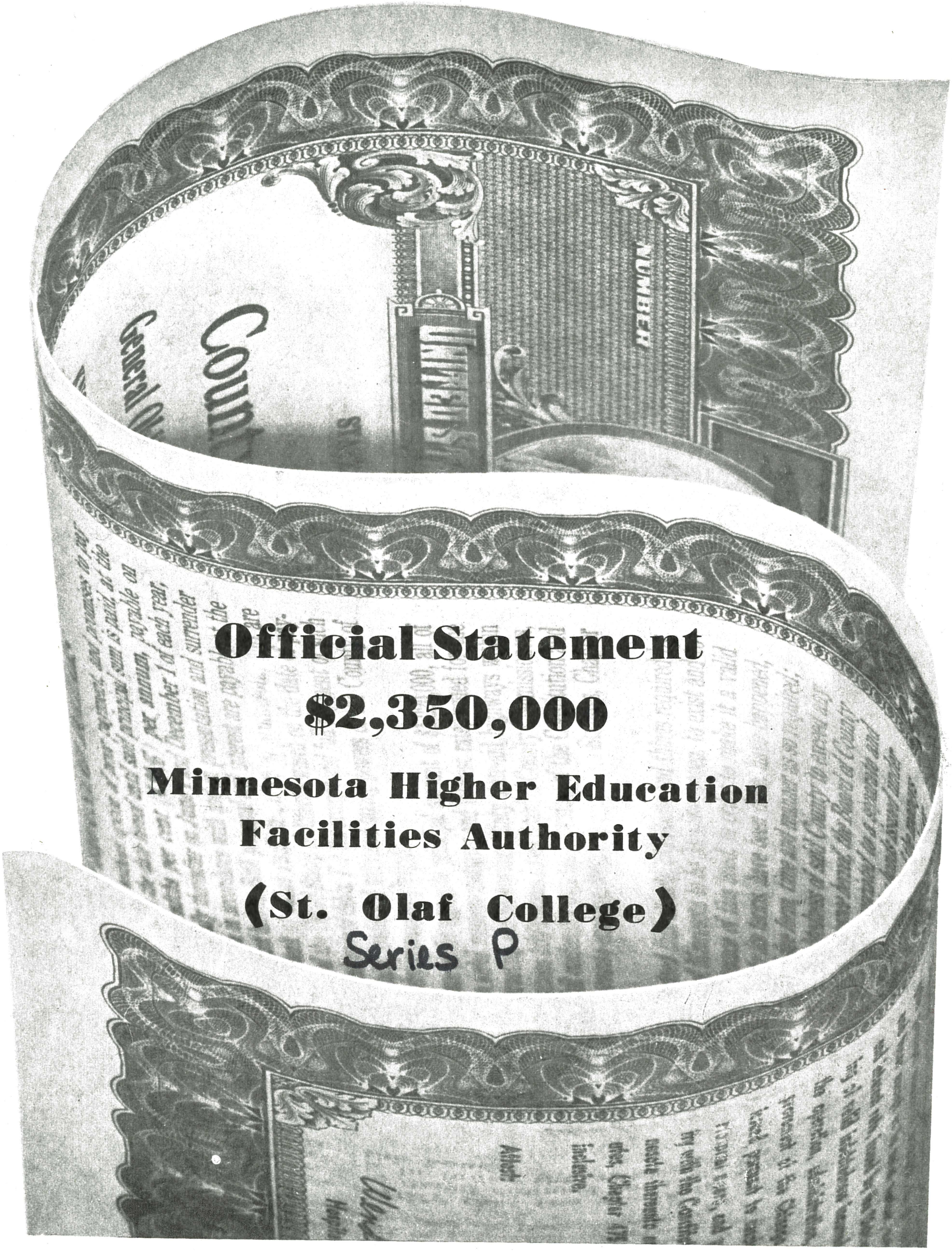


Official Statement

$2,350,000

Minnesota Higher Education Facilities Authority

(St. Olaf College)

Series P

SALE: TUESDAY, SEPTEMBER 30, 1975, AT 11:00 A.M. (CENTRAL TIME) FOR AWARD AT 12:00 NOON (CENTRAL TIME) OF THE SAME DAY.

SPRINGSTED INCORPORATED MUNICIPAL CONSULTANTS

SUITE 813 OSBORN BUILDING · SAINT PAUL, MINNESOTA 55102 · (612) 227-8318

MEMBERS OF
MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Bernard P. Friel, Chairman
Member, Briggs and Morgan Professional Association, Lawyers, St. Paul

Robert W. Freson, Vice Chairman
City Administrator, Rochester

Richard C. Hawk, Secretary
Executive Director, Minnesota Higher Education Coordinating Commission

Robert W. Bonine,
Assistant Executive Director, Northwest Area Foundation

Earl R. Herring
Vice President for Administrative Affairs, Moorhead State College

James Schatz
Lawyer, Doherty, Rumble & Butler, St. Paul

There is currently one vacancy.

Dr. Joseph E. LaBelle, Executive Director

Throughout this Official Statement the Minnesota Higher Education Facilities Authority shall also be referred to as the "Authority" and St. Olaf College shall also be referred to as the "College" or as the "Institution". Whenever the terms "Issue" or "Bonds" are capitalized herein the reference shall be to the offering and obligations of the $2,350,000 Minnesota Higher Education Facilities Authority First Mortgage Revenue Bonds, Series P (St. Olaf College).

OFFICIAL NOTICE OF BOND SALE

$2,350,000
MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY
FIRST MORTGAGE REVENUE BONDS, SERIES P
(ST. OLAF COLLEGE)

Bids will be received Tuesday, September 30, 1975, 11:00 A.M., at the Authority's Offices, Metro Square Building, St. Paul, Minnesota, for award at 3:00 P.M. of the same day on the following terms:

DATED AND INTEREST PAYMENTS

The Bonds will be dated October 1, 1975. Interest will be payable April 1, 1976, and each October 1, and April 1, thereafter.

TYPE AND PURPOSE

The Bonds will be negotiable coupon, special obligations of the Authority, payable solely, and only, out of Project revenues and other income, charges and moneys to be produced and received, including rentals under the Lease between the Authority and the College, relative to the ownership and operation of the Project for which the proceeds of this Issue will be used and the Reserve Accounts established thereto. The Bonds will be issued in denominations of $5,000 each and may be registrable as to principal, or principal and interest, according to the terms of the Mortgage Trust Indenture relative to the Issue. The Bonds are being issued to construct, furnish and equip a new music building for St. Olaf College.

MATURITIES AND REDEMPTION

April 1		October 1	
Year	Amount	Year	Amount
1976	$ 40,000	1976	$ 40,000
1977	$ 50,000	1977	$ 50,000
1978	$ 50,000	1978	$ 50,000
1979	$ 50,000	1979	$ 50,000
1980	$ 50,000	1980	$ 60,000
1981	$ 60,000	1981	$ 60,000
1982	$ 60,000	1982	$ 70,000
1983	$ 70,000	1983	$ 70,000
1984	$ 80,000	1984	$ 80,000
1985	$ 80,000	1985	$ 80,000
1986	$ 90,000	1986	$ 90,000
1987	$100,000	1987	$100,000
1988	$110,000	1988	$110,000
1989	$110,000	1989	$440,000

At the option of the Issuer all Bonds maturing April 1, 1987 through October 1, 1989 shall be subject to prior payment in inverse order of serial numbers on October 1, 1986 and any interest payment date thereafter at a price of par and accrued interest, except that all Bonds are subject to redemption at par and accrued interest on any interest payment date, as a whole, but not in part, in case of damage, destruction or taking of the Project to the extent provided in the Mortgage Trust Indenture and in case of the Institution's exercise of its option of purchase pursuant to Section 10.02 of the Lease.

CUSIP NUMBERS

If, within three working days after the award of the Bonds, the Purchaser in writing requests that CUSIP identification numbers be printed on the Bonds and agrees to be responsible for the CUSIP Service Bureau charge for the assignment of said numbers, they will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the Purchaser to accept delivery of the Bonds.

PAYING AGENT AND TRUSTEE

The Paying Agent may be named by the Successful Bidder, subject to the Authority's approval, which may be assumed unless the Bidder is notified to the contrary within 48 hours after the Authority has received notice of the Bidder's selection. The College will pay the charges of the paying agent customarily made by it to similar users of its services. An alternate paying agent may be named subject to the consent of the Authority and provided that there shall be no additional expense to the Authority or the College by reason thereof.

Prior to the receipt of bids the College, with the consent of the Authority, will name a Trustee with whom the Authority will enter into a Mortgage Trust Indenture relative to this issue. Upon request to the office of the Authority's Executive Director, the name of the Trustee will be available on or before September 23, 1975.

DELIVERY

Within 40 days after award, subject to the unqualified approving legal opinion of Messrs. Faegre & Benson of Minneapolis, Minnesota, and customary closing papers, including a statement of non-litigation. Bond printing and legal opinion will be paid for by the Issuer. Delivery will be at a place of the Purchaser's choice. Payment must be made in Federal Funds, or equivalent immediately available funds, on day of delivery. Legal opinion will be printed on the Bonds.

TYPE OF BID

Sealed bids for not less than $2,291,250 plus accrued interest on the entire principal amount of Bonds from the date of the Bonds to date of delivery must be filed with the undersigned prior to time of sale, together with a certified or cashier's check in the amount of $47,000, payable to the order of the Minnesota Higher Education Facilities Authority, to be retained as liquidated damages if the bidder fails to comply with the accepted bid.

RATES

All rates must be in integral multiples of 5/100th or 1/8th of 1%. All Bonds of the same maturity must bear a single rate from date of issue to maturity. No rate of any maturity may be more than 1/2% lower than the highest rate carried by any of the preceding maturities. Additional coupons may not be used. There is no rate limit.

AWARD

Award will be made on the basis of lowest dollar interest cost, determined by the addition of any discount to or deduction of any premium from the total interest on all Bonds from their date to their stated maturities. The Issuer reserves the right to reject any and all bids; to waive informalities and to adjourn the sale.

Dated: August 12, 1975

BY ORDER OF THE MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

/s/ Richard C. Hawk
Secretary

MATURE	PRINCIPAL	BOND YEARS	CUMULATIVE BOND YEARS	
4-1-76	$ 40,000	20	20	________
10-1-76	$ 40,000	40	60	________
4-1-77	$ 50,000	75	135	________
10-1-77	$ 50,000	100	235	________
4-1-78	$ 50,000	125	360	________
10-1-78	$ 50,000	150	510	________
4-1-79	$ 50,000	175	685	________
10-1-79	$ 50,000	200	885	________
4-1-80	$ 50,000	225	1110	________
10-1-80	$ 60,000	300	1410	________
4-1-81	$ 60,000	330	1740	________
10-1-81	$ 60,000	360	2100	________
4-1-82	$ 60,000	390	2490	________
10-1-82	$ 70,000	490	2980	________
4-1-83	$ 70,000	525	3505	________
10-1-83	$ 70,000	560	4065	________
4-1-84	$ 80,000	680	4745	________
10-1-84	$ 80,000	720	5465	________
4-1-85	$ 80,000	760	6225	________
10-1-85	$ 80,000	800	7025	________
4-1-86	$ 90,000	945	7970	________
10-1-86	$ 90,000	990	8960	________
4-1-87	$100,000	1150	10110	________
10-1-87	$100,000	1200	11310	________
4-1-88	$110,000	1375	12685	________
10-1-88	$110,000	1430	14115	________
4-1-89	$110,000	1485	15600	________
10-1-89	$440,000	6160	21760	________

AVERAGE MATURITY:	9.25 Years
DATED:	October 1, 1975
INTEREST:	April 1, 1976, and each October 1, and April 1, thereafter.
MATURE:	April 1 and October 1, 1976-1989.
REDEMPTION:	At the option of the Issuer all Bonds maturing April 1, 1987 through October 1, 1989 shall be subject to prior payment in inverse order of serial numbers on October 1, 1986 and any interest payment date thereafter at a price of par and accrued interest, except that all Bonds are subject to redemption at par and accrued interest on any interest payment date, as a whole, but not in part, in case of damage, destruction or taking of the Project to the extent provided in the Mortgage Trust Indenture and in case of the Institution's exercise of its option of purchase pursuant to Section 10.02 of the Lease.

Further information concerning the Issue may be obtained from:

General:	Dr. Joseph E. LaBelle, Executive Director of the Authority Suite 278, Metro Square Building St. Paul, Minnesota 55102 612/296-4690
	Osmon R. Springsted, Financial Advisor Springsted Incorporated 813 Osborn Building St. Paul, Minnesota 55102 612/227-8318
The College:	David E. Johnson, Vice President or Stanley L. Ness, Vice President and Treasurer St. Olaf College Northfield, Minnesota 55057 612/335-6841
Legal:	John S. Holten, Bond Counsel Faegre & Benson 1300 Northwestern National Bank Building Minneapolis, Minnesota 55402 612/338-7571

THE AUTHORITY

The Minnesota Higher Education Facilities Authority was created by Chapter 868, Laws of Minnesota, 1971 (Sections 136A.25 – 136A.42, Minnesota Statutes 1974), for the purpose of assisting institutions of higher education of the State in the construction and financing of projects. The Authority consists of six members appointed by the Governor with the advice and consent of the Senate and a seventh member who is the Executive Director of the Minnesota Higher Education Coordinating Commission and who is designated as the Secretary of the Authority.

Originally the Authority was given power to issue revenue bonds in a total amount not to exceed $45 million. The 1973 Legislature increased this limit to an aggregate of $62 million of principal outstanding at any time. Bonds issued by the Authority can be payable only from the rentals, revenues and other income, charges and moneys pledged for their payment. They do not in any manner represent or constitute a debt or pledge of the faith and credit of the State of Minnesota.

By the provisions of Chapter 868, Laws of Minnesota, 1971 ". . .neither the authority nor its agent shall be required to pay any taxes or assessments upon or in respect of a project or any property acquired or used by the authority or its agent under the provisions of this act or upon the income therefrom. . ."

Educational institutions of the State eligible for assistance by the Authority are non-profit educational institutions authorized to provide a program of education beyond the high school level. Sectarian institutions are not eligible for assistance; however, the fact that an institution is sponsored by a religious denomination does not of itself make the institution sectarian. Application to the Authority is voluntary.

The scope of projects for which the Authority may issue bonds is broad, including buildings or facilities for use as student housing, academic buildings, parking facilities and other structures or facilities required or useful for the instruction of students, or conducting of research, in the operation of an institution of higher education.

A project for which bonds are issued by the Authority becomes the property of the Authority – as long as bonds of the Authority issued for the project remain outstanding. Thereafter they may be subject to repurchase options. The project is leased by the Authority to the institution for operation. The revenues which are the primary security for the bonds are provided according to the terms of the lease between the Authority and the institution. Prior to delivery of an issue the Authority enters into a mortgage trust indenture with a trustee who administers the funds which are the security for the payment of the bonds, except the funds of the General Bond Reserve Account. These are under the supervision of the Authority.

While the Authority retains broad powers to oversee planning and construction, it is current policy to permit the institution almost complete discretion with respect to these matters.

In Minnesota Higher Education Facilities Authority v. Hawk, filed August 8, 1975, the Minnesota Supreme Court affirmed the constitutionality of the issuance of tax exempt bonds by the Authority to refinance debts incurred by Minnesota private colleges in the construction of facilities used solely for nonsectarian educational purposes. In the opinion of Bond Counsel, this decision also confirms the legality of bonds issued by the Authority to finance original construction, improvement and remodeling of projects.

The Authority is financed solely from fees paid by the institutions for whom bonds are issued. At the time of issuance, and usually from bond proceeds, the Authority is paid one-third of one percent of the principal amount of the issue. Thereafter, commencing as of the date of issue and payable in advance, the Authority receives an annual fee of one-eighth of one percent of the original principal amount of the bonds for their original term so long as any of the bonds are outstanding.

The staff of the Authority consists of its Executive Director, Dr. Joseph E. LaBelle and one secretary.

Bond issuance costs, including fees of bond counsel, the fiscal consultant and trustee are paid by the institution. The fees of bond counsel and the fiscal consultant also usually come from bond proceeds.

As a general policy the Authority requires that the proceeds of the bonds include a sum equal to approximately one year's debt service, after deduction of any interest subsidy grants, for the creation of debt service reserves. Of this sum 80% is deposited with the trustee in a series reserve account; the remaining 20% is deposited by the Authority in the General Bond Reserve Account pledged to the payment of all bonds issued by the Authority for which such a deposit has been made. (See General Bond Resolution, post)

The fees of the Authority which are applicable to this Issue are:

Initial fee payable at time of settlement (1/3 of 1%)	$ 7,833.33
Annual fee commencing as of time of settlement (1/8 of 1%)	$ 2,937.50*
	$10,770.83

*This amount shall be payable to the date of final maturity even though the Issue may be redeemed, wholly or in part, prior to that time.

PURPOSE OF ISSUE

The proceeds of the Issue will be used to construct, furnish and equip a new Music Building for St. Olaf College.

BOND PROCEEDS USE

Bond Proceeds are expected to be expended as follows:

Construction, Fees & Furnishings		$2,000,000.00
Reserve:		
Series	$213,703.34[1]	
General	53,425.83[2]	
		267,129.17
Discount		58,750.00
Fees:		
Authority	$ 10,770.83	
Bond Issuance	13,350.00	
		24,120.83
	Total	$2,350,000.00

[1]This sum will be deposited in the Series Debt Reserve Account at closing and will be available for debt service of these Bonds only.

[2]This sum will be deposited by the Authority in the General Bond Reserve Account to be available for debt service of all bonds of the Authority for which a contribution has been made to the General Bond Reserve Account. To date the following contributions have been made:

$2,200,000	First Mortgage Revenue Bonds, Series A (Augsburg College)[1]	$ 31,743.60
$1,935,000	First Mortgage Revenue Bonds, Series B (Bethel College)[2]	34,082.00
$ 595,000	First Mortgage Revenue Bonds, Series C (St. Mary's College)[3]	9,000.00
$ 520,000	First Mortgage Revenue Bonds, Series D (College of St. Scholastica, Inc.)[4]	8,643.40
$1,030,000	First Mortgage Revenue Bonds, Series E (Gustavus Adolphus College)[5]	19,308.00
$1,610,000	First Mortgage Revenue Bonds, Series F (College of Saint Benedict)[6]	21,304.00
$8,450,000	First Mortgage Revenue Bonds, Series G (The Minneapolis Society of Fine Arts)[7]	220,000.00
$1,600,000	First Mortgage Revenue Bonds, Series I (Augsburg College)[8]	30,000.00
$ 340,000	First Mortgage Revenue Bonds, Series H (College of St. Scholastica, Inc.)[9]	6,000.00
$ 370,000	First Mortgage Revenue Bonds, Series J (College of Saint Benedict)[10]	7,000.00
$ 800,000	First Mortgage Revenue Bonds, Series K (College of St. Thomas)[11]	14,000.00
$2,280,000	First Mortgage Revenue Bonds, Series L (St. Mary's Junior College)[12]	47,667.70
$ 690,000	First Mortgage Revenue Bonds, Series M (College of Saint Catherine)[13]	$ 12,000.00
$1,450,000	First Mortgage Revenue Bonds, Series N (College of Saint Benedict)[14]	$ 28,000.00
	Sub-total	$488,748.70
	Earnings: (as of 6-30-75)	57,508.14
$ 2,350,000	This Issue:[15]	$ 53,425.83
$26,220,000	Total	$599,682.67

[1]Final maturity 2012.
[2]Final maturity 1997
[3]Final maturity 1998
[4]Final maturity 1997
[5]Final maturity 1993.
[6]Final maturity 1998
[7]Final maturity 1984
[8]Final maturity 1995
[9]Final maturity 1999.
[10]Final maturity 2002
[11]Final maturity 1994
[12]Final maturity 1994
[13]Final maturity 1996
[14]Final maturity 1994
[15]Final maturity 1989

ESTIMATED GENERAL RESERVE COMPARISON WITH TOTAL DEBT SERVICE REQUIREMENTS OF ALL AUTHORITY BONDS AND REMAINING PRINCIPAL

Calendar Year	Authority Estimated General Reserve[1]	Total Debt Service[2]	Coverage By General Reserve	Remaining Principal[3] (000 Omitted)	Percentage that General Reserve is to Remaining Principal
1975	$ 592,563.31	$ 1,390,753.13	0.426 times	$26,165	2.26%
1976	628,117.10	2,748,105.00	0.229	26,040	2.41%
1977	665,804.12	2,891,317.50	0.230	24,950	2.67%
1978	705,752.42	2,862,252.50	0.247	23,645	2.98%
1979	748,097.55	2,800,987.50	0.267	22,285	3.36%
1980	792,983.41	2,753,225.00	0.288	20,900	3.79%
1981	840,562.43	2,742,735.00	0.307	19,475	4.32%
1982	890,996.16	2,751,530.00	0.324	17,970	4.96%
1983	944,455.76	3,773,910.00	0.250	16,360	5.77%
1984	583,497.41	1,558,142.50	0.375	13,625	4.28%
1985	618,507.26	1,552,860.00	0.398	12,930	4.78%
1986	655,617.69	1,549,637.50	0.423	12,195	5.38%
1987	694,954.75	1,557,815.00	0.446	11,415	6.09%
1988	736,652.02	1,571,306.25	0.469	10,575	6.97%
1989	780,851.16	1,895,263.75	0.412	9,665	8.08%
1990	699,664.11	1,315,362.50	0.531	8,370	8.36%
1991	741,643.94	1,297,625.00	0.572	7,570	9.80%
1992	786,142.57	1,306,092.50	0.602	6,735	11.67%
1993	833,311.11	1,319,447.50	0.632	5,835	14.28%
1994	817,670.95	1,583,312.50	0.516	4,860	16.82%
1995	576,463.05	846,770.00	0.681	3,550	16.24%
1996	502,944.72	692,705.00	0.726	2,895	17.37%
1997	489,878.97	588,845.00	0.832	2,360	20.76%
1998	327,110.41	329,010.00	0.994	1,895	17.26%
1999	208,873.62	209,320.00	0.998	1,670	12.51%
2000	194,109.05	183,257.50	1.059	1,555	12.48%
2001	205,755.59	182,720.00	1.126	1,460	14.09%
2002	218,100.93	211,820.00	1.030	1,360	16.04%
2003	193,258.26	153,600.00	1.258	1,225	15.78%
2004	204,853.76	158,840.00	1.290	1,140	17.97%
2005	217,144.99	158,520.00	1.370	1,045	20.78%
2006	230,173.70	157,920.00	1.458	945	24.36%
2007	243,984.12	162,040.00	1.506	840	29.05%
2008	258,623.17	165,600.00	1.562	725	35.67%
2009	274,140.56	168,600.00	1.626	600	45.69%
2010	290,588.99	171,040.00	1.699	465	62.49%
2011	308,024.33	172,920.00	1.781	320	96.26%
2012	326,505.80	174,240.00	1.874	165	197.88%
		$46,109,448.13			

[1]The amount of the estimated reserve has been computed as follows:

The principal contributions to the General Reserve of each issue have been added to the total Reserve balance as of the year they were made. Interest at the rate of 6% per annum on the entire balance, including interest, has been then added as of the end of each calendar year to produce the amount shown for the respective years as the sum of the Reserve at the beginning of the year. As of the end of the year of the final principal payment date of each Issue the amount of the Reserve contributed for the Issue, plus 6% per annum compounded on that amount from the year of the Issue to the end of the year in which the final payment is to be made, has been deducted. Investments of the General Reserve have to date been short-term. The actual rate of return cannot be predicted; the 6% has only been assumed.

[2]It has been assumed that the Issue of the Minneapolis Society of Fine Arts will be retired on the schedule of \$800,000—1976; \$900,000—1977-80; \$950,000—1981; \$1,000,000—1982, and \$2,100,000—1983, although the Issue is not due until August 1, 1984. The foregoing schedule is that required if funds are available. No other prepayments of any Issues have been assumed. The debt shown is that which will fall due for all issues January 1, or after, of each calendar year. This Issue has been included in these computations.

[3]The amount of principal remaining is the amount outstanding as of January 1, of each year, assuming no prepayments and the schedule of payments described in note 2 above for the bonds of the Minneapolis Society of Fine Arts.

In addition to the pledge of the General Reserve as security for all outstanding Authority Bonds each issue has its own series reserve approximating 80% of its average annual debt service.

ST. OLAF COLLEGE

St. Olaf College, a four-year liberal arts college, is located in Northfield, Minnesota, a city of 10,000, forty miles south of Minneapolis and St. Paul. Its 350-acre campus is west of the City on an elevation known as Manitou Heights. The College owns approximately 1,175 acres of open space, now used for farming, adjoining its campus on the west, southwest and the north. The College is a Minnesota non-profit corporation.

In its April, 1975 Bulletin the College states:

AIMS AND OBJECTIVES

"St. Olaf is a liberal arts college of The American Lutheran Church. It is co-educational and open to all qualified students. In the spirit of free inquiry and free expression, St. Olaf aims to offer an education that prepares for self-understanding, vocational usefulness, and responsible citizenship. . .

"Graduation from St. Olaf College should signify the attainment of a perspective on human knowledge available only through the liberal arts. From this perspective, a liberally educated person sees that learning about the world of nature and the world of man has only begun. The pursuit of this learning demands language skills, critical thinking, and social concern which embodies democratic ideals and an appreciation of diverse and foreign cultures. Because life is more than a livelihood, a liberal education develops an understanding of the entire range of human achievement and focuses on what is ultimately worthwhile rather than on what is immediately useful. In so doing, it provides a sound foundation for the professional education and technical training which modern society requires. . .

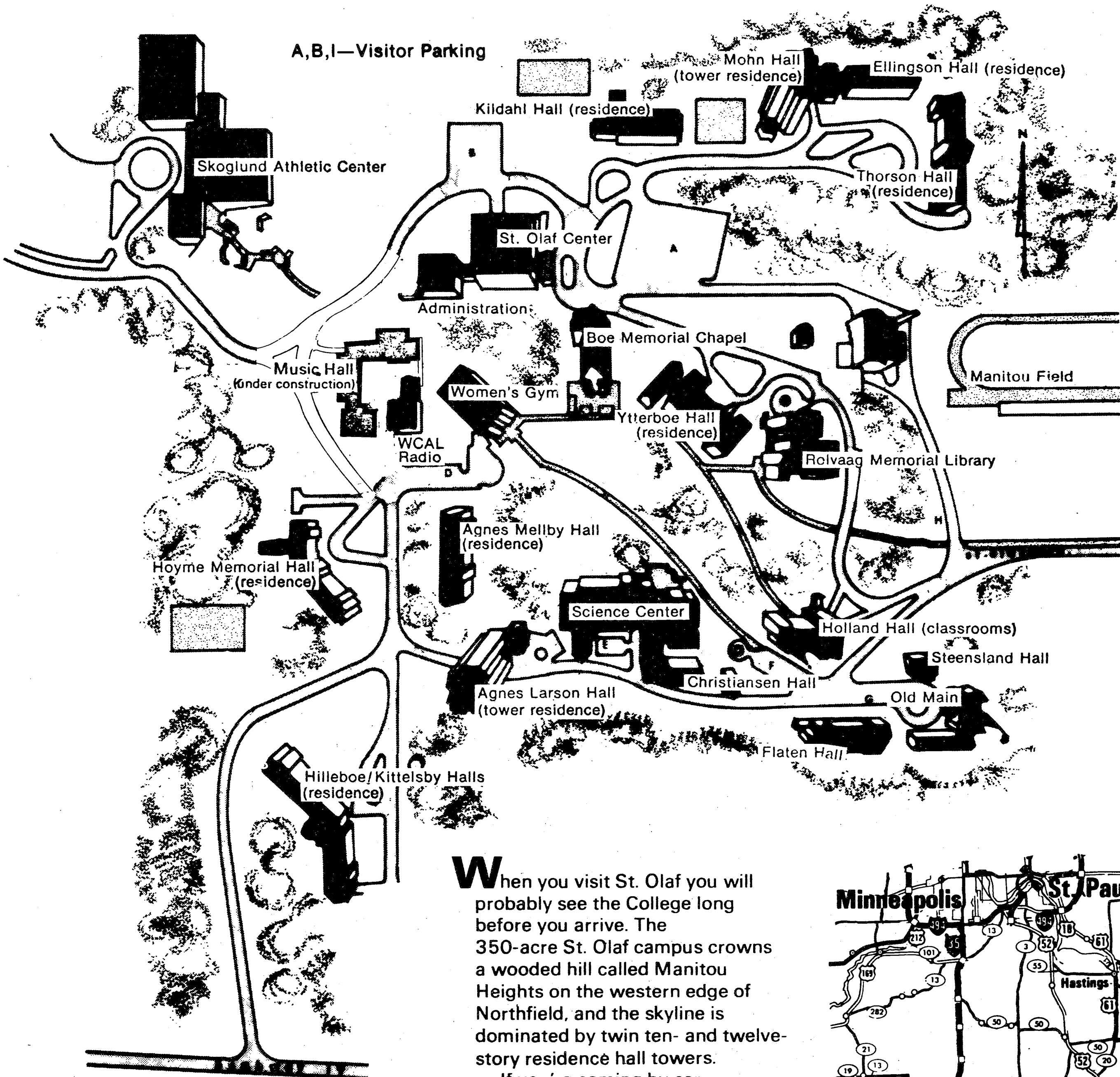
HISTORY OF ST. OLAF

"A group of pioneer pastors and businessmen in Rice, Dakota, and Goodhue counties under the leadership of the Reverend Bernt Julius Muus, the Reverend N. A. Quammen, and Harald Thorson laid the groundwork for the founding of the College in 1874. The purpose of the institution, then as now, was to offer a program of liberal studies to students preparing for careers in business, politics, the clergy, and other professions. St. Olaf's School was operated as an academy until 1886, when a college department was added. The name was changed to St. Olaf College in 1889. The first college class was graduated in 1890. The academy was discontinued in 1917.

"Throughout its history, St. Olaf has been related to The American Lutheran Church. In 1900 the college department of the United Church Seminary was consolidated with St. Olaf, and in 1917 the college department of Red Wing Seminary was merged with St. Olaf.

St. Olaf College

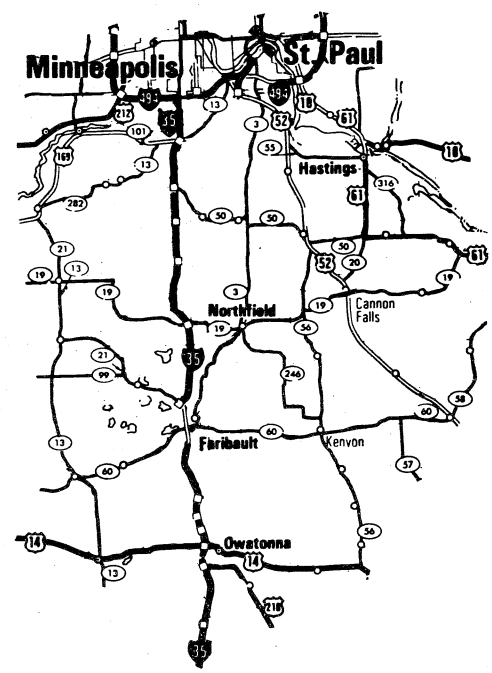
Northfield, Minnesota

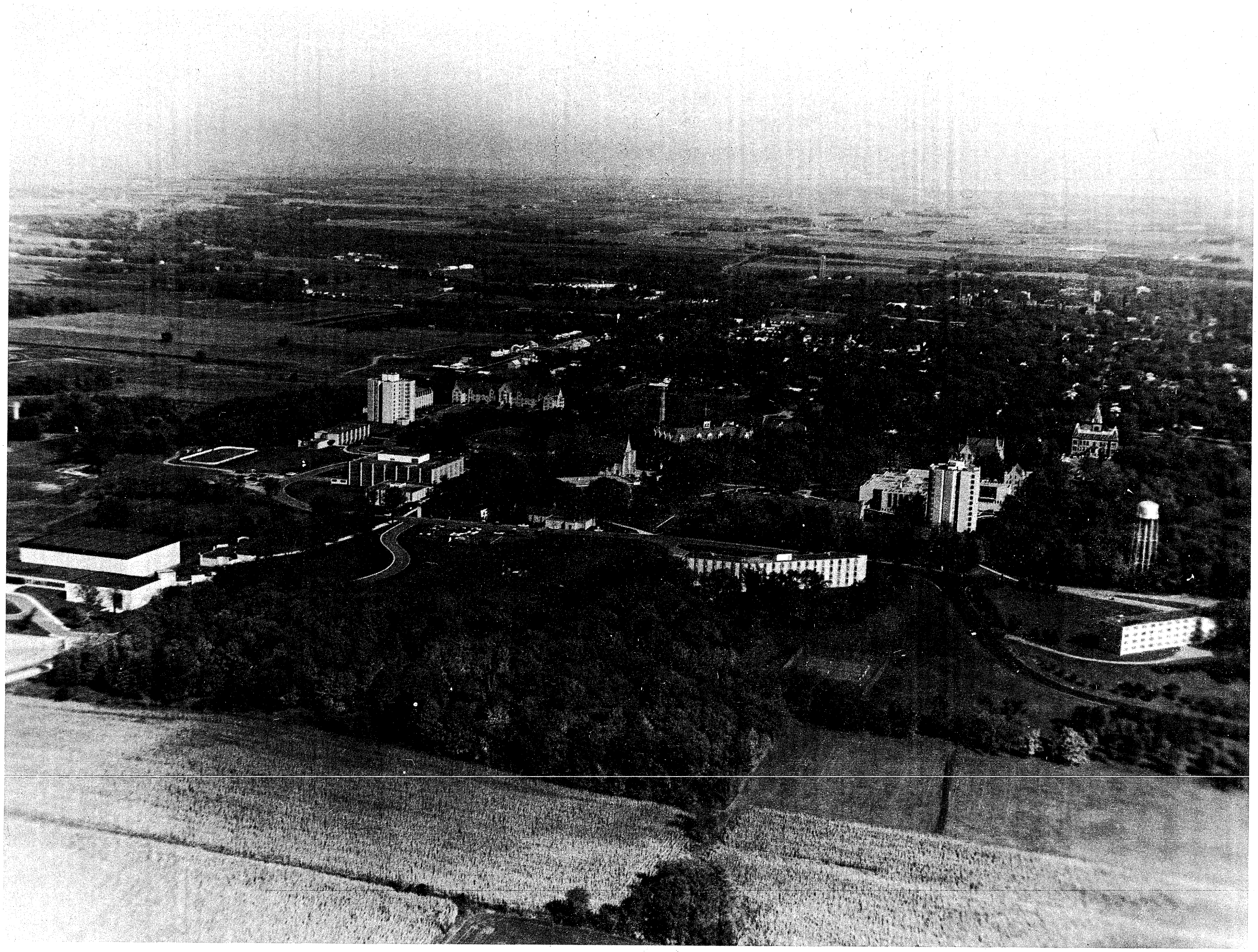


When you visit St. Olaf you will probably see the College long before you arrive. The 350-acre St. Olaf campus crowns a wooded hill called Manitou Heights on the western edge of Northfield, and the skyline is dominated by twin ten- and twelve-story residence hall towers.

If you're coming by car, Minnesota Highway 19 is the route to find. It runs along the southern edge of the campus just west of the Northfield city limits. Three blocks north of Highway 19 St. Olaf Avenue runs right to the campus. Minnesota State Highway 3 intersects Highway 19 near the center of Northfield. The Highway 19 exit from Interstate 35W is about seven miles west of the campus.

Minneapolis and St. Paul are about 40 miles north of the St. Olaf campus — ordinarily a drive of less than one hour.





ST. OLAF COLLEGE

"Many influences have combined to make St. Olaf the institution it is today. Dedicated faculty members have contributed to its academic reputation. The rich St. Olaf tradition in music has gained world-wide renown for the College through its choirs and instrumental organizations. Originating in Norwegian immigrants' desire for higher learning, the College has made a significant contribution to American education in maintaining an academic center for the study of Scandinavian culture.

"Since 1874 the College had had six presidents: the Reverend Thorbjorn N. Mohn, who was first the principal of St. Olaf's School and then the president of St. Olaf College until 1899; Dr. John N. Kildahl, 1899-1914; Dr. Lauritz A. Vigness, 1914-1918; Dr. Lars W. Boe, 1918-1942; Dr. Clemens M. Granskou, 1943-1963; and Dr. Sidney A. Rand, who became president in 1963.

STUDENT LIFE

"St. Olaf College relies on students to order their own lives within the policies established by the College. Therefore the emphasis of the residential environment is on the development of individual and group responsibility hopefully resulting in a consideration for others and respect for the dignity of every human being. Through increased responsibility a student should be better able to accomplish academic, social and personal objectives. The College strives to foster personal responsibility through its residence hall climate, student government, judicial system, and through multiple areas of services available to all students. . .

Housing

"As far as accommodations will permit, all students must room in the college residence halls. It is understood that these housing commitments will be binding for the entire academic year. Freshmen are required to live in designated freshman housing units. When the residence halls are filled, the Deans will set the procedure for off-campus housing.

"Men and women are not permitted to room off campus at the same houses. Men and women are permitted to visit one of the other sex in private rooms in College-owned housing only within the limitations of the College intervisitation policy.

"Each residence hall and College house may determine its intervisitation hours within the limitations set forth by College policy: Noon to midnight Sunday through Thursday; noon to 1:00 a.m. Friday and Saturday.

"Eight residence halls are co-ed with men and women housed in the same building on alternate floors. One residence hall is for women only and one for men only.

"It is understood that college officers or their designated representatives may have access to student rooms for the following reasons: concern for health and welfare of the occupant, repair and maintenance, search for stolen articles, or enforcement of college regulations. . .

Board

"All meals will be served in the college cafeteria located in the St. Olaf Center. Students who live off-campus must take at least one meal in the College cafeteria unless they are married or living with their parents."

GENERAL INFORMATION

The College offers the degrees of:

Bachelor of Arts
Bachelor of Music
Bachelor of Science in Nursing

It is accredited by the North Central Association of Colleges and Secondary Schools, the National Association of Schools of Music, and the American Chemical Society, among others.

A chapter of Phi Beta Kappa was establised at the College in 1949.

Past and projected full-time fall enrollments for St. Olaf are:

Past	1970-71	2,659
	1971-72	2,633
	1972-73	2,718
	1973-74	2,703
	1974-75	2,727
Projected	1975-76	2,760
	1976-77	2,760
	1977-78	2,760
	1978-79	2,760
	1979-80	2,760

The College has accepted applications for an enrollment of 2,760 for the academic year 1975-76 commencing September, 1975 and is rejecting any further applications.

In 1969 the College commenced operation of an innovative program called "Paracollege". It is a distinct academic unit within the College which employs the tutorial approach allowing individualized studies and progress. The faculty's appraisal of the program to date is that it has successfully met the needs of students who need to, and are able to, operate outside of the more structured academic program of the general college.

St. Olaf and its neighbor, Carleton College, have a cooperative agreement enabling students to take courses on either campus.

Although internationally known for its famed a cappella choir St. Olaf has established an enviable reputation in other fields, particularly the sciences and mathematics.

St. Olaf is headed by Dr. Sidney A. Rand who has been its president since 1963. Dr. Rand received his Bachelor Arts Degree from Concordia College, Moorhead and his C. T. from Luther Theological Seminary in St. Paul. He has taken academic work at the Union Theological Seminary in New York and the University of Chicago. He is an ordained Lutheran minister who has also been president of Waldorf College in Forest City, Iowa. He is on the Board of Directors of North American Life and Casualty Company, the Board of Trustees of Fairview Community Hospitals (Minneapolis) the Board of Directors of the Northfield National Bank and the Board of Directors of the Association of American Colleges.

BOARD OF REGENTS

Officers

Chairman	Howell P. E. Skoglund
Vice Chairman	Oscar J. Husby
Secretary	Sidney A. Rand
Assistant Secretary	David E. Johnson
Treasurer	Stanley L. Ness

Ex-Officio

Sidney A. Rand, 1963-
President, St. Olaf College
Northfield, Minnesota

Term Expires in 1976

Patricia Hamar Boldt, 1974-
Appleton, Wisconsin
Paul K. Glasoe, B.A., Ph.D., 1966-
Professor of Chemistry and Department Chairman
Wittenberg University
Springfield, Ohio

Donald C. Hegnes, 1970-
Manager, Architectural and Construction Services, Glass Division
PPG Industries, Inc.
Pittsburgh, Pennsylvania

Leonard C. Hoeft, 1970-
President, Ziegler Inc.
Minneapolis, Minnesota

Raymond C. Schweigert, 1964-
Chairman of the Board, Schweigert Meat Company, Inc.
Minneapolis, Minnesota

Howell P. E. Skoglund, 1956-
Chairman, Executive Committee
North American Life and Casualty Company
Minneapolis, Minnesota

Term Expires in 1977

B. Kristine Olson Johnson, 1973-
Director of Corporate Employment, Cargill, Inc.
Minneapolis, Minnesota

Term Expires in 1978

Dean L. Buntrock, 1972-
Chairman of the Board, Waste Management, Inc.
Oak Brook, Illinois

Oscar J. Husby, 1966-
President, Ambassador Motor Hotel
Minneapolis, Minnesota

Kenneth F. Julin, 1964-
President, Custom Component Switches, Inc.
Chatsworth, California

Orval L. Perman, 1970-
Proprietor, Perman's, Inc.
Northfield, Minnesota

James R. Peterson, 1974-
President, The Pillsbury Company
Minneapolis, Minnesota

Helen M. Thal, 1972-
Professor of Home Economics Education,
College of Education
Pennsylvania State University
University Park, Pennsylvania

THE AMERICAN LUTHERAN CHURCH

St. Olaf College is affiliated with The American Lutheran Church. The ownership of the College is vested in a corporation whose membership is the voting membership of the general convention of The American Lutheran Church together with members of the College Board of Regents and representatives of the College faculty and administration.

The College is related to The American Lutheran Church through the Division of the College and University Services.

Approval of the Division of College and University Services and the Board of Trustees of the Church in connection with financing the construction of the music building has been obtained.

For the fiscal year ended June 30, 1974 the College received funds for current purposes of $202,356.95 from The American Lutheran Church. In addition it received $13,202.35 for plant funds. For the fiscal year ending June 30, 1975 these amounts were $212,374.84 and $8,525.76 respectively.

TUITION

Tuition for the school year 1975-76 will be $2,600 and room and board will be $1,200; the health service fee will be $25 for a total of $3,825 for both semesters of the school year. This is an increase of approximately 5% over the charges of the previous year.

The College reports that about one-half of its students receive some financial assistance from the College and outside sources.

EMPLOYEES

The College has a full-time teaching staff of 188 plus 50 part-time persons. Its equivalent full-time teaching staff is 202. The student/teacher ratio is approximately 14.5:1. The total number of employees is 588, 35—40 of which are administrative.

The average salaries, plus fringe benefits, of the teaching staff are:

Professor	$23,824
Associate Professor	$18,577
Assistant Professor	$14,105
Instructor	$11,480
Average	$16,995

None of the employees of the College are unionized and there are no pending salary negotiations.

ENDOWMENT FUNDS AND FUND DRIVES

As of June 30, 1975 St. Olaf had endowment funds and funds functioning as endowment funds totaling $4,465,258. Of this total $2,250,222 is unrestricted as to purpose.

The College is currently engaged in its Centennial Fund drive to raise $9,500,000 which officials of the College report they are confident of achieving. The proceeds of this drive will be used as follows:

New construction	$5,000,000
Funds for general support	$3,000,000
Endowment	$1,000,000
Venture funds	$ 500,000
Total	$9,500,000

As of July 31, 1975, 7,888 donors had pledged or contributed a total of $9,100,000.

At the time the College raised $11.4 million with its Forward Fund in the mid 1960's its attrition of pledges was only $62,000 of which $40,000 was a gift from a donor who died prior to its due date.

PHYSICAL PLANT

Following is a tabulation of the buildings on the campus together with pertinent data relative to them. The replacement costs shown are as of July 1, 1975 and were furnished by Alexander & Alexander Inc., insurance brokers.

Building	Use	Capacity	Construction Dates	Original Cost	Replacement Cost
Old Main	Academic		1877	$ 43,379.40	$ 568,300.00
Ytterboe Hall	Dormitory	223	1900-53-54-68	254,053.98	1,409,600.00
Steensland Library	Academic		1902	12,500.00	143,400.00
Gymnasium	Academic		1919	152,359.23	1,059,000.00
Holland Hall	Academic		1925-70	1,202,652.17	3,542,000.00
Music Hall	Academic		1926	117,516.03	826,300.00
Heating Plant	Heating Plant		1923-50-59-67	1,838,889.10	3,976,000.00
Agnes Mellby Hall	Dormitory	192	1938	273,732.90	2,020,000.00
Rolvaag Memorial Library	Academic		1942-67	1,218,038.77	4,284,000.00
Health Services Building	Health Service and offices		1907	6,000.00	84,500.00
Radio Building and Tower	Radio Broadcasting		1931-49-69	188,463.71	655,900.00
Flaten Hall	Academic		1932-47-56	427,748.19	890,300.00
Thorson Hall	Dormitory	222	1947	635,695.54	2,667,000.00
Classroom Annex	Academic		1947	20,000.00	111,500.00
Ytterboe Annex	Academic		1947-68	15,855.35	91,326.00
Hilleboe Hall	Dormitory	117	1951	555,392.82	1,580,000.00
Boe Memorial Chapel	Academic		1954	701,605.60	1,845,000.00
Lincoln Court	Athletics		1946	16,099.58	42,300.00
Shop & Grounds Warehouse	Storage		1956	7,968.27	15,730.00
Kittelsby Hall	Dormitory	160	1958	627,908.61	1,413,000.00
Kildahl Hall	Dormitory	168	1958	544,379.59	1,225,000.00
St. Olaf Center	Food Service Bookstore Recreation		1961	1,552,415.23	3,930,000.00
Administration Building	Offices		1961-66	504,744.94	999,500.00
Ellingson Hall	Dormitory	198	1961	927,686.13	1,951,000.00
Hoyme Hall	Dormitory	210	1961	923,280.28	2,035,000.00
Agnes Larson Hall	Dormitory	292	1964	1,574,555.48	3,350,000.00
Mohn Hall	Dormitory	296	1964	1,400,444.52	2,980,000.00
**Skoglund Athletic Center	Academic		1968	2,793,693.16	6,015,300.00
**Science Center	Academic		1969	3,482,917.78	6,502,000.00
Manitou Cottage	Dormitory	12	1901-55	10,500.00	104,200.00
Thompson House	Dormitory	13	1906*	6,085.97	47,200.00
Marie Aaker House	Dormitory	8	1929*	9,353.47	39,000.00
Lincoln Inn	Dormitory	10	1943*	7,150.00	58,800.00
Forest Inn	Dormitory	9	1930*	20,477.60	55,070.00
Schmidt House	Dormitory	10	1961*	21,837.34	52,150.00
Flaten House	Dormitory	7	1965*	30,000.00	49,150.00
St. John's House	Dormitory	13	1967*	19,000.00	46,200.00
				$22,144,380.74	$56,664,726.00

*Acquisition date
**Each of these was constructed from grants, gifts and funds on hand without the necessity of borrowing.

GENERAL FINANCIAL CONDITION

With the exception of the two years 1968-69 and 1969-70 St. Olaf has operated with balanced budgets. The accumulated deficits of those two years were eliminated in the next two years.

A complete audit is enclosed.

LONG–TERM INDEBTEDNESS

The College has $4,979,000 of principal outstanding as of August 1, 1975. This is in one issue of five series, the $6,172,000 St. Olaf College Dormitory and Student Union Construction and Refunding Bonds, Series A, B, C, D and E of 1963, held by the United States of America Housing and Home Finance Administrator, or his successor. The proceeds were used for the construction of dormitories and a college center building. The bonds are general obligations of the College and are a first lien on the net revenues of the dormitories: Kittelsby Hall, Hilleboe Hall, Kildahl Hall, Thorson Hall, Ellingson Hall, Hoyme Memorial Hall and Agnes Mellby Hall, and of the St. Olaf Center.

The trustee for these obligations is the First National Bank of Minneapolis which has the indenture available for inspection as does the College.

The principal payments, interest rates and annual debt service (see note following schedule as to method of computation) are set forth in the following schedule:

ST. OLAF COLLEGE LONG–TERM DEBT
$6,172,000 ST. OLAF COLLEGE DORMITORY AND STUDENT UNION CONSTRUCTION BONDS OF 1963
SERIES A, B, C, D, and E

Fiscal Year *	Principal Series A 2¾%	Series B 3%	Series C 2-7/8%	Series D 3-1/8%	Series E 3½%	Total Interest	Total Debt Service
1964	$ 17,000	$ 11,000	$	$ 25,000	$	$ 203,103.33	$ 256,103.33
1965	18,000	12,000		25,000		197,298.75	252,298.75
1966	18,000	12,000		25,000	40,000	195,662.50	290,662.50
1967	19,000	12,000		25,000	40,000	192,612.50	288,612.50
1968	19,000	13,000		25,000	40,000	189,548.75	286,548.75
1969	20,000	13,000		30,000	40,000	186,441.25	289,441.25
1970	21,000	13,000		30,000	40,000	183,150.00	287,150.00
1971	21,000	14,000		30,000	50,000	179,845.00	294,845.00
1972	22,000	14,000		30,000	50,000	176,146.25	292,146.25
1973	22,000	15,000		30,000	50,000	172,433.75	289,433.75
1974	23,000	15,000		30,000	50,000	168,677.50	286,677.50
1975	24,000	15,000		35,000	50,000	164,893.75	288,893.75
1976	24,000	9,000	7,000	35,000	50,000	160,940.00	285,940.00
1977	25,000		16,000	35,000	60,000	156,951.25	292,951.25
1978	26,000		17,000	35,000	60,000	152,596.25	290,596.25
1979	26,000		17,000	35,000	60,000	148,198.75	286,198.75
1980	27,000		18,000	40,000	60,000	143,787.50	288,787.50
1981	28,000		18,000	40,000	60,000	139,163.75	285,163.75
1982	28,000		19,000	40,000	70,000	134,526.25	291,526.25
1983	29,000		19,000	40,000	70,000	129,496.25	287,496.25
1984	30,000		20,000	45,000	70,000	124,438.75	289,438.75
1985	31,000		21,000	45,000	70,000	119,168.75	286,168.75
1986	32,000		21,000	45,000	80,000	113,842.50	291,842.50
1987	33,000		22,000	50,000	80,000	108,138.75	293,138.75
1988	34,000		22,000	50,000	80,000	102,222.50	288,222.50
1989	34,000		23,000	50,000	90,000	96,292.50	293,292.50
1990	35,000		24,000	55,000	90,000	89,970.00	293,970.00
1991	36,000		24,000	55,000	90,000	83,435.00	288,435.00
1992	37,000		25,000	55,000	90,000	76,872.50	283,872.50
1993	38,000		26,000	60,000	100,000	70,253.75	294,253.75
1994	39,000		27,000	60,000	100,000	63,072.50	289,072.50
1995	41,000		27,000	60,000	110,000	55,821.25	293,821.25
1996	42,000		28,000	65,000	110,000	48,178.75	293,178.75
1997			29,000	65,000	110,000	40,915.00	244,915.00
1998			30,000	70,000	120,000	34,200.00	254,200.00
1999				70,000	120,000	26,950.00	216,950.00
2000				70,000	130,000	20,562.50	220,562.50
2001					130,000	13,825.00	143,825.00
2002					130,000	9,275.00	139,275.00
2003					135,000	4,725.00	139,725.00
Total	$919,000	$168,000	$500,000	$1,610,000	$2,975,000	$4,677,633.33	$10,849,633.33

Total Remaining Principal, August 1, 1975 to Final Maturity	$4,979,000	
Net Operating Margin of all Residence Halls for Fiscal Year 1974-1975		$636,933.34
Less Mandatory Transfers for Debt Service		291,697.24
Excess of Revenue Over Expenditures and Mandatory Transfers		$345,236.10

*Fiscal year ends June 30 of year shown. Series A principal payments actually mature December 1 of year preceding year shown. Series B, C, D and E principal payments mature April 1 of year shown.

FUTURE INDEBTEDNESS

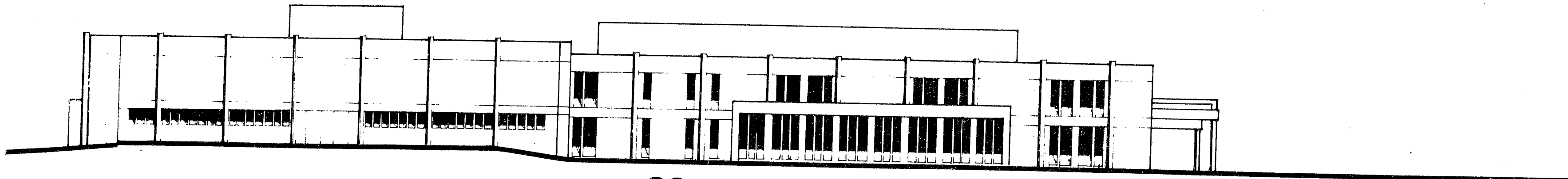
Although the College foresees the necessity of renovation of its Old Main, the original building of the campus and the conversion of what is now used as a gymnasium for women into an academic facility it does not have any definitive plans at this time for additional long-term debt.

THE PROJECT

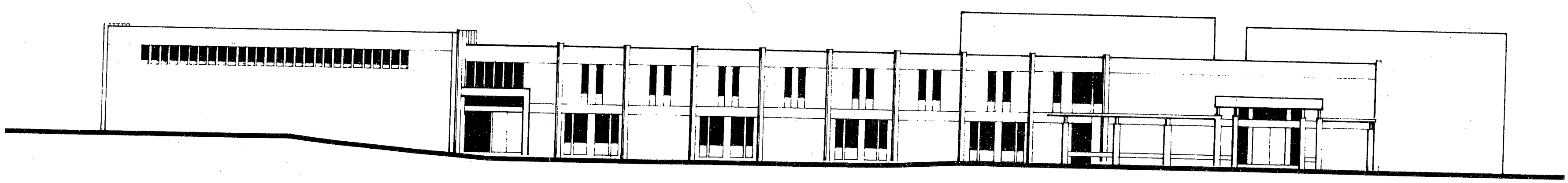
The proceeds of the Issue will be used to construct a new 63,200 square foot music hall which will include two large instrumental rehearsal halls, a choral rehearsal hall, a 400-seat recital hall, a music library, classrooms, offices, and practice and teaching studios. Construction was commenced in September, 1974 and is expected to be completed by August 1, 1976. The general contractor, Gunnar I. Johnson & Son, is committed to a maximum cost of construction. The total cost of the Project is expected to be:

General Contract	$2,455,223
Heating	667,082
Electrical	275,908
Site Improvements	140,405
Total Construction	$3,538,618
Architectural and Engineering Services	274,712
Contingency	31,000
Furnishings	294,500
Total	$4,138,830
Less Funds on Hand (from Centennial Fund)	2,138,830
Bond Proceeds	$2,000,000

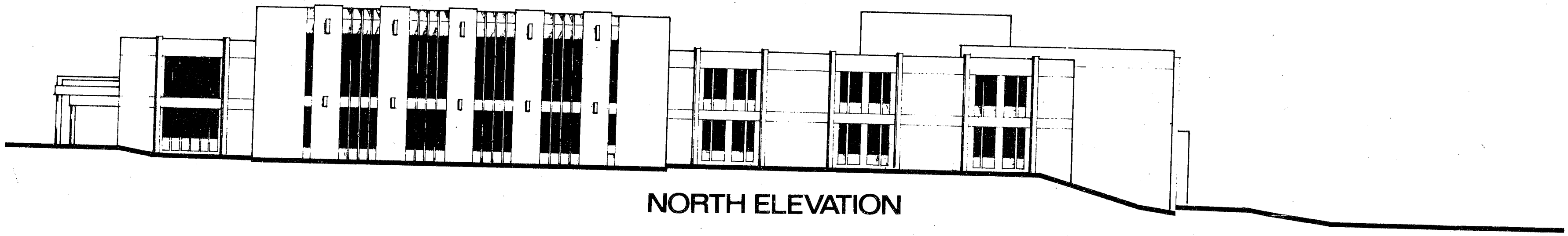
THE NEW MUSIC BUILDING



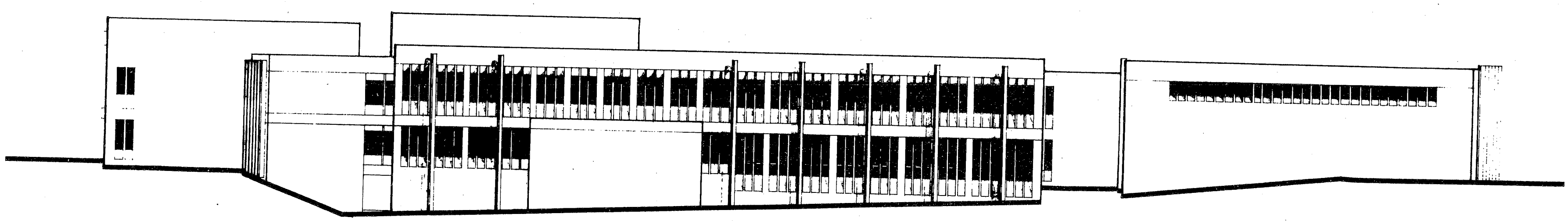
SOUTH ELEVATION



EAST ELEVATION



NORTH ELEVATION



WEST ELEVATION

SECURITY

The Bonds shall be secured by:

1. The full faith and credit of the College.
2. A first mortgage lien upon the land and building of the Project to be constructed with the proceeds of the Bonds.
3. A first lien on the base rents and other income payable pursuant to the Lease.
4. A Series Reserve of $213,703.34
5. The General Reserve of the Authority which with this Issue will total $599,682.67. This General Reserve is pledged for all outstanding bonds of the Authority.
6. A pledge by the College to charge tuition fees, other fees, rentals and charges sufficient to provide monies required by the Lease.

The Bonds do not represent a debt or pledge of the faith or credit of the State of Minnesota.

INVESTMENT OF BOND ACCOUNTS

By the provisions of the Mortgage Trust Indenture the Trustee shall, upon request by the Authorized Institution Representative or the Authority, invest monies on deposit in the:

Bond and Interest Sinking Fund Account
Debt Service Reserve Account
Redemption Account

Investments for these Accounts may be in any of these:

Direct obligations of, or obligations fully guaranteed, by the United States of America
Certificates of Deposit of banks or trust companies having a combined capital and surplus of at least $10,000,000
Securities issued by the following agencies of the United States:

Federal Home Loan Banks
Federal Intermediate Credit Banks
Federal Land Banks
Banks for Cooperatives
Federal National Mortgage Association

The General Bond Resolution permits the Authority to invest monies in the General Bond Reserve Account in:

Direct Obligations of the United States of America
Certificates of Deposit or Time Deposits secured by direct obligations of the United States of America
Such other securities as are eligible for investment of public funds of the State of Minnesota or of municipalities of the State

All investments are limited by arbitrage provisions of the Internal Revenue Code and regulations thereunder.

Yields from funds invested by the Trustee may be used for abatement of Base Rent payments, but those from investment of the General Bond Reserve Account may not. The latter will remain in the General Bond Reserve Account, except that at such time as the Bonds for an institution have been fully retired and all amounts required to be paid by the institution have been paid, the Authority will rebate to the institution its proportionate share of both its original contribution and earnings of the General Bond Reserve Account in proportion to its contribution less a proportionate charge for unrecovered advances. In the event that the amount in the General Bond Reserve Account at any time exceeds the total sum of all debt service, for which the funds of the Account are pledged, in each subsequent year such excess may also be rebated proportionately.

CASH FLOW

As Required:

First:	To the Bond and Interest Sinking Fund Account
Second:	To the General Bond Reserve Account
Third:	To the Series Debt Reserve Account
Fourth:	To the Redemption Account

Except, that in the event the Authority or Trustee takes possession of the Project by reason of the Institution's default the second priority will be to an Operation and Maintenance Account for payment of current expenses of the Project. In this event the priority of each of the other Accounts except that of the Bond and Interest Sinking Fund Account will be one step lower than stated above.

ACCOUNTS

1. Construction Account –	The Trustee will pay the costs of the Project from it. All Bond proceeds, except the sum of $267,129.17 and accrued interest, will be deposited into this account at the time of the Bond closing.
2. Revenue Fund Account –	All pledged revenues will be deposited in this Account.
a. Bond and Interest Sinking Fund Account	Base Rent payments pursuant to the Lease will be deposited at least five business days prior to the interest payment dates of the Bonds. At the time of closing accrued interest will be deposited in this Account.
b. Operation and Maintenance Account	No payments will be made to this Account so long as the Institution shall not be in default. But, in the event the Authority or Trustee assumes operation of the Project, revenues remaining after debt service will be paid into it to meet operational costs.
c. Debt Service Reserve Account	For payment of principal and interest the sum of $213,703.34 will be placed in this Account from Bond proceeds at closing.
d. Redemption Account	Any revenues received which are not otherwise committed will be paid into this Account. Funds in it will be available to maintain required balances in other Accounts and to purchase or redeem Bonds. No specific amounts are required.
3. General Bond Reserve Account	This Account will be maintained by the Authority for debt service, if needed, for <u>any</u> Bonds of the Authority for which a deposit has been made in the Account. The amount of $53,425.83 will be placed in this Account at closing from Bond proceeds. No institution is responsible for replenishment of this Account except for withdrawals on its behalf.

AGREEMENTS AND SECURITY

Agreement

The Authority and the Institution will enter into an Agreement attached to which as exhibits will be the forms, subject to completion, of the Deed, the Lease, the Indenture, the General Bond Resolution, the Series Resolution and the Guaranty Agreement referred to below, as well as the Official Statement, a Financing Statement for filing under the Uniform Commercial Code and a Schedule of Closing Documents. By the Agreement, the College represents among other things that the Application previously filed by the College and approved by the Authority is true and complete in all respects. In the Application materials and in the Lease, the College represents, and the Authority has found, that the College is a nonprofit institution of higher education eligible for financial assistance under Chapter 868, Minnesota Laws of 1971, as amended, that the project is eligible for financing under the Act, and that the College is nonsectarian and does not discriminate in its admission policies or programs on account of religion, race, color, creed or national origin.

The Agreement provides for the award of sale of the Project Bonds by the Authority, in its discretion, provided the Institution concurs or does not object before the award is made; the execution of the closing documents; the issuance and sale of additional parity lien bonds, in the discretion of the Authority, if necessary to pay additional Project costs; for the completion of Project construction pursuant to construction contracts previously made by the Institution as agent of the Authority, with approved changes, and for operation of the Project by the Institution under the Lease and as agent of the Authority pursuant to the Act. Under the Agreement, the Institution agrees to register or qualify the Bonds under the securities act of any state other than Minnesota, or to cooperate in the registration of qualification, at the request and expense of the underwriters. By the Agreement, the Institution assigns to the Authority its interest in and proceeds of the project construction contracts, Project gross revenues, and the Leased Equipment.

Deed, Lease and Mortgage Trust Indenture

At or prior to closing, the Institution will execute, deliver and record a warranty deed conveying the Project and site thereof, and appurtenant easements, to the Authority. At closing, the Institution shall procure and delivery to the Authority and Bond Counsel a title insurance binder (or unless otherwise required by the Authority an opinion of counsel as to title) satisfactory to the Authority and Bond Counsel covering the Project site and any easements specified in the Deed or Indenture.

At or prior to closing, the Authority as lessor and the College as lessee will execute and deliver a net Lease with repurchase options, for a lease term expiring at the last Bond maturity date, providing for Base Rent payments sufficient to pay principal of and interest on the Bonds. The Authority will also execute to the Trustee and record a Mortgage Trust Indenture mortgaging the Project land and buildings and leased equipment and also assigning the Authority's interest in the Lease (except for certain additional rent representing the Authority's annual fees) to secure the Bonds. Reference is made to the copies of the Lease and Mortgage Trust Indenture, enclosed herewith in the form attached to the Agreement and subject to completion, for a complete statement of their respective terms, covenants and conditions.

General Bond Resolution; Series Resolution and Guaranty

The General Bond Resolution of the Authority was adopted October 31, 1972 to create the General Bond Reserve Account and to establish the terms of the pledge of that Account to bonds of the Authority. The Series Resolution is to be adopted by the Authority when the sale of the Bonds is awarded.

At or prior to closing, the College will execute and deliver a Guaranty Agreement to the Trustee guaranteeing paying of the Bonds.

The General Bond Resolution, the Series Resolution and the Guaranty Agreement have been or are to be adopted or executed, subject to completion, in substantially the following forms:

GENERAL BOND RESOLUTION OF THE
MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY
ADOPTED OCTOBER 31, 1972

BE IT RESOLVED by the MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY, as follows:

1. Purposes and Definitions. The Minnesota Higher Education Facilities Authority (the "Authority"), an agency of the State of Minnesota created and existing under Chapter 868 of the regular session Laws of Minnesota of 1971 (the "Act"), will issue and sell from time to time revenue bonds pursuant to the Act to finance the construction, reconstruction, acquisition, improvement, alteration, equipping and furnishing Projects (as such term is defined in the Act) and sites therefor at participating nonprofit institutions of higher education covered by the Act (an "Institution") and refinancing obligations incurred for such purposes and refunding such revenue bonds (the "Bonds"). The Authority will issue such Bonds in several series, and each series of such revenue Bonds will be issued pursuant to a series resolution (the "Series Resolution") and will be secured by a mortgage trust indenture (the "Indenture") between the Authority and a bank or other qualified corporate Trustee (the "Trustee") on the Project and site thereof and movable equipment (if any) acquired from the proceeds of the Bonds and will be payable primarily from rentals payable under a lease (the "Lease") by the Institution to the Authority for the use of the Project facilities. With respect to each series of bonds and Project, the Authority will enter into a preliminary Agreement with the Institution (the "Agreement") providing, among other things, for the conveyance of the Project site and/or facilities to the Authority, the sale of the Bonds of the series, construction or acquisition of the Project, and the form and terms of the Series Resolution, Indenture and Lease. The purpose of this General Bond Resolution is to provide the terms and conditions (unless amended as herein set forth) on which the Authority may pledge to the Bonds of a series, ratably and on a parity with Bonds of other series then outstanding or thereafter issued, the funds and investments in the General Bond Reserve Account and to provide the terms and conditions of such pledge to and covenants with the Trustee for the benefit of the holders of the Bonds and coupons. Revenue Bonds of the Authority secured by the General Bond Reserve Account, as provided in this General Bond Resolution, are herein called "common fund Bonds" and those not so secured are called "special series Bonds". The Authority has established and hereby confirms the policy to issue revenue Bonds as common fund Bonds to the extent possible in order to improve the marketability and security of the Authority's revenue Bonds but reserves the right to issue special series Bonds, from time to time, when it seems desirable or equitable to the Authority to do so.

2. General Bond Reserve Account. The Authority hereby determines and, so long as any of the common fund Bonds are outstanding, covenants and agrees with each Trustee under an Indenture securing common fund Bonds, as follows:

a. Establishment. The Authority shall establish and maintain a special and separate account and fund to be known as the "General Bond Reserve Account" in a bank or banks having a minimum capital and surplus of at least $5,000,000, qualified to act as a depository of state funds, qualified to act as a corporate trustee under the laws of the United States or State of Minnesota, and having an office or place of business in the State of Minnesota (herein sometimes called the "Bank"). The officers and representatives of the Authority authorized to deposit and withdraw funds from the General Bond Reserve Account and to purchase, sell or transfer securities for the General Bond Reserve Account shall be bonded by fidelity bonds or insurance in such amounts and under such terms as the Authority shall determine with due regard to the amount of funds and investments in the General Bond Reserve Account and the several responsibilities of such officers and representatives and the Bank. The Authority may enter into such agreements with the Bank with respect to the investment and safekeeping of the funds and investments in the General Bond Reserve Account as the Authority shall deem appropriate.

b. Deposits. There shall be deposited in the General Bond Reserve Account, promptly when received, the following revenues of the Authority: (i) Proceeds from the sale of the common fund Bonds as provided in the applicable Series Resolution. (ii) All moneys received by the Authority from an Institution as consideration for the exercise of an option to purchase a Project or part thereof after the principal of common fund Bonds or special series Bonds, premium thereon (if any), interest thereon, advances and expenses of the Trustee and Authority (if any), and the fees of the Trustee with respect to such series of common fund Bonds or special series Bonds have been paid or provided for. (iii) The net revenues and income, as determined by the Authority, and after allowance for repairs, replacements and improvements in such amounts as the Authority shall from time to time deem necessary, realized from the operation of a Project by the Authority after expiration of the lease term with respect thereto and after payment of the Bonds issued on account of such Project, premium thereon (if any), interest thereon, advances and expenses of the Trustee and Authority (if any), and the fees of the Trustee with respect to such Project common fund Bonds or special series Bonds has been made or provided for. (iv) The net proceeds realized from the sale of a Project or part thereof, as determined by the Authority, after expiration of the lease term with respect thereto and after payment of the Bonds issued on account of such Project, premium thereon (if any), interest thereon, advances and expenses of the Trustee and Authority (if any) and fees of the Trustee with respect to such Project common fund Bonds or special series Bonds has been made or provided for. (v) All other funds received by the Authority except (A) application fees, the initial fee (1/3 of 1% of the original amount of Bonds sold, or such other percentage or amount as the Authority shall determine) and the annual administrative fee (1/8 of 1% of the original amount of Bonds sold, or such other percentage or amount as the Authority shall determine, to be collected as Additional Rent under a Lease) charged Institutions to provide operating funds for the Authority as authorized by Section 5(u) of the Act, (B) any taxes paid or appropriations of state funds made to the Authority, (C) revenues or income or other funds pledged to the payment of outstanding common fund Bonds or special series Bonds or for the payment of expenses or advances in respect of the Project or establishment or maintenance of reserves under the Indenture relating thereto and (D) any other revenues, income, funds or property restricted or dedicated to some other purpose.

c. Investments. Moneys in the General Bond Reserve Account may be invested and reinvested in direct obligations of the United States of America or in certificates of deposit or time deposits secured by direct obligations of the United States of America or in such other securities, if any, as the Authority may lawfully purchase and hold for investment purposes and which are then eligible for investment of public funds of the State of Minnesota or of municipalities of the State. The Authority covenants that investment of funds shall be limited as to amount and yield of investment in such manner that no part of any common fund Bonds shall be deemed "arbitrage bonds" under Section 103(d)(1) of the Internal Revenue Code of 1954 and regulations thereunder.

d. Advances. Whenever the principal of or interest on any common fund Bonds shall become due and there is not enough money (or investments from which money in the necessary amount can be realized) on deposit with the Trustee for payment of such principal or interest, the Authority pledges that it will advance to the Trustee from the General Bond Reserve Account amounts sufficient to pay such principal and interest. The Authority shall have the right, but not the obligation, to advance to the Trustee from the General Bond Reserve Account amounts not then due for principal or interest on any common fund Bonds but which is about to become due if, in the opinion of the Authority, it is necessary or desirable to make such advance to prevent a default of payment on the due date. For the purposes of this General Bond Resolution and any pledge of the General Bond Reserve Account to common fund Bonds (except as herein otherwise expressly provided) principal of any common fund Bond which has not reached its stated maturity date is not due regardless of any acceleration of the maturity date by reason of exercise of an option of prior payment by giving notice of redemption, or of an event of default, or for any other reason; the Authority may nevertheless, in its discretion, advance funds from the General Bond Reserve Account to pay the principal of any such Bonds which have been declared (and otherwise become) due and payable by reason of the giving of a notice of redemption, or event of default, or other reason, together with any premium due and accrued and unpaid interest. All advances by the Authority to the Trustee from the General Bond Reserve Account shall be promptly applied by the Trustee to the principal of and interest due on the Bonds and to the extent not so applied shall be returned to the Authority. All advances by the Authority under this paragraph shall bear interest at the rate of eight percent (8%) per annum until repaid by the Institution, or by the Trustee from funds received from the Institution or otherwise as part of the trust estate under the Indenture. All such moneys received by the Trustee from the Institution (except moneys paid to the Trustee for its expenses, advances and reasonable fees) and all revenues and income of the Project or proceeds from the sale or foreclosure of the Project received by the Trustee shall be applied, first, to the payment of any principal of or interest on the Bonds due or to become due within 30 days thereafter (including, if the trust estate has been foreclosed, principal which has been declared and has become due prior to stated maturity by reason of an event of default) and, second, to reimburse the Authority and the General Bond Reserve Account to the extent of the advance so made. Neither the Trustee nor the holders of any Bonds or coupons of common fund Bonds shall have any right to possession of the funds or investments of the General Bond Reserve Account or to direct the investment or reinvestment thereof or to sell or foreclose on the security interest and pledge granted to the common fund except to enforce advances in accordance with this General Bond Resolution and application of the moneys and investments in the General Bond Reserve Account ratably to the common fund Bonds and coupons from time to time issued and outstanding and observance of the covenants of the Authority contained in this General Bond Resolution in respect thereto.

e. Rebates to Institutions. Contributions from Bond proceeds (or other sources) to the General Bond Reserve Account by an Institution in accordance with the requirements of a Series Resolution applicable to a series of common fund Bonds remaining to the credit of a subaccount in the Institution's name, to be established on account of such series of common fund Bonds, shall be rebated to the Institution after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and after any advances, expenses, charges and fees of the Trustee and the Authority and all other amounts required to be paid under the Lease and the Indenture have been paid. At such time, the Institution shall also be entitled to receive its proportionate share of the earnings, if any, of the General Bond Reserve Account, as determined by the Authority. At such time or thereafter, the Authority shall further rebate to each Institution, when received, the Institution's proportionate share of any collections of advances made by the Authority from the General Bond Reserve Account and charged against the subaccounts of the Institution and other participating Institutions. No Institution shall be entitled to receive a rebate on account of any funds or investments derived from sources other than its contribution from Bond proceeds (or other sources) at the time of delivery of the Bonds, less charges against such contributions, plus a share of the earnings of the General Bond Reserve Account proportionate to its contribution, as provided in this General Bond Resolution.

f. Withdrawal of Excess Reserves. In the event the amounts of cash and investments in the General Bond Reserve Account exceed the amount of principal and interest to become due on common fund Bonds in any calendar year, the Authority may by resolution withdraw and expend for its general purposes moneys from the General Bond Reserve Account or rebate, prior to the end of the lease terms, proportionately to the several Institutions all or part of their contributions to the General Bond Reserve Account, provided that (i) the Authority shall not make withdrawals for its general purposes if, as a result thereof, the moneys and investments remaining in the General Bond Reserve Account shall not at least equal the aggregate of the contributions of the several Institutions and their respective shares of the earnings of such Account and (ii) after such withdrawal or rebate the amount of cash and investments remaining in the General Bond Reserve Account shall at least equal the maximum amount of principal and interest to come due in any calendar year on common fund Bonds.

g. Accounting and Other Binding Determinations by the Authority. The Authority shall have authority to determine all questions of (i) the availability and application of funds of the General Bond Reserve Account, (ii) the availability and sufficiency of the funds for the payment of principal and interest due on outstanding common fund Bonds, (iii) the investment and reinvestment of moneys in the General Bond Reserve Account, (iv) the collectibility and procedures to enforce the collection of advances made from the General Bond Reserve Account, (v) whether particular funds received by the Authority are required to be deposited in the General Bond Reserve Account, (vi) the amount of charges for advances and credits for earnings from investments to be made to the several subaccounts of the participating Institutions, (vii) the rates and fees to be charged by the Institution as agent for the Authority, the expenses to be incurred, insurance to be provided, equipment to be furnished and repairs and replacements to be made in connection with the operation of a Project by the Authority or an Institution, (viii) the option price, or prices, if any, to be charged by the Authority to an Institution for the sale or release of a Project or part thereof, (ix) the amount of any reserves or capitalized interest required (over and above the reserves required by paragraph 3(b) hereof) with respect to any Project or Bonds, (x) the cost and feasibility of any Project to be financed by common fund Bonds, (xi) adequacy of design, plans and specifications, performance and payment bonds, and procedures for construction of any Project and (xii) all other accounting questions and questions of interpretation and application of the requirements of the Act and this General Bond Resolution which determinations shall be binding upon each Institution, Trustee and holder of any Bonds or coupons unless made unreasonably or in bad faith or as a result of a mistake of fact or mathematical error. No member, officer, agent or counsel of the Authority shall be personally liable to the Authority or to any Institution, Trustee or holder of any Bonds or coupons by reason of any determination, recommendation or opinion relating to the operation of the General Bond Reserve Account made in good faith.

3. <u>Issuance of Common Fund Bonds</u>. Bonds, bond anticipation notes and other obligations of the Authority shall not be deemed common fund Bonds and shall not be secured by a pledge of the General Bond Reserve Account, unless:

a. The Authority shall specifically pledge to the Bonds of the series the General Bond Reserve Account by appropriate provision in the Series Resolution or the Indenture, and covenant to make advances in respect of the Bonds of such series in accordance with the terms of this General Bond Resolution; and

b. The Institution shall contribute from the proceeds of the Bonds of such series (or a series refunded by such series or other sources) in accordance with this General Bond Resolution and the Series Resolution (i) to the General Bond Reserve Account not less than twenty percent (20%) of the probable average annual principal and interest debt service requirements of the Bonds of such series after deducting the estimated annual interest subsidy, if any, to be provided by HUD, HEW or other federal department or agency, as determined or estimated by the Authority and (ii) to a debt service reserve fund to be held and used by the Trustee for payment of principal of and interest on the Bonds of such series not less than eighty percent (80%) of such probable average annual principal and interest requirements of the Bonds of such series as determined or estimated by the Authority; and

c. The Authority and the Institution enter into an Agreement and Lease whereby the Institution agrees to provide all funds (in addition to the Bond proceeds) needed for completion and operation of the Project and to pay base rent and additional rent sufficient to pay the principal of and interest on the Bonds of such series when due and all expenses of operation and maintenance of the Project and expenses of the Authority, Trustee and paying agent, in such form and with such additional provisions as the Authority may approve; and

d. The Authority executes and delivers to the Trustee an Indenture providing a first mortgage lien of record on the Project, subject to the Lease and such permitted encumbrances and in such form and with such terms and conditions and additional provisions and covenants as the Authority may approve; and

e. The Authority shall prescribe in the Series Resolution or Indenture: (i) The authorized principal amount of such series of Bonds, (ii) the name of the Institution and description of the Project for which such series of Bonds is being issued, (iii) the date, maturity dates and amounts of each maturity and the first and subsequent interest payment dates of the Bonds of such series, (iv) the interest rate or rates of the Bonds of such series, or the manner of determining such rate or rates, (v) the denomination or denominations of and the manner of numbering and lettering the Bonds of such series, (vi) the Trustee or the manner of appointing such Trustee for the Bonds of such series, (vii) the paying agent, if any, other than the Trustee, or the manner of appointing such paying agent, (viii) the redemption price or prices, if any, and the redemption terms, if any, for the Bonds of such series, (ix) provisions relating to the sale and delivery of such series, (x) directions for the application of the proceeds of the Bonds of the series, and (xi) any other provision deemed advisable by the Authority, which may include variations of this Resolution with respect to the Bonds to be issued under the Series Resolution and the Project financed thereunder; and

f. The Authority shall determine by the Series Resolution that the requirements of this General Bond Resolution have been met, which determination shall be binding on each Institution, Trustee and holder of the common fund Bonds then outstanding or thereafter issued as provided in paragraph 2(g).

4. Amendments and Consents.

a. The Authority reserves the right to amend this General Bond Resolution (i) at any time, in any respect, if no common fund Bonds are outstanding or if the holders of all the common fund Bonds consent thereto, (ii) at any time if the holders of at least sixty-five percent (65%) of the common fund Bonds of each series outstanding consent thereto in any respect except to extend the maturity or reduce the principal amount or redemption premium or rate of interest of any common fund Bonds, or to create a lien or pledge on the General Bond Reserve Account or any funds or investments therein ranking prior to any outstanding common fund Bonds or to give a preference or priority of any common fund Bond or Bonds outstanding with respect to the General Bond Reserve Account or funds or investments therein, and (iii) at any time, to cure any ambiguity or formal defect in this General Bond Resolution or amendment hereof or to grant any additional rights, remedies, powers, authority or security to the Trustee or Trustees for the benefit of the holders of the common fund Bonds.

b. Consents of holders of outstanding common fund Bonds may be evidenced by a consent or consents in writing of the holder or holders or adopted at a meeting of bondholders in the same manner as may be provided in the Indenture for the Bonds of such series for execution of instruments by bondholders or the holding of bondholders' meetings or, if not so provided, then in such manner as shall be deemed appropriate by the Authority, whose determination of the validity and sufficiency of any such consents shall be binding as provided in paragraph 2(g).

5. Issuance of Special Series Bonds. The Authority reserves the right and power in its discretion to issue special series Bonds at any time and from time to time not to be secured by the General Bond Reserve Account or the covenants and provisions of this General Bond Resolution. No special series Bonds so issued, or interest thereon, shall be entitled to any advance from or any lien on or security interest in the General Bond Reserve Account or cash or investments therein, but such special series Bonds and interest thereon shall be payable and shall be paid exclusively from the revenues of the Project and the Lease in respect of which such special series Bonds have been issued and as shall be provided in the Series Resolution, Indenture, Lease and Agreement in respect of such special series Bonds.

SERIES RESOLUTION

[Minnesota Higher Education Facilities
Authority First Mortgage Revenue Bonds,
Series P (St. Olaf College)]

BE IT RESOLVED by the Minnesota Higher Education Facilities Authority, as follows:

1. This Authority has received and considered bids for the sale of $2,350,000 First Mortgage Revenue Bonds, Series P (St. Olaf College), dated as of October 1, 1975 (herein called the "Bonds" or "Series P Bonds") and it is hereby found and determined that the best bid, providing the lowest net interest cost of % per annum, is the bid of ,
to purchase the Bonds at a price of $, plus accrued interest on the principal amount of $2,350,000 from the date of the Bonds to the date of bond delivery, bearing interest according to dates of maturity as follows:

Interest Rates	Dates of Maturity

2. This Authority does hereby approve, and St. Olaf College has heretofore approved and executed, an Agreement dated as of August 12, 1975 (hereinafter called the "Agreement"). As provided in paragraph 3 of the Agreement, the representatives of St. Olaf College have requested the Authority to award the sale of the Bonds to the lowest and best bidder as found in paragraph 1. The Authority does hereby award the sale of the Series P Bonds to the said bidder in accordance with the said bid, and the Chairman (or Vice Chairman) and Secretary of the Authority are authorized to execute the said Agreement and also to execute a contract of sale of the Series P Bonds with the said bidder. The good faith checks of all unsuccessful bidders shall be returned forthwith.

The Authority does hereby approve and St. Olaf College has heretofore approved the forms of the following Exhibits to the Agreement:

Exhibit 1 -- Deed of the Project site from the College to the Authority (the "Deed").

Exhibit 2 -- Lease of the Project from the Authority to the College, to be dated as of October 1, 1975, including as exhibits a description of the leased premises, a description of the leased equipment and permitted encumbrances (the "Lease").

Exhibit 3 -- Mortgage Trust Indenture, to be dated as of October 1, 1975, to , as Trustee, including as exhibits a description of the mortgaged premises and leased equipment (the "Indenture").

Exhibit 8 -- Financing Statement from St. Olaf College to the Authority to secure the payment of the base rent under the Lease (the "Financing Statement").

The Chairman (or Vice Chairman) and the Secretary of this Authority are authorized to execute and accept the said Deed and Financing Statement and to execute, seal and deliver counterparts of the said Lease and Indenture for and in the name of the Authority, with all such changes and insertions therein as the officers executing the same shall approve.

4. The Series P Bonds shall be in substantially the form set forth in the Indenture, and when printed shall be executed, sealed and delivered by the facsimile signatures of the Chairman (or Vice Chairman) and Secretary of the Authority and submitted to the Trustee for authentication, all as more fully provided in the said Indenture.

5. The proceeds of the Series P Bonds shall be deposited in the following accounts:

Into the General Bond Reserve Account to be kept and maintained by the Authority, as provided in the General Bond Resolution adopted October 31, 1972 -- $ 53,425.83

Into the Series P (St. Olaf College) Bond and Interest Sinking Fund Account, to be kept and used by the Trustee under the Indenture, all accrued interest received upon the sale of the Bonds -- (accrued interest)

Into the Series P (St. Olaf College) Debt Service Reserve Account to be kept and maintained by the Trustee under the Indenture -- $213,703.34

All other proceeds of the Bonds shall be deposited into the Construction Account with the Trustee under the Indenture to be used and paid out by the Trustee for Project costs in accordance with the Indenture and Lease.

6. As required by the provisions of Chapter 868 of the Laws of 1971, as amended (the "Act"), the officers of the Authority authorized to sign checks or otherwise handle funds of the Authority, including funds in the General Bond Reserve Account, shall furnish a surety bond, executed by a surety company authorized to transact business in the State of Minnesota, subject to approval of the Attorney General, prior to delivery of the Series P Bonds, which officers and the amounts of the surety bonds shall be as set forth in the separate resolutions adopted by the Authority on November 28, 1972.

7. The College has prepared and submitted to this Authority a form of Environmental Assessment relating to the Project described in the Agreement. The Authority hereby finds that the Project does not have a potential for significant environmental effects and that it is not necessary to file an Environmental Impact Statement and not necessary or desirable to file the form of Environmental Assessment with the Environmental Quality Council.

8. The Authority hereby finds and determines that the opinion of Messrs. Gray, Plant, Mooty & Anderson, as counsel for St. Olaf College, shall be accepted to evidence title to the Project site, and title insurance shall not be required.

9. As required by paragraph 3 of the General Bond Resolution adopted by the Authority on October 31, 1972:

(a) The Authority hereby pledges to the Series P Bonds (including the interest thereon) the funds and investments in the General Bond Reserve Account and hereby covenants to make advances in respect of the Series P Bonds in accordance with the terms of the General Bond Resolution and the Indenture.

(b) By the provisions of this Series Resolution and the Indenture, and by the execution and performance of the Agreement, the Lease and the Indenture, all requirements of the General Bond Resolution, required to authorize the pledge and covenant of subparagraph (a), have been met.

10. The terms and provisions of the said Agreement, Lease and Indenture and each resolution of the Authority heretofore adopted by the Authority relating to the Series P Bonds or the Project described therein and the application relating thereto are all hereby incorporated by reference and adopted, ratified and confirmed; and the officers of this Authority, Springsted Incorporated as fiscal consultants and Messrs. Faegre & Benson as bond counsel are hereby authorized and directed to execute and deliver all closing documents and do every other thing necessary or convenient to carry out the terms and provisions of the said Agreement and each exhibit thereto (including this Series Resolution) to the end that the Project shall be acquired and constructed and operated and that the Series P Bonds shall be delivered, secured and serviced and to carry out the purposes and provisions of the Act with respect thereto without further resolution or other action by this Authority.

Adopted: September , 1975.

Attest:

Secretary

Chairman

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT made and entered into as of October 1, 1975, (the "Guaranty"), by and between ST. OLAF COLLEGE, a nonprofit institution of higher education incorporated under the laws of the State of Minnesota having its principal office in the City of Northfield, Minnesota (the "Guarantor"), and   , a banking association duly organized, existing and authorized to accept and execute agreements of the character herein set out under and by virtue of the laws of the United States of America, and having its main office and place of business in   , Minnesota (the "Trustee"), together with any successor trustee, at the time serving as such under the Mortgage Trust Indenture dated as of the date hereof, and as the same may be amended or supplemented from time to time, between the Minnesota Higher Education Facilities Authority and Trustee (the "Indenture");

WITNESSETH:

WHEREAS, the Minnesota Higher Education Facilities Authority, an agency of the State of Minnesota having its principal office at 278 Metro Square Building, in St. Paul, Minnesota (the "Authority"), intends to issue its Minnesota Higher Education Facilities Authority First Mortgage Revenue Bonds, Series P (St. Olaf College) in the aggregate principal amount of $2,350,000 (the "Bonds"); and

WHEREAS, the Bonds are to be issued under and pursuant to the Indenture; and

WHEREAS, the proceeds derived from the issuance of the Bonds are to be applied to the acquisition, construction and equipping of a new music building (the "Project"), for the benefit of Guarantor; and

WHEREAS, the Project is to be leased to Guarantor by the Authority pursuant to the terms of a Lease Agreement dated as of the date hereof and as the same may be amended and supplemented from time to time (the "Lease"); and

WHEREAS, Guarantor is desirous that the Authority issue the Bonds and apply the proceeds as aforesaid and is willing to enter into this Guaranty in order to enhance the marketability of the Bonds and thereby achieve cost and other savings to itself and as an inducement to the purchase of the Bonds by all who shall at any time become holders of the Bonds;

NOW THEREFORE, in consideration of the premises and in order to enhance the marketability of the Bonds and thereby achieve cost and other savings to Guarantor and as an inducement to the purchase of the Bonds by all who shall at any time become holders of the Bonds, Guarantor does hereby, subject to the terms hereof, covenant and agree with Trustee as follows:

1. Guarantor hereby unconditionally guarantees to Trustee for the benefit of the holders from time to time of the Bonds and of the interest coupons appertaining thereto (a) the full and prompt payment of the principal of and premium, if any, on any Bond when and as the same shall become due, whether at the stated maturity thereof, by acceleration, call for redemption or otherwise, and (b) the full and prompt payment of any interest on any Bond when and as the same shall become due.

2. The obligations of Guarantor under this Guaranty shall be absolute and unconditional and shall remain in full force and effect until the entire principal of, premium, if any, and interest on the Bonds shall have been paid or funds sufficient for such payment shall have been deposited with the Trustee in trust for such purpose and such obligations shall not be affected, modified or impaired by any act, event or circumstance, including (without limitation) the following:

(a) Failure of notice of the acceptance hereof or of any action taken or omitted in reliance hereon or of any presentment, demand, protest or notice of any kind;

(b) Any default of the Authority or the Trustee in the performance of any obligations under the Lease or Indenture;

(c) Amendment or modification or supplementation of the respective obligations of the Guarantor, the Authority and the Trustee under the Lease and Indenture, including without limitation the extension of the time for payment of the principal of and interest on the Bonds;

(d) The release of or failure of the Trustee or the Authority to realize upon or resort to any security given for the Bonds or by reason of the failure to pursue or enforce any right or remedy; or

(e) The invalidity or unenforceability of the Bonds, the Lease or the Indenture, including without limitation, any invalidity or unenforceability of the Bonds due to any law limiting the amount of interest payable on obligations of the Authority.

LITIGATION

The College has no litigation pending or threatened against it of which it is aware that will affect the security of the Issue.

LEGAL OPINION

The issuance and sale of the Project Bonds shall be subject to the delivery of the approving legal opinion of Messrs. Faegre & Benson as Bond Counsel to the Authority, the Institution, the Trustee and the purchaser of the Project Bonds to the effects that (i) the Authority has authority under the Act to issue the Project Bonds, to acquire and lease to the Institution the Project and to execute and deliver the Indenture to secure the Project Bonds, (ii) the Project Bonds, the Deed, the Lease and the Indenture have been duly authorized by all necessary proceedings and duly executed and delivered, (iii) the Project Bonds, the Lease and the Indenture are valid and binding instruments in accordance with their terms, (iv) the Indenture provides a valid and direct first mortgage lien on the Project subject only to the Lease and encumbrances permitted by the Indenture, (v) the Project Bonds are further secured by the General Bond Reserve Account on a parity with bonds of other series as provided in the General Bond Resolution, (vi) the interest on the Project Bonds is exempt from federal and Minnesota state income taxes (other than Minnesota corporate franchise taxes measured by income) under present laws and rulings, and (vii) the Project Bonds are exempt from registration under the Securities Act of 1933 and Minnesota Statutes, Chapter 80A, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939.

NOTE: *A reproduction of Report on Audit Year Ended June 30, 1975 except for supplementary schedules relative to the College and prepared by Adrian S. Helgeson & Co. is enclosed as a separate document.*

LEASE AND MORTGAGE TRUST INDENTURE

These documents will be completed and executed prior to settlement of the Issue in substantially the form, in each instance, enclosed as a separate document with this Official Statement and made a part hereof.

No dealer, broker, salesman or other person has been authorized by the Issuer to give any information or to make any representations with respect to the Bonds of this offering other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer. Certain information contained herein has been obtained from sources believed to be reliable, but it is not guaranteed as to completeness and is not to be construed as representation of said Issuer. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

DATE OF OFFICIAL STATEMENT: **September 15, 1975**

BID FORM

Bids delivered to Springsted Incorporated by 10:30 A.M., the day of the sale, will be carried to the sale.
Telephone: 612/227-8318 Telecopier: 612/227-3145

PLEASE SUBMIT BID IN DUPLICATE. It is preferred, but not mandatory, that this form be used.

To: Mr. Richard C. Hawk, Secretary
Minnesota Higher Education Facilities Authority
Metro Square Building
St. Paul, Minnesota 55102

Date: September 30, 1975

Re: $2,350,000 First Mortgage Revenue Bonds, Series P, (St. Olaf College)

For the bonds of this issue which shall mature and bear interest at the annual rate, as follows, we offer a price of $ ________________ and accrued interest to the date of delivery.

______% 1976	______% 1980	______% 1984	______% 1988
______% 1977	______% 1981	______% 1985	______% 1989
______% 1978	______% 1982	______% 1986	
______% 1979	______% 1983	______% 1987	

This offer, unless extended by us, shall expire within four (4) hours of the time set for its award. In the event of failure to deliver these bonds in accordance with the Official Notice of Sale as printed in the Official Statement and made a part hereof, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

We request that CUSIP numbers be printed on the Bonds and we will pay CUSIP charges related thereto.
(Strike if not applicable)

Account Members

____
Account Manager

By: ______________________________________

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST $ ______________________

NET EFFECTIVE RATE ______________________%

The foregoing offer is hereby accepted by the addressee on the date of the offer by its following officers duly authorized and empowered to make such acceptance.

______________________________ ______________________________
Secretary Chairman

Bids delivered to Springsted Incorporated by 10:30 A.M., the day of the sale, will be carried to the sale.
Telephone: 612/227-8318 Telecopier: 612/227-3145

BID FORM

PLEASE SUBMIT BID IN DUPLICATE. It is preferred, but not mandatory, that this form be used.

To: Mr. Richard C. Hawk, Secretary Date: September 30, 1975
Minnesota Higher Education Facilities Authority
Metro Square Building
St. Paul, Minnesota 55102

Re: $2,350,000 First Mortgage Revenue Bonds, Series P, (St. Olaf College)

For the bonds of this issue which shall mature and bear interest at the annual rate, as follows, we offer a price of $ ______________ and accrued interest to the date of delivery.

______% 1976	______% 1980	______% 1984	______% 1988
______% 1977	______% 1981	______% 1985	______% 1989
______% 1978	______% 1982	______% 1986	
______% 1979	______% 1983	______% 1987	

This offer, unless extended by us, shall expire within four (4) hours of the time set for its opening. In the event of failure to deliver these bonds in accordance with the Official Notice of Sale as printed in the Official Statement and made a part hereof, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

We request that CUSIP numbers be printed on the Bonds and we will pay CUSIP charges related thereto.
(Strike if not applicable)

Account Members

____
Account Manager

By: ______________________________

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST $ ____________________

NET EFFECTIVE RATE ____________________%

The foregoing offer is hereby accepted by the addressee on the date of the offer by its following officers duly authorized and empowered to make such acceptance.

______________________________ Secretary

______________________________ Chairman