

*In the opinion of Co-Bond Counsel, assuming compliance with certain tax covenants, under existing statutes, regulations, rulings and judicial decisions, interest on the Bonds (as defined herein) is excluded from gross income for federal income tax purposes, except that such exclusion shall not apply to interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended. However, interest on the Bonds is an item of tax preference for purposes of the federal alternative minimum tax on individuals and corporations. See "TAX MATTERS" herein for a description of alternative minimum tax treatment and certain other federal tax consequences of ownership of the Bonds. Co-Bond Counsel is also of the opinion that the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations, banks and savings associations. See "TAX MATTERS" herein.*

**\$8,250,000**

**HOUSING FINANCE AUTHORITY OF PALM BEACH COUNTY, FLORIDA  
MULTIFAMILY HOUSING REVENUE BONDS, SERIES 2002  
(WESTLAKE APARTMENTS PROJECT, PHASE II)**

Dated: Date of Delivery

Due: as shown on inside cover

The Housing Finance Authority of Palm Beach County, Florida (the "Authority") is issuing its \$8,250,000 Multifamily Housing Revenue Bonds, Series 2002 (Westlake Apartments Project, Phase II), (the "Bonds") pursuant to a Trust Indenture dated as of August 1, 2002 (the "Indenture"), between the Authority and U.S. Bank National Association (in such capacity, the "Trustee"). The Bonds are issuable as fully registered Bonds in minimum denominations of \$5,000 principal amount or any integral multiple thereof, without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only in the principal amount of \$5,000 and integral multiples thereof. Purchasers of the Bonds (the "Beneficial Owners") will not receive certificates representing their ownership interest in the Bonds purchased.

Interest on the Bonds at the interest rates shown on the inside cover hereof is payable semi-annually on January 1 and July 1 of each year, commencing January 1, 2003. Principal and interest on the Bonds are payable by U.S. Bank National Association (in such capacity, the "Paying Agent") to DTC, which will in turn be responsible to remit such principal and interest to its Participants, which will in turn be responsible to remit such principal and interest to the Beneficial Owners of the Bonds, as described under the caption "THE BONDS - Book-Entry Provisions" herein.

The Bonds are subject to optional, mandatory sinking fund and extraordinary mandatory redemption, prior to maturity, as described herein. See "THE BONDS — Redemption" herein.

The Bonds are being issued by the Authority pursuant to the Indenture to fund a loan to Florida Housing Finance Corporation (the "Lender"), for the purpose of making a loan (the "Loan") under a Loan Agreement by and among the Authority, the Lender and Trust Lake Park Two, Ltd., a Florida limited partnership (the "Borrower"), dated as of August 1, 2002 (the "Loan Agreement"), for the purpose of financing the acquisition and construction of a 112-unit multifamily residential rental development located in the Town of Lake Park, Florida (the "Development"), to be occupied at a minimum, to the extent required by federal tax law, as determined by the Authority and other regulatory agencies, by persons and families of low, moderate or middle income, in connection with tax-exempt obligations like the Bonds and resulting from participation in the Low Income Housing Tax Credit Program described herein.

Prior to Endorsement (herein defined), payments under the Note (as defined herein) evidencing the Loan are secured under a Master Mortgage Guarantee Policy issued by Florida Housing Finance Corporation, solely through the Florida Affordable Housing Guarantee Program (the "Guarantor"). See "THE GUARANTEE" herein and "APPENDIX D — THE GUARANTOR" and "APPENDIX E - FORM OF MASTER MORTGAGE GUARANTEE POLICY" attached hereto. The United States Department of Housing and Urban Development ("HUD") has issued a Firm Approval Letter (herein defined), pursuant to which the Note will be endorsed for Mortgage Insurance (herein defined) by HUD in an amount equal to the Loan Amount (herein defined) upon completion of construction of the Development. See "SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT" and "MORTGAGE INSURANCE" herein.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the issuance of the Bonds by Financial Security Assurance Inc. See "MUNICIPAL BOND INSURANCE" herein.




**THE BONDS DO NOT CONSTITUTE AN OBLIGATION EITHER GENERAL OR SPECIAL OF THE STATE OF FLORIDA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING PALM BEACH COUNTY, FLORIDA (THE "COUNTY") OR A LOAN OF CREDIT THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. THE BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM THE SECURITY PLEDGED THEREFOR UNDER THE INDENTURE. NO OWNER OF ANY BOND HAS THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY, TO PAY THE PRINCIPAL OR REDEMPTION PRICE OF, OR INTEREST ON, THE BONDS AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR THE INTEREST ON THE BONDS. THE AUTHORITY HAS NO TAXING POWER. THE COUNTY HAS NOT PARTICIPATED IN THE PREPARATION OF THIS OFFICIAL STATEMENT AND TAKES NO RESPONSIBILITY FOR ITS CONTENT.**

**This cover page contains certain information for quick reference only. It is not a summary of the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.**

The Bonds (other than the Bonds maturing July 1, 2032 and January 1, 2044 which are being placed by the Authority with an institutional investor and are not offered hereby) are offered when, as and if issued and received by M. R. Beal & Company, William R. Hough & Co. and Raymond James & Associates, Inc. (collectively, the "Underwriters"), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approving opinion of Greenberg Traurig, P.A. West Palm Beach, Florida, and Edwards & Carstarphen, Miami, Florida, Co-Bond Counsel. Certain legal matters will be passed upon for the Authority by Holland & Knight LLP, West Palm Beach, Florida, its general counsel and Bryant, Miller and Olive, P.A., its disclosure counsel; for the Underwriter by its counsel, Squire, Sanders & Dempsey L.L.P., Tampa, Florida; for the Borrower by its counsel, Broad and Cassel, Orlando, Florida; for the Trustee by its counsel, Squire, Sanders & Dempsey L.L.P., Miami, Florida; and for the Lender by its counsel, Allen, Lang, Curatto & Peed, P.A., Orlando, Florida; and for the Guarantor by its counsel, Nabors, Giblin & Nickerson, P.A., Tallahassee, Florida. It is expected that delivery of the Bonds through the facilities of DTC will be made on or about August 6, 2002, in New York, New York, against payment therefor.

**M♦R♦ BEAL & COMPANY**

 WILLIAM R. HOUGH & CO.

RAYMOND JAMES & ASSOCIATES, INC.

Dated: July 26, 2002