

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

NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS

CUSIP Prefix: 13035A, 04052F

Date: August 10, 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 August 10, 2021, the Program Administrator entered into a School Loan (the “LISA Academy Loan”) with Little Scholars of Arkansas, LLC, an Arkansas limited liability company. Upon closing, the LISA Academy Loan was sold to Equitable School 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 LISA 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 LISA Academy Loan closing date and may be subject to future changes.***

LISA Academy
Little Rock, Arkansas
\$16,189,436.04 EFF Financing / Closed: August 10, 2021 / Final Maturity: August 1, 2056

Obligor Overview

Little Scholars of Arkansas, LLC, the Borrower and owner of the land and facility at 6711 Markham St Little Rock, AR and 301 Holcomb St Springdale, AR 72764, was formed in 2010 for the primary purpose of owning and leasing real and personal property to its sole member, Little Scholars of Arkansas Foundation (“LISA Academy”). The Borrower will lease two school facilities (Holcomb St. and Markham St.) to LISA Academy upon EFF loan closing. LISA Academy was founded in 2004 and has a School Year 2020-2021 enrollment of 3,342 students in grades K–12 at five campuses in Little Rock, North Little Rock, Sherwood, and Springdale.

LISA Academy’s mission is *“to provide an academically rigorous college preparatory program, in partnership with students, families, and the community, and guide all students in gaining knowledge, skills, and the attitude necessary to direct their lives, improve a diverse society, and excel in a changing world by providing dynamic, resource-rich learning environments.”*

The source of annual debt service payments on the loan is rental payments paid by seven charter schools, operating under a single charter granted to LISA Academy, to the Borrower.

LISA Academy School Name
LISA Academy Chenal (West Elementary) School
LISA Academy West Middle School
LISA Academy West High School
LISA Academy North Elementary School
LISA Academy North Middle School
LISA Academy North High School
LISA Academy Springdale

Charter Contract

LISA Academy operates under a charter contract with the Arkansas State Board of Education. LISA Academy’s charter contract expires on June 30, 2030.

Management & Governance

LISA Academy is governed by a Board of Directors (the “LISA Academy Board”) of five persons under its bylaws. LISA Academy currently has a five-member board whose members have experience in medicine, education, law, law enforcement, and the local community. The LISA Academy Board has a formal conflict of interest policy. No senior staff member is considered a related party.

Senior staff includes the CEO/Superintendent, who has led LISA Academy for ten years. The CEO/Superintendent oversees all senior department staff. Additionally, there are three Assistant Superintendents each of whom oversees human resources & finance, communications, and North West Arkansas expansion. There is also a Director of Academics to oversee student academic achievement, a Director of Technology & Facilities to oversee IT and site maintenance, and a Director of Operations.

Enrollment & Student Information

LISA Academy’s K-12 student count for the past five fiscal years is as follows:

**LISA Academy
Historical Student Enrollment
FY17 – FY21**

<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>
2,041	2,158	2,218	2,825	3,342

LISA Academy’s Holcomb St. facility is at 66% capacity and Markham St facility is at 90% capacity. For the past three years, student retention has been at least 73%, including 89% for 2019-2020.

LISA Academy’s free and reduced lunch and English learner populations are approximately 61% and 19%, respectively and 79.4% of students identify as ethnic minorities.

Academic Program & Results

LISA Academy schools all offer Science, Technology, Engineering, and Mathematics (STEM) focused curriculum and a college preparatory program for its students. LISA Academy also offers extensive after school programs, including: Robotics, Science Fair, Coding Club, Spanish Club, Girls on the Run, Newspaper, and Girl Scouts.

LISA Academy has organized and hosted the annual Arkansas STEM Festival for seven years now, inviting over two thousand public school students interested in STEM to compete. LISA Academy engages with the greater community to promote STEM.

The Project

Proceeds of the loan will be used for the Borrower to purchase the Holcomb St. and Markham St. facilities from KLS Leasing, LLC, a Delaware limited liability company.

6711 West Markham St Little Rock, AR facility:



301 Holcomb St Springdale, AR facility:



Financial Information

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

**LISA Academy
Historical Financial Information**

Metric	FY18	FY19	FY20
Total Revenue (TR)	\$19,160,787	\$20,826,886	\$28,752,349
DS Coverage Ratio	2.35x	1.69x	1.67x
Debt Burden (% of TR)	9.9%	12.0%	10.0%
Days Cash on Hand	81.2	126.4	103.5

Ratings S&P: BB+

Website <https://www.lisaacademy.org/>

**LISA Academy
Security and Loan Covenants**

Security	Pledged rental revenues from LISA Academy and first lien mortgages on the Holcomb St. and Markham St. financed schools.
Debt Service Coverage Ratio	1.10x
Additional Bonds Test	1.20x
Liquidity Covenant	45 days cash on hand for FY22 and 60 days cash on hand for each FY thereafter
Academic Covenant	<ul style="list-style-type: none"> (i) at least 50% of the Tenant’s schools that have been issued a State grade (the “<i>Qualifying Schools</i>”) reporting an average State grade of “C” or better for the school year ending 2022, and at least 60% of the Tenant’s <i>Qualifying Schools</i> reporting an average State grade of “B” or better commencing with school year ending 2023 and thereafter (hereinafter referred to as “<i>Standard 1</i>”); and (ii) a proficiency or growth rate in English Language Arts and Math on the ACT Aspire summative assessment that exceeds the same metric for the respective school district at the highest grade tested for all economically disadvantaged students in the specified grades versus all economically disadvantaged students, as measured by free and reduced lunch participation, at the respective school district, as measured by free and reduced lunch participation, in the same grade (“<i>Like Population Group</i>”), or a similar metric as agreed upon by the Tenant and the Program Administrator (herein referred to as “<i>Standard 2</i>”); and (iii) average SAT Math and SAT Verbal, or ACT equivalent, scores that meet or exceed the respective school district scores for the <i>Like Population Groups</i>, or a similar metric as agreed upon by the Tenant and the Lender (hereinafter referred to as “<i>Standard 3</i>”).
Enrollment Covenant	Combined Tenant enrollment of at least 3,100 students