

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

NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS

CUSIP Prefix: 13035A, 04052F

Date: July 9, 2021

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 July 9, 2021, the Program Administrator entered into a School Loan (the “Memphis Rise Academy Loan”) with Memphis Rise Academy, a Tennessee not-for-profit corporation. Upon closing, the Memphis Rise Academy 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 202 and the California Infrastructure and Economic Development Bank National Charter School Revolving Loan Fund Revenue Bonds, Series 2020B, dated August 12, 2020.

Attached as Appendix A hereto is a summary of the Memphis Rise Academy 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 counsels has undertaken any responsibility for the accuracy or completeness of the information provided in Appendix A. Certain information may have changed since the Memphis Rise Academy Loan closing date and may be subject to future changes.***

MEMPHIS RISE ACADEMY, Memphis, TN

\$9,680,868.34 EFF Financing / Closed: July 9, 2021 / Final Maturity: July1, 2051

Obligor Overview

Memphis Rise Academy (“MRA”), a Tennessee non-profit corporation founded in 2013, launched its first year of operations in 2014. MRA is single-site charter school, which as of Fall 2020, was serving 766 students in grades 6-12. MRA expects to serve up to 784 students in future years.

MRA’s mission is: *“To provide all students with an education which will prepare them to be successful in the nation’s most competitive colleges and universities. The school is designed to serve any student who has a determination to rise to meet and exceed his or her most ambitious goals through the attainment of an excellent education.”*

Charter Contract

School	Opened	Authorizer	Charter Expiration
Memphis Rise Academy	2014	Shelby County Schools	June 30, 2024

As the above table shows, MRA operates under one 10 year charter contract authorized by Shelby County Schools.

Management & Governance

As per MRA’s bylaws, the board can include between five and twelve directors. It is currently governed by seven board members who bring senior level leadership experience in areas such as finance, operations, governance, nonprofit management, law, and education. The MRA board has a formal conflict of interest policy and no MRA board member or senior staff is considered to be a related party.

MRA’s Founder and Executive Director has led the organization since 2013. The other member of the senior leadership team is Gus Connelly, who currently serves as Middle School Principal and has been with MRA since inception. There are six other key members of the management team, including a Director of Literacy Curriculum and Instruction and a Director of Math and Science Curriculum and Instruction, as well as a Director of Operations and a Dean of Students for the Middle School and also for the High School.

Biographies of board members and senior staff are included on the [MRA website](#).

Enrollment & Student Information

The student count for MRA for the past three fiscal years is as follows:

MRA Historical Student Enrollment FY19 – FY21		
<u>FY19</u>	<u>FY20</u>	<u>FY21</u>
559	655	766

MRA expects enrollment to reach up to 784 students, across grades 6-12, in FY22. As of now, MRA does not intend to grow beyond that level.

Between FY19 and FY21, student retention averaged 96%. The waitlist, as a percentage of enrollment, was 80% for FY 21 and averaged 93%, between FY 19 and FY 21.

MRA is open to all children in Shelby County, although approximately 75% of students live in Northeast Memphis neighborhoods closest to the school, including Berclair, Bartlett, Grahamwood, Highland Heights, and Raleigh. These are racially and ethnically diverse communities with a mix of Hispanic, African American, and White residents. In FY21, approximately 82% of students were from low-income homes; 93% were students of color; and 16% were English Learners.

Academic Program & Results

MRA's curriculum is rooted in the [Common Core State Standards](#) and is heavily influenced by the work and success of [Building Excellent Schools](#).

- MRA provides a strong middle school program to build a solid foundation in the essential skills of literacy and mathematics needed to make a seamless transition to high school and college. The curriculum seeks to remediate any academic gaps through extended time and targeted interventions, allowing for an increased level of independent activity and critical thinking.
- In addition to the emphasis on college preparation, MRA believes in the power of “student ambition”, working with students to create customized and quantifiable benchmarks. This goal orientation is applied to all grades, with high school students engaging in advisory programs that focus equally on academic goals with college preparatory counseling and advising.
- MRA operates with an extended school day and provides targeted intervention at Saturday school for those students that enter with large deficits in learning.
- The school engages in frequent assessments and reflection on data to inform learning plans and curriculum.

The percentage of MRA students meeting or exceeding expectations on the TNReady and End-of-Course (EOC) exams has exceeded that of Shelby County Schools and has generally been better versus the State of Tennessee. In 2019, the most recent year of test results, MRA's proficient and advanced rates for ELA and math for highest grade tested were 184% and 189%, respectively, as a percentage of Shelby County Schools results. At the same time, the proficient and advanced rates in ELA and math for MRA's economically-disadvantaged and Hispanic/Latino subgroups were at least 167% versus the district and the state for comparable subgroups.

The Project

EFF financing will be used to: 1) refinance four outstanding loans that were used to acquire the parcel and build the Middle School and High School facility; 2) fund costs associated with the installation of a new traffic signal; and 3) pay costs associated with this transaction.

The property is located at [5221 Raleigh Lagrange Rd., Memphis, TN 38134](#). The two-story 75,000 sq ft facility is composed of two connected buildings, approximating 75,000 sq. ft. and sits on a 4.4-acre lot. The campus includes 40 classrooms, a full-size gymnasium and cafeteria, and 75 parking spots.



Financial Information

Certain historical financial information for MRA is listed below. These metrics will be updated and included in EFF's continuing disclosure annual report.

MRA Historical Financial Information

Metric	FY18	FY19	FY20
Total Revenue (TR)	\$ 5,002,593	\$ 7,157,103	\$ 7,709,508
DS Coverage Ratio	0.40x	2.03x	1.85x
Debt Burden (% of TR)	17.2%	10.2%	8.2%
Days Cash on Hand	24.6	39.7	111.7

Ratings BBB-; Stable outlook

Website <https://memphisrise.org/>

MRA
Security and Loan Covenants

Security	Loan is secured by a senior pledge of and lien on MRA's Revenues and a first lien mortgage on property located at 5221 Raleigh Lagrange Rd., Memphis, TN 38134. Additionally, MRAMRA has established a Deposit Account Control Agreement with MRA's depository bank.
Debt Service Coverage Ratio	1.1x
Additional Bonds Test	1.2x
Liquidity Covenant	40 DCOH beginning in FY21, 50 DCOH in FY22, and 60 DCOH for each fiscal year thereafter
Academic Covenant	If MRA (a) (i) fails to earn at least a Tennessee Value-Added Assessment System Level 3 for two consecutive years, and (ii) has math and reading achievement levels below the district average; or (b) if a school is classified as a Priority School, MRA agrees that it shall (i) within thirty (30) days of such failure, at its own expense, engage an Independent Management Consultant, acceptable to the Lender; (ii) within sixty (60) days of engaging the Independent Management Consultant, provide the Lender a detailed written report of such Independent Management Consultant of all action taken or to be taken to address and correct such deficiency; and (iii) within forty-five (45) days after receipt of the Independent Management Consultant's report, MRA shall implement or begin to implement all the recommendations of the Independent Management Consultant, to the extent legally permissible.
Enrollment Covenant	MRA shall maintain an annual enrollment level of at least 740 students, as reported by the State each October.