

## NOTICE OF CONDITIONAL REDEMPTION

\_\_\_\_\_, 2013

U.S. Bank National Association, as Trustee  
180 East Fifth Street, Suite 200  
St. Paul, MN 55101  
Attention: Corporate Trust Department

***Re: Redemption of The Incorporated County of Los Alamos, New Mexico Adjustable Rate Revenue Bonds (Los Alamos Retirement Community, Inc. Project) Bonds, Series 1999A maturing on the dates listed herein (complete redemption)***

Dear Sir or Madam:

Per the direction of Los Alamos Retirement Center, Inc. (the "Company"), The Incorporated County of Los Alamos, New Mexico ("Issuer") issues this notice to you as the Trustee for The Incorporated County of Los Alamos, New Mexico Adjustable Rate Revenue Bonds (Los Alamos Retirement Community, Inc. Project) Bonds, Series 1999A (the "Series 1999A Bonds") pursuant to the terms of that certain Indenture of Trust, dated as of September 1, 1999 (the "Indenture"), by and between Issuer and U.S. Bank Trust National Association, as trustee (the "Trustee"), to inform you that, pursuant to Section 4.01 of the Indenture, Issuer intends to redeem on or about \_\_\_\_\_, 2013 (the "Redemption Date") the Bonds maturing on the dates listed below (the "Redeemed Bonds"), subject to and conditioned upon there being sufficient Eligible Funds (as that term is defined in the Indenture) on deposit with the Trustee on the Redemption Date to pay the full Redemption Price and any accrued but unpaid interest of the Redeemed Bonds.

Should this condition not be met, the Conditional Notice of Redemption shall be null and void and of no force and effect with respect to such Redeemed Bonds. Notice of any failure to receive sufficient money, and cancellation of this Conditional Notice of Redemption with respect to the Redeemed Bonds, shall be given by the Trustee to the registered holders of the Redeemed Bonds. Terms not otherwise defined herein shall have the meanings assigned to such terms in the Indenture.

Issuer hereby directs you in connection with such redemption and in accordance with the 45-day notice requirement of Section 4.03 to hold such amount in the Series 1999A Redemption Account on the Redemption Date as necessary for the purpose of redeeming in full the Redeemed Bonds and any accrued interest thereon.

You, as the Trustee, are hereby further directed to cause conditional notice of redemption of the Redeemed Bonds (the "Conditional Notice") to be given to Bondholders on or prior to \_\_\_\_\_, 2013 (which is 30 days prior to the Redemption Date) but not earlier than \_\_\_\_\_, 2013 (which is 60 days prior to the Redemption Date), in accordance with and as required by Section 4.04 of the Indenture. A draft form of such Conditional Notice to Bondholders is attached hereto, with any changes proposed by you to such form requiring approval by the undersigned.

You are hereby further instructed to give such Conditional Notice at least thirty days prior to the Redemption Date (1) to each of the securities depositories listed in and as required by Section 4.04 of the Indenture and (2) to one or more of the information services described in Section 4.04 of the Indenture.

To collect payment, Bondholders shall surrender Redeemed Bonds on or after the Redemption Date at the principal corporate office of the Trustee, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071.

On the Redemption Date, subject to the above-described conditions, the Redeemed Bonds will be redeemed at a redemption price equal to 100% of the principal amount thereof, plus accrued but unpaid interest on such Redeemed Bonds to (but excluding) the Redemption Date. As of the Redemption Date, the redemption price will become due and payable upon each Bond called for redemption; interest thereon shall cease to accrue from and after said date. The Redeemed Bonds were originally delivered on September 20, 1999 pursuant to a Bond Purchase Agreement dated September 7, 1999 and an Indenture of Trust dated September 1, 1999, and have maturities, outstanding principal amounts and interest rates as set forth below:

<b>REDEEMED BONDS</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>CUSIP #</b>
The Incorporated County of Los Alamos, New Mexico Adjustable Rate Revenue Bonds (Los Alamos Retirement Community, Inc. Project) Bonds, Series 1999A No. R-1 Maturity Date: September 1, 2019	\$2,185,000	Adjustable	N/A

Sincerely,

By:  
Name:  
Title:

## NOTICE OF CONDITIONAL REDEMPTION

### **The Incorporated County of Los Alamos, New Mexico Adjustable Rate Revenue Bonds (Los Alamos Retirement Community, Inc. Project) Bonds, Series 1999A**

**NOTICE IS HEREBY GIVEN**, on behalf of the Incorporated County of Los Alamos, New Mexico (the “Issuer”), to the holders of the below described Bonds (the “Redeemed Bonds”) that the Issuer has conditionally called for redemption on or about \_\_\_\_\_, 2013 (the “Redemption Date”) the Redeemed Bonds pursuant to the redemption provisions of that certain Indenture of Trust (the “Indenture”), dated as of September 1, 1999, by and between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”).

Such redemption is conditioned on there being on deposit with the Trustee, on the Redemption Date, sufficient Eligible Funds (as that term is defined in the Indenture) designated to pay the entire principal amount of the Redeemed Bonds, plus accrued but unpaid interest on the Redeemed Bonds to (but excluding) the Redemption Date (the “Redemption Price”). Such money is intended by the Issuer to be provided from funds held in the Series 1999A Redemption Account, which the Issuer has directed be sufficiently endowed as of the Redemption Date to meet the payment obligations

In the event sufficient money designated to pay the full Redemption Price of the Redeemed Bonds is not on deposit with the Trustee on the Redemption Date, this Conditional Notice of Redemption shall be null and void and of no force and effect with respect to such Redeemed Bonds. Notice of any failure to receive sufficient money, and cancellation of this Conditional Notice of Redemption with respect to the Redeemed Bonds, shall be given by the Trustee to the registered holders of the Redeemed Bonds in the same manner as this Notice is given.

On the Redemption Date, provided that the above-described condition is satisfied, the Redeemed Bonds will be redeemed at 100% of their Redemption Price in accordance with Section 4.01 of the Indenture of Trust. Interest will cease to accrue as of the Redemption Date.

To collect payment, Bondholders shall surrender Redeemed Bonds on or after the Redemption Date at the principal corporate office of the Trustee, 633 West Fifth Street, 24th Floor, Los Angeles, California 90071.

The Redeemed Bonds were originally issued on September 20, 1999 pursuant to a Bond Purchase Agreement dated September 7, 1999 and an Indenture of Trust dated September 1, 1999, and have maturities, outstanding principal amounts, interest rates and CUSIP numbers as set forth below:

<b>REDEEMED BONDS</b>	<b>The</b>	<b>Principal</b>	<b>Interest</b>	<b>CUSIP #</b>
	<b>Incorporated County of Los Alamos,</b>	<b>Amount</b>	<b>Rate</b>	
	<b>New Mexico Adjustable Rate Revenue</b>			
	<b>Bonds (Los Alamos Retirement</b>			
	<b>Community, Inc. Project) Bonds,</b>			
	<b>Series 1999A</b>			
No. R-1		\$2,185,000	Adjustable	N/A
Maturity Date: September 1, 2019				