



# Charter School Monthly Market Update

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# Future Events

## Upcoming Conferences

Dates	State	Conference
June 8 - 10	MN	Annual Minnesota Charter School Leadership Conference 2026
June 10 - 11	UT	Utah Association of Public Charter Schools 2026
June 23 - 26	LA	National Charter School Conference 2026
July 19 - 21	NC	North Carolina Association for Public Charter Schools 2026 Annual Conference
September 27 - 30	TX	Texas Public Charter School Association 2026 Annual Conference

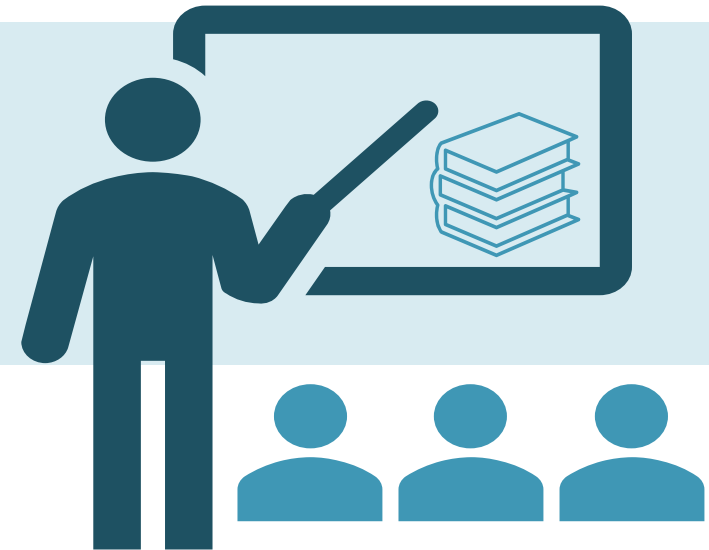
**If you are attending one of these conferences, reach out to set up a meeting!**

Conference	Exhibiting?	Piper Contact
Annual Minnesota Charter School Leadership Conference 2026	Yes	Nick Hagen: <a href="mailto:nicholas.hagen@psc.com">nicholas.hagen@psc.com</a>
	Booth Number: TBD	
Utah Association of Public Charter Schools 2026	No	Nick Hagen: <a href="mailto:nicholas.hagen@psc.com">nicholas.hagen@psc.com</a>
National Charter School Conference 2026	Yes	Nick Hagen: <a href="mailto:nicholas.hagen@psc.com">nicholas.hagen@psc.com</a>
	Booth Number: # 600	Seth Wagner: <a href="mailto:seth.wagner@psc.com">seth.wagner@psc.com</a>
North Carolina Association for Public Charter Schools 2026 Annual Conference	Yes	Nick Hagen: <a href="mailto:nicholas.hagen@psc.com">nicholas.hagen@psc.com</a>
	Booth Number: TBD	Seth Wagner: <a href="mailto:seth.wagner@psc.com">seth.wagner@psc.com</a>
Texas Public Charter School Association 2026 Annual Conference	Yes	Nick Hagen: <a href="mailto:nicholas.hagen@psc.com">nicholas.hagen@psc.com</a>
	Booth Number: # 431	Seth Wagner: <a href="mailto:seth.wagner@psc.com">seth.wagner@psc.com</a>

# Charter School Market Update

PIPER SANDLER KEY TOPIC HIGHLIGHT

## K-12 Testing and Federal Funding



Under the direction of U.S. Secretary of Education Linda McMahon, the Department of Education is encouraging states to apply for waivers from provisions of the Every Student Succeeds Act. Several states, including Alabama, Iowa, and Idaho, have submitted requests seeking flexibility in how they administer standardized testing, measure student outcomes, and allocate federal education. State leaders and federal officials argue that these waivers will reduce bureaucratic hurdles and redirect funds toward classroom instruction and academics. Conversely, advocacy groups have expressed concern that relaxing these federal requirements could weaken school accountability and divert necessary resources away from disadvantaged student populations, such as English learners. In response to these concerns, the Education Department maintains that any granted flexibility will still require states to uphold transparency and demonstrate improved academic outcomes.

# Charter School Market Update

## FITCH'S REPORT

### Fitch Ratings: Charter, Immigrant Exposures Amplify Pressures on CA School Districts



According to a report by Fitch Ratings, California public school districts are facing increasing financial and credit pressures due to a steady decline in student enrollment. Districts with a high concentration of charter schools or large immigrant populations are particularly vulnerable to these budget strains. While the state provides several financial safety nets, school districts will ultimately need to adjust their operations to adapt to a shrinking student base.

#### Key Factors Driving the Financial Pressure:

- **Declining Overall Enrollment:** Public school enrollment in California has dropped by 7% over the past decade, with further declines of up to another 10% projected by 2035.
- **Broader Demographic Shifts:** The shrinking student population is primarily driven by a 30% drop in the state's birth rate since 2007, alongside a net outmigration of residents seeking lower housing costs or remote work. Additionally, anticipated changes in federal immigration policies are expected to reduce international migration into the state.
- **Charter School Growth:** As traditional public-school enrollment falls, charter school enrollment has grown, now accounting for roughly 12.5% of all public-school students in the state. This shifts a portion of funding away from traditional districts.
- **Attendance-Based Funding and Absenteeism:** California funds its schools based on Average Daily Attendance (ADA). When students are absent, schools lose funding, even though their operational costs remain the same. Recent research indicates a notable spike in absenteeism within certain immigrant-heavy districts, further complicating budget predictability.

#### Mitigating Factors and State Support:

Despite these challenges, California has mechanisms in place that help cushion the financial blow for school districts:

- **Supplemental Funding:** The state provides extra funds to districts with high populations of low-income students, English learners, and foster youth. For many districts, this supplemental revenue significantly offsets the losses from declining daily attendance.
- **Flexible Accounting and Minimum Guarantees:** To prevent sudden budget shocks, the state allows schools to calculate their funding using their highest attendance rates from recent years. Additionally, California's constitution guarantees a minimum level of public-school funding, and per-student funding has more than doubled over the last ten years.

# Charter School Market Update

SURVEY

We want to hear from you!

Take the survey to let us know  
your thoughts:

Survey Link:  
[Charter School  
Market Update  
Survey](#)

# Charter School Market Update

## MARKET ACTIVITY

In the last five weeks, there have been ten (10) primary market Charter School transactions totaling to \$322.76 million in par amount. Of those transactions, two (2) were non-rated with a rates ranging from 6.750-8.000%, five (5) were non-investment grade with rates ranging from 5.000-6.500%, and three (3) were investment grade with rates ranging from 5.000-5.500%.

## RECENT PRICINGS

Week Priced	Charter School	Rating (Moody's/S&P)	(\$ Par Amount <sup>1</sup> )	State	Final Maturity	Long Coupon	Long Yield	Long Spread
3/2/2026	Desert STAR Academy	NR/NR	16,295,000	AZ	6/15/2061	6.750%	7.000%	2.74
3/9/2026	Magnolia Public Schools Obligated Group	Baa3/NR	17,905,000	CA	7/1/2065	5.375%	5.530%	1.22
3/9/2026	Founders Grove Classical Academy	NR/NR	8,275,000	MI	6/1/2061	8.000%	7.997%	3.71
3/16/2026	Milken Community School	NR/BBB+	62,260,000	CA	7/1/2033	5.000%	3.330%	0.75
3/16/2026	Brookeside Charter School	NR/BB-	44,465,000	MO	6/1/2056	6.500%	6.625%	2.30
3/16/2026	Cornerstone Charter Academy	NR/BB+	15,050,000	FL	10/1/2061	5.875%	6.030%	1.69
3/16/2026	Orange Springs Obligated Group	NR/BB+	21,085,000	CA	7/1/2061	6.000%	6.070%	1.73
3/23/2026	South Bronx Classical Charter School V	NR/BBB-	40,290,000	NY	6/15/2065	5.500%	5.640%	1.19
3/23/2026	Triad Educational Services	NR/BB+	77,990,000	NC	5/15/2036	5.000%	5.000%	1.80
3/30/2026	Larchmont Charter School	NR/BB+	19,140,000	CA	6/1/2065	6.250%	5.720%	1.25

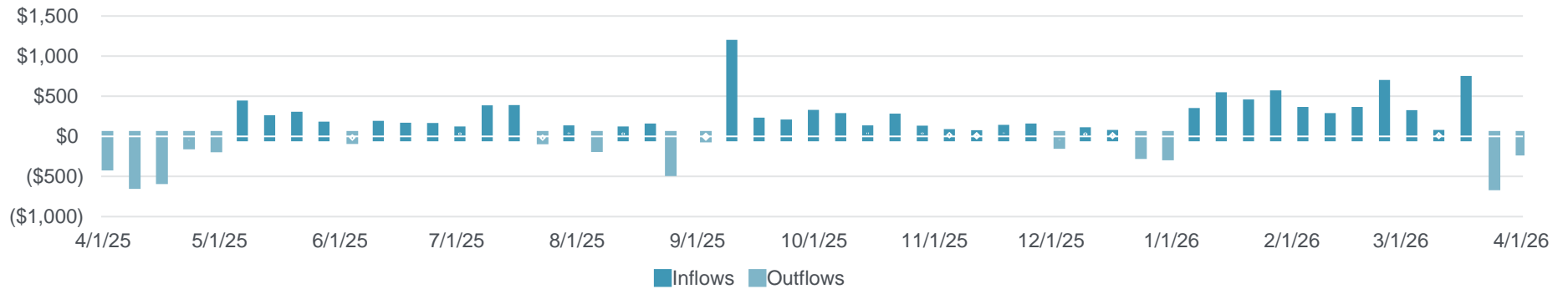
1.) Includes Taxable Tail  
Sources: Piper Sandler Research

# Charter School Market Update

## MARKET OUTLOOK

The Fed met on the week of March 16<sup>th</sup> and left rates unchanged. While the official announcement wasn't surprising, their economic forecasts and Chairman Powell's speech made one thing clear: the Fed believes the economy is holding up well and that the labor market is still secure, but inflation remains stubbornly high. To close out this month, municipal bonds were mostly stable on Thursday, even though the stock market dropped. Meanwhile, high-yield funds remained negative attracting \$173 million of outflows during the week of March 30<sup>th</sup>.

Weekly High-Yield Inflows



"AAA" MMD Interest Rates Trends

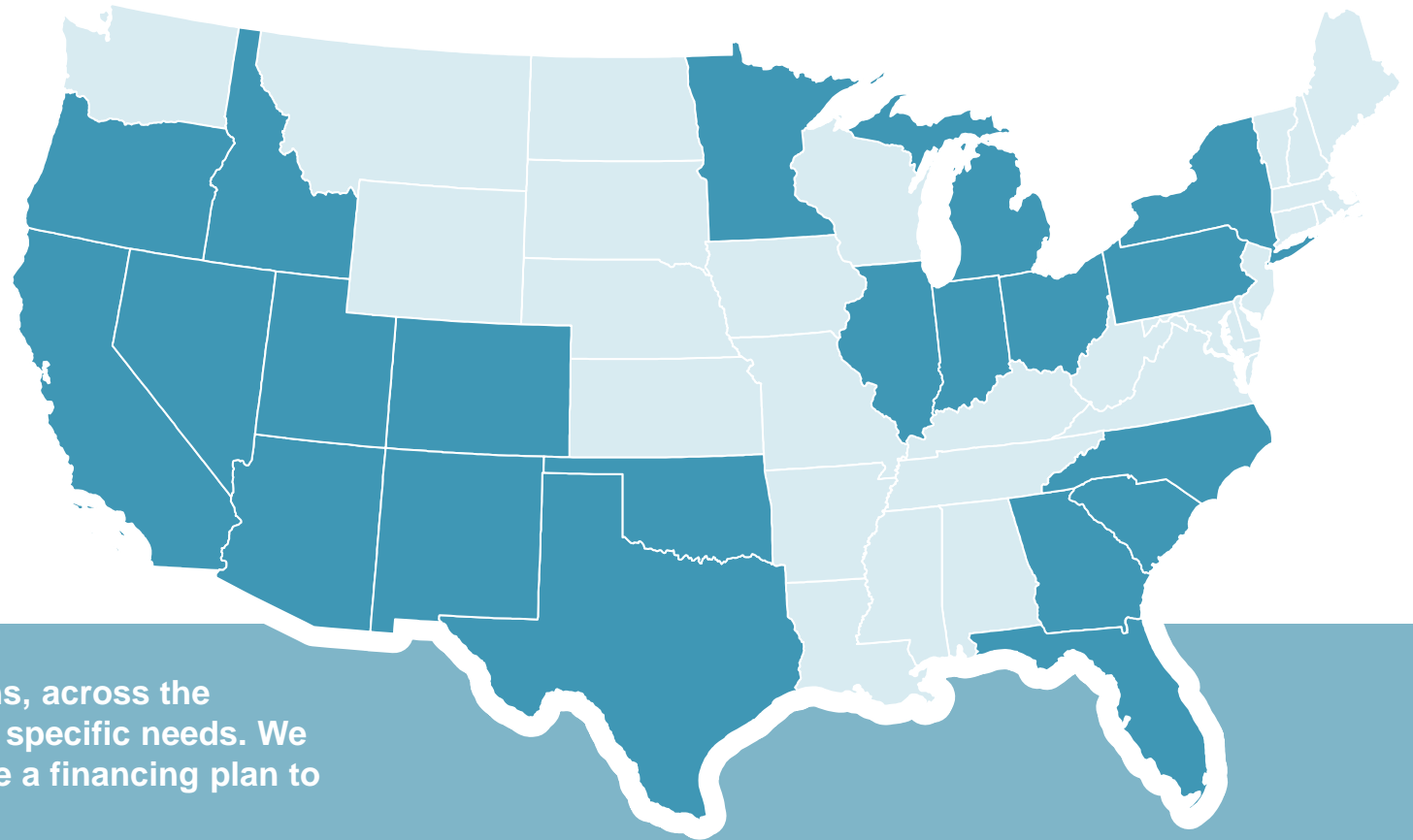


Sources: Bloomberg, TM3 and Piper Sandler Research. Jessica Lerner, Christina Baker Bond Buyer "Munis mostly quiet to close out a stronger week

# Charter School Facility Financing at a Glance

Piper Sandler is the leading provider of facility financings for charter schools across the nation. Our goal is to help charter schools purchase a facility they can afford that meets their needs by providing the maximum amount of funds at the lowest overall cost. Piper Sandler is able to finance a wide range of projects:

- Purchase of land and facilities
- New facility construction
- Renovations or repurposing of existing facilities
- Acquisition of currently leased facility
- Refinancing of existing debt
- Modular financing
- Equipping and furnishing facilities
- Technology improvements
- Working capital



We provide financing solutions, across the country, tailored to meet your specific needs. We listen to you first – then create a financing plan to achieve your objectives.

# Charter School Facility Financing at a Glance

## Who's Qualified?

Piper Sandler has completed over 200 transactions for charter schools across the nation. This includes a wide variety of school structures:

- Obligated groups
- Stand-alone schools
- CMO programs
- Building corp LLCs
- Leasehold mortgages
- Modified revenues and leases
- Start-up schools

## Why Piper Sandler?

Our focus is the execution of the transaction at hand through the delivery of superior client service, resulting in enduring, long-term relationships: Visit [www.pipersandler.com/charterschools](http://www.pipersandler.com/charterschools) for more information on how Piper Sandler can help your charter school.

For more information on indicative interest rates, please contact Nick Hagen: [nicholas.hagen@psc.com](mailto:nicholas.hagen@psc.com) or Seth Wagner: [seth.wagner@psc.com](mailto:seth.wagner@psc.com)



# Recent Senior Managed Transactions

**\$19,705,000**



Nova Classical Academy  
Charter School Lease Revenue  
and Refunding Bonds  
Series 2025

Sole Manager  
12/23/2025

## NOVA CLASSICAL ACADEMY, MN

- Proceeds of the Series 2025 Bonds were used to finance the redemption and prepayment of a portion of NCA's Series 2016A and 2021A Bonds, Fund the acquisition, construction, and equipping of an approximately 28,363 square foot building, Fund a deposit to the Series 2025 Reserve Fund, and Pay costs of issuance relating to the Series 2025 Bonds. .
- Piper Sandler served as sole manager of Nova Classical Academy's issuance of Charter School Lease Revenue and Refunding Bonds.
- Nova Classical Academy (NCA) is a K-12 public charter school located in Saint Paul, Minnesota. NCA commenced its first year of operations in 2003, notably becoming the first classical public charter school in Minnesota. Guided by its core mission, NCA fosters a supportive community and challenges its students through a systematic, accelerated college-preparatory education rooted in the classical tradition. Currently, NCA is in its 23rd year of operation, having served approximately 1,039 students during the 2024-2025 school year.

**\$7,500,000**



Academy for Classical  
Education  
2025 Bank Loan

Placement Agent  
10/10/2025

## ACADEMY FOR CLASSICAL EDUCATION, GA

- Proceeds of the 2025 Bank Loan were used to finance the construction of an approximately 27,000 square foot gymnasium that will include a separate multi-purpose space, weight room and locker rooms, fund the replacement of an existing school facility parking lot, and pay certain costs of issuance relating to the 2025 Bank Loan
- Piper Sandler served as a placement agent for Academy for Classical Education's issuance of their 2025 Bank Loan.
- Academy for Classical Education (ACE) is a K-12 charter school in Macon, Georgia that has been in operation since 2014. ACE was approved for its original charter in 2013 and has been renewed two times, including its most recent five-year renewal in 2025 ending on June 30, 2030. ACE is authorized by the State Charter Schools Commission of Georgia ("SCSC"). A five-year term is the longest charter term available in Georgia.

# Recent Senior Managed Transactions

**\$18,460,000**



Miami Community Charter  
Schools  
Educational Facilities Revenue  
Bonds  
Series 2025A  
Sole Manager  
09/17/2025

## MIAMI COMMUNITY CHARTER SCHOOLS, FL

- Proceeds of the Series 2025 Bonds were used to finance construction and equipping of an approximately 38,000 square foot building expansion, fund modifications and renovations, and fund installation of furnishings, fixtures, equipment; and site related improvements.
- Piper Sandler served as sole manager of Miami Community Schools issuance of Educational Facilities Revenue Bonds.
- Miami Community Charter Schools (MCCS) is a K-12 public charter institution that encompasses elementary, middle, and high school education in Florida City, Florida. The mission of MCCS is to cultivate a faculty dedicated to empowering students through mentorship, emphasizing accountability by instilling values of responsibility, mutual respect, and open communication.

**\$22,695,000**



Athlos Leadership Academy  
Charter School Revenue and  
Refunding Bonds  
Series 2025  
Sole Manager  
08/28/2025

## ATHLOS LEADERSHIP ACADEMY- BROOKYN PARK, MN

- Proceeds of the Series 2025 Bonds were used to refund Athlos Leadership Academy's outstanding 2015A Charter School Lease Revenue Bonds and fund certain capital maintenance for the School Facility
- Piper Sandler served as sole manager of Athlos Leadership Academy's issuance through the City of Coon Rapids, Minnesota
- Athlos Leadership Academy is a Pre-K-8 public charter school that began its first year of operations and instruction during the 1994-1995 academic year. Currently, ALA is in its 30th year of operation. ALA believes in providing students with a challenging and comprehensive high school and college preparatory education through high standards for academic scholarship, fitness and nutrition, character development, and student leadership opportunities.

# Recent Senior Managed Transactions

**\$5,805,000**



Valley Inquiry Charter School  
Charter School  
Revenue Bonds  
Series 2025A

Sole Manager  
07/10/2025

## VALLEY INQUIRY CHARTER SCHOOL, OR

- Proceeds of the Series 2025A Bonds were used to finance the acquisition of an existing charter school facility and the construction and equipment of portable units on the site of VICs's Existing Facilities
- Piper Sandler served as sole manager of Valley Inquiry Charter School issuance through Oregon Facilities Authority
- Valley Inquiry Charter School is a tuition free public charter school established in 2005 as Baker Charter. In March 2010, the School achieved a milestone by becoming the first public elementary school in the Pacific Northwest authorized as a PYP IB World School. Following this achievement, the institution rebranded itself as Valley Inquiry Charter School to better reflect its educational philosophy and mission. Today, VICs serves approximately 158 students in grades K-5, maintaining its focus on inquiry-based learning and international education

**\$23,605,000**



Redmond Proficiency Academy  
Charter School Revenue Bonds  
Series 2025

Sole Manager  
05/29/2025

## REDMOND PROFICIENCY ACADEMY, OR

- Proceeds of the Series 2025 Bonds were used to currently refund Series 2015A & Series 2016A. The proceeds were also used to refinance an outstanding bank loan to acquire a building, reimburse the school for improvements on a facility and fund construction on a existing facility
- Piper Sandler served as sole manager of Redmond Proficiency Academy issuance through Oregon Facilities Authority
- Redmond Proficiency Academy began operating in 2009. Currently, RPA operates a middle and high school with over 900 students enrolled. RPA provides students with a proficiency-based education in a personalized learning environment through the creation of learning opportunities that are aligned to the State, national and industry standards.

# Piper Sandler Expertise Serving Charter School Borrowers

A National Charter School Leader

## Charter School Practice Overview

- **National Leader:** Since 2007, Piper Sandler has completed over 223 financings, cementing our status as a top-ranked underwriter of charter school municipal bonds.
- **Long-Term Client Relationships:** Many of our client relationships go back many years and are a testament to our ability to effectively partner with our clients, instead of viewing investment banking as a transaction-based business.

## Charter School Public Finance by the Numbers

223+

Lead-managed charter school financings since 2007






21+

States in which Piper Sandler has successfully completed charter school financing

\$3.4 Billion

Par Amount Underwritten Since 2007

## Historical Charter School Experience

 <p><b>\$16,965,000</b></p> <p>Great Oaks Academy Charter School Lease Revenue Bonds Series 2025</p> <p>Sole Manager 02/13/2025</p>	 <p><b>\$28,070,000</b></p> <p>Prairie Seeds Academy Charter School Lease Revenue &amp; Refunding Bonds Series 2024</p> <p>Sole Manager 12/4/2024</p>	 <p><b>\$31,160,000</b></p> <p>Constellation Schools Refunding and Improvement Lease Revenue Bonds Series 2024A&amp;B</p> <p>Sole Manager 12/16/2024</p>	 <p><b>\$34,755,000</b></p> <p>Alliance College-Ready Schools Charter School Revenue Bonds Series 2024</p> <p>Sole Manager 11/7/2024</p>	 <p><b>\$10,745,000</b></p> <p>Alta Public Schools Charter School Revenue Bonds Series 2024</p> <p>Sole Manager 11/5/2024</p>
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