



CITY OF HOUSTON

Annise D. Parker

Mayor

P.O. Box 1562
Houston, Texas 77251-1562

Telephone – Dial 311
www.houstontx.gov
<http://purchasing.houstontx.gov>

March 26, 2014

SUBJECT: Letter of Clarification No. 1
Underwriting Services

REFERENCE: RFI No.: S33-Q24979

TO: All Prospective Respondents

This Letter of Clarification is issued for the following reasons:

1. To replace pages 4 and 5 in their entirety and replace with the attached pages 4 and 5, marked "Revised March 26, 2014.

When issued, Letter(s) of Clarification shall automatically become a part of the solicitation documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the respondent to ensure that it has obtained all such letter(s). By submitting a proposal on this project, respondents shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into their proposals.

If you have any questions or if further clarification is needed regarding this solicitation, please contact me.

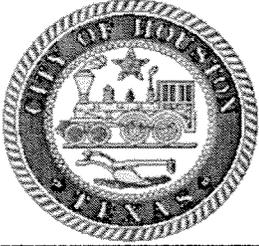
Sincerely,

A handwritten signature in black ink, appearing to read "Conley Jackson", with a long horizontal flourish extending to the right.

Conley Jackson
Senior Procurement Specialist
Strategic Purchasing Division
832-393-8733

srd

END OF LETTER OF CLARIFICATION 1



CITY OF HOUSTON
Underwriting Services
NOTICE OF REQUEST FOR INFORMATION
Q24979

STRATEGIC
PURCHASING DIVISION
 901 Bagby Street, Concourse
 Level
 Houston, Texas 77002

MARKETING ESTIMATE:

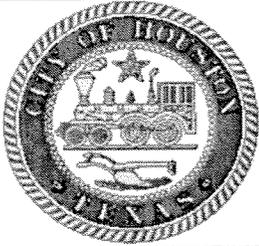
~~Please provide your firm's estimate of coupons, indicative yields, and takedowns reflecting rates as of Friday March 28th. The City will use at least two ratings from Standard & Poor's, Moody's or Fitch Ratings. Assume an "AA+" rating from Standard & Poor's, an "Aa2" rating from Moody's, and an "AA" from Fitch Ratings without the use of insurance. This is the anticipated, subject to change amortization with respect to par amount and maturity and is exclusive of any refunding bonds.~~

Please provide your firm's estimate of coupons, indicative yields, and takedowns reflecting rates as of Friday March 28th. The City will use at least two ratings from Standard & Poor's, Moody's or Fitch Ratings. Assume an "AA+" rating from Standard & Poor's, an "Aa2" rating from Moody's, and an "AA" from Fitch Ratings without the use of insurance. Also assume that the designation to the lead underwriter is 50%. This is the anticipated structure, subject to change in amortization with respect to par amount and maturity dates, and is exclusive of any refunding bonds.

City of Houston Tax-Exempt General Obligation Debt

Preliminary; For Discussion Purposes Only

Maturity	Principal \$(1)	Coupon	Indicative Yields	Takedown
3/1/2015	9,375,000			
3/1/2016	9,015,000			
3/1/2017	9,465,000			
3/1/2018	9,940,000			
3/1/2019	14,130,000			
3/1/2020	14,840,000			
3/1/2021	15,580,000			
3/1/2022	4,280,000			
3/1/2023	4,490,000			
3/1/2024	4,715,000			
3/1/2025	4,950,000			
3/1/2026	5,200,000			
3/1/2027	5,460,000			
3/1/2028	5,730,000			
3/1/2029	6,020,000			
3/1/2030	6,320,000			
3/1/2031	6,635,000			
3/1/2032	6,970,000			
3/1/2033	7,315,000			
3/1/2034	7,680,000			
3/1/2035	8,065,000			



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901 Bagby Street, Concourse
Level
Houston, Texas 77002

3/1/2036	8,470,000			
3/1/2037	8,895,000			
3/1/2038	9,340,000			
TOTAL	192,880,000			

Estimated Compensation (Per Bond)

Average Takedown	\$
Expenses excluding underwriters' counsel	\$
TOTAL	\$

NARRATIVE:

1. Provide an organization chart and brief resumes on the person(s) who will represent your firm on this transaction. Additionally, provide a brief resume on the person(s) who will lead the actual underwriting effort. (No more than one-half page per resume)
2. Briefly describe (no more than one page) any other relevant thoughts, ideas or concerns you may have about the structure and marketing of the proposed Bond.

¹ The maturity beginning in 2025 is subject to optional redemption on March 1, 2024 at par.