

COMPOSITE OFFICIAL STATEMENT

NEW ISSUE AND REFUNDING BOOK ENTRY ONLY

RATING: Moody's: "Aaa"
Tender Bonds: "Aaa/VMIG 1"
(See "RATING" herein)

In the opinion of Co-Bond Counsel and assuming compliance with certain covenants and procedures described herein, under existing laws, regulations, rulings and judicial decisions, interest on the Bonds will be excludable from the gross income of the owners thereof for federal income tax purposes. Co-Bond Counsel are also of the opinion that (i) interest on the Series 2000 A Bonds and the Series 2000 B-2 Refunding Bonds will be a specific preference item for purposes of computing the alternative minimum tax for individuals and certain corporations, and (ii) interest on the Series 2000 B-1 Refunding Bonds will not be a specific preference item for purposes of computing the alternative minimum tax for individuals and certain corporations. Co-Bond Counsel are further of the opinion that, pursuant to the Act, the Series 2000 A Bonds and the income thereof are exempt from all taxation in the State of Louisiana and, pursuant to the Refunding Act, the Series 2000 B Refunding Bonds and the income therefrom are exempt from all taxation by the State of Louisiana or any political subdivision thereof. See "TAX EXEMPTION" herein for a further discussion of certain tax matters.

\$39,998,726.45

THE FINANCE AUTHORITY OF NEW ORLEANS

FIXED RATE BONDS

\$15,000,000
Single Family Mortgage Revenue Bonds
Series 2000 A-1
(AMT)

\$1,223,726.45 Series 2000 B-1 (Non-AMT)
\$13,775,000 Series 2000 B-2 (AMT)
Single Family Mortgage Revenue
Refunding Bonds

TENDER BONDS

\$10,000,000
Single Family Mortgage Revenue Bonds,
Series 2000 A-2 (AMT)

Dated: July 1, 2000 for the Current Interest Bonds

Due: As shown on inside cover

Date of Delivery for the Capital Appreciation Bonds and the Tender Bonds

The Finance Authority of New Orleans (the "Authority") is issuing the above captioned bonds (collectively, the "Bonds"), pursuant to and secured by a Trust Indenture dated as of September 1, 1995 (the "Master Indenture") by and between the Authority and Bank One Louisiana Trust Company, NA (as successor in interest to First National Bank of Commerce), as trustee (the "Trustee"), as supplemented and amended by a Twelfth Series Supplemental Indenture dated as of July 1, 2000 (the "Supplemental Indenture," and, together with the Master Indenture, the "Indenture"). The Bonds will bear interest at the rates and will mature at the times and in the amounts as set forth on the inside cover hereof.

The Series 2000 A-1 Bonds and the Series 2000 B Refunding Bonds will be issued as fixed rate bonds. The Series 2000 A-2 Bonds initially will be issued as tender bonds (the "Tender Bonds") and will be subject to mandatory tender under certain circumstances all as more fully set forth under the caption "THE BONDS—Redemption Provisions of Tender Bonds." On or after April 1, 2001 (the "Initial Remarketing Date"), the Tender Bonds are expected to be remarketed so as to bear interest at a fixed rate to final maturity. The Tender Bonds remarketed to a fixed rate to final maturity are referred to herein as the "Converted Series 2000 A-2 Bonds" and will be treated as Additional Bonds (as defined herein). The Authority expects to remarket the Tender Bonds to a fixed rate to final maturity on the Initial Remarketing Date but reserves the right to establish a Subsequent Remarketing Date (as hereinafter defined). **THIS OFFICIAL STATEMENT IS NOT INTENDED TO PROVIDE ANY INFORMATION TO PROSPECTIVE PURCHASERS OF THE CONVERTED SERIES 2000 A-2 BONDS.**

The Series 2000 A-1 Bonds and the Series 2000 B Refunding Bonds (collectively, the "Fixed Rate Bonds") and any Additional Bonds (as defined herein) will be parity bonds secured on a *pari-passu* basis, no series having priority of lien on the Trust Estate pledged under the Indenture. Until remarketed to a fixed rate to final maturity, the Tender Bonds will be secured solely by the funds deposited to the Series 2000 A-2 Bonds Escrow Account of the Acquisition Fund which amounts secure only the Tender Bonds. On or after April 1, 2001, Additional Bonds may be issued or remarketed. See "PLAN OF FINANCING" and "SECURITY FOR THE BONDS" herein. Additional Bonds may be issued or remarketed pursuant to the Indenture on a parity with the Bonds in accordance with one or more series supplements in the manner described herein.

The Bonds are issuable only as fully registered bonds, without coupons and, with respect to (i) the Series 2000 A-1 Bonds and the Series 2000 B-2 Refunding Bonds are issuable in denominations of \$5,000 and any integral multiple thereof; (ii) the Series 2000 B-1 Refunding Bonds (the "Capital Appreciation Bonds") are issuable in the original principal amount set forth herein per \$5,000 Maturity Amount (as defined herein) and integral multiples thereof; and (iii) the Tender Bonds are issuable in denominations of \$100,000 and any integral multiple of \$1,000 in excess thereof (collectively, the "Authorized Denominations"). The Bonds will be registered in the name of Code & Co., as nominee for The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds (the "Securities Depository"). Individual purchases of the Bonds will be made in book-entry form only in Authorized Denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. The principal of, premium, if any, Accreted Value (as defined herein), when due, and interest on the Bonds are payable by the Trustee to DTC, which will in turn remit such principal, premium, if any, and interest to its Direct Participants, which will in turn remit such principal, premium, if any, and interest to the Indirect Participants or the Beneficial Owners of the Bonds, as described herein. See "THE BONDS—Book-Entry Only System."

The Series 2000 A-1 Bonds and the Series 2000 B-2 Refunding Bonds will be dated July 1, 2000, will bear interest at the rates set forth on the inside cover page hereof, payable semi-annually on June 1 and December 1 of each year, commencing December 1, 2000. The Capital Appreciation Bonds will be dated the date of delivery thereof and interest thereon will be compounded on each June 1 and December 1 of each year, commencing December 1, 2000 and will be payable, together with principal, only at maturity or upon redemption prior to maturity. The Tender Bonds will bear interest from their dated date at the rate set forth on the inside cover page hereof and will be payable on each June 1 and December 1, commencing December 1, 2000, and on any Remarketing Date, as more fully set forth herein under the caption "THE BONDS—Provisions of Tender Bonds."

The Fixed Rate Bonds are subject to mandatory, extraordinary mandatory and optional redemption in whole or in part and mandatory sinking fund redemption in part prior to maturity on the terms described herein. See "THE BONDS—Redemption Provisions" and "PROGRAM ASSUMPTIONS AND BONDHOLDERS' RISKS." The Fixed Rate Bonds are also subject to special mandatory tender for purchase as a whole or in part prior to maturity on the terms described herein. See "THE BONDS—Special Mandatory Tender of the Bonds" herein. The Tender Bonds are subject to mandatory tender on the terms described herein. See "THE BONDS—Provisions of Tender Bonds" herein.

The Bonds are issued for the purpose of providing funds for a program pursuant to which the Authority will finance the purchase, without recourse, of GNMA Securities (as defined herein) guaranteed as to timely payment of principal and interest by GNMA and/or Fannie Mae Securities (as defined herein) guaranteed as to timely payment of principal and interest by Fannie Mae, in each case backed by pools of qualifying mortgage loans (the "Mortgage Loans"), which Mortgage Loans will be originated by certain mortgage-lending institutions (the "Lenders") that customarily provide services or otherwise aid in the financing of mortgage loans on single-family residences located in the City of New Orleans, Louisiana (the "City"), to be owned and occupied by low and moderate income families or persons residing in the City.

THE BONDS SHALL NOT CONSTITUTE OR CREATE AN OBLIGATION, EITHER GENERAL OR SPECIAL, DEBT, LIABILITY OR MORAL OBLIGATION OF THE CITY OF NEW ORLEANS, THE PARISH OF ORLEANS, THE STATE OF LOUISIANA OR ANY POLITICAL SUBDIVISION OR GOVERNMENTAL UNIT THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER.

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

The Bonds are offered when, as and if issued and received by the Underwriters, subject to the approving legal opinions of The Godfrey Firm, a P.L.C., New Orleans, Louisiana, and Foley & Judell, L.L.P., New Orleans, Louisiana, Co-Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriters by their co-counsel, McGhee Auzenne & Associates, New Orleans, Louisiana and Law Office of Bernard L. Charbonnet, Jr., New Orleans, Louisiana, and for the Trustee by its counsel, Gregory A. Pletsch & Associates, Attorney at Law, Baton Rouge, Louisiana. It is expected that the Bonds will be available for delivery in definitive form to DTC in New York, New York, on or about August 10, 2000.

M♦R♦Beal & Company
A.G. Edwards & Sons, Inc.

First Commonwealth Securities Corporation
Legg Mason Wood Walker, Inc.

Morgan Keegan & Company, Inc.
Salomon Smith Barney

July 21, 2000