

**SUPPLEMENTAL NOTICE CONCERNING AUCTION RATE SECURITIES  
DISTRICT OF COLUMBIA**

**Date: April 10, 2008**

**Securities: Frequency 7 Day (Monday)**

**CUSIP: 25484JAA8**

The District of Columbia has previously issued its \$50,000,000 aggregate principal amount Multimodal Revenue Bonds (American University Issue), Series 2006, Subseries 2006A dated August 16, 2006 (the “Bonds”), and loaned the proceeds of the Bonds to American University (the “University”).

Of even date herewith, the University filed a Report of Material Development as a preliminary statement of the University’s intent to bid on the Bonds. The purpose of this Supplemental Notice is to supplement that Report of Material Development.

**SUPPLEMENTAL NOTICE IS HEREBY GIVEN** that:

(a) Attached hereto as Schedule A is certain information with respect to the auction for the Bonds that occurred on April 7, 2008 (the “Previous Auction”).

(b) Additional notices regarding this matter may be posted by the University.

**AMERICAN UNIVERSITY**

## **SCHEDULE A**

1. The amounts of Bonds for sale in the Previous Auction was \$10,850,000 in aggregate principal amount (Hold Orders were submitted for \$30,575,000).
2. The number of aggregate dollar amount of bids made as "hold at" or as "buy orders" in the Previous Auction was 16 bids with a dollar amount of \$75,075,000.
3. Upon current information, the University understands that the number of bids placed by bidders other than the current Broker Dealers, which are Morgan Stanley & Co. Incorporated ("Morgan Stanley") and Lehman Brothers ("Lehman"), was 22 bids totaling \$85,925,000.
4. The number, interest rate(s) and amounts of bids made by Morgan Stanley:
  - i. Number of Bids: 0
  - ii. Interest Rate(s): N/A
  - iii. Amount of Bids: 0
5. The number, interest rate(s) and amounts of bids made by Lehman:
  - i. Number of Bids: 0
  - ii. Interest Rate(s): N/A
  - iii. Amount of Bids: 0
6. No bids were made by the University.
7. The clearing rate was 5.690%
8. The high, low and median bids received:
  - i. High: 7.190%
  - ii. Median: 5.970%
  - iii. Low: 3.190%

Also attached to this Schedule A is the Order Summary from, Deutsche Bank Trust Company Americas, the Auction Agent for the most recent auction (held April 7, 2008).

For securities auctioning 4/7/2008

D.C. American University 2006 A CUSIP: 25484JAA8 Code: AMEA Deadline: 13:00 Winning rate: 5.690

**Sell Orders**

Broker		Order type	Shares Ordered	Shares Filled
Lehman Brothers	LEH	Sell	382	382
Morgan Stanley Inc.	MSI	Sell	20	20
Morgan Stanley Inc.	MSI	Sell	6	6
Morgan Stanley Inc.	MSI	Sell	13	13
Morgan Stanley Inc.	MSI	Sell	12	12
Morgan Stanley Inc.	MSI	Sell	1	1
		<b>Subtotal:</b>	<b>434</b>	<b>434</b>

**Hold Orders**

Broker		Order type	Shares Ordered	Shares Filled
Lehman Brothers	LEH	Hold	504	504
Morgan Stanley Inc.	MSI	Hold	719	719
		<b>Subtotal:</b>	<b>1,223</b>	<b>1,223</b>

**Buy and Hold at Rate Orders**

Broker		Order type	Rate	Shares Ordered	Shares Filled
Lehman Brothers	LEH	Hold at Rate	3.190	80	80
Lehman Brothers	LEH	Hold at Rate	3.800	20	20
Lehman Brothers	LEH	Hold at Rate	4.500	40	40
Lehman Brothers	LEH	Buy	4.990	40	40
Lehman Brothers	LEH	Hold at Rate	5.490	80	80
Morgan Stanley Inc.	MSI	Buy	<b>5.690</b>	1,400	517
Lehman Brothers	LEH	Buy	5.900	40	0
Morgan Stanley Inc.	MSI	Buy	5.970	400	0
Morgan Stanley Inc.	MSI	Hold at Rate	5.970	123	0
Lehman Brothers	LEH	Buy	6.000	30	0
Morgan Stanley Inc.	MSI	Buy	6.220	40	0
Morgan Stanley Inc.	MSI	Buy	6.220	200	0
Morgan Stanley Inc.	MSI	Buy	6.880	10	0
Morgan Stanley Inc.	MSI	Buy	6.970	400	0
Morgan Stanley Inc.	MSI	Buy	6.990	20	0
Lehman Brothers	LEH	Buy	7.190	80	0
		<b>Subtotal:</b>	<b>3,003</b>	<b>777</b>	
		<b>Total:</b>	<b>4,226</b>		<b>2,000</b>