C.1 Facilities Acquisition

Details Description of the Acquired Facility

Arizona Language Preparatory (ALP) will begin with grades Kindergarten, 1st grade, 2nd grade, and 3rd grade leasing three classrooms at BeiBei Amigos Language Preschool located at 751 E. Union Hills Dr., Suite 19, Phoenix, AZ 85024, a floor plan of the current school location is shown in diagram 1. ALP is fortunate to have an existing facility that meets its needs, thus there are no costs associated with securing a facility. The facility was leased by BeiBei Amigos Language Preschool and the owners from the preschool have agreed to share the rent and maintenance fees with ALP based on the available classroom allocation percentage. Since the inception of ALP, the non-profit private school already has been leasing two rooms from BeiBei Amigos Language Preschool for a kindergarten, first and second grade programs. When the charter begins, ALP will be leasing three classrooms and an office space for administration to implement the designed program for ALP. Each grade level is planned to accommodate 23 students maximum; therefore, the classroom size will be large enough (600 square footage minimum) to hold the class.

For the school year 2013-2014, kindergarten classroom is approximately 655 square foot with a class-size of 23 students; first grade classroom is approximately 655 square foot with a class-size that will not exceed 23 students. A third classroom for a multiage 2nd and 3rd grade class of total 8 students is approximately 290 square foot. Inherited from pre-charter era, ALP will retain 4 2nd grade students and 4 3rd grade students with total 8 students in the class. Therefore, we can lease a smaller size classroom to accommodate 8 students for the first 3 years and move up to a larger classroom when the student headcounts increase at year 2 and 3. The administration office for principal and staff is located by the front-entrance of the school which is approximately 400 square foot including staff workroom and staff washroom. The lease/rent and some operating expenses will be estimated as the classroom percentage occupied by ALP. The total classroom square footage at this location is approximately 4,066 square foot. In year 1, ALP will occupy 1,600 square foot (~ 40% of total classroom space); therefore, the lease/rent cost will be calculated as 40% of total payment (lease cost + NNN). In year 2, ALP will occupy 2,381 square foot (~ 59% of total classroom space); therefore, the lease/rent cost will be calculated as 59% of total payment (lease cost + NNN). In year 3, ALP will occupy 2,948 square foot (~73% of total payment (lease cost + NNN). The current lease payment for the location is listed on the table below per lease agreement. NNN is estimated at $2,500 monthly.

RENTAL TERM	MINIMUM RENT	Estimated Rent + NNN
Months of Rental Term	Monthly Rate	Monthly Cost
Rental Term Months 8/1/13 to 7/31/14	$7,410.00	$9,910.00
Rental Term Months 8/1/14 to 7/31/15	$7,980.00	$10,480.00
Rental Term Months 8/1/15 to 7/31/16	$9,120.00	$11,620.00

Diagram 2 shows the floor plan for each classroom leasing from BeiBei Amigos Language Preschool. As multiple languages will be taught as part of the school curricula, the classroom will need to setup as multi-lingual classroom with multiple language areas for each language taught (English/Spanish/Mandarin).

Since the school is currently operating as a private school and school has been in operating since school year 2010-2011, the classrooms have already been furnished with books and other curricular components for the kindergarten, 1st grade, and 2nd grade, the start up costs will be minimal. The start-up costs will include lease cost one month prior to the opening date, purchasing additional student and staff furniture needed for additional headcounts and classroom, procuring textbooks/curricula for 3rd grade students and purchasing technology equipment for classroom teaching and student research. Start-up budget details will be discussed in Section C.4. Start-Up Budget. Funding source for start-up expenses to open the ALP as a charter school will mostly come from the pre-existing non-profit ALP account, donation received from the community, private loans from BeiBei Amigos Language Preschool, and the fund raising activities held in school year 2012-2013.

All legal requirements to prepare the existing buildings to operate as an education facility were done per Maricopa county requirements in 2009. The current facility can accommodate the planned elementary school. The building is convenient located on the South East corner of 7th St. and E. Union Hills Dr. (1 mile south of 101 freeway and 3.5 miles west of 51). The usage indoor space per lease agreement is 6,840 square foot and the outdoor play around is 6,110 square foot with play structure already in place (Diagram 1). The site also includes an outdoor garden area of 1,234 square foot with raised garden beds for vegetables, fruits and flowers. A surrounding fence and security camera provides safety for our students and staff.

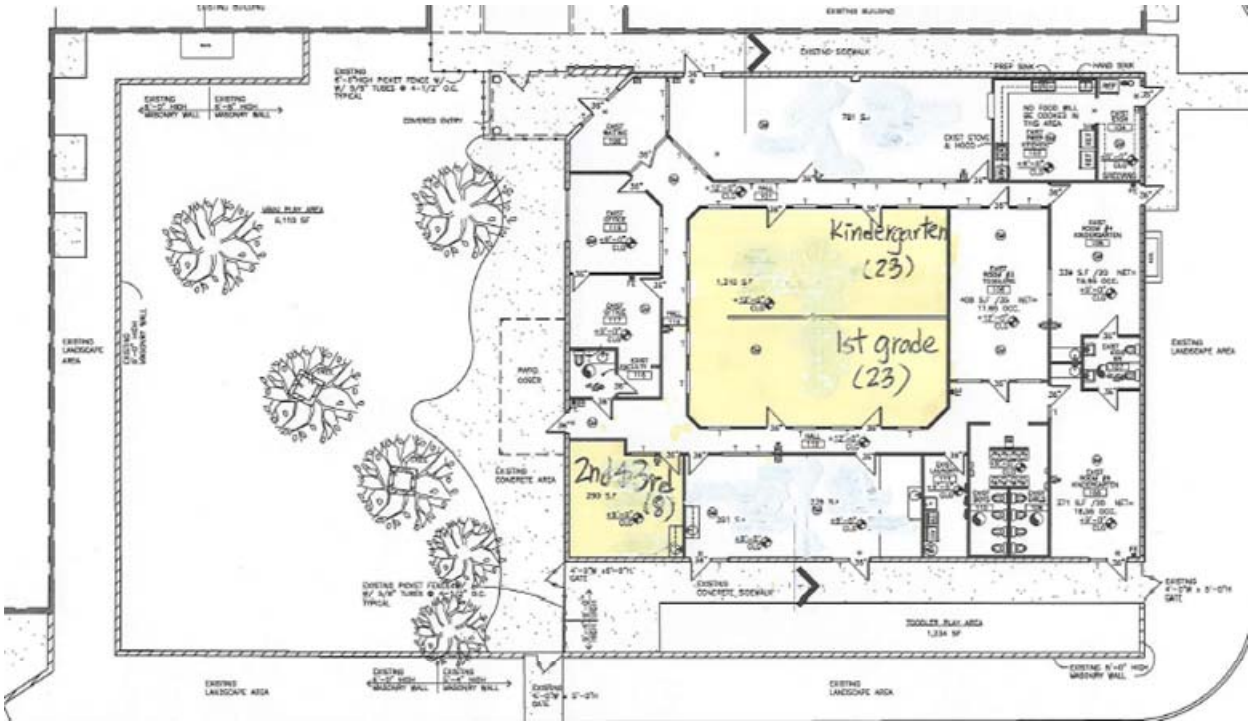

Diagram 1 Overall floor plan for existing BeiBei Amigos Language Preschool location.

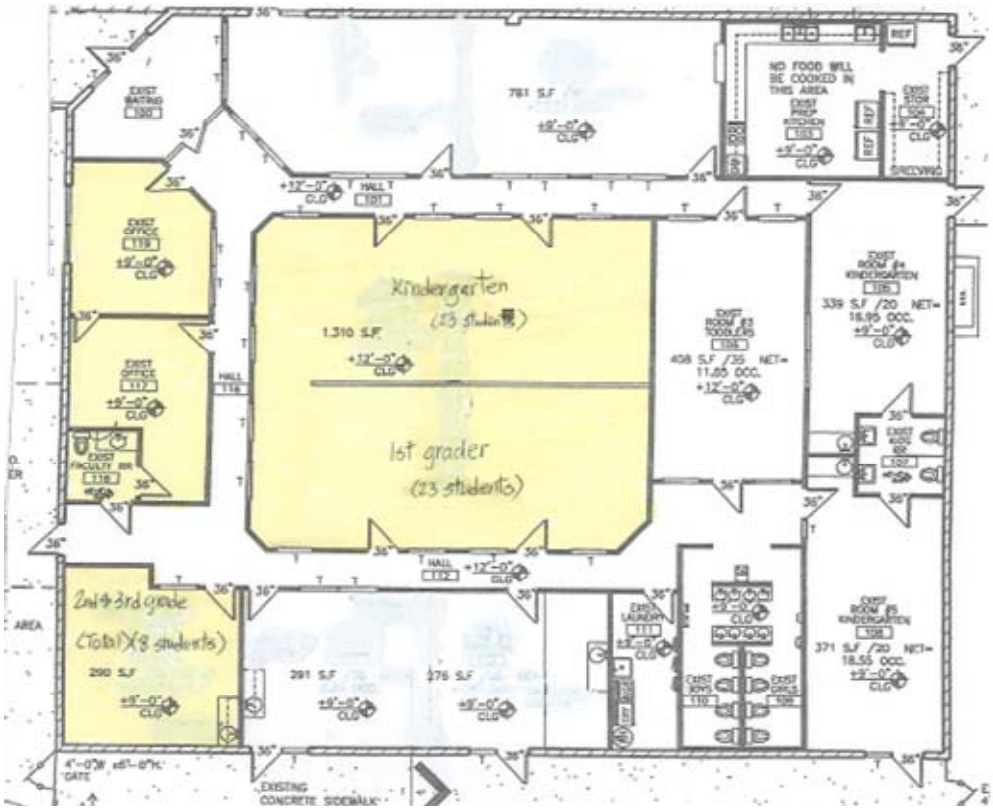

Diagram 2 School year 2013-2014 facility floor plan intended for kindergarten, 1st, 2nd, and 3rd grade classrooms highlighted in yellow and marked for each grade level and student capacity.

The budgeted student counts and space requirements are listed below for year 1 (2013-2014), year 2 (2014-2015), and year 3 (2015-2016):

Year 1 (2013-2014)	**Year 2 (2014-2015)**	**Year 3 (2015-2016)**
Kindergarten AM: 23 students	Kindergarten AM: 23 students	Kindergarten AM: 23 students
Kindergarten PM: 19 students	Kindergarten PM: 19 students	Kindergarten PM: 19 students
1st grade: 23 students	1st grade: 38 students	1st grade: 38 students
2nd grade: 4 students	2nd grade: 20 students	2nd grade: 35 students
3rd grade: 4 students	3rd grade: 4 students	3rd grade: 18 students
	4th grade: 3 students	4th grade: 4 students
		5th grade: 3 students
Total 73 students	Total 107 students	Total 140 students
3 classrooms + office	4 classrooms + office	5 classrooms + office

ALP will continue to grow and expand one grade level per year until reaches 6th grade (K-6). Amendment will be submitted annually to the board for the expanded upper grade level.