

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

NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS

CUSIP Prefix: 13035A, 04052F

Date: June 24, 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 June 24, 2021, the Program Administrator entered into a School Loan (the “Paramount School of Excellence Loan”) with Paramount School of Excellence, Inc., an Indiana nonprofit corporation. Upon closing, the Paramount School of Excellence 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 2020A 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 Paramount School of Excellence 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 Paramount School of Excellence Loan closing date and may be subject to future changes.*

PARAMOUNT SCHOOL OF EXCELLENCE
Indianapolis, IN

\$11,521,110.91 EFF Financing / Closed: June 24, 2021 / Final Maturity: July 1, 2051

Obligor Overview

The legal borrower is Paramount School of Excellence, Inc. (PSOE), an Indianapolis nonprofit corporation operating in Indianapolis, Indiana. PSOE is a charter network serving 1,256 students in grades K-8. It was founded in 2010 with a single school, Paramount Brookside (Brookside). PSOE opened its second school in fall 2018, Paramount Cottage Home (Cottage Home) and its third school, Paramount Englewood (Englewood), in fall 2019. In fall 2021, PSOE will open its fourth school, Paramount Online Academy (POA), its first fully virtual campus. The network completed a comprehensive long-term strategic plan in early 2021 which includes plans to grow to 10 schools by 2031.

PSOE’s mission is to *inspire learning through an unparalleled academic approach, and to transport communities by changing lives.*

Charter Contract

| School | Opened (Fall) | Authorizer | Charter Expiration |
|--------------|---------------|---|--------------------|
| Brookside | 2010 | Indianapolis Mayor’s Office of Education Innovation | June 30, 2024 |
| Cottage Home | 2018 | | June 30, 2026 |
| Englewood | 2019 | | June 30, 2027 |
| POA | 2021 | Trine University | June 30, 2026 |

As the above table shows, PSOE operates under four charter agreements, three with the Indianapolis Mayor’s Office of Education Innovation (OEI) and one with Trine University. The three schools that operate within Indianapolis (Brookside, Cottage Home, and Englewood) are eligible to be chartered by OEI. POA, a virtual school that will serve students state-wide, is required to be authorized by a state-wide authorizer, Trine University (Trine). Each OEI charter is for seven years while Trine’s charter is for a five-year term.

Management & Governance

The board currently comprises nine members that bring experience in education, finance and accounting, non-profit management, law, and fundraising. Average tenure on the board is approximately six years. Board bylaws call for a minimum of five members and maximum of 15. Members serve three-year terms and there are no term limits.

PSOE’s co-founder and CEO has led the organization since 2010. Other key members of the senior management team include the COO, Chief Academic Officer, and school principals. As the network expands management plans to implement a formal principal training program to build an internal leadership pipeline.

Biographies of board members and senior staff are included on the PSOE website.

Enrollment & Student Information

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

**Paramount School of Excellence Network
Grades served and Historical Student Enrollment
FY19 – FY21**

| School | Grades Served | FY 2019 | FY 2020 | FY 2021 |
|------------------------|---------------|------------|-------------|-------------|
| Paramount Brookside | K-8 | 717 | 806 | 828 |
| Paramount Cottage Home | K-4 | 91 | 135 | 230 |
| Paramount Englewood | 5-8 | | 105 | 198 |
| Total | NA | 808 | 1046 | 1256 |

In FY19, PSOE opened its second school, Cottage Home, and in FY20 opened its third school, Englewood. Brookside is already fully enrolled, and leadership expects Cottage Home and Englewood to reach full enrollment of 450 and 375, respectively, in FY25. POA, the virtual academy, is projected to reach full enrollment of 576 in FY28.

Between FY19 and FY21, student retention averaged 81%. PSOE's authorizer requires its charter schools to participate in a centralized enrollment system. For this reason, PSOE is not able to keep a waitlist for its schools. To manage this, PSOE keeps informal interest lists of families that tour its campuses, conducts targeted marketing and outreach to fill any mid-year vacancies, and always budgets to an enrollment shortfall.

In FY21, 77% of PSOE students were economically-disadvantaged, 80% were students of color, 12% were English Learners, and 16% received special education services.

Academic Program & Results

PSOE's academic model focuses on cultivating the 'depth of knowledge' of each student for each Indiana Academic Standard. PSOE incorporates science, technology, engineering, arts, and math (STEAM) to ensure that core learning objectives are woven throughout the curriculum in every class that students attend. A hybrid instructional model is used, which blends teacher-modeling, independent student work time, and higher-order thinking/real-world problem-solving extensions. PSOE uses data-driven instruction throughout the curriculum and teachers perform a variety of formal and informal assessments to monitor student achievement.

Due to COVID-19, the Indiana Learning Evaluation Assessment Readiness Network (ILEARN) exam was not administered in spring 2020. In 2019, the ILEARN was administered in grades 3-8 at Brookside and grades 3-4 at Cottage Home, which was in its first year of operations and only served students in grades K-4. In the highest grade tested at Brookside (grade 8), student proficiency rates were 447% of the district average in ELA and 261% in math. In the highest grade tested at Cottage Home (grade 4), student proficiency rates were 414% of the district average in ELA and 300% in math. PSOE has earned an "A" on the state "A" through "F" grading scale since 2015.

The Project

Proceeds of the loan will: 1) refinance Series 2015 private placement bonds issued to purchase and renovate the Brookside campus; 2) refinance a private loan used to purchase and renovate the Cottage Home campus; and 3) pay costs associated with this transaction.

Paramount Brookside



Paramount Cottage Home



Brookside is located at 3020 Nowland Avenue, Indianapolis, Indiana 46201 and Cottage Home is located at 1203 E St. Clair Street, Indianapolis, Indiana 40602. The two buildings combined are approximately 127,500 square feet.

Financial Information

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

Historical Financial Information

| Metric | FY18 | FY19 | FY20 Adjusted* |
|--|--------------|---------------|---------------------------|
| Total Revenue (TR) | \$ 8,255,409 | \$ 10,358,700 | 13,118,251 |
| DS Coverage Ratio | 3.70x | 2.62x | 1.54x |
| Debt Burden (% of TR) | 5.8% | 6.6% | 6.8% |
| Days Cash on Hand | 109.4 | 96.4 | 72.9 |
| *2020 Revenues adjusted to include PPP loan, which was forgiven in March 2021. | | | |

Ratings S&P: BB+

Website <https://paramountindy.org/>

PSOE
Security and Loan Covenants

| | | |
|------------------------------------|--|------------------------|
| Security | Loan is secured by a Master Note issued pursuant to the PSOE's new Master Trust Indenture, including a first lien pledge of PSOE's gross revenues and a mortgage on the Brookside and Cottage Home campuses. Additionally, the PSOE has established a Deposit Account Control Agreement with PSOE's depository bank in the favor of the Master Trustee, under the new Master Trust Indenture for the account where charter funds are deposited. | |
| Debt Service Coverage Ratio | 1.10x | |
| Additional Bonds Test | 1.20x | |
| Liquidity Covenant | 60 DCOH | |
| Academic Covenant | Commencing the 2020-2021 academic year, the PSOE covenants that (i) the PSOE schools will maintain a "B" or higher on the state rating scale, and (ii) exceed the percentage of students proficient in math and ELA on the State assessment in their respective host district's State assessment or (ii) the PSOE schools will exceed the percentage of socio-economic disadvantaged students proficient in math and ELA on the State assessment in their host district. The State currently uses the Indiana Evaluation Assessment Readiness Network (ILEARN) exam. | |
| Enrollment Covenant | PSOE shall maintain aggregate annual enrollment levels at Brookside, Cottage Home, and Englewood combined according to fall census day enrollment count, corresponding to the below table. | |
| | Academic Year Ending June 30 | Enrollment Requirement |
| | 2022 | 1300 |
| | 2023 | 1375 |
| | 2024 | 1500 |
| | 2025 and Thereafter | 1575 |