



August 5, 2025

Equitable Facilities Fund, Inc. (the “**Lender**”) is pleased to inform you that based on the information you have provided to us and our analysis of the same to date, we have approved a loan from the Lender to East Mountain High School Foundation, (the “**Borrower**”) in an amount not to exceed \$20,900,000 (the “**Loan**”). The proposed terms and conditions of the financing are set forth for your review below and in the attached Loan Terms and Conditions. The Lender and the Borrower are collectively the “**Parties**” and each individually is a “**Party.**”

The provisions of this Commitment Letter and the attached Loan Terms and Conditions are intended to serve as an outline of the terms and conditions under which the Lender will provide the Loan. The Borrower will be required to sign all documents and agreements deemed necessary or desirable by the Lender for the purpose of properly evidencing, governing and/or securing the Loan (the “**Loan Documents**”). The Loan Documents to be executed in connection with the Loan shall be in a form approved by the Lender’s and Borrower’s legal counsel. You are encouraged to obtain counsel of your choosing to advise you in connection with the Loan.

The Borrower will pay all reasonable and documented out-of-pocket costs and expenses incurred by Lender in connection with due diligence and the preparation of loan documentation, regardless of whether or not the Loan is closed, unless Lender does not execute or if Lender terminates or cancels its commitment pursuant to (e) or (f) of the immediately following paragraph or if Borrower terminates because of inability to agree on final form of Loan Documents. These out-of-pocket costs may include, but are not limited to, legal costs, and collateral examination expenses.

The Lender may, at its option, terminate and cancel its commitment and/or any or all of the Lender’s obligations under or in connection with this Commitment Letter and the attached Loan Terms and Conditions without further notice or obligation upon the occurrence of any one or more of the following: (a) if the Lender reasonably determines that all applicable conditions, covenants, and requirements contained or referenced in this Commitment Letter and the attached Loan Terms and Conditions are not met by the Borrower to the Lender’s reasonable satisfaction; (b) if any representation made by the Borrower in connection with, or as an inducement to, the issuance of this Commitment Letter is untrue or misleading in any material respect; (c) if any material adverse change shall occur with respect to the condition (financial or otherwise), operations or prospects of the Borrower, any law, rule or regulation applicable to the Borrower or any other source of repayment

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of or security for the Loan; (d) if any other document or instrument required to be delivered in connection herewith is not in form and substance reasonably acceptable to the Lender and the Lender's legal counsel(e) if the Loan is not closed by November 4, 2025 (as may be extended by Lender), through no fault of Borrower (the "**Closing Date**"); or (f) if the Lender's further business, credit, or legal analysis of the transactions contemplated hereby, the Borrower, or any other source of repayment or security for the Loan reveals any previously known matter which is unacceptable to the Lender in its reasonable discretion. The Lender will give the Borrower prompt written notice of any decision to terminate, so as to avoid unnecessary Borrower expenses.

The Borrower may, at its option, terminate and cancel its commitment if the Lender and Borrower and their respective legal counsel do not agree and approve the form of the Loan Documents by the Closing Date. If Borrower does not terminate its commitment as provided in this paragraph but fails to close by the Closing Date, Borrower shall be liable for Lender's Closing Costs as set forth on the summary of Loan Terms and Conditions attached to this letter.

Subject to the terms of any definitive Loan Documents entered into by the parties and to the extent permitted by applicable law, except for Lender's gross negligence, bad faith or willful misconduct, the Borrower agrees to waive any and all claims and actions it may have, or may acquire, as to Lender, and it shall release and hold harmless and insure and defend Lender and its respective officers, directors, employees, advisors, and agents (each, a "**protected person**") from and against any and all losses, claims, damages and liabilities to which any such protected person may become subject arising out of or in connection with this Commitment Letter, the Loan Terms and Conditions, the Loan, the Loan Documents, the use of the proceeds thereof or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, and shall provide and maintain insurance in such amounts and with such protections as agreed upon with Lender, or as Lender may require going forward, and shall provide appropriate Certificates of Insurance to Lender evidencing such compliance with these requirements. No protected person shall be liable for any special, indirect, consequential or punitive damages in connection with the Loan. No protected person shall be liable to Borrower for any damages arising from the use by others of information or other materials obtained through electronic, telecommunications or other information transmission systems unless such damages arise from the willful misconduct, omissions, actions or inactions or negligence of such protected person in the handling of the information or materials obtained through electronic, telecommunications or other information transmission systems.

This Commitment Letter shall not be assignable by the Borrower without the prior written consent of the Lender (and any purported assignment without such consent shall be null and void), is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto. This Commitment Letter may not be amended or waived except by an instrument in writing signed by the Borrower and the Lender. This Commitment Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Commitment Letter by facsimile transmission or by

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PDF via email transmission shall be effective as delivery of manually executed counterpart hereof. As of the date hereof, this Commitment Letter is the only agreement that has been entered into between the Borrower and the Lender with respect to the Loan and sets forth the entire understanding of the parties with respect thereto.

This Commitment Letter shall be governed by, and construed in accordance with, the laws of the State of New York. Each party hereto irrevocably waives, to the fullest extent permitted by applicable law, (a) any right it may have to a trial by jury in any legal proceeding arising out of or relating to this Commitment Letter, the Loan Terms and Conditions, the Loan, the Loan Documents, or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory) and (b) any objection that it may now or hereafter have to the laying of venue of any such legal proceeding in the state or federal courts located in New York, New York.

If, by the Closing Date, all closing papers required by the Lender have not been executed by the Borrower and delivered to the Lender, and all conditions described or referenced in this Commitment Letter and the attached Loan Terms and Conditions have not been satisfied, then the Lender's commitment will expire and become null and void.

In the event the Borrower does not provide an executed version of this subject Commitment Letter to the Lender by August 22, 2025, then the Lender's commitment will expire and become null and void.

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Sincerely,

LENDER:

EQUITABLE FACILITIES FUND, INC.,
a Delaware nonstock, nonprofit corporation

By: _____
Anand Kesavan
Chief Executive Officer

ACCEPTED, AGREED AND CONSENTED TO
THIS _____ DAY OF _____ 2025:

BORROWER:

EAST MOUNTAIN HIGH SCHOOL FOUNDATION

By: _____
Name: _____
Title: _____

TENANT:

EAST MOUNTAIN HIGH SCHOOL

By: _____
Name: _____
Title: _____

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LOAN TERMS AND CONDITIONS

This summary of loan terms and conditions is intended as an outline of certain of the material terms of a proposed financing and is not intended to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documents. Capitalized terms used without definition herein are intended to have the meanings ascribed in the operative loan documents described herein.

Borrower:	East Mountain High School Foundation (“ Borrower ” and “ Landlord ”)
Tenant:	East Mountain High School (“ Tenant ”) East Mountain Middle School (“ Financed Campus ”)
Lender:	Equitable Facilities Fund, Inc, a Delaware nonstock, nonprofit corporation (“ Lender ”)
Obligation Type:	Loan Agreement with Note (“ Loan ”)
Obligation Amount:	Up to \$20,900,000 (“ Obligation ”)
Purpose:	Proceeds will be used to 1) finance the construction of a facility located at 25 La Madera Road, Sandia Park New Mexico (“ Project ”) 2) finance capitalized interest and 3) pay costs of issuance associated with this transaction.
Maturity:	Approximately 5 years.
Targeted Closing:	No later than November 4, 2025, or a date mutually agreed upon between Borrower and Lender.
Repayment:	Loan will amortize calling for a capitalized interest period up to 12 months, followed by 12 additional months of interest only payments, based on a 30-year amortization schedule beginning at date of close.
Interest Rate:	<p>This Commitment Letter provides a fixed Short-Term Rate per annum of 4.50%. The Short-Term Rate is only valid until November 4, 2025, after which it will need to be reset based on current market conditions.</p> <p>Lender may, in its sole discretion, decrease the coupon rate at any time after closing in order to maintain compliance with federal tax regulations.</p>

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Origination Fee:	No origination fee is due to Lender.
Debt Service Reserve Fund:	No debt service reserve fund is required.
Other Requirements:	<p>Borrower will cooperate with the pursuit of a rating on this transaction from Standard and Poor's (S&P), which EFF will coordinate and lead. Borrower is responsible for ensuring a rating with S&P is maintained for the life of the Loan.</p> <p>Borrower will participate in any TEFRA needs EFF may require.</p> <p>Additionally, Borrower will cooperate with construction monitoring procedures.</p>
Legal Fees:	<p>Estimated at \$120,000* to Orrick, not including Borrower counsel or other loan closing costs, paid by Borrower at closing via loan proceeds. Orrick will invoice an additional \$10,000 at Loan Closing for legal work related to the drawings during construction of the project.</p> <p><i>*If the fees that Orrick would have charged based on its standard hourly rates in effect from time to time (the "Standard Time Value") in connection with the transaction exceed 115% of the fixed fee set forth above, Orrick will absorb the first 15% of such excess (i.e., the entire amount between 100% and 115%) as well as one third (1/3) of the Standard Time Value thereafter, while Borrower will pay only two thirds (2/3) of the Standard Time Value above the 115% threshold. On the other hand, if the Standard Time Value is less than the aggregate fixed fee payable above, the fixed fee will be reduced by an amount equal to two thirds (2/3) of the difference between such fixed fee and the Standard Time Value (such that Orrick's fee would be equal to its Standard Time Value plus one third of the savings between such fixed fee and the Standard Time Value).</i></p>
Fees and Expenses:	Borrower will pay all reasonable, out-of-pocket costs and expenses incurred in connection with due diligence and the preparation of documentation in connection with the execution of this Financing, regardless of whether or not the Obligation is closed, including but not limited to, financial advisory fees (if applicable), real estate diligence fees, initial disclosure set-up fee, initial S&P rating fee, plan and cost review fees, construction monitoring fees, and legal fees (see estimate legal fees above) unless Lender does not execute. These will be paid at closing and are eligible to be paid via loan proceeds.

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- Prepayment:** In whole or in part without penalty, any date 4 years or more from date of closing.
- Security:** Loan is secured by a pledge of rental revenues and first lien mortgage on all real property of the Borrower as required for continued operations of the Tenant. The Tenant will enter into a master covenant agreement with the Borrower. The Borrower will enter into a springing deposit account control agreement on the Borrower's operating account to perfect the pledge of revenues. At closing, construction proceeds will be placed in a Construction Account with the third-party disbursement agent/trustee. The Lender shall have a pledge of such Construction Account until such time as the account has been closed.
- Representations/ Warranties:** The documents will contain those representations and warranties customarily found in transactions of this nature, and others appropriate to the transaction, including but not limited to the following. Capitalized terms shall have the meanings provided in the documents:
- (1) Legal existence, qualification and power; (2) due authorization and no contravention of law, contracts or organizational documents; (3) governmental and third party approvals and consents; (4) enforceability; (5) accuracy and completeness of specified financial statements and no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect; (6) no material litigation; (7) no default; (8) ownership of property; (9) insurance matters; (10) environmental matters; (11) tax matters, including 501(c)(3) status; (12) environmental compliance; (13) use of proceeds and not engaging in business of purchasing/carrying margin stock; (14) status of academic and financial good standing under the Tenant's charter; (15) accuracy of disclosure; (16) no sovereign immunity from lawsuit; (17) compliance with laws; (18) bankruptcy and insolvency; and (19) no proposed legal changes which may adversely affect the Loan or the Loan Agreement, or the obligations of Borrower thereunder.
 - No material adverse change in financial condition since fiscal year ended June 30, 2025.
 - Notices to Lender of: (1) any default on any obligation; (2) material litigation; (3) material governmental proceedings; (4) material adverse effect; (5) any communication received from Tenant's charter authorizer.

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- Additional representations and warranties that Lender considers customary and reasonably appropriate for the Loan.

General Covenants:

The documents will contain covenants of the Borrower and/or Tenant, as applicable, customarily found in transactions of this nature, and others appropriate to the transaction, including but not limited to: (1) reporting requirements; (2) use of proceeds, including covenants applicable to tax-exempt 501(c)(3) financing; (3) notice of events that may reasonably cause a Material Adverse Effect; (4) preservation of existence and conduct of business; (5) taxes; (6) insurance; (7) compliance with laws and material contractual obligations; (8) maintenance of properties financed with the proceeds of the Loan; (9) books and records; (10) inspection; (11) indebtedness with respect to the Property and consistent with the Master Indenture; (12) merger; (13) sale of assets; (14) investments; (15) acquisitions; (16) liens; (17) capital expenditures; (18) affiliates (provided, Borrower shall not be required to be a special purpose or single purpose entity); (19) restricted payments; (20) OFAC; (21) maintenance of charter; (22) payment of obligations; (23) subordinated indebtedness with respect to the Project Property and consistent with the Master Indenture; (24) operating leases; (25) sale of accounts; (26) sale and leaseback transactions; (27) financial contracts; (28) mergers and other fundamental changes; (29) subordination of swap termination payments and restrictions on collateralization of swap obligations; (30) waiver of sovereign immunity from lawsuit.

Financial Covenants:

The documents will contain financial performance covenants customarily found in transactions of this nature, and others appropriate to the transaction, including but not limited to:

Lease Payment Coverage Ratio: The Tenant will covenant to achieve a Consolidated Lease Payment Coverage Ratio of at least 1.10 for each Fiscal Year, commencing with the first Fiscal Year after loan closing. Failure to maintain such levels would trigger a requirement for the Tenant, at its own expense, to engage an Independent Management Consultant which is acceptable to the Lender. A ratio of below 1.00 for any given Fiscal Year is considered an Event of Default.

Days Cash on Hand: The Tenant covenants and agrees to maintain a minimum in Consolidated Days Cash on Hand (“DCOH”) in unrestricted cash balance based on the Tenant’s annual consolidated audited financial statement of 60 DCOH. Failure to maintain such level would trigger a requirement for the Tenant, at their own expense, to engage an Independent Management

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Consultant which is acceptable to the Lender. A failure to meet the covenant for two consecutive Fiscal Years is considered an Event of Default.

Management Fees: All management fees paid, if any, to the Borrower or an affiliate of the Borrower or Tenant, by the Tenant shall be subordinate to the Tenant's obligation to make Lease Payments.

Limitations on Additional Indebtedness under the Loan Agreement for the Borrower:

- 1) Additional Parity Debt permitted to be incurred by Borrower upon the delivery of a Certificate of the Tenant stating that: (x) for the Tenant's most recently completed Fiscal Year, the Lease Payment Coverage Ratio equaled at least 1.20 prior to the issuance of the additional Indebtedness; and the (y) Lease Payment Coverage Ratio is projected to be at least 1.20 on all Indebtedness Outstanding and the proposed additional Indebtedness in the first fiscal year following the issuance of the additional Indebtedness, taking into account certain assumptions as required by Lender.
- 2) Subordinate Debt and Short-Term Debt are restricted subject to Lender approval or a mutually agreed upon test.
- 3) Non-Recourse Debt is limited to an aggregate of \$750,000 outstanding or mutually agreed upon level.
- 4) Facility Leases will be deemed as debt within the calculation of lease payment coverage ratio.

Limitations on Additional Indebtedness for the Tenant:

- 1) Additional Parity Debt permitted to be incurred by Borrower upon the delivery of a Certificate of the Tenant stating that: (x) for the Tenant's most recently completed Fiscal Year, the Consolidated Lease Payment Coverage Ratio equaled at least 1.20 prior to the issuance of the additional Indebtedness; and the (y) Lease Payment Coverage Ratio is projected to be at least 1.20 on all Indebtedness Outstanding and the proposed additional Indebtedness in the first fiscal year following the issuance of the additional Indebtedness, taking into account certain assumptions as required by Lender.
- 2) Subordinate Debt and Short-Term Debt are restricted subject to Lender approval or a mutually agreed upon test.

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- 3) Non-Recourse Debt is limited to an aggregate of \$750,000 outstanding or mutually agreed upon level.
- 4) Facility Leases will be deemed as debt within the calculation of lease payment coverage ratio.

Operating Covenants:

Operating performance covenants to include:

- Academic covenant: Tenant covenants to maintain high academic performance which will be mutually defined in the Loan Agreement. Failure to maintain such level would trigger a requirement for the Tenant, at their own expense, to engage an Independent Management Consultant which is acceptable to the Lender. No Event of Default would result from this covenant.
- Enrollment covenant: Tenant covenants to maintain an enrollment level that will be mutually defined in the Loan Agreement. If Tenant fails to maintain such level, it covenants to prepare, share and discuss with Lender a detail enrollment turnaround plan. If enrollment level falls to an even lower level (also to be mutually defined), it would trigger a requirement for the Tenant, at their own expense, to engage an Independent Management Consultant which is acceptable to the Lender. No Event of Default would result from this covenant.

**Indemnification/
Reimbursement:**

Borrower will indemnify and hold harmless Lender and its respective affiliates, and their officers, directors, employees, agents and advisors, from and against all losses, liabilities, claims, damages or expenses arising out of or relating to the Loan, Borrower's use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees. This indemnification shall survive and continue for the benefit of all such persons or entities.

Assignment:

The Loan Agreement, Note, Obligation and other security documents will be freely assignable by Lender and any successor thereto.

Events of Default:

Usual and customary for transactions of this type, including but not limited to:

- Failure to make required payments when due.
- Withdrawal, termination or notice of loss or termination of the Tenant's charter.
- Failure to maintain financial covenants.

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- Incurrence of prohibited additional debt.
- Bankruptcy or like occurrence
- Other mutually agreed upon in the Loan Agreement

Approval Requirements:

Prior to or on the Closing Date, the following conditions precedent shall have occurred, all of which shall be in form and substance satisfactory to Lender and its counsel.

- Real estate information, survey, title policy or opinion, flood certification, appraisal, GMP Contract, evidence of zoning, then applicable permits (as a funding condition only), assignments of any construction contracts, architect contracts and engineers contracts, plans, budget, builder's risk insurance policies, payment and performance bond, evidence of applied equity and other per the reasonable request of Lender. Lender agrees that borrower counsel shall coordinate delivery of title policy and that borrower shall select the appraiser, subject to approval of Lender in its reasonable discretion
- Opinion addressed to Lender, from counsel to Borrower or Tenant, as applicable, reasonably acceptable to Lender based on the types of opinions included in example attached in Exhibit A, setting forth such opinions as Lender may require, including opinions concerning the legal status of Borrower and the Tenant, 501(c)(3) opinion, status of charter, the due authorization, execution and delivery of the Loan Documents, the enforceability of the Loan Documents, no conflict with law, no litigation, and the receipt of all necessary governmental approvals.
- Certification and supporting documentation related to standard levels of insurance (general liability, property, directors and officers, workers compensation, business interruption).
- Properly executed documents in form and substance satisfactory to Lender and/or Lender's counsel evidencing or supporting the Loan.
- Receipt of satisfactory financial information, budgets, projections, etc. as requested by Lender and there being no event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a material adverse effect on the operations or financial condition of the Borrower.

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- TEFRA approval in form satisfactory to Lender.
- Prior to disbursement of any funds from the Construction Account, the following conditions precedent shall have occurred, all of which shall be in form and substance satisfactory to Lender and its counsel.
 - (1) receipt of a certificate stating the amount to be drawn, there shall then exist no Event of Default nor shall there have occurred any event which with the giving of notice or the lapse of time, or both, could become an Event of Default; the representations and warranties made in the Loan Agreement shall be true and correct on and as of the date of the disbursement;
 - (2) the Title Policy shall be endorsed and extended, if required by Lender, to cover each advance under the Loan with no additional title exceptions objectionable to Lender and
 - (3) Borrower shall procure and deliver to Lender, if required by Lender, releases or waivers of mechanic's liens and receipted bills showing payment of all amounts due to all parties who have furnished materials or services or performed labor of any kind in connection with the construction of any of the Improvements or otherwise with respect to the Project Property.
- Such other conditions precedent as are customary and reasonably appropriate for the Loan, including further information disclosures.

Ongoing Reporting:

Annual audited financial statements due within 180 days after the fiscal year end. The Tenant will also provide, in conjunction with the audited financials, the following reports and other school operating information as reasonably requested by Lender: applications, open seats and waiting list, student retention, faculty retention, changes in leadership, management or Board members, enrollment by grade, student demographics data (i.e. ethnic background, FRL, SPED and ELL), leadership demographic data (i.e. gender, ethnicity and race), accountability ratings and authorizer reports, charter contract expiration dates, academic performance results including growth and proficiency scores and, if applicable, high school graduation rate and college entrance exam results for the highest grade tested by campus.

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Annual fiscal year budget due within 60 days of the commencement of each fiscal year.

Quarterly unaudited income statement and balance sheet and comparisons of actual expenditures to budgeted expenditures, as well as other school operating information as reasonably requested by Lender, due within 45 days after the end of each fiscal quarter.

Simultaneously with the delivery of each set of the financial statements referred to above, a certificate of compliance of Borrower and Tenant (1) stating whether there exists on the date of such certificate any Default or Event of Default and if so, the details thereof and the action which Borrower and Tenant is taking or proposes to take with respect thereto; and (2) setting forth in detail, compliance with the financial covenants and the supporting calculations.

Borrower and Tenant shall furnish at Lender's request such additional information that Lender may from time-to-time reasonably request, including but not limited to on-site visits post-closing as required to maintain necessary and administrative oversight.

Ongoing disclosure will occur as directed by Lender, which will be detailed in the Loan Documents.

Governing Law:

This transaction shall be governed by and construed in accordance with the laws of the State of New York, except with respect to the Tenant's and/or Borrower's authority and corporate powers as a charter school, which shall be governed and construed in accordance with the laws of the State of New Mexico. The opinions of counsel to the Borrower and Tenant shall only address New Mexico law.

EXHIBIT A: Sample Borrower's Counsel Opinion

OPINION OF COUNSEL MUST INCLUDE:

1. Orrick as a party:
Orrick, Herrington & Sutcliffe LLP
The Orrick Building
405 Howard Street
San Francisco, CA 94105

2. Review of all documents signed by the [Borrower/Foundation/LLC/Tenant], charters, IRS documents (including the letter to the [Borrower/Foundation/LLC/Tenant] from the Internal Revenue Service, dated [] (the "Determination Letter") recognizing the Corporation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"); the [Borrower/Foundation/LLC/Tenant]'s Application for Recognition of Exemption Under Section 501(c)(3) on IRS Form 1023 of the Code and related correspondence thereto submitted on [date] (the "Form 1023"); the online version of Internal Revenue Service Publication 78, Cumulative Listing of Organizations, updated as of [] (the "Listing"); Internal Revenue Service Forms 990 and 990-T for the [Borrower/Foundation/LLC/Tenant] for fiscal years ending December 31, [2017, 2016 and 2015] ("Forms 990" and, collectively with the Determination Letter, the Form 1023, the Listing, [list other documents related to tax the Tax Agreement, the Tax Questionnaire Response and the Officer's Certificate, the "Tax Documents"] and applicable formation documents which constitute the [Borrower/Foundation/LLC/Tenant] Document.

2. The opinion shall be based on review and inquiry deemed adequate and such other considerations of law and fact as Counsel believe to be relevant.

3. All required opinions listed below, in substantially the form listed below, unless otherwise being given by another counsel or negotiated with Orrick.

4. Opinions cannot be given with any "to our knowledge" or other similar qualifiers.

5. A separate 501c3 opinion on any CMO entity that controls the governing board of the school or borrower.

REQUIRED OPINIONS FOR ALL BORROWERS AND RELATED ENTITIES:

1. The [Borrower/Foundation/LLC/Tenant] is duly organized and validly existing in good standing as a nonprofit corporation under the Constitution and laws of the State of [], with full corporate power and authority to own its properties and to conduct its business and affairs.

2. The [Borrower/Foundation/LLC/Tenant] has full corporate power and corporate authority to authorize, execute, and deliver the [Borrower/Foundation/LLC/Tenant] Documents and to perform its obligations under, and carry out and consummate all other transactions described in or contemplated by, the [Borrower/Foundation/LLC/Tenant] Documents.

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3. The [Borrower/Foundation/LLC/Tenant] Documents have been duly authorized, executed, and delivered by the [Borrower/Foundation/LLC/Tenant] and constitute the legal, valid, and binding obligations of the [Borrower/Foundation/LLC/Tenant], enforceable against the [Borrower/Foundation/LLC/Tenant] in accordance with their respective terms, subject to the exception that enforceability (i) may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4. The execution and delivery of the [Borrower/Foundation/LLC/Tenant] Documents by the [Borrower/Foundation/LLC/Tenant] and the performance by the [Borrower/Foundation/LLC/Tenant] of its obligations thereunder do not require any filing or registration by the [Borrower/Foundation/LLC/Tenant] with, or approval or consent of any governmental agency or authority of the State of [___] of the United States of America, that has not been made or obtained except (a) those required in the ordinary course of business in connection with the performance by the [Borrower/Foundation/LLC/Tenant] of its obligations under the [Borrower/Foundation/LLC/Tenant] Documents, (b) those required to perfect the security interests granted by the [Borrower/Foundation/LLC/Tenant] under the [Borrower/Foundation/LLC/Tenant] Documents, and (c) other filings required under securities laws, and filings, registrations, consents or approvals in each case not required to be made or obtained by the date hereof.

5. Neither the execution nor the delivery of the [Borrower/Foundation/LLC/Tenant] Documents by the [Borrower/Foundation/LLC/Tenant] will, and the [Borrower/Foundation/LLC/Tenant] may observe and perform its obligations thereunder in a manner that will not, conflict with or constitute on the part of the [Borrower/Foundation/LLC/Tenant] a breach or violation of any of the terms and provisions of, or constitute a default under, (a) any existing constitution, law or administrative rule or regulation, (b) the Articles of Incorporation, Charter, or Bylaws of the [Borrower/Foundation/LLC/Tenant], or (c) to the best of our knowledge, any administrative decree, order, or judgement, agreement, indenture, mortgage, lease, deed of trust, note or other instrument to which the [Borrower/Foundation/LLC/Tenant] is subject or by which its properties are bound and known to us.

6. The [Loan Agreement/Master Indenture] creates in favor of the [Master Trustee/Lender] a security interest in the [Borrower/Foundation/LLC/Tenant]'s [Gross Revenues] to the extent such a security interest in the [Gross Revenues] may be created pursuant to [Article 9] of the [_____] Uniform Commercial Code (the "UCC").

7. Upon the effective filing of a UCC financing statement with the Secretary of State of the State of [_____] (the "Filing Office"), the [Master Trustee/Lender] will have a perfected security interest in that portion of the collateral described in the UCC financing statement in which a security interest may be perfected by filing an initial financing statement within the Filing Office under the UCC.

8. The Deed of Trust creates a valid and enforceable lien on the real property described in Exhibit A thereto (the "Property"), against the interests of the

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[Borrower/Foundation/LLC/Tenant], for the benefit of the [Master Trustee/Lender]. Except for the recording of the Deed of Trust in the real property records of [County] (the "Recordation County"), no documents or instruments are required to be recorded, registered or filed in any public office in the State of [_____] (a) for the validity or enforceability of the Deed of Trust with respect to the Property, or (b) to provide constructive notice to third parties of the deed of trust lien created under the Deed of Trust in the [Borrower/Foundation/LLC/Tenant]'s rights in the property.

9. There are no pending or threatened actions, suits, proceedings, inquiries or investigations, before or by any court, regulatory agency, public board or body affecting the [Borrower/Foundation/LLC/Tenant] or any of their respective assets or operations that, if determined adversely to such entity, would materially and adversely affect the consummation of the transactions contemplated by the [Borrower/Foundation/LLC/Tenant] Documents or the validity of the [Borrower/Foundation/LLC/Tenant] Documents or the financial condition, assets or operations of the [Borrower/Foundation/LLC/Tenant].

10. The [Borrower/Foundation/LLC/Tenant] is a validly existing charter school under the laws of the State of [_____].

11. The [Borrower/Foundation/LLC/Tenant] is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or corresponding provisions of prior law, is exempt from federal income taxes under Section 501(a) of the Code, except for unrelated business income subject to taxation under Section 511 of the Code. It is not a "private foundation" as described in Section 509(a) of the Code. No facts have come to our attention which would lead us to believe that there has been any change or modification in the facts and circumstances which formed the basis of the Determination Letter or that the Determination Letter has been modified, limited or revoked.

12. Use of the Projects, as that term is defined in the Loan Agreement, in the manner described in the Agreements will not constitute use in any "unrelated trade or business" within the meaning of Section 513 of the Code.

ADDITIONAL REQUIRED OPINIONS FOR MTI DEALS:

13. Registration of the Obligation under the Securities Act of 1933, as amended, and qualification of the Master Indenture or the [Supplement] under the Trust Indenture Act of 1939, as amended, is not required.

14. All conditions of the Master Indenture have been satisfied with respect to the issuance of the [Obligation].

CONFIDENTIAL