



# CAPITAL COMMENTARY

from MN Higher Education Facilities Authority

Vol 1, No 2

*A brief review of financings recently completed by the Minnesota Higher Education Facilities Authority*

*Borrower:* Augsburg College ~~A-W~~

*Financing Vehicle:* Small Project Financing (Revenue Notes)

*Project:* Acquisition and remodeling of a house which will serve as the President's residence and as a reception center for the College. The College served as general contractor for the remodeling project.

*Financing Amount:* \$450,000

*Placement method:* Private placement by Norwest Investment Services, Inc.

*Term of financing:* 17 years

*Interest Rate:* 5.98 %

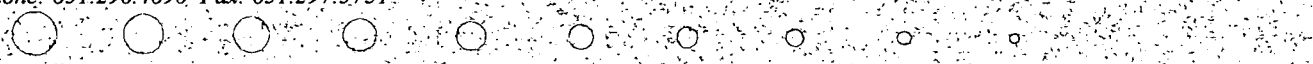
*Rating:* Not rated

*Date of settlement:* September 25, 1998

*Special Features:* Under the Authority's Small Project Financing Program, this transaction was completed with minimal issuance costs. No official statement was required to be prepared, a trustee's services were not required, and the sale was completed on an unrated basis, saving the rating agency fee. Bond counsel and financial advisory fees are also substantially lower under this program than for a full-blown bond issuance.

*For further information contact:*

J. Luther Anderson, Executive Director  
Minnesota Higher Education Facilities Authority  
175 Fifth Street East, Suite 450  
St. Paul, MN 55101-2905  
Phone: 651.296.4690 Fax: 651.297.5751



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175 Fifth Street East, Suite 450  
St. Paul, MN 55101-2905