

ITEM 122-1015-R0304 ATTACHMENT 2

**The University of Montana
Refunding of Series A 1993 Bonds
Interest Rate Sensitivity
March 1, 2004**

	Decrease in Market Interest Rates			March Savings Estimate	Increase in Market Interest Rates		
	-30 Basis Points	-20 Basis Points	-10 Basis Points		+10 Basis Points	+20 Basis Points	+30 Basis Points
Average Interest Rate on New Bonds	2.79%	2.89%	2.99%	3.09%	3.19%	3.29%	3.39%
Net Savings	\$2,275,000	\$2,067,500	\$1,847,200	\$1,625,000	\$1,416,200	\$1,207,200	\$998,300
Net Present Value Savings (Percent)*	\$2,109,000 (6.64%)	\$1,918,400 (6.04%)	\$1,726,000 (5.44%)	\$1,536,200 (4.84%)	\$1,350,100 (4.25%)	\$1,165,100 (3.67%)	\$982,300 (3.09%)

* Equals net present value savings as a percent of the principal amount of 1993A Bonds refunded.