



**Travis County Commissioners Court Agenda Request
Travis County Cultural Education Facilities Finance Corporation**

Meeting Date: October 23, 2012

Prepared By/Phone Number: Andrea Shields, Manager/854-9116

Elected/Appointed Official/Dept. Head: Leslie Browder, County Executive, Planning and Budget/854-9106

Commissioners Court Sponsor: Samuel T. Biscoe, President

AGENDA LANGUAGE:

Public hearing related to potential issuance of the Corporation's education revenue bonds and taxable education revenue bonds for Wayside Schools.

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS: See attached backup.

STAFF RECOMMENDATIONS: Staff recommends approval.

ISSUES AND OPPORTUNITIES: None.

FISCAL IMPACT AND SOURCE OF FUNDING: None.

REQUIRED AUTHORIZATIONS: Andrea Shields, Manager/854-9116;
Leroy Nellis, Budget Manager/854-9066

Austin American-Statesman

PO#:

Ad ID#: 5488569

Acct#: 7132204265

Account Name: ANDREWS KURTH LLP

ANDREWS KURTH LLP
600 TRAVIS, SUITE 4200
ATTN: MARILYN HERZOG
HOUSTON, TX 77002

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS
COUNTY OF TRAVIS

Before me, the undersigned authority, a Notary Public in and for the County of Travis,
State of Texas, on this day personally appeared:

Carolyn Kurth

Advertising Agent of the Austin American-Statesman, a daily newspaper published in said
County and State that is generally circulated in Bastrop, Bell, Blanco, Brazos, Burleson,
Burnet, Caldwell, Colorado, Comal, Coryell, Fayette, Gillespie, Gonzales, Guadalupe, Hays,
Kerr, Lampasas, Lee, Llano, Milam, Nueces, San Saba, Travis, Washington, and Williamson
Counties, who being duly sworn by me, states that the attached advertisement was published
at the lowest published rate for Classified advertising in said newspaper on the following
date(s), to wit:

First Published: 10/8/2012

Last Published: 10/8/2012

Times Published: 1

Classification: Legal Notices (9980)

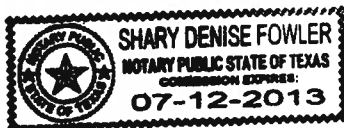
Lines: 59

Cost: \$533.59

and that the attached is a true copy of said advertisement.

Shary Denise Fowler

SWORN AND SUBSCRIBED TO BEFORE ME, this the 8 day of October, 2012



Shary Denise Fowler

Notary Public in and for
TRAVIS COUNTY, TEXAS

Austin American-Statesman
305 South Congress Ave., P.O. Box 670, Austin, Texas 78767-0670 512-445-3832

**NOTICE OF PUBLIC HEARING
TRAVIS COUNTY CULTURAL EDUCA-
TION FACILITIES FINANCE
CORPORATION
SERIES 2012A BONDS
WAGSIDE SCHOOLS
SERIES 2012A**

Notice is hereby given of a public hearing to be held on behalf of the Travis County Cultural Education Facilities Finance Corporation on October 23, 2012, at 1:30 p.m., Travis County Administration Building, 700 Lavaca Street, Commissioners' Courtroom, 1st Floor, Austin, Texas 78701, with respect to the captioned Series 2012A Bonds to be issued in an aggregate principal amount not to exceed \$15,000,000 by the Travis County Cultural Education Facilities Finance Corporation (the "Corporation"). The proceeds of the Bonds will be loaned to Wagside Schools, a Texas nonprofit corporation (the "Borrower"), for the following purposes: (a) refinance an existing loan, proceeds of which were used to purchase an existing building that is Eden Park Academy located at 6215 Manchaca Rd., Austin, Texas 78745; (b) purchase a new building to be used as the middle school located at 220 Foremost Dr., Austin, Texas 78704; (c) renovate the new middle school building and the existing campus; (d) purchase equipment and furniture for both campuses; (e) funding a debt service reserve fund; and (f) paying the costs of issuance of the Bonds. The Project will be owned and operated by the Borrower. The Bonds are not payable out of taxes and are secured by and payable solely from funds provided by the Borrower. The public hearing will be conducted by the Corporation. All interested persons are invited to attend such public hearing to express their views with respect to the above-described project and the Bonds. Questions or requests for additional information may be directed to Cliff Blount, Waman, Howell, Smith & Lee, PLLC, Telephone: (512) 687-2454. Any interested persons unable to attend the hearing may submit their views in writing to the Corporation prior to the date of the hearing at the fax number (512) 687-1801. This notice is published and the hearing is to be held in satisfaction of the requirements of Section 147(m) of the Internal Revenue Code of 1986, as amended.

INSTRUCTIONS

Please provide the requested information in the following tabs related to the Applicant, Project and Financing. In general, the spreadsheet offers check boxes or text boxes for answers unless separate or additional information is requested. Please expand text boxes as necessary or provide additional information in separate word, excel and pdf files as necessary. For questions, please contact Corporations staff as listed below.

Corporations Manager

Andrea Shields

512-854-9116

andrea.shields@co.travis.tx.us

Assistant Corporations Manager

Karen Thigpen

512-854-4743

karen.thigpen@co.travis.tx.us

Updated 10-18-12 at 4:00pm THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE

APPLICANT INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE APPLICANT

i.e. the entity that will own the residential development for which financing is requested
(referred to hereinafter as the "Project")

1. Name: Wayside Schools
Address: 6405 S. IH 35
City, ST Zip: Austin, Texas 78744
Phone #: 512.299.1348

2. Jurisdiction under whose law Applicant was organized.
Texas

3. Form of organization of the Applicant.

For Profit Corporation	<input type="checkbox"/>
Limited Partnership	<input type="checkbox"/>
General Partnership	<input type="checkbox"/>
Sole Proprietorship	<input type="checkbox"/>
501 (c) (3) Corporation	<input checked="" type="checkbox"/>
Governmental Entity	<input type="checkbox"/>
Limited Liability Corporation	<input type="checkbox"/>

4. Does Applicant currently exist or is it to be formed?

Exists	<input checked="" type="checkbox"/>
To be formed	<input type="checkbox"/>

5. If the Applicant is a corporation, identify its directors, officers, and indicate their titles. If the Applicant is a Partnership, identify all of its general partners. If the Applicant is a limited liability corporation, identify all members. Provide resumes of all persons identified to completed application.

<p>John Wilson, Chair 2204 Warfield Way Austin, Texas 78728 (512) 251-1039 Work (512) 206-5368 wilsonjh01@austin.rr.com</p>	<p>Stephanie Blevins, Treasurer 5207 Meadow Creek Drive Austin, Texas 78745 (512) 445-4137 Cell (512) 619-6869 jojogran@gmail.com</p>
<p>Heather Mudd 2713 Norfolk Austin, Texas 78745 (512) 326-4682 heather@austinaquascapes.com</p>	<p>Mary Nancarrow 7308 Ferndale Circle Austin, Texas 78745 (512) 444-4800 Cell (512) 924-8313 marynancarrow@hotmail.com</p>
<p>Christine Laguna, Ph.D. 8921 Frock Court Austin, Texas 78748 Cell (512) 698-4626 Work (512) 419-2532 calaguna@yahoo.com</p>	<p>Doug Clark, Ph.D. 108 Kulua Court Bastrop Texas 78602 (512) 304-8299 dclark23@gmail.com</p>

6. Registered agent of Applicant for service of process.

Name: Matt Abbott, CEO
Address: 6405 S. IH 35
City, ST Zip: Austin, Texas 78744
Phone #: 512.299.1348

Email: mabbott@waysideschools.org

7. Information for contact regarding questions and correspondence.

Name: Teresa Elliott
Address: 6405 S. IH 35
City, ST Zip: Austin, Texas 78744
Phone #: 512.299.1348
Email: telliott@waysideschools.org

8. Name, address, phone # and email address for legal counsel for the Applicant (note: NOT bond counsel)

Name: None
Address:
City, ST Zip:
Phone #:
Email:

9. Name, address phone # and email for any and all financial consultant(s), investment banker(s), or mortgage banker(s) advising the Applicant in connection with the Project.

FINANCIAL ADVISOR

Coastal Securities, Inc.
920 Memorial City Way, 11th Floor
Houston, TX 77024

Lewis A. Wilks
Phone: 713-435-4336 Fax: 713-435-4448
law@coastalsecurities.com

10. List banking references (minimum of 2) with contacts.

Name: Not Applicable -- Rated Transaction
Address:
City, ST Zip
Phone #:
Email:

Name: Not Applicable
Address:
City, ST Zip
Phone #:
Email:

11. If the Applicant or any proposed or existing member of partner of the Applicant has applied for an exemption as a Community Housing Development Organization (CHDO), please provide a copy of the certification.

Not Applicable

12. If the Applicant is a 501(c)(3) corporation, please provide a copy of its IRS exemption letter and its most recently filed IRS form 990.

Attached

13. If the Applicant is a 501(c)(3) corporation, the Corporation will require the Applicant to furnish at the closing an opinion of nationally recognized tax counsel satisfactory to the Corporation confirming the Applicant's 501(c)(3) exemption status.

14. Does the Applicant anticipate entering into a profits participation or joint venture agreement with a financial institution or other party with regard to the Project? If so, explain and provide any agreements between parties.

No

15. Is the principal owner related to any other organization by more than 50% common ownership? If so, indicate name or related organization and relationship.

No

16. Identify all persons/entities that own a 10% or greater interest in the Applicant.

None

17. If any of the above persons own more than 50% of the principal owner, list all other organizations which are related to the principal owner as they have more than a 50% interest in the organizations.

None

18. Describe previous experience with multifamily housing projects.

None

19. Has the Applicant, any of its officers or directors, or any person who owns a 10% or greater interest in the Applicant ever been found in violation of any rules or regulations of HUD or any other federal or state agency or been subject to an investigation by HUD or any other federal or state agency? If yes, attach a full explanation. **Not Applicable**

Yes
No

<input type="checkbox"/>
<input checked="" type="checkbox"/>

20. Is the Applicant or the Project in violation (or ever have been) with any housing code violations? If yes, please provide an explanation and verification of cure.

No

21. Does the Applicant or the Project have any tax liens with the city, county or other taxing jurisdiction? If yes, please specify.

Wayside Schools is a 501c-3 Tax Exempt entity

22. Please explain to what extent, if any, the Applicant plans to promote the Corporation's goals, particularly (a) providing for efficient and well-planned growth and development including the limitation and prevention of potential urban blight and the proper coordination with surrounding uses including mass transit (if applicable), (b) assisting persons of low and moderate income in obtaining decent, safe and sanitary housing which they can afford.

Wayside Schools is developing and redeveloping former commercial property into new public charter schools to address the educational needs of the at-risk students in Austin Texas. In addition, the renovation of the existing Eden Park Academy and the purchase and renovation of the vacant building to become the REAL Learning Academy will limit and prevent urban blight.

23. Please submit copies of the Applicant's current affirmative action program, if any, and a written undertaking executed by a duly authorized officer of the Applicant that the Applicant will not discriminate on the basis of race, sex or age in the employment, promotion and termination of employment of employees who work in Travis County, Texas; that the Applicant will abide by the Affirmative Action Plan as included in the Application for Financing; and the Applicant will otherwise comply with equal opportunity standards in its employment practices with respect to such employees.

Attached



24. Please provide an organizational chart demonstrating the structure and relationship between the Applicant and other participating entities.

Attached from Website

PRIOR EXPERIENCE

Summarize prior development, ownership and management experience of the Applicant or its principals, including for each development the date of the project, size and location of project, method of financing, amounts outstanding, and a representation that financings with outstanding balances have been paid as agreed and are not considered in default. Please use the following table and add lines as needed.

Long before Wayside Schools, there was Eden Park Academy Public Charter School District. In fall 2011, the Board of Trustees was granted permission by the Texas Education Agency to expand the current campus to multiple sites serving up to 1,500 children from ages 3-18. Author and local Austinite, Louis Sachar and Harper Collins Publishing gave the school permission to use the name "Wayside Schools" as its new district name, reflecting the school's South Austin, eclectic culture. Today the legacy of Eden Park Academy lives on as the name of Wayside Schools' flagship campus located in the heart of South Austin.

Wayside Schools, is 501c3 non-profit public charter school. As a charter school, we are a tuition-free public school accredited by the Texas Education Agency and approved by the Texas State Board of Education. All Wayside Schools are led by Highly Qualified (HQ) teachers, follow all required state academic and financial accountability standards, and receive both state and federal funds to support tuition-free, open enrollment public schools.

Conceived in the hearts of education reformers, Wayside Schools Charter District became a reality when it opened its doors in August of 1998. Originally founded as Eden Park Academy Charter School District, from inception the school thrived thanks in large part to its pioneering staff and committed community. Initially located in a modest setting at a strip mall at the intersection of South 1st Street and Stassney Lane in South Austin, Eden Park Academy grew to become one of the best public schools in Texas being rated "Exemplary" by the Texas Education Agency in 2009, 2010, 2011 and 2012.

Not Applic

PROJECT INFORMATION

PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE PROJECT.

Note that questions in **green** relate to rehabilitation projects only.

1. Provide the following information on the project:

New Construction; or
Rehab

Address: **Eden Park Academy** REAL Learning Academy
6215 Manchaca Road 220 Foremost Dr
City, Zip **Austin, Texas 789745** Austin, Texas 78744

Description of location of the site, and provide a map with the location marked.

Attached in the enclosed Preliminary Official Statement.

2. Number of acres comprised by the Project site.

[Redacted]

3. Is the Project site currently zoned for multifamily housing?

Yes
No N/A

Zoning: **Commercial**

4. Have all necessary approvals (including zoning, building and special use permits) been obtained from State, federal or local regulatory bodies? If no, please provide information on the status of permits/approvals.

Yes

5. Describe any existing improvements or structures on the site. Please indicate whether structures will be demolished.

The original Eden Park Academy will be renovated but will not be demolished.
The Renovation of a former Target building will not involve any demolition of the facility.

6. Provide a legal description and the prior year's ad valorem tax statement.

The School is Exempt from Ad Valorem Taxation

7. Describe anticipated traffic impact in terms of vehicles per day, peak traffic hours and anticipated total volume.

The impact at Real Learning Academy will be minimal when compared to the original use of the building as a Target.

8. Does the Applicant currently own the Project site?

Yes Eden Park Academy
No REAL Learning Academy (Former Target)

9. If the Applicant presently owns the Project site, please provide evidence of ownership and complete the following information.

Purchase Date **06/20/05**
Purchase Price **\$ 3,000,000.00**

Balance of Existing Mortgage: **\$ 2,330,448.00**
Holder of Existing Mortgage: **Horizon Bank**

10. If the Applicant presently holds an option to purchase the Project or Project site, please provide a copy of the executed Option Agreement. If option has been assigned, provide a detailed written description of the assignment including copies of all contracts and agreements relating to the assignment. Also, please provide the following:

N/A

11. Present Owner [Redacted]
Purchase Price [Redacted]
Date of Option Agreement [Redacted]
Expiration Date of Option Agreement [Redacted]

12. If the Applicant has an executed contract to purchase the Project or Project site, please provide a copy of the executed purchase contract between the Applicant and the Present Owner. If date acquired by the Present Owner is within 1 year of the date of this application, also provide a copy of the purchase contract between the seller and the Present Owner. Also, please provide the following:

Present Owner Target
Date of Contract 06/15/12
Purchase Price \$ 10,250,000.00
Settlement Date Bond Closing
Date Present Owner Acquired Project or Project Site 06/07/85

13. If the Applicant does not presently own the Project or Project site, please describe any relationship that exists by virtue of of common control or ownership between the Applicant and the Present Owner of the Project or Project site. Please provide copies of any documents demonstrating such a relationship exists.

None

14. Please indicate whether the cost of the Project site is to be included in the financing.

Yes
No

15. What is the present number and general description of residential units on the Project site?

None -- Not Applicable

16. Does the Project consist of additions to and/or renovation and rehabilitation of existing units?

Yes Not Applicable
No

17. If a rehab, what is the age of the units?

Not Applicable

18. If a rehab, generally describe the proposed additions/improvements to be made. Include descriptions of the type of improvements, and amount to be spent per unit and for common areas. Please provide a list of total project improvements by cost and category.

The renovations to the Target Facility include the build out of approximately 50,000 sq. ft. of classrooms and educational space.

The Renovations of Eden Park Academy will upgrade the existing facility and add several classrooms in order to operate the school at capacity.

19. If a rehab/existing property, please provide financial statements (YE balance sheets and profit and loss statements preferred) for the last three years. **Audits Attached**

20. Will any tenants require relocation due to the expected renovation and rehabilitation?

Yes

No

Not Applicable

If yes, please provide a detailed relocation plan and budget.

21. Describe the overall style of the Project (e.g. garden apartments, midrise, high-rise, etc.), exterior construction materials, energy conservation considerations and landscaping design. Provide a site sketch showing proposed location of the units on the site and an architect's rendering if available.

Drawings Attached in Ratings Presentation

22. Describe any additional facilities included or to be included in the Project, such as parking, WiFi, laundry, office, recreational facilities, computer lab/business center, etc. If any of the facilities are anticipated to generate income, indicate projected amount.

Both facilities have existing parking.

23. Please see tab II.a. to provide information on current and proposed rents and vacancy for the Project.

Not Applicable

24. Please see tab II.b. to provide information on amenities planned for the Project as well as utility structure.

Not Applicable

25. Describe any restrictions the Applicant intends to impose on project tenants (i.e. family size, no children, no pets, etc.)

Not Applicable

Not Applicable

26. Does the Applicant intend to set aside 5% of the units for occupancy by the elderly?

Yes

No

Not Applicable

27. Does the Applicant intend to pay the required fee to the Texas Department of Aging and Disability Services at closing in lieu of offering 5% of units to the elderly?

Yes

No

Not Applicable

28. Please see tab II.c. to provide estimated costs of developing, constructing and equipping, or acquiring and rehabilitating the Project. Provide additional information as necessary.

29. Has construction or rehabilitation work on the Project begun?

Yes

No

30. Please indicate construction start and completion date, and date units will be available for occupancy.

Start

07/01/12

Completion

12/31/12

Initial Occupancy

01/01/13

31. Please provide the contact information for the contractor for the Project. Provide any information concerning projects previously completed by this contractor, including location, date of completion, # of units and approximate construction costs for each project.

Name:
Address:
City, ST Zip:
Phone #:
Email:

[Redacted contractor contact information]

32. Please provide the following information on the architect for the Project.

Name:
Address:
City, ST Zip:
Phone #:
Email:

[Redacted architect contact information]

33. If work has begun, indicate the type and amount of costs expended or incurred to date with respect to the Project.

Approximately \$1,000,000 has been expended at the time of this application and, by closing, the school anticipates expending an additional \$1,000,000.

34. Describe briefly the anticipated arrangements for management of the Project. If a professional management company will be employed, provide a resume for the company and an estimate of the management fee either monthly or annually.

None

35. If a professional management company will be employed, please provide the name, address, phone # and email for the company. Not Applicable

Name:
Address:
City, ST Zip:
Phone #:
Email:

Not Applicable

36. Make a statement regarding the demand and market need for the Project and provide proof, if any (i.e. market survey, feasibility analysis, etc.)

Ratings Presentation attached with projections, etc.

37. State the best estimates as to the minimum family income levels of the expected tenants required in order to pay anticipated monthly rental amounts.

Not Applicable



**THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE**

DEVELOPMENT COSTS

ITEM	Real Learning Academy COST	Eden Park
Land & Existing Improvements	\$ 10,250,000.00	\$ 2,330,448.00
Demolition	\$ -	\$ -
Site Work	\$ -	\$ -
Relocation	\$ -	\$ -
New Construction Hard Costs	\$ -	\$ -
Rehabilitation Hard Costs	\$ 3,875,000.00	\$ 2,225,000.00
Contractor Overhead	\$ -	\$ -
Contractor Profit	\$ -	\$ -
Construction Contingency	\$ -	\$ -
Architect Fee - Design	\$ -	\$ -
Architect Fee - Supervision	\$ -	\$ -
Permits	\$ -	\$ -
Construction Insurance	\$ -	\$ -
Construction Interest	\$ -	\$ -
Loan Origination - Construction	\$ -	\$ -
Loan Origination - Permanent	\$ -	\$ -
Credit Enhancement Fees	\$ -	\$ -
Taxes	\$ -	\$ -
Title and Recording	\$ 30,000.00	\$ 30,000.00
Property Appraisal	\$ 3,500.00	\$ -
Market Study	\$ -	\$ -
Environmental Study	\$ 1,500.00	\$ 1,500.00
Start Up - Marketing	\$ -	\$ -
Surveys & Soil Testing	\$ 1,500.00	\$ 1,500.00
Organizational	\$ -	\$ -
Bridge Loan Fees	\$ -	\$ -
Tax Opinion	\$ -	\$ -
Developer's Overhead	\$ -	\$ -
Developer's Fee	\$ -	\$ -
Rent-up Reserve	\$ -	\$ -
Reserve Fund	\$ 1,290,000.00	\$ -
Cost of Issuance (Total)	\$ 868,000.00	
Other		
Other		
Other		
Other		
Other		
TOTAL DEVELOPMENT COSTS	\$ 20,907,948.00	\$ 4,588,448.00

**THE TRAVIS COUNTY HOUSING FINANCE CORPORATION
RESIDENTIAL DEVELOPMENT FINANCING QUESTIONNAIRE**

FINANCING INFORMATION
PLEASE PROVIDE THE FOLLOWING INFORMATION ON THE FINANCING FOR THE PROJECT

1. Please provide an appraisal of the Project no less than 30 days prior to closing. If the site is vacant, please provide a land appraisal dated no more than 120 days prior to this Application. Please note, multifamily land sales should be utilized to determine value for multifamily land. If the Project is an existing multifamily property, please provide an appraisal dated no more than 120 days prior to this Application. The appraisal should have an "as is" value and a land value. If the property is currently market rate and the regulatory agreement will restrict rents/cash flow, please also provide "as proposed" stabilized and unstabilized values, and a value of the favorable financing.

Total Development Costs (will populate from tab II.c.)

\$20,907,948

2. Of total development costs, please indicate the percentage of the Project costs for the Applicant desires financing and the amount of equity investment in the Project which the Applicant proposes to make.

Percentage
Equity Investment

Accumulated value at Eden Park Campus

100.00%
Unknown

3. Briefly describe the nature of the equity investment.

N/A

4. State the maximum principal amount of bonds that the Applicant desires that the Corporation issue to provide financing or refinancing for the Project.

\$22,500,000

5. If a refinancing of bonds previously issued by the Corporation, please describe the current financial situation of the Project, the refinancing plans, and the future cash flow expectations in detail. Also describe whether the Project will be sold by the current owner before or after the bonds are issued.

N/A

6. Indicate any other rent supplement, loan guarantee, grant or mortgage insurance for which the Applicant has made, or intends to make, application for with respect to the Project.

None

7. Has the Applicant made application to HUD for housing assistance payments under Section 8 of the U.S. Housing Act of 1937? If so, on what percentage of the Project's units?

Yes, on 100% of the units
Yes, on 20% of the units
No

Not Applicable

8. Please describe all sources of financing.

\$13,365,000 Education Revenue Bonds (Wayside Schools) Series 2012A
\$715,000 Taxable Education Revenue Bonds (Wayside Schools) Series 2012B
\$7,060,000 Taxable Education Revenue Bonds (Wayside Schools) Series 2012Z
(Qualified Zone Academy Bonds - Direct Pay)

10. Please provide a detailed statement of sources and uses for funds through completion of the acquisition/rehab and/or construction of the Project. If construction is in progress, please additionally provide a sources and uses for what has been spent to date. **See Attached Preliminary Pricing Numbers**

11. Please describe the status of obtaining the sources of funds listed in the statements and describe plans for obtaining financing if it is not obtained from the original source of funds:

The Bonds are the sole source of funds

12. Will any of the funds be used to repay or refinance an existing mortgage or outstanding loan?

Yes
No

X

13. What percentage of the requested financing is working capital?

0%

14. Describe any other important aspects of the proposed financing, including the nature of the security and required reserve funds. Include a detailed description of any existing or proposed ground leases relating to the Project site, existing deed restrictions, subordinate debt, taxable financing, sale-leaseback arrangements and rights to repurchase the Project or Project site

1st Lien security interest in the gross revenues of the School and the mortgage on properties.

15. Name and contact information of the financial institution (bank, investment banking firm, etc.), if determined, which may be interested in purchasing the bonds if and when such bonds may be approved for sale. It is the responsibility of the Applicant to arrange for the marketing of the bonds if the financing is approved, with the Corporation's concurrence.

Institution: Coastal Securities, Inc.
Contact Name: Lewis Wilks
Address: 920 Memorial City Way, 11th Floor
City, ST, ZIP: Houston, TX 77024
Phone #: 713-435-4336
Email: L.Wilks@CoastalSecurities.com

16. If the Applicant has a credit rating, please state the rating and agency:
Agency: **S&P**

Rating: **Not released as of yet**

17. If the Applicant is a limited partnership, indicate whether it is anticipated that there will be a syndicated offering of partnership shares.

NO

18. Explain how the Project will be financed if all or a portion of the amount of the financing applied for herein is denied:

The School will pursue conventional commercial financing.

19. Has any member of the identified development team filed/declared bankruptcy or reorganization under bankruptcy regulations? If yes, please explain.

No

20. Will the bonds be sold to the public or sold in a private placement to institutional investors? Additional documentation, including an offering memorandum or other disclosure document, may be required in the future, depending on the nature of the proposed offering.

Public Sale. See Preliminary Official Statement attached as exhibit "A".

21. If the applicant is not a 501 (c) (3), please provide a balance sheet, profit and loss statement, and statement of financial position OR an annual report to stockholders and an annual report and Form 10-K to the Securities and Exchange Commission for the Applicant.

The Applicant is a 501 c(3) Organization

22. Please provide financial statement of the Applicant for the most recent fiscal quarter which ended at least 45 days prior to this Application.

See attached draft Audit for FYE 2012.

23. Please detail all changes or events known to management subsequent to the date of the most recent audited balance sheet (including, but not limited to, pending or threatened litigation, claims, assessments, commitments, subsequent information regarding uncollectability of receivables, valuation of assets, changes in corporate structure or statements or prior period financial statements) which may have a material effect on the Applicant's financial position (provide data separately if necessary to provide more detailed information):

There are no changes

24. List the face amount of all tax-exempt financing previously arranged by or for the benefit of the principal owner in the County.

Date of Issue	Original Face Amount
N/A	

Current Outstanding Amount

25. Please provide a 15 year pro forma cash flow statement for the Project. Include line items for administrative, operating and maintenance costs, taxes, insurance, payroll and management at a minimum.

Pro-Forma Attached in Ratings Presentation

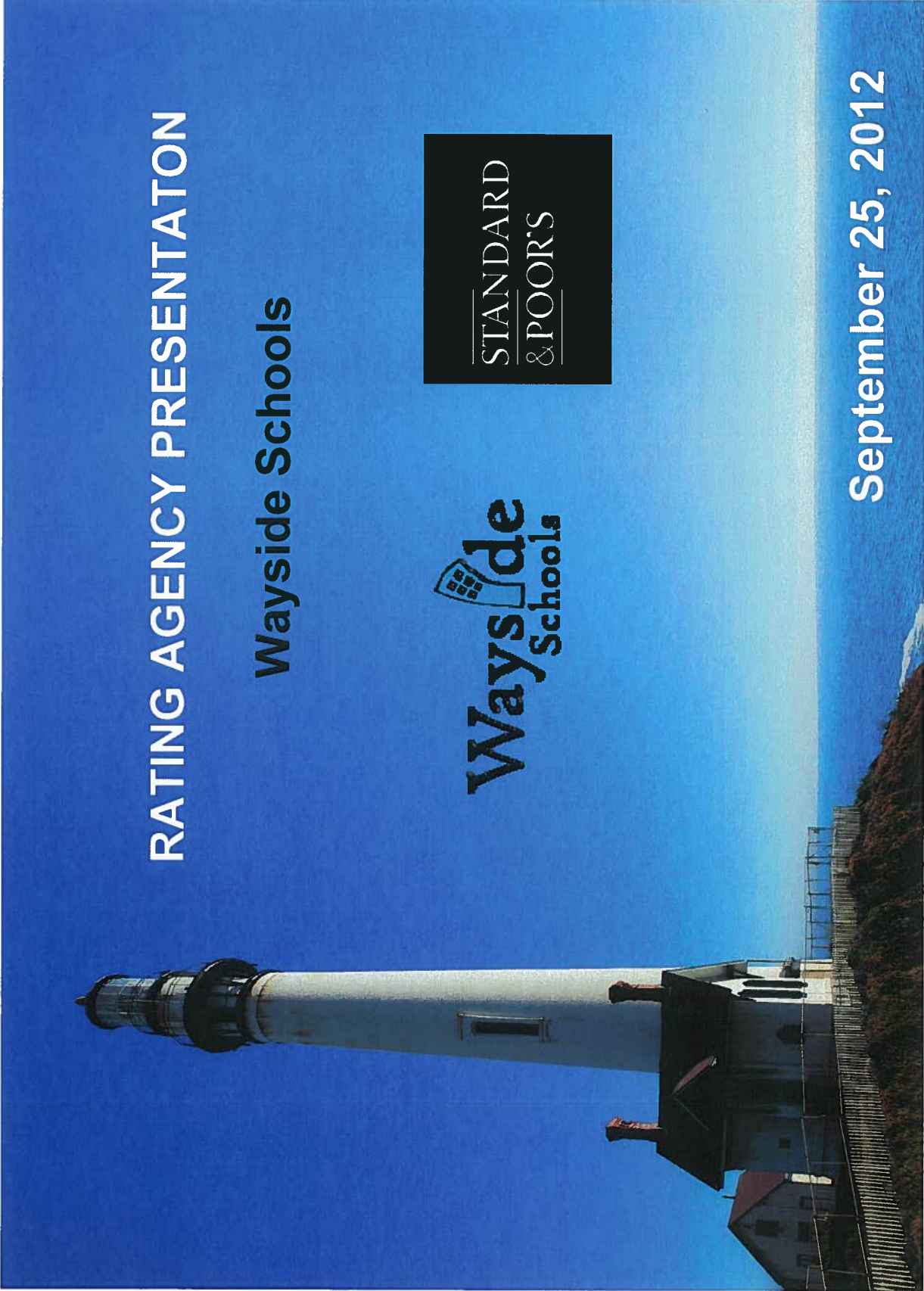
RATING AGENCY PRESENTATION

Wayside Schools

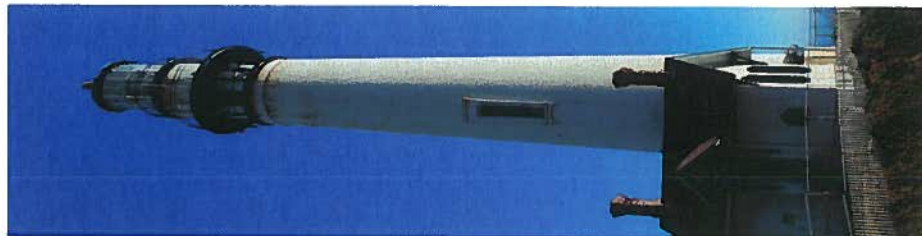


September 25, 2012

COASTAL SECURITIES, INC.



Our History

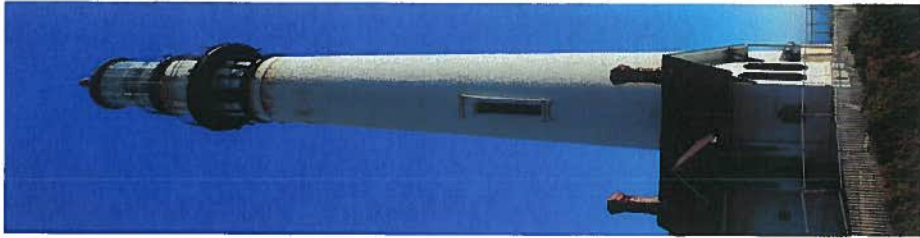


Wayside Schools Charter District became a reality when it opened its door August of 1998. Originally founded as Eden Park Academy, from inception the school thrived in large part to its pioneering staff and committed community.

In fall 2011, the Board of Trustees was granted permission by the Texas Education Agency to expand the current campus to multiple sites serving up to 1,500 children from ages 3-18. Author and local Austinite, Louis Sachar and Harper Collins Publishing gave the school permission to use the name “Wayside Schools” as its new district name.

Today Wayside Schools operates two tuition-free public charter schools serving grades pre-kindergarten – 9th grade. Wayside Schools will continue to grow and add a grade level a year until we serve pre-kindergarten – 12th grade in the fall on 2015.

The District was rated “Exemplary” by the Texas Education Agency in 2009, 2010, 2011, 2012 for its educational program. The new Financial Integrity Rating System of Texas (FIRST) awarded Wayside Schools with a “Superior” rating for 2011, with a perfect score in financial management.



Mission

Wayside School's mission is to develop students who are competent, confident, productive and responsible young adults who possess the habit, skills and attitude to succeed.

Education Philosophy

Wayside Schools provides a rigorous, community-enriched education guided by a commitment to excellence through personalized instruction. Students, families and educators work within a engaged learning community to build the habits and skills necessary to prepare all learners for success in higher education and global citizenship.

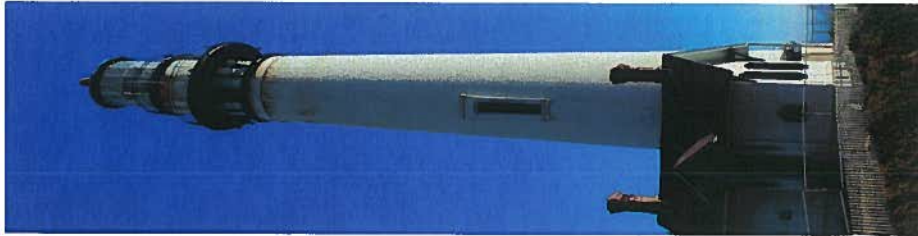
Wayside Schools education model is based on:

- Purposeful Academic Rigor
- Personalized Instruction
- Character Building
- Educator Empowerment and Support

To this end, Wayside Schools has created a unique learning system that provides an opportunity to innovate and explore, to be at the cutting edge of educational reform, and to lead our schools and or community into the 21st century.



Current Campuses



Wayside currently operates three schools at the following locations (the Campuses):

Eden Park Academy (Pre-K – 8)
6215 Manchaca Road
Austin, Texas 78745

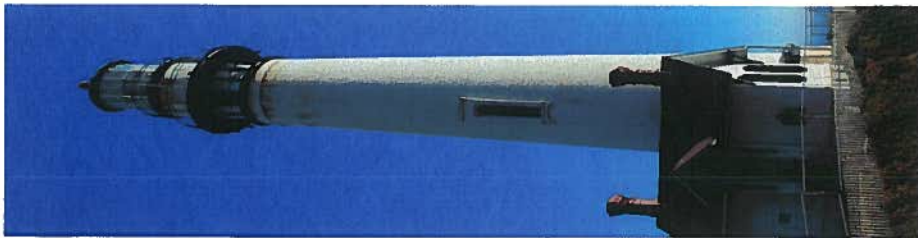
Sci Tech Preparatory (9th)
6215 Manchaca Road
Austin, Texas 78745

Real Learning Academy (Pre-K – 3)
220 Foremost Drive
Austin, Texas 78744

COASTAL SECURITIES, INC.



Wayside Schools



Administrators

Matt Abbott – Chief Executive Officer

Lisa Robinson – Chief Academic Officer

Teresa Elliott – Chief Operations Officer

COASTAL SECURITIES, INC.



Wayside Schools

Board Members



John Wilson, - Chair
Manager, EBT System Integration and Operations, Texas Health and Human Services Commission

Heather Mudd - Secretary
Chief Executive Officer at Austin Aquascapes, LLC - Professor of Botany at Austin Community College

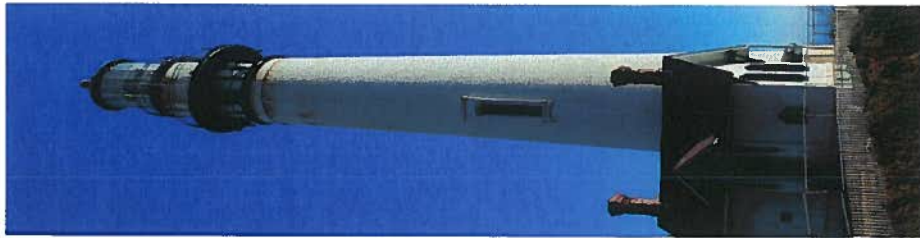
Christine Laguna, Ph.D. - Member
Service Director, Child and Adolescent Psychiatric Services, Austin State Hospital, Austin Texas

Stephanie Blevins - Member

Mary Nancarrow - Member
Professor of Education, Saint Edward's University, Austin, Texas

Doug Clark, Ph.D. - Member
Hope Street Fellow, School Administrator (retired), Community Activist

COASTAL SECURITIES, INC.



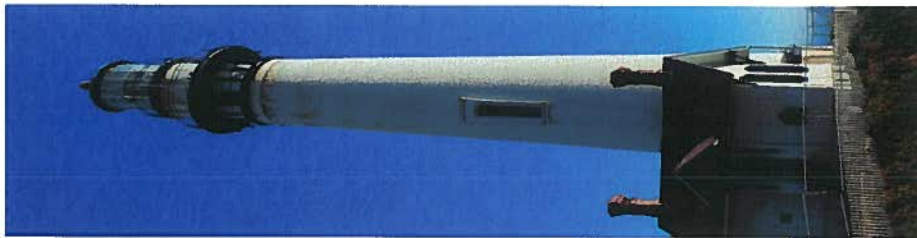
PROJECT AND FINANCING PLAN



COASTAL SECURITIES, INC.



Financing Team Members



Wayside Schools

Financial Advisor

Coastal Securities,
Inc

Underwriter

B.C. Ziegler
& Company

Bond Counsel

Andrews Kurth
LLP

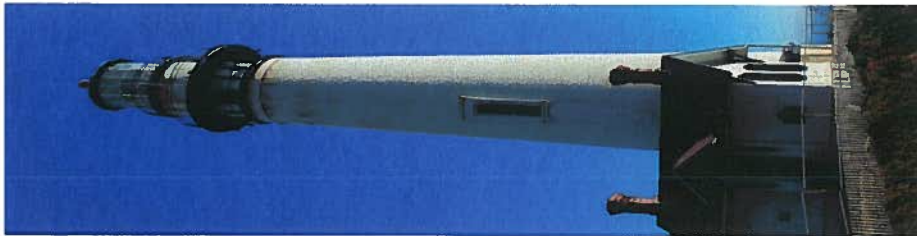
Underwriter's Counsel

Haynes &
Boone, L.L.P.

COASTAL SECURITIES, INC.



Project Overview



The Borrower operates two open-enrollment charter schools under Chapter 12, Texas Education Code, as amended. The Issuer is a nonprofit higher education finance corporation organized and operating under Chapters 53 and 53A, Texas Education Code. The Issuer will issue the Bonds and loan the proceeds thereof to the Borrower for the purposes of i) refinancing an existing loan, the proceeds of which were used to purchase an existing building Eden Park Academy; ii) purchasing a new building to be used as the middle school located at 6405 South IH-35, Austin, Texas; iii) renovating the new middle school building and the existing campus; (iv) purchasing equipment and furniture for both campuses; (v) refinancing certain outstanding debt of the Borrower; (vi) funding a debt service reserve fund; and, (vii) paying the costs of issuing the Bonds.

<u>Projects</u>	<u>Estimated Costs</u>
Property Acquisition - Site Costs	\$10,250,000
Refinance Eden Park Academy	2,330,448
Renovate New Campus (Phase I&II)	3,100,000
Renovate Current Campus (EPA)	2,000,000
Equipment	1,000,000
	<u>\$18,680,448</u>

COASTAL SECURITIES, INC.



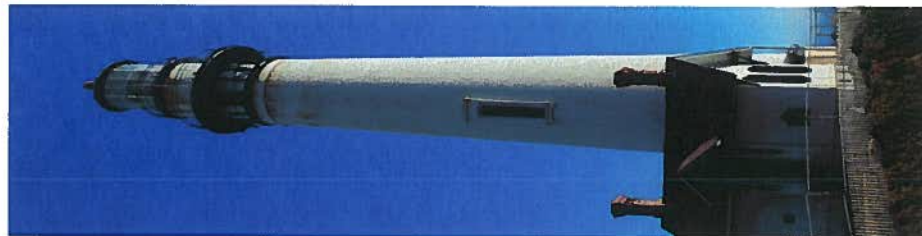
Project Overview

New Elementary Campus (6405 South IH-35, Austin)

- Purchase of 115,600 square foot retail property (former Target building) and site consisting of 9 acres of property. Includes one commercial retail pads on property frontage.
- The purchase price was \$10,250,000 and the site and improvements were appraised at \$ _____ as of _____. Renovation costs of this facility are estimated at \$3,100,000.
- This facility will become the new Elementary School Campus with capacity for 720 students.
- An additional 86 students from Sci-Tech Preparatory students will be housed at the 6405 South IH-35 campus starting in 2013-2014. Sci-Tech will grow to 270 students.
- The total project fund for the new REAL/Sci-Tech Preparatory School Campus is \$13,350,000.

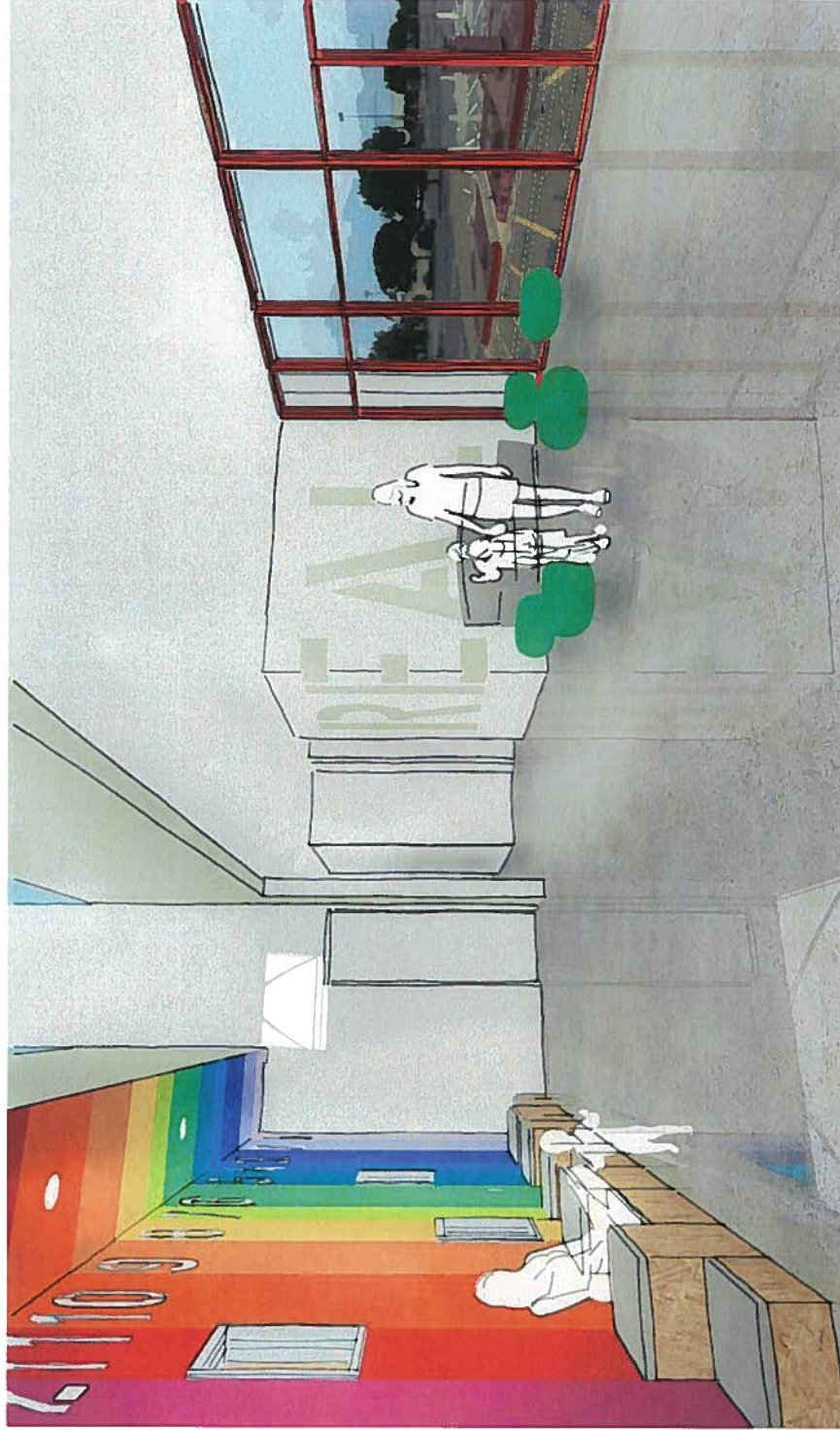
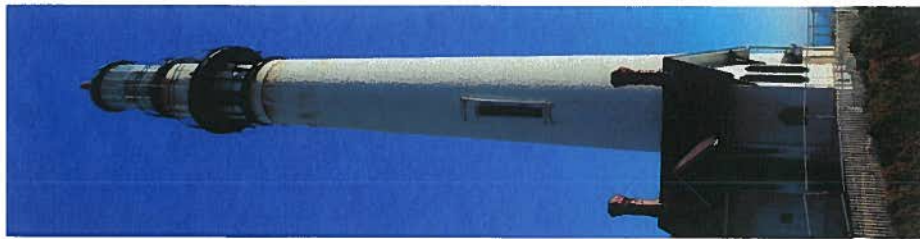
Other Projects

Refinance existing loan (Eden Park Academy, 6215 Manchaca)	\$2,330,448
Renovation of Eden Park Academy (6215 Manchaca)	2,000,000
Equipment purchases (Science lab, playground equipment, kitchen equipment, technology, etc.)	<u>1,000,000</u>
	\$5,330,448





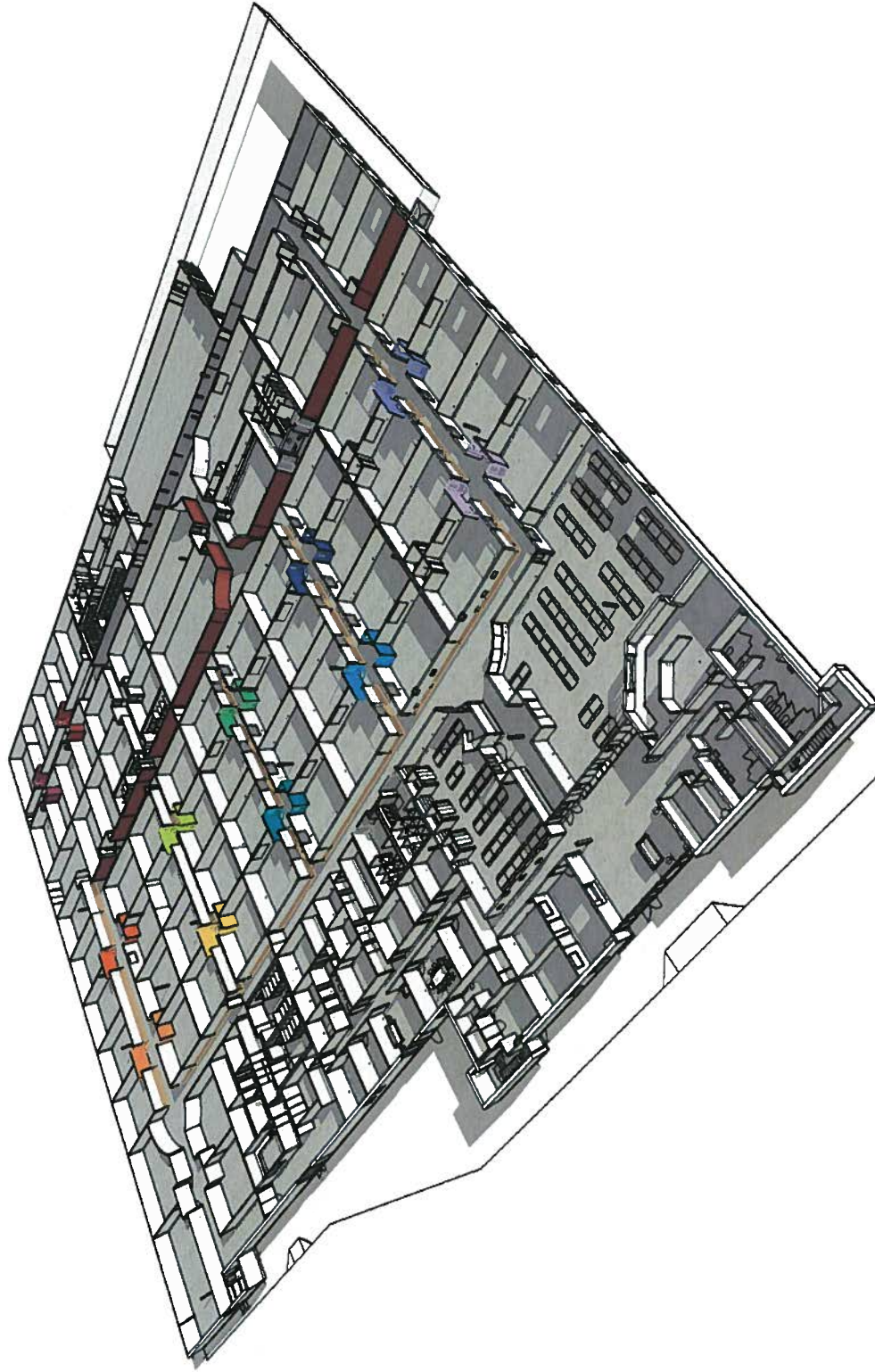
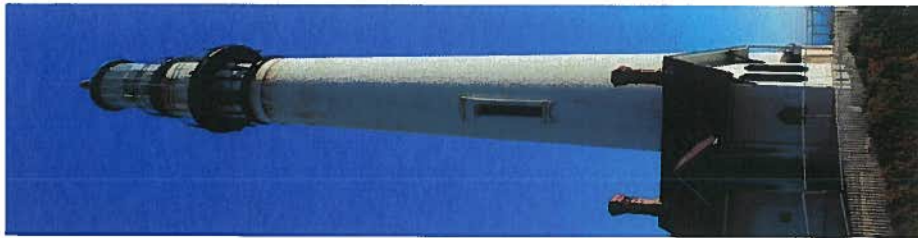
Project Overview (Elevation View)



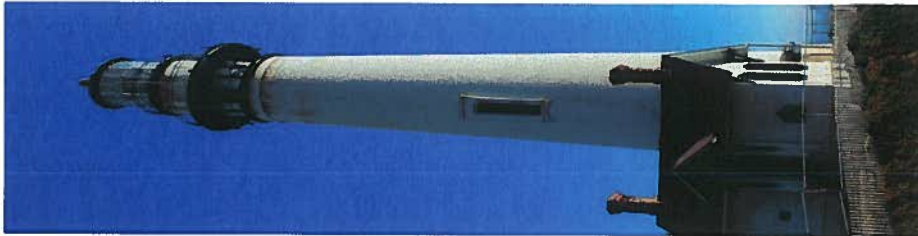
COASTAL SECURITIES, INC.



Project Overview (Floor Plan 1)



COASTAL SECURITIES, INC.



WAYSIDE SCHOOLS FINANCIAL HISTORY

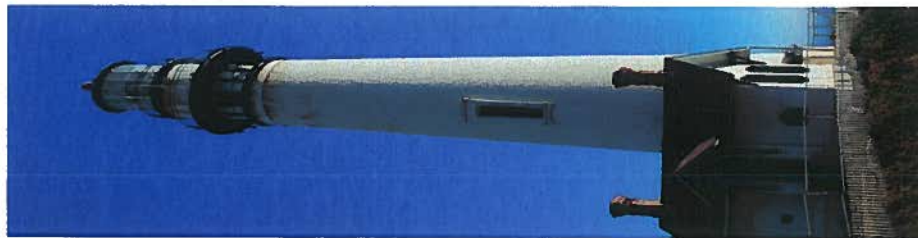


COASTAL SECURITIES, INC.

Financial History



Balance Sheet



Assets:

	FYE 2012 Total	FYE 2011 Total	FYE 2010 Total	FYE 2009 Total	FYE 2008 Total	FYE 2007 Total
Cash and cash equivalents	\$ 689,048	\$ 645,445	\$ 602,122	\$ 342,527	\$ 545,319	\$ 490,177
Receivables	374,436	325,209	302,527	248,782	204,958	94,046
Due from Fiscal Agent	-	-	-	23,794	20,258	11,226
Due from NYOS	-	-	-	-	190	-
Other Receivables	199,820	20	-	56	-	-
Prepaid Expenses	-	-	-	2,130	12,360	488
Deferred Charges	91,780	19,299	-	-	-	-
Property and Equipment	3,022,566	3,059,057	3,134,950	-	-	-
Accumulated Depreciation	-	-	-	3,190,972	-	-
TOTAL ASSETS	\$ 4,377,650	\$ 4,049,030	\$ 4,039,600	\$ 3,808,260	\$ 783,085	\$ 595,937

Liabilities:

Accounts Payable	\$ 6,056	\$ 424	\$ 2,192	\$ 489	\$ 15,274	\$ 360
Payroll Liabilities	-	-	-	-	26,100	936
Accrued Salaries Payable	-	-	-	-	75,873	4,929
Due to Tenant	1,600	12,000	12,000	12,000	-	-
Due to State	3,871	-	-	-	-	-
Current Portion of long-term liabilities	134,301	50,566	245,892	-	-	-
Deferred Revenue	103,002	-	-	-	-	1,485
Long-Term Debt	2,406,804	2,541,895	2,517,753	-	-	-
Notes Payable	-	-	-	2,807,434	-	-
TOTAL LIABILITIES	\$ 2,655,634	\$ 2,604,885	\$ 2,777,837	\$ 2,819,923	\$ 117,247	\$ 7,710

Net Assets

Unrestricted	\$ 1,722,016	\$ 1,445,145	\$ 1,261,737	\$ 975,365	\$ 665,838	\$ 559,395
Temporarily restricted	-	-	26	12,972	-	28,833
Permanently restricted	-	-	-	-	-	-
TOTAL NET ASSETS	\$ 1,722,016	\$ 1,445,145	\$ 1,261,763	\$ 988,337	\$ 665,838	\$ 588,227

TOTAL LIABILITIES AND NET

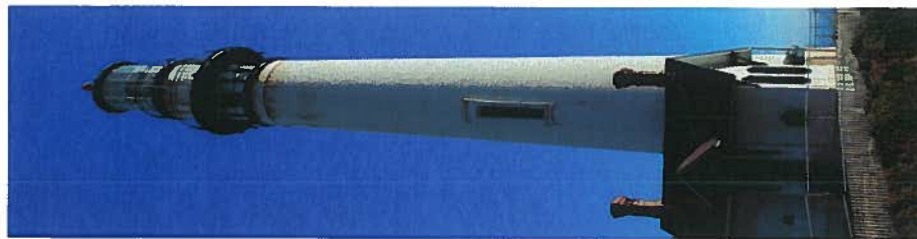
	\$ 4,377,650	\$ 4,050,030	\$ 4,039,600	\$ 3,808,260	\$ 783,085	\$ 595,937
--	--------------	--------------	--------------	--------------	------------	------------

COASTAL SECURITIES, INC.



Financial History

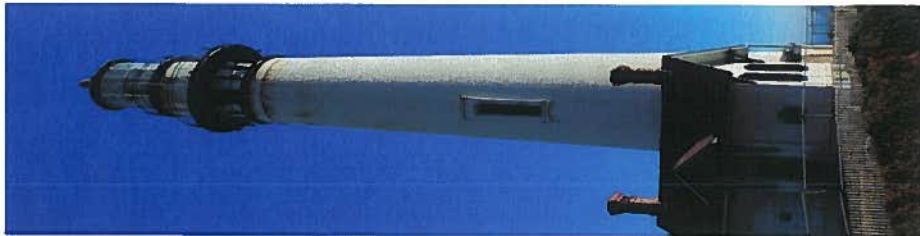
Statement of Activities



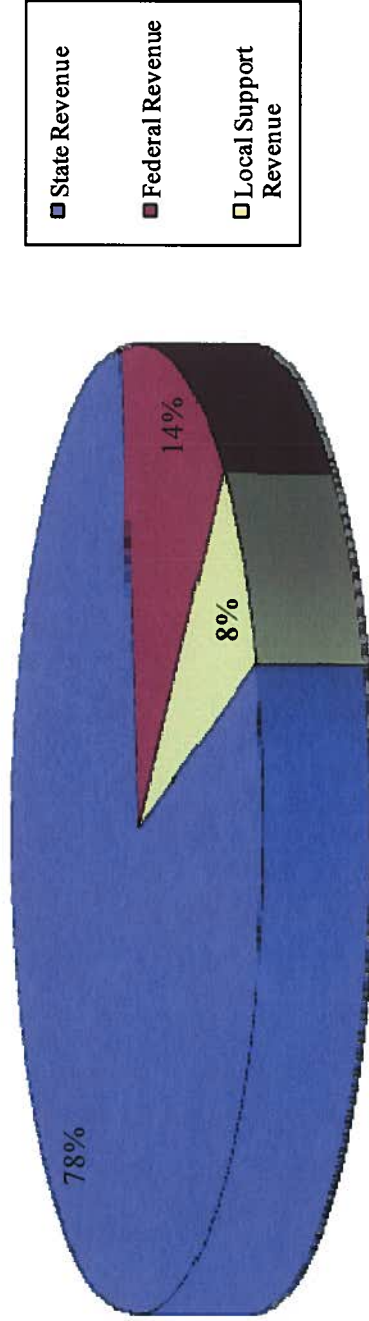
	FYE 2012 Total	FYE 2011 Total	FYE 2010 Total	FYE 2009 Total	FYE 2008 Total	FYE 2007 Total
REVENUES AND OTHER SUPPORT						
Other Revenue from Local Sources	\$ 188,458	\$ 183,844	\$ 239,401	\$ 289,944	\$ 95,860	\$ 100,873
Revenue from Circular	41,671	34,051	25,362	22,915	22,130	25,087
Foundation School Program Act Revenue	1,900,936	1,843,210	1,557,096	1,345,110	1,099,248	1,099,776
State Program Revenues Distributed by TEA	14,311	7,587	6,885	10,276	11,958	13,305
Federal Revenues Distributed by TEA	346,580	183,823	293,536	129,903	104,004	96,111
Interest and Other Income	-	720	4,225	6,450	-	-
Total Revenue	\$ 2,491,956	\$ 2,253,235	\$ 2,126,505	\$ 1,804,598	\$ 1,333,200	\$ 1,335,152
EXPENSES						
Instruction	\$ 1,253,727	\$ 1,181,547	\$ 985,178	\$ 782,299	\$ 696,940	\$ 562,185
Instructional Resources and Media Services	10,135	512	4,556	-	-	-
Instructional School Leadership	58,715	45,942	25,769	37,771	30,171	51,330
Curriculum Development and Instructional Staff	14,067	13,088	18,637	-	-	-
School Leadership	48,339	1,080	49,898	-	-	-
Guidance, Counseling and Evaluation	13,688	13,542	14,607	-	-	-
Health Services	-	-	-	-	-	-
Food Services	80,353	62,169	54,367	-	-	-
General Administration	272,919	179,391	185,986	-	-	-
Plant Maintenance and Operations	236,801	335,071	237,328	-	-	-
Security and Monitoring	4,265	13,200	11,944	-	-	-
Data Processing	11,430	12,760	12,760	-	-	-
Community Services	17,770	21,147	14,882	-	-	-
Support Services Students	-	-	-	86,979	69,875	38,301
Administrative Support Services	-	-	-	151,077	133,654	145,993
Support Services Non Student	-	-	-	237,520	289,190	234,453
Ancillary Services	-	-	-	11,707	6,459	8,782
Debt Service	142,139	150,541	202,103	136,445	-	-
Fund Raising	49,737	40,863	35,064	38,300	29,301	36,959
Total Expenses	\$ 2,214,085	\$ 2,070,853	\$ 1,853,079	\$ 1,482,098	\$ 1,255,590	\$ 1,078,006
CHANGE IN NET ASSETS	\$ 277,871	\$ 182,382	\$ 273,426	\$ 322,500	\$ 77,610	\$ 257,147
NET ASSETS -- BEGINNING OF YEAR	1,444,146	1,261,764	988,338	665,838	588,228	331,081
NET ASSETS -- END OF YEAR	\$ 1,722,017	\$ 1,444,146	\$ 1,261,764	\$ 988,338	\$ 665,838	\$ 588,228

COASTAL SECURITIES, INC.

Financial History

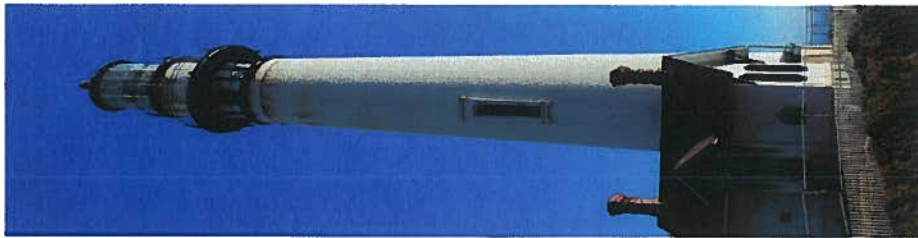


Source of Revenues - Audit FYE 2012



COASTAL SECURITIES, INC.

Financial History



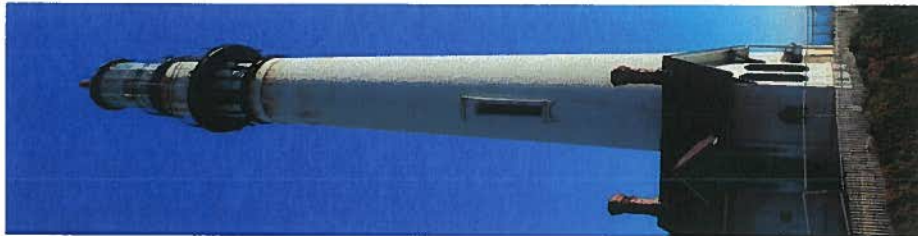
Expenditures By Category - Audit FYE 2012



COASTAL SECURITIES, INC.



Financial History



Outstanding Indebtedness

<u>Lender</u>	<u>Principal Outstanding</u>	<u>Rate</u>	<u>Term</u>
Horizon Bank ^(a)	\$2,330,448	6.15%	July 22, 2035
Total	<u>\$2,330,448</u>		

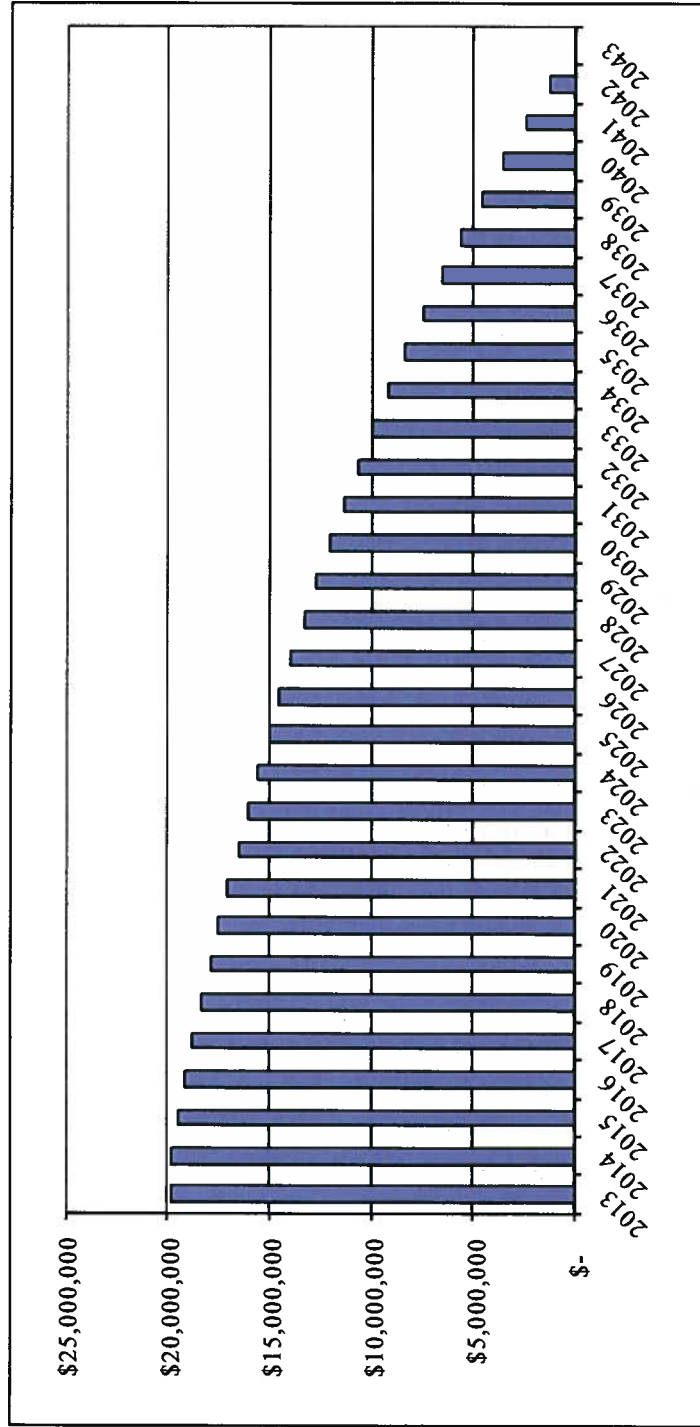
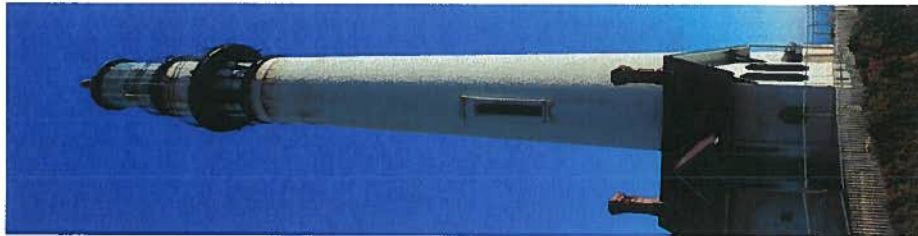
^(a) To be refunded with proceeds from the sale of 2012 Bonds.

COASTAL SECURITIES, INC.



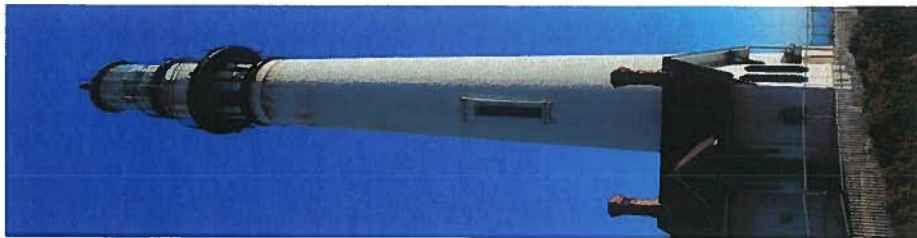
Financial History

Debt Service retirement schedule for the Series 2012A, Series 2012B and Series 2012Z is shown below.



COASTAL SECURITIES, INC.

Financial History



Existing and Proposed Indebtedness

Annual principal retirement schedule for the Series 2012A Bonds, Series 2012B Bonds, Series 2012Z Bonds and the Series 2012Z Bonds is shown below.

FY Ending 30-Jun	Series 2012A Bonds*			Series 2012B Bonds*			Series 2012Z Bonds*			Total	
	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Estimated Subsidy	Total Debt Service
2013	\$ -	\$ 179,438	\$ 179,438	\$ -	\$ 12,163	\$ 12,163	\$ -	\$ 117,200	\$ (69,998)	\$ 47,203	\$ 238,803
2014	-	717,750	717,750	-	48,650	48,650	-	468,800	(279,990)	188,810	955,210
2015	-	717,750	717,750	335,000	36,925	371,925	-	468,800	(279,990)	188,810	1,278,485
2016	-	717,750	717,750	360,000	12,600	372,600	-	468,800	(279,990)	188,810	1,279,160
2017	385,000	707,163	1,092,163	-	-	-	-	468,800	(272,646)	504,954	1,280,917
2018	95,000	693,963	788,963	-	-	-	-	457,600	(257,958)	497,242	1,295,567
2019	110,000	688,325	798,325	-	-	-	-	435,200	-	-	-
2020	120,000	682,000	802,000	-	-	-	-	412,800	-	-	-
2021	135,000	674,988	809,988	-	-	-	-	390,400	(228,582)	481,818	1,291,806
2022	150,000	667,150	817,150	-	-	-	-	368,000	(213,894)	474,106	1,291,256
2023	165,000	658,488	823,488	-	-	-	-	320,000	(184,518)	457,082	1,286,082
2024	180,000	649,000	829,000	-	-	-	-	296,000	(169,830)	446,170	1,289,583
2025	205,000	638,413	843,413	-	-	-	-	270,400	(155,142)	435,258	1,286,846
2026	225,000	626,588	851,588	-	-	-	-	244,800	(140,454)	424,346	1,287,871
2027	250,000	613,525	863,525	-	-	-	-	219,200	(125,766)	413,434	1,287,522
2028	275,000	599,088	874,088	-	-	-	-	193,600	(111,078)	402,522	1,285,797
2029	300,000	583,275	883,275	-	-	-	-	168,000	(96,390)	391,610	1,287,560
2030	330,000	565,950	895,950	-	-	-	-	142,400	(81,702)	380,698	1,287,673
2031	360,000	546,975	906,975	-	-	-	-	116,800	(67,014)	369,786	1,286,136
2032	390,000	526,350	916,350	-	-	-	-	91,000	(52,211)	363,789	1,287,864
2033	420,000	504,075	924,075	-	-	-	-	65,000	(37,294)	352,706	1,287,719
2034	455,000	480,013	935,013	-	-	-	-	39,000	(22,376)	341,624	1,285,649
2035	490,000	454,025	944,025	-	-	-	-	13,000	(7,459)	330,541	1,286,516
2036	550,000	425,975	975,975	-	-	-	-	-	-	-	1,286,650
2037	900,000	386,650	1,286,650	-	-	-	-	-	-	-	1,280,638
2038	955,000	335,638	1,290,638	-	-	-	-	-	-	-	1,286,738
2039	1,005,000	281,738	1,286,738	-	-	-	-	-	-	-	1,289,813
2040	1,065,000	224,813	1,289,813	-	-	-	-	-	-	-	1,284,725
2041	1,120,000	164,725	1,284,725	-	-	-	-	-	-	-	1,286,338
2042	1,185,000	101,338	1,286,338	-	-	-	-	-	-	-	1,284,375
2043	1,250,000	34,375	1,284,375	-	-	-	-	-	-	-	1,284,375
	\$ 13,050,000	\$ 15,847,288	\$ 28,897,288	\$ 695,000	\$ 110,338	\$ 805,338	\$ 6,100,000	\$ 6,582,800	\$ (3,856,748)	\$ 8,826,053	\$ 38,528,678

* The 2012Z Bonds and the Series 2012B Bonds will be issued simultaneously with the Series 2012A Bonds and will rank on a basis of parity under the Master Indenture (as defined herein)

COASTAL SECURITIES, INC.



Financing Covenants

Additional Bonds Test (2012 Bonds)

Historical Coverage on Outstanding Debt

- (i) for Fiscal Years 2013 - 2017, both inclusive, the Available Revenues equal at least 1.20 times Average Annual Debt Service on all Debt then Outstanding prior to the issuance of the additional Debt; and
- (ii) for Fiscal Years 2018 and thereafter, the Available Revenues equal at least 1.20 times Maximum Annual Debt Service on all Debt then Outstanding prior to the issuance of the additional Debt; and

Projected Coverage for Additional Debt.

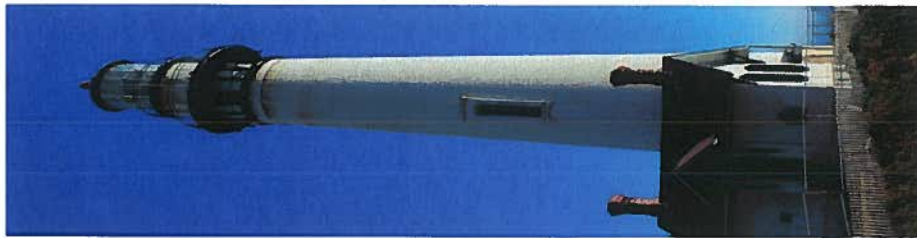
An Independent Management Consultant selected by the Company provides a written report setting forth projections which indicate that the estimated Available Revenues are equal to at least 1.00 times Maximum Annual Debt Service for all Debt then Outstanding, including the proposed additional Debt, in the Fiscal Year immediately following the completion of the Project being financed. The report of the Independent consultant shall take into account (i) the audited results of operations and verified enrollment of the Project for the most recently completed Fiscal Year and (ii) the projected enrollment for the Fiscal Year immediately following the completion of the new Project, and shall assume that the proposed additional Debt shall have been outstanding for the entire year.

- The debt service coverage ratio assuming MADS on all debt outstanding, including the issuance of the Bonds, is 1.56 times for fiscal year ending 2014 and increases in future years based on the School's projections.





Overview: District Operating Performance

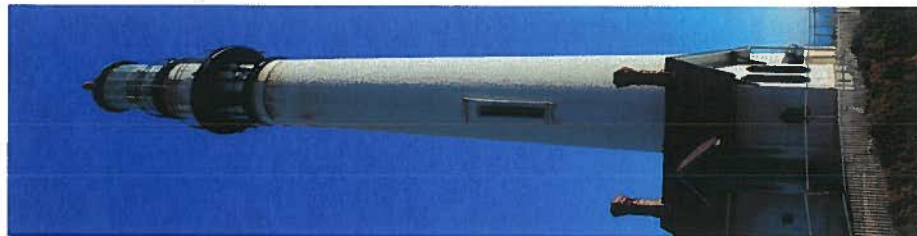


	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Revenues						
Charter School Start-Up Grant	\$ 429,970.00	\$ 300,000.00	\$ 300,000.00	\$ -	\$ -	\$ -
21st Century Grant (Aftercare)	\$ 150,041.00	\$ 150,041.00	\$ 150,041.00	\$ 150,041.00		
School Foundation Program	\$ 4,865,161.84	\$ 6,345,447.44	\$ 9,512,236.20	\$ 10,761,985.36	\$ 12,184,380.74	\$ 13,406,044.82
Child Nutrition Program	\$ 483,039.00	\$ 483,039.00	\$ 483,039.00	\$ 483,039.00	\$ 483,039.00	\$ 483,039.00
Federal Funds	\$ 197,152.80	\$ 256,320.00	\$ 395,160.00	\$ 462,444.00	\$ 514,562.40	\$ 557,709.60
Rental Income	\$ 174,918.00	\$ 276,288.00	\$ 276,288.00	\$ 276,288.00	\$ 289,888.00	\$ 289,888.00
Interest Income	\$ 6,097.00	\$ 5,526.00	\$ 4,925.00	\$ 4,294.00	\$ 3,631.00	\$ 4,182.00
Fundraising and Grants	\$ 335,000.00	\$ 250,000.00	\$ 275,000.00	\$ 300,000.00	\$ 325,000.00	\$ 350,000.00
	\$ 6,641,379.64	\$ 8,066,661.44	\$ 11,396,689.20	\$ 12,438,091.36	\$ 13,800,501.14	\$ 15,090,863.42

COASTAL SECURITIES, INC.



Overview: District Operating Performance



	2012-13 Year 1	2013-14 Year 2	2014-15 Year 3	2015-16 Year 4	2016-17 Year 5	2017-18 Year 6
Expenses						
Salaries and Benefits (6100)						
General Operations	\$ 704,451.24	\$ 772,946.77	\$ 1,054,693.32	\$ 1,141,889.39	\$ 1,175,178.78	\$ 1,331,997.51
Eden Park Academy	\$ 1,652,387.16	\$ 1,468,791.74	\$ 1,547,779.42	\$ 1,699,976.80	\$ 1,722,535.51	\$ 1,630,057.23
REAL Learning Academy	\$ 1,313,905.29	\$ 1,729,730.20	\$ 1,795,850.21	\$ 2,030,725.56	\$ 2,209,612.18	\$ 2,010,059.84
Elementary #3	\$ -	\$ -	\$ 1,220,668.77	\$ 1,415,736.59	\$ 1,573,542.27	\$ 1,631,516.33
Middle/High School	\$ -	\$ 424,071.65	\$ 612,616.98	\$ 667,637.23	\$ 1,136,560.20	\$ 1,136,560.20
	\$ 3,670,743.68	\$ 4,395,540.35	\$ 6,231,608.71	\$ 6,955,965.58	\$ 7,817,428.93	\$ 7,740,191.11
Contracted Services (6200)						
General Operations	\$ 1,082,045.40	\$ 1,116,500.00	\$ 1,668,780.00	\$ 2,003,920.00	\$ 2,312,646.00	\$ 2,629,316.00
Eden Park Academy	\$ 52,448.00	\$ 42,560.00	\$ 48,528.00	\$ 54,087.00	\$ 60,588.00	\$ 65,412.00
REAL Learning Academy	\$ 54,962.93	\$ 74,230.00	\$ 90,182.00	\$ 109,986.00	\$ 125,386.00	\$ 145,562.00
Elementary #3	\$ -	\$ -	\$ 34,840.00	\$ 44,160.00	\$ 53,960.00	\$ 61,320.00
Rent (2014 Facility)	\$ -	\$ -	\$ 205,920.00	\$ 253,440.00	\$ 300,960.00	\$ 300,960.00
	\$ 1,189,456.33	\$ 1,233,290.00	\$ 2,048,250.00	\$ 2,465,593.00	\$ 2,853,540.00	\$ 3,202,570.00
Supplies and Materials (6300)						
General Operations	\$ 136,200.00	\$ 148,750.00	\$ 222,250.00	\$ 266,400.00	\$ 308,574.00	\$ 349,721.00
Eden Park Academy	\$ 22,797.00	\$ 20,976.00	\$ 35,722.00	\$ 39,567.00	\$ 44,352.00	\$ 48,024.00
REAL Learning Academy	\$ 239,009.00	\$ 58,813.00	\$ 71,338.00	\$ 86,873.00	\$ 98,896.00	\$ 115,652.00
Elementary #3	\$ -	\$ -	\$ 226,780.00	\$ 34,880.00	\$ 42,560.00	\$ 48,720.00
	\$ 398,006.00	\$ 228,539.00	\$ 556,090.00	\$ 427,720.00	\$ 494,382.00	\$ 562,117.00

COASTAL SECURITIES, INC.



Overview: District Operating Performance

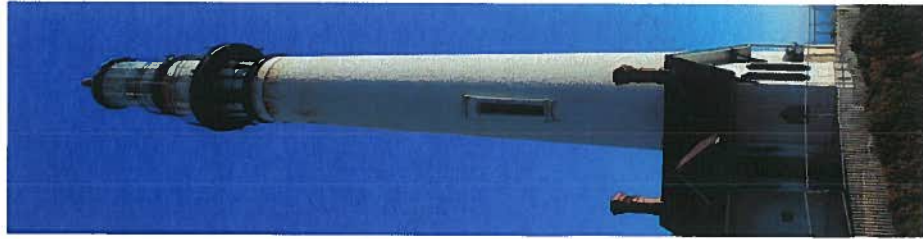
Continued:

Expenses	2012-13 Year 1	2013-14 Year 2	2014-15 Year 3	2015-16 Year 4	2016-17 Year 5	2017-18 Year 6
Miscellaneous Operating Costs (6400)						
General Operations	\$ 103,340.00	\$ 128,625.00	\$ 191,770.00	\$ 230,880.00	\$ 267,099.00	\$ 303,946.00
Eden Park Academy	\$ 17,500.00	\$ 16,112.00	\$ 18,535.00	\$ 20,328.00	\$ 22,968.00	\$ 24,840.00
REAL Learning Academy	\$ 29,500.00	\$ 47,964.00	\$ 58,551.00	\$ 70,933.00	\$ 81,236.00	\$ 94,715.00
Elementary #3	\$ -	\$ -	\$ 22,620.00	\$ 28,480.00	\$ 34,960.00	\$ 39,900.00
Operating Expenses (NNN REAL)	\$ 29,781.60					
Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ 180,121.60</u>	<u>\$ 192,701.00</u>	<u>\$ 291,476.00</u>	<u>\$ 350,621.00</u>	<u>\$ 406,263.00</u>	<u>\$ 463,401.00</u>
Debt (6500)						
Bond Interest (Series 2012 A, B, & Q)	\$ 60,030.25	\$ -	\$ -	\$ -	\$ -	\$ -
Eden Park (Horizon Bank through Nov.)	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Loan Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Middle/High School	\$ 70,030.25	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ 5,508,357.86</u>	<u>\$ 6,050,070.35</u>	<u>\$ 9,127,424.71</u>	<u>\$ 10,199,899.58</u>	<u>\$ 11,571,613.93</u>	<u>\$ 11,968,279.11</u>
Total Expenditures						
	<u>\$ 1,133,021.78</u>	<u>\$ 2,016,591.09</u>	<u>\$ 2,269,264.49</u>	<u>\$ 2,238,191.78</u>	<u>\$ 2,228,887.21</u>	<u>\$ 3,122,584.31</u>
Net Revenue Over Expenses						
Estimated Annual Debt Service	\$ 238,802.50	\$ 955,210.00	\$ 1,278,485.00	\$ 1,279,160.00	\$ 1,280,972.50	\$ 1,293,916.50
Estimated Max Annual Debt Service	\$ 1,295,567.00	\$ 1,295,567.00	\$ 1,295,567.00	\$ 1,295,567.00	\$ 1,295,567.00	\$ 1,295,567.00
Coverage (Estimated Annual)	3.67	2.11	1.77	1.75	1.74	2.41
Coverage (Max Annual)	0.87	1.56	1.75	1.73	1.72	2.41
Student Enrollment	668	875	1270	1480	1659	1831

COASTAL SECURITIES, INC.

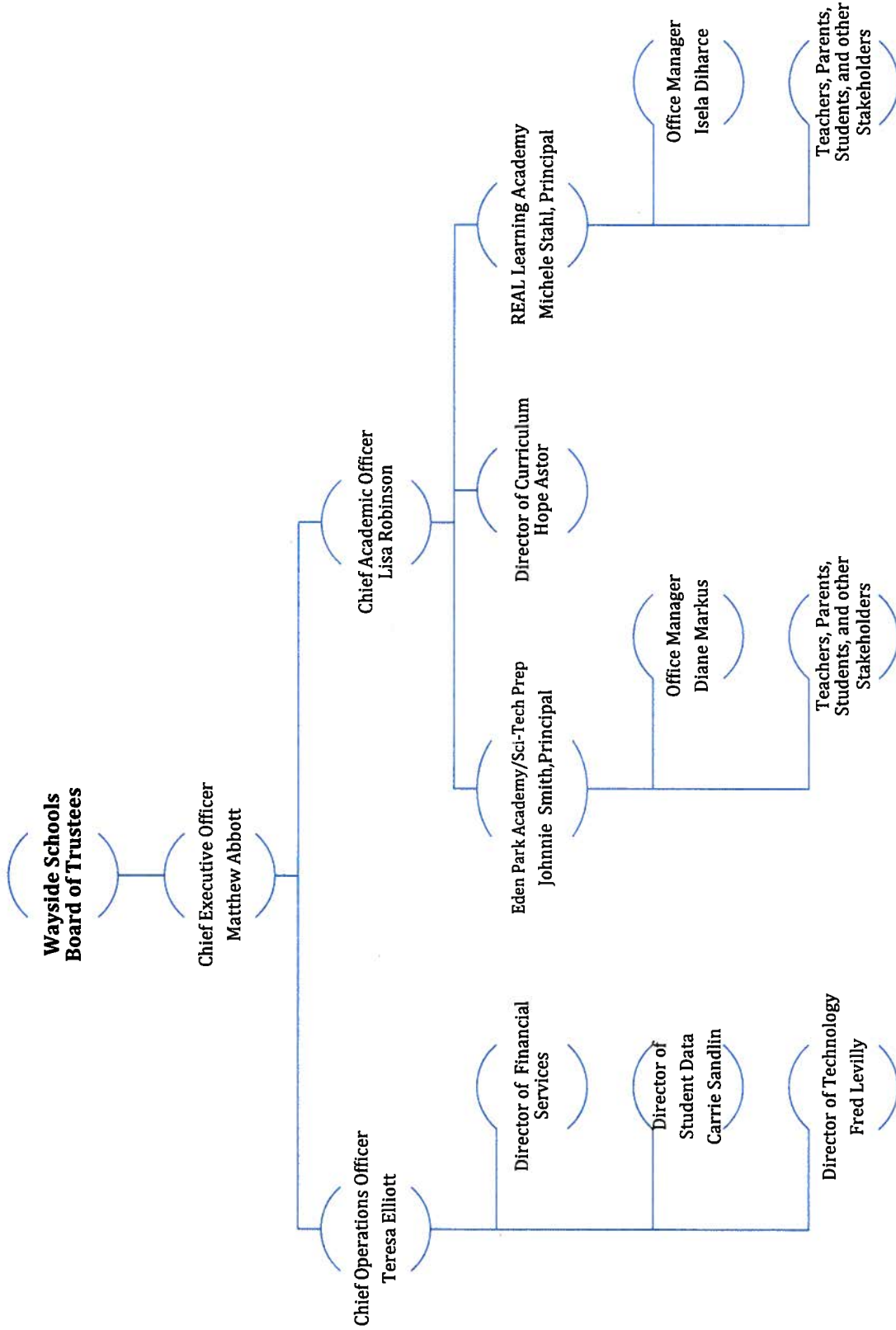
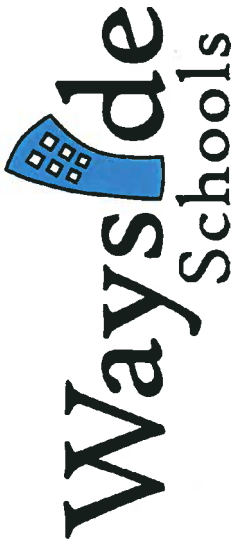


Timetable of Events



9/25	Rating Agency Meeting/Site Visit at School
10/19	Receive Rating
Week of 10/22	Investor Call
Week of 10/29	Bond Pricing
10/29 Trust	Wayside Schools Board Meeting – Adopt resolution authorizing Indenture, Loan Agreement and executing the Bond Purchase Agreement
11/7	Print and Distribute Final Offering Documents
12/5	Closing

COASTAL SECURITIES, INC.



400.020. ADMISSIONS & ENROLLMENT

[CHARTER BOARD POLICY]

The governing body (“Board”) of Wayside Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Admissions

Section 1.1. Non-Discrimination Policy. Wayside Schools admissions and enrollment shall be free from discrimination based on sex, national origin, ethnicity, religion, disability, academic, artistic, athletic ability, or the district the child would otherwise attend under state law.

Section 1.2. Admission Application Deadline. Wayside Schools admission application deadline for the following school year is March 15th.

Section 1.3 Lottery. Wayside Schools will conduct the lottery for each of its campuses on April 1st of each year. All applications will be drawn randomly and placed in a class, space permitting. If no opening in the applicant’s grade level exists, the applications will be placed in the order they were drawn. Applications received after March 15th will be placed after the lottery applicants in the order they were received.

Section 1.4. Exclusion from Admission. Wayside Schools reserves the right to exclude from admission a student who has a documented history a criminal offense, a juvenile court adjudication, or discipline problems under the Education Code, Chapter 37, Subchapter A.

Section 2. Enrollment

Section 2.1. Eligibility. The Chief Executive Officer, or designee, shall ensure that appropriate measures are taken to verify, on enrollment, that a student is entitled to enroll in Wayside Schools. Areas to be verified include, but are not limited to, a student’s residency and grade level.

Section 2.2. Enrollment Documentation. Upon a student’s enrollment, the Chief Executive Officer, or designee, shall ensure that a bona fide effort is made to secure all records and required documentation pertaining to the student.

Section 2.3. Establishing Identification. Any of the following documents are acceptable for proof of identification and age: birth certificate; driver’s license; passport; school ID card, records, or report card; military ID; hospital birth record; adoption records; church baptismal record; or any other legal document that establishes identity.

600.020 EQUAL OPPORTUNITY

[CHARTER BOARD POLICY]

The governing body ("Board") of Wayside Schools adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

SECTION 1. Anti-Discrimination Policy

Wayside Schools' employees shall not engage in discrimination or harassment motivated by race, color, religion, sex, disability, military service, or age directed toward other Wayside Schools' employees or students. A substantiated charge of discrimination and/or harassment shall result in disciplinary action. Retaliation against employees or students who report discrimination and/or harassment is strictly prohibited. Acts of retaliation may result in disciplinary action up to and including termination.



WAYSIDE SCHOOLS
EDUCATION REVENUE BONDS, SERIES 2012A
EDUCATION REVENUE BONDS, TAXABLE SERIES 2012B
QUALIFIED ZONE ACADEMY REVENUE BONDS, TAXABLE SERIES 2012Z

Timetable of Events

SEPTEMBER						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

NOVEMBER						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

OCTOBER						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

DECEMBER						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

<u>Date</u>	<u>Action</u>	<u>Responsibility</u>
8/10	Working Group Meeting /Conference Call – Transaction Review	S, BC, CS
8/24	Submit first draft of offering documents to working group	CS
8/31	Receive comments from working group	S, BC, UC
9/14	Receive information for the offering documents from the School, including list of projects, POS exhibits and updated operating projections	S
9/18	Rating package to rating agency	CS
9/18	Submit second draft of offering documents to working group	CS
9/25	Rating Agency meeting/site visit at School	S, CS
9/25	Comments on documents due from working group	BC, UC
9/28	Final comments on document to working group	CS
October	Travis County Cultural Education Facilities Corp. Board Meeting – Bond Sale, adopt the Trust Indenture and Loan Agreement	Issuer, CS, BC
October	Issuer – Adopt resolution authorizing publication of TEFRA Notice and publish TEFRA Notice appointing hearing officers	BC, Issuer
10/19	Receive rating	CS
10/19	Receive final comments from working group	CS, BC, UC
10/23	Print and distribute offering documents	S, BC, UC
Week of 10/29	Investor Call	S, CS, U, UC
November	Hold TEFRA Hearing	S, BC, Issuer
Week of 11/5 or 11/12	Bond Pricing	CS, U
Week of 11/5 or 11/12	Wayside Schools Board Meeting – Adopt resolution authorizing Tri-Party Loan Agreements and other related matters	S, CS, BC, UC

<u>Date</u>	<u>Action</u>	<u>Responsibility</u>
11/20	Submit final documents to Attorney General	BC
11/20	Print and distribute final offering documents	CS, UC
12/6	Prepare closing memorandum	CS
12/12	Pre-Closing	BC, CS, UC
12/13	Closing	S, CS, BC, U, UC

Financing Team Members:

- S - Wayside Schools (Eden Park Academy)
- CS - Financial Advisor – Coastal Securities, Inc.
- BC - Bond Counsel – Andrews Kurth LLP
- Issuer - Travis County Cultural Education Facilities Corp.
- U - Underwriters – Sr. Mgr. – Ziegler, Co-Mgrs. - Oppenheimer
- UC - Underwriter’s Counsel – Haynes and Boone, LLP