

**MISSION ACHIEVEMENT AND SUCCESS CHARTER SCHOOL
GOVERNING COUNCIL**

Resolution No. _____

Resolution Re: Lease Purchase Arrangement Pursuant to NMSA 1978, §22-26A-6.

WHEREAS, The Mission Achievement and Success Charter School's Governing Council ("Council"), the governing body of Mission Achievement and Success Charter School ("Charter School"), held a regular public meeting via the virtual platform Google Video Conferencing on June 19, 2025 at 4:00 p.m.; notice of the meeting was provided by law.

WHEREAS, Charter School is a public charter school as defined in NMSA 1978, §22-8B-2(A), authorized by the New Mexico Public Education Commission, duly organized and validly existing, and authorized by law to enter into a "lease purchase arrangement" or "financing agreement" as those terms are defined by NMSA 1978, §22-26A-3(A), part of the Public School Lease Purchase Act, NMSA 1978, Chapter 22, Article 26A (the "Act").

WHEREAS, the Council has been provided a lease purchase arrangement (the "LPA") prepared by the Charter School's legal counsel for consideration and, if approved, will be submitted to the Public Education Department (NMSA 1978, §22-26A-4(B))("Department") for its review and approval as required by the Act.

WHEREAS, the Council has determined that it is necessary, desirable, and in the Charter School's best interest, subject to separate statutory approval by the Department and the Public School Facilities Authority (NMSA 1978, §22-20-1(A)(2))("PSFA"), to acquire from the Mission Achievement and Success Education Foundation, Inc. ("Foundation") by entering the LPA, approximately 4.5896 acres of land ("Land"), buildings and structures including a one-story classroom and administrative building (59,895 sf), a gymnasium/kitchen building (12,739 sf), parking area, fencing and other structures required for occupancy (together the "Improvements"). The Land and Improvements are located at the following commonly known addresses: 1713, 1717 and 1718 Yale Boulevard SE and 2401 Ross Avenue, SE, New Mexico, more particularly described in Exhibit A of the LPA and together with the Projects described in the next recital clause are hereafter referred to collectively as the "Property."

WHEREAS, the Foundation's funding to acquire the Property includes funding to pay for and construct site and structural upgrades and improvements as identified in Exhibit B of the LPA. The upgrades and improvements are referred to hereafter as the "Projects."

WHEREAS, The Property currently meets and will after the Projects are completed, the educational occupancy requirements of the governmental authorities with jurisdiction, including but without limitations the Statewide Adequacy Standards for New Mexico public schools as contemplated by NMSA 1978, §22-8B-4.2(D)(2).

WHEREAS, in order to, among other things, finance the cost of acquisition, furnishing and constructing the Projects that are and will be located on the Property for use as a public school facility, the Council understands that the Foundation entered into a Loan Agreement, dated May 9, 2025 ("Loan Agreement"), with the Equitable Facilities Fund, a nonprofit social impact fund

(“EFF”), pursuant to which EFF has loaned to the Foundation the principal amount of \$16,300,000 (Sixteen Million Three Hundred Thousand Dollars and 00/100)(“Loan”) with a fixed interest rate of five and one-half percent (5.5%), which is fair and reasonable based on the Charter School’s current and projected educational program needs. The Council has been advised that the interest rate does not exceed the maximum interest rate allowed pursuant to the Public Securities Act, NMSA 1978, §§6-14-1 through 6-14-3.

WHEREAS, the initial purchase price, including acquisition and improvements for the Property to be paid pursuant to the LPA is \$16,300,000 (Sixteen Million Three Hundred Thousand Dollars and 00/100), which purchase price shall be reduced by principal payments made when or if the Charter School exercises its option to purchase the Property.

WHEREAS, the Council acknowledges that the Foundation entered a “Construction Deed of Trust, Security Agreement, Assignment of Leases and Rents, Financing Statement, Fixture Filing and Other Real Property Related Financing Statement Filing” with U.S. Bank, National Association (“Trustee”) for the benefit of EFF”, dated May 9, 2025, and filed of record as of the same date with the Bernalillo County Clerk’s Office (“Deed of Trust”), to secure Foundation’s indebtedness and other obligations under a Master Trust Indenture, Supplemental Indenture, Notes issued thereunder (as defined in the Master Trust Indenture and Supplemental Indenture) and a Loan Agreement, and any and all past, concurrent or future modifications, extensions, renewals, rearrangements, replacements and increases thereof. The Council has confirmed that neither it nor the Charter School are a party to or a borrower/trustor under the Deed of Trust or Loan.

WHEREAS, under the Deed of Trust, Foundation (a) mortgaged to Trustee for the Benefit of EFF, the Charter School Facility, and (b) assigned to the Trustee all leases between Foundation and Charter School, and any subsequent lease purchase arrangements, this LPA included.

WHEREAS, the Base Rent and Additional Rent as defined in the LPA and payable by the Charter School shall constitute currently appropriated expenditures of Charter School, and Charter School shall for the Term authorize and appropriate the payments required hereunder for such years, to the extent and in the manner permitted by New Mexico law; provided, however, that no obligation for any lease payment hereunder, however defined or characterized herein, shall constitute a debt or multiple fiscal year direct or indirect obligation whatsoever of Charter School, or a mandatory charge or requirement against Charter School in any fiscal year (as hereinafter defined), beyond the fiscal year for which legally available funds have been appropriated.

WHEREAS, the execution, delivery and performance of the LPA by the Charter School are in the best interest of the Charter School, serve a public purpose, and by this Resolution have been duly authorized by the Council.

WHEREAS, the LPA, once fully executed by the parties, replaces and supersedes the lease between the Foundation and Charter School.

WHEREAS, neither the Council nor Charter School, in connection with the Foundation’s acquisition of land and construction of the improvements, has entered into a pledge and covenant agreement whereby it is required to establish and maintain a depository account with a bank or other financial institution, into which account all education funding received by the Charter School

from the Public Education Department, including State Equalization Guarantee Distribution funding, State Lease Reimbursement Program payments, and other special funds and federal pass-through funding constituting revenue, whether adjusted or otherwise, are to be deposited in accordance with an account control agreement.

WHEREAS, the Council will not enter into a pledge and covenant agreement as it relates to the Loan, wherein it must agree to grant a security interest and assign to a third party bank or other financial institution for the benefit of educational facility revenue bonds holders, any of the charter school's revenues or other assets, or the Charter School's right, title, and interest in and to any agreements with the State of New Mexico for such revenues, or both;

WHEREAS, the Council will, prior to executing the LPA, submit it to the Department for approval, pursuant to the requirements of the Department, the terms of the Act, and the Charter Schools Act, NMSA 1978, §§22-8B-1, *et seq.*

WHEREAS, the Council has reviewed the sources of funds that will be used to make the required payments pursuant to the LPA, which sources comply with NMSA 1978, §22-26A-7, and the Council is satisfied that the Charter School has eligible funding to enter into the Lease Purchase Arrangement.

NOW, THEREFORE, be it resolved by the Council that:

(1) It is necessary and, in the Charter School's best interest, to acquire the Property from the Foundation through a lease purchase arrangement as defined by NMSA 1978, §22-26A-3(A) and to enter into the LPA reviewed by the Council, contingent upon the Department's review and approval process;

(2) The initial purchase price of the Property to be acquired, \$16,300,000 (Sixteen Million Three Hundred Thousand Dollars and 00/100), the maximum interest rate of five and one-half percent (5.5%), and the terms of the proposed Lease Purchase Arrangement are reasonable, acceptable, and in the best interest of the Charter School;

(3) The source of funds to make the payments under the proposed LPA have been identified from available and allowable funds;

(4) The Council will not be liable for the Loan incurred by the Foundation for purposes of acquiring the Property;

(5) The Council will not pledge its revenue, nor commit the Charter School's assets as security for purposes of repaying the Loan, nor will it establish or maintain a depository account into which the Charter School's revenues from any source are deposited to be controlled by a trustee or any third party as it relates to repayment of the Foundation's Loan.

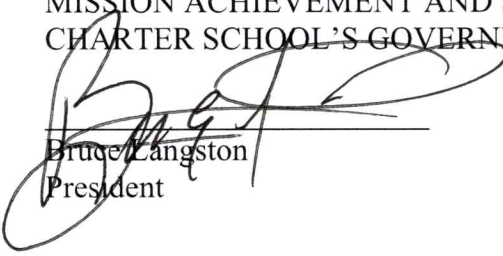
(6) The LPA, along with all required documentation, shall be forwarded to the Department for consideration and approval prior to its execution;

(7) The Council authorizes the Charter School's Executive Director, with the support of the Council President, to respond to any additional requests for documents or information from the Department, to make all revisions required by the Department as advised by the Charter School's legal counsel that do not change the material terms of the LPA, and to take such other necessary steps to finalize the draft LPA in consultation with the Charter School's legal counsel; and

(8) The Council President shall have the authority to execute the LPA without further action of the Council if the required approvals are obtained from the Department.

The motion was duly made, seconded, and 4 voted in favor, 0 against and 0 abstained; the motion carried.

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CHARTER SCHOOL'S GOVERNING COUNCIL

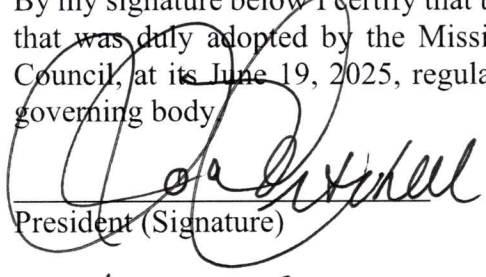


Bruce Langston
President

Date

06/19/2025

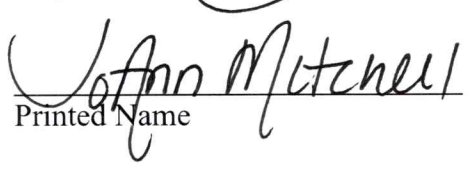
By my signature below I certify that the foregoing is a true and correct statement of the Resolution that was duly adopted by the Mission Achievement and Success Charter School's Governing Council, at its June 19, 2025, regular meeting held in accordance with state law and bylaws of governing body.



President (Signature)

Date

06/19/2025



Printed Name