



TEACH Public Schools

Board Presentation: Financing Results

January 29, 2020



Overview

- TEACH issue \$22.3 million of bonds in December 2019 to finance the:
 - Acquisition of its High School
 - Acquisition of its Elementary School
 - Acquisition of BBQ Lot for the High School
 - Improvements to the BBQ Lot for the High School
 - Tennent improvements to the Middle School
 - Installation of a carport at its Elementary School
- TEACH bonds received the lowest interest rates for any non-rated charter school bonds ever issued in California
- The bonds were issued based on an obligated group structure to realized SB 740 grant funding and to provide cross-collateralization among the three schools



Investor Interest

	2016	2019
Orders	12,280,000	96,990,000
Bond Available	12,280,000	22,310,000
Subscription	1.00	4.35
Investors	Nuveen	American Century Blackrock Nuveen Invesco Schudder

- TEACH received over orders over four times of bonds available
- Numerous other investors approved TEACH's bonds but selected not to buy because the rates were too low
- Because of this demand, we were able to reduce interest rates by another 0.15% from the original pricing offer



Interest rates

	2016	2019	Difference
Long-Bond Yield	6.00%	3.57%	2.43%
Long-Bond Spread	3.46%	1.51%	1.95%
Bond Yield	5.97%	3.45%	2.52%

- TEACH received the lowest non-rated interest rate in the history of CA charter school bond financings
- TEACH beat names such as Bright Star, Ednovate, Arts in Action, Real Journeys, John Adams

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