PRESENTERS
Nathan Vallette is the Associate Director of the Education Investment Group at EPR Properties. Nathan’s expertise is in identifying the most appropriate financial options for a school based on its age and growth strategy. Since joining EPR Properties in 2015, Nathan has personally contributed to over $500MM in education investments in 13 States. Nathan holds a Bachelors of Science in Radio/TV Broadcasting and a Masters in Business Administration from Kansas State University.

Gavin Samms, Ph.D. is the founder of Genesis Innovation Academy and serves as Head of Schools. He has spent almost 30 years successfully raising the performance of students at every level of education. Prior to launching the school, Dr. Samms served as the founding Principal of Fulton Leadership Academy, which during his tenure was ranked #2 in the state by the Georgia DOE’s 2013 “Beating the Odds” analysis of charter schools. Gavin was part of the founding leadership team of Harvard’s Education Innovation Laboratory (EdLabs). Dr. Samms has a PhD in Public Policy from Harvard University, with concentrations in Economics and Education Policy, as well as Bachelor’s and Master’s degrees in Industrial and Systems Engineering from the Georgia Institute of Technology.
COMMON QUESTIONS DURING THE FINANCING PROCESS

1. Where do I start?

2. What financing options are available to me?

3. What steps do I have to take to secure the financing?

4. What difficulties can arise during this process?
WHERE DO I START?
WHERE DO I START?

Searching out financing options can feel overwhelming. You might be thinking...

In this presentation, we hope to PROVIDE GUIDANCE for what this process can look like and PRESENT A CASE STUDY of how it played out for a school right here in Georgia, Genesis Innovation Academy.
WHERE DO I START?

**MARKET YOUR SCHOOL**
Market your school to potential financing providers

**EXPLORE YOUR OPTIONS**
Familiarize yourself with the options available to you

**GATHER YOUR INFORMATION**
Provide the necessary legal and financial information

**SHOP AROUND**
Shop around to see what financing option best fits your school

**TAKE YOUR TIME**
Take your time to seek the opinion of other schools

**KNOW YOUR STRENGTHS**
 Know your financial strength as a school going in
WHAT FINANCING OPTIONS ARE AVAILABLE TO ME?
## Financing Options Available

<table>
<thead>
<tr>
<th>Category</th>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developers</td>
<td>• Marketed as one-stop shop providers&lt;br&gt;• Typically look for financing elsewhere</td>
</tr>
<tr>
<td>Specialty Financing Groups</td>
<td>• Usually offer 100% financing&lt;br&gt;• Often specialize in education or start-ups</td>
</tr>
<tr>
<td>Private Landlords</td>
<td>• Offer long-term leases or temporary facilities&lt;br&gt;• Sometimes require funding improvements</td>
</tr>
<tr>
<td>Non-Profits</td>
<td>• Lenders and development groups&lt;br&gt;• Cheaper rates but often smaller projects</td>
</tr>
<tr>
<td>Banks</td>
<td>• Long-term financing with favorable rates&lt;br&gt;• Require cash and real estate collateral</td>
</tr>
<tr>
<td>Bond Groups</td>
<td>• Long-term fixed rate financing&lt;br&gt;• Require 3-5 years history, plus cash</td>
</tr>
</tbody>
</table>
WHAT STEPS DO I HAVE TO TAKE TO SECURE THE FINANCING?
YEAR ONE: START-UP YEAR

Gain Charter Approval
Upon being awarded your charter contract, work to obtain authorizer approval

Actively Market Your School
Reach out to financiers, associations, developers, etc. regarding your school’s specific needs

Review and Negotiate
Collect the offers extended to you and explore which option is the right fit

Typical Financing Options Available During this Stage:
• Developers
• Specialized Financing Groups

Financing Structure for Genesis:

School Sourced Real Estate Broker

Broker Sourced Financing Options

Financier Provided Leaseback to School
YEARS 1 – 3: STEPS FOR EXPANSION

Identify the Need
Determine as a school when there is a clear need for expansion

Review Your Options
Consider the financing options available to you during this stage

Apply Expertise
Utilize the knowledge gained from your past experience to determine your school’s next steps for expansion

Typical Financing Options Available During this Stage:
• Current lender
• Specialized Financing Groups
• Non-Profits
• Philanthropy Groups
• Banks
• Bonds

You have a need for expansion.

Were you made aware of the options that were available to you?

What options did you consider?

Did you find that you had more confidence this time around?
YEARS 3 – 5: LONG-TERM GOALS FOR FUTURE GROWTH

Evaluate Your Success
Assess the growth and success your school has experienced since its inception

Outline Goals
As a school, take time to establish your long-term goals

Create a Plan
Strategize how you plan to achieve the goals you’ve laid out

Typical Financing Options Available During this Stage:
• Current lender
• Specialized Financing Groups
• Banks
• Bonds

You’re established. What are your long term goals?
What’s taking place now? How do you plan on achieving these goals?
WHAT DIFFICULTIES CAN ARISE DURING THIS PROCESS?
You discover your school is a risky investment for most financial providers

The legal process can be lengthy and costly

The requirement for flexibility on the financial side proves to be more difficult than expected

Unforeseen construction issues or delays arise

Your school under enrolls and you are unable to deliver on what was promised
THE VICTORIES
- What is your favorite part of your school facility?
- How has this facility been beneficial to your teachers and students?
- Any unique characteristics?