

NEW DAWN CHARTER SCHOOLS PROJECT

FEBRUARY 2019

CLIENT PROFILE

New Dawn Charter Schools Brooklyn is a charter high school located in Brooklyn, New York, that was organized in 2011 and serves over-aged and under-credited students. As a transfer school, New Dawn serves students aged 15-21 who have fallen behind at, or dropped out from, at least one traditional high school. The School's unique programs serve a vital need for these students by giving them the opportunity to obtain high school diplomas, a vital step towards higher education or the working world. In addition to traditional classroom instruction, New Dawn students participate in an internship with a local business every other week. As a result, only approximately 60% of students are on site at any given time.

Since opening its doors in 2012, New Dawn had operated from a 24,000 sq. ft. leased facility in Brooklyn with a capacity of approximately 400 students. The lease included an option to purchase the facility for \$14 million. Dating from the 1960's, most of the key infrastructure in the building was over 50+ years old and in need of replacement.

Since entering into the lease, New Dawn had the goal of purchasing the facility and gutting and rehabbing it to better serve its educational program. To that end, the school, through conservative budgeting and careful expense management, had accumulated cash and planned to contribute \$6 million at closing from its unrestricted cash balance. The school and the landlord reached an agreement to execute the purchase option in early 2019 with extensive building renovations to follow the conclusion of the 2018-19 school year.



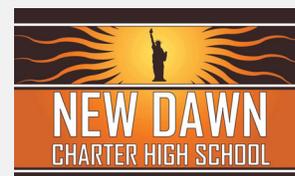
\$20,685,000

Build NYC Resource Corporation | Revenue Bonds
(New Dawn Charter Schools Project)

The Series 2019 Bonds, along with the borrower's equity contribution, funded the \$14 million acquisition cost of the facility and approximately \$10.6 million of renovations.

ZIEGLER DIFFERENCE

Despite its history of strong financial performance and success as a transfer school, New Dawn's small enrollment base and unique program stood out from traditional charter schools. Additionally, a reluctant seller created several delays through the financing process. Ziegler worked with New Dawn to structure the credit story and build relationships with potential investors, while at the same time managing the financing process to fit the project timetable. These efforts proved successful, with strong interest from investors helping to drive the School's borrowing cost down. The successful pricing was a testament to the exceptional fiscal management of school leadership and an effective partnership with Ziegler during the process of marketing the bonds for sale. New Dawn is pleased with the long-term security of the bond structure and to be the owner of its property which will be improved to enhance its already successful educational program.



"Ziegler's support for this project was crucial. New Dawn Charter High School is a very non-traditional educational model, serving the most at-risk students in New York City. Ziegler was able to interpret our results and model and explain it to the investment community in a way that energized both the New Dawn staff and potential investors. This project will greatly improve the educational opportunities of students who, prior to New Dawn, had very limited options for an education. Ziegler was there every step of the way."

Sara Asmussen, Executive Director

This client's experience may not be representative of the experience of other clients, nor is it indicative of future performance or success.

For further information on the outstanding bonds for this issuer, please visit the Electronic Municipal Market Access system at <http://emma.msrb.org/>.

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