

APPROXIMATELY \$3,555,000
CITY OF ANN ARBOR BUILDING AUTHORITY
COUNTY OF WASHTENAW, STATE OF MICHIGAN
2009 REFUNDING BONDS
(GENERAL OBLIGATION - LIMITED TAX)

REFUNDING OF: BUILDING AUTHORITY BONDS AND BUILDING AUTHORITY REFUNDING BONDS, SERIES 1998

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**CITY OF ANN ARBOR BUILDING AUTHORITY
COUNTY OF WASHTENAW, STATE OF MICHIGAN**

* NIC calculated from: 9/1/07

BUILDING AUTHORITY BONDS AND BUILDING AUTHORITY REFUNDING BONDS, SERIES 1998

Original Amount: \$10,100,000

Net Interest Cost: 4.401%

Maturities >= 2009 Callable 9/1/08 @ 100

Tax Year	Fiscal Year Ended 6-30,	Current Interest Bonds Dated 12/1/98					TOTAL DEBT	
		Principal Due Sep 1	Interest Rate	Interest Due Sep 1	Interest Due Mar 1	Total P&I	Total Principal	Total P&I
2008	2009	\$395,000	4.000%	\$94,908	\$87,008	\$576,916	\$395,000	\$576,916
2009	2010	425,000	4.100%	87,008	78,296	590,304	425,000	590,304
2010	2011	445,000	4.200%	78,296	68,951	592,246	445,000	592,246
2011	2012	465,000	4.250%	68,951	59,069	593,020	465,000	593,020
2012	2013	485,000	4.375%	59,069	48,460	592,529	485,000	592,529
2013	2014	505,000	4.400%	48,460	37,350	590,810	505,000	590,810
2014	2015	530,000	4.500%	37,350	25,425	592,775	530,000	592,775
2015	2016	555,000	4.500%	25,425	12,938	593,363	555,000	593,363
2016	2017	575,000	4.500%	12,938	0	587,938	575,000	587,938
2017	2018	0	0.000%	0	0	0	0	0
		\$4,380,000		\$512,404	\$417,496	\$5,309,901	\$4,380,000	\$5,309,901

**CITY OF ANN ARBOR BUILDING AUTHORITY
BONDS TO BE REFUNDED**

BUILDING AUTHORITY BONDS AND BUILDING AUTHORITY REFUNDING BONDS, SERIES 1998
Maturities >= 2009 Callable 9/1/08 @ 100

		Call Date	First Called	Last Called	Princ. Defeased		Call Price	Call Premium
		9/1/09	9/1/10	9/1/16	Before Call	Principal Called	100.0	\$0
		<hr/>						
Fiscal	Year	Principal	Interest	Interest	Interest	Principal	Call	Debt Service
Tax	Ended	Due	Rate	Due	Due	To Escrow	Premium	To Escrow
Year	6-30,	Sep 1		Sep 1	Mar 1			
2008	2009	\$0	4.000%	\$0	\$0	\$0	\$0	\$0
2009	2010	0	4.100%	78,296	78,296	3,560,000	0	3,638,296
2010	2011	445,000	4.200%	78,296	68,951	0	0	0
2011	2012	465,000	4.250%	68,951	59,069	0	0	0
2012	2013	485,000	4.375%	59,069	48,460	0	0	0
2013	2014	505,000	4.400%	48,460	37,350	0	0	0
2014	2015	530,000	4.500%	37,350	25,425	0	0	0
2015	2016	555,000	4.500%	25,425	12,938	0	0	0
2016	2017	575,000	4.500%	12,938	0	0	0	0
2017	2018	0	0.000%	0	0	0	0	0
		\$3,560,000		\$408,784	\$330,488	\$3,560,000	\$0	\$3,638,296

\$3,555,000
CITY OF ANN ARBOR BUILDING AUTHORITY
COUNTY OF WASHTENAW, STATE OF MICHIGAN
2009 REFUNDING BONDS
(GENERAL OBLIGATION - LIMITED TAX)

Estimated Sources & Uses of Funds

	Refunding 1998	Total
Sources of Funds		
Par Amount of Bonds	\$3,555,000.00	\$3,555,000.00
Production	61,952.40	61,952.40
Accrued Interest	0.00	0.00
Other	0.00	0.00
Contribution from Debt Fund	92,016.25	92,016.25
Total Sources	\$3,708,968.65	\$3,708,968.65
Uses of Funds		
Deposit to Escrow Account	\$3,637,864.00	\$3,637,864.00
Deposit to Debt Fund - Accrued	0.00	0.00
Underwriter's Discount @ 0.750%	26,662.50	26,662.50
Bond Insurance 0.000%	0.00	0.00
Costs of Issuance	43,937.25	43,937.25
Excess Contingency	504.90	504.90
Total Uses	\$3,708,968.65	\$3,708,968.65
Costs of Issuance Detail		
Bond Attorney	\$15,215.75	\$15,215.75
Financial Consultant SB&A	11,810.50	11,810.50
Credit Rating Company 1	7,000.00	7,000.00
Credit Rating Company 2	0.00	0.00
Escrow Agent ??	500.00	500.00
Treasury Security Report Treasury	711.00	711.00
Verification Agent ??	1,500.00	1,500.00
Official Statement ??	5,500.00	5,500.00
Other	0.00	0.00
Municipal Advisory Counsel Fee	200.00	200.00
Auditor Review	1,500.00	1,500.00
	\$43,937.25	\$43,937.25

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\$3,555,000
CITY OF ANN ARBOR BUILDING AUTHORITY
COUNTY OF WASHTENAW, STATE OF MICHIGAN
2009 REFUNDING BONDS

SAVINGS ANALYSIS REFUNDING 1998 ISSUE

PRESENT VALUE ANALYSIS Rate = 2.38%

Present Value of Refunded Bonds =	\$3,911,030.81
Less Present Value of Refunding Bonds =	<u>(3,616,952.85)</u>
Gross Present Value Savings =	\$294,077.96
Plus Accrued Interest =	0.00
Less Initial Transfer Amount =	(92,016.25)
Excess Contingency =	<u>0.00</u>
Net Present Value Savings =	<u><u>\$202,061.71</u></u>
Percent of Current Issue:	5.68%
Percent of Previous Issue:	5.68%

2009 REFUNDING BONDS

BONDS TO BE REFUNDED

		Average Coupon: 2.81724%	
Dated Date: 7/1/09		Net Interest Cost: 2.58488%	
Delivery Date: 7/1/09		True Interest Cost: 2.56265%	
Bond Years: 15,187.50		Arbitrage Yield: 2.37664%	
Average Life: 4.27		Effective Interest Cost: 2.86266%	

Fiscal Year	Tax Year	Ended	Principal		Interest		Total
			Due	Rate	Due	Due	
Year	6-30,	Sep 1	Rate	Sep 1	Mar 1	P&I	
2008	2009	\$0.00	0.000%	\$0.00	\$0.00	\$0.00	
2009	2010	0.00	0.000%	0.00	64,575.00	64,575.00	
2010	2011	470,000.00	2.500%	48,431.25	42,556.25	560,987.50	
2011	2012	480,000.00	2.500%	42,556.25	36,556.25	559,112.50	
2012	2013	495,000.00	2.500%	36,556.25	30,368.75	561,925.00	
2013	2014	505,000.00	2.750%	30,368.75	23,425.00	558,793.75	
2014	2015	520,000.00	2.750%	23,425.00	16,275.00	559,700.00	
2015	2016	535,000.00	3.000%	16,275.00	8,250.00	559,525.00	
2016	2017	550,000.00	3.000%	8,250.00	0.00	558,250.00	
2017	2018	0.00	3.250%	0.00	0.00	0.00	
		\$3,555,000.00		\$205,862.50	\$222,006.25	\$3,982,868.75	

		Dated Date: 12/1/98	
BUILDING AUTHORITY BONDS AND BUILDING AUTHORITY F		Net Interest Cost: 4.44407%	
Bond Years: 16,635		True Interest Cost: 4.44102%	
Average Life: 4.67			

Principal	Interest	Interest	Interest	Total
Due	Rate	Sep 1	Mar 1	P&I
\$0.00	4.000%	\$0.00	\$0.00	\$0.00
0.00	4.100%	78,295.63	78,295.63	156,591.25
445,000.00	4.200%	78,295.63	68,950.63	592,246.25
465,000.00	4.250%	68,950.63	59,069.38	593,020.00
485,000.00	4.375%	59,069.38	48,460.00	592,529.38
505,000.00	4.400%	48,460.00	37,350.00	590,810.00
530,000.00	4.500%	37,350.00	25,425.00	592,775.00
555,000.00	4.500%	25,425.00	12,937.50	593,362.50
575,000.00	4.500%	12,937.50	0.00	587,937.50
0.00	0.000%	0.00	0.00	0.00
\$3,560,000.00		\$408,783.75	\$330,488.13	\$4,299,271.88

Annual Savings	Present Value of Annual Savings @ 2.38%	* Cumulative Savings
\$0.00	\$0.00	\$0.00
92,016.25	91,494.13	0.00
31,258.75	30,107.36	31,258.75
33,907.50	31,964.25	65,166.25
30,604.38	28,201.07	95,770.63
32,016.25	28,866.45	127,786.88
33,075.00	29,179.15	160,861.88
33,837.50	29,202.26	194,699.38
29,687.50	25,063.29	224,386.88
0.00	0.00	224,386.88
\$316,403.13	\$294,077.96	
Plus Accrued Interest, Less Issuer Contribution:		
(92,016.25)	(92,016.25)	
Plus Excess Proceeds:		
0.00	0.00	
\$224,386.88	\$202,061.71	

* Cumulative Savings Includes the Initial Transfer Amount: \$92,016.25
 * Cumulative Savings Includes Excess Proceeds: \$0.00
 * Cumulative Savings Includes Accrued Interest: \$0.00

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\$3,555,000
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Bond Production Report

Sale Date: **7/1/09** First Call Date: **9/1/19**
Dated Date: **7/1/09** First Call Premium: **100.00%**
Delivery Date: **7/1/09**
First Coupon Date: **3/1/10**

Principal Due	Principal	Bond Type	Cumulative Bond Years	Coupon	Yield	Price	Gross Production
9/1/10	\$470,000	Serial	548.33	2.500%	1.500%	101.151	\$475,409.70
9/1/11	480,000	Serial	1,588.33	2.500%	2.000%	101.053	485,054.40
9/1/12	495,000	Serial	3,155.83	2.500%	2.100%	101.217	501,024.15
9/1/13	505,000	Serial	5,260.00	2.750%	2.210%	102.136	515,786.80
9/1/14	520,000	Serial	7,946.67	2.750%	2.360%	101.884	529,796.80
9/1/15	535,000	Serial	11,245.83	3.000%	2.520%	102.723	549,568.05
9/1/16	550,000	Serial	15,187.50	3.000%	2.710%	101.875	560,312.50
	<u>\$3,555,000</u>						<u>\$3,616,952.40</u>

Using AAA Scale From 01/13/2009 + 0.2%

Par Amount:	\$3,555,000.00	
Production (Discount)/Premium:	61,952.40	
Gross Production:	\$3,616,952.40	101.743%
(Underwriter's Discount):	(26,662.50)	0.750%
(Bond Insurance):	0.00	0.000%
Bid:	\$3,590,289.90	<u>100.993%</u>
Accrued:	0.00	
Net to Issuer:	<u>\$3,590,289.90</u>	

Gross Interest Cost:	\$427,868.75
+ Net Discount:	(35,289.90)
Net Interest Cost:	<u>\$392,578.85</u>

Original Issue Premium	\$61,952.40
Original Issue Discount	0.00
Net OI (Discount)/Premium	<u>\$61,952.40</u>

Bond Years:	15,187.50
Average Life:	4.27
Average Coupon:	2.81724% @ 100.000%
Net Interest Rate:	2.58488% @ 100.993%
True Interest Rate:	2.56264% @ 100.993%
Arbitrage Yield:	2.37664% @ 101.743%

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Run Date: 1/16/09 14:00

\$3,555,000
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COUNTY OF WASHTENAW, STATE OF MICHIGAN
2009 REFUNDING BONDS
(GENERAL OBLIGATION - LIMITED TAX)

Debt Service and Yield Calculation Schedule

Bond Attorney: ??
Purchaser: ??
Paying Agent: ??
Sale Date: 7/1/09
Dated Date: 7/1/09
Delivery Date: 7/1/09
Capitalized Interest: None

Par Value of Bonds:	\$3,555,000.00				<u>Bond Yields</u>
Plus: OI(Discount)/Premium:	61,952.40				
Gross Production:	<u>\$3,616,952.40</u>			<i>Internal Rate of Return Target:</i>	\$3,555,000.00 2.81178% = IRR
Plus: (Bond Insurance):	0.00			Plus: OI(Discount)/Premium:	61,952.40
Plus: (Underwriter Discount):	<u>(26,662.50)</u>			(Bond Insurance):	0.00
Bid:	\$3,590,289.90			Accrued Interest:	<u>0.00</u>
Plus: Accrued Interest:	0.00			<i>Arbitrage Yield Target:</i>	\$3,616,952.40 2.37664% = ARB
Net to Issuer:	<u><u>\$3,590,289.90</u></u>			(Underwriter Discount):	<u>(26,662.50)</u>
				<i>True Interest Cost Target:</i>	\$3,590,289.90 2.56264% = TIC
Bond Years:	15,187.50			Issuance Costs:	<u>(43,937.25)</u>
Average Life:	4.272			<i>Effective Interest Cost Target:</i>	<u><u>\$3,546,352.65</u></u> 2.87335% = EIC
Gross Interest Cost:	\$427,868.75	Avg Coup:	2.81724%		
Less Net (Discount)/Premium:	<u>35,289.90</u>				
Net Interest Cost:	<u><u>392,578.85</u></u>	N.I.C. %	2.58488%		
Net Present Value:	<u><u>\$3,276,585.31</u></u>				

Payment Date	Principal Due	Interest Rate	Interest Due	Total Payment	Fiscal Year Total
3/1/10			\$64,575.00	\$64,575.00	
9/1/10	\$470,000.00	2.500%	48,431.25	518,431.25	\$583,006.25
3/1/11			42,556.25	42,556.25	
9/1/11	480,000.00	2.500%	42,556.25	522,556.25	565,112.50
3/1/12			36,556.25	36,556.25	
9/1/12	495,000.00	2.500%	36,556.25	531,556.25	568,112.50
3/1/13			30,368.75	30,368.75	
9/1/13	505,000.00	2.750%	30,368.75	535,368.75	565,737.50
3/1/14			23,425.00	23,425.00	
9/1/14	520,000.00	2.750%	23,425.00	543,425.00	566,850.00
3/1/15			16,275.00	16,275.00	
9/1/15	535,000.00	3.000%	16,275.00	551,275.00	567,550.00
3/1/16			8,250.00	8,250.00	
9/1/16	550,000.00	3.000%	8,250.00	558,250.00	566,500.00
	<u>\$3,555,000.00</u>		<u>\$427,868.75</u>	<u>\$3,982,868.75</u>	<u>\$3,982,868.75</u>

1/16/09
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NOTE: The above table does not include charges for bond registrar and paying agent services.

SECURITIES PURCHASED FOR ESCROW TO REFUND

ANN ARBOR BUILDING AUTHORITY BUILDING AUTHORITY BONDS AND BUILDING AUTHORITY REFUNDING BONDS, SEF

Settlement Date 7/1/09

Total Purchase	Current Par
\$3,637,864.00	\$3,637,864.00

Rdmpt	Cpn	Qty@1	Matur	Dated	Setmnt	First	Yld	Prc	Type	Accrued	Purchase Price
9/1/09	0.070%	3,637,864	9/1/09	7/1/09	7/1/09	9/1/09	0.070%	100.00000%	SLGS Cert.	\$0.00	\$3,637,864.00
3/1/10	0.350%	0	3/1/10	7/1/09	7/1/09	3/1/10	0.350%	100.00000%	SLGS Cert.	0.00	0.00
9/1/10	0.450%	0	9/1/10	7/1/09	7/1/09	9/1/09	0.450%	100.00000%	SLGS Note	0.00	0.00
3/1/11	0.630%	0	3/1/11	7/1/09	7/1/09	9/1/09	0.630%	100.00000%	SLGS Note	0.00	0.00
9/1/11	0.810%	0	9/1/11	7/1/09	7/1/09	9/1/09	0.810%	100.00000%	SLGS Note	0.00	0.00
3/1/12	0.980%	0	3/1/12	7/1/09	7/1/09	9/1/09	0.980%	100.00000%	SLGS Note	0.00	0.00
										Total	\$3,637,864.00
										Plus Contribution	0.00
										Less Rollovers	0.00
										Cost of Escrow	\$3,637,864.00

**CASH FLOW SCHEDULE FOR SECURITIES PURCHASED FOR ESCROW TO REFUND
(INCLUDES ALL SECURITIES & UNINVESTED CASH)**

Period Ending	Redemption Value	Principal Received	Coupon Interest Received	Total Received	Par Redeemed	Balance After Receipts	Liability	Amt. Available To Reinvest
07/01/09								
07/01/09	0.00	\$0.00	\$0.00	\$0.00	0.00	\$0.00	\$0.00	\$0.00
09/01/09	3,637,864.00	3,637,864.00	432.56	3,638,296.56	3,637,864.00	3,638,296.56	3,638,295.63	0.93
03/01/10	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
09/01/10	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
03/01/11	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
09/01/11	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
03/01/12	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
09/01/12	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
03/01/13	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
09/01/13	0.00	0.00	0.00	0.00	0.00	0.93	0.00	0.93
	3,637,864.00	\$3,637,864.00	\$432.56	\$3,638,296.56	\$3,637,864.00		\$3,638,295.63	

YIELD CALCULATION OF ALL ESCROW SECURITIES

	Return on SLGS <u>Value</u>	Present Value Factor From Closing Date <u> </u>	Present Value at 0.07135% <u> </u>
07/01/09			
09/01/09	\$3,638,296.56	0.99988111	\$3,637,864.00
03/01/10	0.00	0.99952452	0.00
09/01/10	0.00	0.99916807	0.00
03/01/11	0.00	0.99881174	0.00
09/01/11	0.00	0.99845553	0.00
03/01/12	0.00	0.99809946	0.00
09/01/12	0.00	0.99774351	0.00
03/01/13	0.00	0.99738768	0.00
09/01/13	0.00	0.99703199	0.00
			<u>\$3,637,864.00</u>
		Cost of Portfolio:	\$3,637,864.00
		Less Uninvested:	0.00
		Present Value Target:	<u>\$3,637,864.00</u>

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