

This announcement is not an offer to purchase or a solicitation of offers to buy the Offered Bonds (as defined below). The Invitation is made only by an individual Invitation to Tender Bonds each dated August 7, 2014 (collectively, the "Invitation" or the "Invitation to Tender"), and the related Disclosure Statements. The Invitation is not being made to, nor will tenders be accepted from or on behalf of, holders of the Offered Bonds in any jurisdiction in which making or accepting the Invitation would violate that jurisdiction's laws.



**Notice of
 Invitation to Tender Bonds
 in the Aggregate Principal Amount of
 \$5,183,940,000
 City of Detroit, Michigan
 Detroit Water and Sewerage Department**

**Sewage Disposal System Revenue and Revenue Refunding Senior and Second Lien Bonds
 and
 Water Supply System Revenue and Revenue Refunding Senior and Second Lien Bonds**

The City of Detroit invites each owner of those certain outstanding Sewage Disposal System and Water Supply System Bonds, in the aggregate principal amount of \$5,183,940,000, as described more specifically in the Invitation (collectively referred to as the "Tender Bonds") to submit an offer (each, an "Offer") to sell all or a portion of the Tender Bonds (the "Offered Bonds") held by such Bondholder to the City at the applicable purchase prices for the Tender Bonds set forth on Schedule A of the Invitation (the "Purchase Price"), subject to the conditions and upon the terms specified in the Invitation. Bondholders of the Tender Bonds that are purchased by the City will receive on the Settlement Date (as defined below) the Purchase Price plus accrued interest on such Tender Bonds through the date immediately preceding the Settlement Date. The Settlement Date is scheduled to occur on September 4, 2014, but may be rescheduled. **The City is under no obligation to accept for purchase all or any of the Offered Bonds. The City may decide to purchase less than all (or none) of the Offered Bonds.**

To make an informed decision as to whether, and how, to offer its Tender Bonds, a Bondholder must read the Invitation to Tender and all of the Other Tender Materials (as defined in the Invitation) carefully and consult with its broker, account executive, financial advisor and/or other financial professional. The Invitation, the Other Tender Materials and other information with respect to the Invitation are available from the Dealer Manager and the Information and Tender Agent and at www.bondcom.com/DWSD. None of the City, the Detroit Water and Sewerage Department, the Emergency Manager, the Dealer Manager, the Financial Advisor, the Board Financial Consultant (all as defined in the Invitation) or the Information and Tender Agent makes any recommendation that any Bondholder tender or refrain from tendering all or any portion of its Tender Bonds or makes any representation that the Purchase Prices as set forth in the Invitation are indicative of market prices.

Any Bondholder wishing to offer its Tender Bonds pursuant to the Invitation should follow the procedures more fully described in the Invitation. Institutional investors with questions about the Invitation should contact the Dealer Manager. Individual investors and their brokers, account executives, financial advisors and other financial professionals with questions about the Invitation should contact the Information and Tender Agent.

Bondholders will not be obligated to pay any brokerage commissions or processing fees to the City, the Dealer Manager, the Financial Advisor, the Board Financial Consultant or the Information and Tender Agent in connection with the Invitation. However, Bondholders should check with their broker, account executive, bank, financial institution or financial advisor to determine whether they will charge any commissions or fees.

All Offers by Bondholders to sell Tender Bonds are irrevocable upon submission and may not be withdrawn except in the limited circumstances as described in the Invitation to Tender.

Key Dates and Times

*All of these dates and times are subject to change. All times are New York City time.
 Notices of changes will be sent in the manner provided for in the Invitation to Tender.*

Expiration Date.....	August 21, 2014, 5:00 p.m.
Announcement of Acceptance or Rejection of Offered Bonds.....	August 22, 2014, 5:00 p.m.
Settlement Date. Payment made on all accepted Offered Bonds.....	September 4, 2014

The Dealer Manager for the Invitation to Tender is:

Citigroup Global Markets Inc.

Attention: David M. Brownstein, 212-723-5570, david.m.brownstein@citi.com

The Information and Tender Agent for the Invitation to Tender is:

Bondholder Communications Group

Attention: Denise Waters, Dwaters@bondcom.com

Call Toll Free: (888) 385-BOND or (888) 385-2663

Web site: www.bondcom.com/DWSD