



BANK OF OKLAHOMA N.A.

Bank of Oklahoma Tower
P. O. Box 2300
Tulsa, Oklahoma 74192

October 7, 2004

**NOTICE TO BONDHOLDERS REGARDING UNPAID INTEREST AND
PRINCIPAL**

Savannah Economic Development Authority

Revenue Bonds

(GEAC – Marshview Inn Project)

Series 1999

\$6,875,000 Tax Exempt Senior series 1999A

\$475,000 Taxable Senior Series 1999A-T

\$1,125,000 Subordinated Tax-Exempt Series 1999B

CUSIP NO. 80483CBR1, 80483CBQ3, 80483CBV2, 80483CBP5, 08483CBS9

Dear Bondholders:

We previously notified Bondholders in March that revenues were not sufficient to pay the January 1, 2003 debt service payments. The revenues are still not sufficient to make any payments at this time. Principal and Interest remain unpaid from July 1, 2003 to present.

Tower Investments LLC (Tower) owns approximately 52% of the outstanding Senior Tax Exempt Bonds and 9.5% of the taxable bonds.

As the largest Bondholder, they have requested that we inform Bondholders that Tower would be willing to purchase your bonds at 32% of face value of the Senior Lien Tax Exempt Bonds and 32% of the face value of the Senior Lien Taxable Bonds. This one time offer expires December 10, 2004

The following is information supplied by Tower Investments LLC, showing recent trade information.

From January 1, 2004 to October 1, 2004 the Bonds have traded at an average of 20.8 % of face value with the most recent trade being September 10, 2004 at 14.0 % of face value. Should you be interested, please contact Chris Welborn, at (530) 668-1000 for further information.

We have included a packet containing information if you choose to Tender your Bonds to Tower.

The Trustee makes no recommendations to Bondholders, but is simply passing information to the Bondholders requested by the majority Bondholder. Should you have any questions or need further information, please call me (918) 588-6728.

Sincerely,

Marrien Neilson
Vice President & Trust Officer

Neither the City of Savannah (the "City"), the Savannah Economic Development Authority (the "Authority"), Bank of Oklahoma (the "Trustee" and/or "Tender Agent"), nor any of their respective directors, officers or employees makes any recommendation to any Bondholder as to whether to tender all or any Bonds. Neither the City, the Authority nor the Tender Agent have reviewed or verified any of the information in this Offer to Purchase or any other information with respect to the Bonds for completeness or accuracy. No public money will be expended as a result of or in connection with this Offer. Each Bondholder must make his or her own decision as to whether to tender Bonds and, if so, how many Bonds to tender.

**OFFER TO PURCHASE BONDS AT A PRICE OF 32 % OF THE FACE AMOUNT
OF THE OUTSTANDING PRINCIPAL (the "Offer")**

City of Savannah
Savannah Economic Development Authority Revenue Bonds
(GEAC-Marshview Inn Project)
\$6,875,000 Tax-Exempt Senior Series 1999A
\$475,000 Taxable Senior Series 1999A-T

CUSIP Numbers:

Tax-Exempt Senior Series 1999A: 80483CBQ3, 80483CBV2, 80483CBR1
Taxable Senior Series 1999A-T: 80483CBP5

EXPIRATION DATE: 5:00 PM (Central Time) on December 1, 2004 unless extended

Note: If you are a nominee, a depository or a Trustee and not a beneficial owner, please forward copies of this Offer immediately to your clients who are beneficial owners.

The "Purchaser" for this Offer is:

Tower Investments, LLC
250 W. Main St., Suite 101
Woodland, CA 95695
Attn: Zach Amis
(530) 668-1000

The "Tender Agent" for this Offer is:

Bank of Oklahoma
One Williams Center, 10th Floor
Tulsa, OK 74192
Attn: Marrien Nielson
(918) 588-6728

Tower Investments, LLC ("Tower") is interested in purchasing a limited number of the above-referenced City of Savannah Economic Development Authority Revenue Bonds, Tax-Exempt Senior Series 1999A and Taxable Senior Series 1999A-T (the "Bonds") for a price of **32% of the outstanding principal amount of the face value of the Bonds with no additional payment to be made with respect to accrued and unpaid interest on the Bonds.** This Offer is based on the outstanding principal amount of the Bonds owned by you, regardless of the face amount of your bond certificate. For example, if due to previous redemption your \$5,000 Bond now has a principal balance of \$4,000, the Offer applies only to the \$4,000. If your Bonds are held in book entry form, the Offer applies to the current outstanding principal amount of Bonds held in book entry form.

This Offer and your withdrawal rights expire at 5:00 PM (Central Time) on December 1, 2004 (the "Expiration Date"), unless extended by Tower in Tower's sole discretion. If the Offer is extended, notice of such extension will be provided to

the Bondholders or their representatives no later than the next business day following the Expiration Date. The option to purchase any Bonds is at the sole discretion of Tower. Tower has not established either a minimum or maximum amount of Bonds it is willing to purchase and will not determine the amount (if any) it will purchase until the Expiration Date, as may be extended pursuant to the terms of this Offer. Tower may determine not to purchase any Bonds. If Tower determines that it will purchase some but not all of the Bonds that are received by the Tender Agent, Tower will purchase a pro-rata amount of the Bonds from each tendering Bondholder, disregarding fractions, taking into account the principal amount of Bonds tendered by each tendering Bondholder and the total principal amount of Bonds to be purchased by Tower, and funds will be deposited with the Tender Agent by December 6, 2004. Bonds not purchased will be returned thereafter.

The enclosed Notice dated March 17, 2004 discloses the status of the Bonds and the Marshview Inn Project. The enclosed Notice was not prepared for use in this or any other tender Offer. It is included, as a matter of public record only, and Tower believes, based upon reasonable investigation, that no further written communication has been provided to Bondholders. In addition, Tower would not be aware of other material information that might be known regarding the Marshview Inn Project, and Tower cannot warrant that such information does not exist.

Tower has engaged in preliminary discussions with the City regarding a workout for the Marshview Inn Project, but as of the date of this Offer no agreement has been reached. There is no guarantee that any agreements will be reached regarding a workout solution for the Marshview Inn Project.

According to data provided by the Municipal Securities Rulemaking Board (“MSRB”), the following is a trade history of CUSIPs that have traded from May 1, 2004 through October 28, 2004. The following MSRB trades can be found at the website of www.InvestinginBonds.com:

<i>CUSIP</i>	<i>Trade Date</i>	<i>Par Traded</i>	<i>Price</i>
80483CBP5	9/10/04	\$10,000	14.750%
80483CBP5	9/10/04	\$10,000	14.000%
80483CBV2	8/24/04	\$15,000	26.070%
80483CBV2	8/19/04	\$15,000	25.070%
80483CBV2	6/4/04	\$15,000	22.670%
80483CBP5	5/25/04	\$45,000	24.000%
80483CBP5	5/19/04	\$45,000	23.250%
80483CBP5	5/19/04	\$45,000	22.750%
80483CBV2	5/14/04	\$50,000	24.500%
80483CBQ3	5/11/04	\$20,000	22.498%
80483CBQ3	5/11/04	\$20,000	23.060%
80483CBV2	5/11/04	\$15,000	22.394%
80483CBV2	5/11/04	\$15,000	23.060%

In the secondary market or through prior tender offers, Tower has acquired approximately \$3,645,000 of the Bonds. Tower has purchased these bonds at an average price of 15.4%.

Procedure for Tendering Physical Bonds

To validly tender a Bond, a beneficial owner of the Bond or custodian therefor must deliver to the Tender Agent:

- (1) The Bonds;
- (2) A properly completed Bond Power (enclosed herein). All signatures on the Bond Power must be witnessed by a person with the authority to issue a “Medallion Stamp Guarantee”. A notary or “signature guarantee” stamp will not be accepted; and
- (3) A properly completed Form W-9 (enclosed herein).

Procedure for Tendering Book-Entry Bonds

To validly tender a Bond held by the Depository Trust Company (“DTC”) or other financial institution, a beneficial owner of the Bond must instruct his/her representative at the bank, broker or other nominee holding the Bond to deliver to the Tender Agent a properly completed Letter of Transmittal (enclosed herein) to tender such Bond. For DTC-held bonds, please include the following information: Trades Affirming By Institution:

Institutional ID (FIN) #: *Affirming party's ID*
DTC Clearing Account #: 901
Agent Bank ID #: 80901 – The Bank of New York
Agent Internal Account #: 016071
First Interested Party #: 10015
Interested Party Account: 75-4573-01-2

Signature Requirements

All required signatures must be witnessed by a person with the authority to issue a Medallion Stamp Guarantee. *A notary or "signature guarantee" stamp will not be accepted.*

Method of Delivery of Bonds

The method of delivery of any tendered Bonds is at the option of the Bondholder and will be deemed made only when actually received by the Tender Agent.

Acceptance of Tenders; Withdrawal Rights

A tender of a Bond pursuant to this Offer is irrevocable, except that Bonds tendered pursuant to this Offer may be withdrawn at any time until 5:00 PM (CT) on the Expiration Date. Any Bonds properly withdrawn will thereafter be deemed not to have been validly tendered for purposes of this Offer. However, withdrawn Bonds may be re-tendered at any time prior to the Expiration Date. For a withdrawal to be effective, a written notice of withdrawal must be timely received by the Tender Agent at the address set forth on the first page of this Offer. Any such notice of withdrawal must specify the name of the person who tendered, the number of Bonds to be withdrawn, the name of the registered holder of such Bonds, and must be signed by the person(s) who signed the Letter of Transmittal, in the same manner as the Letter of Transmittal was signed. None of Tower or the Tender Agent will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

Acceptance by Tower of Bonds tendered pursuant to this Offer, and not withdrawn prior to the Expiration Date, shall constitute an irrevocable agreement between the tendering Bondholder and Tower, subject to all of the terms and conditions contained herein and in the Letter of Transmittal. Such acceptance shall be made by notification by Tower to the Tender Agent.

From the Bonds validly tendered, Tower will select Bonds for purchase in its sole and absolute discretion as provided above in this Offer.

Modification or Changes to Offer

If any change is made to increase or decrease the percentage of a subject series of Bonds or the offered consideration prior to the Expiration Date, this Offer will remain open for at least ten (10) business days following any such change. In addition, if Tower determines to increase the consideration payable pursuant to this Offer prior to the Expiration Date, such higher consideration shall be provided to all Bonds purchased pursuant to this Offer, regardless of whether such Bonds were tendered prior or subsequent to such increase in consideration.

Payment for Tendered Bonds

The settlement date for payment of Bonds selected by Tower for purchase is scheduled for December 6, 2004. Any tendered Bonds which are not purchased by Tower will be returned as soon as practicable after the Expiration Date. The registered owner of any Bond tendered which is not purchased by Tower and subsequently returned will retain all ownership rights under such Bond. Tower makes no representation or warranty that the amount received by any holder of Bonds as a result of a tender of Bonds pursuant hereto and purchased by Tower will be greater than or less than the amounts ultimately received by holders of Bonds that are not tendered or purchased.

Assignment of Interest in Bonds

By validly tendering a Bond or Bonds, and by not withdrawing such Bond or Bonds prior to the Expiration Date, and upon purchase of such Bond by Tower, a tendering Bondholder irrevocably assigns to Tower all of the right, title, and interest of the Bondholder in and to the Bond or Bonds so tendered from and after the purchase date in respect of the Bond or Bonds so selected for purchase by Tower and subject to the payment of the purchase price.

Determination of Validity of Tender; Rejection of Bonds; Waiver of Defects; No Obligation to Give Notice of Defects

All questions as to the validity, form, eligibility (including time of receipt), and acceptance for payment of any tender of Bonds pursuant hereto will be determined by Tower, in its sole discretion, which determination shall be final and binding. Tower reserves the absolute right to reject any or all tenders of particular Bonds determined by Tower not to be in the proper form or if the acceptance of or payment for those Bonds may, in the opinion of an attorney for Tower, be unlawful. Tower also reserves the absolute right to waive or amend any of the conditions of this Offer that it is legally permitted to waive as to the tender of any particular Bond or Bonds. Tower's interpretation of the terms and conditions hereof shall be final and binding. No tender of Bonds will be deemed to be validly made until all defects and irregularities have been cured or waived. Neither Tower, the Tender Agent, nor any other person will be under any duty to give notification of any defects or irregularities in the tender of any Bonds or will incur any liability for failure to give any such notification.

Backup Federal Income Tax Withholding

To prevent the possible application of the backup withholding of thirty percent (30.0%) with respect to payment of the Purchase Price for any tendered Bond or Bonds, **a tendering Bondholder must provide the Tender Agent with the Bondholder's correct taxpayer identification number by completing a Form W-9 (enclosed herein).**

Conditions

Notwithstanding any other term hereof, Tower will not be required to accept for payment or to pay for any Bonds tendered if all authorizations, consents, orders, or approvals of, or declarations of filings with, or expirations of waiting periods imposed by, any court, administrative agency or commission or other governmental authority or instrumentality, necessary for the consummation of the transactions contemplated by this Offer shall not have been filed, occurred, or been obtained. Furthermore, notwithstanding any other term hereof, and in addition to Tower's right to withdraw this Offer at any time before the Expiration Date, Tower will not be required to accept for payment or pay for any Bonds not theretofore accepted for payment or paid for and may terminate or amend this Offer as to such Bonds if, at any time on or after the date of this Offer and before the acceptance of such Bonds for payment or the payment for such Bonds, any of the following conditions exist:

- (a) a preliminary or permanent injunction or other order of any federal or state court, government or governmental authority or agency shall have been issued and shall remain in effect which makes illegal, delays, or otherwise directly or indirectly restrains or prohibits (i) the making of this Offer or the acceptance for payment, purchase of, or payment for any Bonds by Tower or (ii) the use by Tower of the Bonds for the purpose intended; or
- (b) there shall be any action taken, or any statute, rule, regulation, or order proposed, enacted, enforced, promulgated, issued, or deemed applicable to this Offer by any federal or state court, government or governmental authority or agency, which might, directly or indirectly, restrain or prohibit any of the actions referred to in clauses (i) and (ii) of paragraph (a) above.

No solicitation of tenders of Bonds is being made to, nor will Tower accept tenders from, holders of Bonds in any jurisdiction in which this Offer or the acceptance of tenders of Bonds would not be in compliance with applicable laws. The foregoing conditions are for the sole benefit of Tower and may be asserted by Tower regardless of the circumstances giving rise to the conditions or may be waived by Tower in whole or in part at any time and from time to time in its sole discretion. Any determination by Tower concerning the events described above will be final and binding upon all parties.

Factors To Be Considered In Determining Whether To Tender Bonds

None of Tower, the Tender Agent, the City of Savannah, the Savannah Economic Development Authority or any of their respective directors, officers or employees, makes any recommendation to any holder of Bonds as to whether to tender all or any Bonds. None of the Tender Agent, the City of Savannah nor the Savannah Economic Development Authority has reviewed or verified any of the information in this Offer or any other information with respect to the Bonds for completeness or accuracy. We recommend that you consult with your own legal or investment advisor regarding this Offer.

Bondholders are advised that their respective decisions to tender Bonds are voluntary and will have different tax and other implications for individual Bondholders. Each Bondholder must make his or her own decision as to whether to tender Bonds and, if so, how many Bonds to tender and at what price. Bondholders are urged to consult with their

respective advisors about the financial, tax, legal, and other implications regarding a tender and sale of Bonds pursuant to this Offer.

Holders of Bonds are urged to obtain current market valuations for the Bonds. Tower is not aware of any recent secondary market transfers of the Bonds other than as disclosed in this Offer. The trading level of the Bonds in the secondary market is sufficiently low to suggest that the secondary market may not be able to establish an accurate current market valuation for the Bonds.

Tower has made no effort to determine what market, if any, exists for the Bonds, nor has it caused an appraisal of the project securing the special taxes to be made. To the extent that any holder of Bonds feels that such information is required before such holder of Bonds can determine whether or not to tender Bonds pursuant to this Offer, such holder of Bonds should obtain such information from whatever source or sources such holder of Bonds wishes to use. Tower will determine, in its sole and absolute discretion, whether to buy none, some, or all of any Bonds tendered.

Costs and Expenses

Tower will pay for any charge pertaining to the registration or transfer of any Bonds purchased pursuant to this Offer, all applicable fees and expenses of the Tender Agent, and any cost involved in returning Bonds tendered but not accepted for purchase to the owner(s) thereof. Bondholders shall bear the cost and expense pertaining to the delivery of Bonds to the Tender Agent.

Tower will reimburse any commercial bank or trust company having an office, branch or agency in the United States, and any firm which is a member of a registered national securities exchange or of the National Association of Securities Dealers, Inc. (an "Eligible Institution"), an amount of \$5.00 per \$1,000 of Bonds that are purchased pursuant to the Offer. A retail customer is an individual who manages its own investments or an individual whose investments are managed by an investment manager or a bank trust department that holds that individual's investment in a separate account in that individual's name. No broker assistance fee will be paid on requests for which the Broker Assistance Fee Payment Request Form was incomplete or incorrectly executed. Eligible Institutions must submit to the Tender Agent requests for payment of broker assistance fees on a Broker Assistance Fee Payment Request Form no later than 5:00 p.m. on the third business day following the Expiration Date. No broker assistance fee will be paid on requests received after this time.

CUSIP Numbers

The CUSIP numbers have been assigned to this issue by Standard & Poor's Corporation and are included solely for the convenience of the Bondholders. Neither the City of Savannah nor the Tender Agent shall be responsible for the selection or use of the CUSIP number, nor is any representation made as to their correctness on the Bonds or as indicated in any notice.

Information Requests

Requests for additional copies of this Offer or the Letter of Transmittal may be directed to the Tender Agent and such copies will be furnished promptly. Holders of Bonds may also contact their broker, dealer or financial advisor concerning this Offer.

LETTER OF TRANSMITTAL
 To Accompany Bond Certificates of
City of Savannah
Savannah Economic Development Authority
Revenue Bonds
(GEAC-Marshview Inn Project)
Series 1999
\$6,875,000 Tax Exempt Senior Series 1999A
\$475,000 Taxable Senior Series 1999A-T

Pursuant to the "Offer to Purchase Bonds" detailed in the attached notice, any holder wishing to participate must complete this letter of transmittal along with the attached, irrevocable, Bond power. The physical securities must also be presented.

ALL HOLDERS MUST COMPLETE ALL BOXES (A-D).

CERTIFICATES ENCLOSED

BOX A		
Name and Address of Registered Holder(s)	Certificate Number(s)	Principal Amount
<input type="checkbox"/> <i>address change indicated above</i>	Total Securities:	

BOX C
SIGNATURE GUARANTEE
Your signature must be <i>Medallion guaranteed</i> (undated) by an eligible financial institution.
NOTE: A notary public <i>is not</i> acceptable.
FOR USE BY FINANCIAL INSTITUTION ONLY. PLACE UNDATED MEDALLION GUARANTEE IN SPACE BELOW.

BOX B
SIGN HERE (all registered holders)
<hr style="width: 50%; margin: 0 auto;"/> <hr style="width: 50%; margin: 0 auto;"/> Signature of owner(s)
<hr style="width: 50%; margin: 0 auto;"/> Phone number

General Information

- **Lost Certificates:** If your certificates are lost, please indicate so in *Box A* and complete the *Letter of Transmittal* and return it to us as normal. There may be a fee required to replace lost certificates.
- **Address Changes:** If your permanent address should be changed on our records, please indicate address change in *Box A*. An address in *Box E* will be treated as one time only, special instructions.

BROKER ASSISTANCE FEE PAYMENT REQUEST FORM
(In Relation to the Offer to Purchase Bonds by Tower Investments, LLC)
City of Savannah
Savannah Economic Development Authority
Revenue Bonds
Tax Exempt Senior Series 1999A
Taxable Senior Series 1999A-T
(GEAC-Marshview Inn Project)

Section 1:	The Registered Representative		
Firm Name	DTC Participant #	Broker ID#	
Broker Name	Broker Title		
Broker Branch/Location	Broker Telephone #		
Broker Signature	Date		
X _____			

Section 2:	The Tendered Bonds		
CUSIP (Mandatory)	Par Amount (Mandatory)	Client Account Number (Mandatory)	Client Name (Optional)
	\$		
	\$		
	\$		
	\$		
	\$		

Send this completed form to the Tender Agent:

Bank of Oklahoma
Attn: Marrien Neilsen
One Williams Center, 10th Floor
Tulsa, OK 74192
(918) 588-6728 – phone
(918) 588-6083

This form must be received by the third business day following the Expiration Date of the Tender Offer (presently set for 5:00 P.M. (Central Time), on December 1, 2004). No Broker Assistance Fee will be made on requests received after this time.

I, the above-signed, hereby acknowledge that I have reviewed the Offer to Purchase Bonds dated November 3, 2004 and that I have reviewed the information contained therein with my client/s.

I represent that I am a registered employee of my firm, which is a financial institution described as any commercial bank or trust company with offices in the United States and any firm which is a member of a registered national securities exchange or of the National Association of Securities Dealers, Inc. ("NASD"). I personally solicited the transaction(s) described herein from my firm's retail customer(s) and, with respect to any tender offer, I have reviewed this transaction with my customer. On behalf of my firm, I request payment of the resulting broker assistance fee.