

**NOTICE OF VOLUNTARY FILING
FOR CONTINUING DISCLOSURE PURPOSES**

NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS

CUSIP Prefix: 13035A, 04052F, 57563U, 021430A

Date: March 2, 2023

Equitable Facilities Fund, Inc., a Delaware nonstock, nonprofit corporation (the “Program Administrator”), was established in 2017 to operate a pooled revolving loan program for the benefit of a class of public charities that operate to support public charter school facilities. The Program Administrator originates loans to qualifying public charter schools across the country, including a nine-step lending process from loan sourcing to portfolio management (“School Loans”), for the purpose of financing and refinancing the costs of the acquisition, construction, improvement, equipping, and furnishing of public charter school facilities.

Notice is hereby given that on March 2, 2023, the Program Administrator entered into a School Loan (the “Great Oaks Legacy Loan”) with Little Acorn Real Estate Inc., a New Jersey nonprofit corporation. Upon closing, the Great Oaks Legacy Loan was sold to Equitable Revolving Fund LLC, a Delaware limited liability company (the “Revolving Fund”) for inclusion in the ESRF Loan Pool under the Master Trust Indenture. Capitalized terms used but not defined herein have the meanings set forth in the Official Statement relating to the Arizona Industrial Development Authority National Charter School Revolving Loan Fund Revenue Bonds, Series 2022A and the California Infrastructure and Economic Development Bank National Charter School Revolving Loan Fund Revenue Bonds, Series 2022B, dated August 30, 2022.

Attached as Appendix A hereto is a summary of the Great Oaks Legacy Loan, including a description of the obligor’s charter contract, management and governance, enrollment information, academic performance, financed project, and financial information. ***None of the Revolving Fund, the Program Administrator, or their counsel has undertaken any responsibility for the accuracy or completeness of the information provided in Appendix A. Certain information may have changed since the Great Oaks Legacy Loan closing date and may be subject to future changes.***

GREAT OAKS LEGACY CHARTER SCHOOL
Newark, New Jersey
\$19,200,000 EFF Financing / Closed: March 2, 2023 / Final Maturity: March 1, 2053

Obligor Overview

Founded in 2011, Great Oaks Legacy Charter School (“Great Oaks Legacy”) is a New Jersey non-profit corporation, that currently operates seven schools (three elementary schools, three middle schools, and one high school) across six campuses in Newark. As of FY23, it serves 2,000 students in grades Pre K-12 and expects to grow to full enrollment of 2,554 students by FY27.

Great Oaks Legacy is part of the greater Great Oaks Foundation (“the Foundation”) network that operates schools across Connecticut, New York, New Jersey, and Maryland. An agreement is in place between Great Oaks Legacy and the Foundation for the Foundation to provide a range of services, including support for Great Oaks Legacy’s AmeriCorps tutors, who commit to one year of tutoring students.

Great Oaks Legacy’s mission is *to prepare its students for success in college*. It pursues that mission by building a strong community, supporting all students, and holding itself to high expectations.

The legal borrower is Little Acorn, LLC (“Little Acorn”) a stand-alone special purpose, non-profit entity, formed to hold the real estate and school buildings pledged to this transaction and the previous EFF financing.

Charter Contract

Great Oaks Legacy operates under a charter contract with the New Jersey Department of Education. Great Oaks Legacy’s charter contract was renewed through June 30, 2026.

Management & Governance

Great Oaks Legacy is governed by a Board of Directors (the “Great Oaks Board”) of at least five persons under its bylaws. Great Oaks Legacy currently has an eight-member board that has experience in education, finance, law, real estate, communication, and healthcare. The Great Oaks Board has a formal conflict of interest policy. The Foundation is considered a related party and the President of the Foundation is a Great Oaks Board member. No senior staff member is considered a related party.

Senior staff includes the Executive Director, who is a founding member and has led Great Oaks since 2011. Other key members of the senior management team include the Chief Schools Officer, the Chief Financial officer, the Chief Academic Officer, the Chief Operating Officer, the Chief Strategy Officer, and the Chief People Officer.

Board biographies, agendas, and minutes can be found on the [Great Oaks Legacy website](#).

Enrollment & Student Information

Great Oaks Legacy’s K-12 student count for the past five fiscal years is as follows:

Great Oaks Legacy Charter School Historical Student Enrollment FY19 – FY23

| <u>FY19</u> | <u>FY20</u> | <u>FY21</u> | <u>FY22</u> | <u>FY23</u> |
|-------------|-------------|-------------|-------------|-------------|
| 1,622 | 1,680 | 1,822 | 1,885 | 2,000 |

Over the last five years, student retention has averaged 91% but experienced a decline to 85% in FY22. As per management, this was largely pandemic-related with a higher number of families choosing to leave the Newark area.

Great Oaks Legacy’s free and reduced lunch and English learner populations are approximately 78% and 2%, respectively, and 90% of students identify as ethnic minorities.

Academic Program & Results

Great Oaks Legacy pairs a rigorous college-preparatory curriculum and teaching with support from teachers, tutors, and staff. Every MS and HS student receives two hours of tutoring daily from Tutor Corps members throughout the year. Tutors work with staff to create study materials, plan interventions, and keep in touch with parents on student progress. Students also have the option of after-school and Saturday intervention programs in small group settings for students who are struggling academically. As many students fell behind during the pandemic, more have opted into the additional learning time. Great Oaks Legacy’s model has been well positioned to provide these greater interventions.

Great Oaks Legacy places a significant emphasis on AP class and exam participation; SAT and/or ACT participation; and college success (graduation from HS, matriculation to college, persistence).

Great Oaks Legacy uses a mix of internal assessments and state testing to evaluate student academic performance. Leadership and staff use data throughout the year to evaluate student progress (academic and behavioral), as well as teacher observation cycle progress.

Due to the Covid-19 pandemic, the New Jersey Student Learning Assessments (NJSLA) administered in the spring were canceled in FY20 and FY21. For FY22, the proficiency rate for ELA and math for highest grade tested at Great Oaks Legacy were 98% and 138%, respectively, as a percentage of the host district results. At the same time, the proficiency rates in ELA and math for the economically disadvantaged and Hispanic/Latino subgroups in the highest grade tested were at least 103% of the district and state averages for comparable subgroups.

In FY21, Great Oaks Legacy opted into the Start Strong Assessment (Start Strong), which enables schools in New Jersey to track student proficiency in the fall while the NJSLA tracks student proficiency in the spring. Great Oaks Legacy’s proficiency rates for ELA and math for the highest grade tested relative to Newark Public Schools were 104% and 158%, respectively.

The Project

The proceeds of the loan will be used to: 1) acquire an elementary school facility (909 Broad Street, Newark NJ 07102) that is currently leased; 2) to refinance an NMTC transaction for the high school (17 Crawford Street, Newark, NJ 07102), which is scheduled to unwind in December 2022; 3) capital improvements for 909 Broad Street; and 4) pay costs associated with this transaction

Financial Information

Certain historical financial information for Great Oaks is listed below.

**Great Oaks Legacy Charter School
Historical Financial Information**

| Metric | FY19 | FY20 | FY21 |
|-----------------------|--------------|--------------|--------------|
| Total Revenue (TR) | \$31,535,700 | \$34,229,359 | \$43,910,954 |
| DS Coverage Ratio | 1.35x | 1.62x | 4.40x |
| Debt Burden (% of TR) | 6.3% | 7.0% | 5.7% |
| Days Cash on Hand | 50.9 | 91.4 | 85.6 |

Ratings S&P: BB+/Positive Outlook

Website <https://greateakslegacy.org>

**Great Oaks Legacy Charter School
Security and Loan Covenants**

| Security | Loan is secured by a first lien mortgage and security interest in the real property and an assignment of leases and rents constituting the Elementary School (909 Broad St.) and High School (17 Crawford St). Debt shall be cross collateralized with any existing debt of the Borrower to the Lender. The Tenant will also enter into a Continuing Covenant Agreement with the Lender. | | | | | | | | | | | | | | |
|-----------------------------|--|-------------------|--------------------|------|------|------|------|------|------|------|------|------|------|---------------------|-------|
| Debt Service Coverage Ratio | 1.10x | | | | | | | | | | | | | | |
| Additional Bonds Test | 1.20x | | | | | | | | | | | | | | |
| Liquidity Covenant | 60 days cash on hand | | | | | | | | | | | | | | |
| Academic Covenant | Average proficiency rates equal to the State average or a minimum of 101% of the Newark Public School District average | | | | | | | | | | | | | | |
| Enrollment Covenant | Escalating enrollment minimums based on fall testing date as follows: <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Testing Date Fall</th> <th>Enrollment Minimum</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>1710</td> </tr> <tr> <td>2024</td> <td>1805</td> </tr> <tr> <td>2025</td> <td>2030</td> </tr> <tr> <td>2026</td> <td>2211</td> </tr> <tr> <td>2027</td> <td>2271</td> </tr> <tr> <td>2028 and thereafter</td> <td>2,298</td> </tr> </tbody> </table> | Testing Date Fall | Enrollment Minimum | 2023 | 1710 | 2024 | 1805 | 2025 | 2030 | 2026 | 2211 | 2027 | 2271 | 2028 and thereafter | 2,298 |
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| 2023 | 1710 | | | | | | | | | | | | | | |
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