

NOTICE OF 2006 PROGRAM SUPPLEMENTAL INFORMATION

Housing Finance Authority of Pinellas County Single Family Housing Revenue Bond Program Series 2006B Program Supplement (Pasco, Pinellas and Polk Counties)

The Issuer provides the following supplemental information in connection with the issuance of its Series 2006B Bonds and supplements the Invitation for the 2006 Program as set forth herein. Any information previously provided by the Issuer with regard to its 2006 Program shall remain in effect unless specifically supplemented by this Notice.

A. The 2006B Program and the 2006B Bonds

The Issuer intends to fund the 2006B Program through the issuance of its Single Family Housing Revenue Bonds, Series 2006B (the "2006B Bonds"), in the approximate aggregate principal amount of approximately \$20,550,000, with the exact amount and timing of the Series 2006B Bonds to be determined by the Issuer based on market conditions and other factors, thereby making available funds for origination of Mortgage Loans throughout 2006. The Series 2006B Bonds is expected to be priced on or about September 27, 2006, with the 2006B Program Start Date to be on or about September 27, 2006.

There will be a reservation process whereby Lenders will be able to reserve allocation until [December 26, 2006] for Mortgage Loans not subject to longer origination typical of newly started housing (the "Spot Loans") by paying a commitment fee equal to 1.125% of the allocation amount. There will also be a Builder reservation process whereby Builders will be able to reserve allocation through a Lender to originate loans for newly started construction housing requiring a longer mortgage loan delivery period (the "Builder Loans") subject to a commitment fee equal to 1.625% of the allocation amount. Mortgage Loans for residences qualifying as New Construction may be reserved, on a first come first serve basis, under a Lender's Spot Program Allocation, provided the Lender expects to meet the stated timeframe requirements for Spot Loans.

B. Period for Origination and Commitment; Reclamation of Allocation by Authority

The period for originating Mortgage Loans (the "Commitment Period") to be funded with proceeds of the initial series of 2006B Bonds is expected to commence on or about September 27, 2006 (the "Program Start Date"), with applications dated August 1, 2006 or thereafter, and last approximately 90 days, until [December 26, 2006] (the "Final Reservation Date"), at which time the Issuer shall reassign any portion of a Lender's Program Allocation not committed to Mortgage Loans to the Issuer's pooled funds without reimbursing such Lender for the Commitment Fee originally paid for such reassigned Program Allocation.

For Mortgage Loans to be eligible for purchase under the Issuer's 2006 Program:

(a) Underwriter Certification must be submitted to and accepted by McWeb (the on-line mortgage reservation system) within 45 days of the date a reservation for a loan is made by the Lender (the "Reservation Date");

(b) each loan must be closed and the closed loan package delivered to the Master Servicer within 85 days of the Reservation Date with respect to Spot Loans and within 170 days of the Reservation Date with respect to Builder Loans; and

(c) each loan must be cleared of any exceptions and purchased by the Servicer within 115 days of the Reservation Date with respect to Spot Loans and within 175 days of the Reservation Date with respect to Builder Loans.

In the event the processing times set forth in a) and b) above are not met, the applicable loan will be cancelled by the Master Servicer and the Lender may lose the ability to resubmit the loan.

In the event processing times set forth in c) above are not met, the Master Servicer shall provide written notice to the Lender for the applicable Mortgage Loan. Following acknowledgement of the receipt of such notice by the Lender, the Master Servicer will cancel such Mortgage Loan from the 2006 Program reservation pipeline unless an extension fee in the amount of .25% of the principal balance of the Mortgage Loan is paid for each 30 days of extension required.

Lenders shall deliver the closed Loan package to the Servicer for purchase in accordance with the provisions in the Agreement not later than the 20th calendar day following the loan closing date.

For Mortgage Loans to be eligible for purchase under the Issuer's 2006 Program, (a) Underwriter Certification must be submitted to and accepted by McWeb (the on-line mortgage reservation system) within 45 days of the date a reservation for a loan is made by the Lender (the "Reservation Date"); (b) each loan must be closed and the closed loan package delivered to the Master Servicer within 85 days of the Reservation Date with respect to Spot Loans and within 170 days of the Reservation Date with respect to Builder Loans; and (c) each loan must be cleared of any exceptions and purchased by the Servicer within 90 days of the Reservation Date with respect to Spot Loans and within 170 days of the Reservation Date with respect to Builder Loans. If an Underwriter Certification is not submitted to and accepted by McWeb within 45 days of the loan reservation, or if a closed loan package has not been delivered to the Master Servicer within 85 days for Spot Loans (170 days for Builder Loans), such loan will be cancelled by the Master Servicer and the Lender may forfeit its right to resubmit a cancelled loan and/or access to the program funding that has been reserved. The Master Servicer shall provide written notice to Lenders for any Mortgage Loans not deemed eligible for purchase by the Master Servicer within 115 days of the Reservation Date with respect to Spot Loans and within 175 days of the Reservation Date with respect to Builder Loans. Upon acknowledging receipt of such notice, any such Mortgage Loan which has not been purchased within 115 days

(175 days for Builder Loans) of the Reservation Date will be canceled from the 2006 Program reservation pipeline. Any such Mortgage Loans subject to cancellation, may continue to be eligible for purchase under the 2006 Program provided the Lender pays prior to the date of cancellation and the Issuer accepts an extension fee in the of amount 0.25% of the principal balance of the Mortgage Loan for each 30 days of extension required for such Mortgage Loan to be deemed eligible for purchase by the Master Servicer. Anything in the foregoing to the contrary notwithstanding, upon closing of a Mortgage Loan by a Lender, the Lender shall deliver the closed Loan package to the Servicer for purchase not later than the 20th calendar day thereafter in accordance with the provisions of the Agreement.

At any time during each Commitment Period offered under the 2006B Program, the Issuer reserves the right, without cause, to repurchase any portion of the uncommitted balance of a Lender's Program Allocation (as hereinafter defined) from a Lender. The Lender from which the Program Allocation is repurchased shall be compensated therefore in an amount equal to the allocable portion of the Commitment Fee (as hereinafter defined) originally paid by such Lender for the repurchased amount of Program Allocation.

C. Mortgage Term, Rates and Fee Structure

All Mortgage Loans will be fully amortized over a 10/30-year or 40 year term (unless a shorter term is approved or directed by the Issuer) and have substantially level monthly debt service payments. The 2006 Program will offer two selections of mortgage rate options to home buyers: (1) a low rate loan option known as Home Key ("Home Key") and (2) a 40 year loan option known as Home Key 10/30 ("Home Key 10/30"), as is more fully described and is subject to the limitations noted in the 2006 Program Determinations as supplemented by the 2006B Supplement and in the Agreement. In addition, the 2006B Program will provide a second mortgage loan known as a Home Key 2nd ("Home Key 2nd") in an amount up to 6% of the principal amount of the related first mortgage loan amount, and will consist of either a Home Key 2nd loan amortizing over 30 years or a Home Key 10/30 2nd loan amortizing over a 10 year period. The respective Home Key 2nd will bear interest at the rate of respective Home Key loans plus approximately 1.00%. It is anticipated that the respective mortgage interest rate for Home Key and Home Key 10/30 loans under the 2006 Program will be competitively priced below similar mortgage rates available in the market at the time each series of 2006 Bonds is priced. It is presently estimated that the Home Key loans will bear interest at approximately 5.95% and the Home Key 10/30 loans will bear interest at approximately 6.00%. Lenders are expected to fund the all Home Key loans at closing and will be reimbursed by the Servicer upon purchase of the Home Key loans. A Home Key 2nd can only be originated in conjunction with a Home Key or Home Key 10/30 loan.

D. Allocations

The Issuer will allocate the moneys determined to be available for the purchase of Mortgage Loans with the proceeds of the 2006B Bonds among the Lenders found acceptable by the Issuer (such allocations are hereinafter referred to as "Program Allocations") based on the

allocation request submitted by such lenders for the 2006 Program. Each Lender can request additional allocation amounts from the Issuer prior to the issuance of the 2006B Bonds.

APPLICATIONS FOR MORTGAGE LOANS MAY BE ACCEPTED PRIOR TO THE RESERVATION START DATE SPECIFIED IN THE AGREEMENT AND ALL APPLICATIONS RECEIVED MUST BE PROCESSED ON A FIRST-COME, FIRST-SERVED BASIS. NO APPLICATION FOR MORTGAGE LOANS MAY BE TRANSFERRED OR DIVERTED FROM ANY PRIOR PINELLAS COUNTY BOND PROGRAMS WITHOUT THE WRITTEN APPROVAL OF THE ISSUER. IT IS ANTICIPATED THAT LOAN RESERVATIONS WILL BE ACCEPTED BEGINNING ON AUGUST 18, 2006. APPLICATIONS DATED JULY 15, 2006 AND LATER ARE ACCEPTABLE.

Any questions with respect to the foregoing or the financing should be directed to:

Fran Pheeny
Housing Finance Authority of Pinellas, County
(727) 464-8253

THE DESCRIPTIONS OF ALL TERMS OF THE PROGRAM HEREIN ARE QUALIFIED IN THEIR ENTIRETIES BY THE OFFER, NOTICE OF ACCEPTANCE, THE AGREEMENT AND THE ACCOMPANYING EXHIBITS. THE ISSUER RESERVES THE RIGHT TO REJECT ANY AND ALL OFFERS TO ORIGINATE MORTGAGE LOANS.

Dated: _____, 2006

HOUSING FINANCE AUTHORITY OF
PINELLAS COUNTY

By: /s/ Anthony M. Jones
Executive Director