

NEW ISSUE



\$87,430,000
DORMITORY AUTHORITY
OF THE STATE OF NEW YORK
LEASE REVENUE BONDS
(STATE UNIVERSITY DORMITORY FACILITIES ISSUE),
SERIES 2006A

Dated: Date of Delivery

Due: July 1, as shown below

Payment: The Lease Revenue Bonds (State University Dormitory Facilities Issue), Series 2006A (the "Series 2006A Bonds") will be special obligations of the Dormitory Authority of the State of New York (the "Authority"). Principal and Redemption Price of, and interest on, the Series 2006A Bonds are payable primarily from moneys to be paid by the State University of New York (the "University") under the Lease and Agreement dated as of September 20, 1995 between the Authority and the University, as amended and restated as of September 24, 2003 (the "Agreement"), and as otherwise provided by the Authority's Lease Revenue Bond Resolution (State University Dormitory Facilities Issue), adopted by the Authority on September 20, 1995, as amended and restated on September 24, 2003 (the "Resolution"), and the Authority's Lease Revenue Bonds (State University Dormitory Facilities Issue) Series 2006A Resolution Authorizing Up To \$100,000,000 Series 2006A Bonds, adopted by the Authority on May 24, 2006 (the "Series 2006A Resolution").

Payment of principal of and interest on certain of the Series 2006A Bonds, when due, will be insured in accordance with the terms of a financial guaranty insurance policy to be issued simultaneously with the delivery of the Series 2006A Bonds by MBIA Insurance Corporation ("MBIA" or the "Insurer") as shown on the inside cover. See "PART 3 - SOURCES OF PAYMENT AND SECURITY FOR THE BONDS - The Financial Guaranty Insurance Policy."



The Series 2006A Bonds will not be a debt of the State of New York (the "State") or the University, nor will the State or the University be liable thereon. The Authority has no taxing power.

Description: The Series 2006A Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest (due semiannually each January 1 and July 1, commencing January 1, 2007) will be payable by check mailed to the registered owners thereof and principal and Redemption Price of the Series 2006A Bonds will be payable at the principal corporate trust office of Manufacturers and Traders Trust Company, Buffalo, New York, the Trustee and Paying Agent.

The Series 2006A Bonds will be issued initially under a Book-Entry Only System, registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2006A Bonds will be made in Book-Entry form (without certificates). So long as DTC or its nominee is the registered owner of the Series 2006A Bonds, payments of the principal and Redemption Price of and interest on such Series 2006A Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "PART 2 - DESCRIPTION OF THE SERIES 2006A BONDS - Book-Entry Only System" herein.

Redemption or Purchase: The Series 2006A Bonds are subject to redemption or purchase prior to maturity as more fully described herein.

Tax Exemption: In the opinion of Squire, Sanders & Dempsey L.L.P., Bond Counsel, under existing law (i) assuming compliance with certain covenants and the accuracy of certain representations, interest on the Series 2006A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and (ii) interest on the Series 2006A Bonds is exempt from personal income taxes imposed by the State of New York and political subdivisions thereof, including The City of New York and the City of Yonkers. Interest on the Series 2006A Bonds may be subject to certain federal taxes imposed only on certain corporations, including the corporate alternative minimum tax on a portion of that interest. For a more complete discussion of the tax aspects, see "PART 11 - TAX MATTERS" herein.

The Series 2006A Bonds are offered when, as and if issued and received by the Underwriters. The offer of the Series 2006A Bonds may be subject to prior sale, or may be withdrawn or modified at any time without notice. The offer is subject to the approval of legality by Squire, Sanders & Dempsey L.L.P., New York, New York, Bond Counsel to the Authority, and to certain other conditions. Certain matters will be passed upon for the Underwriters by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., New York, New York, Counsel to the Underwriters. The Authority expects to deliver the Series 2006A Bonds in definitive form in New York, New York, on or about August 9, 2006.

M♦R♦BEAL & COMPANY

First Albany Capital Inc.

Loop Capital Markets LLC

RBC Capital Markets

July 19, 2006