



CITY OF BEVERLY HILLS PUBLIC FINANCING AUTHORITY

Dear Residents:

After months of preparation, the City of Beverly Hills Public Financing Authority is preparing to sell two separate series of bonds in the total principal amount of approximately \$57,240,000* to finance the construction of certain improvements to the City's Water Enterprise and to refinance our outstanding 2012 Water Revenue Refunding Bonds, Second Series A. Because of very favorable conditions in the financial markets, we anticipate being able to achieve a low borrowing cost and substantial annual debt service savings. Bond pricing is expected on July 22, 2020*.

The bonds are rated AAA by Standard & Poor's and will be issued in the following two series: Series 2020A (Tax-Exempt) and Series 2020B (Federally Taxable). Please consult the Preliminary Official Statement for complete details of the offering.

Raymond James, our underwriter, has set up a dedicated financial advisor, whom you should contact if you are interested in getting more information about this opportunity, and Raymond James has agreed to give priority to City residents during the order period:

Paul Berman
310.285.4522

This letter is not an offer to sell or a solicitation of an offer to buy the Bonds. The Bonds may only be purchased through Raymond James and the Preliminary Official Statement can be accessed through the following link:

<http://munibase.elabra.com/BeverlyHillsWaterSeriesAB20pos/>

For further information, please contact Paul Berman with Raymond James at 310.285.4522.

* Preliminary, subject to change

This is neither an offer to sell nor a solicitation to buy any security. A credit rating of a security is not a recommendation to buy, sell or hold securities and may be subject to review, revisions, suspension, reduction or withdrawal at any time by the assigning rating agency. A decision to purchase the Bonds is an investment decision that should only be made after a complete review and understanding of the terms of the Bonds, including investment risks. No decision should be made prior to receipt and review of the Preliminary Official Statement and applicable pricing information. Interest from the Series 2020A Tax Exempt bonds is generally exempt from federal taxation and may also be free of state and local taxes for investors residing in the state and/or locality where the bonds are issued. However, bonds may be subject to federal alternative minimum tax (AMT), and profits and losses on tax-exempt bonds may be subject to capital gains tax treatment.

PROPOSED NEW ISSUE

RATING:
S&P: AAA



City of Beverly Hills
Public Financing Authority

\$26,750,000*
WATER REVENUE
BONDS,
SERIES 2020A
(TAX-EXEMPT)

\$30,490,000*
WATER REVENUE
REFUNDING BONDS,
SERIES 2020B
(FEDERALLY
TAXABLE)

Anticipated date of offering on or about
July 22, 2020

The offering of Bonds will be made only by the Official Statement, which describes the security for such issue and which may be obtained in any state in which the undersigned may lawfully offer such issue. For a Preliminary Official Statement for this issue, please contact the underwriter listed below.

*Preliminary, subject to change.

RAYMOND JAMES

Sole Manager