A Regular meeting of the Downtown Development Authority was held Tuesday, August 9, 1994 in the Lower Level Conference Room at the Troy City Hall, 500 W. Big Beaver. The meeting was called to order by Chairman Janet H. Jopke at 7:00 p.m.

PRESENT:	Janet H. Jopke Garry G. Carley Michael S. Feigenbaum William Kennis Alan M. Kiriluk Daniel MacLeish John G. Pappageorge (Arr. 7:20) Carol A. Price (Arr. 7:15) William Sandy James Schultz Jeanne M. Stine Eldon J. Thompson
ABSENT:	Rebecca L. Maccardini
ALSO PRESENT:	Robert J. Bendzinski Joel L. Piell

* *

MINUTES

Resolution #94-17
Moved by Thompson
Seconded by Kiriluk

RESOLVED, That the minutes of the meeting of July 11, 1994 be approved.

Yeas: All-10
Absent: Maccardini, Pappageoge, Price

DEVELOPMENT AGREEMENT

Resolution #94-18
Moved by Thompson
Seconded by Carley

RESOLVED, That the Board of Directors of the Troy Downtown Development Authority hereby approves the preliminary draft of the Development Agreement between Frankel/Forbes-Cohen Associates and the Troy Downtown Development Authority (TDDA) and the City Council of the City of Troy as presented on this date with the understanding that additional revisions may be submitted for consideration and possible approval by this Board subject to approval by the TDDA of the Ground Lease, Management Agreement, Assessment Agreement, Trustee Agreement and other agreements relating thereto.

Amendment to Resolution #94-18

Moved by Sandy
Seconded by MacLeish

RESOLVED, That Resolution #94-18 be amended by adding "; and the Executive Director and City Attorney are authorized to retain outside counsel to review and insure that all interest of the City and TDDA are protected".

Yeas: All-12
Absent: Maccardini

LANDSCAPE DESIGN

Resolution #94-22
Moved by Kiriluk
Seconded by MacLeish

RESOLVED, That the Board of Directors of the Troy Downtown Development Authority hereby requests the City of Troy Landscape Architect to proceed with further evaluation and design to achieve a formal landscape appearance of Big Beaver Road from I-75 through the Coolidge intersection.

Yeas: All-12
Absent: Maccardini

ESTABLISH MEETING DATE

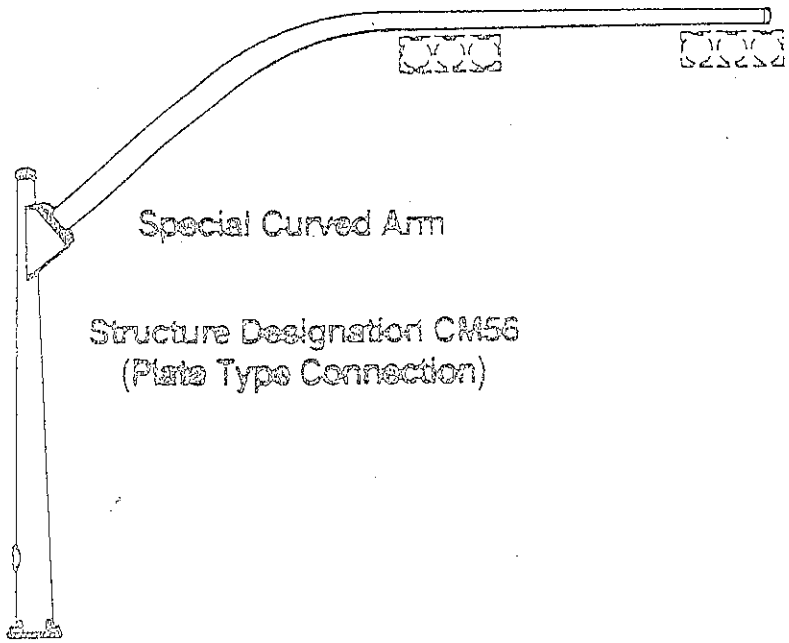
A meeting date has been established for September 7, 1994 at 7:00 p.m. in the Lower Level Conference Room at the Troy City Hall.

* *

The meeting was adjourned at 10:23 p.m.

Janet H. Jopke, Chairman

John M. Lamerato, Secretary


Special Curved Arm
Structure Designation CM56
(Plate Type Connection)

Bendzinski & Co.
municipal finance advisors

CHARTER MEMBER

August 3, 1994

Mr. Frank Gerstenecker, City Manager
City of Troy
500 West Big Beaver Road
Troy, Michigan 48084-5285

RE: Response to Request for Proposals to Act as Underwriter for the City of Troy, County of Oakland, State of Michigan, Downtown Development Authority Development Bonds, $4,000,000 Series 1994A (Taxable) and $16,000,000 Series 1994B (Tax-Exempt)

Dear Frank:

As you know, Friday, July 29th was the day that all of the Request for Proposals to act as underwriter for the above referenced bond issues were due. We had mailed out 26 Requests to the attached list of underwriters. We received a total of 15 responses, of those, 4 firms declined to submit a proposal for various reasons. We have copies of the responses on file, if you wish to see them.

We are enclosing, for your review and consideration, a Tabulation of Request for Qualifications. Based upon the information provided to us and the fees quoted, we would recommend that the proposal of McDonald and Company Securities, Inc. be considered, inasmusch as it is the most cost-effective. We also believe that McDonald and Company Securities, Inc. is more than qualified and has had experience in this type of financing, particularly with the Chrysler Technology Center in neighboring Auburn Hills. We are therefore recommending to you and the DDA Board that McDonald and Company Securities, Inc. be retained as underwriter, if the City and the DDA wishes to proceed with a negotiated underwriting of the above referenced bond issues. We would be glad to provide you with a copy of the proposal of McDonald and Company Securities, Inc. if you wish to review it or have any questions as to their qualifications.

In the mean time, if you should have any questions or need any additional information, please do not hesitate to call.

Sincerely,

BENDZINSKI & CO.
Municipal Financial Advisors

Robert C. Bendzinski, CIPFA

RCB:cam
enclosures
cc: John Lamerato, Jr.
Joel L. Piell

One Kennedy Square • Suite 2130 • Detroit, Michigan 48226-3322
(313) 961-8222 • FAX (313) 961-8220

VI. B.

Mr. Scott VanderWerp
Michigan Municipal Markets Group (a division of Kent King Securities Company, Inc.)
41 Washington Street
Suite 380
Grand Haven, MI 49717

Mr. Walter Johnson
Municipal Bond Department
Michigan National Bank
27777 Inkster Road
Farmington Hills, MI 48333-9065

Mr. Charles Cook, Vice President
Municipal Finance
Morgan Stanley & Co. Inc.
440 South LaSalle Street
Chicago, IL 60605

Mr. Michael Alandt, Vice President
Trading and Underwriting Department
NBD Bank, N.A.
611 Woodward
Detroit, MI 48232

Mr. Paul Greenawalt, Vice President & Mgr.
Underwriting
John Nuveen & Co. Inc.
333 West Wacker Drive
Chicago, IL 60606-1286

Mr. Matthew F. Hiser
Public Finance
The Ohio Company
255 East Brown Street
Suite 100
Birmingham, MI 48011

Mr. Randall Finken, Vice President
Municipal Investment Banking Department
PaineWebber Incorporated
1285 Avenue of the Americas
10th Floor
New York, NY 10019

Mr. Timothy Hugh Turner, Vice President
Public Finance
Prudential Securities Incorporated
1 South Wacker Drive
Suite 3800
Chicago, IL 60606

Mr. Charles J. Breakstone
Senior V.P. and Manager
Municipal Regional Trading and Underwriting
Prudential Securities Incorporated
100 Gold Street
New York, NY 10292

Mr. Timothy B. Bennett, Vice President
Public Finance
Raffensperger, Hughes & Co., Inc.
Bridgewater Place
333 Bridge Street N.W.
Suite 825
Grand Rapids, MI 49504

Mr. Warren Creamer III, First Vice President
Municipal Underwriting
Robert W. Baird & Co., Inc.
300 East Fifth Avenue
Suite 300
Naperville, IL 60563

Mr. William VanderWeele
Director of Public Finance
Roney & Co.
One Griswold
Detroit, MI 48226

Mr. R. Ray Kljajic, Managing Director & Mgr.
Smith Barney Inc.
Three First National Plaza
70 West Madison Street
Chicago, Il 60602

McDONALD & COMPANY
SECURITIES, INC.

MEMBER NEW YORK STOCK EXCHANGE

260 E. BROWN STREET • SUITE 150
BIRMINGHAM, MICHIGAN 48009
810-540-5230 • FAX: 810-540-8886

July 28, 1994

Mr. Robert C. Bendzinski, CIPFA
Bendzinski & Co., Municipal Finance Advisors
One Kennedy Square, Suite 2130
Detroit, Michigan 48226

RE: CITY OF TROY
COUNTY OF OAKLAND, STATE OF MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY
DEVELOPMENT BONDS
$4,000,000 SEREIS 1994 A (TAXABLE)
$16,000,000 SERIES 1994 B (TAX-EXEMPT)

Dear Mr. Bendzinski:

On behalf of McDonald & Company, we are pleased to submit this proposal to serve as senior managing underwriter for the City of Troy's upcoming development project. As the largest regional investment bank between Chicago and New York, we can offer unmatched underwriting strength and experience to benefit this important financing.

McDonald & Co. has completed several Tax Increment Financings in Michigan, as our attached experience lists demonstrate. Many of these projects involve bonds secured by varying revenue streams instead of general municipal obligations. The experience gained through these transactions will benefit the City of Troy in this financing.

In our study of this project, we were pleased to learn that construction financing has been secured, that minimum assessments have been determined, and that two "cornerstone" tenants (Nordstrom's and Dayton Hudson) have agreed to lease space. These are good signs of a successful project.

Again, thank you for the opportunity to earn your business. If you have any questions about our proposal, or if you wish to discuss this project further, please call us.

Very truly yours,

Glenn M. Watson
Senior Vice President

Catherine L. Vaughan
First Vice President

George K. Adams
First Vice President

VI B.

Proposal to Provide Investment Banking Services for

CITY OF TROY
DOWNTOWN DEVELOPMENT AUTHORITY

July 29, 1994

McDonald & Company Securities, Inc.
Birmingham, Michigan

CITY OF TROY, MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY

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Responses to Questions in Request for Proposal	Tab
Underwriter's discount for the Financing	1
Name and address of the individual responsible for this Financing	2
List of Issuers with similar financings	3
Professional Profiles	4
McDonald & Company Securities, Inc. History	5
1994 Annual Report	6

EXHIBITS:

Michigan Underwriting Experience	A

1. *Underwriter's discount for the financing.*

An investment banking firm's underwriting discount is ordinarily comprised of four components. The **management fee** compensates the investment bankers for the time and effort required to spearhead the development and implementation of the Financing Plan, the overall management of the capital financing process, the review of the required legal documentation and assistance in marketing the bonds. **Expenses** consist of out-of-pocket travel and related expenses, regulatory fees, computer costs and underwriter's counsel fees. The latter item is by far the largest expense component. Since underwriter's counsel fees will be paid by the City, our expense estimates have been lowered accordingly. Both the management fee and expenses reflect the size of the transaction. The **underwriting** component of the discount compensates the investment banking firm for committing to a firm price for the bonds prior to closing and accepting market risk between the bonds' sale and delivery dates. Lastly, the **takedown** is the component used to determine the sales commissions for a bond issue.

The following are our proposed fees and expenses, which are based on a proposed issue size of $20,000,000. "Schedule A" assumes a fixed rate issue with a rating of "A" or better; "Schedule B" assumes a non-enhanced, non-rated private placement; and "Schedule C" assumes a variable-rate issue with a letter of credit rated "A" or better.

	Schedule A $ per $1,000	Schedule B $ per $1,000	Schedule C $ per $1,000
MANAGEMENT/PUBLIC FINANCE:			
Financial advisory and analysis, organization of syndicate, bookkeeping, distribution/allocation, pricing, hiring and coordination with underwriter's counsel, marketing, etc., consultation & general pre-sale assistance	$ .25	$ .25	$ .25
UNDERWRITING:			
Commitment of capital, profit incentive	0.00	0.00	0.00
SALES/AVERAGE TAKEDOWN:			
Sales commissions	5.50	8.50	3.50
EXPENSES (Not to Exceed):			
Fees for underwriter's counsel, CUSIP, DTC, Dalcomp, Day Loan, MSRB, PSA, MAC; and travel and miscellaneous expenses.	.25	.25	.25
TOTAL	$6.00	$9.00	$4.00

For the variable-rate option, there will be an annual remarketing fee of 0.125% of the outstanding principal amount of the bonds. In addition, variable rate bonds typically require the issuer to pay bank counsel fees and slightly higher trustee and paying agent fees.

In all cases, these fees would be all-inclusive: McDonald & Company will not seek payment for normal expenses incurred in underwriting the bond issue. The higher fee for the non-enhanced bond issue and the private placement reflects the greater risk to the firm for underwriting the bonds, and the greater difficulty of marketing these securities.

McDonald & Company presents a fee schedule designed to provide the lowest-possible cost to the City while maintaining adequate incentives for retail sales. McDonald & Company presents a consistent fee schedule for each transaction we undertake. It is presented without gimmickry. It is competitive, fair to both the issuer and the underwriter, and provides the proper motivation for retail sales personnel.

Customary issuer expenses for which the underwriters would not pay include: bond counsel fees and expenses, insurance, Preliminary Official Statement and Official Statement printing and mailing, rating fees, bond registration, paying agent fees and escrow agent fees (in the case of a refunding).

Benazinski & Co.
municipal finance advisors

CHARTER MEMBER

CITY OF TROY
COUNTY OF OAKLAND. STATE OF MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY DEVELOPMENT BONDS
$4,000,000 SERIES 1994A (TAXABLE)
$16,000,000 SERIES 1994B (TAX- EXEMPT)

UNDERWRITER COST COMPARISON "Schedule A"

Underwriter Fee ($ amount and % of principal amount)	$120,000 or 0.6% of principal
Other Fees:	
Computer time	0
Other Expenses	0
TOTAL	$120,000 or 0.6% of principal

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Bendzinski & Co.

municipal finance advisors

CHARTER MEMBER

CITY OF TROY
COUNTY OF OAKLAND, STATE OF MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY DEVELOPMENT BONDS
$4,000,000 SERIES 1994A (TAXABLE)
$16,000,000 SERIES 1994B (TAX- EXEMPT)

UNDERWRITER COST COMPARISON "Schedule B"

Underwriter Fee ($ amount and % of principal amount)	$180,000 or 0.9% of principal
Other Fees:	
Computer time	0
Other Expenses	0
TOTAL	$180,000 or 0.9% of principal

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Bendzinski & Co.

municipal finance advisors

CHARTER MEMBER

CITY OF TROY
COUNTY OF OAKLAND, STATE OF MICHIGAN
DOWNTOWN DEVELOPMENT AUTHORITY DEVELOPMENT BONDS
$4,000,000 SERIES 1994A (TAXABLE)
$16,000,000 SERIES 1994B (TAX- EXEMPT)

UNDERWRITER COST COMPARISON

"Schedule C"

Underwriter Fee ($ amount and % of principal amount)	$80,000 or 0.4% of principal
Other Fees:	
Computer time	0
Other Expenses	0
TOTAL	$80,000 or 0.4% of principal

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2. ***Name and address of the individual responsible for this financing if your firm is selected.***

Mr. Glenn M. Watson
Senior Vice President
Investment Banking
McDonald & Company Securities, Inc.
260 East Brown Street
Suite 150
Birmingham, Michigan 48009

Phone: (810) 540-5230
FAX: (810) 540-8886

3. *A list of issuers who have retained your firm for this type of financing.*

Highlighted below are several similar transactions that McDonald and Company senior managed during recent years. A comprehensive list of Michigan transactions is located in the following pages.

Chrysler Technology Center

$38,475,000 Local Development Finance Authority of Auburn Hills
(Chrysler Technology Center Project)
Delivery Date: August 1989
Structure: Twelve-year serial bonds, Aaa rated, semi-annual principal
McDonald Finance Manager: James D. Buhr, Catherine L. Vaughan

In 1989 McDonald & Company was selected as senior manager to underwrite two bond issues totalling $38,475,000 to finance the infrastructure associated with the Chrysler Technology Center Project. The bonds were structured in accordance with a very complex stream of real property and personal property taxes to be paid by Chrysler over the next 12 years. The description of the two bond issues follows:

A) In May, 1989, McDonald & Company successfully underwrote an $18,464,000 Tax Increment Bond Issue (taxable) the proceeds of which were used to finance the water and sanitary sewer systems, rough grading and various other improvements contained within the 503 acre site. Bond structure consisted of a final maturity in 1997 and an unequal amortization schedule in recognition of the accelerating tax payments emanating from the project. The bonds were backed by the unconditional guarantee of Chrysler Corporation and were sold to institutional investors.

B) In August, 1989, McDonald & Company successfully underwrote a $19,835,000 Tax Increment Bond Issue (tax-exempt). Proceeds of this issue were used to finance the road system surrounding the technology center project. The bond structure consisted of serial bonds maturing May 1 and November 1 in the years 1992 through 2001. The bond structure also included credit enhancement in the form of an irrevocable letter of credit from The Dai-Ichi Kangyo Bank, Ltd. The AAA rated letter of credit from Dai-Ichi was arranged by McDonald & Company.

Madison Commons Project

$4,765,000 The City of Madison Heights
Tax Increment Finance Authority
(Madison Commons Project - Stuart Frankel, General Partner)
Delivery Date: August 1991
Structure: Ten year Fixed Rate Bonds, Non-rated Private Placement
McDonald Finance Manger: James D. Buhr, Catherine L. Vaughan

McDonald & Company was selected as the sole managing underwriter of this issue. The proceeds of the bonds were used to finance the infrastructure related to the Madison Commons Project (a shopping and office complex) including, but not limited to, land acquisition, utilities, internal roadways, and improvement to certain public roads. The bonds were secured by a pledge of the tax increment revenues generated by the project. In addition a debt service reserve fund equal to approximately six months of debt service was established at closing from existing tax increment revenues.

Rock and Roll Hall of Fame and Museum Project

$38,995,000 Cleveland-Cuyahoga County Port Authority, Ohio
Revenue Bonds, Series 1993
(Rock and Roll Hall of Fame and Museum Project)
Delivery Date: May 1993
Structure: Twenty-year variable/fixed rate revenue bonds, AAA/A-I+rated
McDonald Finance Manager: Paul J. Komlosi

$12,000,000 County of Cuyahoga, Ohio
General Obligation Bonds, Series 1993
(Limited Tax Obligation)
Delivery Date: May 1993
Structure: Serial Bonds (1994-2005), Term bonds (2013-2018), Aa rated
McDonald Finance Manager: Paul J. Komlosi

$10,800,000 City of Cleveland, Ohio
Urban Renewal Increment Bonds, Series 1993
(Rock and Roll Hall of Fame and Museum Project)
Structure: Serial Bonds (1994-2005), Term bonds (2011 and 2018), non-rated
McDonald Finance Manager: Paul J. Komlosi

In 1993, McDonald & Company senior managed over $60 million in bonds to finance the Rock and Roll Hall of Fame and Museum. These bond sales were the culmination of over seven years of strategic planning, discussions and analysis in which employees of McDonald & Company were an active participant from the inception. Unique to the Rock and Roll Project was the involvement and approval required from various governmental entities including the City of Cleveland, Cuyahoga County, the Cleveland-Cuyahoga County Port Authority, the Controlling Board of the State of Ohio and its Legislature, and the Department of Development on the *collective* financing package. As a result of this

comprehensive effort, three separate bond issues were sold by three different issuers and obligors, including the Port Authority, a first-time issuer of tax-exempt bonds. Each separate bond issue had unique security features and different revenue streams. McDonald & Company, as senior manager for each of these bond issues, was the only constant in each of the financing teams. As senior manager, our role included coordinating the three separate finance teams (comprised of nine different law firms and a foreign letter of credit provider) as the financing plan necessitated the bond issues be sold in a distinct order and within an allocated time from each other. This "triple tracking" of bond issues resulted in making the construction of the Rock and Roll Hall of Fame and Museum a reality in the City of Cleveland.

The City of Cleveland's Urban Renewal financing is secured by the incremental tax revenues from a commercial development unrelated to the Museum project. Ohio state law required the City to enter into separate development agreements with each of the eight owners of the commercial properties. Because the incremental tax revenues could not be obligated for more than one year at a time on a rolling basis, it was also necessary to require the owners to grant to the City a series of first mortgages on the eleven separate parcels constituting the mortgaged property. Finally, the bonds were structured to allow excess tax increment revenues to flow to Cuyahoga County on an annual basis for repayment of their $12 million general obligation issue.

Ohio Bell Telephone Company Project

$5,550,000
City of Youngstown, Ohio
Industrial Development Revenue Bonds
(The Ohio Bell Telephone Company - Lessee), Series A

$1,800,000
City of Youngstown, Ohio
Industrial Development Revenue Bonds
(The Ohio Bell Telephone Company Project), Series B

In 1993 McDonald & Company was selected as senior manager to underwrite two bond issues totalling $7,350,000 to finance construction of the Ohio Bell Telephone Company Youngstown Center for Customer Services. The Series A Bonds are secured primarily by a pledge of rents to be paid by Ohio Bell pursuant to a lease. The Series B Bonds are secured by a pledge of Non-tax Revenues of the City of Youngstown. These Non-tax Revenues are comprised primarily of payments in lieu of taxes paid by Ohio Bell to the Mahoning County Treasurer for the benefit of the City.

4. ***Professional profiles or biographical sketches of those individuals in your firm who will be working with Bond Counsel and Bendzinski & Co., should your firm be selected.***

McDonald & Company Securities, Inc. has developed an experienced, highly-trained investment banking team. This group's range and depth of experience assures prompt, knowledgeable advice leading to the lowest overall financing cost.

Our combination of public finance specialists allows McDonald to offer complete investment banking and underwriting services -- from initial conceptualization through negotiations and approvals to pricing and closing. In every case, our team evaluates a financing project in detail, then assigns the most knowledgeable and effective professionals to manage the transaction.

Although McDonald's entire Public Finance department supports our underwriting assignments, the following individuals are devoted to Michigan business.

GLENN M. WATSON
Senior Vice President
Michigan Investment Banking

Mr. Watson joined McDonald & Company in May, 1994. Mr. Watson has personally structured and completed more than 75 transactions totaling $700 million. He specializes in advance refunding escrow structures, school bond issues, general obligation debt and revenue bonds. Prior to joining McDonald & Company, Mr. Watson was Director of Public Finance at Roney & Co. Mr. Watson structured several of the City of Grand Rapids parking structure bond issues while employed at another firm.

Mr. Watson graduated from the University of Michigan with a B.A. degree in Economics, and has completed course work in the Master of Public Administration program at the University of Detroit. He holds NASD Series 24 General Securities Principal, Series 7 General Securities Representative and Series 63 Uniform Securities Agent Licenses.

CATHERINE L. VAUGHAN
First Vice President
Michigan Investment Banking

Ms. Vaughan joined our Birmingham, Michigan office in 1984 and has been involved in tax-exempt and taxable Municipal Finance. She is responsible for working with clients, banks and attorneys in the analysis and structuring of these transactions. Ms. Vaughan has particular expertise in Industrial Revenue Bond financings and financings for 501(c)3 institutions. She has been involved in the negotiation, analysis and/or structuring of more than 100 transactions totaling in excess of $980 million for Michigan based clients.

Prior to joining McDonald, Ms. Vaughan was the Business Manager for a commercial leasing Company. She holds a B.S. degree in Public Administration from Arizona State University.

GEORGE K. ADAMS
First Vice President
Michigan Investment Banking

Mr. Adams joined McDonald & Company in May, 1994. Prior to that he was Associate Director of Public Finance at Roney & Co. Since 1985, Mr. Adams has served clients in health care, financial services and major media as a publisher and strategic planning consultant.

Mr. Adams has extensive knowledge of health care and government financial operations, gained through experience and through graduate study in health economics. He specializes in advance refunding structures, credit-enhanced issues, and the analysis of health care demographics, reimbursement and regulation. He actively participates in health care reform at state and national levels.

Mr. Adams holds Bachelor's degrees in Economics and English from the University of Michigan, and a Master's degree in Health Policy and Administration, also from the University of Michigan. He holds NASD Series 52 and Series 63 Licenses.

JAMES D. BUHR
Managing Director
Michigan Investment Banking

Mr. Buhr is responsible for negotiated public finance transactions and corporate finance activities in Michigan. Mr. Buhr came to McDonald & Company in March, 1986 after spending 12 years with Comerica Bank in Detroit, where he was Vice President and Group Manager of the bank's Health, Education and Municipalities Lending Group. The Group issued letters of credit and liquidity facilities in support of bonds and notes issued by Michigan hospitals, universities and colleges and government units at all levels.

A graduate of Indiana University, Mr. Buhr holds an M.B.A. from the University of Michigan.

THOMAS E. SMITH
Senior Vice President
Municipal Trading and Underwriting Department (Michigan)

Mr. Smith joined McDonald & Company in 1989 to manage Michigan municipal trading and underwriting activities for the firm. Prior to joining McDonald & Company, Mr. Smith was the manager of the municipal bond department for Thompson McKinnon Securities from 1984 through 1989 and held the position of municipal underwriter and trader for the firm of Manley, Bennett, McDonald & Company for 18 years prior to that firm being acquired by Thompson McKinnon.

Mr. Smith holds a B.A. from Notre Dame University and an M.B.A. from the University of Michigan. He is currently a member of the Detroit Bond Club.

RICHARD S. DEMKO
Senior Vice President
Municipal Underwriting

Mr. Demko joined McDonald & Company in March, 1991, after spending 16 years with Prescott, Ball and Turben, Inc. (Kemper Securities). At Prescott he managed the municipal trading and underwriting operation, with his primary responsibility being the structuring, pricing and marketing of public finance products.

A member of the Bond Club of Cleveland, Mr. Demko also serves on the Board of Directors of the Ohio Municipal Advisory Council. He has a Bachelor's degree from Ohio University.

Messrs Watson and Adams and Ms. Vaughan will all have primary contact for the City of Troy on this transaction, due to the importance of this financing. Mr. Smith will lead the pricing and underwriting of the issue through our Michigan underwriting desk.

5. *A brief history of McDonald & Company Securities, Inc.*

McDonald & Company Securities, Inc. one of the leading regional investment banking firms in the United States, is a wholly-owned subsidiary of McDonald & Company Investments, Inc. The Cleveland, Ohio based holding company began as a partnership established in 1924. McDonald & Company Securities, Inc. was incorporated in July, 1983, and its shares are currently traded on the New York Stock Exchange.

The firm's 37 branch offices are located throughout Michigan, Illinois, Indiana, Georgia, Massachusetts, California, Ohio, and New Jersey. Personnel in the Atlanta, Columbus, Jersey City, Chicago, Dallas, Birmingham, Grand Rapids and Boston offices serve institutional clients within their respective geographic areas, while Cleveland-based professionals maintain close contact with all other major institutional clients, including Los Angeles, San Francisco, St. Louis and Minneapolis. We also serve institutional equity markets in Canada, Great Britain, Switzerland and the Far East. McDonald & Company has 1,129 employees, including 370 account executives and 52 professionals involved in all aspects of investment banking and capital formation.

During the seventy years the firm has been in business, its primary focus has been the underwriting and distribution of tax-exempt securities. In addition, McDonald & Company is a securities broker/dealer and a principal dealer in over-the-counter and listed stocks as well as municipal and corporate bonds. We maintain an active equity research department which develops reports on many major Midwest corporations that are relied upon by investors nationwide.

CAPITAL POSITION

In the past several years, a number of events in the securities industry have created understandable confusion on the part of issuers when confronted with the need to analyze and become comfortable with the relative capital strength of investment banking firms. Unprecedented capital infusions by parent companies, record losses, a number of firms reported for sale and the declared bankruptcy of one of Wall Street's largest firms has shaken issuer confidence in the securities business.

Unlike many other firms, McDonald & Company does not rely on the issuance of commercial paper to meet its day-to-day capital liquidity needs. Instead, McDonald & Company maintains a number of substantial lines of credit in order to make funds available on an as-needed basis. Unlike many national or regional firms, however, our conservative and successful management over the years allows us to maintain these lines of credit on an unsecured basis. This directly testifies to our firm's strong reputation within the financial industry. More importantly, it underscores the importance of not simply having a sizeable capital base but also the ability to raise capital and preserve liquidity.

As with many other firms in the industry, McDonald & Company chose to become a public corporation in order to increase its capital base. This capital enhancement has permitted us to strengthen and expand both the character and range of financial services to our clients in an increasingly complex and volatile marketplace. This is critically important because a firm's capital position is a measure of its ability to accept risk on behalf of its clients. In the present market environment, where price volatility can be extreme, the demonstrated ability of a firm to commit capital to a particular underwriting sends a clear signal to market participants, thereby engendering market confidence and contributing to a more orderly, efficient market. Needless to say, McDonald & Company is very well positioned to meet any capital demands our clients require.

The following table represents McDonald & Company's audited capital position for the fiscal year periods indicated.

Year	Total Capital	Equity	Excess Net Capital
1994	$127,296,000	$102,296,000	$62,305,000
1993	84,239,000	84,239,000	49,520,000
1992	71,761,000	71,761,000	13,480,000
1991	47,845,000	47,845,000	13,106,000
1990	56,450,000	56,450,000	9,174,000
1989	66,494,000	66,494,000	26,952,000
1988	64,890,000	64,890,000	34,176,000
1987	60,940,000	60,940,000	28,553,000
1986	56,810,000	56,810,000	38,568,000
1985	27,772,000	27,772,000	13,698,000
1984	26,226,570	26,226,570	18,256,850

Clearly, McDonald & Company has taken a managed approach to the growth of its capital base. This strategy has preserved the firm's ability to effectively utilize its capital in support of our clients' financing needs. Since 1984, McDonald & Company's capital has experienced a significant increase relative to other firms in the industry. While many investment banking firms have suffered substantial losses in the past several years requiring staff reductions, McDonald & Company remains consistently profitable, allowing the firm to continue to hire, not fire, professionals in all areas, including public finance.

RECOGNITION OF MANAGEMENT AND DISTRIBUTION CAPABILITIES

McDonald & Company has integrated a team-oriented approach into a successful Public Finance organization which has a combined total of more than 200 years of experience in the underwriting, trading and marketing of municipal bonds. Our efforts are bolstered by an extensive skills-sharing arrangement between the other departments of the firm. This pooling of a large body of talent representing different disciplines gives McDonald & Company a significant advantage in the successful completion of financing for our clients, as is evidenced by the volume of new issue tax-exempt securities underwritten in the past eight years.

McDonald & Company Securities, Inc.
Managed Volume
Municipal Securities
(1986-1993)

Year	Amount (in millions)	# of Issues
1993*	$3,890.6	229
1992	4,204.5	238
1991	2,065.2	137
1990	1,507.4	129
1989	1,695.2	129
1988	1,221.2	75
1987	1,201.1	72
1986	1,046.4	79

Source: Securities Data Company, Inc.

*Third Quarter 1993/1994 Fiscal Year

McDonald & Company offers our clients access to a broad range of resources important to a successful financing effort. The technical resources provided by our firm include banking professionals with extensive knowledge of and experience in public finance as well as an on-going working relationship with the three major municipal bond rating services and insurance companies. Our banking professionals routinely utilize computer software which is the generally accepted convention within the industry (Micro Muni), as well as our own models developed specifically with tax-exempt issuers in mind. These custom models enable our professionals to effectively analyze various financing structures, as well as the sensitivity of each financing scheme to alternative scenarios.

From a marketing and sales perspective, McDonald & Company's resources include a research department devoted to monitoring the regional and national economic environment. Our nationally-recognized economist and his staff assist our public finance professionals in identifying trends and opportunities for bringing issues to market when conditions are advantageous to the issuer. When the decision is made to access the credit markets, our trading and sales representatives ensure that all the pertinent credit criteria is available to the investment community and that an issue's interest rate is reflective of the lowest possible rate necessary to access the market.

McDonald & Company's commitment to the public finance industry is growing every year. Long-regarded as the Midwest's preeminent "bond house", McDonald & Company has continued the excellence of its tradition into today's exciting tax-exempt markets. Furthermore, our merger with Gradison and recently completed study of our organization and target markets will ensure McDonald & Company's leadership position into the next century. Public finance, in all of its many varieties, will continue to be a fixture in our firm's commitment to the hospitals, universities, schools, cities and counties throughout the Midwest.

6. *Recent financial statements of your firm.*

A copy of the most recent annual report is attached.

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

McDonald ranks as one of the leading regional investment banking companies in the United States. Based in Cleveland, Ohio since its formation 61 years ago, it presentl has 33 offices in eight states. With total capital in excess of $100 million, McDonald is well-positioned to underwrite and trade corporate and municipal securities c considerable size and variety. In the municipal bond sector, McDonald is the largest underwriter of municipal securities between New York City and Chicago and on of the largest underwriters in the U.S.

A listing of tax exempt bond offerings which were handled for Michigan clients by the Birmingham, Michigan office of McDonald, includes the following:

Michigan Bond Volume Recap

Year	Number	Amount in Millions
1994	16	$200.66
1993	37	267.93
1992	51	603.89
1991	40	236.78
1990	35	338.02
1989	49	281.88
1988	12	58.60
1987	10	115.46
1986	23	156.96
1985	18	98.79
1984	9	40.03

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
6/94	Michigan Strategic Fund	$ 5,000,000	ADAC Plastics Project	Old Kent Bank	A1/AA
5/94	Lansing Community College	9,000,000	School Improvement		A1/AA
5/94	Kent County	3,790,000	Sewer		Aa/AAA
5/94	City of Burton	1,370,000	Street Improvement		Ba/NR
5/94	Sterling Heights	1,575,000	Road		A/A+

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
4/94	Zeeland School District	$ 8,100,000	Bldg/Site	MBIA	Aaa/A
4/94	Southfield School District	20,000,000	School	MBIA	Aaa/A
4/94	St. Ignace	2,575,000	Water Revenue		
3/94	Clare County Building Authority	1,425,000			Baa/N
3/94	West Branch	1,650,000	Refunding		NR/B1
2/94	Warren Water & Sewer	8,500,000			NR/A
2/94	Michigan State Housing Development Authority	107,540,000	Rental Housing		NR/A
1/94	Imlay City School District	15,810,000	School Refunding	AMBAC	Aaa/A
1/94	St. Clair County	5,280,000	Water System	MBIA	Aaa/A
1/94	Grand Valley State College	7,810,000	College	AMBAC	
1/94	Grand Haven Township	1,230,000	UTGO		NR/A
12/93	Oakland County	1,500,000	Drain		A/A+
12/93	Grand Rapids/Kent County JBA	3,425,000	Building Authority		A1/A
11/93	Romulus Building Authority	3,500,000	Building Authority	MBIA	
11/93	Oakland County Drain	10,040,000	Drain		A/AA
11/93	Warren School District	20,805,000	School Bldg/Site	FGIC	
11/93	Saginaw County Building Authority	6,950,000	Building Authority		A/A
10/93	Michigan State Housing Development Authority	7,920,000	Breton Village Green Project	FSA	Aaa/AA
10/93	Oakland County	1,230,000	GO Bonds Drain		A/AA
10/93	Oakland County	1,025,000	GO Bonds Drain		A/AA
9/93	Dundee	1,110,000	GO Bonds		
9/93	Macomb County	7,000,000	Building Authority		NR/A
8/93	Michigan Strategic Fund	6,145,000	Bloomfield Valley Properties Refunding	Standard Federal	
8/93	Oakland County	13,600,000	GO Bonds		A1/AA
8/93	Midland City & County	4,000,000	Building Authority		
8/93	Allen Park Building Authority	2,100,000	Building Authority		Baa/NI
7/93	Missaukee County	3,735,000	GO Bonds		
6/93	Washtenaw Township	1,060,000	Water/Sewer		

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
6/93	Wolverine School District	$ 1,540,000	School Bldg/Site		NR/BBB
6/93	Board of Trustees Western Michigan University	41,980,000	School Bldg/Site	FGIC	Aaa/AAA
6/93	Forest Hills School District	14,100,000	School Bldg/Site		AA/Aa
6/93	Marquette	41,390,000	Electric Revenue	AMBAC	
5/93	Macomb County	3,550,000	Drain District		A1/A+
5/93	Marysville School District	485,000	School Bldg/Site		
5/93	Auburn Hills GO Street Improvement	2,600,000	Street Improvement		A/A+
5/93	Ogemaw County Water	1,400,000	Water		NR/BBB+
5/93	Sterling Heights	2,750,000	UTGO		A/A+
5/93	Warren S/D	25,170,000	SD		MBIA
4/93	Michigan State Housing Development Authority	13,040,000	Walled Lake Villa Project	PSA	AAA/Aa1
4/93	Oakland County Sewer	2,100,000	Sewer		A/AA-
4/93	Oakland County Water	2,250,000	Water		A/AA-
4/93	Burton LTGO	740,000	LTGO		
4/93	North Central School District	2,285,000	School Bldg/Site		A1/NR
4/93	Barry County	12,000,000	Sewer		AMBAC
3/93	Plymouth Building Authority	1,525,000	Building Authority		NR/A
2/93	Chesterfield TWP Special Assessment	375,000	School Bldg/Site		
1/93	Mio Au Sable	2,500,000	School Bldg/Site	MBIA	Aaa/AAA
1/93	Oakland SD	1,000,000	School Bldg/Site		A/AA-
12/92	The EDC of the City of Romulus	11,000,000	Refunding	ITT Lyndon Property Insurance	AA-
12/92	Board of Trustees Western Michigan Univ	59,495,000	School Bldg/Site	FGIC	Aaa/AAA
12/92	Fulton SD	1,340,000	School Bldg/Site		A1
12/92	Van Buren County	1,455,000	Building Authority		
12/92	Shelby Twp, Macomb County	2,000,000	Building Authority		A/A
12/92	Muskegon County	2,300,000	Wastewater		Baa1/A
11/92	Livonia Public Schools School District	41,265,078	School Bldg/Site	FGIC	Aaa/AAA
11/92	Croswell Tax Inc. Fin Authority	995,000	Tax Increment Finance		A1/AA-

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
10/92	Ottawa Co Bldg Authority	$ 6,000,000	Building Authority		A/AA
10/92	Michigan State Housing Development Authority	14,280,000	Greenwood Villa Project	Financial Security Assurance	Aaa/AA
10/92	Michigan State Housing Development Authority	11,775,000	Fraser Woods Project	Financial Security Assurance	Aaa/AA
9/92	Michigan State Housing Development Authority	224,445,000	Rental Housing Revenue		A+
9/92	Franklin Village	850,000	Tax General Obligation		
9/92	Ingham County	8,875,000	Sanitary Project No 4		A1/A/
8/92	Frankfort - Elberta Area Schools	665,000	School Bldg/Site		
8/92	Memphis Comm Schools	595,000	School Bldg/Site		
8/92	Harbor Springs City	500,000	Electric Utility		
8/92	Michigan Strategic Fund	22,095,000	Environmental Research Institute, 1992		A-
8/92	Michigan Strategic Fund	7,800,000	Rotary Center of Traverse City	NBD Bank, N.A.	AA
7/92	Warren Consolidated Schools	21,509,662	School Bldg/Site	AMBAC	Aaa/AA
7/92	Belleville City	620,000	Water Supply/Sewer Disp Sys		
7/92	Dickinson County	930,000	Fumee Lake Natural Area		
7/92	Muskegon City	1,575,000	1992 Special Assessment		Baa/A-
6/92	City of Indianapolis, IN	4,500,000	Park Tudor Foundation	INB National Bank	A
6/92	Board of Regents of EMU	45,125,000	Eastern Michigan University (EMU)	AMBAC	Aaa/AA
6/92	Michigan Strategic Fund	2,000,000	The Su-dan Company Project	Michigan National Bank	
6/92	Otsego City	3,315,000	Tax Inc Dev		BBB-
6/92	Romeo Village	1,450,000	GO Bonds		A
6/92	Kent Hospital Finance Auth	8,135,000	Mary Free Bed Hospital Rehab		A/A
6/92	Sterling Hts. City	4,000,000	Road		A/A+
5/92	Michigan Strategic Fund	7,500,000	Petoskey Hotel Project		A
5/92	Tuscola County	1,995,000	Tuscola Co San Sewer Sys		BBB+
5/92	Shiawassee Intermediate SD	200,000	1992 Administration Bldg		
5/92	Benzie Co Central Schools	2,150,000	School Bldg/Site		Baa1/BB
5/92	Monroe County	9,435,000	Water Treatment & Distribution		Baa1/A
5/92	Hillsdale County	4,000,000	General Obligation Tax Series 1992		

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
4/92	The EDC of the City of Ann Arbor	$ 1,640,000	Weber's, Inc. Project	Comerica	
4/92	Livonia Public Schools School District	20,898,698	School Bldg/Site	FGIC	Aaa/AA/
3/92	Michigan Strategic Fund	7,500,000	Alpena Hotel Project		A
3/92	Washtenaw Co Bldg Authority	1,230,000	Bldg Authority Series 1992-1		
3/92	Washtenaw Co Bldg Authority	1,100,000	Building Authority		
3/92	Washtenaw Co Bldg Authority	1,230,000	Building Authority		
3/92	Novi	6,800,000	Road	MBIA	Aaa/AA/
3/92	Roseville Comm Schools	1,130,000	Energy Conservation Imp		BBB+
3/92	Chas Stewart Mott Comm College	4,750,000	Bldg/Improvement		A1/A
3/92	Kalamazoo	2,945,000	Downtown Development		A-/AA-
3/92	Orchard Lake	3,450,000	Voted, Unl Tax Improvements		A
2/92	Saline District Library	2,200,000	Library Improvement		BBB-
2/92	Birch Run, Michigan	1,250,000	Downtown Improvement		BBB-
2/92	Eaton Co Bldg Authority	9,990,000	Building Authority		
1/92	Alpena Co Bldg Authority	1,600,000	Social Serv Bldg Project		BBB
12/91	Warren Cons Schools	26,513,280	School Bldg/Site	FGIC	Aaa/AAA
12/91	Michigan Strategic Fund	4,000,000	Rhe-Tech, Inc. Project	NBD Bank, N.A.	AA
10/91	Marcellus Comm School District	2,630,000	School Bldg/Site	Capital Guaranty	AAA
10/91	Michigan State Housing Development Authority	20,430,000	Parkway Meadows Project	Financial Security Assurance	Aaa/AAA
9/91	EDC of the County of Oakland	10,000,000	Cranbrook Educational Community	NBD Bank, N.A.	AA
9/91	Melvindale - N. Allen Schools	2,000,000	School Improvement		Ba
9/91	Grosse Pointe Farms	995,000	Water/Sewer Improvement		
9/91	Sault Ste Marie	500,000	Downtown Development		
9/91	Genesee Co Bldg Authority	1,600,000	Lease Rental		A-
8/91	Madison Heights TIFA	4,765,000	Madison Commons Project		
8/91	Okemos Public Schools	45,025,000	School Bldg/Site		A1/AA
8/91	Otsego Co Bldg Authority	900,000	Alpine Center Project		
8/91	Charter Township of Shelby	500,000	Bonds		

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
7/91	Tawas City Bldg Authority	$ 1,325,000	Rec Fac Lease Rental		BBB-
7/91	Fitzgerald Public Schools	4,370,000	School Bldg/Site		A1/AA
6/91	Michigan Strategic Fund	8,750,000	Environmental Research Institute, 1991A	Manufacturers National Bank	A16/91
6/91	Michigan Strategic Fund	2,000,000	Environmental Research Institute, 1991B	Manufacturers National Bank	A1
6/91	Melvindale	3,000,000	Water Supply & Sewage		BBB+
6/91	Owosso	750,000	General Obligation		
6/91	Owosso	200,000	Special Assessment		
6/91	Philp Drain Drainage	1,565,000	Drainage District		A-
6/91	Ottawa County	4,000,000	Water & Sewer		A1/AA
6/91	Sterling Heights, Michigan	3,000,000	Fire Station		A/A+
6/91	Sterling Heights, Michigan	3,200,000	General Obligation Road		
5/91	Board of Regents of EMU	18,955,000	Eastern Michigan University (EMU)	AMBAC	Aaa/AA/
5/91	Brighton Area Schools	9,800,000	School Bldg/Site		A1/AA
5/91	Burton City	495,000	Transportation Fund		AA-
5/91	Ann Arbor Bldg Authority	2,900,000	Bldg Auth Lease Rental		A/A+
5/91	Byron Township	2,575,000	Special Assessment		A-
5/91	Burton City	1,800,000	Special Assessment	AMBAC	Aaa/AAA
4/91	Novi City	1,500,000	Special Assessment		A/A
4/91	EDC of the City of Kalamazoo (Michigan)	1,120,000	Lutheran Social Services	First of America, N.A.	
4/91	Rochester City	2,900,000	Limited Tax Development		A/A
3/91	Michigan Strategic Fund	9,855,000	Lutheran Social Services	First of America, N.A.	
2/91	Goodrich Area Schools	2,500,000	School Bldg/Site		A1/AA
2/91	Howell Public Schools	25,045,000	School Bldg/Site	FGIC	Aaa/AAA
2/91	Chelsea Village	995,000	Downtown Development		
1/91	Macomb County	1,920,000	Diener Drain Enc Dist		A1/A+
1/91	Drainage District	400,000	Phiel Drain Improvement		A1/A+
1/91	Lake County Bldg Auth	2,000,000	Lease Rental Revenue		
11/90	State of Michigan	21,149,684	School Bldg/Site		

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER – McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
11/90	Benzie Co Bldg Auth	$ 3,500,000	Criminal Justice Fac		
11/90	Genesee County	995,000	Road		
11/90	Edwardsburg Sch Dist	650,000	School Bldg/Site		AAA1+
10/90	EDC of the County of Oakland (Michigan)	7,500,000	Detroit Country Day School	NBD Bank, N.A.	AA
9/90	Michigan Strategic Fund	5,250,000	Consumers Power Company	Union Bank of Switzerland	AAA/A1
9/90	Hannah Boulevard Limited Partnership (A)	16,500,000	Sports/Medical Complex	Barclays Bank PLC	Aaa
9/90	Livingston County	1,750,000	Bd of Co Road Comm		AA-
9/90	Monroe City	2,600,000	Water Supply System		A1/AA
8/90	Grand Rapids Bldg Auth	9,725,000	Building Authority		A1/A+
8/90	Lapeer County	2,020,000	Wastewater Treatment		Baa1/BB
8/90	Shelby Township	285,000	Various		A/A-
7/90	Kent Hosp Finance Authority	25,450,000	Butterworth Hospital		A1/A+
7/90	Pinckney Village	1,300,000	Various Purpose		BB+
6/90	The Charter Township of Holland	5,100,000	Request Foods	American Nat'l Bank & Trust	
6/90	Monroe County	700,000	Mich Transportation Fund		AA-
6/90	Livonia City	1,500,000	General Obligation		A1/AA-
6/90	Livonia City	1,750,000	Special Assessment		A/A+
6/90	Municipal Bldg Authority	6,500,000	Building Authority		A/A+
6/90	Ann Arbor City	3,500,000	Tax Downtown Development		
6/90	Hartland Cons SD	13,475,000	School Bldg/Site		
5/90	State of Michigan	50,000,000	Brighton Area Schools		A1/AA
5/90	Portage City	775,000	Special Assessment Ref		
5/90	Gaines Township	1,100,000	Special Assessment		A/A-
4/90	Romeo Community SD	19,999,000	School Bldg/Site		A1/AA
4/90	Royal Oak Parking Auth	8,000,000	Parking Authority		Aaa/AAA
4/90	Clintondale Community SD	2,630,000	School District		NR/BB+
4/90	Oakland County	10,250,000	Building Authority		A/AA-
4/90	Ottawa County	3,955,000	Water & Sewer		A1/AA-

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
3/90	Domino's Pizza Funding Corporation (A)	$ 33,500,000	Headquarters/Office Project	Kansallis - Osake - Pankki	Aa1
3/90	Michigan State Hospital Finance Authority	6,440,000	Crittenton Hospital	FGIC	Aaa/AA
3/90	Reeths-Puffer Sch Dist	8,149,907	School Bldg/Site		A1/AA
3/90	Chippewa Valley Schools	20,800,000	School Bldg/Site		Aaa/AA
2/90	Rockford Public Schools	39,982,461	School Bldg/Site		A1/AA
2/90	Isabella County	790,000	Development		A1/AA
2/90	Milan Area Schools	450,000	Energy Conservation		
12/89	EDC of the City of Dearborn (Michigan)	2,180,000	Eastpointe Properties Project		
11/89	Kalamazoo Bldg Auth	5,830,000	Building Authority		
11/89	Kalamazoo City	5,545,000	Downtown Development		A1/A+
11/89	Wayne School District	950,000	Westwood School District		
10/89	EDC of the City of Lapeer (Michigan)	4,180,000	Dott Manufacturing Company		
10/89	Michigan Strategic Fund	9,500,000	Kasle Steel Corporation		
10/89	Auburn Hills Development Associates (A)	13,800,000	Kojaian Properties	Comerica Bank - Detroit	Aa3
10/89	Grandville City	1,300,000	Water		A
10/89	Tawas Area School District	7,400,000	School Building	AMBAC	Aaa/AA/
10/89	Monroe County	850,000	Road		
9/89	Michigan Strategic Fund	20,000,000	Environmental Research Institute		
9/89	Michigan Strategic Fund	3,000,000	Arbor Model & Tooling		
9/89	Chesterfield Township	480,000	Special Assessment		
9/89	Washtenaw Co Bldg Auth	6,000,000	Co Building Authority		Aa/AA
9/89	South Haven Public Schools	765,000	School Improvement		
8/89	LDFA Auburn Hills	19,835,000	Chrysler Technology Center Project	Dai-Ichi Kangyo Bank	Aaa
8/89	EDC of the City of Sanilac (Michigan)	1,485,000	Dott Manufacturing Company Project		
8/89	Bloomingdale SD	4,850,000	School Bldg/Site		
8/89	Romeo City	1,800,000	Various Purpose		Baa1/A
8/89	Adrian City	500,000	Building Authority		
8/89	Barry County	800,000	Sewer		

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
8/89	Washtenaw SD	$ 4,900,000	School Improvement		Aa/AA
8/89	Bridgeport City	1,140,000	Various Purpose		
8/89	Wyandotte TIFA	16,850,000	Tax Increment Finance Authority		BBB
7/89	Somerset Township	660,000	Road Special Assessment		
7/89	Ottawa County	3,410,000	Wastewater		A1/AA
7/89	Shelby Township	955,000	Bonds		A/A-
6/89	Michigan Strategic Fund	50,000,000	W.K. Kellogg Foundation		Aaa
6/89	EDC of the Township of Van Buren	4,000,000	Molmec, Inc.	Comerica Bank - Detroit	
6/89	Oakland County	4,000,000	Transportation Fund		AA-
6/89	Auburn Hills City	1,100,000	Transportation Fund		
5/89	LDFA Auburn Hills (A)	18,860,000	Chrysler Technology Park		
5/89	EDC of the City of Lansing	4,100,000	Lansing Atrium Project	Old Kent Bank & Trust Co.	
5/89	W. Bloomfield Township	2,000,000	Building Authority		AA-
5/89	Hamburg Township	2,850,000	Special Assessment		BBB+
5/89	E. Lansing Building Authority	6,740,000	Building Authority		A1/AA
5/89	Ann Arbor City	2,355,000	Water		
5/89	Ann Arbor City	1,585,000	Sewer		
4/89	Livonia City	1,705,000	Special Assessment		A1
4/89	Cadillac City	2,500,000	Water		Baa/BBB
4/89	Kalamazoo Valley Community College	5,000,000	School Improvement		
4/89	Zeeland City	1,300,000	Wastewater		A/BBB+
3/89	Huron School District	1,800,000	School Fiscal Funding		Ba/BBB-
3/89	Oakland County	8,200,000	County Wastewater		A
3/89	Zeeland SD	4,550,000	School Improvement		A1
3/89	Proctor Drainage District	2,080,000	Drainage		A1/AA-
2/89	The City of Detroit EDC	4,140,000	North Industrial Park Ltd Partnership		
2/89	Utica Community Schools	5,000,000	School Improvement		A1/AA-
1/89	EDC of the City of Ann Arbor (Michigan)	9,052,000	Glacier Hills, Inc. Project		

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
12/88	Village of Prentice (Wisconsin)	$ 8,000,000	Biewer-Wisconsin Sawmill, Inc. Project	National Bank of Detroit	AA
12/88	Village of Prentice (Wisconsin)	2,000,000	John A. Biewer Co. of Wisconsin, Inc.	National Bank of Detroit	AA
12/88	Kalamazoo Valley College	5,000,000	Bldg/Site		
11/88	Zeeland City	615,000	Bonds		
9/88	Michigan Strategic Fund	6,890,000	Nartron Corporation Project	Old Kent Bank & Trust Co.	
9/88	Michigan Strategic Fund	6,435,000	Bloomfield Valley Project	Standard Federal Bank	AAA/A1
9/88	EDC of the City of Roseville (Michigan)	6,975,000	Roseville Plaza Project	Barclays Bank PLC	Aaa
8/88	EDC of the City of Southfield (Michigan)	6,300,000	Southfield Plaza Project	Barclays Bank PLC	Aaa
6/88	EDC of the County of Oakland (Michigan)	2,525,000	Boardwalk Shopping Center Project	National Bank of Detroit	
6/88	EDC of the County of Oakland (Michigan)	2,610,000	Sugar Tree Square Shopping Center	National Bank of Detroit	
5/88	EDC of the City of Melvindale (Michigan)	3,250,000	North American Steel Corporation	Comerica	
4/88	Royal Oak City	8,000,000	Road		
11/87	EDC of the City of Lapeer (Michigan)	3,000,000	Dott Manufacturing Company Project		
10/87	Michigan Strategic Fund	2,280,000	Woodbridge Project	Old Kent Bank & Trust Co.	
10/87	Michigan Strategic Fund	2,540,000	Arcadia Creek Project	Old Kent Bank & Trust Co.	
10/87	Michigan Strategic Fund	17,000,000	Environmental Research Institute	National Australia Bank Ltd.	AA/Aa1
7/87	EDC of the City of Battle Creek (Michigan)	9,540,000	Kellogg Company Project		Aaa
7/87	Domino's Pizza Capital Corporation (A)	62,000,000	Subordinated Notes		
5/87	Michigan Strategic Fund	5,000,000	Thomas Edison Inn Project (A)	First Fed Svngs Bank & Trust	Aaa
3/87	Tawas City Hospital Finance Authority	9,600,000	Tawas St. Joseph Hospital Project		
3/87	Michigan Strategic Fund	1,500,000	Kazoo, Inc. Project	First of America, N.A.	
3/87	EDC of the City of Warren	3,000,000	CMX Corporation Project	First of America, N.A.	
12/86	Michigan Strategic Fund	1,100,000	William Sherr Project		
12/86	EDC of the City of Sterling Heights (Michigan)	9,000,000	Cherrywood Center Assoc. Project	Comerica	
12/86	Connecticut Development Authority	4,500,000	Southington Assoc. Project		
12/86	Michigan Strategic Fund	5,500,000	Michigan Market Place Project	Ameritrust	
12/86	EDC of the City of Ann Arbor	5,750,000	Victors Hotel Associates Project	Old Kent Bank & Trust	
12/86	EDC of the City of Warren	4,100,000	Elias Brother Restaurants, Inc.	First Federal Svngs Bank & Trust	

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
12/86	Michigan State Hospital Finance Authority	$ 30,125,000	Crittenton Hospital		A/A
11/86	EDC of the Charter Township of Van Buren	2,800,000	Molmec, Inc. Project	Comerica	
10/86	EDC of the City of Southfield	1,800,000	Professional Community Center Project	First Federal Svngs Bank & Trust	
10/86	Development Authority of Cobb County, GA	1,475,000	DNC Ltd. I Project (Dominos)	National City Bank	
10/86	EDC of the County of Genessee (Michigan)	3,550,000	Grand Blanc Convalescent Center	Citizens Commercial & Svngs Bank	
8/86	EDC of the Township of Clinton	3,200,000	Pointe Village Square Project	First Federal Savings	
7/86	Board of Regents of EMU	6,865,000	EMU - Residence Hall		A-/A
7/86	Board of Regents of EMU	39,215,000	EMU - Student Fee		A/A
7/86	EDC of the City of Auburn Hills	6,000,000	Security Bancorp, Inc.		
6/86	EDC of the County of Leelanau	6,000,000	American Community Mutual Ins. Co.	First of America Bank	
6/86	Adrian Michigan	1,400,000	Improvement		A1/A
5/86	College Park Business & Industrial Dev. Auth	8,850,000	Atlanta Airport Parking		
4/86	Michigan Strategic Fund	2,000,000	Mark T. Jacobson		
4/86	Michigan Strategic Fund	5,200,000	2100 Maple Associates	First Federal Svngs	
4/86	New Haven Community SD	665,000	School District		A1
4/86	Monroe County, Michigan	6,900,000	Improvement		A1
2/86	Pinconning Area SD	965,000	School District		
12/85	Michigan Strategic Fund	8,000,000	Midway Associates		
12/85	California Development Authority	1,750,000	Dominos Pizza Commissary		
12/85	The County of Adams, Colorado	2,300,000	Sturgeon Electric Co./Harlan Electric	Manufacturers Nat'l Bank	
12/85	EDC of Rochester Hills	9,000,000	Peachwood Center Assoc.	First Federal Svgs	
12/85	Michigan Strategic Fund	8,600,000	Townsend Associate	First Federal Svgs Bank & Trust	
12/85	Michigan Strategic Fund	2,450,000	Tawas Bay Associates	New Century Bank - Bay City	
12/85	Michigan Strategic Fund	3,150,000	PSI Telecommunications, Inc.	Comerica	
11/85	EDC of Port Huron	7,500,000	Port Huron Molded Products, Inc.	Manufacturers National Bank	
11/85	EDC of the City of Farmington Hills	1,000,000	Builders Assoc of Southeast Michigan		
11/85	EDC of the City of Southfield	5,000,000	Jewish Vocational Service	National Bank of Detroit	
10/85	EDC of the City of Bangor - Michigan	3,000,000	Du-Wel Products, Inc.	Manufacturers National Bank	

(A) Taxable

McDONALD & COMPANY SECURITIES, INC.
MICHIGAN TAX EXEMPT BOND VOLUME
MANAGER - McDONALD & COMPANY

Date	Issuer	Amount	Use of Proceeds	Insurance/LOC	Rating
9/85	IDFA of Los Angeles County	$ 2,300,000	ASC, Inc.	Manufacturers Nat/Ambac	AAA
8/85	EDC of the City of Madison Heights	785,000	Arman & Dora Mooradian	Comerica	
7/85	Farm Bureau Mutual Insurance Company	25,450,000	Securitization of Bond Portfolio	National City Bank	
7/85	Michigan Job Development Authority	7,300,000	Royce Ventures I	Standard Federal Bank	AAA
5/85	Connecticut Development Authority	7,800,000	Nutmeg Partnership		
4/85	EDC of the City of Westland (Michigan)	1,100,000	Michigan Humane Society	Comerica	
4/85	EDC of the City of Ann Arbor (Michigan)	2,300,000	Webers Inn	Comerica	
12/84	Michigan Job Development Authority	7,500,000	Biewer Sawmill, Inc./Biewer Lumber Co.	National Bank of Detroit	
12/84	EDC of the City of Ann Arbor (Michigan)	4,000,000	Traver Hill Partnership/Group 243	Comerica	
12/84	EDC of the City of Rochester Hills	2,445,000	BRG Associates/Mastercraft Leathercraft	Comerica	
12/84	EDC of the City of Farmington Hills	8,800,000	Northwestern Enterprises Ltd Partnership	Cardinal Federal Savings Bank	AAA/A1-
12/84	EDC of the Charter Township of Waterford	2,800,000	Highland Medical/Independence Health	Manufacturers National Bank	
11/84	McDonald Tax Exempt Mtg Trust No. 2	4,370,000	Citizens Bank - Flint	Citizens Bank	
11/84	Various EDC's	3,710,000	Consumers Power Co.		
11/84	EDC of the City of Livonia	4,100,000	American Community Mutual Insurance	Comerica	
8/84	EDC of the City of Dearborn	2,300,000	Eastpointe Properties Project	Manufacturers National Bank	

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