



Charter School Monthly Market Update

Nick Hagen

HEAD OF CHARTER SCHOOLS
MINNESOTA

Seth Wagner

MANAGING DIRECTOR
VIRGINIA

Eric Heringer

MANAGING DIRECTOR
IDAHO

Sam Hylle

VICE PRESIDENT
MINNESOTA

David Caldwell

ASSISTANT VICE PRESIDENT
MASSACHUSETTS

Beau Brinkman

ANALYST
MINNESOTA

Cassandra Calixte

ANALYST
MINNESOTA

Future Events

Upcoming Conferences

Dates	State	Conference
February 23 - 26	CA	California Charter Schools Conference 2026
February 25 - 27	CO	Colorado League of Charter Schools Annual Conference 2026
March 9 - 11	GA	Georgia Charter Schools Conference 2026
March 24 -25	SC	Public Charter School Alliance of South Carolina 2026 Leadership Summit
March 24 -25	NC	North Carolina Coalition for Charter Schools NC Charter Advocacy Summit 2026

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

Conference	Exhibiting?	Piper Contact
California Charter Schools Conference 2026	Yes Booth Number: #726	Nick Hagen: nicholas.hagen@psc.com
		Sam Hylle: sam.hylle@psc.com
Colorado League of Charter Schools Annual Conference 2026	Yes Booth Number: #7A (Atrium)	Nick Hagen: nicholas.hagen@psc.com
		Sam Hylle: sam.hylle@psc.com



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

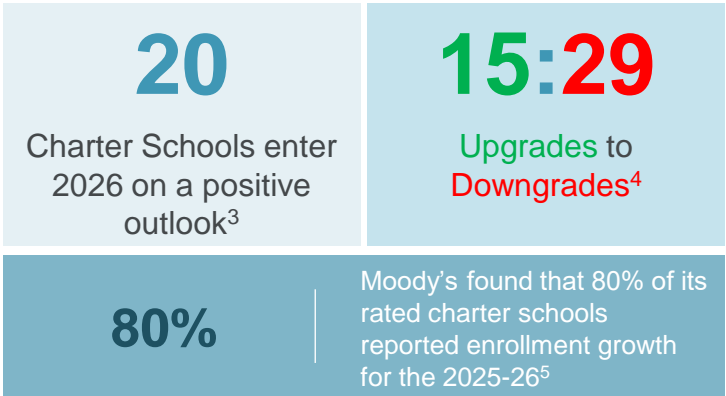
2026 U.S Charter School Outlooks

Summary:

<div>S&P Global Ratings</div>	<div>MOODY'S RATINGS</div>
<div>Outlook: Stable</div>	<div>Outlook: Stable</div>
<div>Key Takeway: Current stability in the charter sector derives from steady to growing per-pupil funding and healthy upkeep of demand.</div>	<div>Key Takeway: Moody's assess that stability for charters are currently supported by moderate increases in state funding, enrollment growth, and supportive legislative environments.</div>
<div>Challenges: According to S&P and Moody's, the charter sector is currently facing these key challenges below.</div> <div><ul style="list-style-type: none">• Competition for the shrinking K-12 demographic• Increasing expenses• Teacher shortages amid slower economic growth• Pressure on operating margins</div>	

2026 Common Trends in Charter School Sector:

- **State Budgets** – Modest to steady growth could possibly limit future increases
- **Voucher Programs** – No material impacts on charters yet
- **Enrollment and Demand** – Shrinking K-12 demographics have increased competition
- **Rising Expenses** – Causes pressure on charters operating margins
- **Financial Flexibility and Liquidity** – Declining unrestricted sources for lower rated schools
- **Renewal and Event Risk** – Management turnover, external factors, and shorter charter renewal cause concern



Sources:

1.) S&P Global, "U.S. Charter Schools 2026 Outlook: Stable Today While Pressure Points Are Signaling Rising Vulnerabilities"

2.) Moody's Ratings, "2026 Outlook – Stable as per-pupil funding, enrollment drive modest revenue growth"

3.) Based on S&P's rating and outlook distributions as of Nov 30, 2025

4.) Based on S&P's Data as of December 31, 2025

5.) Based on Moody's rated charter school portfolio

Charter School Market Update

CHARTER SCHOOL MEDIAN

The table below provides a comparison between S&P and Moody's medians for the BBB and BB rating categories.

Current U.S. Charter School Medians By Rating Agency		
S&P	BBB	BB
Median Enrollment:	3,048	889
Median Unrestricted Days Cash on Hand:	219	100
Median Lease-Adjusted MADS Coverage:	2.40x	1.50x
Moody's	Baa2	Ba2
Median Enrollment:	1,559	723
Median Unrestricted Days Cash on Hand:	155	99
Median Debt Service Coverage:	2.30x	1.90x

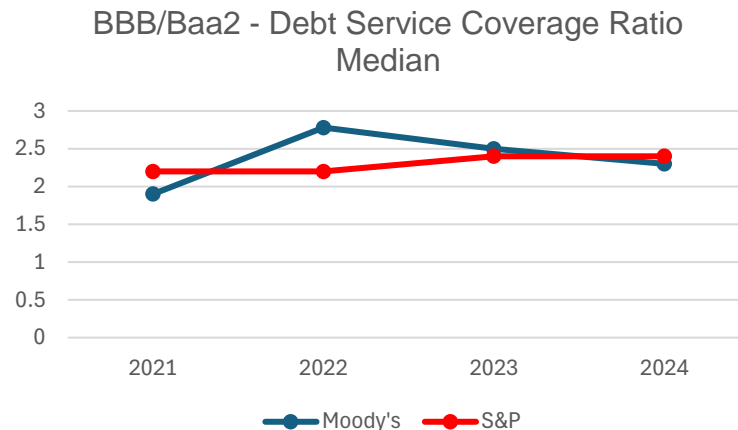
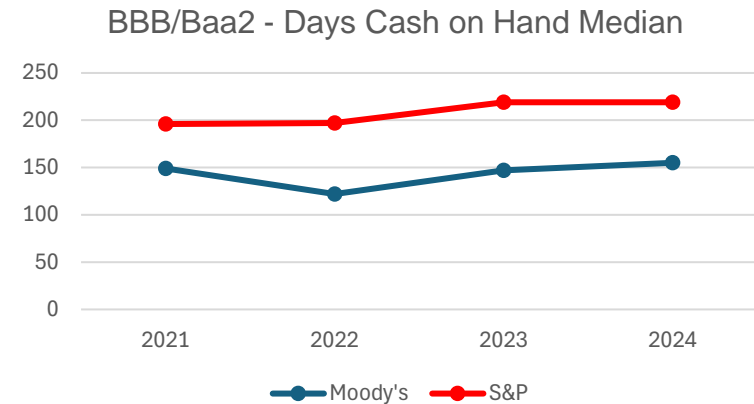
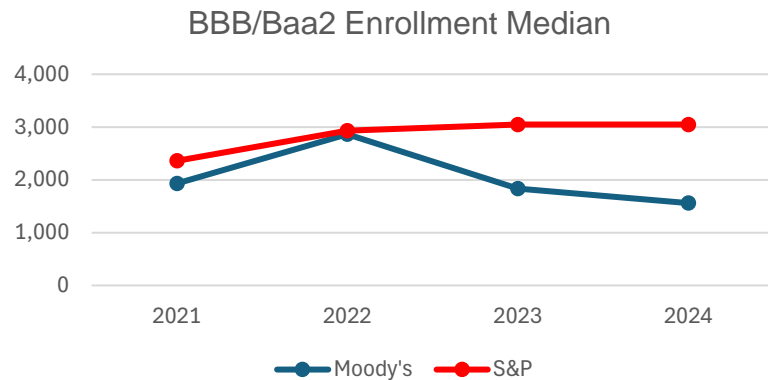
Sources:

- 1.) S&P Global, "U.S. Charter Schools Sector Fiscal 2023 Medians: Healthy Financial Metrics Amid Looming Fiscal Cliff"
- 2.) Moody's, "Medians — Enrollment gains continue to support revenue growth as leverage remains high"

Charter School Market Update

CHARTER SCHOOL MEDIANS

The graphic below provides a historical view on the comparison between S&P and Moody's medians for the BBB and BB rating categories.



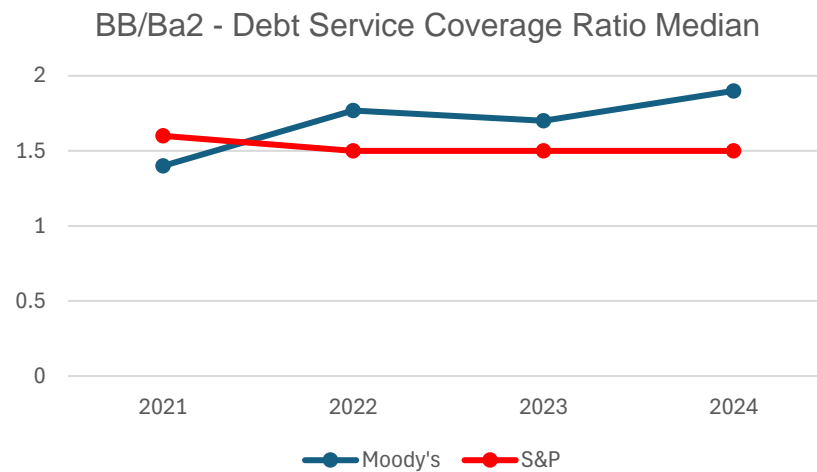
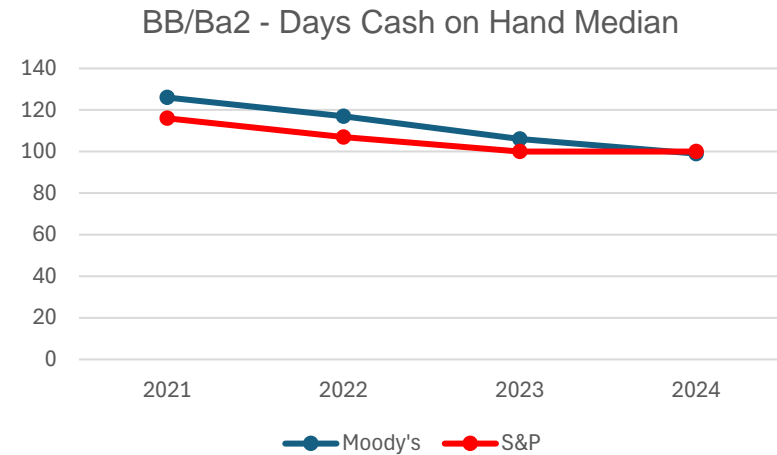
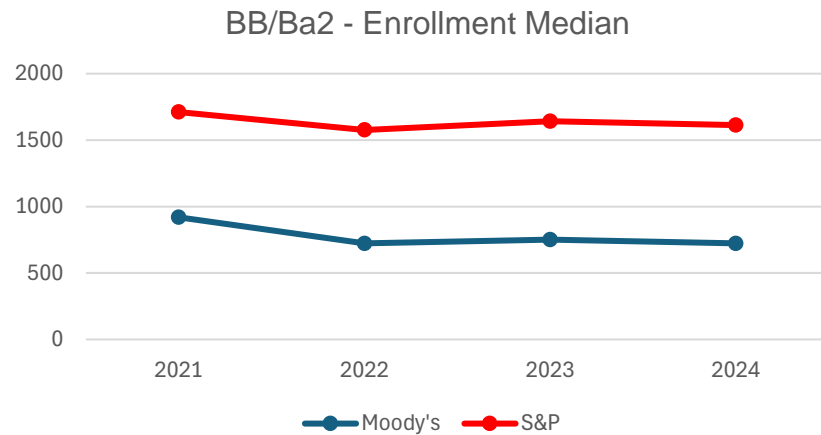
Sources:

- 1.) S&P Global, "U.S. Charter Schools Sector Fiscal 2023 Medians: Healthy Financial Metrics Amid Looming Fiscal Cliff"
- 2.) Moody's, "Medians — Enrollment gains continue to support revenue growth as leverage remains high"

Charter School Market Update

CHARTER SCHOOL MEDIANS

The charts below provides a historical view on the comparison between S&P and Moody's medians for the BBB and BB rating categories.



Sources:

- 1.) S&P Global, "U.S. Charter Schools Sector Fiscal 2023 Medians: Healthy Financial Metrics Amid Looming Fiscal Cliff"
- 2.) Moody's, "Medians — Enrollment gains continue to support revenue growth as leverage remains high"

Charter School Market Update

MARKET ACTIVITY

The year began with light volume in the charter school sector, seeing only \$29.74 million in par amount across two transactions. Both issuances were non-rated and priced with yields ranging from 6.250% to 6.375%.

RECENT PRICINGS

Week Priced	Charter School	Rating (Moody's/S&P)	(\$ Par Amount ¹	State	Final Maturity	Long Coupon	Long Yield	Long Spread
1/26/2026	Intercultural Montessori Language School	NR	19,920,000	IL	2/1/2056	6.250%	6.190%	1.90
1/26/2026	Metro Deaf School	NR	9,820,000	MN	6/15/2061	6.375%	6.400%	2.11

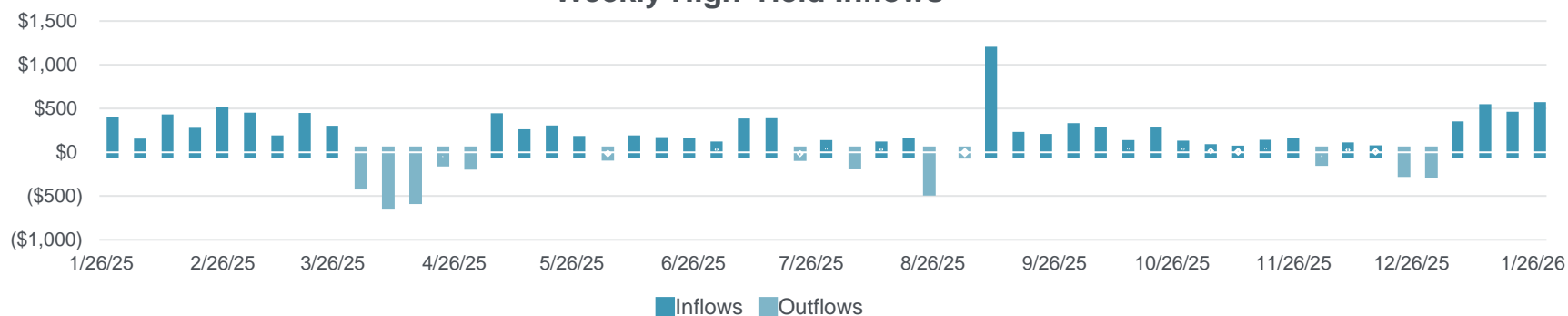
1.) Includes Taxable Tail
Sources: Piper Sandler Research

Charter School Market Update

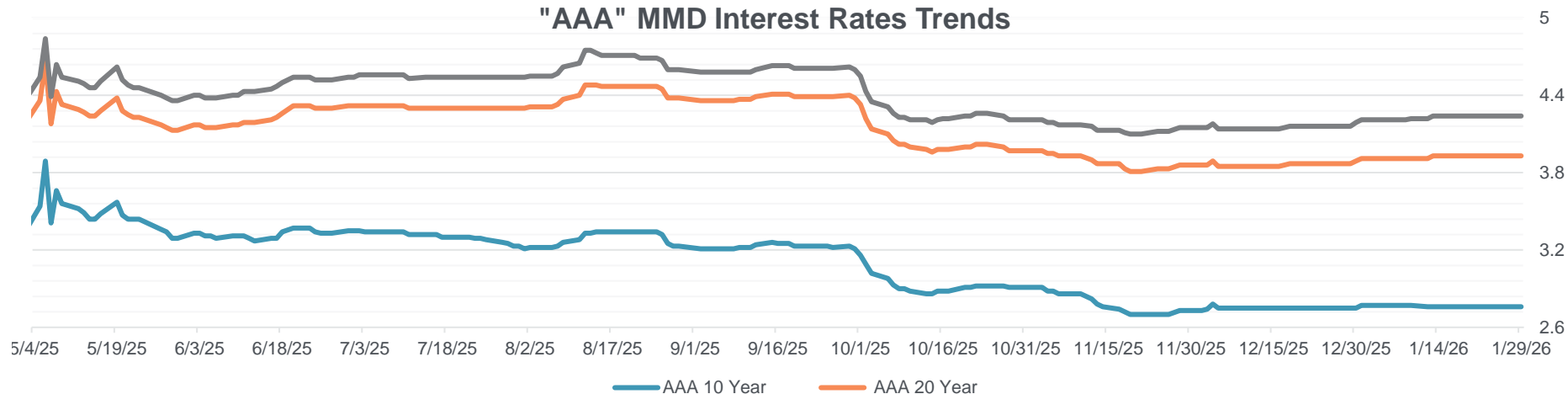
MARKET OUTLOOK

The Fed held rates steady in January while emphasizing flexibility. The core message was that policy is “well positioned,” signaling little urgency to act unless the data materially change. During the press conference, Chair Powell struck a notably dovish tone on both inflation and labor market risks. His relaxed posture—particularly around tariffs, ongoing disinflation, and stable inflation expectations—likely reflects the recent run of benign data, which now sets a low bar for additional rate cuts should conditions soften. Meanwhile, high-yield funds remained positive attracting \$509.41 million of outflows during the week of January 26th.

Weekly High-Yield Inflows



"AAA" MMD Interest Rates Trends



Sources: Bloomberg, TM3 and Piper Sandler Research. Bond Buyer

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:

-

pipersandler.com | 10

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

PIPER | SANDLER

The material contained herein is not a product of any research department of Piper Sandler & Co. or any of its affiliates. Nothing herein constitutes a recommendation of any security or regarding any issuer; nor is it intended to provide information sufficient to make an investment decision. The information provided is herein not intended to be and should not be construed as a recommendation or "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934.

The information contained in this communication has been compiled by Piper Sandler & Co. from sources believed to be reliable, but no representation or warranty, express or implied, is made by Piper Sandler & Co., its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates contained in this communication constitute Piper Sandler & Co.'s judgment as of the date of this communication, are subject to change without notice and are provided in good faith but without legal responsibility. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur.

Nothing in this communication constitutes legal, accounting or tax advice or individually tailored investment advice. This material is prepared for general circulation to clients and may have been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The investments or services contained in this communication may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about the suitability of such investments or services.

Every state in the U.S., and most countries throughout the world have their own laws regulating the types of securities and other investment products which may be offered to their residents, as well as the process for doing so. As a result, any specific securities discussed in this communication may not be eligible for sale in some jurisdictions. This communication is not, and under no circumstances should be construed as, a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction.

In providing information contained herein to a municipal entity or obligated person, Piper Sandler (i) is not providing discretionary investment advice recommending an action to any municipal entity or obligated person recipient (ii) is not acting as an advisor providing discretionary investment advice to any municipal entity or obligated person and (iii) does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to any municipal entity or obligated person with respect to the information and material contained in this communication. Piper Sandler is acting for its own interests, and any municipal entity or obligated person recipient of this information should discuss any information and material contained in this communication with any and all internal or external advisors and experts that the municipal entity or obligated person deems appropriate before acting on this information or material.

To the fullest extent permitted by law neither Piper Sandler & Co., nor any of its affiliates, nor any other person, accepts any liability whatsoever for any direct or consequential loss arising from any use of this communication or the information contained herein. No matter contained in this document may be reproduced or copied by any means without the prior consent of Piper Sandler & Co. Piper Sandler & Co. may buy from or sell to customers on a principal basis for its own account or as an agent for another person in the securities or related derivatives that are the subject of this communication (in reliance on Rule 206(3)-1, we will not obtain client consent for each principal trade).

Piper Sandler & Co. has or may have proprietary positions in the securities or in related derivatives that are the subject of this communication. Piper Sandler & Co. may have been manager or co-manager of a public offering of securities of the issuer within the past twelve months. Additional information is available upon request.

Piper Sandler outgoing and incoming e-mail is electronically archived and recorded and is subject to review, monitoring and/or disclosure to someone other than the recipient. This e-mail may be considered an advertisement or solicitation for purposes of regulation of commercial electronic mail messages. If you do not wish to receive commercial e-mail communications from Piper Sandler, visit: www.pipersandler.com/do_not_email to review the details and submit your request to be added to the Piper Sandler "Do Not E-mail" directory. For additional disclosure information, see www.pipersandler.com/disclosures.

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and NYSE; in the U.K. through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; in the EU through Aviditi Capital Advisors Europe GmbH, a tied agent of AHP Capital Management GmbH, authorized and regulated by BaFin; and in the Abu Dhabi Global Market through Piper Sandler MENA Ltd., authorized and regulated by the ADGM Financial Services Regulatory Authority. Alternative asset management and fixed income advisory services are offered through separately registered advisory affiliates.

©2026. Since 1895. Piper Sandler Companies. 350 North 5th Street, Minneapolis, Minnesota 55401-5711

The Bloomberg information may not be used for any of the following purposes: (i) to determine the amount payable under a financial instrument or a financial contract; (ii) to determine the price at which a financial instrument may be bought or sold or traded or redeemed; (iii) to determine the value of a financial instrument; or (iv) to measure the performance of an investment fund, including without limitation, for the purpose of tracking such information or of defining the asset allocation of a portfolio or for computing performance fees.