



ATTORNEYS

Ryley Carlock & Applewhite

A PROFESSIONAL ASSOCIATION

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City Clerk Office

C-9895-2
04/30/2004

MAY 03 2004

**CITY CLERK
ORIGINAL**

City of Glendale

William F. Wilder
Direct Line: 602-440-4802
Direct Fax: 602-257-6902
E-mail: wwilder@rcalaw.com

April 30, 2004

VIA HAND DELIVERY

Mayor and Members of City Council
City of Glendale, Arizona
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Not to Exceed \$24,000,000 The Industrial Development Authority of
the City of Glendale Revenue Refunding Bonds, Midwestern
University, Series 2004

Ladies and Gentlemen:

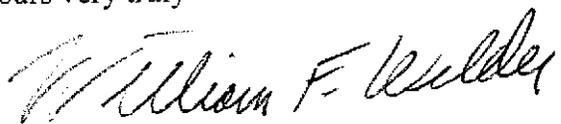
Reference is made to my letter to you of April 26, 2004. In the letter, I
advised you that the not to exceed amount of bonds proposed to be issued by The Industrial
Development Authority of the City of Glendale, Arizona, for the benefit of Midwestern
University, was \$20,600,000.

Midwestern University has not yet reached a decision as to the amount of the
Series 1998A Bonds (referred to in my April 26, 2004 letter) Midwestern University wishes
to have advance refunded.

Accordingly, for the purposes of the action the Board of the Authority is being
requested to take on May 14, 2004, as well as the action the Glendale City Council is being
requested to take on May 11, 2004, to approve the issuance of the new series of bonds, the
amount will be not to exceed \$24,000,000. This also is the amount reflected in the agenda
item description we have provided to the City Clerk.

Certainly let me know if you have any questions.

Yours very truly


William F. Wilder

519101.1

Mayor and Members of City Council
April 30, 2004
Page 2

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Enclosures

cc: Mr. Ed Beasley
Ms. Pam Hanna
Jon Paladini, Esq.
Mr. Mike Bennett
Board of Directors of The
Industrial Development
Authority of the City of
Glendale, Arizona



ATTORNEYS

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A PROFESSIONAL ASSOCIATION

William F. Wilder
Direct Line: 602-440-4802
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April 20, 2004

VIA HAND DELIVERY

Mayor and Members of City Council
City of Glendale, Arizona
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Not to Exceed \$7,500,000 The Industrial Development Authority of
the City of Glendale, Arizona Retirement Center Refunding Revenue
Bonds (Arizona Baptist Retirement Centers, Inc. Project), Series 2004

Ladies and Gentlemen:

The purpose of this letter is to report to you, on behalf of the Glendale IDA, that on Tuesday, April 20, 2004, a public hearing was held and conducted by Edward P. LeGendre, President of the Glendale IDA, with respect to the issuance of the above-referred to bonds. This hearing is one required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

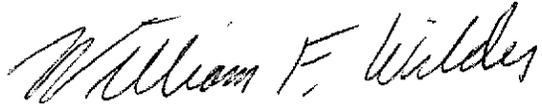
No members of the public were present at the public hearing and no requests were received from persons wishing to comment or be heard with regard to the matter.

For your information, a Report of Public Hearing is enclosed.

The required approval by the Glendale City Council of the proceedings of the Glendale IDA for the issuance of the referenced Bonds is on the City Council agenda for action at the City Council meeting on April 27, 2004.

Certainly advise me if or to the extent you have any questions.

Your very truly


William F. Wilder

Enclosure

517681.1
4/20/2004

Mayor and Members of City Council
April 20, 2004
Page 2

 Ryley Carlock & Applewhite

cc: Mr. Ed Beasley
Ms. Pam Hanna
Jon Paladini, Esq.
Mr. Mike Bennett
Board of Directors of
The Industrial Development
Authority of the City of
Glendale, Arizona

THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA REVENUE BONDS
ARIZONA BAPTIST RETIREMENT CENTERS, INC.

**REPORT OF PUBLIC HEARING
PURSUANT TO SECTION 147(f) OF THE
INTERNAL REVENUE CODE**

The undersigned, Edward P. LeGendre, the designated representative of The Industrial Development Authority of the City of Glendale, Arizona (the "Authority") for the purpose of conducting a public hearing pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, with respect to the above captioned series of Bonds, hereby reports that the public hearing was held at 8:30 A.M. in the Main Lobby of the Glendale City Hall, 5850 West Glendale Avenue, Glendale, Arizona on Tuesday, April 20, 2004, pursuant to the Notice of Public Hearing published in the *Glendale Star* on April 1, 2004.

At the time and place set for the public hearing, I announced that the public hearing was opened and asked if there were any interested persons wishing to comment and be heard with regard to the proposed issuance by the Authority of not to exceed \$7,500,000, the proceeds of which would be loaned to Arizona Baptist Retirement Centers, Inc., an Arizona nonprofit corporation to provide for the refunding in full of the Authority's outstanding Multifamily Housing Revenue Bonds (Arizona Baptist Retirement Centers, Inc. Project) Series 1983 and the Authority's outstanding Health Care Facilities Revenue Bonds (Arizona Baptist Retirement Centers, Inc. Project), Series 1993, to provide refinancing for the retirement center facility located at 13617 North 55th Avenue, Glendale, Arizona..

No members of the public were present at the public hearing and no persons requested, orally or in writing, to comment or be heard with regard to the matter.

There having been no persons present who wished to comment or be heard, I declared the public hearing closed and am submitting this report with respect to such public hearing.

Dated: April 20, 2004



Edward P. LeGendre, President



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City Clerk Office

MAR 24 2004

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City of Glendale

March 23, 2004

Ms. Pam Hanna
City Clerk
City of Glendale, Arizona
5850 West Glendale Avenue, Suite 455
Glendale, Arizona 85301

Re: The Industrial Development Authority of the City of Glendale,
Arizona/Request for Matter to be on City Council Agenda

Dear Ms. Hanna:

As I believe you are aware, we serve as legal counsel to The Industrial Development Authority of the City of Glendale, Arizona (the "Authority").

The Authority recently granted preliminary approval to Arizona Baptist Retirement Centers, Inc. for the issuance of not to exceed \$7,500,000 of the Authority's bonds to refund bonds previously issued by the Authority for the benefit of Arizona Baptist Retirement Centers, Inc.

It is anticipated that the Authority will meet on April 6 to take final approving action and to adopt a resolution authorizing the issuance of the subject refunding bonds.

Under applicable Arizona law, the proceedings of the Authority for the issuance of its bonds require the approval of the Glendale City Council.

In order to meet the anticipated financing schedule, it is requested that this matter be placed on the Glendale City Council agenda for its meeting on April 13, 2004. For this purpose I enclose a suggested agenda item description.

I will be providing City staff and members of the City Council with a detailed written report with regard to the actions taken and contemplated to be taken by the Authority with regard to the planned issuance of the refunding bonds and will have these materials to you (or to appropriate individuals in the City administration) about two weeks prior to the April 13 City Council meeting.

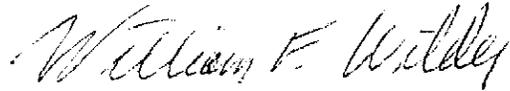
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3/23/2004

Ms. Pam Hanna
March 23, 2004
Page 2

 Ryley Carlock & Applewhite

Thank you very much for your attention to this matter, and if or to the extent you have any questions, please feel free to call.

Yours very truly,



William F. Wilder

Enclosure

cc: Mr. Ed Beasley, City Manager (w/encl.)
Mr. Mike Bennett, Business Development Manager (w/encl.)
Jon Paladini, Esq. (w/encl.)

**THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA**

Suggested Agenda Item for Glendale City Council meeting on April 13, 2004:

Adoption of a Resolution approving the proceedings of The Industrial Development Authority of the City of Glendale, Arizona, for the issuance of not to exceed \$7,500,000 Retirement Center Refunding Revenue Bonds (Arizona Baptist Retirement Centers, Inc. Project), Series 2004



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City Clerk Office

APR 26 2004

City of Glendale
William F. Wilder
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E-mail: wwilder@rcalaw.com

April 26, 2004

VIA HAND DELIVERY

Mayor and Members of City Council
City of Glendale, Arizona
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Not to Exceed \$20,600,000 The Industrial Development Authority of
the City of Glendale Revenue Refunding Bonds, Midwestern
University, Series 2004

Ladies and Gentlemen:

As I believe you are aware, we serve as counsel to The Industrial
Development Authority of the City of Glendale, Arizona (the "Authority").

The Board of Directors of the Authority, at a meeting to be held on May 4,
2004, propose to act by resolution to authorize and approve issuance of not to exceed
\$20,600,000 The Industrial Development Authority of the City of Glendale, Arizona
Revenue Refunding Bonds, Midwestern University, Series 2004 (the "Bonds").

The Bonds to be being issued at the request of Midwestern University for the
purpose of advance refunding a portion of the outstanding principal balance of the
Authority's Revenue Bonds, Midwestern University, Series 1998A (the "Series 1998A
Bonds"), issued in the original principal amount of \$33,490,000, to finance qualified
educational facilities at the Midwestern University Campus in the City of Glendale, Arizona.

PLANNED BOND REFUNDING

As noted above, it is anticipated the Authority will approve the issuance of the
Bonds on May 4, 2004 with the proceeds therefrom to be used to advance refund a portion of
the Series 1998A Bonds. In connection with the issuance of the Bonds, an authorized
representative of the Authority will conduct a public hearing as required by Section 147(f) of
the Internal Revenue Code.

For your reference purposes I enclose a copy of my letter to the Authority
Board dated April 26, 2004 that provides more information and detail with regard to the
proposed refunding bonds and the plan of finance related thereto.

518302.1
4/26/2004

CONCLUSION

Under applicable Arizona law, the proceedings of the Authority for the issuance of its bonds requires the approval of the Mayor and Council of the City of Glendale, in their capacity as the governing body of the Authority.

This matter is scheduled on the Agenda for the City Council meeting on May 11, 2004. At such time you will be asked to adopt a resolution approving the proceedings of the Authority for the issuance of the Bonds.

The proposed form of resolution for your consideration is being drafted and will be provided to the City Attorney.

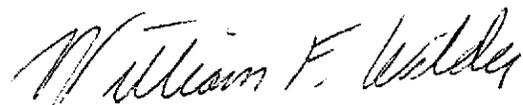
Following the meeting of the Authority Board on May 4, 2004, I will report to you regarding the actions taken by the Authority regarding approving the issuance of the Bonds.

At the City Council meeting on May 11, 2004, representatives of Midwestern University and I will be present.

I respectfully request that if or to the extent you have any questions with regard to this proposed financing that you feel free to give me a call so that I can discuss them with you.

Thank you very much for your consideration.

Your very truly


William F. Wilder

Enclosures

cc: Mr. Ed Beasley
✓Ms. Pam Hanna
Jon Paladini, Esq.
Mr. Mike Bennett
Board of Directors of
The Industrial Development
Authority of the City of
Glendale, Arizona



ATTORNEYS

Riley Carlock & Applewhite

A PROFESSIONAL ASSOCIATION

William F. Wilder
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E-mail: wwilder@rcalaw.com

April 26, 2004

To: Members of Board of Directors
of The Industrial Development
Authority of the City of Glendale,
Arizona

Re: Not to Exceed \$20,600,000 – The Industrial Development Authority of
the City of Glendale, Revenue Refunding Bonds, Midwestern
University, Series 2004

Gentlemen:

At the Authority Board meeting on May 4, 2004, you will be asked to grant final approval to the financing for Midwestern University and to adopt a resolution authorizing the issuance and sale of the bonds as described above (the "Bonds"). The purpose of this letter is to provide you with a summary review of the proposed financing.

THE APPLICANT/BORROWER

The Applicant/Borrower for financing is Midwestern University, an organization recognized under Section 501(c)(3) of the Internal Revenue Code.

THE PROJECT

In 1998, the Authority issued its bonds (the "Series 1998A Bonds") to provide financing to Midwestern University to assist it in the construction and equipping of certain qualified educational facilities at its campus in Glendale.

Now, Midwestern University is requesting the Authority issue not to exceed \$20,600,000 bonds (as described in full detail in the reference above), to advance refund a part, but not all, of the Series 1998A Bonds.

Applicable Arizona law provides that the Authority may issue its bonds for such purpose.

NOTIFICATION TO ARIZONA ATTORNEY GENERAL

As required by the provisions of Arizona Revised Statutes, Section 35-721.F, the Authority has notified the Arizona Attorney General of the Authority's intention to issue the Bonds.

518303.1
4/24/2004

PUBLIC HEARING

On May 4, 2004, an authorized representative of the Authority will conduct a public hearing as prescribed by Section 147(f) of the Internal Revenue Code of 1986, as amended, with respect to the proposed issuance of the Bonds.

ALLOCATION FOR TAX EXEMPT FINANCING

Since the proposed financing is to consist solely of refunding bonds previously issued by the Authority and since the Applicant/Borrower is a nonprofit 501(c)(3) corporation, it is exempt from the requirement that an allocation of the State of Arizona's volume cap or "state certing" for the proposed financing be received from the Arizona Department of Commerce.

FINANCING PARTICIPANTS

The major participants in the financing are as follows:

Issuer:	The Industrial Development Authority of the City of Glendale, Arizona
Applicant/Borrower:	Midwestern University
Bond Trustee:	J.P. Morgan Trust Company, National Association
Underwriter:	RBC Dain Rauscher
Bond Counsel:	Chapman and Cutler
Underwriter Counsel:	Barnes & Thornburg LLP
Co-Applicant/Borrower Counsel	Lord, Bissell & Brook

PRINCIPAL FINANCING DOCUMENTS

<u>Document</u>	<u>Parties</u>
First Supplemental Bond Trust Indenture dated as of May 1, 2004	Issuer and Trustee
Second Supplemental Bond Trust Indenture dated as of May 1, 2004	Issuer and Trustee
First Loan Agreement dated as of May 1, 2004 (the "Loan Agreement")	Issuer and Borrower
Bond Purchase Agreement dated as of its execution (the "Bond Purchase Agreement")	Issuer, Borrower and Underwriter
Official Statement (including a Preliminary Official Statement)	

PLAN OF FINANCING

The proposed plan of financing for the new series of Bonds is for the Bond Trust Indenture relating to the Series 1998A Bonds to be supplemented through First and Second Supplemental Bond Trust Indentures, to create a new series of bonds to be issued to advance refund a portion of the Series 1998A Bonds and to create a refunding trust or escrow to hold certain qualified U.S. securities that will be purchased with the proceeds of the refunding Bonds in order to provide a source of funds to pay the refunded Series 1998A Bonds on the first date such can be called for payment.

In connection with the transaction, the Loan Agreement relating to the Series 1998A Bonds will also be amended.

The refunding Bonds will be sold by the Authority to the Underwriter who, in turn, will make a public offering of the Bonds. In this regard, the appropriate parties will enter into a Bond Purchase Agreement and there will be prepared a Preliminary Official Statement and Official Statement.

FINAL APPROVAL

At the Authority Board meeting on May 4, 2004, the Board will be asked by the Applicant/Borrower to grant final approval to the application for financing and to adopt a

Members of the Board of Directors
of The Industrial Development Authority
of the City of Glendale
April 26, 2004
Page 4

 Ryley Carlock & Applewhite

resolution authorizing the issuance and sale of the Bonds. A copy of the proposed form of resolution to be adopted will be forwarded when available.

CITY COUNCIL APPROVAL

If the Authority Board acts to grant final approval for the financing and to adopt a resolution authorizing the issuance and sale of the Bond, the Glendale City Council will be requested, at its meeting on May 11, 2004, to act as required by law to adopt a Resolution approving the proceedings of the Authority for the issuance of the Bonds.

TRANSACTION CLOSING

If the required approvals of the Authority and the Glendale City Council are received, it is currently anticipated that the Bonds will be issued in mid June, 2004.

LEGAL COUNSEL RECOMMENDATION

As counsel to the Authority, we have reviewed drafts of the principal financing documents, we have been advised that these documents are now in substantially final form, and based upon our review of such and our review of the proceedings of the Authority to date relating to the proposed issuance of the Bonds, we believe the financing documents and proceedings are in substantial conformance with the policies and guidelines of the Authority and are in both form and substance acceptable for the Authority Board to act upon and that the Resolution presented to the Authority Board relating to authorizing the issuance and sale of the Bonds, and related matters, is in form and substance acceptable for the Authority Board to adopt.

Yours very truly,


William F. Wilder

cc: Mr. Mike Bennett



ATTORNEYS

Ryley Carlock & Applewhite

A PROFESSIONAL ASSOCIATION

William F. Wilder
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April 8, 2004

VIA HAND DELIVERY

Mayor and Members of City Council
City of Glendale, Arizona
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Not to Exceed \$7,500,000 The Industrial Development Authority of the City of Glendale, Arizona Retirement Center Refunding Revenue Bonds (Arizona Baptist Retirement Centers, Inc. Project), Series 2004

Ladies and Gentlemen:

As I believe you are aware, we serve as counsel to The Industrial Development Authority of the City of Glendale, Arizona (the "Authority").

The Board of Directors of the Authority, at a meeting held on April 7, 2004, acted by resolution to authorize and approve issuance of not to exceed \$7,500,000 The Industrial Development Authority of the City of Glendale, Arizona Retirement Center Refunding Revenue Bonds (Arizona Baptist Retirement Centers, Inc.), Series 2004 (the "Bonds").

The Bonds are being issued at the request of Arizona Baptist Retirement Centers, Inc. for the purpose of refunding and paying in full the outstanding principal balance of the Authority's Multifamily Housing Revenue Bonds (Greenfields/Glendale Project) Series 1983 (the "Series 1983 Bonds"), issued in the original principal amount of \$8,000,000, and to refund and pay in full the outstanding principal amount of the Authority's Healthcare Facilities Revenue Bonds (Arizona Baptist Retirement Centers, Inc. Project) Series 1993 (the "Series 1993 Bonds") issued in the original principal amount of \$3,165,000.

BACKGROUND INFORMATION

The Authority issued the Series 1983 Bonds in the aggregate principal amount of \$8,000,000 to finance the acquisition, construction, furnishing and equipping of a congregate living facility for the elderly located at 13617 North 55th Avenue, Glendale, Arizona (the "Project"). The Project was initially operated under the name "Greenfields Glendale." In 1993, the Project was acquired by Arizona Baptist Retirement Centers, Inc. ("ABRC"). At the time the Project was acquired by ABRC, it assumed the outstanding

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4/7/2004

balance of the Series 1983 Bonds (in the then aggregate principal amount of \$5,000,000) and the Authority issued the Series 1993 Bonds to assist in financing the acquisition of the Project by ABRC.

Currently, the Series 1983 Bonds and Series 1993 Bonds bear interest at a fixed rate of 7.50%.

PLANNED BOND REFUNDING

As noted above, the Authority has approved the issuance of the Bonds with the proceeds therefrom to be used to refund and pay in full the Series 1983 and Series 1993 Bonds.

The Bonds will be issued as fixed rate bonds, at an interest rate to be determined at the time the Bonds are sold, and it is anticipated that the interest rate savings to be effected as a result of the refunding will be at least one percent and could well be higher. This represents a significant interest rate savings and will result in a lower cost of paying the scheduled debt service on the Bonds and will thereby reduce the operating costs of the Project.

For your reference purposes I enclose a copy of my letter to the Authority Board dated April 2, 2004 that provides considerable information and detail with regard to the proposed refunding bonds and the plan of finance related thereto.

CONCLUSION

Under applicable Arizona law, the proceedings of the Authority for the issuance of its bonds requires the approval of the Mayor and Council of the City of Glendale, in their capacity as the governing body of the Authority.

This matter is scheduled on the Agenda for the City Council meeting on April 27, 2004. At such time you will be asked to adopt a resolution approving the proceedings of the Authority for the issuance of the Bonds.

The proposed form of resolution for your consideration has been drafted and provided to the City Attorney.

At the City Council meeting on April 27, representatives of ABRC and a representative of my firm (I will unfortunately be out of town on business) will be present.

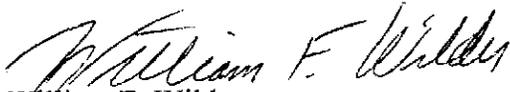
I respectfully request that if or to the extent you have any questions with regard to this proposed financing that you feel free to give me a call so that I can discuss them with you.

Mayor and Members of City Council
April 8, 2004
Page 3

 Ryley Carlock & Applewhite

Thank you very much for your consideration.

Your very truly


William F. Wilder

Enclosures

cc: Mr. Ed Beasley
✓ Ms. Pam Hanna
Jon Paladini, Esq.
Mr. Mike Bennett
Board of Directors of
The Industrial Development
Authority of the City of
Glendale, Arizona



ATTORNEYS

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William F. Wilder
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April 2, 2004

To: Members of Board of Directors
of The Industrial Development
Authority of the City of Glendale,
Arizona

Re: Not to Exceed \$7,500,000 – The Industrial Development Authority of
the City of Glendale, Arizona Arizona Retirement Center Refunding
Revenue Bonds (Arizona Baptist Retirement Centers, Inc.) Series 2004

Gentlemen:

At the Authority Board meeting on April 7, 2004, you will be asked to grant final approval to the financing for the Arizona Baptist Retirement Centers Project and to adopt a resolution authorizing the issuance and sale of the bonds as described above (the "Bonds"). The purpose of this letter is to provide you with a summary review of the proposed financing.

THE APPLICANT/BORROWER

The Applicant/Borrower for financing is Arizona Baptist Retirement Centers, Inc. ("ABRC"), an Arizona nonprofit corporation existing as an organization recognized under Section 501(c)(3) of the Internal Revenue Code.

THE PROJECT

The Project consists of a multifamily facility designed for congregate living for the elderly located at 13617 North 55th Avenue, Glendale, Arizona (directly east of Thunderbird Samaritan Hospital and south of Thunderbird Medical Center). The Project was initially financed with the proceeds of bonds issued by the Authority in 1983 and until 1993 operated under the name Greenfields/Glendale. The Project was initially financed with the proceeds of \$8,000,000 of the Authority's Multifamily Housing Revenue Bonds (Greenfields/Glendale Project) Series 1983 (the "Series 1983 Bonds"). The Project was acquired by ABRC in 1993, at which time ABRC assumed the outstanding balance of the Series 1983 Bonds, in the then aggregate principal amount of \$5,000,000 and the Authority issued \$3,165,000 of its Health Care Facilities Revenue Bonds (Arizona Baptist Retirement Centers, Inc. Project) Series 1993 to assist in financing the acquisition of the Project by ABRC.

515400.1
4/2/2004

Members of the Board of Directors
of The Industrial Development Authority
of the City of Glendale
April 2, 2004
Page 2

 Ryley Carlock & Applewhite

The Bonds are being issued to refund in full the outstanding principal amount of the Series 1983 Bonds and the Series 1993 Bonds in order to effect a significant interest rate savings to ABRC.

PRELIMINARY APPROVAL

On March 11, 2004, the Authority Board granted Preliminary Approval for the issuance of not to exceed \$7,500,000 of the Authority's revenue bonds to refund in full the Authority's Series 1983 Bonds and Series 1993 Bonds issued with respect to the Project.

NOTIFICATION TO ARIZONA ATTORNEY GENERAL

As required by the provisions of Arizona Revised Statutes, Section 35-721.F, the Authority has notified the Arizona Attorney General of the Authority's intention to issue the Bonds and within the time period prescribed by law the Arizona Attorney General has not objected to the issuance of the Bonds.

PUBLIC HEARING

On April 20, 2004, an authorized representative of the Authority will conduct a public hearing as prescribed by Section 147(f) of the Internal Revenue Code of 1986, as amended, with respect to the proposed issuance of the Bonds.

ALLOCATION FOR TAX EXEMPT FINANCING

Since the proposed financing is to consist solely of refunding bonds previously issued by the Authority and since the Applicant/Borrower is a nonprofit 501(c)(3) corporation, it is exempt from the requirement that an allocation of the State of Arizona's volume cap or "state certing" for the proposed financing be received from the Arizona Department of Commerce.

FINANCING PARTICIPANTS

The major participants in the financing are as follows:

Issuer:	The Industrial Development Authority of the City of Glendale, Arizona
Applicant/Borrower:	Arizona Baptist Retirement Centers, Inc.
Bond Trustee:	Wells Fargo Bank, National Association
Underwriter:	Northland Securities, Inc.
Bond Counsel:	Dorsey & Whitney LLP
Underwriter Counsel:	Dorsey & Whitney LLP
Co-Applicant/Borrower Counsel	Naman, Howdl, Smith & Lee and Schmitt, Schneck, Smyth & Herrod, P.C.
Guarantors	Baptist Village – Thunderbird, Inc. Baptist Village – Northeast Phoenix, Inc. Baptist Village – Sunridge, Inc.

PRINCIPAL FINANCING DOCUMENTS

<u>Document</u>	<u>Parties</u>
Trust Indenture dated as of May 1, 2004 (the “Indenture”)	Issuer and Trustee
Loan Agreement dated as of May 1, 2004 (the “Loan Agreement”)	Issuer and Borrower
Deed of Trust and Security Agreement and Fixture Filing	Borrower
Bond Purchase Agreement dated as of its execution (the “Bond Purchase Agreement”)	Issuer, Borrower and Underwriter

Members of the Board of Directors
of The Industrial Development Authority
of the City of Glendale
April 2, 2004
Page 4

 Ryley Carlock & Applewhite

Tax Exemption Agreement dated as of
May 1, 2004 (the "Tax Certificate")

Issuer, Borrower and Trustee

Guaranty Agreement dated as of May 1,
2004 (the "Guaranty Agreement")

Guarantors and Trustee

Official Statement (including a Preliminary
Official Statement)

PLAN OF FINANCE

The Bonds will be issued in an aggregate principal amount not exceeding \$7,500,000 and the proceeds derived from sale of the Bonds will be used to refund and pay in full the Authority's Series 1983 Bonds and Series 1993 Bonds (both as described above), issued for the benefit of ABRC.

The Bonds will be issued under and pursuant to the terms of the Indenture. The Bond proceeds will be loaned by the Authority to ABRC under and pursuant to the terms of the Loan Agreement.

The Bonds will be sold by the Authority to the Underwriter under and pursuant to the terms of the Bond Purchase Agreement and will then be offered for public sale by the Underwriter. In connection with the sale of the Bonds, the Official Statement (including any Preliminary Official Statement) will be made available to prospective purchasers of the Bonds.

The obligations of ABRC under the Loan Agreement (which obligations include the unconditional obligation to make payments of principal and interest in such amounts and at such times as required to pay the principal and interest on the Bonds) will be secured by a Deed of Trust and Security Agreement and Fixture Financing Statement thereby establishing a lien on the Project's real property and a security interest in the Project's personal property.

As additional security for the payment and performance by ABRC of its obligations under the Loan Agreement, the Guarantors (named above) will execute the Guaranty Agreement, in favor of the Trustee, guaranteeing unconditionally and on a joint and several basis, the obligations of ABRC under the Loan Agreement.

The Bonds will bear interest at a fixed rate of interest determined at the time the Bonds are sold. Interest on the Bonds will be paid semi-annually. The dates upon which principal of the Bonds will mature and be paid have not been finalized but will be finalized prior to the sale of the Bonds in accordance with the terms of the Bond Purchase Agreement.

In connection with the issuance of the Bonds, the Tax Agreement will be entered into to evidence agreements of ABRC with regard to certain matters relating to interest on the Bonds being tax-exempt for federal income tax purposes and maintaining such status until the Bonds mature.

In order to comply with applicable provisions of United States securities laws, the Continuing Disclosure Agreement will be entered into.

FINAL APPROVAL

At the Authority Board meeting on April 7, 2004, the Board will be asked by the Applicant/Borrower to grant final approval to the application for financing and to adopt a resolution authorizing the issuance and sale of the Bonds. A copy of the proposed form of resolution to be adopted is included in the Board packages.

CITY COUNCIL APPROVAL

If the Authority Board acts to grant final approval for the financing and to adopt a resolution authorizing the issuance and sale of the Bond, the Glendale City Council will be requested, at its meeting on April 27, 2004, to act as required by law to adopt a resolution approving the proceedings of the Authority for the issuance of the Bonds.

GOVERNOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT APPROVAL

Since this is a refunding transaction, no approval of the Governor's Office of Housing and Community Development for the financing and the issuance of the Bonds is required.

TRANSACTION CLOSING

If the required approvals of the Authority and the Glendale City Council are received, it is currently anticipated that the Bonds will be issued by around the middle of May, 2004.

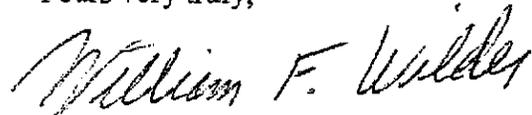
Members of the Board of Directors
of The Industrial Development Authority
of the City of Glendale
April 2, 2004
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 Ryley Carlock & Applewhite

LEGAL COUNSEL RECOMMENDATION

As counsel to the Authority, we have reviewed drafts of the principal financing documents, we have been advised that these documents are now in substantially final form, and based upon our review of such and our review of the proceedings of the Authority to date relating to the proposed issuance of the Bonds, we believe the financing documents and proceedings are in substantial conformance with the policies and guidelines of the Authority and are in both form and substance acceptable for the Authority Board to act upon and that the Resolution presented to the Authority Board relating to authorizing the issuance and sale of the Bonds, and related matters, is in form and substance acceptable for the Authority Board to adopt.

Yours very truly,


William F. Wilder

cc: Mr. Mike Bennett