NOTICE OF VOLUNTARY DISCLOSURE

ALBION COLLEGE

Relating to the following issues:

$48,895,000 Michigan Finance Authority Higher Education Facilities Limited Obligation Revenue and Revenue Refunding Bonds (Albion College), Series 2022, dated January 12, 2022

CUSIPs: 594479GZ4, 594479HA8, 594479HB6, 594479HC4, 594479HD2, 594479HE0, 594479HF7, 594479HG5, 594479HH3, 594479HJ9, 594479HK6, and 594479HL4

The following information is being provided on a voluntary basis in response to the Bondholders' request for additional due diligence. This report includes information on proposed endowment borrowings, cash flow projections, a request for release of unspent bond proceeds for student-facing projects, and other information.

Questions regarding information contained in this Notice should be directed to: Michael Fox, Interim Chief Financial Officer, Albion College, 611 E. Porter Street, Albion, Michigan 49224; telephone: (517) 629-0289.

Dated: March 29, 2024

Albion College

1. Proposed Endowment Borrowings in Accordance with UPMIFA

The College's endowment is now completely comprised of restricted-endowed funds. All quasi-endowed funds have been liquidated. The College is proposing to borrow from restricted-endowment funds only. There are two mechanisms being pursued to borrow from the restricted-endowed funds; each would be subordinated in nature and will be documented with an official note between the endowment and the College's unrestricted operations. The first mechanism is to seek individual donor consent to borrow against their respective endowments. Notes with specific donor consent to date ($7.4M) will pay 6 percent in interest annually beginning July 31, 2024, with all principal due on July 31, 2027. The loan documents between the endowment and the College as it relates to the fair market value of the agreed to endowed funds has been provided to Bondholders' counsel.

This first mechanism, to obtain loans from the endowment, is focused on conversations with individual donors of existing restricted endowments, whom we are approaching to request that they amend their gift agreement to specifically allow the College to borrow from their market value within the total endowed pool of funds. These amendments have been drafted by legal counsel with expertise in Michigan UPMIFA laws. One donor has agreed and signed. A second donor has agreed and will soon sign a recently amended agreement for revising their gift instrument. We have scheduled a meeting in mid-April with a third donor (a foundation) to approve a revision to their gift agreement pending final approval of their board. Each donor has had a chance to review the loan documents between the endowment and the College operations as a part of these discussions.

The second mechanism is to identify additional borrowings allowable under UPMIFA standards. To this end, the College has engaged an independent, expert financial advisor (Moglia Advisors) to provide an analysis of the level of borrowing from the endowment that would be prudent within the meaning of applicable UPMIFA standards. The loans are being proposed at four different dollar levels to determine which set of liquidity needs may be met using this method. The total of the four levels, if ultimately sought, is $25M, which includes the donor-consented loans previously mentioned in the first approach. The endowment is currently worth about $145M.

Funds that would be borrowed in accordance with the 'prudent man' standard, and only if reviewed by Moglia Advisors, will pay interest and principal annually over 10 years, at 6 percent. Each loan will be reflected in the notes to the consolidated financial statements. Funds from this source, if executed, will be added to other sources of liquidity to ensure that there are sufficient operating funds needed to execute the College's three-year sustainable budget plan.

The engagement with Moglia Advisors has been signed, includes a clear scope of defined work, and is estimated to be completed by April 5, 2024.

The College has identified about a half-dozen gift instruments totaling $11M with documentation that clearly shows they were not ever intended to be held in perpetuity (no need to take to a judge to remove them from the endowment), or where there are no documents available and no living donor to contact (requiring a case to be made to a judge in order to unendow those funds).

In summary, we currently have about $11M available without borrowing, and $7.4M of donor approved borrowing from restricted endowment (**for which we are seeking bondholder immediate approval**). Subject to the Moglia Advisors determination of a prudent level to borrow in general from the endowment, we anticipate borrowing up to an additional $16.6M for a total of $35M. The College is **not seeking immediate approval for these loans**. This will provide the volume of funds needed to meet operational liquidity needs for the foreseeable future and to refinance the line of credit at PNC.

2. Cash Flow Projections

A cash flow projection through March, 2025 is attached as Exhibit 1 to this Notice. The $7.4M in individual-endowment borrowings from the three donors indicated in the description above are shown in the projections in April and May 2024. The projections show the critical nature of accessing these funds in order to execute a successful three-year plan. The budget for fiscal year 2024 is presented with the projection for where the College will end the current fiscal year from a cashflow perspective. The three-year projection tool attached as Exhibit 2 then gives a sense for how accounting results, cash flow, and the debt service coverage ratios (DSCR) will work based on a series of reasonable assumptions for revenue and expense actions. Many of those actions have been successfully implemented or are in process of being implemented.

The cash flow reflects the 2024-25 fiscal year's annual spending rule at 7.5 percent. The estimated $12M draw in July 2024 is based on the 5-year average of endowment values. It will all be withdrawn from the endowment on the first day of the fiscal year in July 2024.

The projection tool indicates that the College will return to positive cash flow and DSCR in fiscal year 2027, with positive accounting results for operations in fiscal year 2028. The projection tool reflects three amounts borrowed from endowment that are estimated as needs for providing the liquidity for operations over the next three years while the College executes this plan. They will each be subordinated in nature, and total about $17.8M over three years. These are loans that the College may or may not need in the future, depending on interactions with donors that are ongoing.

Approval to proceed with subordinated loans from the endowment (authorized by specific donors) as outlined above is requested and is needed immediately. Please let us know if you have additional questions we can answer to assist in this process.

3. Request for Release of Unspent Bond Proceeds for Student-Facing Projects

Over the next 12 months, the College plans to invest approximately $6.5M into critical infrastructure and space priorities through a combination of unused bond proceeds, philanthropic support already committed and anticipated, as well as support through our food service vendor. Investments in student-facing spaces that will assist in our recruitment and retention efforts are core features of our three-year Pathway Forward. A description of these critical student-facing projects is included as Exhibit 3. The College is requesting approval of these projects from bond funds by **April 5, 2024**.

4. Physical Plant Available for Additional Collateral

The College understands that it is likely to need to provide additional security in the form of a mortgage or additional control or security agreements in order for the trustee/bondholders to agree to forbearance under the Master Trust Indenture ("MTI") while the College resolves its liquidity issues, and we look forward to working with bondholders to achieve a mutually acceptable outcome.

Exhibit A to the MTI ("Exhibit A") includes a description of 19 buildings that are considered to be the core of the campus. The College would consider including each of these properties as collateral for a mortgage, if determined necessary. The College does not currently have an appraised value on these properties.

The property values and descriptions in the table below are excerpted from the College's recently-updated insured values (as of March 1, 2024) on property insurance schedules. The 19 properties correspond to those listed on Exhibit A.

Albion College

Core Campus Buildings - Insured Values

Core Campus	Building Description	Address	Total Insured Value
1	Astronomical Observator/Brown Honors Center	606 E Cass Street	$ 7,478,705
2	Campus Safety/Human Resourses/Student Health Services	1003 E Cass Street	2,660,431
3	Facilities Operations Building	203 S Hurson Street	4,246,423
4	Ferguson Student, Technology, & Administravite Building	611 E Porter Street	39,787,649
5	Kellogg Center/Dickie Hall	611 E Porter Street	727,027
6	Kresge Hall	111 S Park Street	24,384,538
7	Norris Center	900 W Michigan Ave	1,929,212
8	Olin Hall	606 Porter Street	6,907,329
9	Palenske Hall	908 E Michigan Ave	6,412,436
10	Putnam Hall	205 Park Street	7,875,352
11	Robinson Hall	200 S Hannah	7,877,427
12	Stockwell Memorial Library/Mudd Learning Cneter	600 & 602 E Cass	22,589,080
13	Technical Services Building	601 E Porter Street	632,033
14	Vulgamore Hall (North Hall)	710 E Cass Street	7,339,388
15	Baldwin Hall	203 S Hannah St	12,216,376
16	Seaton Hall	1004 & 1003 E Cass Street	9,841,323
17	Whitehouse Hall	209 S Hannah & 1101 E Porter St	11,406,617
18	Kresge Gymnasium	111 S Huron St	9,630,374
19	New Housing Facilities	Not Constructied	-
			$ 183,941,720

5. Progress To-Date and Pathway Forward

As we mentioned in the Bondholder presentation, we are requesting not to have a turnaround consultant assigned to the College. We have rapidly developed and communicated a plan forward to the campus and greater community, and we have various consultants already working with us on specific measures. The trustees and leadership team are singularly focused on the actions that will be required to achieve that plan.

Since the College's new administration took office in July 2023, the College has acted on the following items:

- Established a set of key performance indicators for trustees, along with routine communications on developments across financial and administrative activity at the College.
- Developed avenues to communicate with the community about our situation and plan (summary piece mailed to 34,000 households).
- Held numerous town halls on campus to interact over data and plans to move forward.
- Set in place a comprehensive academic program review to evaluate the make-up of our majors and programs and adapt to market relevance.

- Refocused on our areas of distinction to enhance and broaden liberal arts programs that are blended with practical work experience.
- Made retention a campus-wide focus. The College has received a significant Title III grant to assist our diverse population with retention initiatives and we are partnering with leading experts on multi-year institutional plans.
- Engaged Blue Rose Capital Advisors to assist with capital and debt structure planning.
- Fully leveraged the expertise provided by Human Capital, our long-term enrollment and discounting consultant. After six enrollment vice presidents in eight years, we are making concerted efforts to change procedures and benefit from Human Capital's expertise in recruiting and packaging students in order to improve yield of admitted applicants.
- Saw a 20% increase this year in gifts over $1,000.
- Grew Fall 2023 Giving Tuesday gift revenue by 514% over the prior year with a 17% increase in donor participation.
- Increased total donors to the College by 31%, and alumni donors by 21%, year-to-date.
- Solicited and secured a $1M gift this winter for renovating athletic facilities.
- Lowered the employer retirement contribution for faculty and staff from 12% to 6%.
- Lowered employer health care costs by $1M dollars per year (first change to the health care program in 17 years).
- Reduced the workforce by seven personnel and reduced several open positions through attrition. We are combining positions, replacing full-time with part-time, eliminating administrative areas, and posting approximately five fewer faculty positions next year compared to this year. Leadership review open positions every two months to seek attrition opportunities and savings.
- Terminated the defined benefit plan with the Pension Benefit Guaranty Corporation (PBGC) in the spring, returning well over $2.5M in overfunded trust assets. Notice was given to 88 participants in December, and to the PBGC in February. Annuity contracts will be auctioned in April, and final distribution of excess trust funds will be returned to the college shortly after.
- Revised operating and capital budgeting processes to address campus needs given the reality of the structural budget deficit.
- Sold 20 properties in the past two years ($1.85M) and have a few more investment properties on the market. The College is also selling 6,100 IP addresses.
- Started the process of selling our equestrian center and operations with an eye towards continuing the program with reduced overhead.
- Bid out property and casualty insurance coverages and moved from EIIA to Brown and Brown as of 3-1-24 for a $160K annual savings.
- Moved to a new student payment platform (Transact) as of 3-1-24, saving $65K annually and increasing our collections communications and capacities (including an in-house payment plan).
- Consolidated from 7 to 2 collection firms and now provide Trustees and Cabinet data quarterly for progress on significant data and ratios toward goals that have been set.
- Cooperated with Consumers Energy to place $250K of LED lighting in five buildings on campus for a 1.7-year payback. The LED lights expected lifespan is ten years. Consumers Energy has

expressed interest in two additional rounds at this size once the lights from this first package have been installed.

- Restructured outsourced and subsidiary operations to adjust critical personnel and non-personnel operating practices. Gross operating profit at the 90% owned downtown hotel has improved significantly. Food service operations have curtailed costs by over $500K for the fiscal year.
- Negotiated a long-term extension of our current outsourced food service provider to provide about $1M for capital improvements that contribute to the three-year plan. Payments on this subordinated, interest free loan will greatly reduce from the $27,500 we pay currently.
- Renegotiated the contract with Pepsi. The College will receive well over $400K in sponsorship dollars over the term of the contract.
- Attracted Starbucks to our Library drink and snack operation. Our catering services have expanded greatly. Our snack vendor is placing three self-serve operations around campus with extended hours (at no cost to Albion, with a percentage of revenues returned to the College). We are working toward bringing Qdoba to campus as well to enhance student food options.
- Working to finalize a green hydrogen project on 400-500 acres of off-campus property. The College is on the Michigan Office of Infrastructure website for a green hydrogen proposal. Operational and reputational impacts can be significant and positive. We are the only proposal for green hydrogen production for colleges and universities among the proposals going to the recently approved seven federal hydrogen hubs. We have a signed agreement for a large, local firm to take all the hydrogen we can produce. The College will receive seven-digit annual rentals for the property that would host solar panels to produce hydrogen on site. Albion can also benefit from the energy producing by-product of the horses that are in the equestrian program (part of the contract as we sell the equestrian program). There would be a large grant to convert our HVAC infrastructure to hydrogen (including a turbine engine that runs on the hydrogen power produced). This opportunity fits in well with our Center for Sustainability and Environment. We are waiting for the hydrogen hub processes to get established to see this come to fruition.

If a turnaround consultant is a requirement that is imposed, it will detract energy needed to execute what the new leadership team has put in place for a plan. We have made significant progress. PNC is not requiring a turnaround consultant. If, however, this is to be a requirement, we have established a relationship with Moglia Advisors. They have experience with this kind of engagement and have already become familiar with our situation and operations through two consulting engagements related to our endowment.

The leadership of our Board of Trustees is aware of these negotiations and is prepared to call a special meeting to react to and approve the negotiated terms. The board has been asked to hold the week of April 8th for such a meeting, and it would be customary to provide the terms to them five days in advance. We are hoping for a response shortly regarding our ability to access bond proceeds to fund key projects this summer as well as the ability to borrow against restricted endowed funds, with donor consent, to help us with liquidity this year and next.

Exhibit 1

Cash Flow Projection

See attached.

ALBION COLLEGE

Friday, March 22, 2024

Rolling Cash Forecast

	March	April	May	June	July	August	Sept	October	November	December	January	February	March	TOTALS
Opening Cash Balance	*2,955,455*	*1,079,615*	*2,551,561*	*2,559,507*	*3,035,953*	*10,888,899*	*13,874,345*	*11,542,291*	*7,800,237*	*6,548,183*	*3,551,129*	*6,069,075*	*4,627,021*	*6,083,371*
INCOMING														
STUDENT PRIVATE LOANS	70,700	60,000	25,000	20,000	50,000	675,000	150,000	25,000	125,000	125,000	750,000	35,000	75,000	2,185,700
TUITION - TOUCHNET/TRANSACT	710,698	550,000	600,000	250,000	540,000	2,525,000	1,095,000	650,000	650,000	600,000	2,200,000	1,500,000	925,000	12,795,698
AR DEPOSITS	448,599	200,000	200,000	350,000	600,000	1,000,000	675,000	250,000	200,000	200,000	1,000,000	500,000	500,000	6,123,599
GENERAL DEPOSITS	16,663	15,000	10,000	5,000	10,000	25,000	25,000	10,000	50,000	5,000	145,000	100,000	20,000	436,663
FED/STATE FUNDS	-	500,000	200,000	100,000	-	4,750,000	1,000,000	-	2,400,000	-	4,000,000	1,000,000	500,000	14,450,000
LOC BORROWINGS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENDOWMENT DRAW	-	-	-	-	12,000,000	-	-	-	-	-	-	-	-	12,000,000
ENDOWMENT LOAN	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ENDOWMENT BORROWING-WILSON/SHEETS/GERSTACKER	-	4,099,000	3,300,000	-	-	-	-	-	-	-	-	-	-	7,399,000
CONVERTIBLE SUBORINATED DEBT HOTEL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IP ADDRESS SALES	-	-	-	213,500	-	-	-	-	-	-	-	-	-	213,500
DEFINED BENEFIT PENSION TERMINATION	-	-	-	2,500,000	-	-	-	-	-	-	-	-	-	2,500,000
REAL ESTATE PROCEEDS	-	600,000	-	765,000	-	-	-	-	-	-	-	-	-	1,365,000
BOND PROJECTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UNRESTRICTED GIFTS	600,000	150,000	150,000	200,000	100,000	100,000	100,000	100,000	100,000	250,000	100,000	200,000	200,000	2,350,000
	1,846,660	6,174,000	4,485,000	4,403,500	13,300,000	9,075,000	3,045,000	1,035,000	3,525,000	1,180,000	8,195,000	3,335,000	2,220,000	61,819,160
OUTGOING														
GENERAL ACCOUNT														
ACCOUNTS PAYABLE	229,000	1,200,000	1,000,000	750,000	1,500,000	1,400,000	1,200,000	1,200,000	1,200,000	1,200,000	1,500,000	1,200,000	1,200,000	14,779,000
HEALTH COVERAGE	235,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	309,000	3,943,000
PROPERTY, CASUALTY and LEGAL LIABILITY INS	651,000	-	-	-	-	-	600,000	-	-	-	-	-	-	1,251,000
LOC Interest Payments	-	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	720,000
LOC Renewal Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BOND INTEREST & PRINCIPAL	-	173,054	173,054	173,054	173,054	173,054	173,054	173,054	173,054	173,054	173,054	173,054	173,054	2,076,648
DINING SERVICE	571,000	500,000	500,000	200,000	500,000	600,000	600,000	600,000	600,000	-	1,200,000	600,000	600,000	7,071,000
P-CARD	-	175,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,825,000
ESCHEATMENT	-	-	-	-	250,000	-	-	-	-	-	-	-	-	250,000
CAPITAL FUNDED FROM PY GIFTS	-	-	-	-	-	250,000	-	-	-	-	-	-	-	250,000
ENDOWMENT LOAN REPAYMENT	-	-	-	-	-	862,500	-	-	-	-	-	-	-	862,500
														-
PAYROLL														-
BIWEEKLY	60,000	120,000	120,000	120,000	240,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	120,000	1,620,000
STUDENT	65,000	100,000	100,000	100,000	200,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,365,000
SALARY	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	15,600,000
														-
PAYROLL RELATED														-
FEDERAL TAXES	475,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	525,000	6,775,000
STATE& LOCAL	15,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,095,000
TIAA CREF	221,500	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,221,500
	3,722,500	4,702,054	4,477,054	3,927,054	5,447,054	6,089,554	5,377,054	4,777,054	4,777,054	4,177,054	5,677,054	4,777,054	4,777,054	62,704,648
Projected Ending Balance	$ 1,079,615	$ 2,551,561	$ 2,559,507	$ 3,035,953	$ 10,888,899	$ 13,874,345	$ 11,542,291	$ 7,800,237	$ 6,548,183	$ 3,551,129	$ 6,069,075	$ 4,627,021	$ 2,069,967	$ 5,197,883

Exhibit 2

Bondholder Three-Year Projection Tool

See attached.

	Enhancement number(s)	FY25 Total Adjustments	Est FY25 Result	FY26 Total Adjustments	Est FY26 Result	FY27 Total Adjustments	Est FY27 Result
Operating Revenue	see narrative						
Tuition and Fees - Net	1,57	1,150,000	18,559,107	1,487,000	20,046,107	1,378,000	21,424,107
Auxiliary enterprizes - room and board	10	770,000	15,085,158	774,000	15,859,158	642,000	16,501,158
Net student revenue		**1,920,000**	**33,644,265**	**2,261,000**	**35,905,265**	**2,020,000**	**37,925,265**
Private gifts and grants	2,6	500,000	3,496,007	500,000	3,996,007	-	3,996,007
Government appropriations and grants		-	1,031,126	-	1,031,126	-	1,031,126
Endowment Income							
Quasi endowment payout		-	-	-	-	-	-
Other endowment income		-	3,882,579	-	3,882,579	-	3,882,579
Other investment income and gains		-	281,409	-	281,409	-	281,409
Sales and services of other auxiliary enterprises		-	823,113	-	823,113	-	823,113
Other sources	3,8,9,11,13	290,000	951,329	(330,000)	621,329	(125,000)	496,329
Subtotal		**2,710,000**	**44,109,828**	**2,431,000**	**46,540,828**	**1,895,000**	**48,435,828**
Release of undistributed endowment earnings		-	7,776,387	-	7,776,387	-	7,776,387
Net assets released from restrictions	4,5	100,000	459,033	150,000	609,033	-	609,033
		-	-	-	-	-	-
Total operating revenue		**2,810,000**	**52,345,248**	**2,581,000**	**54,926,248**	**1,895,000**	**56,821,248**
Operating Expenses							
Salaries and wages	45	(767,000)	23,125,973	-	23,125,973	-	23,125,973
Employee benefits	45,46,47	(1,208,000)	5,082,274	-	5,082,274	-	5,082,274
Supplies and noncapital items	50,51,52,62	(187,500)	1,798,520	42,000	1,840,520	60,000	1,900,520
Depreciation		-	4,964,679	-	4,964,679	-	4,964,679
Services	48,54,55	(220,000)	12,232,024	-	12,232,024	-	12,232,024
Utilities	53,56,60	(185,000)	2,494,195	(50,000)	2,444,195	-	2,444,195
Alterations, repairs and maintenance	56,63	(84,000)	1,213,874	(25,000)	1,188,874	-	1,188,874
Insurance	49,60	(140,000)	480,105	-	480,105	-	480,105
Interest	42,43,44,59	346,104	3,310,670	150,230	3,460,899	(86,865)	3,374,035
Professional development	50,51,52,62	(82,500)	2,192,893	11,000	2,203,893	20,000	2,223,893
Institutional expenses	61	(40,000)	195,822	(10,000)	185,822	(15,000)	170,822
Other	50,51,62,64	(180,000)	587,195	(33,000)	554,195	20,000	574,195
Impact of awarded outstanding funded aid	65	1,150,000	-	-	-	-	-
Impact of Prentice Brown non-endowed honors gift	66	-	(100,000)	-	(100,000)	-	(100,000)
Factor for inflation			374,353		374,413		376,013
Total operating expenses		**(1,597,896)**	**57,952,576**	**85,230**	**58,037,866**	**(1,865)**	**58,037,601**
Net operating results		**4,407,896**	**(5,607,328)**	**2,495,770**	**(3,111,618)**	**1,896,865**	**(1,216,353)**
Cumulative Adjustments		11,192,024		13,687,795		15,584,659	
		-		-		$ -	
Adjustments for cash flow							
Principal on endowment loan - June 23	42		(510,495)		(541,125)		(573,593)
Principal on endowment loan - April 24	43		(569,010)		(603,151)		(639,340)
Principal on endowment loan - March 25	44				(303,472)		(321,680)
Savings on Metz loan ($27,500 to $25K / mo.)	67		30,000		30,000		30,000
Capital spending			(1,000,000)		(1,000,000)		(1,000,000)
Principal on bond - due 12-1-27							
Sales proceeds from properties, donor gift	13		500,000		375,000		100,000
Trust funds returned from benefit plan	8						
Depreciation			4,964,679		4,964,679		4,964,679
Prentice Brown honors gift	66						
Anticipated cash flow infusion for the year			(2,192,155)		(189,687)		1,343,713
Cash flow cumulative infusion needed			(10,276,660)		(10,466,347)		(9,122,634)
Debt service ratio			0.61		1.09		1.46

Inflation factor (revenue and expense) 2.0%

Endowment loan - June '23

	Payment	Interest	Principal	Principal	Rate
				6,347,861	6.00%
August 31, 2024	862,471	380,872	481,599	5,866,262	
August 31, 2025	862,471	351,976	510,495	5,355,766	
August 31, 2026	862,471	321,346	541,125	4,814,641	
August 31, 2027	862,471	288,878	573,593	4,241,049	
August 31, 2028	862,471	254,463	608,008	3,633,041	
August 31, 2029	862,471	217,982	644,489	2,988,552	
August 31, 2030	862,471	179,313	683,158	2,305,394	
August 31, 2031	862,471	138,324	724,147	1,581,247	
August 31, 2032	862,471	94,875	767,596	813,651	
August 31, 2033	862,471	48,819	813,652	(1)	

Total borrowings across the three years
17,847,861

Endowment loan - April 24

	Payment	Interest	Principal	Principal	Rate
				7,500,000	6.00%
August 31, 2025	1,019,010	450,000	569,010	6,930,990	
August 31, 2026	1,019,010	415,859	603,151	6,327,839	
August 31, 2027	1,019,010	379,670	639,340	5,688,500	
August 31, 2028	1,019,010	341,310	677,700	5,010,800	
August 31, 2029	1,019,010	300,648	718,362	4,292,438	
August 31, 2030	1,019,010	257,546	761,464	3,530,974	
August 31, 2031	1,019,010	211,858	807,152	2,723,822	
August 31, 2032	1,019,010	163,429	855,581	1,868,242	
August 31, 2033	1,019,010	112,095	906,915	961,326	
August 31, 2034	1,019,010	57,680	961,330	(4)	

Endowment loan - March 25

	Payment	Interest	Principal	Principal	Rate
				4,000,000	6.00%
August 31, 2026	543,472	240,000	303,472	3,696,528	
August 31, 2027	543,472	221,792	321,680	3,374,848	
August 31, 2028	543,472	202,491	340,981	3,033,867	
August 31, 2029	543,472	182,032	361,440	2,672,427	
August 31, 2030	543,472	160,346	383,126	2,289,300	
August 31, 2031	543,472	137,358	406,114	1,883,186	
August 31, 2032	543,472	112,991	430,481	1,452,705	
August 31, 2033	543,472	87,162	456,310	996,396	
August 31, 2034	543,472	59,784	483,688	512,707	
August 31, 2035	543,472	30,762	512,710	(2)	

Exhibit 3

Albion College Student Facing Projects

Albion is requesting approval of these projects from bond funds by April 5, 2024. The College continues to seek donor funding for these (and other) projects. As gifts are received, we reduce the reliance on bond proceeds to fund these critical investments.

Over the next 12 months, the College plans to invest approximately $6.5M into critical infrastructure and space priorities through a combination of unused bond proceeds, philanthropic support already committed and anticipated, as well as support through our food service vendor. Investments in student-facing spaces that will assist in our recruitment and retention efforts are core features of our three-year Pathway Forward. These student-facing space investments include the following:

Kresge Gymnasium upgrades ($1.605M / $1.165M funded by donors) – Thanks to significant donor commitments, this project will include the addition of air conditioning for the first time which is important for safety and third-stream revenue generation as many summer/fall events have been cancelled in the past due to sweating of the court and inhospitable conditions. This project also includes updating seating, branding, and accessibility, such as the addition of an ADA bathroom in the main lobby, and will renovate the entrance lobby and locker rooms to provide a more contemporary experience and help us tell the history of Albion's athletic success on the tour route.

Baldwin and Kellogg Center upgrades ($880K / $780K funded by donors) – This project renovates and updates meeting and event spaces in our main campus and community conference and meeting venue, Baldwin Hall. Baldwin includes a ballroom that seats up to 300 guests, an upper level with four spacious meeting rooms close to dining, and a main dining hall for student experience and satisfaction. During summers and on weekends, these spaces are a source of additional revenue and with modernization and new technology we will be able to command more regular business at higher prices. Updates to the Kellogg Center include additional eating options for students along with current offerings such as a 24/7 automated grab and go. This project will also renovate an underutilized space for a multicultural lounge to meet the needs of our diverse student body, including dedicated space for programming as enabled by a Department of Education Title III grant.

Residence Hall Lobby and Gathering Spaces and Roofing upgrades (approximately $1M / $0 funded by donors) – Albion College is a residential campus, with more than 97 percent of students residing in campus housing. Funds will be used to replace roofs on Seaton, Baldwin, and Whitehouse residence halls in the middle of campus during the summer of 2024. Leaks in the old tile roofs have begun to be unmanageable and will be replaced with long-term asphalt shingles to keep these important assets safe and to maintain appropriate living conditions for student residents. In addition, lounges in Wesley, Seaton, Whitehouse, and Mitchell halls will be upgraded to serve as better sources for connection and community building—key drivers for student retention, which is tied to our main revenue saving goals.

Dow Center Upgrades to Training Room and Golf Center (approximately $600K / $300K funded by gifts) – Primarily funded by donor gifts, the current training room, which delivers wellness and safety services for nearly 700 student-athletes, will be renovated and modernized. The goal is to provide our athletic trainers and supporting staff from Henry Ford Hospitals with adequate spaces and equipment necessary to deliver rehabilitation and injury prevention services. Appropriate care is important for wellness which is important for student success and retention. This will also bring this facility above our competition and will be a selling point for prospective students and families. These funds will also help us to relocate our indoor golf practice facilities from a remote location at the edge of campus to the Dow Center, providing those students with better access to other student-athletes and athletic department resources.

Parking and Cooling infrastructure ($1.2M / $0 funded by donors) – These funds will provide a newly resurfaced parking lot, and additional 40 spaces in a highly congested part of campus, enhanced lighting, and cameras for easier monitoring by our campus safety officers. This is critical for the student experience and also provides a more inviting lot for visitors attending events in our Baldwin conference center. These funds will also be used to replace our cooling towers which we rely on to provide central cooling for the core of campus, now near their end of life. This is important for student, faculty, and staff experience and allows us to maximize use of campus during summer months for camps and conferences which bring revenue as well as heightened exposure.

Accessibility and Safety investments ($310K / $0 funded by donors) – The College will use these funds to enhance safety and accessibility in Goodrich Chapel—our primary gathering space for large campus ceremonial, music, and onboarding events—by replacing the ramp and stairs going into facility. This project will also more than triple the number of AEDs on campus and help us update our current supply for campus safety. Finally, we will use these funds either to update the current counseling center which is used by one-third of our students or help in facilitating a move to a more conducive and accessible space. Having accessible and welcoming mental health counseling resource space is important for retention and of critical need.

Kinesiology Lab ($100K / $0 funded by donors) – Our fastest growing major, with over 100 students, requires additional lab space which we will create by turning current storage in our science facilities into a state-of-the-art lab space to meet growing demand from prospective students.