



Charter School Monthly Market Update

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

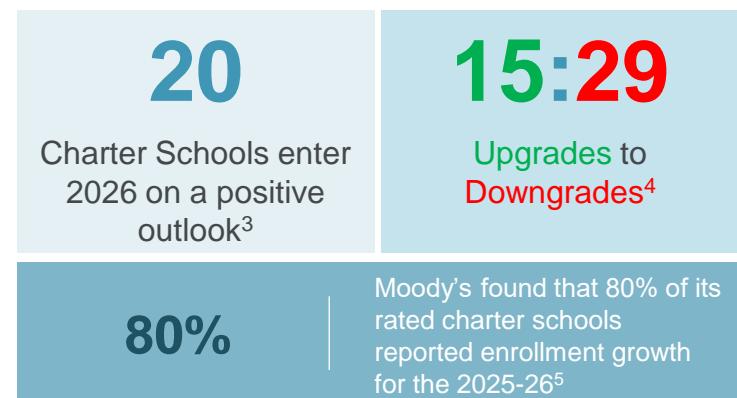
2026 U.S Charter School Outlooks

Summary:

S&P Global Ratings	MOODY'S RATINGS
Outlook: Stable	Outlook: Stable
<p>Key Takeaway: Current stability in the charter sector derives from steady to growing per-pupil funding and healthy upkeep of demand.</p> <p>Challenges: According to S&P and Moody's, the charter sector is currently facing these key challenges below.</p> <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	<p>Key Takeaway: Moody's assess that stability for charters are currently supported by moderate increases in state funding, enrollment growth, and supportive legislative environments.</p>

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

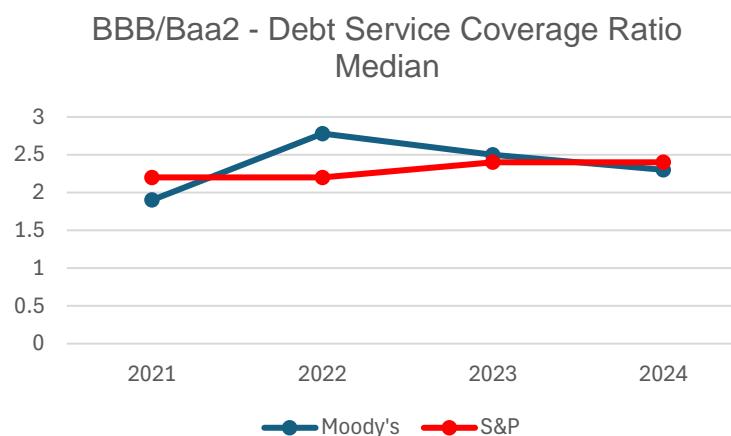
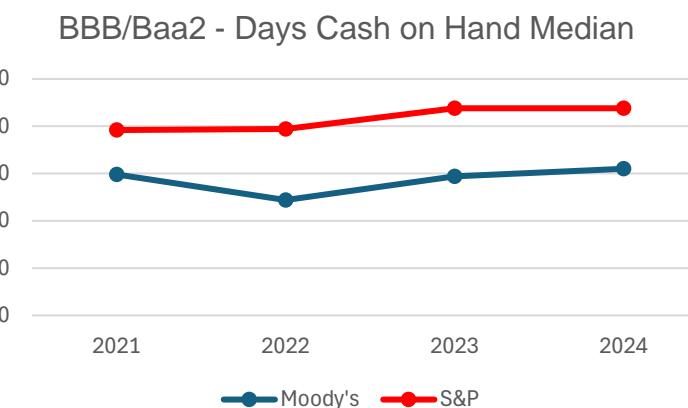
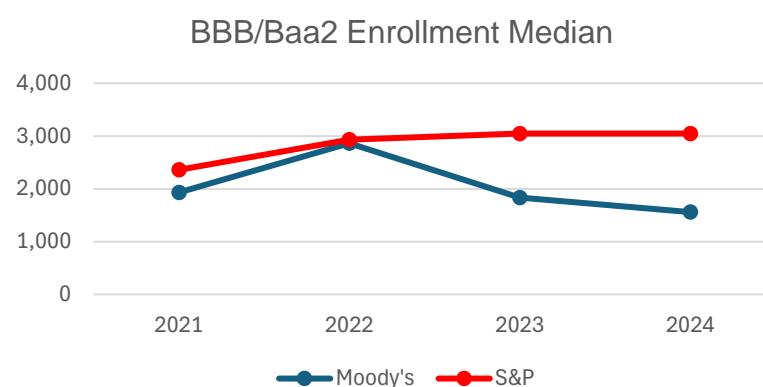
Sources:

- 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.



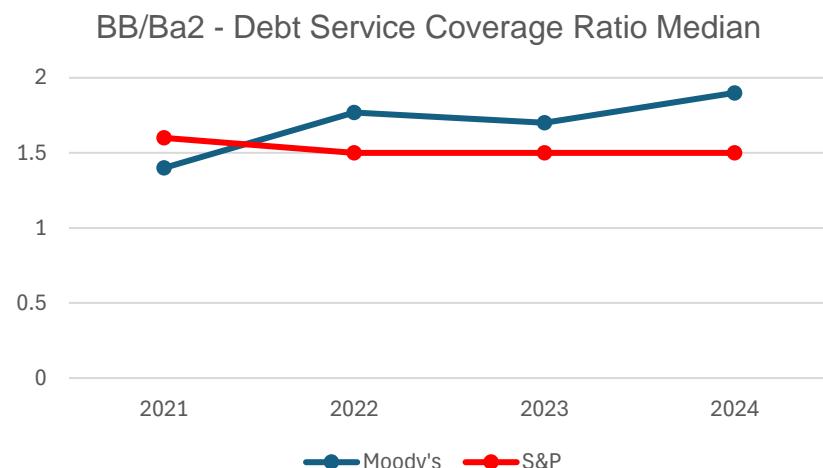
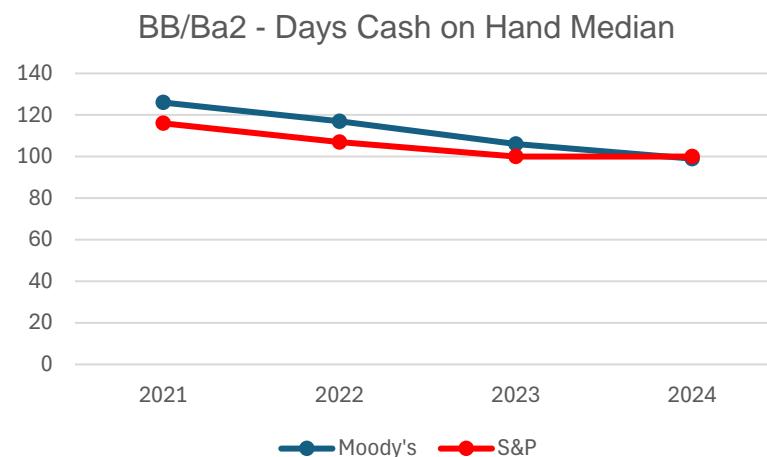
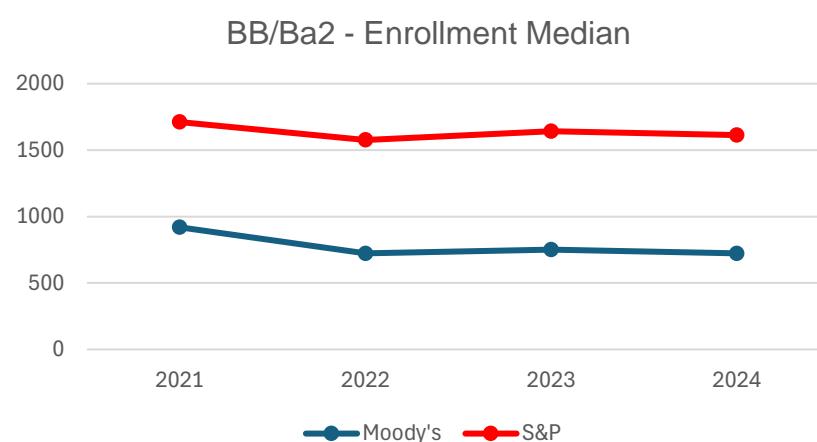
Sources:

- 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 MEDIAN

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

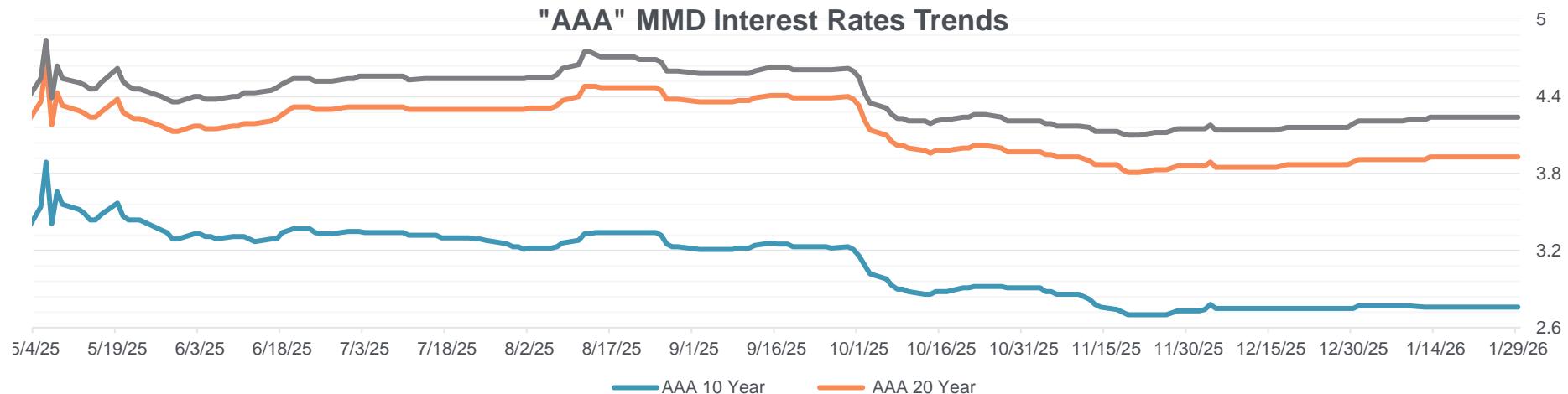
MARKET OUTLOOK

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

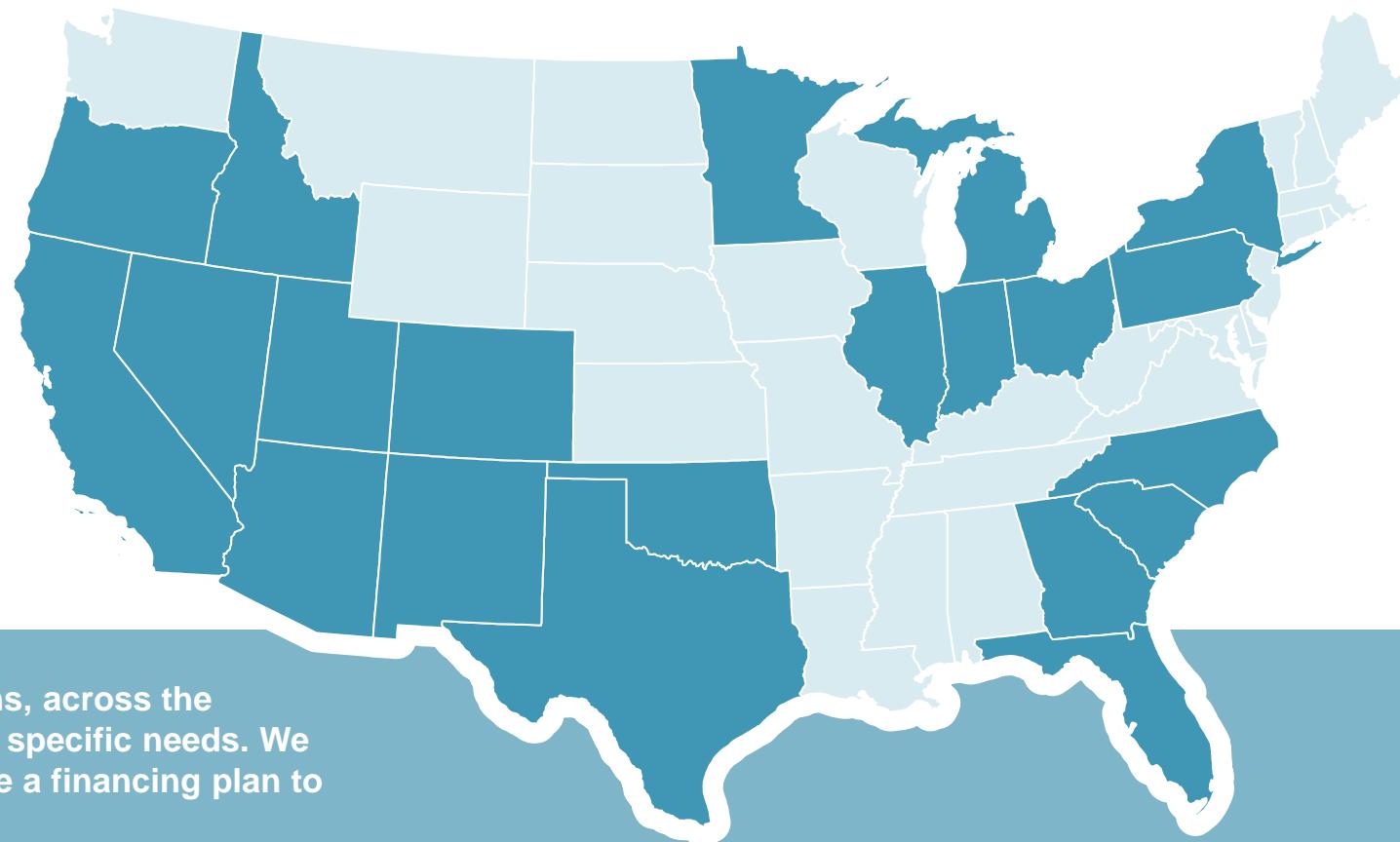


Sources: Bloomberg, TM3 and Piper Sandler Research. Bond Buyer

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

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



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.

Recent Senior Managed Transactions

\$19,705,000



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

Sole Manager
12/23/2025

\$7,500,000



Academy for Classical
Education
2025 Bank Loan

Placement Agent
10/10/2025

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.

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.

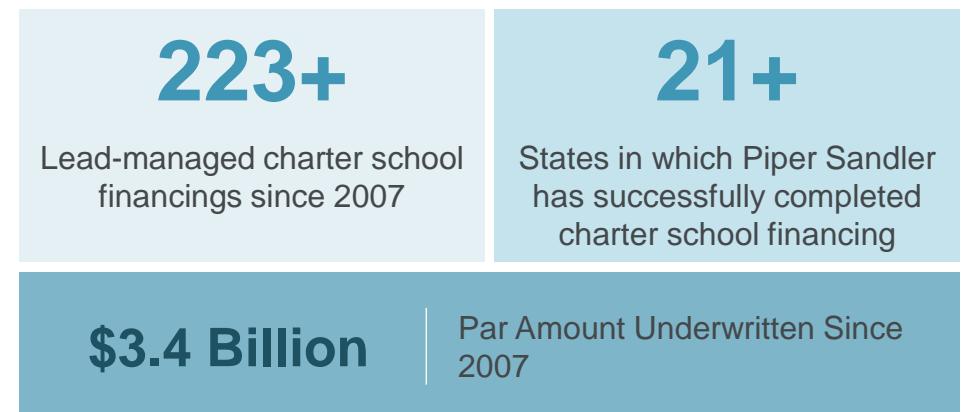
Piper Sandler Expertise Serving Charter School Borrowers

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



Historical Charter School Experience



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