

Financial Speed Dating

NCSC Conference

July 1, 2013

Agenda

- Cash Flow Financing Options
- Facility Financing Options
- Brief Introductions – Financing Institutions
- One-on-one Conversations

Cash Flow Financing Options

	Factoring	Revenue Anticipation Notes	Lines of Credit
Product	Purchase of Receivables	Short-term bond transaction	Traditional revolving lines of credit
Advance Rate	80-100%	90-100%	75-80%
Benefits	Fewest eligibility requirements; quickest execution	Reasonable pricing; flexibility to draw & repay; secures cash flow support for the year; seamless repayment via State's intercept mechanism	Reasonable pricing; flexibility to draw and repay; secures cash flow support for the year;
Challenges	Pricing – varies; can be most expensive cash flow option	Complex transaction structure/multiple party execution; fixed application dates may apply	Only the strongest school applicants are eligible

Facility Financing Options

	Traditional Mortgages	New Markets Tax Credits	Tax-exempt Bonds
Loan Amount	Loan amounts vary	Typically \$5 million + based on cost of issuance	Typically \$5 million + based on cost of issuance
Loan Structure	Terms & amortization vary	Generally 7 years, interest only	Up to 35 years
Loan-to-Value	Up to 90%	Up to 90%	100%
Benefits	Appropriate for smaller transaction sizes; less complex transaction	Interest only period; 20-25% “debt forgiveness;” attractive interest rates	Long-term financing; attractive interest rates
Challenges	May have to refinance	Property must be located in an eligible census tract; need to refinance after 7 years; complex transaction with higher legal cost; no prepayments; based on availability of allocation	Only the strongest school applicants are eligible; complex transaction with higher legal costs; locked into a longer term

Organizations

Table Number	Organization Name	Products Offered
1	NCB Capital Impact	M, NMTC, WC
2	Low Income Investment Fund	M, NMTC, WC
3	Local Initiatives Support Corporation	M, NMTC, WC
4	Nonprofit Finance Fund	M, NMTC, WC
5	Building Hope	M, NMTC, WC
6	New Jersey Community Capital	M, NMTC, WC
7	Raza Development Fund	M, NMTC
8	The Reinvestment Fund	M, NMTC
9	IFF	M, NMTC
10	Self-Help	M, NMTC
11	Clearinghouse CDFI	M, NMTC
12	Bank of America Merrill Lynch	M, NMTC
13	Charter Schools Development Corporation	M

M = Mortgage **NMTC** = New Market Tax Credits **WC** = Working Capital **B** = Bond

Organizations

Table Number	Organization Name	Products Offered
14	Baird, GVC Capital, Buck Financial	NMTC, WC, B
15	M&T Bank	M, WC, B
16	Janney Montgomery Scott	M, B
17	Dougherty & Company LLC	M, B
18	Ziegler	B
19	RBC Capital Markets	B
20	Piper Jaffray	B

M = Mortgage **NMTC** = New Market Tax Credits **WC** = Working Capital **B** = Bond



NCB Capital Impact

WHO's Qualified?	CHARTER SCHOOLS <ul style="list-style-type: none">•More than 50% Free & Reduced Lunch•High academic performance•No geographic boundaries•Generally 2+ years of history
WHAT's Available?	<ul style="list-style-type: none">•Construction Loans•Mortgages•Modular Financing•Leasehold Improvement Loans•New Markets Tax Credits (NMTCs)•Bridge Loans•Lines of Credit•Factoring/Accounts receivable financing•Revenue Anticipation Notes
HOW much can we borrow?	\$500,000 to \$5 million <ul style="list-style-type: none">•NMTCs -- larger transaction sizes apply
WHAT are the terms?	Up to 25 years
WHAT's the typical Down Payment?	10-15%
WHY NCB Capital Impact?	19 years of charter school lending; \$599.3 million in charter school loans; 204,500 school seats financed



Low Income Investment Fund

WHO's Qualified?	CHARTER SCHOOLS <ul style="list-style-type: none">• More than 30% Free & Reduced Lunch• Strong academic, operational and financial performance
WHAT's Available?	WORKING CAPITAL AND FACILITIES FINANCING <ul style="list-style-type: none">• Revenue Anticipation Notes (RANs)• Acquisition Loans• Construction Loans• Permanent Financing• Leasehold Improvement Loans• New Markets Tax Credits (NMTCs)
HOW much can we borrow?	Up to \$3,500,000 Larger loan sizes available for certain programs (NMTCs, RANs)
WHAT are the terms?	<ul style="list-style-type: none">• Loan terms of up to 7 years• Interest-only or amortizing up to 25 years
WHAT's the typical Down Payment?	10-20% equity contribution
WHY LIIF?	<ul style="list-style-type: none">• Nonprofit, mission-driven lender• National focus• \$325 million in charter school loans• 62,000 spaces for students



Local Initiatives Support Corporation (LISC)

<p>WHO's Qualified?</p>	<p>CHARTER SCHOOLS</p> <ul style="list-style-type: none"> • More than 50% Free & Reduced Lunch (more than 30% for the LISC Working Capital Fund in California) • Strong academic performance • Start-ups are welcome and evaluated on a case-by-case basis • LISC has 31 Local Offices nation-wide; National charter school expertise combined with local community development support
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> • Loans for predevelopment, acquisition, construction, renovation, leasehold improvements, leveraged debt • Mini-perm financing • New Markets Tax Credits (NMTCs) • Refinancings • Factoring (California only) • Lines of Credit
<p>HOW much can we borrow?</p>	<p>Up to \$3 million (up to \$5 million on an exception basis)</p>
<p>WHAT are the terms?</p>	<p>Terms up to 7 years; amortizations up to 20 years</p>
<p>WHAT's the typical Down Payment?</p>	<p>Typically 10%</p>
<p>WHY LISC?</p>	<p>LISC has provided approximately \$255 million in financing for 171 schools across the country, serving approximately 68,400 students</p>



Nonprofit Finance Fund

<p>WHO's Qualified?</p>	<p>Charter Schools, CMOs, providers of educational support services</p> <ul style="list-style-type: none"> •No stated FRL requirement, primarily serve LMI communities •High academic performance •No geographic boundaries •Startups with experienced CMO or proven curriculum/program
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> •Working Capital Revolving Lines of Credit •Bridge Loans •Construction, Renovation & Leasehold Improvement Loans •Acquisition Loans •Equipment Financing •Refinances •Predevelopment Loans
<p>HOW much can we borrow?</p>	<p>\$500,000 to \$3 million</p> <ul style="list-style-type: none"> •Higher amounts available with partners (banks and CDFIs) •Higher amounts available with NMTCs
<p>WHAT are the terms?</p>	<p>Term: 7 to 10 years, longer with NMTC Amortization: Up to 20 years, longer with NMTC</p>
<p>WHAT's the typical Down Payment?</p>	<p>Typically minimum of 10%</p>
<p>WHY NFF?</p>	<p>30 years of charter and independent school lending, provided \$70 MM in loans and \$57 MM in investments through NMTC</p>



Building Hope

QUALITY/RESULTS/GROWTH FOR PUBLIC CHARTER SCHOOLS

<p>WHO's Qualified?</p>	<p>CHARTER SCHOOLS</p> <ul style="list-style-type: none"> •No geographic boundaries for credit enhancement •DC and FL for loan products •All schools, including start-ups
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> •Construction Loans •Mortgages •Modular Financing •Leasehold Improvement Loans •Lines of Credit •Bridge Loans •Credit Enhancements •Back Office services •Free Technical Assistance •Incubator Sites
<p>HOW much can we borrow?</p>	<p>\$250,000 to \$2 million</p>
<p>WHAT are the terms?</p>	<p>3-5 years</p>
<p>WHAT's the typical Down Payment?</p>	<p>5%</p>
<p>WHY Building Hope?</p>	<p>10 years of charter school lending; \$143MM in charter school loans; 54,000 students served; subordinate lender</p>



<p>WHO's Qualified?</p>	<p>CHARTER SCHOOLS, "FRIENDS" ENTITIES, LANDLORDS</p> <ul style="list-style-type: none"> •Competitive/High academic performance •Comparable free and reduced price lunch figures •Comparable demographic (LMI) and special needs populations •Qualification for certain loans depends on age of school
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> •Predevelopment & Preconstruction Loans •Acquisition & Construction Loans •Leasehold Improvement & Energy Efficiency Loans •Mini-Permanent & Permanent Loans •New Markets Tax Credits (NMTCs) •Bridge Loans •Lines of Credit •Lease Guaranties & Credit Enhancements
<p>HOW much can we borrow?</p>	<p>\$50,000 to \$3.5 million</p> <ul style="list-style-type: none"> •New Markets Tax Credits can be larger
<p>WHAT are the terms?</p>	<p>12 month to 5 year terms with amortization periods of up to 25 years</p>
<p>WHAT's the typical Down Payment?</p>	<p>Approximately 5% to 10% equity contributions to the project</p>
<p>WHY New Jersey Community Capital?</p>	<p>Mission driven lender; The largest charter school lender in New Jersey; Flexibility to work within charter regulations</p>

Raza Development Fund

<p>Who is qualified?</p>	<p>CHARTER SCHOOLS AND PRIVATE SCHOOLS</p> <ul style="list-style-type: none"> •More than 75% Free & Reduced Price Lunch Eligible •More than 50% minority with high percentage of Hispanic students •High academic performance •No geographic boundaries
<p>What is available?</p>	<ul style="list-style-type: none"> •Acquisition Loans •Construction to Mini-Perm Loans •Tenant Improvement Loans •Bridge Financing •New Markets Tax Credit Financing
<p>How much can we borrow?</p>	<ul style="list-style-type: none"> •\$250,000 to \$5,000,000 (larger loans will be considered for NMTC transactions)
<p>What are the typical terms?</p>	<ul style="list-style-type: none"> •Amortization: Up to 25 years •Term: Up to 10 years •Interest Rate: TBD
<p>What is the typical Down payment?</p>	<ul style="list-style-type: none"> •Maximum Loan to Value or Loan to Cost of 90%
<p>What is RDF's impact?</p>	<ul style="list-style-type: none"> •13 years of charter school lending • \$90MM in loan commitments •More than 60 charter schools impacted nationwide



The Reinvestment Fund

WHO's Qualified?	CHARTER SCHOOLS <ul style="list-style-type: none"> •Start-up as well as more established schools •Mid-Atlantic region (PA, NJ, MD, DC, NY, and DE) •Strong mission impact and experienced management
WHAT's Available?	<ul style="list-style-type: none"> •Construction and Permanent Loans •Leasehold Improvement Loans •Refinance Perm Loans •Energy Financing •New Markets Tax Credits (NMTCs) •Bridge Loans (to start-up funds or committed grants)
HOW much can we borrow?	Up to \$5.0 million <ul style="list-style-type: none"> •Larger transactions through use of NMTCs or participations with other CDFI and bank partners
WHAT are the terms?	Amortization schedules range from 20-30 years Loan term typically 5-7 years with balloon due at maturity
WHAT's the typical Down Payment?	10%
WHY TRF?	Over 15 years, TRF has lent >\$250 million to 77 charter schools and has worked with schools in all development stages.



Strengthening nonprofits and the communities they serve.

IFF

WHO's Qualified?	CHARTER SCHOOLS <ul style="list-style-type: none">• Located in IFF's region (Illinois, Indiana, Iowa, Missouri and Wisconsin)• Nonprofit operators serving low-income or special needs communities• Will finance stand alone start ups to established CMOs
WHAT's Available?	<ul style="list-style-type: none">• Facility loans including acquisition, renovation, new construction, and maintenance/repair• Leasehold improvement loans• Refinancing to expand programming• Furnishing, fixtures, and equipment loans• Credit enhancement (for larger bank and bond debt)• Financial packaging
HOW much can we borrow?	<ul style="list-style-type: none">• \$10,000 to \$1.5 million• Can package larger financings with partners (banks, other CDFIs, bond debt)
WHAT are the terms?	<ul style="list-style-type: none">• Up to 15 years
WHAT's the typical Down Payment?	<ul style="list-style-type: none">• 5% (IFF will fund up to 95% of identifiable project costs and does not require appraisals)
WHY IFF?	<ul style="list-style-type: none">• Mission based nonprofit with over 25 years experience• Lending to charter schools for 17 years• Over 130 charter school loans totaling \$83 million creating 28,000 new seats• Affordable and flexible long-term financing• No fees or points; no prepayment penalty



WHO's Qualified?	Priority for schools serving low-income & at-risk students with a high quality academic program Early-stage to established schools across the U.S.
WHAT's Available?	Funds available for: Purchase of a facility or land Construction of a new facility Renovations or expansions Roll construction financing into permanent financing Flexible terms New Market Tax Credit Programs Credit enhancement programs
HOW much can we borrow?	No cap on loan size
WHAT are the terms?	Up to 25 years
WHAT's the typical Down Payment?	10-15%
WHY Self-Help?	Over 20 years of providing expert technical assistance and facility financing to charter schools in rural and urban communities across the U.S.



CLEARINGHOUSE CDFI

WHO's Qualified?

Charter Schools and Private Schools

- Single site and non CMO schools eligible
- Located in CA or NV

WHAT's Available?

- Construction Loans
- Construction to Perm Loans
- Permanent Loans
- Bridge Loans
- New Markets Tax Credits
- NMTC Leverage Loans

HOW much can we borrow?

\$250,000 to \$4.5 million

- NMTCs -- larger transaction sizes apply
- Can consider larger loan sizes through lending partnerships

WHAT are the terms?

- 24 month construction terms
- 30 amortization with loan terms up to 7 years

WHAT's the typical Down Payment?

Typically 20%-30% with 5% - 10% from borrowers own equity with additional down payment from other sources (ie. Seller Carry back)

WHY Clearinghouse CDFI?

16 years of community development financing including 7,100 students served through loans to new and expanding schools

Bank of America Merrill Lynch

WHO's Qualified?	CHARTER SCHOOLS <ul style="list-style-type: none"> •No geographic boundaries •Prefer High Percentage Free & Reduced Lunch •High academic performance •Generally 2+ years of history
WHAT's Available?	<ul style="list-style-type: none"> •Construction Loans •Mini Perms •Leasehold Improvement Loans •NMTC Investments •Treasury and Cash Management Services
HOW much can we borrow?	\$2 million to \$100 million
WHAT are the terms?	3-5 years
WHAT's the typical Down Payment?	25%
WHY Bank of America?	Full service lender that can meet all your financing needs; loan size isn't impediment; can follow you across states; 14 years charter school facilities financing experience; strong relationships with subordinate lenders



Charter Schools Development Corporation

<p>WHO's Qualified?</p>	<ul style="list-style-type: none"> •New and Early Stage Public Charter Schools (first 3 years of operations) •More than 60% Free and Reduced Price Lunch Eligible or Schools in areas with low performing Public Schools •Guaranty Program is National •Direct Loan Program has geographic restrictions
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> •Facility Acquisition Loans •Construction Loans •Tenant Improvement Loans •Landlord and Bank Guaranties
<p>HOW much can we borrow?</p>	<ul style="list-style-type: none"> •Maximum per Borrower Limit: \$3M •Larger loans will be considered for guaranteed/leveraged projects
<p>WHAT are the terms?</p>	<ul style="list-style-type: none"> •Maximum Term: Up to 5 years •Maximum Amortization: Up to 25 years
<p>WHAT's the typical Down Payment?</p>	<p>No Down payment required, 100% financing available</p>
<p>WHY CSDC?</p>	<p>As the only non-profit exclusively focused on the facilities needs of public charter schools, CSDC has provided \$680M in financing and has Direct Loan Pools available to schools in Colorado, New Mexico, Wyoming, Arizona, Tennessee and Delaware</p>



WHO's Qualified?	CHARTER SCHOOLS AND CHARTER NETWORKS (CMO's) <ul style="list-style-type: none">•Non Profit/501(c)(3) Schools•No Geographic Boundaries
WHAT's Available?	<ul style="list-style-type: none">•Construction Facility Financing (Including Takeout) – Bonds and NMTC•Refinancing of Debt - Bonds•Equipment Financing - Bonds•Leasehold Improvement Financing – Bonds and NMTC•New Markets Tax Credits (NMTCs) – Debt and Equity•QSCBs/QZABs (Renovation Only) <i>Verde Charter Capital</i> <ul style="list-style-type: none">•Working Capital - Lines of Credit - Short-term Interim Lending•Receivables Factoring•Solar Energy Credit Lending
HOW much can we borrow?	Greater than \$5 Million Preferred – Bonds and NMTC Greater than \$1 Million Preferred – Working Capital
WHAT are the terms?	Bonds – 30-35 Years Fully Amortizing NMTC – Typical 7 Years Working Capital - Varies
WHAT's the typical Down Payment?	None Required No LTV Limits for Bonds
WHY Baird Team?	15 Years of Charter Facility Financing; \$1.3 Billion Raised from Investors and Lenders; 95+ Transactions Nationwide



WHO's Qualified?	Charter Schools and Charter Networks (CMO's) <ul style="list-style-type: none"> • Non-Profit / 501(c)(3) Schools • Strong academic and financial performance, typically at least 1 renewal • Loans & Working Capital: Mid-Atlantic & Northeast • Bonds: no geographic boundaries
WHAT's Available?	Taxable & Tax-Exempt Loans & Bonds: <ul style="list-style-type: none"> • Construction and Permanent facilities financing • Leasehold improvement financing • Bridge loans • Refinancing • Equipment financing (also available: Leases) Working Capital Lines of Credit QSCBs / QZABs Deposit and Investment Accounts Employee Benefits
HOW much can we borrow?	No limits
WHAT are the terms?	Bonds: 30-year term, fully amortizing Mortgage: term varies with 20-30 year amortization Working Capital: Varies
WHAT's the typical Down Payment?	Bonds & Leases: None Taxable & Tax-Exempt Loans: 20%
WHY M&T?	10+ years of charter facility financing; 70+ charter clients Full range of banking services



Janney Montgomery Scott

WHO's Qualified?	Charter Schools, CMOs, and affiliated entities
WHAT's Available?	<ul style="list-style-type: none">•Long-term, fixed rate tax-exempt and taxable bond issues to finance: new construction; renovation; project development costs; furniture, fixtures, and equipment costs; land or facility acquisition; and refinancing of existing debt•Bank financing through a private placement or commercial mortgage (Placement Agent services provided by Janney) to finance the above
HOW much can we borrow?	\$3,000,000 and above
WHAT are the terms?	Up to 35 years for bond issues
WHAT's the typical Down Payment?	0% equity contribution requirement and no loan-to-value constraints with regard to bond issues
WHY Janney?	Specialized charter school finance practice; potential for dual-track financing approach providing flexibility regarding financing options; leading underwriter of municipal bonds; nationwide presence with 103 offices throughout 17 states and D.C.; one of the oldest and most established investment banking firms in the U.S.; unmatched service

Disclaimer

Janney's Role

As required for all underwriters by the Municipal Securities Rulemaking Board ("MSRB") effective as of August 2, 2012, Janney Montgomery Scott LLC ("Janney") has provided this document in its capacity as a potential underwriter/placement agent acting at arm's length. In accordance with financial regulations and requirements it is important that you understand that Janney is not acting as your municipal advisor, swap advisor, financial advisor or in any other fiduciary or advisory capacity. MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors. Janney's primary role, as underwriter, is to purchase bonds with a view to distribution in an arm's-length commercial transaction with an issuer. Janney will have financial and other interests that differ from those of the issuer. Unlike a municipal advisor, Janney, as underwriter, does not have a fiduciary duty to the issuer under federal securities laws and is therefore not required by federal law to act in the best interests of the issuer without regard to our own financial or other interests. Janney, as underwriter, has a duty to purchase the bonds from an issuer at a fair and reasonable price, but must balance that duty with our duty to sell the bonds to investors at prices that are fair and reasonable. Janney, as underwriter, will review the official statement for the bonds in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction. Prior to entering into any transaction you should take steps to ensure that you fully understand the transaction and have made an independent assessment of the appropriateness of the transaction in light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. Janney strongly encourages you to seek advice from your own independent advisors in assessing the proposed transaction and, upon our request, provide evidence of your receipt of this advice. **Janney is not your fiduciary regarding the proposed transaction and you should not expect Janney to be your fiduciary in any capacity.**

This report and any names, rates or data used has been prepared by Janney and is to be used for informational purposes only. The information presented herein is taken from sources believed to be reliable, but is not guaranteed by Janney as to accuracy or completeness. Unless otherwise noted, all data and modeling comes from Bloomberg, your Janney Banker and Janney Fixed Income Strategy. Please contact your Janney Banker for further information.

<p>WHO's Qualified?</p>	<p>CHARTER SCHOOLS</p> <ul style="list-style-type: none"> •Typically 3 - years of operating history •Strong financial performance •Strong academic performance •No geographic boundaries—complete transactions in 6 states
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> •Fixed-Rate, Tax-exempt bonds •Fixed-Rate, Taxable bonds •New Construction •Acquisition •Acquisition/Rehab •Combined schools sites
<p>HOW much can we borrow?</p>	<p>\$3.0 million and up—Bonds Bank program for projects below \$2.0 Million</p>
<p>WHAT are the terms?</p>	<p>Up to 30 years; more as needed</p>
<p>WHAT's the typical Down Payment?</p>	<p>100% financing; no loan-to-value constraints Initial issuing costs can be reimbursed</p>
<p>WHY Dougherty?</p>	<ul style="list-style-type: none"> • Professionals originated first 30 year charter bond-1998 • Innovator in charter school finance • Over \$650MM charter bonds issued • Personalized professional service

<p>WHO's Qualified?</p>	<p>CHARTER SCHOOLS</p> <ul style="list-style-type: none"> •Typically 4-5 years of operating history & 1 charter renewal •Strong financial performance •Strong academic performance •No geographic boundaries
<p>WHAT's Available?</p>	<ul style="list-style-type: none"> •Fixed-Rate, Tax-exempt bonds •Fixed-Rate, Taxable bonds •Qualified School Construction Bonds (limited) •Qualified Zone Academy Bonds (limited, renovation only) (new construction, acquisition & renovation, leasehold mortgages)
<p>HOW much can we borrow?</p>	<p>\$3.5 million and up</p> <ul style="list-style-type: none"> • Completed financings from \$3.5M to \$90M
<p>WHAT are the terms?</p>	<p>Typically 30 years</p> <ul style="list-style-type: none"> • up to 35-years in some situations
<p>WHAT's the typical Down Payment?</p>	<p>100% financing; no loan-to-value constraints</p>
<p>WHY Ziegler?</p>	<p>100 years of financing experience for not-for-profits; dedicated team of charter school bankers; completed \$477M of charter school bond underwritings to date</p>

Disclaimer

This presentation was prepared based upon information provided to Ziegler Investment Banking (ZIB) and contains certain financial information, including audited and unaudited information, certain statistical information and explanations of such information in narrative form (the “Information”). ZIB believes this information to be correct as of the date or dates contained herein. However, the financial affairs change constantly, and such changes may be material. Today’s discussion may contain forward-looking statements, which may or may not come to fruition depending on certain circumstances, including those outside the control of management. Please be advised that ZIB has not undertaken, assumed no duty and are not obligated to update the Information. In addition, please be advised that past financial results do not predict future financial performance. The material in this presentation is designed to present potential financing structures and options for discussion, however it does not represent a commitment to underwrite bonds, place debt or provide financing and thus should not be relied upon as a promise of financing or underwriting commitment.



RBC Capital Markets

WHO's Qualified?	CHARTER SCHOOLS <ul style="list-style-type: none">•Non-Profit Corporations & their affiliates•Strong education & financial performance•Minimum enrollment of 400
WHAT's Available?	Long-Term Fixed Rate Bonds used for the following purpose: <ul style="list-style-type: none">•Property & Facility Acquisition•Construction & Renovation•Leasehold Improvements•Refinancing of Prior Debt•Technology•Furniture, Fixtures & Equipment•Project Development Costs (i.e. design & engineering, real estate reports, etc.)
HOW much can we borrow?	Typically \$5,000,000 and up
WHAT are the terms?	Long-term, fixed rate tax-exempt & taxable bonds with maturities of up to 35 years.
WHAT's the typical Down Payment?	0% Equity Required Grants for Reserve Funds and other purposes may be available.
WHY RBC Capital Markets?	13 years of bond financing for over 100 charter school projects raising nearly \$1.2 billion in facility financing. Largest underwriter of charter school bonds in California.

Disclaimer

RBC Capital Markets, LLC (“RBC CM”) is providing the information contained in this document for discussion purposes only and not in connection with RBC CM serving as Underwriter, Investment Banker, municipal advisor, financial advisor or fiduciary to a financial transaction participant or any other person or entity. RBC CM will not have any duties or liability to any person or entity in connection with the information being provided herein. The information provided is not intended to be and should not be construed as “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934. The financial transaction participants should consult with its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it deems appropriate.

This presentation was prepared exclusively for the benefit of and internal use by the recipient for the purpose of considering the transaction or transactions contemplated herein. This presentation is confidential and proprietary to RBC Capital Markets, LLC (“RBC CM”) and may not be disclosed, reproduced, distributed or used for any other purpose by the recipient without RBCCM’s express written consent.

By acceptance of these materials, and notwithstanding any other express or implied agreement, arrangement, or understanding to the contrary, RBC CM, its affiliates and the recipient agree that the recipient (and its employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the tax treatment, structure or strategy of the transaction and any fact that may be relevant to understanding such treatment, structure or strategy, and all materials of any kind (including opinions or other tax analyses) that are provided to the recipient relating to such tax treatment, structure, or strategy.

The information and any analyses contained in this presentation are taken from, or based upon, information obtained from the recipient or from publicly available sources, the completeness and accuracy of which has not been independently verified, and cannot be assured by RBC CM. The information and any analyses in these materials reflect prevailing conditions and RBC CM’s views as of this date, all of which are subject to change.

To the extent projections and financial analyses are set forth herein, they may be based on estimated financial performance prepared by or in consultation with the recipient and are intended only to suggest reasonable ranges of results. The printed presentation is incomplete without reference to the oral presentation or other written materials that supplement it.

IRS Circular 230 Disclosure: RBC CM and its affiliates do not provide tax advice and nothing contained herein should be construed as tax advice. Any discussion of U.S. tax matters contained herein (including any attachments) (i) was not intended or written to be used, and cannot be used, by you for the purpose of avoiding tax penalties; and (ii) was written in connection with the promotion or marketing of the matters addressed herein. Accordingly, you should seek advice based upon your particular circumstances from an independent tax advisor.

Piper Jaffray & Co.

WHO's Qualified?	CHARTER SCHOOLS, CMOs, 501(c)(3)s <ul style="list-style-type: none">•2-years operating history•High academic performance•No geographic boundaries
WHAT's Available?	TAX-EXEMPT BONDS for <ul style="list-style-type: none">•Construction•Acquisition•Modular Financing•Leasehold Improvement•Renovation•Refinancing
HOW much can we borrow?	\$3 Million and Higher
WHAT are the terms?	Up to 35-years
WHAT's the typical Down Payment?	0%
WHY Piper Jaffray?	Long-term fixed rate financing, up to 35-years, 0% equity requirement, completed more bond financing for charter schools over the last 3-years than any other provider.