

NOTICE OF OPTIONAL REDEMPTION TO THE HOLDERS OF

**COMMUNITY DEVELOPMENT ADMINISTRATION
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
STATE OF MARYLAND
Infrastructure Financing Bonds (MBIA Insured) 1997 Series A
Dated April 15, 1997**

NOTICE IS HEREBY GIVEN of the election by the Community Development Administration (the “Administration”) to redeem on **July 1, 2007** (the “Redemption Date”) a portion of the outstanding aggregate principal amount of its revenue bonds designated Infrastructure Bonds (MBIA Insured), 1997 Series A dated as of April 15, 1997 (the “Bonds”) in the amount of **\$1,545,000** (the “Redemption Amount”). The Bonds are stated to mature and bear interest as follows:

<u>Maturity Date</u> <u>(June 1)</u>	<u>Redemption</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Redemption</u> <u>Price</u>	<u>CUSIP*</u>
2008	85,000	5.250%	101%	57419JME0
2009	95,000	5.375%	101%	57419JMF7
2010	95,000	5.400%	101%	57419JMG5
2011	100,000	5.500%	101%	57419JMH3
2012	110,000	5.500%	101%	57419JMJ9
2013	115,000	5.600%	101%	57419JMK6
2014	120,000	5.625%	101%	57419JML4
2015	125,000	5.625%	101%	57419JMM2
2021	415,000	5.750%	101%	57419JMT7
2027	285,000	5.625%	101%	57419JMZ3

** No representation is made to the correctness of the CUSIP number either as printed on the Bonds or as contained in any notice of redemption and reliance may be placed only on the identification numbers established under the Series Certificate.*

The Redemption Amount will be redeemed on the Redemption Date at the redemption prices set forth above as percentages of the Redemption Amount, together with interest accrued to the Redemption Date, to be paid in accordance with Section 4.05 of the Resolution Providing for the Issuance of Infrastructure Financing Bonds (MBIA Insured) of the Administration adopted as of May 1, 1996. From and after the Redemption Date, interest on the Redemption Amount will cease to accrue.

Payment of the Redemption Amount will be made upon presentation and surrender of the respective bonds at:

Manufacturers and Traders Trust Company
Attn: Corporate Trust Operations
One M&T Plaza
8th Floor
Buffalo NY 14203

BY: Manufacturers and Traders Trust Company, as successor Trustee
(410) 545-2135

Dated: May 31, 2007