

Issue Date: Monday, November 3rd, 2025

Proposal Due Date: Tuesday, November 25th, 2025

I. Introduction

New Heights School (NHS) is seeking proposals from qualified firms to provide comprehensive financial and municipal advising services related to the acquisition of the Washington School Facility located at New Heights 614 Mulberry Street West, Stillwater, Minnesota 55082.

The selected firm ("the Firm") will be responsible for conducting financial feasibility assessments, developing financing strategy, and supporting NHS to acquire/manage financing and close on the purchase of the property. The Firm must be a registered municipal advisor in good standing with all applicable regulatory agencies. The Firm will not provide legal counsel to NHS or act as NHS's licensed real-estate broker.

II. Project Background

NHS wishes to enter into a purchase agreement for the Washington School facility, which it has operated in since the school's inception in 1993.

III. Scope of Work

The Firm will hire and manage vendors, at the cost of NHS, with prior approval, to complete the following tasks:

1. Work with NHS to ensure a clear set of goals and outcomes are developed for the Property Acquisition, including budget, timing, and fit with NHS's program.
2. Identify possible constraints and barriers to NHS regarding the acquisition of the facility, including legal/regulatory restrictions, authorizer policies, covenants from existing financing, lease obligations, etc., that may impact financing options and/or ownership of the property.
3. Research and study various available options for financing, including, but not limited to:
 - Seller provided financing as detailed in the purchase agreement
 - Tax-exempt bond financing
 - Private bond funding
 - MinnPACE Financing 1
 - New Market Tax Credits
 - Conventional and/or agency debt
 - Other tax-exempt bank debt; and/or
 - Subordinated debt, as may be required.
 - Other

4. Produce an initial financial analysis of selected alternatives, including a draft development budget and pro forma.

5. Produce a draft asset management plan with options based on NHS's goals and priorities and initial financial analysis; establish viable financing options based on desired/achievable financing terms; and prepare a purchase timeline and outline appropriate steps needed to undertake financing.

6. Coordinate with NHS's existing tax-exempt bond financing, as needed, including:

- Maintaining lines of communication with existing lenders (or bondholders), if needed, to ensure existing lenders are kept informed of the project.
- Supporting the NHS team with responding to requests for information from existing lenders.
- Ensuring terms and requirements on existing debt (if any) are accounted for during planning and feasibility analyses.
- Negotiating consents from existing lenders for new debt, when applicable.

7. Provide information to NHS to support their preparation of a 5-year budget based on the financing structure as outlined in the potential Purchase Agreement.

8. Assist in securing financing for the Project, including but not limited to:

- Assist in identifying potential sources of preferred project financing.
- Work with NHS to create, submit, and coordinate requests for financing packages.
- Assist NHS with its negotiations and arrangements with potential capital sources.
- Coordinate/respond to communications between lenders and NHS, including any ad hoc requests and/or ongoing due diligence items.
- Assist in identifying potential sources of, and apply for, subordinate lending as needed.

9. Seek preliminary feedback, as needed, regarding the Project from potential underwriters/bond investors and/or lenders. Revise and update financial projections and transaction charts as appropriate based on such feedback.

10. Assist in identifying, selecting, and engaging financing team members, including underwriter, bond counsel, issuer, and bond trustee.

11. Utilize best efforts to identify prospective investors (or underwriters) that are seriously interested in supporting the Project, including the preparation and management of an underwriter request-for-proposals (RFP) process, as desired by NHS.

12. Work with NHS and rating agency to obtain bond rating for the transaction, if desired.

13. Work with the financing team to develop draft financial covenants to be incorporated into the financing.

14. Work with the financing team to finalize a structure that meets investor requirements with optimal terms of the transaction based on acceptable underwriting criteria, interest rates, and other borrowing costs. Finalize covenants to be incorporated in financing.

15. Respond to requests for information and provide assistance to the financing team during the drafting of transaction documents.

16. Assist as necessary with the funding and closing of the transaction.

17. Coordinate with NHS's legal counsel and real estate representatives in their review of property tax-exempt status, potential special assessments, insurance obligations, indemnification clauses, and risk management provisions.

18. Work with NHS and financing team to identify any other issues, constraints, or options which will make the transaction more efficient or economical for NHS.

19. The selected Firm's representatives will participate in conference calls and meetings as needed with NHS representatives and will submit monthly reports to advise of progress in completion of the Scope of Work.

IV. Proposal Submission Requirements

Interested firms should submit a proposal that includes the following:

1. Cover Letter

- Summary of the firm's qualifications and experience relevant to the scope of work.

2. Firm Background and Experience

- Description of the firm, including years in business, relevant projects, and key personnel.
- Preference will be given to firms with experience working with Minnesota public charter schools, specifically in the City of St. Paul, MN.
- Examples of similar projects completed in the past five years.

3. Approach and Methodology

- Detailed approach to securing financing for the project, including proposed financing instruments and structures, timelines, and key milestones.

4. Proposed Team

- Identification of key personnel assigned to this project, including their roles and relevant experience.

5. Fee Proposal

- The cost structure would most appropriately and ideally be in the form of a flat fee for the entire scope of work. Payment terms would most appropriately and ideally be structured as 50% paid upfront and 50% paid upon completion of components of the scope of work. The firm shall invoice NHS with net 30 terms for each payment. The proposal must include a provision for additional hourly services after the initial scope of work has been completed for a period of 60 days after the conclusion of the due diligence period.

6. References

- Contact information for at least three clients for whom similar services have been provided should be included.

V. Evaluation Criteria

Proposals will be evaluated based on the following criteria:

- Cost-effectiveness
- Experience and qualifications of the firm and assigned personnel
- Past performance and references

VI. Proposal Submission Instructions

Proposals must be submitted electronically in PDF format to Thomas Kearney at tkearney@newheightsschool.org no later than Tuesday, November 25th, 2025. Proposals submitted after this date may be accepted for consideration at NHS's discretion.

VII. Questions and Clarifications

All inquiries regarding this RFP must be submitted in writing to Thomas Kearney at tkearney@newheightsschool.org by Tuesday, November 25th, 2025.

VIII. Fiduciary Obligation and Conflict of Interest Disclosure

The selected Firm acknowledges that it has a fiduciary obligation to act in the best interests of NHS in all matters related to this engagement. This obligation requires the Firm to prioritize NHS's business and financial interests above its own and those of any third party. The Firm shall provide independent, objective advice and shall not allow any external incentives or relationships to compromise its duty to NHS.

The Firm must promptly disclose to NHS any actual or potential conflicts of interest. This includes, but is not limited to, any direct or indirect financial or business relationships, offers of

payment, or payments in kind from any entity that has an interest in the outcomes of the scope of work for which the Firm is providing its services.

IX. Terms and Conditions

- NHS reserves the right to reject any and all proposals.
- NHS is not responsible for any costs incurred in the preparation of proposals.
- The selected firm will be required to enter into a formal agreement with NHS.