



HIGHMARK QUARTERLY

Ethics & Integrity

Discipline

Empowerment & Accountability

Quality

Teamwork

Agility

Vice President's Message



Summer is here and school is out but the folks at HighMark are keeping busy! As with every summer, we are in the heat of the construction phase for all of our 2015 school openings. Summer is always an exciting time for HighMark as we know a lot is on the line; a brand new building, moving in, teacher training, the anticipation and expectation from the community of a new school in the neighborhood, the list goes on. HighMark is committed to continually searching for the best in the industry to deliver a smooth and seamless experience so schools can focus on what they do best: educating the children of our future!

At the start of the 2014 - 2015 school year with 23 charter schools spanning 10 states, HighMark School Development and Education Capital Solutions jointly entered into the private education sector with BASIS Independent Schools in our first two markets: San Jose, California and Brooklyn, New York.

We are excited to announce that for the 2015 - 2016 school year, HighMark will be entering into early education with the opening of 6 Global Village International Early Learning campuses throughout the Denver, Colorado area.

We continue to be inspired by the passion of those in the education sector from the National Charter Conference to NACSA to the individual state charter associations; there is a loud and clear message, everyone wants a better tomorrow for our children. Whether this is through school and authorizer accountability, implementing better back end systems, or infrastructure. HighMark School Development and Education Capital Solutions continues to do our part to invest in the future of strong performing and well run schools across the nation.

HighMark is no different when it comes to our own employees, our internal infrastructure, and processes. We are continually looking for better ways to work, to improve construction and partner contracts, and to negotiate the best deals on real estate transactions. If you have any feedback, please let us know!

Lana Nichols

Vice President Operations & Finance



BUILDING MAINTENANCE: Summer Checklist

As the school year is wrapping up it's a great time to evaluate your building for issues that may need attention. Please take the time to inspect the following and have items serviced to prevent issues during the school year.

- Exterior walls free from cracks
- Stairs, landings, and handrails in good repair
- Irrigation covers in place
- Entrance doors working properly
- Landscape survey to identify dead or dying plants
- Inspect exterior drinking fountain drains
- Sidewalk and fire lane inspections
- Check for combustibles in furnace/boiler room
- Clean and replace filters
- Check thermostat
- Turn on faucets and check for leaks
- Check speed of drains
- Drain water heater
- Check toilets for stability
- Plaster and acid trap inspections

Questions about maintenance requirements? Email questions and reports to Faye@highmarkschools.com

Opening Fall 2015

For the upcoming 2015-'16 school year, HighMark is welcoming the following school operations into the fold. Collectively, these 14 schools in eight states represent nearly \$106 million in deployed capital across 613,000 SF to serve 7,400 students.

COLORADO

- Global Village Academy DC, Parker, CO
- Global Village Academy FC Phase II, Fort Collins, CO
- Global Village International, Six Locations, Greater Denver, CO

FLORIDA

- Pineapple Cove Classical Academy, Palm Bay, FL

GEORGIA

- Fulton Leadership Academy, College Park, GA
- Macon Charter Academy, Macon, GA

NEW JERSEY

- Bridgeton Public Charter School, Bridgeton, NJ
- Vineland Public Charter School, Vineland, NJ

NORTH CAROLINA

- Phoenix Academy Elementary/Middle Schools, High Point, NC
- Phoenix Academy High School, High Point, NC

SOUTH CAROLINA

- Riverwalk Academy, Rock Hill, SC

TENNESSEE

- DuBois Schools of Arts & Technology, Memphis, TN

TEXAS

- Cumberland Academy High School, Tyler, TX

School Spotlight: Prospect Ridge Academy

The end of the 2014-15 school year proves to be the best year yet for the HighMark portfolio. With 26 schools in 10 states to choose from, selecting just one school to spotlight is difficult. However, an established charter school in Broomfield, Colorado has been selected as the featured school in this edition.

Prospect Ridge Academy (PRA) opened its doors in 2011 to 500 students in grades K-8. Today, the school serves over 1,000 students in grades K-9 with a new grade added each year until K-12 is offered. There is a wait list to attend PRA with more than 1,250 names on the list.

The high demand to attend PRA can be attributed to many factors: curriculum focused on Core Knowledge and college readiness; the academic performance of PRA - which has been higher than the district and state average scores for the past three years - scoring 89% in Reading, 85% in Math, and 67% in Writing; a low student to teacher ratio at 18.5:1, plus more.

PRA is lead by a solid governing board and has dedicated staff members who HighMark enjoys working with. Kudos to PRA on their continued success and ability to fund and build a beautiful separate high school facility. It is a pleasure to have a school like PRA in the HighMark portfolio.



Prospect Ridge Academy



Prospect Ridge Academy



Prospect Ridge Academy



Rendering of BASIS Brooklyn

Private vs. Charter

What is HighMark Doing?

Since 2005, HighMark has worked to be the first choice in turnkey facility development for charter school founders, boards, and management companies. And now we're adding private schools to the portfolio.

HighMark and our investment partner EPR Properties were selected as the turnkey facility developer for a start-up private school operator opening schools in Brooklyn, New York and San Jose, California. These private school developments are a natural addition to HighMark's body of work and a sign of our growing partnership with EPR Properties.

Everything about a private, tuition-paid school development is different from a charter school: the economics and funding; the demographic analysis; the marketing and enrollment efforts; the competitive analysis; the selection of an ideal location: everything.

And of course the size, features, and costs of the facility are off the charts when contrasted with typical charter school facilities. Most of our charter school facility developments—whether adaptive reuse of an existing building or new construction on a green field—are accomplished affordably in the \$5 to \$20 million range. But a private school program could expect to afford a project exceeding \$30 million or even \$40 million . . . without jeopardizing other budget line items.

With all schools, public and private, HighMark is cognizant of (a) the number of students and planned growth (which translates to square footage) and (b) cost, condition, and location of real estate. With charter schools, the primary limiting factor on project size is per-pupil revenue, which is not set by parents paying tuition but is determined by formulas or politicians or public employees. In contrast, with private schools, the key limiting factor is simply what parents will pay for tuition in a free market. Thus, the larger developments.

We're not stopping with just two private schools. We're in discussions with more private school operators; we're vetting real estate for new private schools on the East Coast and in California; and we've acquired several, private early learning centers.

Charters. Now private schools . . . expanding parental choice options yet again.



BASIS Brooklyn construction



BASIS Brooklyn construction



BASIS Brooklyn

Partner Spotlight



Established in 1918 as George Datema & Sons, Triangle Associates, Inc. has thrived into an award winning and industry leading construction management, general contracting and design build company. Through four generations of family leadership and over 96 years of experience, Triangle has taken the best from the past - a solid work ethic, pride in craftsmanship and an honest approach to working with people - and blended those qualities with today's technologies. The result is a company rooted in tradition and committed to building exceptional facilities, great people and strong communities.

Triangle offers a full range of professional construction services tailored to meet unique client and project needs. Project teams establish project-specific goals and apply collective expertise to implement customized strategies which meet and exceed those project goals. Professional staff understands the importance of communication during all phases of the building program and provides the leadership to deliver on promises. Triangle is committed to producing superior results for all clients.

Triangle has operated in over 30 states throughout the country with over \$100 million in annual sales. With over 75% of work coming from repeat clients, everyone places great value on the relationships developed over the years. Its reputation in the construction community is well recognized and built upon the professionalism and dedication of highly-skilled staff.

Triangle's approach to construction has been honed over nearly 100 years serving a variety of clients. The firm's processes for maintaining budget, schedule, quality and safety are all well developed, documented, and produce consistent results.

**A FRIENDLY REMINDER:
DON'T FORGET TO PAY
RENT WHILE SCHOOL IS
OUT FOR SUMMER BREAK**