
OFFICIAL NOTICE OF SALE

\$ _____*

CERTIFICATES OF PARTICIPATION
(2007 South Placer Justice Center Courthouse Financing Project)
Evidencing the Direct, Undivided Fractional Interests
of the Owners Thereof in Lease Payments to be Made by the
COUNTY OF PLACER, CALIFORNIA
As the Rental for Certain Property
Pursuant to a Lease Agreement with the
Placer County Public Financing Authority

NOTICE IS HEREBY GIVEN that *electronic proposals only* will be received by representatives of the County of Placer, California (the "County"), for the purchase of \$_____ * aggregate principal amount of Certificates of Participation (2007 South Placer Justice Center Courthouse Financing Project) (the "Certificates"), evidencing the direct, undivided fractional interests of the owners thereof in lease payments to be made by the County as the rental for certain property pursuant to the Lease Agreement, dated as of December 1, 2007 (the "Lease Agreement"), by and between the Placer County Public Financing Authority (the "Authority") and the County, more particularly described below.

DATE AND TIME OF BID: *Thursday, November 15, 2007, at 9:00 A.M. (Pacific Time).*

SUBMISSION OF BIDS: Bids may be submitted (for receipt not later than the time set forth above) electronically through the I-Deal LLC BiDCOMP/PARITY© system.

See "FORM OF BID" herein. All bids must be accompanied by a good faith deposit as more fully described below under the caption "GOOD FAITH DEPOSIT."

This Official Notice of Sale is not a part of the POS (defined below). The inclusion of this Official Notice of Sale as an attachment to the POS is for purposes of convenience only.

RIGHT OF CANCELLATION OF SALE BY COUNTY: The County reserves the right, in its sole discretion, at any time to cancel the public sale of the Certificates. In such event, the County shall cause notice of cancellation of this invitation for bids and the public sale of the Certificates to be communicated through *Bond Buyer Wire* as promptly as practicable. However, no failure to publish such notice or any defect or omission therein shall affect the cancellation of the public sale of the Certificates.

RIGHT TO MODIFY OR AMEND: The County reserves the right, in its sole discretion, to modify or amend this Official Notice of Sale including, but not limited to, the right to adjust and change the principal amount and principal amortization schedule of the Certificates being offered, however, such modifications or amendments shall be made not later than 1:00 P.M., California time, on the business day prior to the bid opening and communicated through *Bond Buyer Wire*.

*Preliminary, subject to change.

RIGHT OF POSTPONEMENT BY COUNTY: The County reserves the right, in its sole discretion, to postpone, from time to time, the date established for the receipt of bids. Any such postponement will be communicated through *Bond Buyer Wire* not later than 1:00 P.M., California time, on the business day prior to any announced date for receipt of bids. If any date is postponed, any alternative sale date will be announced via *Bond Buyer Wire* at least 24 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a bid for the purchase of the Certificates in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced by *Bond Buyer Wire* at the time the sale date and time are announced.

TERMS OF THE CERTIFICATES

DATE; FORM; DENOMINATION: The Certificates will be dated as of their date of delivery and will be issued and delivered in fully registered form, without coupons, in the denomination of \$5,000 each or any whole multiple thereof, pursuant to a Trust Agreement, dated as of December 1, 2007 (the "Trust Agreement"), by and among the County, the Authority and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), as approved by a resolution of the County adopted on October 23, 2007 (the "Resolution"). The Certificates will be executed and delivered in a book entry-only system with no physical distribution of the Certificates made to the public. The Depository Trust Company, New York, New York ("DTC"), will act as depository for the Certificates which will be immobilized in its custody. The Certificates will be registered in the name of Cede & Co., as nominee for DTC, on behalf of the participants in the DTC system and the subsequent beneficial owners of the Certificates. Reference is made to the Trust Agreement for further details regarding the terms and provisions of the Certificates.

MATURITIES: The Certificates will mature on the dates and in the principal amounts as follows (subject to adjustment as provided under the heading "TERMS OF THE CERTIFICATES-ADJUSTMENT OF PRINCIPAL AMOUNTS," below):

<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Maturity Date</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount*</u>
2008		2018	
2009		2019	
2010		2020	
2011		2021	
2012		2022	
2013		2023	
2014		2024	
2015		2025	
2016		2026	
2017		2027	

*Preliminary, subject to change.

ADJUSTMENT OF PRINCIPAL AMOUNTS: The County reserves the right to increase or decrease the principal amount of any maturity of the Certificates as the County deems advisable in order to accomplish its financing objectives. No such adjustment will have the effect of altering the basis upon which the best bid is determined. The County shall not be responsible for the effect of any such adjustment on the compensation to the successful bidder.

MANDATORY REDEMPTION; BIDDER'S RIGHT TO DESIGNATE TERM CERTIFICATES: Bidders may designate two or more consecutive maturities of the Certificates

as term Certificates, subject to the following limitations: (1) each term Bond shall bear a single rate of interest; and (2) the term Bond(s) shall be subject to mandatory sinking fund redemption by lot on December 1 of each year, commencing with the year following the final serial Bond maturity (or, if there is more than one term Bond, the maturity date of any term Bond having an earlier maturity, as the case may be), with the aggregate principal amount to be redeemed in each such year to be same as the aggregate principal amount set forth in the above maturity table and with each such redemption to be at a price equal to 100% of the principal amount to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption but without premium.

If no term Certificates are designated in the winning bid, the Certificates will mature serially as shown in the preceding schedule.

OPTIONAL REDEMPTION: The Certificates maturing on or before December 1, 2015, are not subject to optional redemption prior to maturity. The Certificates maturing on and after December 1, 2016, are subject to optional redemption in whole or in part on any date on or after December 1, 2015, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium, from the proceeds of the optional redemption of Lease Payments made by the County pursuant to the Lease Agreement. If less than all of the Certificates are called for redemption, such Certificates shall be redeemed in inverse order of maturities or as otherwise directed by the County, and if less than all of the Certificates of any given maturity are called for redemption, the portions of such Certificates of a given maturity to be redeemed shall be determined by lot.

REDEMPTION FROM NET PROCEEDS OF INSURANCE, TITLE INSURANCE, CONDEMNATION OR EMINENT DOMAIN AWARD: The Certificates are subject to mandatory redemption in whole on any date or in part, on any Interest Payment Date from the net proceeds of an insurance, title insurance, condemnation, or eminent domain award to the extent credited towards the redemption of the Lease Payments by the County pursuant to the Lease Agreement, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

SECURITY: The Certificates represent direct, undivided fractional interests in Lease Payments. In general, the County is required to pay to the Trustee specified amounts as rental for certain real property and improvements constituting the existing Auburn Justice Center (the "Property"), which are designed to be sufficient in both time and amount to pay the principal and premium (if any) and interest due with respect to the Certificates. The County's obligation to pay Lease Payments shall be in consideration of the use and occupancy of the Property from any source of legally available funds. The County has covenanted under the Lease Agreement to take such action as may be necessary to include all Lease Payments in its annual budgets and to make the necessary annual appropriations therefor.

THE OBLIGATION OF THE COUNTY TO MAKE LEASE PAYMENTS DOES NOT CONSTITUTE AN OBLIGATION OF THE COUNTY FOR WHICH THE COUNTY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE COUNTY TO PAY LEASE PAYMENTS CONSTITUTES A DEBT OF THE COUNTY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF CALIFORNIA.

PURPOSE: The proceeds of the Certificates, together with other available moneys, will be applied by the County to (a) finance the acquisition of an existing facility to be used as the South Placer Justice Center Courthouse (the "Project"), (b) fund a reserve fund for the Certificates, (c) fund the costs of the transaction. It is anticipated that, upon acquisition of the

Project, the Property will be substituted under the Lease Agreement and will become the leased property thereunder.

TAX-EXEMPT STATUS: In the opinion of Quint & Thimmig LLP, San Francisco, California, Special Counsel, based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, (among other matters), the accuracy of certain representations and compliance with certain covenants, the portion of each Lease Payment designated as and representing interest with respect to the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the opinion of Special Counsel, such interest is not a specific preference item for purposes of the federal individual and corporate alternative minimum taxes, although Special Counsel observes that such interest is included in adjusted current earnings in calculating federal corporate alternative minimum taxable income. Special Counsel expresses no opinion regarding any other tax consequences relating to the accrual or receipt of the interest portion of the Lease Payments or the ownership or disposition of the Certificates.

In the event that, prior to the delivery of the Certificates, (a) the interest on other obligations of the same type and character as the Certificates shall be declared to be subject to taxation (either at the time of such declaration or at any future date) under any federal income tax laws, either by the terms of such laws or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court, or (b) any federal income tax law is enacted which will have a substantial adverse effect upon the owners of the Certificates as such, the successful bidder may, at its option, prior to the tender of the Certificates, be relieved of its obligation to purchase the Certificates, and in such case the deposit accompanying its bid will be returned.

LEGAL OPINION: The legal opinion of Special Counsel, approving the validity of the Lease Agreement will be furnished to the successful bidder without cost.

MUNICIPAL BOND INSURANCE: _____ has issued a commitment for municipal bond insurance relating to the Certificates. The cost of obtaining such insurance and any rating agency costs related thereto will be borne entirely by the County and not by the successful bidder.

TERMS OF SALE

FORM OF BID; MAXIMUM DISCOUNT: All bids must be for not less than all of the Certificates hereby offered for sale. A premium or a discount may be bid but no discount shall exceed 1%. All bids *must* be accompanied by a good faith deposit. See "GOOD FAITH DEPOSIT" herein.

Bids must be submitted electronically through the I-Deal LLC BiDCOMP/PARITY© system.

To the extent any instructions or directions set forth in BiDCOMP/PARITY© conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about BiDCOMP/PARITY©, bidders may contact the financial advisor to the County at (916) 641-2734 or BiDCOMP/PARITY© at (212) 404-8102.

THE COUNTY RETAINS ABSOLUTE DISCRETION TO DETERMINE WHETHER ANY BID IS TIMELY, LEGIBLE AND COMPLETE. NONE OF THE COUNTY, CAPITOL PUBLIC FINANCE GROUP, LLC, FINANCIAL ADVISOR TO THE COUNTY (THE "FINANCIAL ADVISOR"), QUINT & THIMMIG LLP ("SPECIAL COUNSEL") OR SIDLEY AUSTIN LLP ("DISCLOSURE COUNSEL") TAKES ANY RESPONSIBILITY FOR INFORMING ANY BIDDER PRIOR TO THE TIME FOR RECEIVING BIDS THAT ITS BID IS INCOMPLETE, ILLEGIBLE OR NOT RECEIVED.

WARNINGS REGARDING ELECTRONIC BIDS: THE COUNTY WILL ACCEPT BIDS IN ELECTRONIC FORM SOLELY THROUGH BiDCOMP/PARITY® ON THE OFFICIAL BID FORM CREATED FOR SUCH PURPOSE. EACH BIDDER SUBMITTING AN ELECTRONIC BID UNDERSTANDS AND AGREES BY DOING SO THAT IT IS SOLELY RESPONSIBLE FOR ALL ARRANGEMENTS WITH BiDCOMP/PARITY®, THAT THE COUNTY NEITHER ENDORSES NOR EXPLICITLY ENCOURAGES THE USE OF BiDCOMP/PARITY® AND THAT BiDCOMP/PARITY® IS NOT ACTING AS AN AGENT OF THE COUNTY. INSTRUCTIONS AND FORMS FOR SUBMITTING ELECTRONIC BIDS MUST BE OBTAINED FROM BiDCOMP/PARITY® AND THE COUNTY ASSUMES NO RESPONSIBILITY FOR ENSURING OR VERIFYING BIDDER COMPLIANCE WITH THE PROCEDURES OF BiDCOMP/PARITY®. THE COUNTY SHALL ASSUME THAT ANY BID RECEIVED THROUGH BiDCOMP/PARITY® HAS BEEN MADE BY A DULY AUTHORIZED AGENT OF THE BIDDER.

THE COUNTY WILL MAKE ITS BEST EFFORTS TO ACCOMMODATE ELECTRONIC BIDS; HOWEVER THE COUNTY, THE FINANCIAL ADVISOR AND SPECIAL COUNSEL ASSUME NO RESPONSIBILITY FOR ANY ERROR CONTAINED IN ANY BID SUBMITTED ELECTRONICALLY, OR FOR FAILURE OF ANY BID TO BE TRANSMITTED, RECEIVED OR OPENED AT THE OFFICIAL TIME FOR RECEIPT OF BIDS. THE OFFICIAL TIME FOR RECEIPT OF BIDS WILL BE DETERMINED BY THE COUNTY AT THE PLACE OF BID OPENING AND THE COUNTY SHALL NOT BE REQUIRED TO ACCEPT THE TIME KEPT BY BiDCOMP/PARITY® AS THE OFFICIAL TIME.

INTEREST RATE: Bidders must specify the rate or rates of interest which shall be payable with respect to the Certificates. The maximum rate bid may not exceed eight percent (8%) per annum. Interest with respect to the Certificates is payable semiannually on each June 1 and December 1, commencing June 1, 2008. Bidders will be permitted to bid different rates of interest but (a) interest with respect to each Bond shall be computed from the date of delivery thereof, to its stated maturity date at the interest rate specified in the bid, payable semiannually as set forth above; (b) interest with respect to all Certificates maturing at any one time shall be payable at the same rate of interest; and (c) no bid will be accepted which contemplates the waiver of any interest or other concession by the bidder as a substitute for payment in full of the purchase price.

BEST BID: The Certificates will be awarded to the best responsible bidder therefor, considering the interest rate or rates specified and the premium offered, if any, or discount taken, if any, and the best bid will be determined on the basis of the lowest true interest cost. The true interest cost will be that nominal annual discount rate which, when discounted semiannually and when used to discount all payments of principal and interest with respect to the Certificates at the rate or rates specified in the bid to the date of delivery of the Certificates (expected to be December 6, 2007), results in the amount equal to the purchase price, which is the principal amount of the Certificates plus the amount of any premium or less the amount of any discount. In the event two or more bids setting forth identical interest rates and premium, if any, are received, the Treasurer-Tax Collector, or any designee thereof, pursuant to authority delegated to him or her by the governing board of the County, reserves the right to exercise his

or her own discretion and judgment in making the award and may award the Certificates on a pro rata basis in such denominations as he or she shall determine.

RIGHT OF REJECTION: The County reserves the right, in its sole discretion, to reject any and all bids and to waive any irregularity or informality in any bid except that no bids will be accepted later than 10:00 A.M. on the date set for receipt of bids.

PROMPT AWARD: The Treasurer-Tax Collector, or any designee thereof, pursuant to authority delegated to him or her by the governing board of the County, will take action awarding the sale of the Certificates or reject all bids not later than twenty-six (26) hours after the expiration of time herein prescribed for the receipt of bids and until such expiration of time all bids received shall be irrevocable. Unless such time of award is waived by the successful bidder, the award may be made after the expiration of the specified time if the bidder shall not have given to the County notice in writing of the withdrawal of such proposal. Notice of the award will be given promptly to the successful bidder.

DELIVERY AND PAYMENT: Delivery of the Certificates will be made to the successful bidder in New York, New York, as soon as the Certificates can be prepared, which is estimated to be within 30 days from the sale date. The Certificates will be delivered in full book-entry form through the facilities of The Depository Trust Company. Payment for the Certificates must be made in immediately available funds to the Trustee. Any expense in providing immediately available funds shall be borne by the purchaser.

RIGHT OF CANCELLATION: The successful bidder shall have the right, at its option, to cancel its purchase of the Certificates if the County shall fail to cause the execution and delivery of the Certificates and tender the same for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

GOOD FAITH DEPOSIT: A good faith deposit ("Deposit") in the form of a certified or cashier's check or a financial surety bond in the amount of \$100,000 payable to the order of the Trustee, is required for each bid to be considered. If a check is used, it must accompany the bid. If a financial surety bond is used, it must be from an insurance company licensed to issue such a bond in the State of California, and such bond must be submitted to the Financial Advisor prior to the opening of the bids. The financial surety bond must identify each bidder whose Deposit is guaranteed by such financial surety bond. If the Certificates are awarded to a bidder utilizing a financial surety bond, then such bidder must submit its Deposit to the Trustee in the form of a cashier's check (or wire transfer such amount as instructed by the County or such Financial Advisor) not later than 12:30 P.M. California time on the next business day following the award. If such Deposit is not received by that time, the financial surety bond may be drawn by the County to satisfy the Deposit requirement. The amount of the Deposit will be applied as a credit towards the payment of the purchase price by the successful bidder. If after the award of the Certificates, the successful bidder fails to complete its purchase on the terms stated in its proposal, the full amount of the good faith deposit will be retained by the County.

ESTIMATE OF TRUE INTEREST RATE: Each bidder is requested, but not required, to state in its bid the true interest cost, as described under the caption "BEST BID" herein, which shall be considered as informative only and not binding on either the bidder or the County.

CERTIFICATION OF REOFFERING PRICE: The successful bidder shall be required, as a condition to the delivery of the Certificates, to certify to the County in writing, within 24 hours of award, that, as of the date of award, (i) the Certificates were expected to be reoffered in a bona fide public offering, and (ii) the price at which the Certificates was expected to be sold to the public, in form and substance satisfactory to the County and to Special Counsel

CALIFORNIA DEBT AND INVESTMENT ADVISORY COUNTY: The County has duly notified the California Debt and Investment Advisory County of the proposed sale of the Certificates. Payment of all fees to the California Debt and Investment Advisory County in connection with the execution, sale and delivery of the Certificates shall be the sole responsibility of the successful bidder, and not of the County.

NO LITIGATION: There is no litigation pending concerning the validity of the Certificates, the existence of the County or the entitlement of the officers thereof to their respective offices, and the successful bidder will be furnished a no-litigation certificate certifying to the foregoing as of and at the time of delivery of the Certificates.

DTC FEES: All fees due DTC with respect to the Certificates shall be paid by the successful bidder.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Certificates, but neither the failure to print such numbers on any Certificates 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 Certificates in accordance with the terms hereof. All expenses in relation to the printing of CUSIP numbers on the Certificates shall be paid for by the County; *provided, however,* that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

CONDITIONS OF CLOSING: As a condition to the obligation of the successful bidder to accept delivery of and pay for the Certificates, the successful bidder will be furnished the following documents:

(a) The opinion of Special Counsel approving the validity of the Lease Agreement and stating that, based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, (among other matters), the accuracy of certain representations and compliance with certain covenants, the portion of each Lease Payment designated as and representing interest with respect to the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes, such interest is not a specific preference item for purposes of the federal individual and corporate alternative minimum taxes, although such interest is included in adjusted current earnings in calculating federal corporate alternative minimum taxable income.

(b) A certificate of the County certifying that on the basis of the facts, estimates and circumstances in existence on the date of issue, it is not expected that the proceeds of the Certificates will be used in a manner that would cause the Certificates to be arbitrage Certificates;

(c) A certificate of the County, signed by officers and representatives of the County, certifying that the officers and representatives have signed the Certificates whether by facsimile or manual signature, and that they were respectively duly authorized to execute the same;

(d) The receipt of the Trustee evidencing the receipt of the purchase price of the Certificates;

(e) A certificate of the County, certifying that there is no known litigation threatened or pending affecting the validity of the Certificates; and

(f) A certificate of the County, signed by an officer of the County, acting in his official capacity, to the effect that at the time of the sale of the Certificates, and at all times subsequent thereto up to and including the time of the delivery of the Certificates, the OS (defined below) does not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and further certifying that the signatory knows of no material adverse change in the condition of the County which would make it unreasonable for the purchaser of the Certificates to rely upon the OS in connection with the resale of the Certificates.

CONTINUING DISCLOSURE: In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the County will undertake to provide annual reports and notices of certain events. A description of this undertaking is set forth in the POS and will also be set forth in the OS.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COUNTY AND CALIFORNIA PSA: The successful bidder will be required, pursuant to State law, to pay any fees to the California Debt and Investment Advisory County and California PSA when due.

PRELIMINARY AND FINAL OFFICIAL STATEMENT: The County's Preliminary Official Statement ("POS"), dated November 6, 2007, is available for viewing at www.i-dealprospectus.com. Bidders may either: (a) print out a copy of the POS on their own printer, or (b) at any time on or prior to November 13, 2007, elect to receive a photocopy of the POS in the mail by contacting the Financial Advisor, Capitol Public Finance Group, LLC, 1900 Point West Way, Suite 273, Sacramento, CA 95815, telephone: (916) 641-2734; Fax: (916) 921-2734.

The POS is deemed by the County to be final as of its date, for purposes of SEC Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934, except for the omission of information concerning the offering price(s), interest rates(s), selling compensation, aggregate principal amount of the Certificates, description of bond insurance, and any other terms or provisions to be determined from the successful bid or depending on such matters, and the identity of the underwriter(s). The POS is, however, subject to such further revisions, amendments and completion in a final official statement the ("OS") as may be necessary.

The County shall provide the successful bidder with up to 100 conformed copies of the OS within seven (7) business days following the date of acceptance of the bid.

MISCELLANEOUS: The County, at its own expense, will provide for preparation of the Certificates and will pay the fees of the Trustee.

The Certificates will be delivered through the facilities of DTC at a mutually agreeable location on or about December 6, 2007, or such later date as shall be determined by the County. The actual time of day and place of such delivery shall be such as shall be agreeable, mutually, to the County and to the successful bidder.

The right is reserved to reject any or all bids, and to waive any informality, mistake, error or omission in any bid.

ADDITIONAL INFORMATION: Additional information and the POS may be obtained from the Financial Advisor, Capitol Public Finance Group, LLC, 1900 Point West Way, Suite 273, Sacramento, CA 95815, telephone: (916) 641-2734; Fax: (916) 921-2734. The Official Notice of Sale and the POS may be viewed at www.i-dealprospectus.com. However, the County makes no assurance or representation with respect to the form of the Official Notice of Sale and the POS at www.i-dealprospectus.com, and no investment decision should be made in reliance thereon.

Dated: November 6, 2007

COUNTY OF PLACER, CALIFORNIA