MINNESOTA
HIGHER EDUCATION
FACILITIES AUTHORITY

Listing of Mailout Material
July 16, 2025

- Cover Memo
- Meeting Agenda

I. *Review and approve minutes of the meeting of June 18, 2025*

- Minutes of June 18, 2025

II. *St. Olaf College*

- St. Olaf College, Series 2025 Application
- Application Review (and Preliminary Financing Plan)*
- Application Memorandum
- (Application Review and) Preliminary Financing Plan*
- Resolution Relating to the Application and Financing Terms
- Series Resolution

III. *Old Business*

IV. *New Business*

V. *Other Business*

**Same document inserted twice for presentation purposes, as it covers both topics.*

MEMORANDUM

MINNESOTA
HIGHER EDUCATION
FACILITIES AUTHORITY

860 BLUE GENTIAN ROAD, SUITE 145, EAGAN, MN
55121

Date: July 10, 2025

To: Minnesota Higher Education Facilities Authority Board Members

From: Barry W. Fick, Executive Director

Subject: July 16, 2025, Authority Board Meeting Preview

Welcome to the July 2025 MHEFA Board meeting.

We have two action items on the agenda this month. First, we will elect officers for FY 2026. We will also consider and act on the St. Olaf College financing application to refund Series Eight-G bonds issued through the Authority.

In addition, we would like to form a Board Working Group to help the staff develop policies and procedures for Healthcare financing requests. The working group will help review and develop draft policies and procedures for Healthcare financing requests.

The meeting will be held at the Authority's Eagan office. Information on the meeting location, parking and other logistics included with your meeting information packet. The meeting may be attended in person, by video link, or teleconference.

This is an in-person meeting, but if you are not able to attend, we will use our video link system for this meeting. Instructions for accessing the video link are available in Board packet material included with this email. In addition, telephone access is available.

I will be returning from a previously scheduled trip out of state and will participate by video link.

We look forward to your participation in the meeting.

Board Meeting Agenda

Wednesday, July 16, 2025
2:00 PM
Location: MHEFA Office

Individuals may request reasonable accommodation or modifications in order to participate in Authority programs by contacting the Authority at least 48 hours in advance of the event.

I. FY2026 Board Officer Election

II. Review and approve minutes of the meeting of June 18, 2025

III. St. Olaf College

- Conduct Public Hearing
- Application Review and Preliminary Financing Plan Summary
  North Slope – Municipal Advisor
- Application Memorandum
  Taft - Bond Counsel
- Resolution Relating to Application and Financing Plan
  Taft - Bond Counsel
- Series Resolution
  Taft - Bond Counsel

IV. Old Business

V. New Business

- Minnesota Hospital Association Membership
- Establish Healthcare Policy/Procedure Working Group

VI. Other Business

- Executive Director's Report

General Public may attend in-person at the address below,
via call-in number: 1-877-978-6969 Access Code: 368-706-737#
or through this link: https://www.gomeet.com/368-706-737

MHEFA, 860 Blue Gentian Road, Suite 145, Eagan, MN 55121

The Minnesota Higher Education Facilities Authority (the “Authority” or “MHEFA”) convened a Board meeting at 2:03 pm Central Standard Time, Wednesday, June 18, 2025.

The Board is conducting this meeting subject to the Open Meeting Law by in-person, telephone, and interactive technology as allowed by Minnesota Statutes. Members participating in the meeting can hear each other and all discussion; members of the public can hear all discussion and votes; and all votes are conducted by a roll call. The board has made provision for the public to monitor the meeting electronically from a remote location. The board has provided notice of the meeting location, the fact that some members may participate by interactive technology, and of the public’s right to monitor the meeting electronically from a remote location.

The Authority Board meeting was held in the lower-level conference room of Grand Oak I, 860 Blue Gentian Road, Eagan, MN 55121. Executive Director, Barry Fick, and Operations Manager, Amanda Lee, were physically present. Also present were Nancy Sampair, Vice Chair, Bonnie Anderson Rons, Secretary, and Board Members Ken Westphal and Erich Heppner. The location and time of the meeting was duly published and posted on the Authority website and at the entrance to the Authority office, located at 860 Blue Gentian Road, Suite 145, Eagan, MN 55121.

The public was able to attend the meeting in person, monitor the meeting by calling a toll-free number, and able to connect to the meeting using the video link.

Board members participated in the meeting in-person and by using a video link. The meeting link was sent to Board members prior to the meeting. The use of a video link as an allowable way to hold the Board meeting was confirmed by the State of Minnesota’s Data Practices Office staff prior to the meeting, following Minnesota Statute 13D.015.

Executive Summary – Minnesota Higher Education Facilities Authority

Meeting on June 18, 2025 Board Actions Taken:

Motions:	Result:	Vote:
Approve Meeting Minutes of May 15, 2024	Passed	Unanimous
Approve FY2026 Budget	Passed	Unanimous
Approve FY2026 Annual Fee	Passed	Unanimous
Approve the Election of FY2026 Board Officers – Postponed to July	N/A	N/A

Resolutions	Result:	Vote:

The official meeting began with a roll call to establish a quorum. The following board members or their designees were participating and attending in-person (IP), by video link ("V") or telephone ("T"):

Board Members: Bonnie Anderson Rons -IP
Erich Heppner - IP
Gary Benson - T
Mary Ives – T
Nancy Sampair – IP
Ken Wesphal - IP
Paul Cerkvenik – V
Poawit Yang - V

Absent: Mikeya Griffin
David Rowland

Other Attendees: Mark LeMay, Public - IP

Staff: Barry W. Fick, Executive Director, MHEFA – IP
Amanda Lee, Operations Manager, MHEFA – IP

Nancy Sampair, Vice Chair, called the meeting order at 2:03 pm CDT. Executive Director Fick confirmed that a quorum was present.

Introduction of Board member Eric Heppner

Vice-Chair Nancy Sampair recognized the newest MHEFA Board member, Erich Heppner and asked him to introduce himself and provide information about himself Erich outlined his background and current position in public higher education. He noted his experience with Mary Ives, and indicated she encouraged him to apply to the Board. He noted that he looks forward to participating on the Board.

Agenda Item I – Minutes of the May 21, 2025, Board meeting

The first item on the agenda was the review and consideration of the minutes of the most recent Authority Board meeting.

Vice-Chair Sampair asked if there were any changes or edits to the minutes of the May 21, 2025 MHEFA Board meeting. Bonnie Anderson Rons, Secretary, pointed out one typo to fix in the minutes of the May 21, 2025 MHEFA Board meeting.

Vice-Chair Sampair asked for a motion to accept and approve the May 21, 2025 Minutes. A motion was made by Bonnie Anderson Rons to approve the May 21, 2025 minutes. The motion was seconded by Gary Benson. The Vice-Chair asked if there were any questions, discussion, or changes to the minutes of the most recent prior Board meeting.

There were no other questions or proposed changes to the minutes from Board members.

The Vice-Chair called for a vote regarding the approval of the minutes. A roll call vote was conducted, and the Board members voted as follows:

Board Members:	Bonnie Anderson Rons	Yes
	Eric Heppner	Yes
	Gary Benson	Yes
	Ken Westphal	Yes
	Mary Ives	Yes
	Nancy Sampair	Yes
	Poawit Yang	Yes

There were no abstentions or votes against the motion and the Minutes of the May 21, 2025, MHEFA Board meetings were approved.

Agenda Item II – Executive Director Performance Review Summary

A performance review of Executive Director Barry Fick was conducted during a closed session of the MHEFA Board on May 21, 2025. The Board discussed Barry's performance for the past year, decided on a performance rating, and complimented Barry for his work at the Authority.

Agenda Item III – Administrative Items

FY2026 Proposed Budget

Vice-Chair Sampair called on Operations Manager Amanda Lee to present and discuss the FY2026 Budget. Operations Manager Amanda Lee reviewed the proposed budget, noting the budget anticipates two higher education bond sales. For FY26, we do not anticipate the completion of any healthcare financing projects.

Expenses are higher to account for inflation and one-time expenses related to projects to adjust to the inclusion of healthcare financing initial operations, including website and LinkedIn updates. The proposed FY26 Budget anticipates a small deficit, which if realized, will be funded from accumulated funds. Budgeted expenses are estimated conservatively to ensure efficient operations at the Authority. Any expenses related to implementation of healthcare operations will be recorded and future healthcare financing fees will reimburse the higher education accumulated funds.

Board members asked how the staff plan to account for healthcare financing. Staff noted that the higher education and healthcare financing will each be self-sufficient without any cross-subsidy between the two areas. Accounting records will be separately recorded for higher education and healthcare. Staff will work with the auditing firm to ensure accurate and transparent accounting will be used to record financial activity.

A motion to approve the FY2026 Budget was held until the FY2026 Fee Analysis was also reviewed.

Fiscal Year 2026 Authority Fee Discount

Vice-Chair Sampair called on the Operations Manager Amanda Lee to present the FY2026 Annual Fee Analysis. Operations Manager Lee outlined the fee discount analysis that is conducted annually. For FY26, the analysis shows that the Authority may offer a fee discount of 57% from the maximum allowed fee of 0.125% (1/8th) would result in a neutral operating result. Included in this discount are the additional projected fees to implement the healthcare program.

The staff recommends a 65% fee discount be adopted for FY2026. This discount reflects staff's expectation that FY26 will have minimal healthcare financing activity.

Retaining the 65% fee discount would be the tenth year in a row that the Authority provides a fee discount of 65% for borrowers. Discussions with individual borrowers has provided feedback that borrowers appreciate the consistency of the fee level, which allows them better predictability in their budgeting process.

Vice-Chair Sampair asked if there were any questions regarding the FY2026 Fee Analysis. There were none.

Vice-Chair Sampair asked for a motion and second to approve and adopt the FY2026 Budget. A motion to approve and adopt the FY2026 Proposed Budget was made by Ken Westphal. The motion was seconded by Erich Heppner.

Vice-Chair Sampair called on Executive Director Fick to conduct a roll call vote on the Motion. A roll call vote was conducted, and the Board members voted as follows:

Bonnie Anderson Rons	Yes
Erich Heppner	Yes
Gary Benson	Yes
Ken Westphal	Yes
Mary Ives	Yes
Nancy Sampair	Yes
Poawit Yang	Yes

There were no abstentions or votes against the Motion and the Motion to approve and adopt the FY2026 Budget was approved.

Vice-Chair Sampair asked for a motion and second to approve adopting the requested 65% Annual Fee Discount to Authority borrowers. A motion to adopt and approve the proposed 65% Annual Fee Discount was made by Bonnie Anderson Rons. The motion was seconded by Ken Westphal.

Vice-Chair Sampair called on Executive Director Fick to conduct a roll call vote on the FY2026 Annual Fee Discount. A roll call vote was conducted, and the Board members voted as follows:

Bonnie Anderson Rons	Yes
Erich Heppner	Yes
Gary Benson	Yes
Ken Westphal	Yes

Mary Ives	Yes
Nancy Sampair	Yes
Poawit Yang	Yes

There were no abstentions or votes against the Motion and the FY2026 Annual Fee Discount of 65% was approved.

FY2026 Election of Board Officers

MHEFA Elects officers, consisting of Chair, Vice-Chair and Secretary annually. The officers may serve 2-consecutive 1-year terms. Elections are held annually. FY2026 represents the first year for each officer serving in their MHEFA positions.

Executive Director Fick noted to the Board that a slate of officers for FY26 has not been finalized. The election of Board Officers for FY26 will be deferred until the July 2025 Board meeting.

The board approved deferring the election to the July 2025 Board meeting by voice vote.

Agenda Item IV ––– Old Business

Vice-Chair Sampair asked if there were any Old Business items from Board members for discussion.
here were no Old Business items from staff or from Board members for discussion.

Agenda Item V – New Business

Vice-Chair Sampair asked if there were any New Business items from Board members for discussion.
There were no other New Business items from Board members for discussion.

Agenda Item VI – Other Business

Vice-Chair Sampair called upon Executive Director Fick to discuss Other Business and present the Executive Directors Report.

Staff have been occupied with a number of things since our May meeting, including:

DebtBook software implementation
The process of implementing DebtBook is going well. We have a new primary contact at DebtBook. We are providing them with information to complete their input of our data.

Legislation
Our expansion legislation was included in the House and Senate Omnibus Health bills. At the Special Session of the legislature, both houses passed the Omnibus HHS bills, including our expansion language.

The Governor signed the bills on June 12, 2025. Our expansion is effective August 1, 2025.

Ratings
Moody's affirmed the credit rating for MCAD. The rating update calls for Macalester, Augsburg and Gustavus have been held and the Moody's review for these schools are in process.

Potential Financing Requests
We will consider a refunding request for St. Olaf at our July meeting. We are working with another higher education borrower on a new money financing for late this year or early 2026.

School Meetings
Executive Director Fick will meet with the Chief Operating Officer and Assistant Vice President for Finance at St. Mary's University in late June. Additional school visits will be scheduled for July and August.

GFOA Annual Conference
Executive Director Fick will be in Washington DC the last week of June for the GFOA National conference. He will be on a panel with the SEC and MSRB to discuss disclosure. He will be connecting with other professionals to discuss our healthcare work.

Vice-Chair Sampair asked if there was any Other Business to come before the Board. There was no Other Business for the Board to consider, and Chair Sampair asked for a motion to adjourn the Board Meeting. A motion was to adjourn the meeting was made by Bonnie Anderson Rons. The second was made by Ken Westphal.

Vice-Chair Sampair called for a voice vote regarding the adjournment of the meeting. A Voice vote was conducted, and the Board members voted to adjourn the meeting at 3:08 pm.

Respectfully submitted,

____
Assistant Secretary

Application for Financing

Higher Education

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Borrower Information

Name of Borrower: St. Olaf College

Date: 4/18/2025

Borrower Primary Contact Information:

Name Mike Berthelsen

Title VP of Finance and CFO

Email mikeb@stolaf.edu

Phone 507-786-3018

Purpose of Financing (Select all that apply)

- [ ] Building acquisition, construction or renovation, site or equipment acquisition
- [x] Refinancing of one or more Authority bond issues
- [ ] Refinancing of one or more indebtedness not issued by the Authority

Each of the following should be treated as a separate element and described separately, starting with "Project A." If not located on the main campus, please include the street address.

- each new building or complex of buildings (square footage, beds or floors)
- renovations associated with a particular building or site
- equipment that is not related to either the proposed new buildings or existing buildings that are to be renovated
- each Authority bond issue to be refinanced, specifying the series name
- each other indebtedness that is to be refinanced, specifying the date incurred, the lender and the capital project that was financed

Project A: Refinancing of Series Eight-G bonds

Project B:

Project C:

Project D:

Estimated Cost Summary

	Project A	Project B	Project C	Project D	Total
Construction cost					$ 0
Architectural, engineering and consultant costs					$ 0
Furnishings and equipment					$ 0
Site acquisition					$ 0
Principal amount of debt to be refinanced	$ 30,690,000				$ 30,690,000
Other (excluding issuance costs and reserves)					$ 0
Total	$ 30,690,000	$ 0	$ 0	$ 0	$ 30,690,000

Estimated Financing Summary

	Project A	Project B	Project C	Project D	Total
Amount of funds from other sources					$ 0
Amount of project cost (excluding issuance costs and reserves) to be financed with Authority bonds	$ 30,690,000				$ 30,690,000
Principal amount of debt to be refinanced					$ 0
Total	$ 30,690,000	$ 0	$ 0	$ 0	$ 30,690,000

Please give the approximate dates of any of the following steps that have already been taken:

	Project A	Project B	Project C	Project D
Construction has started				
Construction contract has been awarded				
Purchase contract for materials or equipment has been awarded				

Is any part of the facilities, now or in the future, to be managed or otherwise used by any person other than the borrower?

☐ Yes ☑ No

If you checked "YES," please describe briefly the location and extent of the use and whether the user is an exempt organization under Section 501(c)(3) of the Internal Revenue Code:

Will any of the following actions violate any provisions of the articles of incorporation, the bylaws or constitution of the borrower or of any affiliated organization, any existing mortgage, deed, contract or other agreement, or any state, local or federal law, rule, regulation or ordinance?

Entering into a loan agreement with the Authority for the repayment of bond proceeds?

☐ Yes ☑ No

Completing the proposed project or prepaying the Authority bonds or other debt that will be refinanced?

☐ Yes ☑ No

Entering into a mortgage or security agreement to secure repayment to the Authority?

☐ Yes ☑ No

Proposed Timing Summary

	Project A	Project B	Project C	Project D
Start date				
Completion date				
Acquisition date if the project is only for equipment				
Optional redemption date for refinancings	12/1/2025			

How will this bond issue be sold?

☐ Competitive public sale

☐ Negotiated public offering

☐ Private placement

☑ Undecided

When do you wish to close on the bond issue?

- [x] As soon as practical
- [ ] No later than:
- [ ] Not sooner than:

What is the expected source of funds to repay the loan of bond proceeds? (check all that apply)

- [x] Operating funds
- [ ] Additional revenue from the project
- [ ] Gifts from private donors
- [ ] Grants from governmental sources
- [ ] Other

If repayment is not expected to be entirely from operating funds, state the approximate amount from the other sources and whether such funds are temporarily or permanently restricted in any way as to use:

Is credit or liquidity enhancement expected? (check all that may apply)

- [ ] Bond insurance
- [ ] Letter of credit
- [ ] Standby bond purchase agreement for tendered bonds
- [ ] Guaranty

What is the status of any application for the foregoing?

What are the preferred scheduled payment dates?

Month and earliest year for annual principal payments: Maintain current payment schedule

Earliest month and earliest year for interest payments:

Are revenues available to pay interest during the construction period?

☐ Yes ☐ No, interest should be capitalized for _____ months ☑ Not Applicable

The following two questions apply to all <u>refinancings</u>. Please select "Not Applicable" if this does not apply.

☐ Not Applicable

1. Has the original project been completed substantially in accordance with the plans and specifications?

☑ Yes ☐ No

2. Has there been a default by the institution or by any other party, in the performance of the covenants and conditions relating to the Authority bonds or other debt to be refinanced?

☐ Yes ☑ No

The following four questions apply to refinancing debt that is <u>not</u> Authority issued bonds. Please select "Not Applicable" if this does not apply.

☑ Not Applicable

1. Will the proposed refinancing enhance and preserve the borrower and the facilities being refinanced or utilization thereof for educational purposes?

☐ Yes

☐ No, because:

2. Will the proposed refinancing extend or adjust maturities to correspond to the resources available for their payment?

☐ Yes

☐ No, because:

3. Will the proposed refinancing reduce the tuition charges or fees imposed on students for the use of such facilities or costs met by state or federal funds?

☐ Yes

☐ No, because:

4. Will the proposed refinancing enhance or preserve educational programs and research or other facilities eligible to be a project or part thereof?

☐ Yes

☐ No, because:

The table below applies to refinancing debt that is <u>not</u> Authority issued bonds. Please check "Not Applicable "if this does not apply.

- [x] Not Applicable

Statutory Maximum to Refinance Debt Other Than Authority Bonds

	Project A	Project B	Project C	Project D
(a) Original project costs				
(b) Principal amount of any debt (other than Authority bonds) to be refinanced				
(b) Accrued but unpaid interest on debt (other than Authority bonds) to be refinanced				
(b) Prepayment premium (or discount) on debt (other than Authority bonds) to be refinanced				
(c) Appraised value of project				
(c) Depreciated equipment				
Maximum allowable: the lesser of (a) original cost, (b) principal, interest and premium and (c) present value				

Check below if any of the projects are located in or involve any of the following:

- [ ] Riparian frontage
- [ ] Shoreland area
- [ ] Delineated flood plain
- [ ] State or Federally designated wild and scenic rivers district
- [ ] Minnesota River Project Riverbend area
- [ ] Mississippi River headwaters area

If there are any potential environmental issues, please summarize the major environmental issues:

Governmental Approval Summary

	Project A	Project B	Project C	Project D
Zoning variance or change	☑ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending
Building permit	☑ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending
Other governmental approval	☑ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending
Environmental Assessment Worksheet	☑ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending
Environmental Impact Statement	☑ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending	☐ not applicable ☐ received ☐ pending

If one or more governmental approvals are pending, please describe the status of the application process and whether approval is expected before the bond closing:

Borrower Contact Information:

Legal name of corporate borrower and street address:

St. Olaf College, 1520 St. Olaf Avenue, Northfield, MN 55057

President of College or University:

Susan Rundell Singer

Chief Financial Officer (please give name, title, preferred mailing address, telephone, fax and email address):

Mike Berthelsen (Vice President for Finance and CFO), mikeb@stolaf.edu, 507-786-3018
1520 St. Olaf Avenue, Northfield, MN 55057

Additional staff assisting with the project (please give name, title, preferred mailing address, telephone, fax and email address):

Nathan Engle (Asst VP and Controller), engle1@stolaf.edu, 507-786-3502

Attorney (please give name of firm and the responsible individual as well as preferred mailing address, telephone, fax and email address)

Carl Crosby Lehmann (General Counsel), lehmann@stolaf.edu, 507-786-3894
1520 St. Olaf Avenue, Northfield, MN 55057

Independent Auditor (please give name of firm and the responsible individual as well as preferred mailing address, telephone, fax and email address)

Baker Tilly, 225 S. Sixth Street, Suite 2300, Minneapolis, MN 55402-4661
Rebekah Martin: Rebekah.Martin@bakertilly.com, 612-876-4869

Description of Accreditation and Degrees:

If the principal institutional accreditation is not North Central Association of Colleges and Secondary Schools, please state the principal accreditor:

Higher Learning Commission

Degrees conferred are:

- ☐ Associate of Arts
- ☐ Associate of Applied Science
- ☐ Associate of Science
- ☑ Bachelor of Arts
- ☐ Bachelor of Fine Arts
- ☑ Bachelor of Music
- ☐ Bachelor of Music Education
- ☐ Bachelor of Science
- ☐ Master of Arts
- ☐ Master of Business Administration
- ☐ Master of Education
- ☐ Master of Fine Arts
- ☐ Master of Science
- ☐ Master of Social Work
- ☐ Master of Physical Therapy
- ☐ Doctor of Chiropractic Medicine
- ☐ Doctor of Education
- ☐ Doctor of Philosophy
- ☐ Doctor of Public Administration
- ☐ Doctor of Psychology
- ☐ Juris Doctor
- ☐ Others:

Religious Affiliations

1. Does the institution receive support from any church body?

☑ Yes ☐ No

2. Does a church body or religious order control the election of any trustees or officers?

☐ Yes ☑ No

3. Is the consent of any religious order or any other corporation necessary before the instution may sell or motgage its property or borrow money?

☐ Yes ☑ No

4. Are there any religious qualifications for faculty appointments?

☐ Yes ☑ No

5. If the institution teaches courses in religion or theology, does the institution confer a theology degree or otherwise prepare students for a religious vocation?

☐ Yes ☑ No

6. If the institution teaches courses in religion or theology, does the institution teach the distinctive doctrines, creeds or tenets of any particular religious sect?

☐ Yes ☑ No

7. Are the students required to attend chapel or other religious service?

☐ Yes ☑ No

Please explain if you have answered "YES" to any of the foregoing seven questions:

St. Olaf College receives a small amount from the Evangelical Lutheran Church in America (ELCA) Foundation.

Teaching and Admission Standards

1. Does the institution and its faculty subscribe to the Statement of Principles of Academic Freedom promulgated by the American Association of University Professors and the Association of American Colleges?

☑ Yes ☐ No

2. Are all courses of study, including any religion and theology courses, at the institution taught according to the academic requirements of the subject matter and the individual instructor's concept of professional standards?

☑ Yes ☐ No

3. Does the institution admit students without regard to race, color, religion or national origin?

☑ Yes ☐ No

Please explain if you have answered "No" to any of the foregoing three questions:

No Discriminatory Practices

1. Does the institution unlawfully discriminate in any manner in the full utilization or benefit of the institution or its services because of gender, race, color, creed, national origin or other basis?

☐ Yes ☑ No

2. Does the institution expel, limit or otherwise unlawfully discriminate against enrolled students because of gender, race, color, creed, national origin or other basis?

☐ Yes ☑ No

3. Does the institution unlawfully discriminate in hiring, promotion, salary, and assignments or in any other matter in its employment practices, because of gender, race, color, creed, national origin or other basis?

☐ Yes ☑ No

Please explain if you have answered "Yes" to any of the foregoing three questions:

LIST OF EXHIBITS

(please number consecutively)

For traditional undergraduate and graduate programs and any nontraditional programs that provide substantial revenue: (A) Enrollment information (head count and full-time equivalent) submitted to the Office of Higher Education for the five-year period immediately preceding this application, (B) Projected head count and full-time equivalent enrollment for the five-year period following this application and (C) Applications, acceptances and matriculations for first year students during the past five fall terms.

- [x] attached as Exhibit 1
- [ ] not attached because project is for equipment only under lease program

Most recent published tuition, room and board fee schedule, and any supplemental charges.

- [x] attached as Exhibit 2
- [ ] not attached because project is for equipment only under lease program

List of all outstanding indebtedness (excluding debt that will be refinanced with new Authority bonds), including interest rates, amounts, repayment schedule and description of the mortgage or other collateral securing payment.

- [x] attached as Exhibit 3
- [ ] not attached because project is for equipment only under lease program

Description of any debt limitation, covenant or restriction to which the institution is subject, with a statement by the Chief Financial Officer and supporting calculations as to compliance with such debt limitation, covenant or restriction.

- [x] attached as Exhibit 4
- [ ] not attached because project is for equipment only under lease program

Audited financial statements for each of the past five fiscal years. May be provided by reference to your website (please state specific website address below), sent electronically, or on a labeled CD (mailed or delivered).

- [ ] attached as Exhibit __
- [x] Website address: https://wp.stolaf.edu/finance/financial-statements/

Current operating budget.

- [x] attached as Exhibit 5

Current college catalog for undergraduate and graduate programs. May be provided by reference to your website (please state specific website address below), sent electronically, or on a labeled CD (mailed or delivered).

- [ ] attached as Exhibit __
- [x] Website address: https://catalog.stolaf.edu/

Current faculty handbook. Please provide the website address, send electronically, or on a labeled CD (mailed or delivered).

- [ ] attached as Exhibit __
- [x] Website address: https://wp.stolaf.edu/facultyhandbook/

List of current board members and officers.

- [x] attached as Exhibit 6

Copy of the current articles of incorporation. If the institution was incorporated under a special act, a copy of the special act with all amendments should be provided. Please include any amendments that are expected to be proposed for approval.

- [x] attached as Exhibit 7

Copy of the current bylaws of the corporation. Please include any amendments that are expected to be proposed for approval. Please include any other similar corporate guidelines such as a "constitution".

- [x] attached as Exhibit 8

Copy of the articles of incorporation and bylaws of any affiliated religious or other organization that must approve any action by the institution to sell or mortgage its property or to borrow money.

- [ ] attached as Exhibit ___
- [x] not applicable

Copy of the most recent ruling or letter from the Internal Revenue Service confirming that the institution is an organization described in Section 501(c)(3) of the Internal Revenue Code.

- [x] attached as Exhibit 9

Copy of the most recent letter from the Office of Higher Education confirming registration under Minnesota Statutes, Section 136A.61 to 136A.71.

- [x] attached as Exhibit 10

Description of any pending litigation that is uninsured and would have a material adverse financial impact if resolved against the institution. In addition, please describe any charge filed against the institution by a state or federal agency or any individual or group alleging unlawful discrimination by the institution.

- [ ] attached as Exhibit ___
- [x] no pending litigation

Either (A) a copy of a survey of the site (as built, if this is a refinancing) of the project, including the related legal description or (B) a plat map or other depiction of the project site that clearly shows the location of existing and proposed buildings and the relationship to a legal description. If a mortgage is necessary for this financing, a survey will be required and it must show any right-of-way necessary for access by the mortgagee or new owner to a public street or highway and all easements and other legal encumbrances.

- [ ] attached as Exhibit ___
- [x] arrangements for a survey or plat map will be made before bonds are offered for sale
- [ ] not attached because project is for equipment only under lease program

Either (A) a commitment to issue a title insurance policy in an owner's or mortgagee's form or (b) a preliminary opinion of title based upon an examination of real estate records covering the project site and certified to within approximately 30 days of the date of the opinion. All exceptions, liens and encumbrances should be noted on the commitment or opinion. The evidence should indicate that title or suitable ownership interest is held by the institution or a seller of any real estate to be acquired with this financing.

- ☐ attached as Exhibit ___
- ☑ arrangements for evidence of ownership will be made before bonds are offered for sale.
- ☐ not attached because project is for equipment only under lease program

Copy of the resolution of the governing board (or the executive committee) of the institution in a form similar to Attachment A declaring official intent to reimburse itself from bond proceeds and authorizing submission of the Application.

- ☑ attached (showing the effective date) as Exhibit 11
- ☐ not attached but will be adopted on ______________________________ (must be before public hearing)
- ☐ not applicable because this application is solely for refunding Authority bonds.

Copy of the resolution of the governing board (or the executive committee) of the institution in a form similar to Attachment B authorizing submission of this Application.

- ☑ attached (showing the effective date) as Exhibit 12
- ☐ not applicable because a resolution similar to Attachment A is submitted

Certification by the architect in a form similar to Attachment C that the estimated costs of the items comprising the total structure costs are considered to be realistic and have been made according to accepted architectural practices for developing preliminary estimates.

- ☐ attached as Exhibit ___
- ☑ not applicable because no construction or significant renovation is proposed

The following exhibits apply only to refinancing of debt that is <u>not</u> Authority bonds. Please select "Not Applicable" if this does not apply.

- ☑ Not Applicable

Copy of all loan agreements, promissory notes, financing agreements, indentures, mortgages or other documents relating to the debt (that is not Authority bonds) to be refinanced, together with all amendments or modifications. May be provided on a labeled CD.

- ☐ attached as Exhibit ___

Copy of all leases, management agreements, use agreements or other documents relating to the capital project originally financed by the debt (that is not Authority bonds) to be refinanced, together with all amendments or modifications. May be sent electronically or provided on a labeled CD (mailed or delivered).

- ☐ attached as Exhibit ___

Copy of current appraisal of capital project originally financed by the debt (that is not Authority bonds) to be refinanced prepared by an appraiser with the MAI designation or the equivalent.

- ☐ attached as Exhibit ___

Signature and Certifications

The undersigned officers of the borrower hereby certify that the Application, including the enclosed exhibits are complete and correct. We have reviewed and hereby accept the terms of the Indemnity Agreement as set forth in Attachment D.

(Chief Executive Officer)

Signature:

Title: President

And

(Chief Financial Officer)

Signature:

Title: Vice President of Finance and CFO

Date of this Application:

Delivery Instructions

The following two items must be received by the Authority in order to proceed with the financing:

✔ Signed Application, together with exhibits, for the Authority

- Email to bwf@mnhefa.org (cc: agl@mnhefa.org)
- Signed Application, together with exhibits, will be forwarded by the Authority to Bond Counsel and the Financial Advisor

✔ $1,000 Application Fee

- *Electronic payment is available. Please contact the Authority for ACH information.*
- Checks should be made payable to: Minnesota Higher Education Facilities Authority
- Mail or Deliver check to:

  Minnesota Higher Education Facilities Authority

  860 Blue Gentian Road, Suite 145

  Eagan, MN 55121

  651-296-4690

RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE AND AUTHORIZING SUBMISSION OF APPLICATION TO THE MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

WHEREAS, this Corporation is considering various means of financing the project described generally as the acquisition, construction, improvement and equipping of various facilities, including:

[Provide description such as classroom facility, residence hall for__________students, parking for__________ spaces, telecommunication equipment, __________ seat auditorium or stadium]

(collectively, the "Project") through taxable or tax-exempt debt; and

WHEREAS, the Corporation desires that the Project costs that may be paid prior to the issuance of tax-exempt bonds qualify for reimbursement from the proceeds of such tax-exempt bonds under Treasury Regulations Section 1.150-2;

NOW BE IT RESOLVED AS FOLLOWS:

1. The officers of this Corporation, acting individually or together, are authorized to prepare and submit a financing application to the Minnesota Higher Education Facilities Authority, provided that the officers shall obtain further approval from this Board as to the final terms and conditions of the borrowing or, subject to certain conditions described below, from the Executive Committee of this Board, as to the final terms and conditions of the borrowing.

2. Certain expenditures relating to the Project may be incurred and paid prior to the issuance of tax exempt bonds and this Board hereby declares the intent of the Corporation, for purposes of Section 1.150-2 of the Treasury Regulations, to reimburse itself for all or part of such expenditures from tax exempt bonds expected to be issued for the Project in the approximate maximum principal amount of $ (plus such additional principal amount necessary to provide for costs of issuance, net original issue discount, credit enhancement and any debt service reserve fund). Authority is hereby specifically conferred on any officer of this Corporation, to make such further declarations of official reimbursement intent on behalf of this Corporation as may be necessary or desirable.

3. The Executive Committee is authorized to give such approval as to the final terms and conditions of the borrowing on behalf of this Corporation as may be necessary or desirable, in lieu of the Board approval, provided that the maximum principal amount of the bonds shall not exceed the amount described in paragraph 2 above and the true interest cost on the bonds shall not exceed _____ %.

Adopted on_____

RESOLUTION AUTHORIZING SUBMISSION OF APPLICATION TO THE MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

WHEREAS, the [chief financial officer and/or the chief executive officer] of this Corporation has presented to this Board a proposal for the financing of

[refunding of certain bonds outstanding in the approximate amount of $_____ issued in [year] _____ as Series_____ for the construction, acquisition, improvement of the _____ building(s) and the acquisition and installation of _____ equipment.]

[refinancing of taxable debt outstanding in the approximate amount of $_____ incurred in [year]_____ with _____ as the lender for the construction, acquisition, improvement of the _____ building(s) and the acquisition and installation of _____ equipment.]

NOW BE IT RESOLVED AS FOLLOWS:

1. The officers of this Corporation, acting individually or together, are authorized to prepare and submit a financing application to the Minnesota Higher Education Facilities Authority with all necessary exhibits, provided that the officers must obtain further approval from this Board or, subject to certain conditions described below, from the Executive Committee of this Board, as to the final terms and conditions of the borrowing.

2.. The Executive Committee is authorized to give such approval as to the final terms and conditions of the borrowing on behalf of this Corporation as may be necessary or desirable, in lieu of the Board approval, provided that the approximate maximum principal amount of the bonds shall not exceed $_____(plus such additional principal amount necessary to provide for costs of issuance, net original issue discount, credit enhancement and any debt service reserve fund) and the true interest cost on the bonds shall not exceed _____%.

Adopted on_____

ARCHITECT'S CERTIFICATION

EXHIBIT __

This is to certify that the estimated costs of the items comprising the total structure costs are considered to be realistic and have been made according to accepted architectural practices for developing preliminary estimates.

____

Date

____

Signature of Architect

____

Name of person signing and title

____

Company name

____

Address

____

Telephone number

INDEMNITY AGREEMENT

Terms and conditions relating to any application by a nonprofit corporation, as operator of an institution of higher education (the "College") in the State of Minnesota for financing through the Minnesota Higher Education Facilities Authority (hereinafter called the "Authority"), an agency of the State of Minnesota.

1. For purposes of the Indemnity Agreement, the following terms are assigned the meaning set forth below:

"Act" means Minnesota Statutes, Section 136A.25 to 136A.42, as amended.

"*Authority, its agents and representatives*" includes any member or officer of the Authority, any employee of the State of Minnesota assigned to work with or for the Authority on a full time or part time basis, the Authority's financial advisor, the Authority's bond counsel, and, if approved by the College, any other consultant employed by the Authority in connection with the project.

"*Bonds*" includes bonds, notes and lease obligations.

"*Bond counsel*" means any law firm appointed by the Minnesota Attorney General's Office to act as bond counsel for the Authority.

"*Financial advisor*" means any firm appointed by the Authority to provide financial advisory services with respect to bonds of the Authority.

2. The College has submitted an application to the Authority for financing assistance under the Act, together with exhibits thereto (collectively, the "Application"). Such Application is true and complete in all respects, and if any change or event shall occur to make the Application untrue, incomplete or misleading, or if the College shall discover that the Application is untrue, incomplete or misleading, the College will notify the Authority promptly in writing.

3. The College will indemnify and hold the Authority, its agents and representatives harmless from any loss, liability or expense which they or any of them may incur or suffer as a result of (a) any untrue, incomplete or misleading statement or information provided or approved by the College and contained in the Application or subsequently furnished to the Authority, its agents or representatives or (b) any statement or information relating to the College, the College's project or operations of the College contained in any Official Statement or other public or private offering document approved by the College in connection with the issuance or sale of bonds for the College, if such statement or information is untrue or incorrect in any material respect or if there is an omission of any statement or information which should be contained therein or which is necessary to make the statements therein relating to the College, the College's project or the College's operations not misleading in any material respect.

4. Any written item furnished by an officer, director, trustee or employee of the College or by an architect, engineer, attorney or other consultant designated by the College in the Application or otherwise as being consultant to the College in respect of the project, shall be deemed to have been furnished by the College. Any item prepared by the Authority, its agents and representatives shall be deemed to have been approved by the College, if approved orally or in writing, (i) by an officer of the College or of its governing board or (ii) by a person designated as an authorized representative of the College by an officer of the College or of its governing board.

5. The College reserves the right to withdraw its Application any time before the Application is approved by the Authority, which approval shall be evidenced by a resolution of the members of the Authority at a regular or special meeting of the Authority. However, the Application fee, where required, is non-refundable whether or not the Application has been withdrawn and whether or not any bonds are issued for the College as proposed in the Application. However, any application fee will be credited against the first annual administrative fee.

6. The College understands that bond counsel and the financial advisor will use their best efforts in completing the financing pursuant to the Act. Without limiting the generality of the foregoing:

(a) The financial advisor is authorized (i) to investigate the feasibility of the project and the financing thereof, (ii) to make recommendations with respect thereto to the Authority and the bond counsel, (iii) to prepare, in consultation with the College and the bond counsel, an Official Statement describing the bonds, the project and the College and (iv) to present information respecting the College, the project and the bonds to any other person having a legitimate present or prospective interest in the project or bonds, including any investment banker, federal agency, bond rating agency, credit enhancement provider, or financial or other information media.

(b) The bond counsel is authorized (i) to investigate all legal questions respecting the College and the acquisition and financing of the project, (ii) to examine the corporate documents respecting the organization of the College, abstracts of title, construction contracts, leases and other agreements relating to the College or project, (iii) to render opinions on any such matters to the Authority, the financial advisor, the College or any other person having a legitimate present or prospective interest in the project or bonds, and (iv) to prepare forms of (A) Agreement between the Authority and the College, (B) Trust Indenture by the Authority to a trustee for the bondholders, (C) other related documents, (D) Resolutions to be adopted by the Authority and the College relating to the foregoing, and (E) any amendment or supplement to any of the foregoing deemed necessary or desirable by bond counsel.

(c) The Authority intends (i) to review all such recommendations, opinions and documents relating to the financing, (ii) to review all such additional documents as may be furnished by the College, and (iii) to present information respecting the College, the project and the bonds to any person having a legitimate present or prospective interest in the project or bonds.

7. The College agrees to pay the reasonable fees and expenses of the bond counsel and financial advisor and, if approved by the College, of any consultant employed by the Authority for services rendered after submission of the Application and any out-of-pocket expenses incurred by them on account of the project. The College further agrees to pay any out-of-pocket expenses incurred by the Authority on account of the project. The agreements on the part of the College contained in this paragraph 7 shall be enforceable by the Authority and by the financial advisor, bond counsel and (if approved by the College) other consultant employed by the Authority, whether or not the Application is approved or the project completed or bonds issued by the Authority and, without regard to cause.

8. The College agrees (i) to furnish as promptly as possible all information requested by the Authority, its agents and representatives, (ii) to make available to the Authority, its agents and representatives, all books and records, contracts, documents and reports of the College pertaining to the project and the organization and financial condition of the College, and (iii) to review all documents prepared by the Authority, its agents and representatives, as contemplated by paragraph 7, and communicate approval or request changes as the College may deem necessary or appropriate in its own best interests.

9. The Authority may terminate progress towards issuing bonds at any time and for any reason including: (a) failure by the College to perform the actions specified in paragraph 8, (b) the Application or other materials furnished by the College contains statements or omissions which are materially false or misleading, (c) either the College's project or issuing bonds for the College's project is not economically feasible, (d) the College is not an eligible institution under the Act or (e) the project is not an eligible project under the Act. Before the Authority terminates a financing under this paragraph 9, it shall notify the College at least 10 days in advance of the date of the Authority's regular or special meeting at which termination will be considered and to provide a reason for the termination. The College shall have the right to appear at such meeting and object in person or by writing to the proposed action of the Authority. The College agrees that the action of the Authority shall be final and binding upon the College.

10. The College has the right to terminate, for any reason and without cause, the financing at any time before bonds are sold by the Authority. Copies of such notice shall be sent to the Authority, its bond counsel, financial advisor and any other consultant employed by the Authority for the financing. Thereafter, the Authority's bond counsel, financial advisor and any other consultants shall not render further services, and neither they nor the Authority shall incur further expenses for the account of the College relative to the financing, except such minor services and expenses as may reasonably be required to wind up and protect the work done to the date of receipt of notice.

Signature and Certifications

The undersigned officers of the borrower hereby certify that the Application, including the enclosed exhibits are complete and correct. We have reviewed and hereby accept the terms of the Indemnity Agreement as set forth in Attachment D.

(Chief Executive Officer)

Signature: Susan Rundell Singer

Title: President

And

(Chief Financial Officer)

Signature: Michael Berthelsen

Title: Vice President of Finance and CFO

Date of this Application: 5/30/2025

Delivery Instructions

The following two items must be received by the Authority in order to proceed with the financing:

☑ Signed Application, together with exhibits, for the Authority

- Email to bwf@mnhefa.org (cc: agl@mnhefa.org)
- Signed Application, together with exhibits, will be forwarded by the Authority to Bond Counsel and the Financial Advisor

☑ $1,000 Application Fee

- *Electronic payment is available. Please contact the Authority for ACH information.*
- Checks should be made payable to: Minnesota Higher Education Facilities Authority
- Mail or Deliver check to:

  Minnesota Higher Education Facilities Authority

  860 Blue Gentian Road, Suite 145

  Eagan, MN 55121

  651-296-4690

Exhibit 1

Student Enrollment

The College's full-time and head count enrollments are reflected in the table below. These figures reflect enrollments for the fall semester for each year. Full-time student enrollment is typically 100 to 120 students lower in the spring semester.

Academic Year	Full-time Students	Head Count Students
2020/21	2,916	2,953
2021/22	2,964	2,988
2022/23	3,022	3,046
2023/24	3,044	3,074
2024/25	3,078	3,124
*2025/26**	3,114	3,139
*2026/27**	3,089	3,114
*2027/28**	3,102	3,127
*2028/29**	3,070	3,095
*2029/30**	3,091	3,116

* *Denotes projected figures based on estimated retention of continuing students and the planned enrollment of new students.*

The objective of the college is to maintain the full-time, fall semester enrollment of 2,900 to 3,000 over the next several years. The student body enrolled in the fall of 2024 consisted of students from 48 states and 102 foreign countries. Fifty-three percent (53%) of full-time students come from outside Minnesota.

Applications, Acceptances and Enrollment of New First-Year Students

Fall	Applicants	Acceptances	Matriculants	Acceptance Rate	Matriculation Rate
2020	5,244	2,658	729	50.7	27.4
2021	6,494	3,080	755	47.4	24.5
2022	5,524	3,116	869	56.4	27.9
2023	5,957	3,107	826	52.2	26.6
2024	6,623	3,200	859	48.3	26.8

North Slope Capital Advisors
2000 S. Colorado Blvd
Bldg. 1 - 2000
Denver, CO 80222
303-953-4101

July 16, 2025

Minnesota Higher Education Facilities Authority[1]
c/o Mr. David Rowland, Board Chair and Mr. Barry W. Fick, Executive Director
860 Blue Gentian Road, Suite 145
Eagan, MN 55121

Dear Mr. Rowland, Mr. Fick, and Authority Board Members:

As the independent registered municipal advisor for the Authority, we are pleased to provide the following *Application Review and Preliminary Financing Plan Summary Letter* for the Authority's proposed issuance of its Revenue Refunding Bonds, Series 2025 (the "2025 Bonds") on behalf of St. Olaf College as borrower (the "College"). The Authority intends to issue its 2025 Bonds on behalf of the College, the proceeds of which will be used to:

(1) Prepay and refund, on a current basis, the outstanding principal of the Authority's Series Eight-G Bonds, which include those maturing on and after December 1, 2025 (the "Refunding") plus interest thereon, to be redeemed in full on December 1, 2025 (the "Redemption Date"); and
(2) Pay certain issuance costs.

Provided below is a summary of the preliminary financing plan followed by a summary of the College's credit profile and preliminary details on the proposed financing structure.

Preliminary Financing Plan Summary	
Par Amount (Estimated as of July 1, 2025)	$29,520,000
Financing Type	Current Refunding of Eight-G Bonds
First Principal Payment Date	December 1, 2025
Stated Final Maturity Date	December 1, 2032
Prior MHEFA Bonds Outstanding (as of July 1, 2025)	Series 2024 Note, Series 2021, Eight-N, Eight-G
Current Underlying Rating	A1 (Stable) as of November 2023
Underwriter	Piper Sandler & Co.
Bond Counsel	Taft Stettinius & Hollister LLP
Expected Pricing Date	On or around the week of August 4, 2025
Issuance Date (Estimated)	On or around September 4, 2025

Based on our review of the material provided by the College, including the preliminary financing plan and debt service pro formas provided by the Underwriter, North Slope Capital Advisors is confident that (1) a market-driven finance plan can be developed, (2) a borrowing in the amount required to achieve debt service savings for the College is fiscally feasible, and (3) bonds with adequate security can be structured. Accordingly, North Slope will be attending the Authority's meeting on July 16, 2025, to present our review of the College's application and answer any questions regarding the information contained in this letter. North Slope also recommends the Authority issue the 2025 Bonds to refund the Series Eight-G Bonds for debt service savings for the College.

Respectfully submitted,

NORTH SLOPE CAPITAL ADVISORS by
Stephanie M. Chichester, President

NORTH SLOPE CAPITAL ADVISORS by
Nick E. Taylor, Managing Director

cc: Mr. Mike Berthelsen, Vice President of Finance and Chief Financial Officer (St. Olaf College)
Angela Mathews, Assistant Vice President for Budget, and Auxiliary Operations (St. Olaf College)
Nathan Engle, Assistant VP and Controller (St. Olaf College)
Taft Stettinius & Hollister LLP, Bond Counsel

[1] *Effective August 1, 2025, Minnesota Statutes §136A.25 was amended to rename the "Minnesota Higher Education Facilities Authority" as the "Minnesota Health and Education Facilities Authority."*

St. Olaf College

St. Olaf College (the "College") is a four-year, co-educational liberal arts college located in Northfield, Minnesota. The College was founded in 1874 and operated as an academy, St. Olaf's School, until 1886, when a college department was added. The name was changed to St. Olaf College in 1889, and the first college class graduated in 1890. The academy was discontinued in 1917. Throughout its history, the College has been affiliated with the American Lutheran Church, one of the merging churches that became the Evangelical Lutheran Church in America (ELCA) in January of 1988. The College, however, is neither under common management with, nor controlled by, the Evangelical Lutheran Church in America.

Today, the College offers 47 graduation majors as well as a number of teaching majors and teaching certification programs. The most popular majors (in order) are mathematics, biology, economics, psychology, and music. The College follows the 4-1-4 academic calendar of two 14-week semesters of four courses each semester, separated by a one-month interim term in January. This calendar is augmented by summer sessions during which as many as four courses may be taken. The College is accredited by the Higher Learning Commission as well as by appropriate professional organizations. The College is also registered with the Minnesota Office of Higher Education in accordance with Minnesota statutes.

Enrollment
The College's full-time and head count enrollments are reflected in the table below. These figures reflect enrollments for the fall semester for each year. Full-time student enrollment is typically 100 to 120 students lower in the spring semester.

Academic Year	Full-time Students	Head Count Students
2020/21	2,916	2,953
2021/22	2,964	2,988
2022/23	3,022	3,046
2023/24	3,044	3,074
2024/25	3,078	3,124

The objective of the College is to maintain the full-time, fall semester enrollment of 2,900 to 3,000 over the next several years. The student body enrolled in the fall of 2024 consisted of students from 48 states and 102 foreign countries. Fifty-three percent (53%) of full-time students come from outside Minnesota.

Source: Exhibit 1 – Student Enrollment (Updated) - MHEFA Application for St. Olaf (2025).

Summary of Financial Operations
Provided on the following page are *Statements of Activities and Change in Net Assets* for the College's five prior audited fiscal years ending May 31, 2024, through 2020, which presents information about the College's operating activities derived from the audited financial statements.

[remainder of page intentionally left blank]

Statements of Activities					
($ Million) Years Ended	**FY 2020 5/31/2020**	**FY 2021 5/31/2021**	**FY 2022 5/31/2022**	**FY 2023 5/31/2023**	**FY 2024 5/31/2024**
Revenues					
+ Net Tuition Revenue	51.2	48.3	42.6	43.1	41.3
+ Government Student Grant Revenues	6.1	6.2	6.5	7.1	7.9
+ Net Auxiliary Enterprise Revenues	25.1	28.7	30.6	34.2	37.9
+ Grants and Contracts	5.0	6.8	10.1	6.6	4.2
+ Contributions for Operations	3.0	3.4	3.0	3.1	3.1
+ Investment Income (Endowment Spending)*	28.1	28.3	31.2	34.1	37.4
+ Net Assets Released from Restrictions	5.6	3.1	5.5	8.2	11.0
+ Other Revenue	6.6	1.7	3.5	7.1	8.2
Revenue	130.7	126.4	132.9	143.3	151.0
Expenses					
- Academic Support Expenses	15.1	16.1	16.3	16.6	20.1
- Depreciation Expenses	12.9	12.7	12.4	13.7	14.4
- Interest Expenses Operating	3.1	3.0	3.1	4.7	4.6
- Other Operating Expenses	92.0	85.9	94.3	103.0	108.4
Total Operating Expenses	123.1	117.7	126.2	137.9	147.6
Operating Income (loss)*	7.6	8.7	6.7	5.4	3.4
Change in net assets from nonoperating activities	(29.0)	164.6	(13.2)	13.1	90.4
Change in net assets before reclassification of net assets	(27.4)	195.5	(7.5)	17.0	91.7
Change in Net Assets	(27.4)	195.5	(7.5)	17.0	91.7
Net Assets Beginning	728.5	701.1	896.6	889.2	906.2
Net Assets Ending	701.1	896.6	889.2	906.2	997.9
Ratios					
Revenue Growth (%)	(2.7)	(3.3)	5.1	7.9	5.4
Operating Margin (%)	5.8	6.9	5.0	3.8	2.3
EBIDA CF Margin (%)	18.0%	19.3%	16.7%	16.6%	14.9%

*Source: St. Olaf FY Audits. *Endowment Spending and Operating Income Calculations from Moody's.*

Summary of Financial Position

Provided on the following page are *Statements of Financial Position* for the College's five prior audited fiscal years ending May 31, 2024, through 2020, which presents information about the College's balance sheet derived from the audited financial statements.

[remainder of page intentionally left blank]

Statements of Financial Position					
($ Million) Years Ended	**FY 2020 5/31/2020**	**FY 2021 5/31/2021**	**FY 2022 5/31/2022**	**FY 2023 5/31/2023**	**FY 2024 5/31/2024**
Assets					
+ Cash and Cash Equivalents	14.8	23.2	25.0	11.5	16.6
+ Long Term Unrestricted Investments	534.1	726.8	718.3	740.4	833.9
+ Land, Buildings, and Equipment, Net	244.0	242.8	275.5	296.2	292.4
+ Other	20.1	79.5	46.2	27.4	42.9
Total Assets	**813.0**	**1,072.2**	**1,065.0**	**1,075.4**	**1,185.8**
Liabilities					
+ Long Term Debt	67.5	122.0	119.7	116.4	138.0
+ Other	44.4	53.6	56.1	52.9	50.0
Total Liabilities	**111.9**	**175.6**	**175.8**	**169.2**	**188.0**
Net Assets					
+ Without Donor Restrictions	333.8	411.5	408.4	414.9	444.3
+ With Donor Restrictions	367.3	485.1	480.8	491.3	553.6
Total Net Assets	701.1	896.6	889.2	906.2	997.9
Total Liabilities & Net Assets	**813.0**	**1,072.2**	**1,065.0**	**1,075.4**	**1,185.8**
Ratios					
Monthly Days Cash on Hand	603	765	545	502	701
Cash+Inv. to Long Term Debt (x)	8.13	6.15	6.21	6.46	6.16

Sources: Bloomberg, St. Olaf FY Audits, Moody's Supplemental Worksheets for Monthly Liquidity.

Summary of Outstanding Debt

As of May 31, 2025, the College had $137.375 million of outstanding bonds/notes issued by the Authority for the College's benefit as summarized below:

Outstanding Long-Term Debt				
Series	**Issue Date**	**Outstanding Principal**	**Mode**	**Use of Proceeds**
Eight-G	7/1/2015	$ 33,770,000	Fixed	Refund Six-O (Science Bldg.), refund Five-M2 (Ytterboe Hall), terminate swap, finance residential and classroom buildings (Kittelsby, Kildahl, Larson and Mohn Halls, and Dittman Center and Hall of Music connection)
Eight-N	9/15/2016	21,270,000	Fixed	Refund Seven-F (refunded Five-H, Five-M1 and Five-M2 Bonds)
2001	3/18/2021	57,335,000	Fixed	Honor's houses replacement and new residence hall construction
2024	3/5/2024	25,000,000	Fixed	Hilleboe and Kittlesby Halls, facilities improvements, 10k sq ft building for facilities
Total		**$ 137,375,000**		

Sources: 2024 Note, 2021 Official Statement and Exhibit 3 to MHEFA Application for St. Olaf (2025).

The proposed 2025 Bonds represents a 3.0% reduction to the College's outstanding debt, and debt service savings are expected to provide close to $195,000 in nominal annual savings through fiscal year 2034 (based on market conditions as of July 1, 2025). The College's liquidity is expected to remain robust with fiscal year end 2024 total cash and investments providing a strong 6.3x coverage of proposed new debt and operating cash flows provide strong affordability for proposed debt service. Projected maximum aggregate annual debt service of approximately $9.3 million as a percent of operations would decrease to 6.3% from 6.9% based on operating expenses for FY2024 which is slightly high for the "A" rating category median (4.5% for FY2024). The College's outstanding and projected debt service is relatively 'front loaded' with close to 25% of the principal repaid in the next eight years, a credit positive for the rating agencies.

Preliminary Financing Plan Summary

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY
$29,520,000*
REVENUE REFUNDING BONDS, SERIES 2025
(St. Olaf College)

July 16, 2025

This Preliminary Financing Plan Summary (the "Summary") represents North Slope Capital Advisors' ("North Slope") review of the financing structure and is based on the most recent discussions with the College, the Minnesota Higher Education Facilities Authority (the "Authority"), and the Underwriter. As of the date of this Summary, the College has decided to issue fixed rate refunding bonds that will amortize beginning on December 1, 2025, with a final maturity of December 1, 2032 (~7-year final maturity). The 2025 Bonds are expected to provide uniform, level annual debt service savings for the College from fiscal years 2026 through and including 2033. The structure provided below is preliminary and subject to revision prior to pricing the 2025 Bonds which is expected to occur the week of August 4, 2025.

Issuer: Minnesota Higher Education Facilities Authority (the "Authority")

Borrower: St. Olaf College (the "College")

Purpose of the 2025 Bonds: The Authority intends to issue its 2025 Bonds on behalf of the College, the proceeds of which will be used to:

(1) Prepay and refund, on a current basis, the outstanding principal of the Authority's Series Eight-G Bonds, which include those maturing on and after December 1, 2025 (the "Refunding") plus interest thereon, to be redeemed in full on December 1, 2025 (the "Redemption Date"); and
(2) Pay certain issuance costs.

Issue Size: The estimated par amount of the 2025 Bonds is $29.52 million, including original issue premium estimated around $1.978 million, which sources will fund an escrow deposit of $31.186 million to refund the Eight-G Bonds and fund estimated costs of issuance of $330,000. The estimated par amount of the 2025 Bonds is equal to the Authority's not-to-exceed par of $32 million as of the writing of this Summary.

Costs of Issuance: Costs of issuance of up to 2% of the issue price may be funded with tax-exempt proceeds. Currently, actual costs of issuance are not expected to exceed 2% of the issue price of the 2025 Bonds.

Type of Sale and Underwriter:

	The 2025 Bonds will be sold via a negotiated, public underwriting and the College has selected Piper Sandler & Co. as the sole managing underwriter. The 2025 Bonds will be issued as Federal and State of Minnesota tax-exempt bonds.
Expected Pricing Date:	On or around the week of August 4, 2025.
Expected Closing Date:	On or around September 4, 2025
TIC (True Interest Cost):	The College has opted for a fixed rate mode for the 2025 Bonds, and the estimated all-in TIC, assuming rates and market conditions as of July 1, 2025, is 3.42%.
Note Denominations:	Denominations will be $5,000 and integral multiples thereof.
Interest Payments:	Semi-annually, beginning December 1, 2025.
Principal Payments:	Annually beginning on December 1, 2025, with a stated final maturity of December 1, 2032.
Redemption:	<u>Optional</u>: The 2025 Bonds will not be subject to optional redemption prior to final maturity of December 1, 2032. <u>Extraordinary Upon Determination of Taxability</u>: If a Determination of Taxability is made that the interest payable on the 2025 Bonds is subject to federal income taxes by reason of the application of the provisions of the Internal Revenue Code and regulations thereunder in effect on the date of issuance, the 2025 Bonds shall bear additional interest equal to two percent (2.00%) per annum above the basic interest rate from the Date of Taxability effective until the date on which the principal of the 2025 Bonds is paid. If a Determination of Taxability should occur, any monetary damages or loss resulting from or incident thereto shall be limited to the increased interest rate on the 2025 Bonds. <u>Extraordinary Upon Damage, Destruction, or Condemnation</u>: The 2025 Bonds will be subject to optional redemption at par and accrued interest in integral multiples of $5,000, as a whole or in part, in certain cases of damage to or destruction or condemnation of the Project Facilities. In the event the Project Facilities are damaged such that the claim for loss exceeds $1,000,000, the College may elect to repair, rebuild, or restore the Project Facilities or may elect, pursuant to the terms of the Loan Agreement, to redeem all or part of the outstanding 2025 Bonds.
Rating:	The College is currently rated "A1" with a stable outlook from Moody's Investors Service ("Moody's"). The College's underlying rating and outlook were affirmed in November 2023 in conjunction with Moody's annual surveillance and referenced/included the issuance of the $25 million 2024 Note for purposes of calculating various debt and capital ratios. A rating meeting with the College and other financing team members was held on July 8, 2025, with the rating result expected the week of July 14, 2025.
Bank Qualification:	The 2025 Bonds will not be designated as a "qualified tax-exempt obligation."

Security: The 2025 Bonds will be issued by the Authority and are secured by a pledge of the loan repayments, which are a general, unsecured obligation of the College payable from the general funds or any other money legally available to the College. Under the Loan Agreement, dated September 1, 2025, the College will agree to charge tuition, fees, rentals, and charges which, together with the general funds or any other moneys legally available to the College will provide the funds necessary to make timely payment of the debt service on the 2025 Bonds. It is anticipated there will not be a mortgage lien nor security interest in any property of the College; a 'negative pledge' on the College's real property subject to permitted encumbrances, and certain financial covenants have been pledged to the 2025 Bonds. At this time, it is anticipated that the 2025 Bonds will be issued on parity with the College's outstanding Series 2024 Note, Series 2021 Bonds, and Series Eight-N Bonds.

Debt Service Reserve Account: A debt service reserve fund will not be necessary, so no proceeds of the 2025 Bonds will be used to fund a debt service reserve fund.

Financial Covenants: The College is subject to two financial covenants and one additional bonds test (ABT) contained: a) in the outstanding Loan Agreement(s) for the Series Eight-N Bonds and the Series 2021 Bonds, and b) Section 5 in the Continuing Covenant Agreement dated March 1, 2024 between the College and the Purchaser of the 2024 Note. The College shall continue to observe the covenants below for the benefit of the 2025 Bonds and other parity bondholders.

1. **Covenants:**
   a. For at least two of the preceding three complete Fiscal Years, the Revenue/Expenditure Test must be met (Series 2024 Note and Eight-N Bonds only), and
   b. The College shall charge and collect tuition and fees in each Fiscal Year sufficient to produce Net Income Available for Debt Service to result in a Debt Service Coverage Ratio equal to or greater than 110% (Series 2024 Note and Series 2021 Bonds only).
2. **ABT:**
   a. For so long as the Series Eight-N Bonds remain outstanding, the College shall incur no Funded Debt with a maturity in excess of two years unless the average pro forma Debt Service Coverage Ratio for the last two audited Fiscal Years was at least 110%.

Continuing Disclosure: The College will enter into a "Continuing Disclosure Certificate" for the benefit of beneficial owners of the 2025 Bonds and will continue to comply with its existing Continuing Disclosure undertakings regarding its other outstanding bonds. Terms of the 2025 Continuing Disclosure Certificate mirror those of existing Continuing Disclosure Certificates.

Credit Enhancement: None

Trustee/Registrar and Paying Agent: Computershare Trust Company, N.A., Saint Paul, Minnesota

Permitted Investments:	Investments as permitted by Minnesota statutes.
Schedules:	Exhibit A: The College's existing debt service and summary of refunding for the 2025 Bonds.

Sources and Uses (as of July 1, 2025)
A preliminary estimate of sources and uses is provided below:

Preliminary Sources and Uses	
SOURCES	**Series 2025 Bonds**
Par amount	$29,520,000
Original Issue Premium	1,978,427
Total Sources	**$31,498,427**
USES	
Refunding Escrow Account	$31,186,075
Costs of issuance Account	312,352
Total Uses	**$31,498,427**

Source: Piper Sandler & Co. Numbers dated 7-1-2025. Rate indications as of 7-1-2025. All assumptions are subject to change.

For purposes of this Letter, North Slope has calculated the financial covenants in the table below using information provided by the College (Exhibit 4 - MHEFA Application for St. Olaf (2025)), annual financial statements of the College, and definitions provided in the various loan agreements:

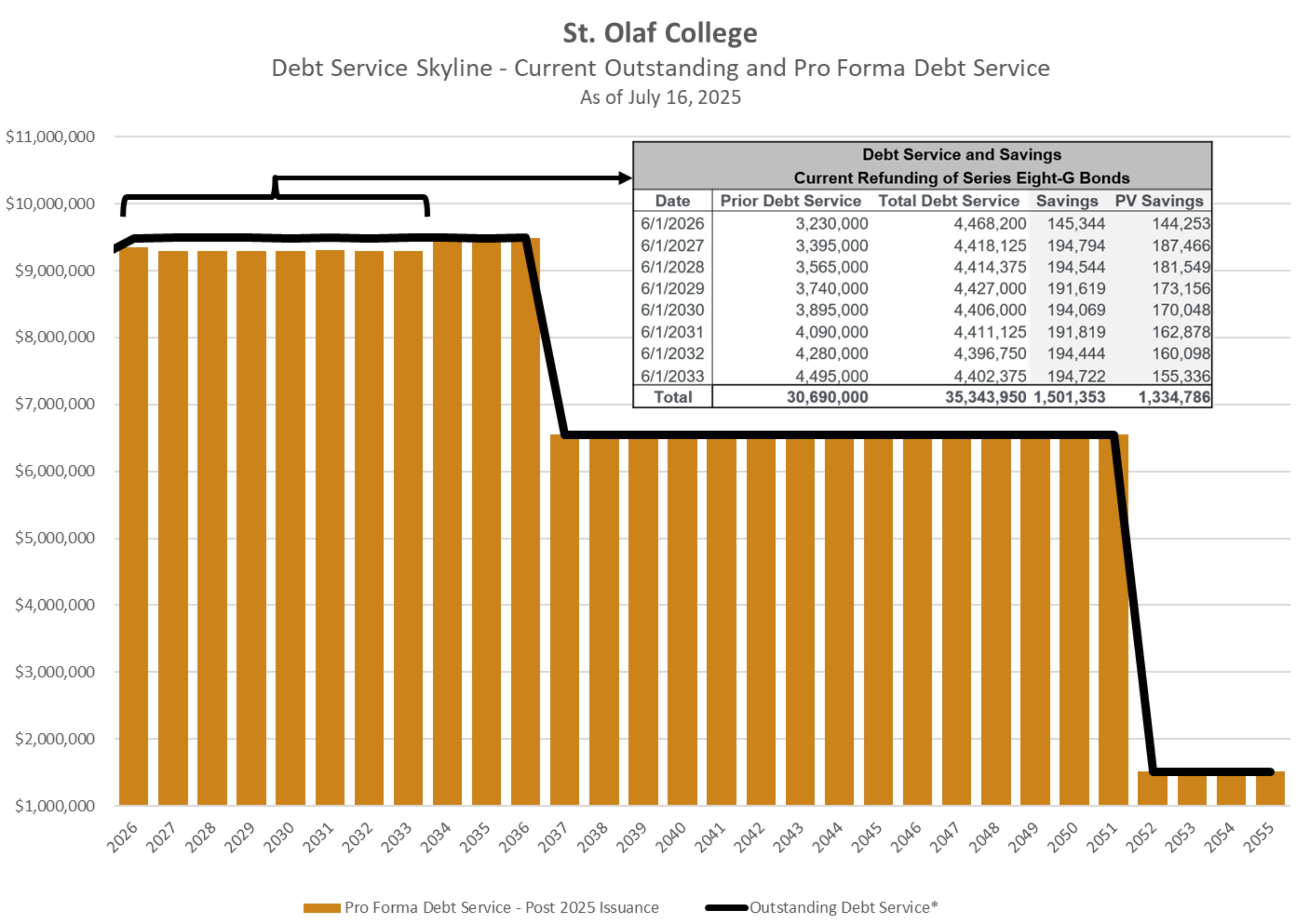
Financial Covenant Calculations			
	Fiscal Year 2023	**Fiscal Year 2024**	**Compliance (Y/N)**
a. Revenue/Expenditure Test			
(Calc: Net Revenues (Expenditures) ≥ 0)	$ 20,438,829	$ 19,894,200	Yes
b. Debt Service Coverage Ratio			Yes
(Calc: Net Income Available for Debt Service ÷ DS ≥ 110%)			
Net Income Available for Debt Service	$ 20,438,829	$ 19,894,200	
Yearly Debt Service	$ 8,041,675	$ 8,047,775	
Annual Debt Service Coverage Ratio	254%	247%	

Additional Bonds Test			
a. Funded Debt Test			Yes
(Calc: Net Income Available for Debt Service ÷ MADS ≥ 110%)			
Net Income Available for Debt Service[2]	$ 20,438,829	$ 19,894,200	
Maximum Annual Debt Service (incl. Ser. 2025)	$ 9,300,000	$ 9,300,000	
Max. Annual Debt Service Coverage Ratio	220%	214%	
Debt Service Coverage Ratio (Two-Year Average)	**217%**		

As indicated above, the College meets the requirements for the Funded Debt Test and has calculated covenant compliance as required under the existing financial covenants.

[2] "Construction in Progress" in the amount of $4,607,496 and $5,171,476, was subtracted/added back to "Net Income Available for Debt Service" for fiscal year 2023 and 2024, respectively, based on the definition/calculations for "Adjusted Increase (Decrease) in Unrestricted Net Assets" as defined in the Series Eight-G and Eight-N Loan Agreements for the Funded Debt Test.

Minnesota Higher Education Facilities Authority
Application Review and Preliminary Financing Plan Summary Letter from North Slope Capital Advisors
St. Olaf College (Series 2025)
Date: July 16, 2025
Appendix A



Debt Service and Savings
Current Refunding of Series Eight-G Bonds

Date	Prior Debt Service	Total Debt Service	Savings	PV Savings
6/1/2026	3,230,000	4,468,200	145,344	144,253
6/1/2027	3,395,000	4,418,125	194,794	187,466
6/1/2028	3,565,000	4,414,375	194,544	181,549
6/1/2029	3,740,000	4,427,000	191,619	173,156
6/1/2030	3,895,000	4,406,000	194,069	170,048
6/1/2031	4,090,000	4,411,125	191,819	162,878
6/1/2032	4,280,000	4,396,750	194,444	160,098
6/1/2033	4,495,000	4,402,375	194,722	155,336
Total	**30,690,000**	**35,343,950**	**1,501,353**	**1,334,786**

*While the 2024 Note is subject to mandatory tender on 10/1/2033, debt service is demonstrated through final maturity of 10/1/2054 at 4.48%.

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Minneapolis, MN 55402-2210
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taftlaw.com

MEMORANDUM

TO: Barry W. Fick
Minnesota Higher Education Facilities Authority

FROM: Taft Stettinius & Hollister LLP

DATE: July 9, 2025

RE: Application of St. Olaf College for MHEFA Financing

We have reviewed the Application of St. Olaf College (the "College"), as owner and operator of St. Olaf College (the "Institution"), dated May 30, 2025 and found it to be complete and satisfactory from a legal standpoint, subject to the following:

1. Purpose. The Application relates to the refunding of the Minnesota Higher Education Facilities Authority (the "Authority") Revenue Bonds, Series Eight-G (St. Olaf College) (the "Series Eight-G Bonds"), which were originally issued to finance (i) the refunding of a portion of the outstanding principal of the Authority's Revenue Bonds, Series Six-O (St. Olaf College), originally issued to finance the acquisition, construction, improvement and equipping of a new Science Building, (ii) the refunding of the Authority's Variable Rate Demand Revenue Bonds, Series Five-M2 (St. Olaf College) (the "Series Five-M2 Bonds"), originally issued to refinance the City of Northfield, Minnesota, College Facility Revenue Bonds, Series 1992 (St. Olaf College Project), the proceeds of which (A) refunded the City of Northfield, Minnesota, College Facility Revenue Bonds, Series 1988 (St. Olaf College Project), which had financed Ytterboe Hall and related equipment, and (B) financed repairs, renovations and improvements to Rand and Thorson Residence Halls, and expansions of the Institution's water system and parking facilities, (iii) the termination of an interest rate swap agreement relating to the Series Five-M2 Bonds, (iv) various construction and renovation projects to the Institution's residential facilities and classroom buildings on its main campus, including renovation of Kittelsby Hall, Kildahl Hall, Larson Hall and Mohn Hall, acquisition of residence hall furnishings, fixtures and equipment, construction of a new connection between the Dittmann Center and the Hall of Music, and renovation of Holland Hall, and (v) certain costs of issuance (collectively, the "Series Eight-G Project").

The buildings, equipment, facilities and improvements described above constituting the Series Eight-G Project proposed to be refinanced are sometimes collectively referred to in this Memorandum as the "Project Facilities." The Project Facilities are owned and operated by the College and located on the College's campus, the principal street address of which is 1520 St. Olaf Avenue, Northfield, Minnesota.

2. Incomplete Items. The following items required by the Application are missing or incomplete:

A. Officers of the College. Exhibit six (6) sets out the members of the Board of Regents (the "Board") of the College, but does not provide a list of the officers of the College. A list of the non-Board officers of the College is available at https://wp.stolaf.edu/president/leadership/.

B. Evidence of Title. No evidence of title was submitted. The College should provide title evidence, in the form of a title commitment, attorney's title opinions, or owners and encumbrances reports and an updated as-built survey, plat map, plot plan or other property depiction, prior to closing, which will need to be examined when received to confirm that the College has good title to (or other suitable interest in) the Project Facilities. We will work with the College and its counsel to determine appropriate evidence of title.

3. Financial Covenants. The Application, in Exhibit 4, addresses that the Authority's Series Eight-G Bonds, Series Eight-N Bonds, Series 2021 Bonds, and Series 2024 Note contain certain financial covenant tests regarding the College. Prior to the issuance of the proposed revenue obligations, the College and its accountants and counsel should examine such prior covenants and pledges and provide the Authority with the information necessary to demonstrate both current compliance and whether issuance of the proposed revenue obligations will cause an event of noncompliance. Any prior liens, pledges and commitments which will remain in place following the issuance of the proposed bonds should be identified within the context of the College's pledge of its full faith and credit or other collateral for the proposed bonds.

4. $150 Million Limit on Tax-Exempt Non-Hospital Bonds Under Section 145(b) of Internal Revenue Code. In the Application, the College has stated that the College receives an annual allocation from the Evangelical Lutheran Church in American ("ELCA") Foundation. The Application includes Articles of Amendment Amending and Restating the Articles of Incorporation (the "Articles"), adopted March 25, 2022, and Amended and Restated Bylaws of the College (the "Bylaws"), adopted May 7, 2021.

Pursuant to the Articles, the members (the "Members") of the College include the members of the ELCA Church Council, the officers of the ELCA or its successor, the President of the College, and the Board. The management and direction of the business and affairs of the College is vested in the Board. Pursuant to Article IX of the Articles, the Articles may only be amended by the affirmative vote of a majority of the members of the Board, but such amendments only take effect upon subsequent approval by the Members of the College. Pursuant to Article XII of the Bylaws, any amendment to the Bylaws requires an affirmative vote of two-thirds (2/3) of the Board, but the approval of the Members is only required with amendments to certain articles of the Bylaws.

The By-Laws require that the President of the College be a member of the ELCA or its successor, or another denomination with which the ELCA or its successor has established full communion. The By-laws also provide that the Board "shall sustain and support the Lutheran tradition" of the College. In addition, the By-Laws state that (i) the Board must maintain a composition in which a majority of the members of the Board are members of the ELCA or another denomination with which the ELCA or its successors has established full communion, and at least 40% of the members of the Board must be members of the ELCA; and (ii) at least one member of the Board must be a bishop of the ELCA or a person who is widely recognized as a thought or practice leader of the ELCA. In addition, the By-Laws allow for the Presiding Bishop of the ELCA, or the successor church officer equivalent thereto, or a person designated by such Presiding Bishop, to be invited to serve as an ex officio voting member of the Board solely for the purposes of participating in a search for a President of the College and voting on the election of the President of the College.

These facts would be significant due to the limitation set forth in Internal Revenue Code Section 145(b) prior to 1997, of the aggregate amount of outstanding qualified 501(c)(3) non-hospital bonds from which any 501(c)(3) organization may benefit to $150 million. For purposes of this rule, two or more organizations under common management or control are treated as one organization.

The 1997 amendment to Section 145(b) excludes from the $150 million limit tax-exempt non-hospital bonds issued after August 5, 1997, as part of an issue 95% or more of the net proceeds of which (including issuance costs) are to be used to finance capital expenditures incurred after that date. The proposed bonds will refinance capital expenditures originally incurred both before and after August 5, 1997.

It appears that the College and the ELCA are not under common control and management, but we will verify such determination with the College and its attorney, and we will verify that no other organizations are controlling, controlled by or under common management or control with the College. We will be preparing for the closing certificates a debt schedule to ensure that the $150 million limit is satisfied. In furtherance thereof, we should be furnished with a schedule of outstanding tax-exempt debt of the College and any organization controlling or controlled by the College.

5. Establishment of Religion. The Application materials contain a number of statements in support of a conclusion that the College is not a sectarian institution. In particular, the relevant organizational documents, general statements contained in official College publications, admissions standards, and faculty hiring and tenure requirements support the conclusion that the College does in fact follow academic freedom in the classroom and non-discrimination practices in faculty and student recruitment, retention and promotion. Under the Supreme Court's guidelines as established by the relevant decisions, the focus on actual practices is as important as the focus on institutional documents. Therefore, the members of the Authority should be satisfied that the College does in fact follow academic freedom in the classroom and non-discrimination practices in faculty and student recruitment, retention and promotion.

Under the tests established in Tilton v. Richardson, 403 U.S. 672 (1970), Hunt v. McNair, 413 U.S. 734 (1973), and Roemer v. Board of Public Works in Maryland, 426 U.S. 736 (1976), and applied in Minnesota Higher Education Facilities Authority v. Hawk, 305 Minn. 97, 232 N.W. 2d 106 (1975), there is serious doubt that a loan from the Authority to the College to finance improvements for the use of the ELCA Church located on the College campus would be constitutionally permitted, even if sectarian projects were not prohibited by Section 136A.28, Subdivision 3.

On these facts, and under existing judicial interpretation of the Establishment of Religion Clause, we conclude that the Authority refinancing of the Series Eight-G Project proposed by the College will not violate Establishment of Religion clause limitations, despite the link to the ELCA. In addition to constitutional concerns, the Authority's enabling law, as noted, specifically excludes facilities used for sectarian purposes or religious worship from permissible projects to be financed.

We note that the most recent United States Supreme Court decision in this area, while not directly on point, does appear to broaden the permitted scope of public assistance to religious-affiliated educational institutions. Financing such as that provided by the Authority falls well within the permitted limits.

6. Exceptions to Arbitrage and Rebate. The proposed revenue obligations are to be issued to refund the Series Eight-G Bonds on a current refunding basis , that is, within 90 days of the issuance of the proposed revenue obligations.

Arbitrage Exceptions. Pursuant to Treasury Regulations § 1.148-9(d)(2)(ii), proceeds of the proposed revenue obligations (not including transferred proceeds, if any, from the Series Eight-G Bonds) deposited in an escrow fund to refund the Series Eight-G Bonds may be invested at a yield materially higher than the yield on the proposed revenue obligations (a "Materially Higher Yield," as defined in the Treasury Regulations) for a temporary period of ninety (90) days from the issue date without causing the proposed revenue obligations to be arbitrage bonds. Additionally, Treasury Regulations § 1.148-9(d)(2)(iv) provides that proceeds of the proposed revenue obligations deposited in a bona fide debt service fund or utilized to pay costs of issuance may also be invested at a Materially Higher Yield for a temporary period of thirteen (13) months.

Rebate Exceptions. Pursuant to Treasury Regulations § 1.148-7(b)(1)(ii), investment earnings on gross proceeds deposited in the escrow fund will not be subject to the requirement to pay rebate pursuant to the six-month spending exception. Additionally, § 148(f)(4)(A)(ii) of the Internal Revenue Code provides that investment earnings on a bona fide debt service fund will not be subject to rebate if the gross earnings in the fund for a bond year are less than $100,000.

You should note that the proposed revenue obligations are not expected to be secured by a reserve fund, but if a reserve fund is required, certain proceeds deposited in such reserve fund (if reasonably required) may be invested at a Materially Higher Yield, but the earnings on the reserve fund will be subject to rebate.

7. Use of Project Facilities by Business Enterprises. If the College has or will have a contract with a for-profit private enterprise to provide services in any of the Project Facilities, we will need to review the use and/or contract to ensure compliance with guidelines relating to private use established in the Internal Revenue Code and related regulations and in Revenue Procedures 2001-39, 2007-47, and 2017-13 (together, "Private Use Rules"). The College has not described any such activity to be carried on in the Project Facilities, but we think some further inquiry would be prudent to determine whether there is any "private use." Discovery of "private use" may necessitate that the College use its own funds to finance the private use facility (and allocated common areas) and to follow the guidelines in the Private Use Rules to preserve tax-exempt financing for the rest of the financed facilities.

Section 145(a) of the Internal Revenue Code provides that no more than five percent of the net proceeds of an issue may be used by any person other than a 501(c)(3) organization or governmental unit, or in a trade or business unrelated to the exempt purposes of the College. Even if a service or other management contract, or use of parking or other proposed facilities, does not generate unrelated business income for the College, such agreements may constitute "use" of facilities of the College by a private (and nonexempt) entity which could render the bonds used to finance the facilities taxable. The Private Use Rules are lengthy and complex and will require careful review and application. The Private Use Rules require that the costs of issuance (a maximum of two percent payable from bond proceeds) to be counted against the five percent limit of private use, leaving only three percent available for other private use.

Subject to certain restrictions, the Private Use Rules would permit parts of the Project Facilities which are "used" by a private entity to be financed by tax-exempt bonds. We will need to examine the intended "use" of the Project Facilities to determine the applicable restrictions.

Any change in use or ownership of the Project Facilities or any portion thereof should be undertaken only with advice of bond counsel and, in some cases, advance arrangement of "remedial action" under Treasury Regulations Section 1.141-12.

8. Litigation. The College has indicated there is no pending litigation that is uninsured and would have a material adverse financial impact if resolved against the College. If there is any change in the status of litigation or claims, threatened or pending, prior to closing, the College should promptly notify the Authority, the municipal advisor and bond counsel and provide a description of such litigation.

9. Sinking Fund Proceeds; Replacement Proceeds. The Application states that the funds to pay debt service on the proposed revenue obligations will be derived from the College's general operations. No pledge of collateral is proposed. While this financing structure is similar to other recent Authority financings and does not appear to raise "sinking fund" concerns, it will nonetheless be necessary to analyze whether any such change in unrestricted endowments are subject to rebate or yield limitations under Section 148 of the Internal Revenue Code.

The notes to the College's financial statements indicate that the College, as of May 31, 2024, had substantial unrestricted assets, temporarily-restricted assets and restricted assets available for various purposes. The arbitrage regulations adopted by the Internal Revenue Service impose limits on the yield on investments of "gross proceeds" of tax-exempt bonds. "Gross proceeds" include not only the actual proceeds received from the issuance and sale of bonds but also other monies characterized as "replacement proceeds." Amounts are "replacement proceeds" under the regulations if it is concluded that such amounts would have been used for the governmental purposes for which the bonds were issued (here, the refinancing of the Series Eight-G Project) had proceeds of the revenue obligations not been used for that governmental purpose. Amounts also may be replacement proceeds if they are held or expected to be used to pay debt service on revenue obligations, such as restricted gifts or pledges for the refinancing of the Series Eight-G Project. The mere availability or preliminary earmarking of funds for such purposes does not, in itself, necessarily lead to the conclusion that such funds would have been used for the governmental purpose of the bonds and thus are replacement proceeds. We will confer with the College and its counsel to confirm compliance with the replacement proceeds rules including fundraising for the refinancing of the Series Eight-G Project and endowment funds.

North Slope Capital Advisors
2000 S. Colorado Blvd
Bldg. 1 - 2000
Denver, CO 80222
303-953-4101

July 16, 2025

Minnesota Higher Education Facilities Authority[1]
c/o Mr. David Rowland, Board Chair and Mr. Barry W. Fick, Executive Director
860 Blue Gentian Road, Suite 145
Eagan, MN 55121

Dear Mr. Rowland, Mr. Fick, and Authority Board Members:

As the independent registered municipal advisor for the Authority, we are pleased to provide the following *Application Review and Preliminary Financing Plan Summary Letter* for the Authority's proposed issuance of its Revenue Refunding Bonds, Series 2025 (the "2025 Bonds") on behalf of St. Olaf College as borrower (the "College"). The Authority intends to issue its 2025 Bonds on behalf of the College, the proceeds of which will be used to:

(1) Prepay and refund, on a current basis, the outstanding principal of the Authority's Series Eight-G Bonds, which include those maturing on and after December 1, 2025 (the "Refunding") plus interest thereon, to be redeemed in full on December 1, 2025 (the "Redemption Date"); and
(2) Pay certain issuance costs.

Provided below is a summary of the preliminary financing plan followed by a summary of the College's credit profile and preliminary details on the proposed financing structure.

Preliminary Financing Plan Summary	
Par Amount (Estimated as of July 1, 2025)	$29,520,000
Financing Type	Current Refunding of Eight-G Bonds
First Principal Payment Date	December 1, 2025
Stated Final Maturity Date	December 1, 2032
Prior MHEFA Bonds Outstanding (as of July 1, 2025)	Series 2024 Note, Series 2021, Eight-N, Eight-G
Current Underlying Rating	A1 (Stable) as of November 2023
Underwriter	Piper Sandler & Co.
Bond Counsel	Taft Stettinius & Hollister LLP
Expected Pricing Date	On or around the week of August 4, 2025
Issuance Date (Estimated)	On or around September 4, 2025

Based on our review of the material provided by the College, including the preliminary financing plan and debt service pro formas provided by the Underwriter, North Slope Capital Advisors is confident that (1) a market-driven finance plan can be developed, (2) a borrowing in the amount required to achieve debt service savings for the College is fiscally feasible, and (3) bonds with adequate security can be structured. Accordingly, North Slope will be attending the Authority's meeting on July 16, 2025, to present our review of the College's application and answer any questions regarding the information contained in this letter. North Slope also recommends the Authority issue the 2025 Bonds to refund the Series Eight-G Bonds for debt service savings for the College.

Respectfully submitted,

NORTH SLOPE CAPITAL ADVISORS by
Stephanie M. Chichester, President

NORTH SLOPE CAPITAL ADVISORS by
Nick E. Taylor, Managing Director

cc: Mr. Mike Berthelsen, Vice President of Finance and Chief Financial Officer (St. Olaf College)
Angela Mathews, Assistant Vice President for Budget, and Auxiliary Operations (St. Olaf College)
Nathan Engle, Assistant VP and Controller (St. Olaf College)
Taft Stettinius & Hollister LLP, Bond Counsel

[1] *Effective August 1, 2025, Minnesota Statutes §136A.25 was amended to rename the "Minnesota Higher Education Facilities Authority" as the "Minnesota Health and Education Facilities Authority."*

St. Olaf College

St. Olaf College (the "College") is a four-year, co-educational liberal arts college located in Northfield, Minnesota. The College was founded in 1874 and operated as an academy, St. Olaf's School, until 1886, when a college department was added. The name was changed to St. Olaf College in 1889, and the first college class graduated in 1890. The academy was discontinued in 1917. Throughout its history, the College has been affiliated with the American Lutheran Church, one of the merging churches that became the Evangelical Lutheran Church in America (ELCA) in January of 1988. The College, however, is neither under common management with, nor controlled by, the Evangelical Lutheran Church in America.

Today, the College offers 47 graduation majors as well as a number of teaching majors and teaching certification programs. The most popular majors (in order) are mathematics, biology, economics, psychology, and music. The College follows the 4-1-4 academic calendar of two 14-week semesters of four courses each semester, separated by a one-month interim term in January. This calendar is augmented by summer sessions during which as many as four courses may be taken. The College is accredited by the Higher Learning Commission as well as by appropriate professional organizations. The College is also registered with the Minnesota Office of Higher Education in accordance with Minnesota statutes.

Enrollment
The College's full-time and head count enrollments are reflected in the table below. These figures reflect enrollments for the fall semester for each year. Full-time student enrollment is typically 100 to 120 students lower in the spring semester.

Academic Year	Full-time Students	Head Count Students
2020/21	2,916	2,953
2021/22	2,964	2,988
2022/23	3,022	3,046
2023/24	3,044	3,074
2024/25	3,078	3,124

The objective of the College is to maintain the full-time, fall semester enrollment of 2,900 to 3,000 over the next several years. The student body enrolled in the fall of 2024 consisted of students from 48 states and 102 foreign countries. Fifty-three percent (53%) of full-time students come from outside Minnesota.

Source: Exhibit 1 – Student Enrollment (Updated) - MHEFA Application for St. Olaf (2025).

Summary of Financial Operations
Provided on the following page are *Statements of Activities and Change in Net Assets* for the College's five prior audited fiscal years ending May 31, 2024, through 2020, which presents information about the College's operating activities derived from the audited financial statements.

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Statements of Activities					
($ Million) Years Ended	**FY 2020 5/31/2020**	**FY 2021 5/31/2021**	**FY 2022 5/31/2022**	**FY 2023 5/31/2023**	**FY 2024 5/31/2024**
Revenues					
+ Net Tuition Revenue	51.2	48.3	42.6	43.1	41.3
+ Government Student Grant Revenues	6.1	6.2	6.5	7.1	7.9
+ Net Auxiliary Enterprise Revenues	25.1	28.7	30.6	34.2	37.9
+ Grants and Contracts	5.0	6.8	10.1	6.6	4.2
+ Contributions for Operations	3.0	3.4	3.0	3.1	3.1
+ Investment Income (Endowment Spending)*	28.1	28.3	31.2	34.1	37.4
+ Net Assets Released from Restrictions	5.6	3.1	5.5	8.2	11.0
+ Other Revenue	6.6	1.7	3.5	7.1	8.2
Revenue	130.7	126.4	132.9	143.3	151.0
Expenses					
- Academic Support Expenses	15.1	16.1	16.3	16.6	20.1
- Depreciation Expenses	12.9	12.7	12.4	13.7	14.4
- Interest Expenses Operating	3.1	3.0	3.1	4.7	4.6
- Other Operating Expenses	92.0	85.9	94.3	103.0	108.4
Total Operating Expenses	123.1	117.7	126.2	137.9	147.6
Operating Income (loss)*	7.6	8.7	6.7	5.4	3.4
Change in net assets from nonoperating activities	(29.0)	164.6	(13.2)	13.1	90.4
Change in net assets before reclassification of net assets	(27.4)	195.5	(7.5)	17.0	91.7
Change in Net Assets	(27.4)	195.5	(7.5)	17.0	91.7
Net Assets Beginning	728.5	701.1	896.6	889.2	906.2
Net Assets Ending	701.1	896.6	889.2	906.2	997.9
Ratios					
Revenue Growth (%)	(2.7)	(3.3)	5.1	7.9	5.4
Operating Margin (%)	5.8	6.9	5.0	3.8	2.3
EBIDA CF Margin (%)	18.0%	19.3%	16.7%	16.6%	14.9%

*Source: St. Olaf FY Audits. *Endowment Spending and Operating Income Calculations from Moody's.*

Summary of Financial Position

Provided on the following page are *Statements of Financial Position* for the College's five prior audited fiscal years ending May 31, 2024, through 2020, which presents information about the College's balance sheet derived from the audited financial statements.

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Statements of Financial Position					
($ Million) Years Ended	**FY 2020 5/31/2020**	**FY 2021 5/31/2021**	**FY 2022 5/31/2022**	**FY 2023 5/31/2023**	**FY 2024 5/31/2024**
Assets					
+ Cash and Cash Equivalents	14.8	23.2	25.0	11.5	16.6
+ Long Term Unrestricted Investments	534.1	726.8	718.3	740.4	833.9
+ Land, Buildings, and Equipment, Net	244.0	242.8	275.5	296.2	292.4
+ Other	20.1	79.5	46.2	27.4	42.9
Total Assets	**813.0**	**1,072.2**	**1,065.0**	**1,075.4**	**1,185.8**
Liabilities					
+ Long Term Debt	67.5	122.0	119.7	116.4	138.0
+ Other	44.4	53.6	56.1	52.9	50.0
Total Liabilities	**111.9**	**175.6**	**175.8**	**169.2**	**188.0**
Net Assets					
+ Without Donor Restrictions	333.8	411.5	408.4	414.9	444.3
+ With Donor Restrictions	367.3	485.1	480.8	491.3	553.6
Total Net Assets	701.1	896.6	889.2	906.2	997.9
Total Liabilities & Net Assets	**813.0**	**1,072.2**	**1,065.0**	**1,075.4**	**1,185.8**
Ratios					
Monthly Days Cash on Hand	603	765	545	502	701
Cash+Inv. to Long Term Debt (x)	8.13	6.15	6.21	6.46	6.16

Sources: Bloomberg, St. Olaf FY Audits, Moody's Supplemental Worksheets for Monthly Liquidity.

Summary of Outstanding Debt

As of May 31, 2025, the College had $137.375 million of outstanding bonds/notes issued by the Authority for the College's benefit as summarized below:

Outstanding Long-Term Debt					
Series	**Issue Date**	**Outstanding Principal**		**Mode**	**Use of Proceeds**
Eight-G	7/1/2015	$	33,770,000	Fixed	Refund Six-O (Science Bldg.), refund Five-M2 (Ytterboe Hall), terminate swap, finance residential and classroom buildings (Kittelsby, Kildahl, Larson and Mohn Halls, and Dittman Center and Hall of Music connection)
Eight-N	9/15/2016		21,270,000	Fixed	Refund Seven-F (refunded Five-H, Five-M1 and Five-M2 Bonds)
2001	3/18/2021		57,335,000	Fixed	Honor's houses replacement and new residence hall construction
2024	3/5/2024		25,000,000	Fixed	Hilleboe and Kittlesby Halls, facilities improvements, 10k sq ft building for facilities
Total		**$**	**137,375,000**		

Sources: 2024 Note, 2021 Official Statement and Exhibit 3 to MHEFA Application for St. Olaf (2025).

The proposed 2025 Bonds represents a 3.0% reduction to the College's outstanding debt, and debt service savings are expected to provide close to $195,000 in nominal annual savings through fiscal year 2034 (based on market conditions as of July 1, 2025). The College's liquidity is expected to remain robust with fiscal year end 2024 total cash and investments providing a strong 6.3x coverage of proposed new debt and operating cash flows provide strong affordability for proposed debt service. Projected maximum aggregate annual debt service of approximately $9.3 million as a percent of operations would decrease to 6.3% from 6.9% based on operating expenses for FY2024 which is slightly high for the "A" rating category median (4.5% for FY2024). The College's outstanding and projected debt service is relatively 'front loaded' with close to 25% of the principal repaid in the next eight years, a credit positive for the rating agencies.

Preliminary Financing Plan Summary

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY
$29,520,000*
REVENUE REFUNDING BONDS, SERIES 2025
(St. Olaf College)

July 16, 2025

This Preliminary Financing Plan Summary (the "Summary") represents North Slope Capital Advisors' ("North Slope") review of the financing structure and is based on the most recent discussions with the College, the Minnesota Higher Education Facilities Authority (the "Authority"), and the Underwriter. As of the date of this Summary, the College has decided to issue fixed rate refunding bonds that will amortize beginning on December 1, 2025, with a final maturity of December 1, 2032 (~7-year final maturity). The 2025 Bonds are expected to provide uniform, level annual debt service savings for the College from fiscal years 2026 through and including 2033. The structure provided below is preliminary and subject to revision prior to pricing the 2025 Bonds which is expected to occur the week of August 4, 2025.

Issuer: Minnesota Higher Education Facilities Authority (the "Authority")

Borrower: St. Olaf College (the "College")

Purpose of the 2025 Bonds: The Authority intends to issue its 2025 Bonds on behalf of the College, the proceeds of which will be used to:

(1) Prepay and refund, on a current basis, the outstanding principal of the Authority's Series Eight-G Bonds, which include those maturing on and after December 1, 2025 (the "Refunding") plus interest thereon, to be redeemed in full on December 1, 2025 (the "Redemption Date"); and
(2) Pay certain issuance costs.

Issue Size: The estimated par amount of the 2025 Bonds is $29.52 million, including original issue premium estimated around $1.978 million, which sources will fund an escrow deposit of $31.186 million to refund the Eight-G Bonds and fund estimated costs of issuance of $330,000. The estimated par amount of the 2025 Bonds is equal to the Authority's not-to-exceed par of $32 million as of the writing of this Summary.

Costs of Issuance: Costs of issuance of up to 2% of the issue price may be funded with tax-exempt proceeds. Currently, actual costs of issuance are not expected to exceed 2% of the issue price of the 2025 Bonds.

Type of Sale and Underwriter:

	The 2025 Bonds will be sold via a negotiated, public underwriting and the College has selected Piper Sandler & Co. as the sole managing underwriter. The 2025 Bonds will be issued as Federal and State of Minnesota tax-exempt bonds.
Expected Pricing Date:	On or around the week of August 4, 2025.
Expected Closing Date:	On or around September 4, 2025
TIC (True Interest Cost):	The College has opted for a fixed rate mode for the 2025 Bonds, and the estimated all-in TIC, assuming rates and market conditions as of July 1, 2025, is 3.42%.
Note Denominations:	Denominations will be $5,000 and integral multiples thereof.
Interest Payments:	Semi-annually, beginning December 1, 2025.
Principal Payments:	Annually beginning on December 1, 2025, with a stated final maturity of December 1, 2032.
Redemption:	<u>Optional</u>: The 2025 Bonds will not be subject to optional redemption prior to final maturity of December 1, 2032. <u>Extraordinary Upon Determination of Taxability</u>: If a Determination of Taxability is made that the interest payable on the 2025 Bonds is subject to federal income taxes by reason of the application of the provisions of the Internal Revenue Code and regulations thereunder in effect on the date of issuance, the 2025 Bonds shall bear additional interest equal to two percent (2.00%) per annum above the basic interest rate from the Date of Taxability effective until the date on which the principal of the 2025 Bonds is paid. If a Determination of Taxability should occur, any monetary damages or loss resulting from or incident thereto shall be limited to the increased interest rate on the 2025 Bonds. <u>Extraordinary Upon Damage, Destruction, or Condemnation</u>: The 2025 Bonds will be subject to optional redemption at par and accrued interest in integral multiples of $5,000, as a whole or in part, in certain cases of damage to or destruction or condemnation of the Project Facilities. In the event the Project Facilities are damaged such that the claim for loss exceeds $1,000,000, the College may elect to repair, rebuild, or restore the Project Facilities or may elect, pursuant to the terms of the Loan Agreement, to redeem all or part of the outstanding 2025 Bonds.
Rating:	The College is currently rated "A1" with a stable outlook from Moody's Investors Service ("Moody's"). The College's underlying rating and outlook were affirmed in November 2023 in conjunction with Moody's annual surveillance and referenced/included the issuance of the $25 million 2024 Note for purposes of calculating various debt and capital ratios. A rating meeting with the College and other financing team members was held on July 8, 2025, with the rating result expected the week of July 14, 2025.
Bank Qualification:	The 2025 Bonds will not be designated as a "qualified tax-exempt obligation."

Security: The 2025 Bonds will be issued by the Authority and are secured by a pledge of the loan repayments, which are a general, unsecured obligation of the College payable from the general funds or any other money legally available to the College. Under the Loan Agreement, dated September 1, 2025, the College will agree to charge tuition, fees, rentals, and charges which, together with the general funds or any other moneys legally available to the College will provide the funds necessary to make timely payment of the debt service on the 2025 Bonds. It is anticipated there will not be a mortgage lien nor security interest in any property of the College; a 'negative pledge' on the College's real property subject to permitted encumbrances, and certain financial covenants have been pledged to the 2025 Bonds. At this time, it is anticipated that the 2025 Bonds will be issued on parity with the College's outstanding Series 2024 Note, Series 2021 Bonds, and Series Eight-N Bonds.

Debt Service Reserve Account: A debt service reserve fund will not be necessary, so no proceeds of the 2025 Bonds will be used to fund a debt service reserve fund.

Financial Covenants: The College is subject to two financial covenants and one additional bonds test (ABT) contained: a) in the outstanding Loan Agreement(s) for the Series Eight-N Bonds and the Series 2021 Bonds, and b) Section 5 in the Continuing Covenant Agreement dated March 1, 2024 between the College and the Purchaser of the 2024 Note. The College shall continue to observe the covenants below for the benefit of the 2025 Bonds and other parity bondholders.

1. **Covenants:**
   a. For at least two of the preceding three complete Fiscal Years, the Revenue/Expenditure Test must be met (Series 2024 Note and Eight-N Bonds only), and
   b. The College shall charge and collect tuition and fees in each Fiscal Year sufficient to produce Net Income Available for Debt Service to result in a Debt Service Coverage Ratio equal to or greater than 110% (Series 2024 Note and Series 2021 Bonds only).
2. **ABT:**
   a. For so long as the Series Eight-N Bonds remain outstanding, the College shall incur no Funded Debt with a maturity in excess of two years unless the average pro forma Debt Service Coverage Ratio for the last two audited Fiscal Years was at least 110%.

Continuing Disclosure: The College will enter into a "Continuing Disclosure Certificate" for the benefit of beneficial owners of the 2025 Bonds and will continue to comply with its existing Continuing Disclosure undertakings regarding its other outstanding bonds. Terms of the 2025 Continuing Disclosure Certificate mirror those of existing Continuing Disclosure Certificates.

Credit Enhancement: None

Trustee/Registrar and Paying Agent: Computershare Trust Company, N.A., Saint Paul, Minnesota

Permitted Investments: Investments as permitted by Minnesota statutes.

Schedules: Exhibit A: The College's existing debt service and summary of refunding for the 2025 Bonds.

Sources and Uses (as of July 1, 2025)
A preliminary estimate of sources and uses is provided below:

Preliminary Sources and Uses	
SOURCES	**Series 2025 Bonds**
Par amount	$29,520,000
Original Issue Premium	1,978,427
Total Sources	**$31,498,427**
USES	
Refunding Escrow Account	$31,186,075
Costs of issuance Account	312,352
Total Uses	**$31,498,427**

Source: Piper Sandler & Co. Numbers dated 7-1-2025. Rate indications as of 7-1-2025. All assumptions are subject to change.

For purposes of this Letter, North Slope has calculated the financial covenants in the table below using information provided by the College (Exhibit 4 - MHEFA Application for St. Olaf (2025)), annual financial statements of the College, and definitions provided in the various loan agreements:

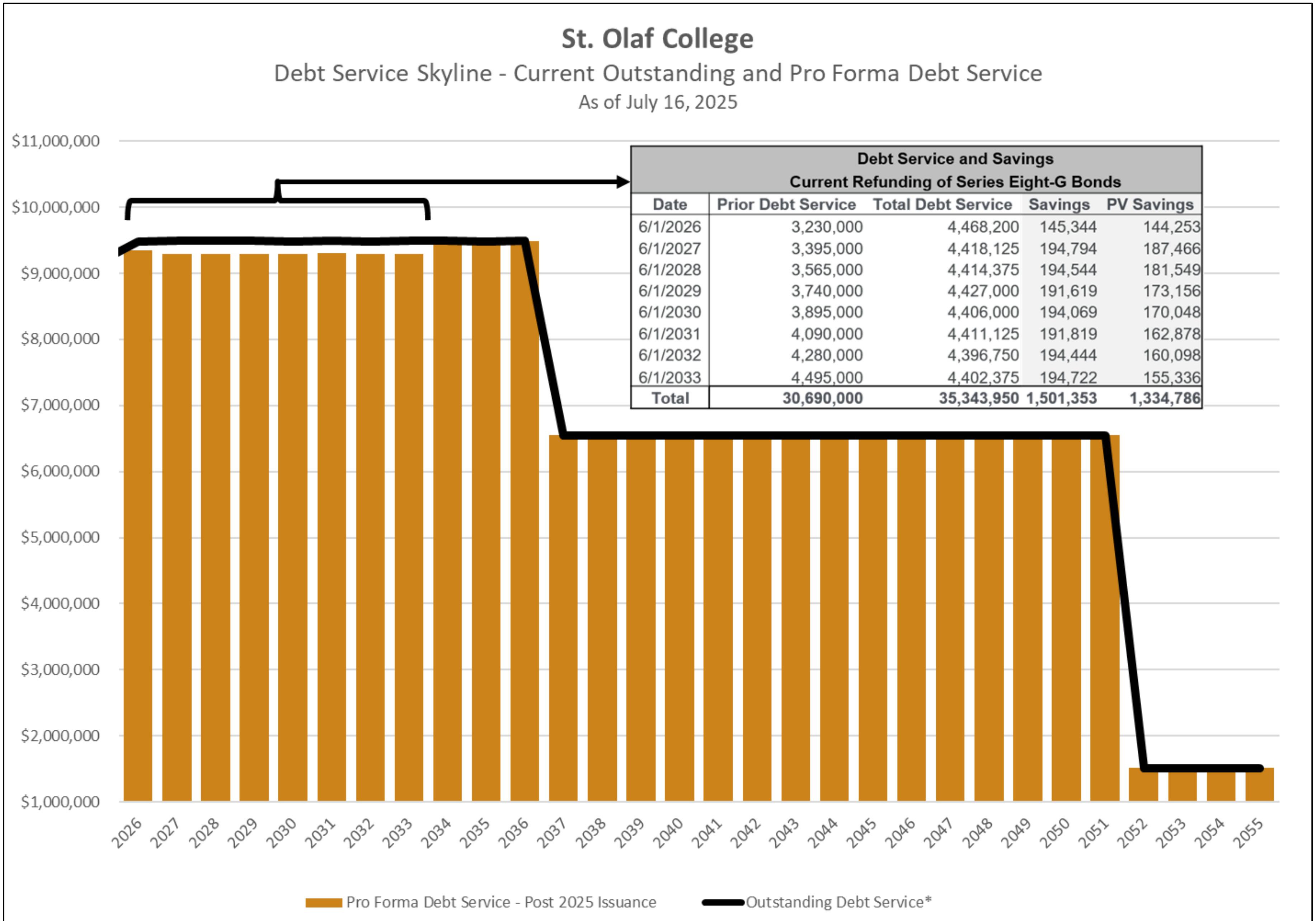
Financial Covenant Calculations			
	Fiscal Year 2023	**Fiscal Year 2024**	**Compliance (Y/N)**
a. Revenue/Expenditure Test			
(Calc: Net Revenues (Expenditures) ≥ 0)	$ 20,438,829	$ 19,894,200	Yes
b. Debt Service Coverage Ratio			Yes
(Calc: Net Income Available for Debt Service ÷ DS ≥ 110%)			
Net Income Available for Debt Service	$ 20,438,829	$ 19,894,200	
Yearly Debt Service	$ 8,041,675	$ 8,047,775	
Annual Debt Service Coverage Ratio	254%	247%	

Additional Bonds Test			
a. Funded Debt Test			Yes
(Calc: Net Income Available for Debt Service ÷ MADS ≥ 110%)			
Net Income Available for Debt Service[2]	$ 20,438,829	$ 19,894,200	
Maximum Annual Debt Service (incl. Ser. 2025)	$ 9,300,000	$ 9,300,000	
Max. Annual Debt Service Coverage Ratio	220%	214%	
Debt Service Coverage Ratio (Two-Year Average)	**217%**		

As indicated above, the College meets the requirements for the Funded Debt Test and has calculated covenant compliance as required under the existing financial covenants.

[2] "Construction in Progress" in the amount of $4,607,496 and $5,171,476, was subtracted/added back to "Net Income Available for Debt Service" for fiscal year 2023 and 2024, respectively, based on the definition/calculations for "Adjusted Increase (Decrease) in Unrestricted Net Assets" as defined in the Series Eight-G and Eight-N Loan Agreements for the Funded Debt Test.

Minnesota Higher Education Facilities Authority
Application Review and Preliminary Financing Plan Summary Letter from North Slope Capital Advisors
St. Olaf College (Series 2025)
Date: July 16, 2025
Appendix A



Debt Service and Savings Current Refunding of Series Eight-G Bonds				
Date	Prior Debt Service	Total Debt Service	Savings	PV Savings
6/1/2026	3,230,000	4,468,200	145,344	144,253
6/1/2027	3,395,000	4,418,125	194,794	187,466
6/1/2028	3,565,000	4,414,375	194,544	181,549
6/1/2029	3,740,000	4,427,000	191,619	173,156
6/1/2030	3,895,000	4,406,000	194,069	170,048
6/1/2031	4,090,000	4,411,125	191,819	162,878
6/1/2032	4,280,000	4,396,750	194,444	160,098
6/1/2033	4,495,000	4,402,375	194,722	155,336
Total	**30,690,000**	**35,343,950**	**1,501,353**	**1,334,786**

*While the 2024 Note is subject to mandatory tender on 10/1/2033, debt service is demonstrated through final maturity of 10/1/2054 at 4.48%.

RESOLUTION RELATING TO
APPLICATION AND FINANCING TERMS FOR
ST. OLAF COLLEGE

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

1. The Authority acknowledges receipt of the Application, dated May 30, 2025, of St. Olaf College, a Minnesota nonprofit corporation (the "College"), as owner and operator of St. Olaf College (the "Institution") and exhibits thereto, including an Indemnity Agreement and an application fee in the amount of $1,000 (the "Application"), to finance costs of a project (the "Project") consisting of the refunding of the Authority's Revenue Bonds, Series Eight-G (St. Olaf College) (the "Series Eight-G Bonds") dated July 1, 2015, which were issued in the original principal amount of $53,745,000.

2. The Series Eight-G Bonds were issued to finance (i) the refunding of a portion of the outstanding principal of the Authority's Revenue Bonds, Series Six-O (St. Olaf College), originally issued to finance the acquisition, construction, improvement and equipping of a new Science Building, (ii) the refunding of the Authority's Variable Rate Demand Revenue Bonds, Series Five-M2 (St. Olaf College) (the "Series Five-M2 Bonds"), originally issued to refinance the City of Northfield, Minnesota, College Facility Revenue Bonds, Series 1992 (St. Olaf College Project), the proceeds of which (A) refunded the City of Northfield, Minnesota, College Facility Revenue Bonds, Series 1988 (St. Olaf College Project), which had financed Ytterboe Hall and related equipment, and (B) financed repairs, renovations and improvements to Rand and Thorson Residence Halls, and expansions of the Institution's water system and parking facilities, (iii) the termination of an interest rate swap agreement relating to the Series Five-M2 Bonds, (iv) various construction and renovation projects to the Institution's residential facilities and classroom buildings on its main campus, including renovation of Kittelsby Hall, Kildahl Hall, Larson Hall and Mohn Hall, acquisition of residence hall furnishings, fixtures and equipment, construction of a new connection between the Dittmann Center and the Hall of Music, and renovation of Holland Hall, and (v) certain costs of issuance (collectively, the "Series Eight-G Project").

3. The facilities and improvements constituting the Series Eight-G Project to be refinanced with the Bonds are hereinafter referred to as the "Project Facilities." All Project Facilities are owned and operated by the College and are located on the Institution's main campus, the principal street address of which is 1520 St. Olaf Avenue, Northfield, Minnesota, and the boundaries of which are 330th St. W. and Greenvale Ave. W. on the north, Lincoln St. N. on the east, Colvill Memorial Highway on the south, and Eaves Avenue on the west.

4. The Executive Director, in consultation with the Chair of the Authority, has selected a date for a public hearing to be held with respect to the Application in conjunction with a meeting of the Authority, and has caused notice of the public hearing to be given by posting electronically on the Authority's public website in an area used to inform the public of meetings of the Authority, no fewer than 10 days prior to the date of the hearing.

5. In accordance with Section 147(f) of the Internal Revenue Code and Rev. Proc. 2022-20, the Authority conducted a public hearing on July 16, 2025, on the proposal described in

the Application to finance the Project, at which public hearing all parties who appeared in person or by toll-free teleconferencing, or who submitted written comments, were given an opportunity to express their views with respect to the proposal.

6. Officers of the College have presented to the Authority information concerning the need for the Project, the feasibility of the Project, the financing schedule for the Project and other matters concerning the Project, the Project Facilities, the Institution and the College.

7. The Executive Director of the Authority, Taft Stettinius & Hollister, bond counsel, and North Slope Capital Advisors, municipal advisor to the Authority, have reviewed the Application and the exhibits thereto, and recommend that the Authority approve the Application as submitted, subject to the conditions herein set forth.

8. On the basis of the information contained in the Application and exhibits and orally presented to the Authority and to the Executive Director, bond counsel and municipal advisor and on the basis of the recommendations made, the Authority hereby finds and determines that:

(a) The College is a nonprofit corporation and the Institution is an institution of higher education in the state, eligible to be a participating institution of higher education under Sections 136A.25 to 136A.42, Minnesota Statutes, as amended (the "Act").

(b) The Project as described in the Application is eligible for financing by the Authority and the Project Facilities constitute a "project" under the Act.

(c) The Project Facilities and the financing thereof are intended for and will provide for additional educational opportunity to the current and future generations of youth of the state in nonprofit institutions of higher education and will otherwise carry out the purposes and policies of the Act.

(d) The Institution is nonsectarian and does not require or forbid attendance by students or any other persons at religious worship or acceptance of any religious creed and does not promulgate the distinctive doctrines, creeds or tenets of any particular religious sect and all courses of study, including any religion and theology courses, are taught according to the academic requirements of the subject matter and the instructor's concept of professional standards.

(e) The Institution admits students without unlawful discrimination, and does not exclude, expel, limit or otherwise unlawfully discriminate against enrolled students, in accordance with Minnesota Statutes, Section 363A.13.

(f) The Project Facilities are available to the students of the Institution without unlawful discrimination, in accordance with Minnesota Statutes, Section 363A.13.

(g) Issuance of the revenue obligations by the Authority will not have the primary purpose or effect of advancing religion or interfering with the free exercise of religion and will not provide financing for a facility used or to be used for sectarian instruction or as a place of religious worship or a facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination.

(h) The Project and issuance of revenue obligations appear feasible.

9. The Project and the financing thereof by the issuance of revenue obligations of the Authority in the maximum aggregate principal amount of $32,000,000 are therefore approved, provided that the College shall furnish any items which are needed to complete the Application or which are reasonably required by bond counsel in order to deliver an unqualified opinion as to the validity of the revenue obligations and tax status of the interest on the revenue obligations.

10. There has not been disclosed to this Authority any material adverse change in the financial condition, operation or status of the College or in the Project Facilities or otherwise relating to the said Application that would affect the financing of the Project as proposed.

11. North Slope Capital Advisors, as municipal advisor to the Authority, has reviewed the terms set forth in the Preliminary Financing Plan, dated July 16, 2025, (the "Financing Plan") recommending the issuance and sale of Revenue Refunding Bonds, Series 2025A (St. Olaf College), in the maximum amount of $32,000,000 (the "Bonds") to provide financing for the Project through the Authority, which terms are hereby approved.

12. At the request and with the consent of the College, and with the advice of the Authority's municipal advisor, the Executive Director of the Authority has recommended the selection of Piper Sandler & Co. as underwriter (the "Underwriter").

13. Upon the recommendation of the Authority's municipal advisor and bond counsel and the approval of the College, the Executive Director may execute and deliver on behalf of the Authority a Bond Purchase Agreement whereby the Authority agrees to sell and the Underwriter agrees to purchase the Bonds in a principal amount not to exceed $32,000,000, with a true interest cost not to exceed 5% per annum and with a purchase price of not less than 98% of the principal amount of the Bonds plus accrued interest (or in the alternative, providing for underwriting compensation of not more than 2% of the principal amount of the Bonds plus accrued interest), all subject to the terms and conditions set forth herein and in the Bond Purchase Agreement.

14. The Executive Director shall direct bond counsel, or other legal counsel, to prepare for review by the Executive Director, the College and the Underwriter, all necessary bond documents (the "Bond Documents"), including a Loan Agreement, a Trust Indenture, an Escrow Agreement, a Bond Purchase Agreement, a Continuing Disclosure Certificate, and all other documents deemed necessary or desirable consistent with the provisions of the Financing Plan and substantially similar to the documents for revenue bonds most recently issued and sold by the Authority, but with appropriate changes.

15. The Authority's Executive Director shall cause an Official Statement and any Preliminary Official Statement to be prepared in consultation with the Underwriter, the College, the municipal advisor, and bond counsel, setting forth all material facts with respect to the Bonds, the Project, the Project Facilities, the Authority, the College, and the Institution. Upon recommendation of the municipal advisor and bond counsel, such Official Statement, or any Preliminary Official Statement, shall be deemed by the Executive Director (or with his approval,

the College) to be the final official statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Authority hereby consents to the preparation of the Official Statement in such deemed final form, and the distribution by the Underwriter in offering the Bonds for sale to the public, and to any changes to the Official Statement to reflect the final terms of the Bonds, and the related Bond Documents. Notwithstanding such consent, the Authority takes no responsibility for, and makes no representations or warranties as to, the accuracy, sufficiency, or completeness of the Official Statement (other than information relating to the Authority).

16. The Underwriter is authorized to distribute the Official Statement, and any Preliminary Official Statement for pricing purposes, provided that prior to the distribution, if recommended by counsel to the Underwriter, an application for registration of the Bonds shall be filed under the Minnesota Securities Act, Chapter 80A, Minnesota Statutes. Prior to the execution of the Bond Purchase Agreement, pursuant to the advice of counsel to the Underwriter, bond counsel shall advise the Executive Director that such registration shall have been made effective by the Minnesota Department of Commerce or that registration is not required for offer and sale of the Bonds in Minnesota.

17. Notwithstanding the foregoing provisions, the Bonds shall not be issued and delivered and the Bond Documents (other than the Bond Purchase Agreement) shall not be executed and delivered without the further action and approval and adoption of a Series Resolution with respect to the Bonds by the Authority.

18. Upon the recommendation of the College and the Authority's municipal advisor, the Executive Director is authorized to select a Trustee for the Bonds, which shall also act as paying agent and registrar.

19. The Authority and the College each respectively reserves its right to terminate the Project and the financing thereof under the Act as provided in the Indemnity Agreement.

[Signature page follows.]

Adopted: July 16, 2025

MINNESOTA HIGHER EDUCATION
FACILITIES AUTHORITY

By ___________________________________
Chair

By ___________________________________
Secretary

SERIES RESOLUTION

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

REVENUE REFUNDING BONDS, SERIES 2025A
(ST. OLAF COLLEGE)

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

1. Pursuant to a resolution adopted on July 16, 2025 (the "Prior Resolution"), the Authority has (i) approved the Application of St. Olaf College, a Minnesota nonprofit corporation (the "College"), as owner and operator of St. Olaf College (the "Institution"), to refund the Authority's outstanding Revenue Bonds, Series Eight-G (St. Olaf College), originally issued to finance or refinance costs of project facilities more fully described therein, and conducted a public hearing in connection therewith in accordance with law, (ii) authorized the issuance and sale of Revenue Refunding Bonds, Series 2025A (St. Olaf College) (the "Bonds") and (iii) directed the preparation of documents, including an Official Statement. All provisions and findings of the Prior Resolution are hereby ratified and confirmed except to the extent amended hereby and incorporated herein.

2. The Prior Resolution authorized the Bonds to be issued in the maximum aggregate principal amount of $32,000,000. The College has requested that the Bonds be issued as a single series of bonds in an aggregate principal amount not to exceed $32,000,000, the interest on which will be excluded from gross income of the bondholders pursuant to the Internal Revenue Code of 1986, as amended (the "Code").

3. The Executive Director, on behalf of the Authority, is authorized and directed to take all action necessary or desirable to negotiate the sale of the Bonds, provided that:

(a) the aggregate principal amount of the Bonds shall not exceed $32,000,000;

(b) the true interest cost of the Bonds shall not exceed 5% per annum; and

(c) the purchase price shall be not less than 98% of the principal amount of the Bonds plus accrued interest, if any (or in the alternative providing for underwriting compensation of not more than 2% of the principal amount of the Bonds plus accrued interest).

Upon the recommendation of the Authority's municipal advisor and bond counsel and with the approval of the College, the Executive Director shall execute and deliver, on behalf of the Authority, a Bond Purchase Agreement, the form of which has been made available to the Authority. A schedule summarizing the maturities, interest rates, yields or issue prices and other terms and provisions of the Bonds, and the purchase price and other particulars relating to the sale of the Bonds, shall be made available to the Authority at the next regularly scheduled meeting of the Authority following the execution of the Bond Purchase Agreement. This Authority hereby authorizes the issuance and delivery of the Bonds and no further approval by this Authority is required.

4. The forms of the following documents relating to the Bonds have been made available to the Authority:

(a) Loan Agreement ("Loan Agreement") between the Authority and the College, expected to be dated as of September 1, 2025.

(b) Trust Indenture ("Indenture") between the Authority and Computershare Trust Company, National Association, as trustee (the "Trustee"), expected to be dated as of September 1, 2025.

(c) Escrow Agreement ("Escrow Agreement") among the Authority, the College, and the Trustee, as Trustee, Escrow Agent and Series Eight-G Trustee, expected to be dated as of September 1, 2025.

(d) Continuing Disclosure Certificate made by the College, expected to be dated as of September 1, 2025.

The Chair, the Secretary, and any officer authorized to act on behalf of the Chair or the Secretary, are each, acting individually, authorized to execute and deliver counterparts of the Loan Agreement, the Indenture, and the Escrow Agreement, duly completed, for and in the name of the Authority, with all such changes and insertions therein as the officer executing the same shall approve, such approval to be evidenced conclusively by such officer's signature. In addition, the Executive Director of the Authority is hereby authorized to furnish to the original purchaser of the Bonds a reasonable number of copies of the final Official Statement for purposes of such purchaser's obligation to provide copies of the final Official Statement to customers and potential customers pursuant to MSRB Rule G-32 and Securities and Exchange Commission Rule 15c2-12, respectively.

5. The Bonds shall be in substantially the form set forth in the Indenture, and when printed in typeset or typewritten form shall be executed and delivered by the manual or facsimile signatures of the Chair or the Vice Chair and the Secretary or the Assistant Secretary of the Authority and submitted to the Trustee for authentication, all as more fully provided in the Indenture.

6. The appointment of Computershare Trust Company, National Association, as Trustee under the Indenture is hereby approved, ratified, and confirmed.

7. Other than proceeds that will be used to pay a portion of the costs of issuance (including the underwriting discount), the proceeds of the Bonds shall be deposited as follows (capitalized terms have the meanings given them in the Indenture):

(a) Certain proceeds, as set forth in the Indenture, shall be deposited to the Costs of Issuance Account, to be kept and maintained by the Trustee under the Indenture.

(b) Accrued interest on, if any, and certain proceeds, if any, of the Bonds, as set forth in the Indenture, shall be deposited to the Bond and Interest Sinking Fund Account, to be kept and maintained by the Trustee under the Indenture.

(c) An amount which, together with amounts held by the Series Eight-G Trustee under the Series Eight-G Indenture and other available funds of the College, if necessary, will be equal to the Series Eight-G Bonds defeasance deposit to the Escrow Account under the Escrow Agreement, shall be deposited to the Refunding Account with the Trustee under the Indenture and shall be transferred immediately to the Escrow Agent for deposit under the Escrow Agreement to be used and paid out by the Escrow Agent to defease, pay and redeem and discharge the Series Eight-G Bonds.

8. As required by Sections 136A.25 to 136A.42, Minnesota Statutes, as amended (the "Act"), the officers of the Authority authorized to sign checks or otherwise handle funds of the Authority shall furnish a surety bond, executed by a surety company authorized to transact business in the State of Minnesota as surety and file the same in the office of the Secretary of State of Minnesota, subject to approval of the Attorney General, prior to delivery of the Bonds.

9. Pursuant to the recommendation of bond counsel, the Authority hereby finds and determines that a combination of mortgagee's form or owner's form of title insurance policy, or title insurance commitment, or owner and encumbrances reports, or title opinions, may be furnished by the College as evidence of title to the Project Site (as defined in the Loan Agreement) and priority of liens.

10. The terms and provisions of the Bond Purchase Agreement and the documents listed in paragraph 4 of this Resolution as to which the Authority is a party and the Prior Resolution are all approved, ratified, and confirmed, except to the extent amended hereby. The officers of the Authority, the municipal advisor and 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 each such bond document to the end that the 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.

[Signature page follows.]

Adopted: July 16, 2025.

MINNESOTA HIGHER EDUCATION
FACILITIES AUTHORITY

By: ____
Chair

By ____
Secretary