of sale will be announced at least 24 hours prior to the time bids are to be submitted. Such notice will specify the revised principal amount or other revised features, if any.

The Authority may change the scheduled delivery date, or the dates of the semiannual interest payments and principal payment, or revise any other term for the Series 2012A Bonds by notice given in the same manner as that set forth above.

PRELIMINARY OFFICIAL STATEMENT; CONTINUING DISCLOSURE

The Authority has deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the “SEC”), except for the omission of certain information permitted to be omitted by said Rule. As soon as practicable after the Sale Date, the Authority will publish a complete final Official Statement (the “Official Statement”) that will contain this information. The Authority agrees to deliver to the successful bidder for its receipt no later than seven business days after the Sale Date such quantities of the Official Statement as the successful bidder shall request, provided, that the Authority shall deliver up to 100 copies of such Official Statement without charge to the successful bidder.

The Authority has made certain covenants for the benefit of the holders from time to time of the Series 2012A Bonds to provide certain continuing disclosure, in order to assist bidders for the Series 2012A Bonds in complying with Rule 15c2-12(b)(5) of the SEC. Such covenants are described in the Preliminary Official Statement.

ELECTRONIC BIDDING

Bidders may only submit bids via PARITY

A prospective bidder may only bid electronically for the Series 2012A Bonds via PARITY pursuant to this Official Notice of Sale. By submitting its bid for the Series 2012A Bonds, a prospective bidder represents and warrants to the Authority that such bidder’s bid for the purchase of the Series 2012A Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Series 2012A Bonds.

Additional information concerning bidding through the system may be directed to the PARITY Help Desk at (212) 849-5021.

*Disclaimer***.** Each prospective electronic bidder shall be solely responsible to register to bid via PARITY as described above. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY for the purpose of submitting its bid in a timely manner and in compliance with the requirements of the Official Notice of Sale. Neither the Authority nor PARITY shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Authority nor PARITY shall be responsible for a bidder’s failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by PARITY. The Authority is using PARITY as a communication mechanism, and not as the Authority’s agent, to conduct the electronic bidding for the Series 2012A Bonds. The Authority is not bound by any advice and determination of PARITY to the effect that any particular bid complies with the terms of this Official Notice of Sale and in particular the “Bid Submissions” hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY are the sole responsibility of the bidders; and the Authority is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in registering to bid or submitting, modifying or withdrawing a bid for the Series 2012A Bonds, such bidder should telephone PARITY New Issues Desk at (212) 849-5021 and notify the Authority’s

Treasurer's Office by facsimile at (410) 260-6057.

Electronic Bidding Procedures

Electronic bids must be submitted for the purchase of the Series 2012A Bonds (all or none) via PARITY. Bids will be communicated electronically to the Authority at **10:30 a.m.** Prevailing Eastern Time, on Thursday, October 18, 2012. Prior to that time, an eligible prospective bidder may (1) input the proposed terms of its bid via PARITY, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Series 2012A Bonds, or (3) withdraw its proposed bid. Once the bids are communicated electronically via PARITY to the Authority, each bid will constitute an irrevocable offer to purchase the Series 2012A Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on PARITY shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the Authority, as described under "Award of Bid" below, represented by the rate or rates of interest and the bid price specified in their respective bids.

Bid Submissions

Each bid must be in conformity with this Official Notice of Sale.

All bids must be delivered to the Authority VIA PARITY, before **10:30 a.m.**, Prevailing Eastern Time, on October 18, 2012, at which time they will be received by the Authority. As described below, the Authority reserves the right to postpone the date for receipt of bids.

Right of Rejection

The Authority expressly reserves the right (i) to waive any informalities, (ii) to reject all bids, any incomplete bid or any bid not fully complying with all of the requirements set forth herein, and (iii) to solicit new bids or proposals for the sale of the Series 2012A Bonds or otherwise provide for the public sale of the Series 2012A Bonds if all bids are rejected or the winning bidder defaults, including, without limitation, sale of the Series 2012A Bonds to one or more of the losing or rejected bidders without regard to their original bid or its relationship to any other bid.

PRELIMINARY AWARD; REOFFERING PRICE AND CERTIFICATE

As promptly as reasonably practicable after the bids are received and reviewed, but not later than **12:30 p.m.** Prevailing Eastern Time on the Sale Date (unless bids have been postponed), the Authority will notify the apparently successful bidder of the Preliminary Award of the Series 2012A Bonds. The successful bidder shall make a bona fide public offering of all of the Series 2012A Bonds and shall represent to the Authority that such offering is in compliance with all applicable securities laws of the jurisdictions in which such Series 2012A Bonds are offered. **Within 30 minutes after being notified of the Preliminary Award of the Series 2012A Bonds, the successful bidder shall advise the Authority in writing (via facsimile or e-mail transmission) to Katherine Clupper or Bora Fezga at clupperk@pfm.com or fezgab@pfm.com, respectively, of such reoffering price of the Series 2012A Bonds (the "Reoffering Price"). The Authority will review the Reoffering Price for compliance with applicable securities laws prior to final confirmation of the award.**

The apparent successful bidder will also be required to wire to the Authority a Good Faith Deposit as further described herein. Timely notification of the Final Award is subject to the Authority's receipt of the Good Faith Deposit.

AWARD OF BID

The Authority expects to make its award of the Series 2012A Bonds to the winning bidder on the Sale Date. It is anticipated that all bids will be reviewed by the Authority at the time stated above and will be acted on following the opening, tabulation and verification of the bids received. The decision by the Authority as to the award of the Series 2012A Bonds will be final. Bids may not be withdrawn prior to the award.

All bids shall be for cash on delivery and shall be based on an offering to pay not less than 100% of the par value of the Series 2012A Bonds. Each bidder shall indicate in its bid the rate of interest to be paid on the Series 2012A Bonds. The rate of interest shall be a multiple of 1/8, 1/20 or 1/100 of one percent. A zero rate may not be named.

The Series 2012A Bonds will be awarded by the Authority on the Sale Date to the bidder whose bid complies with this Official Notice of Sale and results in the lowest true interest cost ("TIC") to the Authority. The lowest TIC will be determined by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the payment dates to the Dated Date of the Series 2012A Bonds and to the amount bid for the Series 2012A Bonds. If two or more responsible bidders have made bids resulting in the same lowest TIC to the Authority, the Series 2012A Bonds shall be awarded by lot to one of these bidders.

GOOD FAITH DEPOSIT

A Good Faith Deposit in the amount of $85,000 is required only of the winning bidder for the Series 2012A Bonds. The winning bidder for the Series 2012A Bonds is required to submit such Good Faith Deposit payable to the order of the Authority in the form of a wire transfer in federal funds as instructed by the Authority's Financial Advisor, Public Financial Management Inc. The winning bidder shall submit the Good Faith Deposit not later than 2:00 p.m., Prevailing Eastern Time on the Sale Date. The winning bidder should provide as quickly as it is available, evidence of wire transfer by providing the Authority the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the winning bidder may be rejected and the Authority may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Series 2012A Bonds to the same. If the winning bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is nonetheless obligated to pay to the Authority the sum of $85,000 as liquidated damages due to the failure of the winning bidder to timely deposit the Good Faith Deposit.

Submission of a bid to purchase the Series 2012A Bonds serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.

The Good Faith Deposit so wired will be retained by the Authority until the delivery of the Series 2012A Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Series 2012A Bonds or the Good Faith Deposit will be retained by the Authority as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Series 2012A Bonds in compliance with the terms of this Official Notice of Sale and of its bid. No interest on the Good Faith Deposit will be paid by the Authority. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum simultaneously with delivery of the Series 2012A Bonds.

DELIVERY AND PAYMENT

Delivery of the Series 2012A Bonds will be made by the Authority to DTC in book-entry only form, in New York, New York on or about the anticipated Date of Delivery, or on or about such other date as may be agreed on by the Treasurer and the successful bidder.

At the time of delivery of the Series 2012A Bonds, payment of the amount due for the Series 2012A Bonds must be made by the successful bidder to the order of the Authority immediately available in federal funds or other funds immediately available to the Authority, or by such other means as may be acceptable to the Treasurer. Any expense incurred in providing immediately available funds, whether by transfer of federal funds or otherwise, shall be borne by the successful bidder.

CUSIP Number; Expenses of the Bidder

It is anticipated that a CUSIP numbers will be assigned to the Series 2012A Bonds, but neither the failure to type or print such number on any of the Series 2012A Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 2012A Bonds. The policies of the CUSIP Service Bureau will govern the assignment of a specific number to the Series 2012A Bonds. The successful bidder will be responsible for applying for and obtaining, subject to the CUSIP Service Bureau policy and procedures, CUSIP numbers for the Series 2012A Bonds promptly upon award of the bid. All expenses of typing or printing CUSIP numbers for the Series 2012A Bonds will be paid for by the Authority; provided the CUSIP Service Bureau charges for the assignment of the numbers shall be the responsibility of and shall be paid for by the successful bidder.

All charges of DTC and all other expenses of the successful bidder will be the responsibility of the successful bidder for the Series 2012A Bonds.

TAX STATUS, LEGAL OPINIONS, CLOSING DOCUMENTS AND NO LITIGATION

The approving legal opinion of Venable LLP, Baltimore, Maryland, Bond Counsel, will be furnished without cost to purchasers of the Series 2012A Bonds. A summary description of the tax treatment of the Series 2012A Bonds is contained in the Preliminary Official Statement under the heading "Tax Matters." The proposed form of legal opinion of bond counsel is attached as Appendix B to the Preliminary Official Statement.

ADDITIONAL INFORMATION

This Official Notice of Sale is not a summary of the terms of the Series 2012A Bonds. Reference is made to the Preliminary Official Statement for a further description of the Series 2012A Bonds and the Authority. Prospective investors or bidders for the Series 2012A Bonds must read the entire Preliminary Official Statement to obtain information essential to making an informed investment decision. The Preliminary Official Statement is deemed final by the Authority as of its date for purposes of the Rule but is subject to revision, amendment and completion in a final Official Statement. Additional information concerning the matters discussed in this Official Notice of Sale and copies of the Preliminary Official Statement may be obtained online or by request from Michael Boone, the Authority's Chief Financial Officer, at (301) 762-9080, ext. 103 or from Linda Ginty or Bora Fezga at gintyl@pfm.com or fezgab@pfm.com, respectively, or at (215) 567-6100.

KEITH MILLER
Chief Executive Officer

MICHAEL BOONE
Chief Financial Officer

Rockville, Maryland
October 10, 2012

APPENDIX E

REFUNDED BONDS OUTSTANDING AS OF NOVEMBER 1, 2012

Montgomery County Revenue Authority Taxable Lease Revenue Bonds
(Montgomery County Conference Center Project), Series 2003A

Maturing February 15	Principal	Rate of Interest	Call Price*	CUSIP
2013	$545,000	5.000%	100	613366 FH1
2014	570,000	5.250	102	613366 FJ7
2015	600,000	5.375	102	613366 FK4
2016	635,000	5.300	102	613366 FL2
2017	670,000	5.400	102	613366 FM0
2018	705,000	5.600	102	613366 FN8
2019	745,000	6.000	102	613366 FP3
2020	790,000	6.000	102	613366 FQ1
2021	835,000	6.000	102	613366 FR9
2022	885,000	6.000	102	613366 FS7
2023	940,000	6.000	102	613366 FT5

* Bonds stated to mature on February 15, 2013 will be paid at maturity on February 15, 2013 in the principal amount thereof plus accrued interest. Bonds stated to mature on February 15, 2014 and thereafter will be redeemed on February 15, 2013, at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date and a premium of 2% of the principal amount to be redeemed.