

In the opinion of Best Best & Krieger LLP, Riverside, California, Bond Counsel, subject, however, to certain qualifications described herein, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX EXEMPTION".

\$52,810,000
ALVORD UNIFIED SCHOOL DISTRICT
(County of Riverside, California)
2002 General Obligation Refunding Bonds, Series A

Dated: November 1, 2002

Due: as shown below

The Bonds are being issued to advance refund certain bonds heretofore issued by the Alvord Unified School District (the "District"), which were previously issued for the purpose of financing the cost of acquisition or improvement of real property including the construction and equipping of certain school facilities and improvements within and for the District and to pay legal, financial, engineering and contingent costs in connection therewith. See "REFUNDING PLAN." The Bonds are general obligations of the District. The Board of Education of the District and the Board of Supervisors of Riverside County is empowered and is obligated to levy ad valorem taxes, without limitations of rate or amount, for the payment of interest on and principal of the Bonds, upon all property subject to taxation by the District (except certain personal property which is taxable at limited rates).

The Bonds are issued only in fully registered form in denominations of \$5,000 principal amount or any integral multiple thereof. The Bonds, when delivered, will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Beneficial owners of the Bonds will not receive physical certificates representing their interests in the Bonds, but will receive a credit balance on the books of the nominees for such beneficial owners. Interest on the Bonds accrues from November 1, 2002, and is payable semiannually on February 1 and August 1 of each year, commencing on February 1, 2003. Principal of and interest on the Bonds will be paid by State Street Bank and Trust Company of California, N.A., Los Angeles, California, as Paying Agent (the "Paying Agent") to DTC, which will in turn remit such principal and interest to its participant for subsequent disbursement to the beneficial owners of the Bonds as described herein. See "THE BONDS—Book Entry Only System."

The Bonds are not subject to optional redemption prior to their stated maturities. As described herein, the Term Bonds are subject to mandatory sinking fund redemption prior to their stated maturities. See "THE BONDS—Redemption."

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 delivery of the Bonds by MBIA Insurance Corporation.



MATURITY SCHEDULE

Maturity Date	Principal Amount	Coupon Rate	Reoffering Yield	Maturity Date	Principal Amount	Coupon Rate	Reoffering Yield
2/1/2003	\$1,730,000	2.300%	NRO	8/1/2012	\$ 160,000	5.050%	NRO
8/1/2003	120,000	3.100%	NRO	2/1/2013	1,395,000	5.050%	NRO
2/1/2004	990,000	3.100%	NRO	8/1/2013	170,000	5.250%	NRO
8/1/2004	120,000	3.750%	NRO	2/1/2014	1,475,000	5.250%	NRO
2/1/2005	1,020,000	3.750%	NRO	8/1/2014	175,000	5.650%	NRO
8/1/2005	120,000	3.950%	NRO	2/1/2015	1,565,000	5.650%	NRO
2/1/2006	1,060,000	3.950%	NRO	8/1/2015	180,000	5.900%	NRO
8/1/2006	120,000	4.100%	NRO	2/1/2016	1,655,000	5.900%	NRO
2/1/2007	1,105,000	4.100%	NRO	8/1/2016	190,000	5.900%	NRO
8/1/2007	120,000	4.200%	NRO	2/1/2017	1,755,000	5.900%	NRO
2/1/2008	1,145,000	4.200%	NRO	8/1/2017	200,000	5.900%	NRO
8/1/2008	120,000	4.350%	NRO	2/1/2018	1,865,000	5.900%	NRO
2/1/2009	1,185,000	4.350%	NRO	8/1/2018	210,000	5.900%	NRO
8/1/2009	130,000	4.450%	NRO	2/1/2019	1,975,000	5.900%	NRO
2/1/2010	1,230,000	4.450%	NRO	8/1/2019	220,000	5.900%	NRO
8/1/2010	140,000	4.600%	NRO	2/1/2020	2,105,000	5.900%	NRO
2/1/2011	1,280,000	4.600%	NRO	8/1/2020	230,000	5.900%	NRO
8/1/2011	150,000	4.700%	NRO	2/1/2021	2,230,000	5.900%	NRO
2/1/2012	1,335,000	4.700%	NRO	8/1/2021	240,000	5.900%	NRO

\$8,045,000 5.900% Term Bonds Due February 1, 2024; Reoffering Yield: NRO
\$13,550,000 5.900% Term Bonds Due August 1, 2030; Reoffering Yield: NRO

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

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to the approval as to their legality by Best Best & Krieger LLP, Riverside, California, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed upon by Best Best & Krieger LLP, Counsel to the District. It is anticipated that the Bonds will be available for delivery to The Depository Trust Company on or about November 5, 2002.

