Capital Trust Authority, Inc. **Meeting of the Board of Directors**	**Thursday, August 3, 2026** **3:30 PM.** **315 Fairpoint Drive** **Gulf Breeze, FL 32561**

Meeting called by:	**Denis A. McKinnon, III**	**Type of meeting:**	**Regular**
Facilitator:	**Chris Kemp** **Chair**	**Note Taker:**	**Connie Beargie** **Office Administrator**

Attendees:	**Chris Kemp (Chair), Christy Larkins (Vice Chair), Cherry Fitch (Secretary), Deborah Roche (Asst. Secretary), Bobby Potomski, Kareem Spratling (General Counsel), Samantha Abell (City Manager), Mark Jackson (Senior Analyst), and Denis McKinnon, III (Executive Director).**
Please bring:	**Attached supplements**

Agenda

Item:	**Description:**	**Presenter:**
1.	**Call to Order**	**Chris Kemp**
2.	**Minutes – June 18, 2026**	**Denis McKinnon, III**
3.	**Inducement Resolution 16-26 – AcadeMir High School**	**Denis McKinnon, III**
4.	**Inducement Resolution 18-26 – Southern Winds Hospital Project**	**Denis McKinnon, III**
5.	**Capital Trust Authority FYE 9-30-2027 Budget**	**Denis McKinnon, III**
6.	**Adjourn**	**Chris Kemp**

MINUTES OF THE
CAPITAL TRUST AUTHORITY, INC.

The 50th meeting of the Capital Trust Authority, Inc., Gulf Breeze, Florida, was held at 315 Fairpoint Dr, Gulf Breeze, Florida, and on Thursday, June 18, 2026, at 9:00 a.m.

The following Board Members were present: Chris Kemp (Chairman), Cherry Fitch (Secretary), Deborah Roche (Asst Secretary), Bobby Potomski (Board Member), and Mayor JB Schluter (Board Member). Also attending were Denis McKinnon (Executive Director), Connie Beargie (Office Administrator), Mark Jackson (Senior Financial Analyst) and Samantha Abell (City Manager). Attending via teleconference was Kareem Spratling (BMO), J Caden Strain (BMO).

AGENDA ITEM:

Authority Minutes from May 28, 2026

DISCUSSION:

No Discussion.

MOTION/ACTION:

Cherry Fitch made a motion to approve the minutes as presented. Mayor JB Schluter seconded. The vote for approval was unanimous, with a 5-0 result.

AGENDA ITEM:

Inducement Resolution 13-26 – Embraer Jet Services

DISCUSSION:

Embraer Jet Services is a Brazilian multinational aerospace company founded in 1969. US offices are located in Fort Lauderdale. The purpose of the bonds is to finance the construction and equipping of a 171,296 square foot facility including 13 aircraft maintenance bays, aircraft parts storage and logistics areas, ground support, equipment storage and logistics areas, operational and administrative offices located at the Melbourne Orlando International Airport.

Mark Jackson stated this financing will be issued by Airport Facility Revenue Bonds and will be investment rated with a letter of credit insured by Embraer.

Bobby Potomski asked how many employees will this bring to the area. Mark Jackson stated he will follow up with these numbers at the next meeting.

MOTION/ACTION:

Deborah Roche made a motion to approve Resolution 13-26 as presented. Mayor JB Schluter seconded. The vote for approval was unanimous, with an 5-0 result.

AGENDA ITEM:

Inducement Resolution 14-26 – USR Holdings

DISCUSSION:

MUNIficent USR Holdings is a 501(c)3 non profit headquartered in Houston, Texas. The purpose of the bonds is to finance the acquisition of six behavioral health and substance use disorder treatment facilities located in Port St. Lucie, Lauderdale Lakes, Fort Lauderdale, and Oakland Park, Florida.

Chris Kemp asked for more information about the subordinated debt. Kareem Spratling stated the seller is providing a take back note to be repaid at the end of the waterfall and further financing details will be forthcoming.

Bobby Potomski asked if the facilities accept walk in patients or admitted only patients. Denis McKinnon replied that patients are referred and admitted to the facilities. Bobby Potomski asked about the current financial status of the six facilities. Denis McKinnon replied that all are performing well and are currently 95% full, however, more financial information including occupancy rates will be provided.

MOTION/ACTION:

Mayor JB Schluter made a motion to approve Resolution 14-26 as presented. Cherry Fitch seconded. The vote for approval was unanimous, with an 5-0 result.

AGENDA ITEM:

Inducement Resolution 15-26 – A2Z Builders Depot

DISCUSSION:

A2Z Builders Depot is a manufacturer of construction materials and finished products with a specialty in cold-formed steel structures, including wall panels, studs, roofing, flooring, trusses, and joists. The purpose of the bonds is to finance the acquisition, renovation, and equipping of an approximately 110,000 square foot manufacturing facility located in Winter Haven, Florida.

Cherry Fitch asked for clarification of how this project meets public purpose. Kareem Spratling replied that this project expressly meets Florida Statues Chapter 159 by generating significant additional jobs to the community and its contributions to the local property tax base.

MOTION/ACTION:

Cherry Fitch made a motion to approve Resolution 15-26 as presented. Bobby Potomski seconded. The vote for approval was unanimous, with an 5-0 result.

AGENDA ITEM:

Financial Report as of FYE 4-30-2026

DISCUSSION:

Denis McKinnon gave a brief overview of the current financials. Bobby Potomski noted that the size of the City of Quincy interlocal payments seems low. Denis McKinnon replied that the size of the payment to Quincy depends on the size of the project and can result in a minimum fee generated or in some cases, a negotiated reduction to their fee.

Mayor JB Schluter asked about cleaning up the past due accounts receivables, and the possibility of charging late fees. Kareem Spratling stated that beyond pushing the trustee for payment, charging late fees would not be considered a good business plan.

MOTION/ACTION:

No motion required.

AGENDA ITEM:

Pipeline Report

DISCUSSION:

Denis McKinnon gave a brief overview of the pipeline report.

MOTION/ACTION:

No motion required.

No other formal business of the board was taken, and the meeting adjourned at approximately 9:45 am.

Minutes submitted by: ______________________ Connie Beargie, Office Administrator

Approved by: ______________________________ Chris Kemp, Chairman

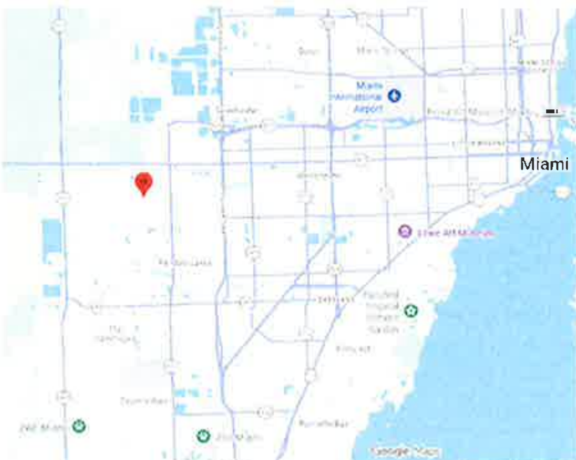
TO: Capital Trust Authority Board of Directors
FROM: Denis McKinnon, III
RE: AcadeMir Charter Schools, Inc.
DATE: August 3, 2026

Introduction

AcadeMir Charter Schools, Inc. ("AcadeMir" or the "Borrower") has submitted an application to the Capital Trust Authority (the "Authority") for the issuance of not to exceed $55,000,000 of tax-exempt bonds to finance the costs of constructing, installing, and equipping a new educational facility to be known as AcadeMir Charter High School West, including related facilities, fixtures, furnishings and equipment.

Description of the Borrower

The Authority first issued bonds on behalf of the Borrower in July 2021, and then in 2024 and again in 2025. As part of the 2025 bond issuance, the Borrower acquired the land and completed the predevelopment necessary to return to the Board for the development of the AcadeMir Charter High School West campus.



Description of the Project

The Facilities consist primarily of a new educational facility to be located at 2900 SW 147th Avenue, Miami, Florida 33185, to accommodate approximately 1,600 students in grades 6–12, to be approximately 110,894 square feet, to be known as "AcadeMir Charter High School West," including related facilities, fixtures, furnishings and equipment.

The total project budget is $44,727,228.40, of which $33,000,000 is allocated to new construction costs, with the balance allocated to soft costs, furnishings, fixtures and equipment, and other project costs as detailed in the Sources and Uses. The project consists entirely of new construction; no refinancing of existing indebtedness is contemplated as part of this financing.

Financing

Building Hope Services, LLC serves as Financial Advisor to AcadeMir. Raymond James is serving as the Underwriter. Bryant Miller Olive is serving as the Bond and Issuer's Counsel.

Recommendation

It is the recommendation of Authority staff that the Board adopt Resolution 16-26, preliminarily approving the issuance of not to exceed $55,000,000 on behalf of the Borrower. We look forward to seeing you at our meeting on August 3.

CAPITAL TRUST AUTHORITY ("CTA")

a duly constituted and validly existing separate legal and administrative entity under Section 163.01(7), Florida Statutes, and Chapter 617, Florida Statutes, pursuant to an Interlocal Agreement dated as of June 6, 2022, as may be amended and supplemented from time-to-time, between the City of Gulf Breeze, Florida and the City of Quincy, Florida

BOND FINANCE APPLICATION

Legal name of applicant (as shown on most recent legal organizational documents) (the "Applicant")

AcadeMir Charter Schools, Inc.

Senior officers of the Applicant:

***Sole Member Officers**

Name:	Alexander D Casas	**Title:**	Chairman
Name:	Tirso LDR Alonso	**Title:**	Vice Chairman
Name:	Joanna Noriega Pino	**Title:**	Secretary
Name:	Ruben Perez	**Title:**	Director

Legal Street Address of the Applicant (headquarters):

5420 SW 157 Ave Bay 5 Miami, FL 33185

Primary consultant[s] working on behalf of the Applicant:

Name of consultant: Building Hope Services, LLC

Role of consultant: Financial Advisor

Primary contact[s] and title of consultant representatives:

(1) Richard Moreno – President

(2) ______

Telephone numbers:

Applicant: 305-225-0444

Consultant: 954-317-1363

Is the Applicant (check one) a _X__ corporation, ___ limited liability company __ partnership?

State of formation: Florida

If Applicant is a Special Purpose Entity (SPE), legal name of member(s) (as shown on most recent legal organizational documents (Articles of Incorporation, Articles of Organization, etc.):

N/A

State(s) of formation of member(s):

Florida

Is this Applicant a 501(c)(3) organization or a "disregarded entity"? _____Yes__

(If Yes, please provide evidence of the Applicant's tax determination by the IRS. For SPEs, provide the member's determination letter. If tax exemption designation has been applied for by a newly created non-profit entity, provide copy of IRS Form 1023 (including all attachments). Tax determination information should be attached to this application as **Exhibit 1**.)

Exhibit 2: Brief (one page maximum) describing the Applicant and its history. Please include a description of the project's public purpose in this section.

Exhibit 3: A summary of the proposed financing in the form attached hereto as Schedule I. Include the proposed use and mission, location(s) and total anticipated amount to be financed. The content and narrative in this section should be comprehensive and shall include the information shown in Schedule I. An underwriter's presentation is helpful here. If project renderings or recent power point presentations exist to further describe and depict the project, please include.

Exhibit 4: An initial sources and uses, most recent year of audited financials, and financial projections.

Exhibit 5: A complete list of the corporate officers and directors of the Applicant with an explanation of their corporate responsibilities.

Exhibit 6: A complete listing of consultants currently under contract with the Applicant. Include legal professionals, underwriter(s), financial advisors, CPA's, etc. Include for each firm the name of individual, name of firm, role and location of office assigned to the financing. A proposed distribution list of the financing team will suffice and is preferred.

Exhibit 7: Any background information helpful in showing the expertise or established record of success by the Applicant or representatives of the Applicant in operating the type of facility being purchased, financed, or refinanced. In addition to project principals, information and credentials of any management firms expected to operate the project should be included.

Please provide 12 hard copies and forward an electronic copy of the above information plus an application fee in the amount of $4,500 to:

Mr. Denis A. McKinnon, III
Executive Director
Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, FL 32561
Tel. 850-934-4046
dmckinnon@muniad.com

Acknowledgement Statement:

On behalf of the Applicant, _____Richard Moreno______________________________________, as its representative and contact for submittal of this Application, I understand this information is provided as an initial requirement of CTA to consider issuance of conduit bonds to finance or refinance the project described above, I understand the fee being paid is non-refundable and CTA offers no assurance that this Application will be acted upon favorably or that the conduit bonds will be issued. I also understand, an acceptance by CTA to proceed with further due diligence to facilitate a debt structuring as requested by the Applicant may be terminated at any time by CTA. The Applicant authorizes CTA to verify information submitted by or on behalf of the Applicant, obtain further information concerning the credit and standing of the Applicant and its representatives, and obtain other information deemed necessary by CTA or its representatives.

Submitted and signed by:

____
Richard Moreno
President

Date: ______________7-26-2026______________

SCHEDULE I

EXHIBIT 5 PROJECT DESCRIPTION

a. Will the project include the refinancing of any existing indebtedness? Yes ___ No X_ If yes, provide complete description of the outstanding indebtedness:

Description of indebtedness (name of obligation(s):	
Issued pursuant to (trust indenture, loan agreement, promissory note, etc.):	
Date indebtedness was incurred:	
Estimated amount outstanding:	
Exact name of borrower:	
Exact name of trustee and/or lender:	
Lender contact information (primary contact, telephone number and email)	

b. Will the project include new acquisition and/or improvements? Yes _**X**_ No ___
If yes, provide an estimated project budget, as follows:

Cost of acquisition of fee simple interest in land	
Cost of acquisition of leasehold interest in land	
Cost of any existing improvements	
Cost of any construction of new facilities	$33,000,000
Cost of any renovation	
Cost of furnishings and fixtures	
Cost of equipment	
Total	$44,727,228.40

***Please refer to Exhibit 4 "Sources and Uses" for further details**

c. Complete Schedule I to this Exhibit 5 with respect to the project, including portions of the project to be located at different sites, if any.

d. Is there a required completion date? Yes ___ No _√__ If yes:

e. Please describe any existing facilities of the Applicant that will be included as a part of the security for the financing but for which proceeds will not be used, including location: N/A

f. Are additional facilities required and contemplated by the Applicant to be addressed in a future financing? Yes ___ No __√_ If yes, describe below:

g. Provide any available market or feasibility studies. N/A

SCHEDULE I TO EXHIBIT 5 PROJECT DESCRIPTION

PROJECT DETAILS

Street Address or Description of Location	Description of Portion of Project to be Located at This Site*	Portion of Project Budget Allocable to this Location	Indicate Refinanced, Acquired or New Construction/ Renovation	City	County	State	Zip
2900 SW 147 Avenue,	• The costs of constructing, installing, and equipping a new educational facility to be known as AcadeMir Charter High School West, including related facilities, fixtures, furnishings, and equipment. • The school will consist of approximately 110,894 square feet and is designed to accommodate approximately 1,600 students in grades 6–12.	$44,727,228.40	New Construction	Miami	Miami-Dade	FL	33185

* Include:

- Acreage of any real property;
- Number and square footage of each building;
- Nature of the property, if applicable, such as units, classrooms, administrative, recreational, etc.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 14 2012

ACADEMIR CHARTER SCHOOLS INC DBA
ACADEMIR CHARTER SCHOOL WEST
C/O MARCIA GRIFFIN
14880 SW 26 ST
MIAMI, FL 33185

Employer Identification Number:
27-1986282
DLN:
17053354341041
Contact Person:
JOYCE DARBY ID# 95011
Contact Telephone Number:
(877) 829-5500

Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990 Required:
Yes
Effective Date of Exemption:
December 14, 2011
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

ACADEMIR CHARTER SCHOOLS INC DBA

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

Holly O. Paz

Holly O. Paz
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-PC

ACADEMIR CHARTER SCHOOLS INC DBA

Addendum

Pursuant to your filed Application for Registration of Fictitious Name filed with the Florida Secretary of State, your Fictitious name is Academir Charter School West.

ADDENDUM

Based on the information submitted with your application, we approved your request for reinstatement under Notice 2011-44. Your effective date of exemption, as shown in the heading of this letter, is the postmark date of your application.

AcadeMir Charter Schools, Inc. (the "Borrower") is a Florida not-for-profit corporation, and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Borrower was incorporated on July 30, 2008, and received its IRS Determination Letter on November 14, 2012 with a December 14, 2011 effective date of exemption.

The Borrower opened its first charter school, AcadeMir Charter School West (one of the Schools), for the 2010–2011 school year. Building on the success of AcadeMir Charter School West, the Borrower has replicated its educational model, curriculum, and learning environment through the establishment of eight additional charter schools across Miami-Dade County, Florida (the "County"). The Borrower currently operates ten charter schools (the "Borrower's Schools") on nine campuses throughout the State, including the Schools, and plans to open three additional charter schools under separate charters within the next two years. As of the beginning of the 2025–2026 school year, the Borrower's network of charter schools serves more than 3,921 students, reflecting over a decade of sustained growth and its ongoing commitment to expanding high-quality educational opportunities.

Project Description;

The Borrower proposes to finance or refinance, including through reimbursement, the costs of constructing, installing, and equipping a new educational facility to be known as AcadeMir Charter High School West, including related facilities, fixtures, furnishings, and equipment.

Location:

The facility will be located at 2900 SW 147 Avenue, Miami, Florida 33185. The school will consist of approximately 110,894 square feet and is designed to accommodate approximately 1,600 students in grades 6–12.

Capital Trust Authority

Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. – Miami Project), Series 2026A and Taxable Series 2026B

Term Sheet

Borrower:	AcadeMir Charter Schools, Inc.
Borrower's Counsel:	ALGO Law Firm LLP
Borrower's Financial Advisor:	Building Hope Services, LLC
Bond Counsel:	Bryant Miller Olive P.A.
Issuer:	Capital Trust Authority
Underwriter:	Raymond James & Associates, Inc.
Underwriter's Counsel:	Barnes & Thornburg LLP
Trustee:	UMB Bank, National Association
Title Agent:	ALGO Law Firm
Dissemination Agent:	Digital Assurance Certification, LLC

Issuer:	Capital Trust Authority ("Issuer")
Par Amount of Bonds:	Not-to-exceed $55,000,000
Borrower:	AcadeMir Charter Schools, Inc. is a Florida not-for-profit corporation which operates public charter schools in Florida. The Borrower was formed for the purpose of management, operation, guidance, direction and promotion of AcadeMir Charter Schools. The Borrower currently operates 10 charter schools. The Series 2026 Bonds are being issued parity to the Borrower's existing Series 2021, Series 2021-2, and Series 2025 bonds.
Parity Bonds (the "Parity Bonds"):	The Series 2026 Bonds (hereinafter described) will be issued on parity with the following: • Capital Trust Authority Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. Project) Series 2025A and Taxable Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. Project) Series 2025B • Capital Trust Agency Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. Project), Series 2021A and Taxable Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. Project), Series 2021B Bonds; and • Capital Trust Agency Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. Project), Series 2021A-2 and Taxable Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. Project), Series 2021B-2 Bonds (AcadeMir Charter Schools, Inc.)
Pledged Revenues from Schools:	• AcadeMir Charter School West, expected to serve approximately 1,430 students at three facilities at stabilization in grades VPK-8 • AcadeMir Charter School Preparatory, expected to serve approximately 1,200 students at one facility at stabilization in grades K-8 • AcadeMir Charter High School West, expected to serve approximately 800 students at one facility at stabilization in grades 9-12

Description:	Capital Trust Authority Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. – Miami Project), Series 2026A and Capital Trust Authority Taxable Educational Facilities Revenue Bonds (AcadeMir Charter Schools, Inc. – Miami Project), Series 2026B (together, the "Bonds").
Amortization/Term:	Up to 40 Years
Optional Redemption:	7-year par call (Approximate)
Anticipated Rating:	Moody's "Ba2" (expected)
Denominations:	$100,000 and $5,000 in excess thereof (if below investment grade). $5,000 requested if investment grade.
Purchase Restrictions:	If the Bonds are rated below investment grade, limited to Qualified Institutional Buyers and Accredited Investors only pursuant to an investor letter. If the Bonds are deemed investment grade, the Underwriter will pursue an offering without investor restrictions.
Pricing of the Bonds:	Targeting Mid-late October, 2026.
Estimated Closing Date:	Within ten days to two weeks after pricing of the Series 2026 Bonds.
Trust Estate	Bonds are secured by rights of the Issuer under the Loan Agreement and in the Facilities, subject to certain Permitted Liens, all Payments (as defined in a Trust Indenture between the Issuer and the Trustee (the "Indenture") and other amounts held in any fund or account established pursuant to the Indenture, and the rights and interests of the Borrower in a Mortgage, Assignment of Rents, Fixture Filing and Security Agreement from the Borrower in favor of the Trustee.
Use of Proceeds:	Bond Proceeds will be used for the purpose of financing or refinancing, including through reimbursement, (i) construction of the future AcadeMir Charter High School West campus, (ii) funding a Debt Service Reserve Fund, (iii) funding capitalized interest, and (iv) payment of costs of issuance.
Bond and Loan Security	• Fee simple mortgage in the AcadeMir Charter School West Facilities • Fee simple mortgage in the AcadeMir Charter School Preparatory Facilities • Fee simple mortgage in the AcadeMir Charter High School West Facilities • Debt Service Reserve Fund • Gross Revenue Pledge of the Pledged Schools • Subordination of Management Fees to Debt Service Payments

Mortgaged Properties	• AcadeMir Charter School West
	  o 14880 SW 26th Street, Miami, Florida
	  o 2636 SW 144th Avenue, Miami, Florida
	• AcadeMir Charter School Preparatory
	  o 19185 SW 127th Avenue, Miami, Florida
	• AcadeMir Charter High School West
	  o Facilities to be constructed on currently vacant land, located on the corner of SW 30th Street and SW 147th Avenue, Miami, Florida
	  o [insert new address]

Anticipated Additional Bonds	The Borrower does not have any future plans for issuing additional debt parity to the Parity Bonds at this time.

Financial Covenants:

- Borrower Covenants
  - Days Cash on Hand of 60, commencing June 30, 2027
  - Debt Service Coverage Ratio of 1.10x, commencing June 30, 2027
  - Additional Indebtedness test requiring (1) 1.20x historic audited debt service coverage and (2) projected 1.20x debt service coverage

Continuing Disclosure Requirements

The Borrower will covenant to execute and deliver the Continuing Disclosure Agreement, as the continuing disclosure undertaking required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12) (the "Rule"). The Borrower shall enter into the Continuing Disclosure Agreement with Digital Assurance Certification, LLC.

Conditions Precedent

Including, but not limited to, the following, with all documents to be satisfactory in form and substance to Underwriter.

(i) Evidence satisfactory to Underwriters that the Borrower is authorized to enter into this transaction.
(ii) Review of underlying bond documents satisfactory to Underwriter and Underwriter's Counsel.
(iii) Receipt of satisfactory legal opinions.
(iv) Submission of the most recent real estate appraisals of the School.
(v) Satisfactory environmental due diligence.
(vi) Lender's policy of title insurance in an amount equal to the aggregate principal amount of the Bonds to be ordered and paid for by the Borrower.
(vii) No material adverse changes in the condition, financial or otherwise,
operations, properties, assets, or prospects of the Borrower.

(i) Financing documents in form and substance satisfactory to Underwriter must be executed and delivered containing representations, warranties, covenants, conditions to financing, events of default and other provisions as are appropriate in Underwriter's Counsel opinion.

Raymond James Contacts

Wes Olson
952-807-7233
Wes.Olson@RaymondJames.com

Elliot Gorski
901-579-4421
Elliot.Gorski@RaymondJames.com

RAYMOND JAMES®

This Term sheet outlines the principal terms and conditions of the proposed transaction. It is the intention of the Parties to negotiate in good faith to reach a definitive agreement. The terms set forth in this Term Sheet are subject to further negotiation and the execution of a definitive agreement, which will govern the rights and obligations of the parties.

Wes Olson

Wes Olson, Managing Director

Raymond James & Associates, Inc.

Alexander Casas., Board Chair

AcadeMir Charter Schools, Inc.

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY

A CHARTER SCHOOL
AND COMPONENT UNIT
OF THE MIAMI-DADE COUNTY
SCHOOL BOARD

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2025

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
JUNE 30, 2025

TABLE OF CONTENTS

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
JUNE 30, 2025

SCHOOL BOARD AND ADMINISTRATION

Board of Directors

Board Chair
Alexander Casas

Vice-Chair
Dr. Tirso Alonso

Treasurer
Joanna Noriega

Board Members
Sonia Alfaro
Ruben Perez
Arlene Rodriguez

School Administration

Principal
Dr. M. Kristina Ledo

Vice Principal
Christopher Plantada
Erica Tabares

Note 2 - Summary of Significant Accounting Policies (Continued)

Revenue Sources

Revenues for operations will be received primarily from the district pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and section 1002.33, Florida Statutes, the Charter School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program (FEFP) and the actual weighted full-time equivalent students reported by the Charter School during the designated full-time equivalent student survey periods.

The Charter School also receives Federal funding for the school food program. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenues are recognized to the extent that eligible expenditures have been incurred. Also, other revenues may be derived from various fundraising activities and certain other programs.

Compensated Absences

The Charter School's paid-time-off policy allows the eligible employees to carryover two days of unused paid-time-off into the following school year. These benefits are reported as liabilities in the government-wide financial statements and as expenditures when taken in the fund financial statements of the General Fund.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The School has no items that meet this criterion.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The School has no items that meet this criterion.

Interfund Activity

From time to time, the School may have interfund activity. This activity is eliminated in the government wide financial statements.

Note 2 - Summary of Significant Accounting Policies (Continued)

Net Position and Fund Balance Classifications

Government-wide Financial Statements
Net Position is classified and displayed in three components:

a. Net Investment in Capital Assets – consists of capital assets net of accumulated depreciation and amortization and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.

b. Restricted Net Position – consists of net position with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation. As of June 30, 2025 the School did not have any restricted net position.

c. Unrestricted Net Position – all other net position that do not meet the definition of "restricted" or "net investment in capital assets"

Fund Financial Statements
Generally accepted accounting principles define the different types of fund balances that a governmental entity must use for financial reporting purposes. Fund balance amounts are to be properly reported within one of the fund balance categories listed below:

a. Non-spendable - Fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). All non-spendable fund balances at year end relate to assets not in spendable form. The non-spendable balance as of June 30, 2025, is $29,600, relating to deposits.

b. Restricted - Fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers. As of June 30, 2025, the School did not have any restricted fund balances.

c. Committed – Fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Charter School's Board of Directors. As of June 30, 2025, the School did not have any committed fund balances.

d. Assigned – Fund balance classification is intended to be used by the Charter School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. As of June 30, 2025, the School did not have any assigned fund balances.

Note 2 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

e. Unassigned – Fund balance is the residual classification for the Charter school's general fund and includes all spendable amounts not contained in the other classifications.

Encumbrances

Encumbrances represent commitments relating to unperformed contracts for goods or services. At June 30, 2025, there were no encumbrances outstanding.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Income Taxes

The Charter School is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is recorded in the accompanying financial statements.

Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

In accordance with the provisions of GASB Statement No. 101, Compensated Absences, the Charter School has evaluated its policies and historical data regarding compensated absences to determine the appropriate recognition of a liability. As a result of this assessment, the Charter School recognized a liability of $4,700 as of June 30, 2025, for compensated absences that are expected to be used or paid in the future.

Note 3 - Cash and Cash Equivalents

As of June 30, 2025, the bank balance was $4,501,038. The bank balance exceeded the FDIC limit by $4,251,038 as of June 30, 2025.

The organization has investment of $63,396 in Money Market accounts as of June 30, 2025.

The Charter School is operated under a Charter sponsored by the Miami-Dade County School District as described in Note 1. Accordingly, its bank deposits are governed by Chapter 280 of the Florida Statutes. All time and demand deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", the State Treasurer requires all qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral having a market value equal to an amount from 50% to 125% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held.

The percentage of eligible collateral (generally, U.S. Government and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its financial condition. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

Therefore, all cash deposits in an approved Florida banking institution are both collateralized and insured and not subject to a concentration of credit risk or a custodial credit risk as defined in Government Accounting Standards Board ("GASB") Statement No. 40. The Charter School has no monetary assets other than cash in an approved depository.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The school manages its exposure to declines in fair values by limiting all investments to government money market mutual funds that can be redeemed daily.

Note 4 – Accounts Receivable

Accounts receivable represent the following:

Description	Amount
Capital Outlay	$ 106,299
Lunch Reimbursement	50,948
Referendum Final Settlement	1,184,157
ERC Receivable	523,846
Total	**$ 1,865,250**

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 5 – Investments

Investments are presented in the financial statements at their fair market values and consist of the following at June 30, 2025:

	2025
Equity Securities	$ 5,065,254
Total	**$ 5,065,254**

Investment income for the year ended June 30, 2025, consisted of net unrealized gains of $165,254. All investment income is reported net of investment management fees. Investment earnings are recorded in the appropriate funds in accordance with applicable legal and contractual requirements.

Note 6 -Fair Value Measurements

The Charter School categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs using quoted prices for identical assets in active markets.

Level 2: Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

Level 3: Inputs that are unobservable and significant to the fair value measurement.

As of June 30, 2025, the School had the following investments measured at fair value:

Investments at June 30, 2025	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equity Securities	$ 5,065,254	$ 5,065,254	$ -	$ -
Total	**$ 5,065,254**	**$ 5,065,254**	**$ -**	**$ -**

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note 7 – Capital Assets and Right-to-use Assets

Capital assets activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets				
Buildings and Improvements	$ 125,223	$ -	$ -	$ 125,223
Furniture, Fixtures, and Equipment	1,584,906	512,636	-	2,097,542
Computer Software	172,762	-	-	172,762
Total Capital Assets	**1,882,891**	**512,636**	-	**2,395,527**
Accumulated Depreciation	(1,405,674)	(330,089)		(1,735,763)
Capital Assets, Net	**477,217**	**182,547**	-	**659,764**
Right-to-use Assets				
Right-to-use Lease Asset	10,158,080	2,659,985		12,818,065
Accumulated Amortization	(3,047,423)	(1,575,805)		(4,623,228)
Right-to-use Assets, Net	**7,110,657**	**1,084,180**	-	**8,194,837**
Total Capital and Right-to-use Assets, Net	**$7,587,874**	**$1,266,727**	**$ -**	**$8,854,601**

The depreciation and amortization expense for the year ended June 30, 2025, amounted to $1,905,894.

Note 8 - Management Contract

The Charter school has contracted with Superior Charter School Services for administrative and educational management services for the operations of the school. The contract expires in June 2026 and provides for a fee based on a percentage of net FTE revenues of the School which is 12%. The fees paid to the management company for the fiscal year ended June 30, 2025, were $1,184,035.

Note 9 – Commitments and Contingencies

Lease Agreement:
The Charter School's facility is owned by Charter Venture Eureka, LLC. The Charter School renewed their lease of the facility for 10 years the lease expires March 31, 2031. The monthly lease amount is based on $1,200 per student per annum enrolled. The lease payments as of fiscal year end June 30, 2025, was $1,098,509. The interest expense was $109,693 and the amortization of the right to use asset was $1,015,808 for the year ended June 30, 2025.

Note 9 – Commitments and Contingencies (Continued)

During the year the Charter School entered into a new lease agreement with 216 Corner, LLC as a lessee for the right to use educational facilities for a term of 5 years. The monthly lease amount is based on $1,300 per student per annum enrolled. The Charter School shares the leased premises with Academir Preparatory High School, and the total lease rent is allocated proportionally between the two schools. The lease payments as of fiscal year end June 30, 2025, was $581,636. The interest expense was $105,135 and the amortization of the right to use asset was $559,997 for the year ended June 30, 2025.

The following is a schedule by years of future minimum payments required under the leases:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2026	$1,546,835	$ 178,547	$ 1,725,382
2027	1,632,274	139,712	1,771,986
2028	1,721,827	98,182	1,820,009
2029	1,639,264	55,068	1,694,332
2030	1,181,887	30,956	1,212,843
2031	909,745	13,464	923,209
Total	**$8,631,832**	**$ 515,929**	**$ 9,147,761**

The variable lease payments for the fiscal year ended June 30, 2025, were $236,194. Variable lease payments are payments that cannot be forecasted and based on specific milestones unrelated to the fixed costs associated with the lease. Due to the variable nature of the agreement and short-term nature of the lease with the inability to forecast future payments, these lease payments did not fall under the scope of GASB 87, and accordingly no such costs were capitalized.

The changes in liabilities are presented below:

Description	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Lease Liability	$7,411,690	$2,659,985	$(1,439,843)	$8,631,832	$ 1,546,835
Total	**$7,411,690**	**$2,659,985**	**$(1,439,843)**	**$8,631,832**	**$ 1,546,835**

Grant Funding:

The Charter School receives financial assistance from Federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations, the School is required to conduct a "Single Audit" since the required threshold of Federal money is currently $750,000 and the school did exceed such threshold.

Note 10 – Risk Management

The Charter School is exposed to various risks of loss related to torts, thefts of damage to and destruction of assets, errors and omissions and natural disasters for which the charter school carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past three (3) Years. In addition, there were no reductions in insurance coverage from those in the prior year.

Note 11 - Related Party

In accordance with the Charter Agreement, the School Board of Miami-Dade County retains 5% as an administrative fee. This funding is received on a pro rata basis over the twelve-month period and is adjusted for changes in full-time equivalent student population. After review and verification of Full-Time Equivalent ("FTE") reports and supporting documentation, the Florida Department of Education may adjust subsequent fiscal period allocations of FTE funding for prior year's errors disclosed by its review as well as to prevent the statewide allocation from exceeding the amount authorized by the State Legislature.

The Charter School's governing board approved a transfer of funds to Academir Charter School Middle originally in the amount of $133,641. The governing board agreed that Academir Charter School Middle will repay $133,641 in full by June 2021. As of June 30, 2025, the amount owed was $3,642.

The Charter School's governing board approved a transfer of funds to Academir Charter School East in the amount of $502,153. The governing board agreed that Academir Charter School East will repay $502,153 over the term of the charter (5 years). During the year Academir Charter School East repaid $200,000. As of June 30, 2025, the outstanding balance was $302,153.

The Charter School's governing board approved a transfer of funds to Academir Charter School East Middle in the amount of $115,000. The governing board agreed that Academir Charter School East Middle will repay $115,000 over the term of the charter (5 years). As of June 30, 2025, the balance outstanding was $115,000.

The Charter School's governing board approved a transfer of funds to Academir Preparatory of Championsgate in the amount of $620,000. The governing board agreed that Academir Preparatory of Championsgate will repay $620,000 over the term of the charter (5 years). As of June 30, 2025, the outstanding balance was $620,000.

As of June 30, 2025, the Charter School also had amounts due from related parties, including $248,256 from Academir Charter School West, $82,036 from Academir Preparatory High School, $32,126 from Academir Charter School Elementary South and $60,000 from Academir Charter High School West.

Note 12 – Employee Retention Credit

The Employee Retention Credit (ERC) is a federal tax credit introduced under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and subsequently extended by the Consolidated Appropriations Act, 2021 and the American Rescue Plan Act. The credit is designed to provide financial assistance to eligible employers that have been adversely affected by the COVID-19 pandemic and have retained their employees.

The Charter School has maintained appropriate documentation, including payroll records, employment tax returns, and other relevant documents as required by the IRS. The school claimed a total Employee Retention Credit for $523,846. This amount is reported as receivable as of June 30, 2025. Management believes this amount reflects the allowable credit for qualified wages and health plan expenses incurred during the eligible period as defined by the IRS.

Note 13 – Referendum Settlement Agreement

In 2018 the voters of Miami-Dade County approved a referendum allowing the School Board of Miami-Dade County to levy an ad valorem tax of levy 0.75 mills annually for fiscal years July 1, 2019, through June 30, 2023, to (1) improve compensation for high quality teachers and instructional personnel, and (2) increase school safety and security personnel, with oversight by a Citizen Advisory Committee (the "2018 Referendum"). The School District previously levied and distributed all revenue generated pursuant to the 2018 Referendum to non-charter public schools for the 2019-2020; 2020-2021; 2021-2022 school years.

On February 21, 2024, the Charter School sent a demand letter for Payment of Proportional Share of 2018 Referendum Revenues Due to Public Charter School Students to the School Board of Miami-Dade County. The School Board acknowledged the existence of the potential claims by the Charter School and agreed to make payment directly to the Charter School based upon unweighted student funding.

As per the terms of Agreement, the School Board will make two payments to the Charter School. The first payment was completed on July 10, 2024 which included one-half of the total principal, and interest due as of June 30, 2024 with interest calculated at 5% compounded semi-annually, from the initial due date of July 1, 2019, then due and owed to the Charter School. The second payment will be completed on or before July 10, 2025 which will include the remaining principal and interest then due and owed to the Charter School following the first payment, interest calculated at 5% compounded semi-annually. The amount receivable as of June 30, 2025 was $1,184,157.

Note 14 - Subsequent Events

In accordance with GASB Codification Section 2250.106, the school has evaluated subsequent events and transactions for potential recognition of disclosure through September 15, 2025, which is the date the financial statements were available to be issued.

In September 2025, Academir Charter School, Inc. received $70,000,000 in Series 2025 Bonds (the "Bonds") pursuant to the terms of the Indenture dated September 12, 2025. The Bonds were issued as Additional Bonds on a parity basis with the Outstanding Series 2021 Parity Bonds. The Series 2025 Bonds are equally and ratably secured under the Indenture, Loan Agreement, Mortgage, and other related financing and collateral documents.

Proceeds from the Series 2025 Bonds will be used to finance, including through reimbursement, several key capital and financing initiatives for Academir Charter School, Inc. These include the construction of a driveway connecting the adjoining parcels of land on which the main Academir Charter School West facilities are located, a project required for the Academir Charter School West capacity increase. The funds will also be used for the acquisition of the currently leased Academir Charter School Preparatory facilities, along with the construction, improvement, and equipping of an addition thereto. Additionally, the School will acquire approximately nine acres of vacant land at the corner of SW 30th Street and SW 147th Avenue in Miami, Florida, intended for the predevelopment of future high school facilities. Other uses of proceeds include a deposit to the Reserve Account within the Bond Revenue Fund established under the Indenture, funding of capitalized interest on the Series 2025 Bonds, and payment of issuance-related costs.

The total net proceeds of $68,864,692 reflect a net discount of $1,135,308 from the par amount of $70,000,000. These proceeds have been allocated to the above uses in accordance with the financing plan approved by the school's governing board.

Management has evaluated all other subsequent events through the date the financial statements were available to be issued and noted no other items requiring disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

GENERAL FUND

	Original Budget	Final Budget	Actual Amounts	Variances Positive (Negative)
Revenue				
School Board of Miami- Dade County - FTE	$ 9,837,488	$ 9,837,488	$ 9,895,616	$ 58,128
Investment Earnings	30,000	30,000	165,254	135,254
Miscellaneous Revenues	3,943,433	3,943,433	2,740,747	(1,202,686)
Total Revenue	**13,810,921**	**13,810,921**	**12,801,617**	**(1,009,304)**
Expenditure				
Current:				
Instruction	6,169,495	6,169,495	5,452,110	717,385
Student support services	220,421	220,421	251,170	(30,749)
School Board	18,000	18,000	19,800	(1,800)
General Administration	1,267,583	1,267,583	1,224,470	43,113
School Administration	920,342	920,342	1,693,618	(773,276)
Fiscal Services	250,000	250,000	235,113	14,887
Operation of plant	1,691,099	1,691,099	1,339,574	351,525
Maintenance of plant	80,000	80,000	72,610	7,390
Capital Outlay:				
Furniture, Fixtures, and Equipment	157,000	157,000	512,636	(355,636)
Debt Service:				
Principal	-	-	1,439,843	(1,439,843)
Interest on Long-term Debt	-	-	240,304	(240,304)
Total Expenditure	**10,773,940**	**10,773,940**	**12,481,248**	**(1,707,308)**
Net Changes in Fund Balances	**$ 3,036,981**	**$ 3,036,981**	**$ 320,369**	**$ (2,716,612)**

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

SPECIAL REVENUE FUND

	Original Budget	Final Budget	Actual Amounts	Variances Positive (Negative)
Revenue				
Charges for Services	$ -	$ -	$ 60	$ 60
Operating Grants and Contributions	1,036,250	1,036,250	2,117,875	1,081,625
Total Revenue	**1,036,250**	**1,036,250**	**2,117,935**	**1,081,685**
Expenditure				
Instruction	-	-	748,441	(748,441)
Food Services	518,051	518,051	535,633	(17,582)
Total Expenditure	**518,051**	**518,051**	**1,284,074**	**(766,023)**
Net Changes in Fund Balances	**$ 518,199**	**$ 518,199**	**$ 833,861**	**$ 315,662**

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL PREPARATORY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2025

BUDGETARY BASIS ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

NOTE A

The Charter School formally adopted a budget for the year ended June 30, 2025. Budgeted amounts may be amended by resolution or ordinance by the Board. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of the actual results of operations to the budgeted amounts for the General Fund and Special Revenue Fund are presented as supplementary information.

NOTE B

The budget is adopted using the same basis of accounting on which the financial statements are prepared except for a 5% administrative charge up to 250 students that is retained by the School Board of Miami-Dade County.

OTHER REQUIRED REPORTS

Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School Preparatory
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained *in Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory (the "Charter School"), a component unit of the Miami-Dade County District School Board, as of and for the Year Ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon dated September 15, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, the Miami-Dade County District School Board, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Thomas & Company CPA PA

Thomas & Company, CPA, PA
Cooper City, Florida
September 15, 2025

Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants

MANAGEMENT LETTER
IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School Preparatory
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory's (the "Charter School"), Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 15, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports which are dated September 15, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are of Academir Charter Schools, Inc. D/B/A Academir Charter School Preparatory – 1015.

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Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the school did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Section 10.854(1)(e)6. a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)(3), Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its website information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, School Board of Directors, School's management, and the School Board of Miami-Dade County and is not intended to be and should not be used by anyone other than these specified parties.

Thomas & Company CPA PA

Thomas & Company, CPA, PA
Cooper City, Florida
September 15, 2025

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL WEST

A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MIAMI-DADE COUNTY SCHOOL BOARD

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

YEAR ENDED JUNE 30, 2025

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL WEST
JUNE 30, 2025

TABLE OF CONTENTS

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL WEST

SCHOOL BOARD AND ADMINISTRATION

Board of Directors

Board Chair
Alexander Casas

Vice-Chair
Dr. Tirso Alonso

Treasurer
Joanna Pino

Board Members
Sonia Alfaro
Ruben Perez
Arlene Rodriguez

School Administration

Principal
Susie Bello

Asst. Principal
Tracy Rodriguez

Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Academir Charter Schools, Inc.
D/B/A Academir Charter School West
Miami, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School West (the Charter School), which is a component unit of the Miami-Dade County District School Board, Miami, Florida as of, and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprises the Charter School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Academir Charter Schools, Inc. D/B/A Academir Charter School West as of June 30, 2025, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Academir Charter Schools, Inc. D/B/A Academir Charter School West to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Academir Charter Schools, Inc. D/B/A Academir Charter School West's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

9710 Stirling Rd., Suite #101 & 102 Cooper City, Florida 33024
TEL: (954) 435 7272, (954) 270 7849 FAX: (954) 435 5558 EMAIL: Tony@jttcpa.com
Member: AICPA & FICPA - WWW.JTTCPA.COM

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Academir Charter Schools, Inc. D/B/A Academir Charter School West's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Academir Charter Schools, Inc. D/B/A Academir Charter School West's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8–16 and 37-38 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

Required Supplementary Information (Continued)

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2025, on our consideration of the Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Academir Charter Schools, Inc. D/B/A Academir Charter School West's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Academir Charter Schools, Inc. D/B/A Academir Charter School West's internal control over financial reporting and compliance.

Thomas & Company CPA PA

Thomas & Company CPA PA
Cooper City, Florida
September 15, 2025

As management of the Academir Charter Schools, Inc. D/B/A Academir Charter School West (the "School"), we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here through page 16 of this report.

FINANCIAL HIGHLIGHTS

The following are among the major financial highlights:

- At June 30, 2025, the School had a net position of $3,303,655.
- At June 30, 2025, the School had current assets of $6,017,690.
- For the year ended June 30, 2025, the School's revenues exceeded expenses by $359,551.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements and the notes thereto, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the School:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the School's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School, reporting the School's operations in more detail than the government-wide statements.
- The governmental funds financial statements tell how general school services were financed in the short term, as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

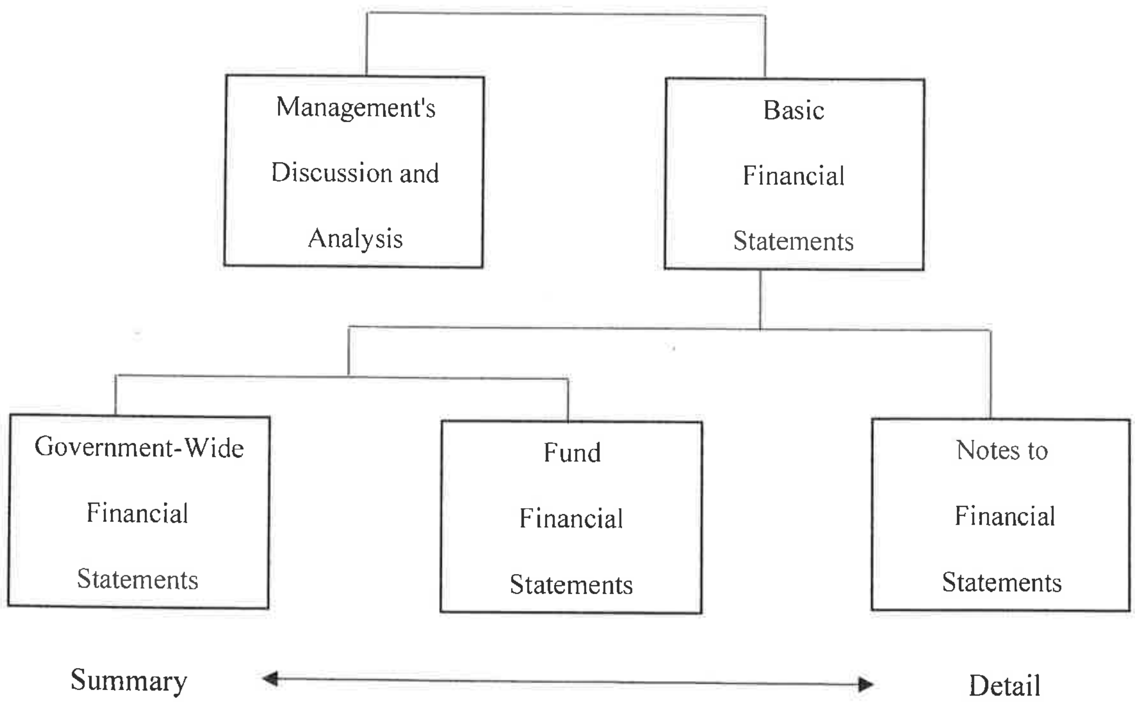
This document also includes the independent auditors' report on compliance and internal control required by *Government Auditing Standards*, as well as the management letter required by the Rules of the Florida Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities, The Florida Virtual School, and Virtual Instruction Program Providers.*

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Annual Report Format



OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The following table summarizes the major features of the School's financial statements, including the portion of the School they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Basic Financial Statements		
	Government-Wide Statements	**Governmental Funds**
Scope	Entire School not including fiduciary	The activities of the School that are not proprietary or fiduciary
Required financial statements	* Statement of Net Position * Statement of Activities	* Balance Sheet * Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.
Type of assets/liability information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, and short-term and long-term	Only assets/deferred outflows of resources expected to be used up and liabilities/deferred inflows of resources that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.

Government-wide Financial Statements

The government-wide financial statements report information about the School as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the School's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements (Continued)

The two government-wide statements report the school's *net position* and how they have changed. Net position—the difference between the school's assets, deferred outflows of resources, liabilities, and deferred inflows of resources—is one way to measure the school's financial health or *position*.

- Over time, increases or decreases in the school's net position are indicators of whether its financial position is improving or deteriorating, respectively.

- To assess the overall health of the school you need to consider additional non-financial factors such as changes in the School's student base, safety at the School and quality of education.

In the government-wide financial statements the school are shown in one category:

- *Governmental Activities* – The School's basic services are included here, such as regular and special education and administration. State aids finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the School's funds – focusing on its most significant or "major" funds – not the School as a whole. Funds are accounting devices the School uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law.

- The School can establish other funds to control and manage money for particular purposes (e.g., federal grants).

The School has one fund type:

Governmental Funds – The School's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent soon to finance the school's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide separate reconciliations to explain the relationship (or differences) between them.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

The School uses or may use the following types of Governmental Funds:

- General Fund - is the School's primary operating fund. It accounts for all financial resources of the School, except those required to be accounted for in another fund.
- Special Revenue Funds – account for specific revenue, such as federal grants, that is legally restricted to expenditures for particular purposes.
- Capital Projects Fund – accounts for the financial resources accumulated that are restricted for capital outlays.

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE

Net Position

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table provides the School's net position as of June 30, 2025 and 2024:

	Governmental Activities as of June 30,		
	2025	**2024**	**Variance**
Assets			
Current Assets	$ 6,017,690	$ 4,748,343	$ 1,269,347
Non-Current Assets	19,246,520	20,146,136	(899,616)
Total Assets	**25,264,210**	**24,894,479**	**369,731**
Liabilities and Net Position			
Liabilities			
Current Liabilities	995,537	489,754	505,783
Non-Current Liabilities	20,965,018	21,460,621	(495,603)
Total Liabilities	**21,960,555**	**21,950,375**	**10,180**
Net Position			
Net Investment in Capital Assets	(1,978,498)	(1,314,485)	(664,013)
Unrestricted	5,282,153	4,258,589	1,023,564
Total Net Position	**3,303,655**	**2,944,104**	**359,551**
Total Liabilities and Net Position	**$ 25,264,210**	**$ 24,894,479**	**$ 369,731**

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE (CONTINUED)

Net Position (Continued)

The School reports a positive balance in net position of $3,303,655 as of June 30, 2025 with a net increase of $359,551 for the year. The School's net position reflects its investment in capital assets (e.g. land, buildings, building improvements, furniture, fixtures and equipment) net of related debt. The School uses its capital assets to provide services to students. Consequently, these assets are not available for future spending.

Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2025, the school had no restricted assets. The remaining unrestricted balance may be used in any of the School's ongoing operations. Current assets of the School, primarily consisting of accounts receivable, due from other agencies and cash and cash equivalents, increased as a result of the current year increase in due from other agencies.

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE (CONTINUED)

Change in Net Position

The following table compares the changes in the School's net position from its activities for the fiscal years ended June 30, 2025 and 2024:

	Governmental Activities as of June 30,		
	2025	2024	Variance
Revenue:			
General Revenues	$ 8,337,270	$ 9,925,480	$ (1,588,210)
Program Revenues:			
Charges for Services	4,076	8,724	(4,648)
Operating Grants and Contributions	1,260,305	826,145	434,160
Capital Grants and Contributions	773,550	575,703	197,847
Total Revenue	**10,375,201**	**11,336,052**	**(960,851)**
Expenses:			
Instruction	4,429,012	4,173,398	255,614
Student Support Services	218,306	153,003	65,303
Instruction and Curriculum Development Services	-	110,521	(110,521)
Instruction Related Technology	-	56,741	(56,741)
School Board	110,615	54,806	55,809
General Administration	743,111	796,686	(53,575)
School Administration	1,096,603	1,068,414	28,189
Fiscal Services	161,852	172,428	(10,576)
Food Services	347,592	290,796	56,796
Student Transportation Services	4,200	-	4,200
Operation of Plant	1,124,486	1,030,838	93,648
Maintenance of Plant	24,061	32,510	(8,449)
Interest on Long-term Debt	856,196	865,555	(9,359)
Unallocated Depreciation Expense	899,616	952,955	(53,339)
Total Expenses	**10,015,650**	**9,758,651**	**256,999**
Change in Net Position	**$ 359,551**	**$ 1,577,401**	**$ (1,217,850)**

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE (CONTINUED)

Revenues decreased as a result of fall in general revenue for the fiscal year ended June 30, 2025. Expenditures increased primarily as a result of expenditures related to instruction and operation of plant.

- At year-end there are 698 students in K-8th grade. Revenues are based on the amount received per student from the State through the School Board of Miami-Dade County.
- Expenses for instruction are the result of teachers' salaries and related benefits, and also materials and supplies that directly impact student learning.
- School administration is due primarily to administrators and other administrative personnel and related benefits as well as administrative costs.
- Plant operations expenses consist of utilities, communications, insurance cost, support personnel and related benefits.

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

As noted earlier, the School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the School's governmental funds is to provide information on near-term inflows, outflows and spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the School's net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2025, the School's governmental funds reported a positive ending fund balance of $5,294,303. Both revenues decreased and expenditure increased overall for the same reasons described above for the governmental activities.

BUDGETARY HIGHLIGHTS

Prior to the start of the School's fiscal year, the Board of the School adopted an annual budget. A budgetary comparison statement has been provided as part of required supplementary information for the governmental funds to demonstrate compliance with the School's budget.

For the General Fund, actual revenues were $ 965,439 (10%) lower than expected. Actual expenditures were $788,834 lower than budget for a 10% variance. While the budget had reflected an increase of $1,422,605 for the year, the actual results reflected a net $1,246,000 increase in ending fund balance for a net variance of $176,605. Revenues decreased as a result of the decrease in miscellaneous state revenue for the fiscal year ended June 30, 2025

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2025, the School had investment in capital assets of $19,246,520. This amount is net of accumulated depreciation of $3,989,901. There were no capital asset additions and disposals in the current year. A more detailed analysis is provided in Note 6.

Noncurrent Liabilities

The School's non-current liabilities consisted of Bond Payable and Bond Premium. The School has $20,900,000 of Bond Payable and $325,018 of Bond Premium as of June 30, 2025.

Series 2025 Bonds

In September 2025, Academir Charter School, Inc. (the "School") received $70,000,000 in Series 2025 Bonds (the "Bonds") pursuant to the terms of the Indenture dated September 12, 2025. The Bonds were issued as Additional Bonds on a parity basis with the Outstanding Series 2021 Parity Bonds. The Series 2025 Bonds are equally and ratably secured under the Indenture, Loan Agreement, Mortgage, and other related financing and collateral documents.

Proceeds from the Series 2025 Bonds will be used to finance, including through reimbursement, several key capital and financing initiatives for Academir Charter School, Inc. These include the construction of a driveway connecting the adjoining parcels of land on which the main Academir Charter School West facilities are located, a project required for the Academir Charter School West capacity increase. The funds will also be used for the acquisition of the currently leased Academir Charter School Preparatory facilities, along with the construction, improvement, and equipping of an addition thereto. Additionally, the School will acquire approximately nine acres of vacant land at the corner of SW 30th Street and SW 147th Avenue in Miami, Florida, intended for the predevelopment of future high school facilities. Other uses of proceeds include a deposit to the Reserve Account within the Bond Revenue Fund established under the Indenture, funding of capitalized interest on the Series 2025 Bonds, and payment of issuance-related costs.

The total net proceeds of $68,864,692 reflect a net discount of $1,135,308 from the par amount of $70,000,000. These proceeds have been allocated to the above uses in accordance with the financing plan approved by the school's governing board.

ECONOMIC FACTORS & BUDGET HIGHLIGHTS

The following economic indicators were considered when adopting the general fund budget for fiscal year 2025-26:

1. Student membership and FEFP funding per pupil
2. Cost of goods and services
3. Competitive employee compensation

ECONOMIC FACTORS & BUDGET HIGHLIGHTS (CONTINUED)

Budgeted governmental fund expenditures are expected to decrease to $8,918,761 or 5%, from the fiscal 2025 actual amount of $9,339,487. The school is allocating resources to enhance academic achievement at all student-learning levels and for anticipated student membership. The budget expenditure base includes changes in salary, the cost of health care and other fixed recurring costs for School operations.

During the year, aggregate revenues are expected to decrease to $9,293,839 or 10%. If these estimates are realized, the school's general fund balance is expected to increase by the close of fiscal 2026.

SCHOOL ENROLLMENT

During the fiscal year June 30, 2025, the grade levels at the School ranged from K-8th grade, with a total enrollment of 698 students.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of the School's finances for all those with an interest in the school's finances. Questions concerning any of the information should be addressed to Mr. Alexander Casas, 5420 SW 157 Ave, Bay 5, Miami FL 33185.

BASIC FINANCIAL STATEMENTS

ACADEMIR CHARTER SCHOOLS, INC.
D/B/A ACADEMIR CHARTER SCHOOL WEST
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	Governmental Activities
ASSETS	
Current Assets	
Cash and Cash Equivalents	$ 2,949,467
Investments	726,112
Accounts Receivable	1,120,900
Deposits Receivable	53,282
Due from Other Agencies	1,167,929
Total Current Assets	**6,017,690**
Non-Current Assets	
Capital Assets, Net	19,246,520
Total Non-Current Assets	**19,246,520**
TOTAL ASSETS	**25,264,210**
LIABILITIES AND NET POSITION	
LIABILITIES	
Current Liabilities	
Salaries and Wages Payable	446,689
Accounts Payable	15,822
Compensated Absences Payable	12,150
Bond Payable, Net - Due Within One Year	260,000
Due to Other Agencies	260,876
Total Current Liabilities	**995,537**
Non-Current Liabilities	
Bond Payable, Net - Due in More Than One Year	20,965,018
Total Non-Current Liabilities	**20,965,018**
TOTAL LIABILITIES	**21,960,555**
NET POSITION	
Net Investment in Capital Assets	(1,978,498)
Unrestricted	5,282,153
TOTAL NET POSITION	**3,303,655**
TOTAL LIABILITIES AND NET POSITION	**$ 25,264,210**

The accompanying notes to financial statements are an integral part of this financial statement.

CAPITAL TRUST AUTHORITY ("CTA")

a duly constituted and validly existing separate legal and administrative entity under Section 163.01(7), Florida Statutes, and Chapter 617, Florida Statutes, pursuant to an Interlocal Agreement dated as of June 6, 2022, as may be amended and supplemented from time-to-time, between the City of Gulf Breeze, Florida and the City of Quincy, Florida

BOND FINANCE APPLICATION

Legal name of applicant (as shown on most recent legal organizational documents) (the "Applicant"):

Southern Winds Hospital Holdings LLC, 4225 LLC and Southern Winds Hospital LLC

Senior officers of the Applicant:

Name: Andrew Brick-Turin **Title:** Chief Executive Officer of Parent

Name: ________ **Title:** ________

Legal Street Address of the Applicant (headquarters):

4225 W 20th Ave, Hialeah FL 33012

Primary consultant[s] working on behalf of the Applicant:

Name of consultant: Seyfarth Shaw LLP

Role of consultant: Borrower's Counsel

Primary contact[s] and title of consultant representatives:

(1) Cynthia Mitchell, Partner

(2) Joseph Krolikowski, Senior Counsel

Telephone numbers:

Applicant: (305) 655-1234

Consultant: (212) 218-3357

Is the Applicant (check one) a ___ corporation, X limited liability company ___ partnership?

Southern Winds Hospital Holdings LLC ("Holdings") is a Delaware limited liability company

4225 LLC ("4225") is a Delaware limited liability company

Southern Winds Hospital LLC ("Hospital") is a Delaware limited liability company

State of formation: Delaware

If Applicant is a Special Purpose Entity (SPE), legal name of member(s) (as shown on most recent legal organizational documents (Articles of Incorporation, Articles of Organization, etc.):

The sole member of Holdings is the Parent

The sole member of 4225 is the Parent

The sole member of Hospital is Holdings

State(s) of formation of member(s):

Delaware

Is this Applicant a 501(c)(3) organization or a "disregarded entity"? Each Applicant is a disregarded entity whose direct or indirect member is Parent, which is a 501c3 entity)

(If Yes, please provide evidence of the Applicant's tax determination by the IRS. For SPEs, provide the member's determination letter. If tax exemption designation has been applied for by a newly created non-profit entity, provide copy of IRS Form 1023 (including all attachments). Tax determination information should be attached to this application as **Exhibit 1**.)

Exhibit 2: Brief (one page maximum) describing the Applicant and its history. Please include a description of the project's public purpose in this section.

Exhibit 3: A summary of the proposed financing. Include the proposed use and mission, location(s) and total anticipated amount to be financed. The content and narrative in this section should be comprehensive and shall include the information shown in Schedule I. An underwriter's presentation is helpful here. If project renderings or recent power point presentations exist to further describe and depict the project, please include.

Exhibit 4: An initial sources and uses, most recent year of audited financials, and financial projections.

Exhibit 5: A complete list of the corporate officers and directors of the Applicant with an explanation of their corporate responsibilities.

Exhibit 6: A complete listing of consultants currently under contract with the Applicant. Include legal professionals, underwriter(s), financial advisors, CPA's, etc. Include for each firm the name of individual, name of firm, role and location of office assigned to the financing. A proposed distribution list of the financing team will suffice and is preferred.

Exhibit 7: Any background information helpful in showing the expertise or established record of success by the Applicant or representatives of the Applicant in operating the type of facility being purchased, financed, or refinanced. In addition to project principals, information and credentials of any management firms expected to operate the project should be included.

Please provide 12 hard copies and forward an electronic copy of the above information plus an application fee in the amount of $4,500 to:

Mr. Denis A. McKinnon, III
Executive Director
Capital Trust Authority
315 Fairpoint Drive
Gulf Breeze, FL 32561
Tel. 850-934-4046
dmckinnon@muniad.com

Acknowledgement Statement:

On behalf of the Applicant, Southern Winds Hospital Holdings LLC, 4225 LLC and Southern Winds Hospital LLC, **as its representative and contact for submittal of this Application, I understand this information is provided as an initial requirement of CTA to consider issuance of conduit bonds to finance or refinance the project described above, I understand the fee being paid is non-refundable and CTA offers no assurance that this Application will be acted upon favorably or that the conduit bonds will be issued. I also understand, an acceptance by CTA to proceed with further due diligence to facilitate a debt structuring as requested by the Applicant may be terminated at any time by CTA. The Applicant authorizes CTA to verify information submitted by or on behalf of the Applicant, obtain further information concerning the credit and standing of the Applicant and its representatives, and obtain other information deemed necessary by CTA or its representatives.**

Submitted and signed by:

Andrew Brick-Turin
Chief Executive Officer of Parent

Date: 6/30/2026

SCHEDULE I

EXHIBIT 5 PROJECT DESCRIPTION

a. Will the project include the refinancing of any existing indebtedness? Yes ___ No _X_ If yes, provide complete description of the outstanding indebtedness:

Description of indebtedness (name of obligation(s):	
Issued pursuant to (trust indenture, loan agreement, promissory note, etc.):	
Date indebtedness was incurred:	
Estimated amount outstanding:	
Exact name of borrower:	
Exact name of trustee and/or lender:	
Lender contact information (primary contact, telephone number and email)	

b. Will the project include new acquisition and/or improvements? Yes _X_ No __
If yes, provide an estimated project budget, as follows:

Cost of acquisition of fee simple interest in land	4,600,000
Cost of acquisition of leasehold interest in land	
Cost of any existing improvements (site improvements and building)	41,920,000
Cost of goodwill/intangible assets	86,696,000
Cost of any construction of new facilities	
Cost of any renovation	
Cost of furnishings, fixtures, and equipment	740,000
Total	133,956,000

c. Complete Schedule I to this Exhibit 5 with respect to the project, including portions of the project to be located at different sites, if any.

d. Is there a required completion date? Yes ___ No _X_ If yes: ______________________

e. Please describe any existing facilities of the Applicant that will be included as a part of the security for the financing but for which proceeds will not be used, including location:

f. Are additional facilities required and contemplated by the Applicant to be addressed in a future financing? Yes ___ No _X__ If yes, describe below:

g. Provide any available market or feasibility studies.

SCHEDULE I TO EXHIBIT 5 PROJECT DESCRIPTION

PROJECT DETAILS

Street Address or Description of Location	Description of Portion of Project to be Located at This Site*	Portion of Project Budget Allocable to this Location	Indicate Refinanced, Acquired or New Construction/ Renovation	City	County	State	Zip
4225 W 20th Ave	Southern Winds - Nature of Property: Adult Inpatient Psychiatric Hospital - Lot Size: 81,364 sq ft - Adjusted Building Area: 36,624 sq ft - Licensed Beds: 72 - Floors: 2	~$134M (the bond proceeds will only be used at this address for the acquisition of the real estate and operating companies)	Acquisition	Hialeah	Miami-Dade	Florida	33012

* Include:

- Acreage of any real property;
- Number and square footage of each building;
- Nature of the property, if applicable, such as units, classrooms, administrative, recreational, etc.

EXHIBIT 1: EXEMPT STATUS

Is this Applicant a 501(c)(3) organization or a "disregarded entity"?

Each Applicant is a disregarded entity. The IRS determination letter for Applicant's parent, BH Wellness Foundation, is attached.

[remainder of page intentionally left blank – please see the following page]

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

BH WELLNESS FOUNDATION
4225 W 20TH AVENUE
HIALEAH, FL 33012

Date:
02/24/2026
Employer ID number:
41-4206753
Person to contact:
Name: Rodney Joash
ID number: 2978473
Telephone: 877-829-5500
Accounting period ending:
December 31
Public charity status:
509(a)(2)
Form 990 / 990-EZ / 990-N required:
Yes
Effective date of exemption:
February 6, 2026
Contribution deductibility:
Yes
Addendum applies:
No
DLN:
26053450006566

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

We sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

Stephen A. Martin

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

EXHIBIT 2: APPLICANT HISTORY

The borrower, BH Wellness Foundation, is a newly formed 501(c)(3) nonprofit entity established in February 2026.

This project involves the acquisition of Southern Winds Hospital by BH Wellness Foundation from Southern Winds Hospital Holdings LLC and 4225 LLC, financed through the issuance of tax-exempt senior and subordinate revenue bonds. Upon issuance of the bonds, Southern Winds Hospital will convert from a for-profit entity to a nonprofit entity.

Southern Winds Hospital is a 72-bed licensed adult psychiatric hospital located in Hialeah, Florida. Originally constructed and opened in 1988 as a for-profit psychiatric care facility, the hospital was acquired in 2016 by current ownership.

The hospital provides specialized short-term mental health care delivered by a qualified team of psychiatric, psychological, addiction treatment, educational, and nursing professionals. As the only free-standing psychiatric hospital in Miami-Dade County, Southern Winds is a critical component of the region's behavioral health continuum of care.

EXHIBIT 3: PROPOSED FINANCING SUMMARY

[remainder of page intentionally left blank – please see the following pages]

Proposed Transaction Overview

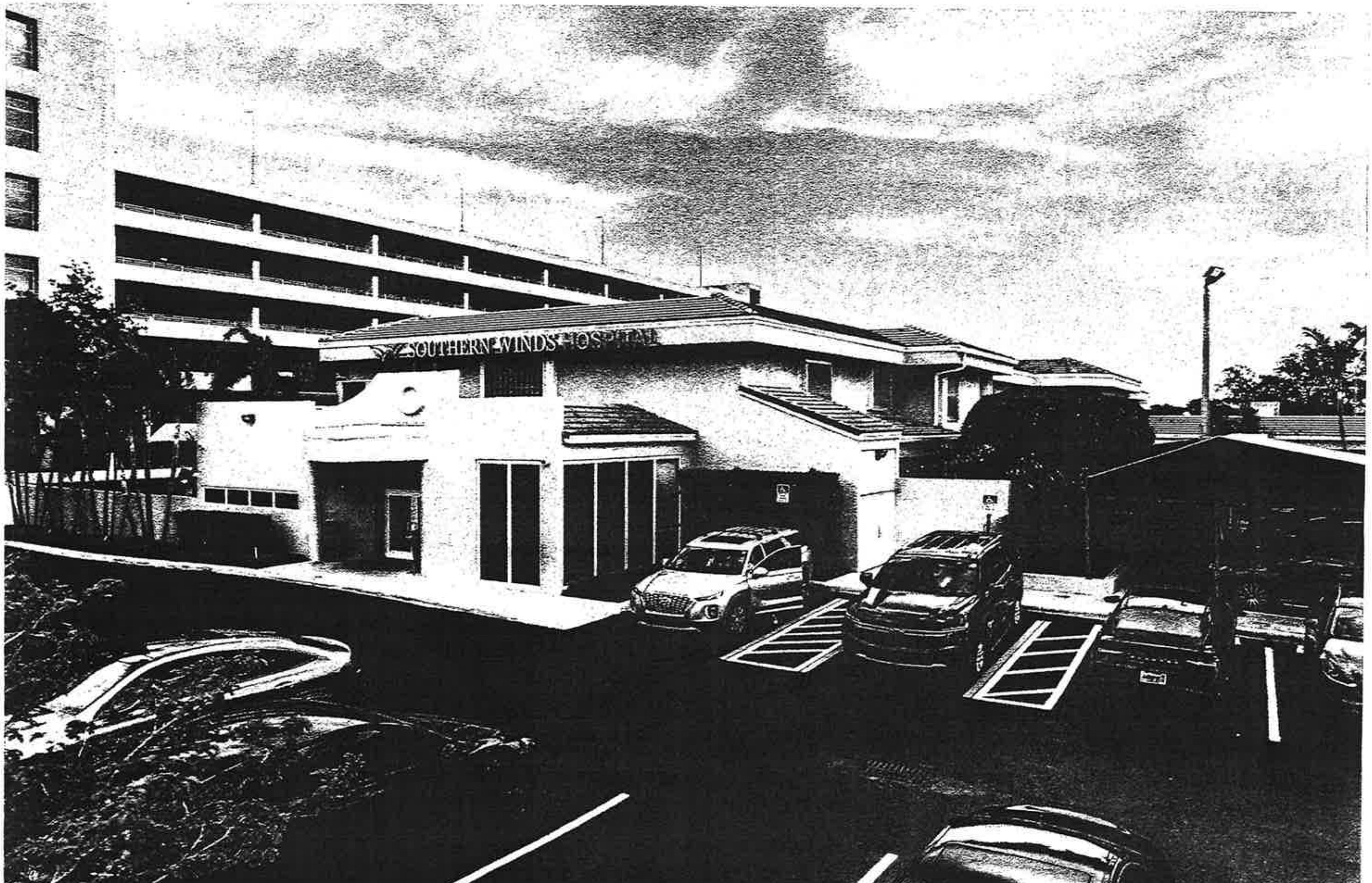
Issuer:	Capital Trust Authority
Borrower:	BH Wellness Foundation
Bond Trustee:	UMB Bank
Facility:	Southern Winds Hospital
Type of Financing:	The Bonds will be issued via a limited offering. The Bonds will be issued in book entry form and registered in the name of Cede & Co., a nominee of The Depository Trust Company, New York, New York ("DTC"). The Senior Bonds will be assigned CUSIPs at closing.
Senior Bonds[1]:	• $80.15 million (Tax-Exempt) • 35-year final maturity
Subordinate Capital Appreciation Bonds[1]:	• $68.32 million (Tax-Exempt) • 40-year final maturity • Subordinate Bonds will be delivered to Sellers without the exchange of cash as payment for a portion of their direct or indirect membership and/or ownership interests in the Facility • Sub Bondholders will have a subordinate lien in the same security as Senior Bonds (will have no right to accelerate or demand payment except as outlined below) • During the first 10 years, Subordinate Bonds only paid if: – (1) Senior DSCR is >= [2.00x] (to be tested annually based on trailing 12 months CFADS) and the amount paid would equate to a [1.10x] all-in DSCR; or – (2) Senior DSCR is >= [1.65x] and DCOH is > [95] days. The amount paid would be funds available above [95] DCOH • Beginning in year [11], regularly scheduled payments of principal and interest on the Subordinate Bonds will be paid to the extent funds are available through the waterfall
Bond Ratings:	• Non-Rated
Denominations	• $100,000 minimum purchase amount, $5,000 denominations and available to QIBs and Accredited Investors
Use of Proceeds:	• Acquisition financing to purchase the real estate and operating companies • Fund Various Reserve funds • Cost of issuance

Preliminary, subject to change.
1. A portion of the bonds may be issued as Taxable Bonds

Proposed Transaction Overview

Security:	• Gross revenue pledge from the operations – Deposit Account Control Agreement • **Mortgage or leasehold on facility and all related property(s)**
Structure:	• 35-Year fixed rate bonds • Senior structure with subordinate bonds to sellers
Liquidity Reserve:	• During the first [10] years, up to $[500k] annually will be deposited into this reserve ahead of funds flowing to Subordinate Debt Service • Funds in this reserve applied to DCOH tests • After [10] years, if Senior DSCR >=[1.75x], funds in this reserve may be released to pay Subordinate Bonds
Capital Expense Fund and Extraordinary Expense Fund:	• Annual Capital Expense Fund deposits for ongoing capital needs based on historical spend • Annual Extraordinary Expense Fund deposits for ongoing management needs based on agreed upon amount
Mandatory Redemption:	• Scheduled amortization
Optional Redemption:	• 10-year par call
DSCR Bond Sizing	• **Minimum Senior DSCR sized to [2.00x] based on seller projections** • Subordinate Bond Debt Service sized to [1.10x]
Covenants:	• Consultant Call-in: Either DSCR falls below [1.25x] or DCOH falls below [80] • Event of Default: Either DSCR falls below [1.00x] or DCOH falls below [60] • Limitation on Disposition of Assets except as permitted under the MTI

Proposed Transaction Overview - Southern Winds Hospital Site



Proposed Transaction Overview - Southern Winds Hospital Site

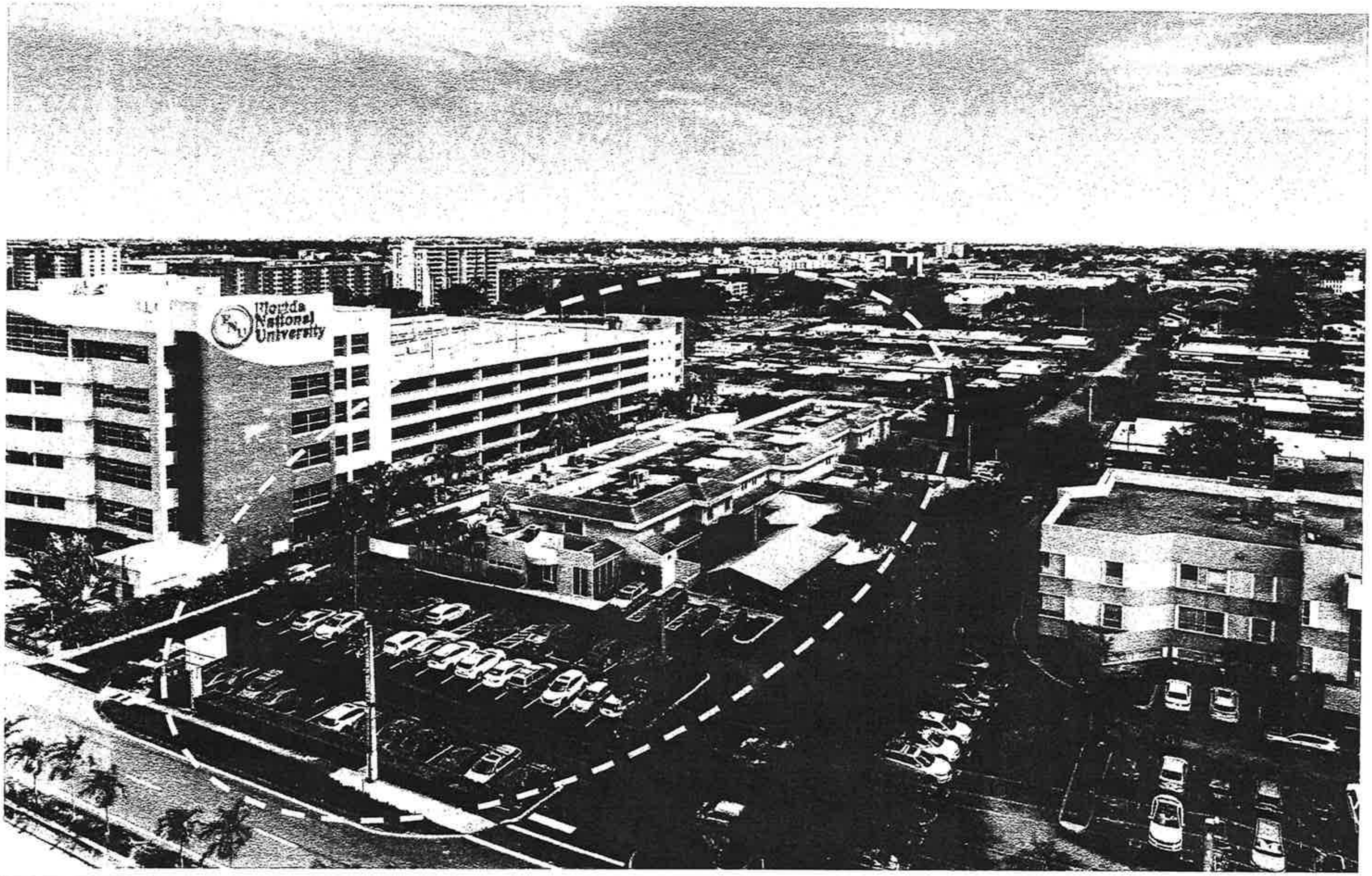


EXHIBIT 4: INITIAL SOURCES AND USES, AUDITED FINANCIALS, AND PROJECTIONS

[remainder of page intentionally left blank – please see the following pages]

Preliminary Sources and Uses & Bond Statistics

SOUTHERN WINDS HOSPITAL

Sources & Uses

Sources	Senior TE CIBs	Subordinate TE CABs	Total
Tax-Exempt Bonds	$80,150,000	-	$80,150,000
Subordinate Take-Back Note	-	68,319,096	68,319,096
Total Sources	**$80,150,000**	**$68,319,096**	**$148,469,096**

Uses	Senior TE CIBs	Subordinate TE CABs	Total
Senior Acquisition Proceeds	$65,636,822	-	$65,636,822
Subordinate Acquisition Proceeds	-	68,319,096	68,319,096
Total Seller Proceeds	***65,636,822***	***68,319,096***	***133,955,918***
Debt Service Reserve Fund	8,648,176	-	8,648,176
Capital Expenditure Fund	500,000	-	500,000
Extraordinary Expense Fund	500,000	-	500,000
Total Fund Deposits	***9,648,176***	***-***	***9,648,176***
Issuance Costs	4,865,002	-	4,865,002
Total Uses	**$80,150,000**	**$68,319,096**	**$148,469,096**

EISNERAMPER

SOUTHERN WINDS HOSPITAL, LLC AND
UNITED RESEARCH INSTITUTE, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2025

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC

CONTENTS

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INDEPENDENT AUDITORS' REPORT

To the Member
Southern Winds Hospital, LLC and United Research Institute, LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the combined financial statements of Southern Winds Hospital, LLC and United Research Institute, LLC (collectively, the "Company"), which comprise the combined balance sheet as of December 31, 2025, and the related combined statements of operations and changes in member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the combined financial position of Southern Winds Hospital, LLC and United Research Institute, LLC as of December 31, 2025, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of Southern Winds Hospital, LLC for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on March 26, 2025.

Emphasis of Matter – Change in Reporting Entity

As discussed in Note 8, the financial statements for the year ended December 31, 2025 include an additional related company under common control. Member's equity as of December 31, 2024, the beginning of the year, is reflective of this change.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining balance sheet, combining statement of operations, and combining statement of member's equity are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
June 9, 2026

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINED BALANCE SHEET
DECEMBER 31, 2025

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	$	202,375
Patient and third-party payors receivable		3,118,839
Medicaid supplemental payment receivable		12,394,701
Other accounts receivable		1,221,860
Prepaid expenses		249,797
Due from affiliates		20,506
Total current assets		17,208,078
PROPERTY AND EQUIPMENT		
Property and equipment		3,436,555
Less: accumulated depreciation		(1,174,281)
Net property and equipment		2,262,274
OTHER ASSETS		
Other assets		25,496
Right of use asset		5,780,013
Total other assets		5,805,509
Total assets	$	25,275,861

LIABILITIES AND MEMBER'S EQUITY

CURRENT LIABILITIES		
Accounts payable	$	95,171
Cash overdraft		1,410,586
Accrued payroll and related benefits		330,610
Other accrued liabilities		870,468
Due to affiliates		1,051
Lease liability - current portion		1,615,473
Total current liabilities		4,323,359
LONG-TERM LIABILITIES		
Lease liability		4,164,540
Total liabilities		8,487,899
Member's equity		16,787,962
Total liabilities and member's equity	$	25,275,861

See notes to financial statements.

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2025

Revenue		
Patient service revenue	$	17,953,020
Medical research revenue		1,948,516
Residency income		3,003,595
Other operating income		12,623,933
Total revenue		35,529,064
Operating expenses		
Salaries and employee benefits		10,621,589
Fees and assessments		5,928,021
Residency program		2,258,243
Rent		1,389,001
Management fees		1,178,644
Repairs and maintenance		745,291
Room, board, and food		591,862
Medical supplies		549,778
Office expenses		86,752
Contract services		494,355
Legal and professional fees		213,425
Depreciation		272,587
Utilities		179,933
Insurance		198,650
Information technology		122,112
Patient compensation		109,588
Advertising and promotion		24,063
Miscellaneous		407,200
Loss on disposal of property		458,202
Total operating expenses		25,829,296
Net income	$	9,699,768

See notes to financial statements.

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINED STATEMENT OF MEMBER'S EQUITY
YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$	7,445,854
Net income		9,699,768
Distributions		(357,660)
Balance, December 31, 2025	$	16,787,962

See notes to financial statements.

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

Cash flows from operating activities	
Net income	$ 9,699,768
Adjustments to reconcile net income to net cash used in operating activities	
Depreciation	272,587
Loss on disposal of property	458,202
Changes in operating assets and liabilities:	
Patient and third-party payors receivable	(389,322)
Medicaid supplemental payment receivable	(9,636,765)
Other accounts receivable	(968,574)
Prepaid expenses	(151,416)
Other assets	2,082
Accounts payable and accrued expenses	(972,013)
Net cash used in operating activities	(1,685,451)
Cash flows from investing activities	
Purchase of property and equipment	(438,379)
Net cash used in investing activities	(438,379)
Cash flows from financing activities	
Increase in cash overdraft	1,410,586
Advances to affiliates	(70,225)
Distributions	(357,660)
Net cash provided by financing activities	982,701
Change in cash and cash equivalents	(1,141,129)
Cash and cash equivalents, beginning of year	1,343,504
Cash and cash equivalents, end of year	$ 202,375

See notes to financial statements.

1. ORGANIZATION AND NATURE OF OPERATIONS

Southern Winds Hospital, LLC (the Hospital), a Delaware limited liability company, was formed on May 7, 2019 for the purpose of leasing and operating a 72-bed behavioral health facility known as Southern Winds Hospital located in Hialeah, Florida (the Hospital). Effective June 2019, the Hospital facilities are leased from a related party, 4225 LLC, for a period of 10 years.

United Research Institute, LLC (the Institute) is a multi-specialty clinical research site in Hialeah, Florida, offering clinical trials in therapeutic areas.

The Hospital and the Institute (collectively "the Company") are owned by a sole member, Southern Winds Hospital Holdings, LLC.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (U.S. GAAP) and the prevailing practices within the healthcare industry. All intercompany accounts and transactions have been eliminated in the combined financial statements.

Cash and Cash Equivalents

The Company considers all checking accounts, savings accounts, and money market funds to be cash or cash equivalents.

Patient and Third-Party Payors Receivable

Patient and third-party payor receivable are recorded at net realizable value based on certain assumptions determined for each payor. For third-party payors including Medicare, Medicaid, and managed care companies, the net realizable value is based on the estimated contractual reimbursement percentage, which is based on current contract prices or historical paid claims data by payor. For self-pay accounts receivable, which includes patients who are uninsured and the patient responsibility portion for patients with insurance, the net realizable value is determined using estimates of historical collection experience. These estimates are adjusted for estimated conversions of patient responsibility portions and expected recoveries.

Patient and third-party payor receivable can be impacted by the effectiveness of the Company's collection efforts. Additionally, significant changes in payor mix, business operations, economic conditions, or trends in federal and state governmental healthcare coverage could affect the net realizable value of patient accounts receivable. The Company also continually reviews the net realizable value of patient accounts receivable by monitoring historical cash collections, as well as by analyzing current period net revenue and admissions by payor classification, aged accounts receivable by payor, days revenue outstanding, and the composition of self-pay receivables, and current economic conditions and reasonable and supportable forecasts. Additionally, management has evaluated collection activity after the combined balance sheet date but before the Company's financial statements are available to be issued. At each reporting date, the estimate is updated to reflect any changes in credit risk since the receivable was initially recorded.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Patient and Third-Party Payors Receivable (continued)

Because the Company's estimates of patient accounts receivable, adjusted for explicit and implicit price concessions, are expected to be fully collectible, the combined financial statements do not include an allowance for credit losses.

Contract assets, if any, consist of services provided to patients who were still receiving care at the Company's facilities at the reporting date. This represents patient charges that have not been billed and which do not meet the conditions of unconditional right to payment at the combined balance sheet date. The Company's contract assets were approximately $162,000 at December 31, 2025.

The Company has elected the practical expedient allowed under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-32-18 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Company's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less.

The Company has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as incurred, as the amortization period of the asset that the Company otherwise would have recognized is one year or less in duration.

Medicaid Supplemental Payment Receivable

The Company participates in the Florida Medicaid Supplemental Payment Direct Payment Program (DPP), administered by the Florida Agency for Health Care Administration (FAHCA). Under the DPP, the Company is eligible to receive supplemental Medicaid payments upon satisfaction of program requirements established by FAHCA, including approval of the payment amount and compliance with applicable participation requirements.

The Company accounts for the DPP payments as exchange transactions, as supplemental reimbursement for providing Medicaid services to patients. Revenue is recognized in the period in which the qualifying requirements for the payments have been met. Management evaluates program approval, historical experience, and correspondence from FAHCA in assessing whether the requirements have been satisfied.

For the year ended December 31, 2025, the Company recognized supplemental Medicaid revenue of $12,522,814 related to the DPP, which is reported within other operating income in the combined statement of operations. Provider participation fees and related assessments required to participate in the program are recognized as incurred and reported within fees and assessments in the combined statement of operations. Such expenses totaled $5,642,899 for the year ended December 31, 2025. As of December 31, 2025, amounts approved but not yet received totaling $12,394,701 are included in Medicaid supplemental payment receivable in the combined balance sheet.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Accounts Receivable

Other accounts receivable consist primarily of amounts due from research companies under clinical research agreements for services performed in accordance with approved study protocols. Accounts receivable are recognized when the Company has an unconditional right to consideration, which generally occurs as research services are performed and billable milestones are achieved in accordance with the underlying agreements.

Accounts receivable are initially recorded at the amount of consideration to which the Company expects to be entitled and are presented net of an allowance for credit losses. The Company does not accrue interest on past due balances. The Company estimates its allowance for credit losses on accounts receivable in accordance with ASC 326, using a lifetime expected credit loss model. In determining the allowance, management considers historical collection experience. aging of receivables the creditworthiness of research sponsors, and current economic conditions. Accounts are written off when management determines that collection is no longer probable. Changes in the allowance for credit losses are recognized in the combined statement of operations within operating expenses.

Property and Equipment

Property and equipment are recorded at cost. Additions, renewals, and betterments over $500 that extend the lives or increase the values of assets are capitalized. Maintenance and repair expenditures are expensed as incurred. Depreciation has been provided using the straight-line method over the estimated useful lives of the related assets, which range from 5 to 15 years. When assets are retired or otherwise disposed, the cost and related accumulated depreciation are removed from the accounts, and any resulting gains or losses are recognized in the Company's current operations.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2025.

Leases

The Company accounts for leases in accordance with FASB ASC 842, which requires the recognition of right-of-use assets and lease liabilities on the combined balance sheet. The Company determines if an arrangement is a lease at the inception of the contract. For leases with terms greater than twelve months, right-of-use assets and lease liabilities are recognized at the contract commencement date based on the present value of lease payments over the lease term. Right-of-use assets represent the Company's right to use the underlying asset for the lease term. Lease liabilities represent the Company's obligation to make lease payments arising from these contracts. The Company uses a risk-free rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that such options will be exercised.

Lease agreements may include rental escalation clauses or renewal options that are factored into management's determination of lease payments, when appropriate. The estimated useful life of right-of-use assets is limited by the expected lease term, unless there is a transfer of title or the purchase option is reasonably certain of exercise.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

The Company's lease agreements may include payments based on usage while others may include rental payments adjusted periodically for inflation. These variable lease payments are recognized in operating expenses, but are not included in the right of use asset or lease liability balances. The Company's lease agreements do not contain any material residual value guarantees, restrictions, or covenants.

The Company has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and are applying this expedient to all relevant asset classes. Additionally, the Company elected the package of transition provisions available which allowed the carryforward of the Company's historical assessments of whether contracts are or contain leases, the lease classification, and the treatment of initial direct costs.

The Company reviews the carrying values of right of use assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the right of use assets. No impairments were recognized for the year ended December 31, 2025.

Patient Service Revenue

The Company earns patient service revenue from care delivered in inpatient acute care services rendered to patients. The Company reports revenues from patient services at the amount that reflects the consideration to which the Company expects to be entitled in exchange for providing patient care. These amounts are due from patients, governmental programs, health maintenance organizations, private insurers, and others, and include variable consideration for retroactive revenue adjustments due to settlements of audits, reviews, and investigations. Revenue is recognized as the performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Company. The Company measures the performance obligation from the commencement of a service to the point when it is no longer required to provide services to that patient. The Company accounts for the series of services as a single performance obligation satisfied over time, as the customer simultaneously receives and consumes the benefits of the goods and services provided.

The Company has determined that it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Company expects to collect based on its collection history with those patients. The estimate of implicit price concessions is based on historical collection experience with these classes of patients using a portfolio approach as a practical expedient to account for patient contracts as collective groups rather than individually. The financial statement effects of using this practical expedient are not materially different from an individual contract approach.

Because all its performance obligations relate to contracts with a duration of less than one year, the Company has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period (if any). The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Patient service revenue (continued)

The Company has agreements with third-party payors that provide for payments to the Company at amounts different from its established rates. Third-party payors include federal and state agencies (under the Medicare and Medicaid programs), managed care health plans and commercial insurance companies. A summary of the payment arrangements with major third-party payors follows:

Medicare - Inpatient acute care services rendered to Medicare program beneficiaries at the Hospital are paid at prospectively determined rates per discharge based upon Medicare Severity Diagnostic Related Groups. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. The Hospital receives Medicare reimbursements in accordance with a per diem prospective payment system. Defined capital, disproportionate share, bad debts and medical education costs related to Medicare beneficiaries are paid on a cost reimbursement methodology. The Hospital is reimbursed for costs reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Hospital.

Medicaid - Inpatient services rendered to Medicaid program beneficiaries are reimbursed based on prospective payment methodology utilizing All Patient Refined Diagnosis Related Groups.

Clinical Trials - The Hospital has entered various agreements with multiple third-party corporations and institutions for the purpose of conducting clinical trials sponsored by pharmaceutical manufacturers and research organizations. The basis for payment to the Hospital under these arrangements includes prospectively determined daily rates as well as provisions for additional reimbursement of necessary observation and other ancillary costs as are agreed upon between the two parties.

Other Third-Party Payors - The Hospital has also entered into payment arrangements with certain commercial insurance carriers and health maintenance organizations. The basis for payment to the Hospital under these arrangements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Uninsured Patients - The Hospital recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). Historically, a significant portion of the Hospital's uninsured patients will be unable to pay for the services provided. As such, the Hospital records a implicit price concession related to uninsured patients in the period the services are provided.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Medical research revenue

Medical research revenue represents fees earned from research sponsors and contract research organizations under clinical research agreements for the conduct of medical and scientific studies. These agreements typically require the Company to perform patient enrollment, clinical procedures, data collection, monitoring, and reporting services in accordance with approved study protocols.

The Company accounts for medical research revenue in accordance with ASC Topic 606. A contract with a customer exists when the agreement has commercial substance, the rights and obligations of the parties are identified, and collectability of consideration is probable. Research sponsors are considered the Company's customers for purposes of applying ASC 606. The performance obligations under clinical research agreements are generally satisfied over time as the services are performed. Revenue is recognized as performance obligations are satisfied, which typically occurs based on patient visits and services completed, study milestones achieved, or other measurable outputs specified in the contract that depict the transfer of services to the customer. Management believes this method faithfully depicts the Company's performance in providing research services.

The transaction price is generally fixed or determinable based on contractual rates per patient day or milestone. Variable consideration is included in the transaction price to the extent it is probable that a significant reversal of recognized revenue will not occur. The Company does not adjust the transaction price for a significant financing component, as payments are generally due within one year of services being performed. Amounts billed or billable for services performed are recorded as accounts receivable. Management believes credit risk is limited due to the financial strength of the research sponsors. Thus, no allowance for credit losses related to other accounts receivable is deemed necessary at December 31, 2025.

Residency program

The Company participates in Florida's Statewide Medicaid Residency Program, which is administered by the Florida Agency for Health Care Administration (FAHCA) to expand graduate medical education and increase access to care for Medicaid enrollees. Under this program, qualified hospitals may receive funding related to the establishment and operation of approved residency programs, including one-time payments for newly created residency positions and ongoing program-related funding.

Residency program income is accounted for as exchange transactions under ASC Topic 606. Revenue is recognized in the period in which the related services have been provided. One-time payments related to the creation of qualifying residency positions are recognized as income when the positions are established, approved by FAHCA, and no further substantive requirements remain.

Revenues generated from established residency programs, including funding associated with the operation of residency programs and related educational activities, are recognized over the period in which the underlying services are provided. Program revenues are reported within other operating income in the combined statement of operations.

Expenses directly attributable to the residency programs, including salaries and benefits of residents and faculty, educational costs, and other related operating expenses, are recognized as incurred and reported within operating expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Professional Liability Claims

The Company maintains insurance for protection from losses resulting from professional liability claims.

Advertising Costs

Advertising costs are expensed when incurred.

Income Taxes

For income tax purposes, the companies included in these combined financial statements are treated as single member limited liability companies and are considered disregarded entities. The companies are not required to file a separate tax return with the Internal Revenue Service as their income is reported within the tax return of each respective sole member. Accordingly, these financial statements do not reflect a provision for income taxes.

U.S. GAAP requires management to evaluate tax positions taken by the Company and recognize a tax liability if the Company has taken an uncertain position that more likely than not would not be sustained upon examination. Management has analyzed the tax positions taken by the Company, and has concluded that as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounting pronouncements adopted

The Company adopted FASB Accounting Standards Update (ASU) 2025-05, *Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses for Accounts Receivable and Contract Assets*, during 2025. The amendments in this update provide all entities with a practical expedient that assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. Additionally, the update provides entities, other than public business entities, with an accounting policy election when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. This election allows entities to consider collection activity after the balance sheet date when estimating expected credit losses. The adoption and application of this standard had no material effect on these financial statements.

3. PATIENT SERVICE REVENUE

During the year ended December 31, 2025, the Company recorded $2,367,439 and $31,155,996, respectively, of implicit and explicit price concessions as a direct reduction of patient service revenue.

The composition of gross patient service revenue by primary payor for the year ended December 31, 2025 is as follows:

Managed Medicare	28%
Managed Medicaid	22%
Medicare	18%
Other	32%
	100%

4. RELATED PARTY TRANSACTIONS

Due from Affiliates

Due to and due from affiliates represents costs paid by the Company on behalf of affiliates. These amounts bear no interest and are due on demand.

Operating Lease

The Hospital the Company operates is leased from 4225, LLC, an affiliate of the member, under an operating lease which expires in June 2029.

All lease payments relate to the right to use the asset. The lease agreement requires the Company to pay additional monthly rent to cover real estate tax, insurance, and capital expenditures. Management has elected to use the risk-free rate of interest in effect at the commencement of the lease as the applicable discount rate when determining the value of the right-of-use asset and related lease liability. At December 31, 2025, the right-of-use asset had a value of $5,780,013, and the related lease liability had a balance of $5,780,013.

Effective August 2025, the lease was amended to increase the monthly lease payment to $150,000. This was considered a lease modification under ASC Topic 842, and the lease was remeasured at that date as required using the risk free rate of 3.77%. The total fixed lease payments due under the lease agreement are $1,800,000 per year.

During the year ended December 31, 2025, the Company paid fixed lease payments of $1,380,000 toward the Hospital lease. Other short-term leases, primarily related to equipment rental and parking facilities, totaled approximately $9,000 for the year ended December 31, 2025.

4. RELATED PARTY TRANSACTIONS (CONTINUED)

Future minimum fixed lease payments under non-cancellable leases (excluding short-term leases) for each of the followings years are as follows:

Year Ending	Amount
2026	$ 1,800,000
2027	1,800,000
2028	1,800,000
2029	750,000
	6,150,000
Less: interest	(369,987)
	$ 5,780,013

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2025:

Equipment, furniture and fixtures	$ 602,189
Buildings and improvements	2,655,938
Other depreciable assets	178,428
	3,436,555
Less: accumulated depreciation	(1,174,281)
Property and equipment, net	$ 2,262,274

6. CONCENTRATION OF CREDIT RISK

Cash Concentration

The Company maintains its cash and cash equivalents with several financial institutions. The balances, at times, may exceed federally uninsured limits. Management believes the credit risk associated with these deposits is minimal.

Patient Service Revenue and Receivables

The Hospital grants unsecured credit to its patients, most of whom are local residents and are either self-pay or are insured with various healthcare insurance providers. Patient revenues by classification as a percentage of total gross revenues for the year ended December 31, 2025 are discussed in Note 3.

The composition of patient accounts receivable by primary payor for the year ended December 31, 2025 is as follows:

Clinical trial	22%
Commercial	12%
Managed Medicare	32%
Managed Medicaid	16%
Medicare	18%
	100%

7. COMMITMENTS AND CONTINGENCIES

The provision of health care services entails an inherent risk of liability. Participants in the health care industry are subject to lawsuits alleging malpractice, violations of false claims acts, product liability, or related legal theories, many of which involve large claims and significant defense costs. Like many other companies engaged in the health care industry in the United States, the Company has the potential for liability claims, disputes and legal actions for professional liability and other related issues. It is expected that the Company will continue to be subject to such suits as a result of the nature of the services provided. Further, as with all health care providers, the Company is periodically subject to regulatory actions seeking fines and penalties for alleged violations of health care laws and are potentially subject to the increased scrutiny of regulations for issues related to compliance with health care fraud and abuse laws and with respect to the quality of the care provided to patients.

Like other health care providers, in the ordinary course of business, the Company is also subject to claims made by employees and other disputes and litigation arising from the conduct of business.

The ultimate resolution of these matters is not ascertainable at this time; however, management is of the opinion that any liability or loss in excess of insurance coverage resulting from such litigation will not have a material effect upon the financial position of the Company.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

8. CHANGE IN REPORTING ENTITY

The financial statements for the year ended December 31, 2025 include the Institute, a related company under common control. Members' equity as of December 31, 2024, the beginning of the year, is reflective of this change in reporting entity as shown below:

Member's equity - beginning of year, as previously reported	$ 7,109,474
Impact of change in reporting entity	336,380
Member's equity - beginning of year	$ 7,445,854

9. SUBSEQUENT EVENTS

Management has evaluated events through the date that the financial statements were available to be issued, June 9, 2026, and determined that no additional disclosures are necessary. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTAL INFORMATION

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	Southern Winds Hospital, LLC	United Research Institute, LLC	Eliminations	Combined Total
	ASSETS			
CURRENT ASSETS				
Cash and cash equivalents	$ -	$ 170,375	$ 32,000	$ 202,375
Patient and third-party payors receivable	3,438,839	-	(320,000)	3,118,839
Medicaid supplemental payment receivable	12,394,701	-	-	12,394,701
Other accounts receivable	-	1,221,860	-	1,221,860
Prepaid expenses	247,893	1,904	-	249,797
Due from affiliates	20,506	-	-	20,506
Total current assets	16,101,939	1,394,139	(288,000)	17,208,078
PROPERTY AND EQUIPMENT				
Property and equipment	3,420,404	16,151	-	3,436,555
Less: accumulated depreciation	(1,161,164)	(13,117)	-	(1,174,281)
Net property and equipment	2,259,240	3,034	-	2,262,274
OTHER ASSETS				
Other assets	25,496	-	-	25,496
Right of use asset	5,780,013	-	-	5,780,013
Total other assets	5,805,509	-	-	5,805,509
Total assets	$ 24,166,688	$ 1,397,173	$ (288,000)	$ 25,275,861
	LIABILITIES AND MEMBER'S EQUITY			
CURRENT LIABILITIES				
Accounts payable	$ 79,656	$ 277,515	$ (262,000)	$ 95,171
Cash overdraft	1,410,586	-	-	1,410,586
Accrued payroll and related benefits	330,610	-	-	330,610
Other accrued liabilities	870,468	26,000	(26,000)	870,468
Due to affiliates	-	1,051	-	1,051
Lease liability - current portion	1,615,473	-	-	1,615,473
Total current liabilities	4,306,793	304,566	(288,000)	4,323,359
LONG-TERM LIABILITIES				
Lease liability	4,164,540	-	-	4,164,540
Total liabilities	8,471,333	304,566	(288,000)	8,487,899
Member's equity	15,695,355	1,092,607		16,787,962
Total liabilities and member's equity	$ 24,166,688	$ 1,397,173	$ (288,000)	$ 25,275,861

See independent auditors' report.

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2025

	Southern Winds Hospital, LLC	United Research Institute, LLC	Eliminations	Combined Total
Revenue				
Patient service revenue	$ 18,419,020	$ -	$ (466,000)	$ 17,953,020
Medical research revenue	-	1,948,516	-	1,948,516
Residency income	3,003,595	-	-	3,003,595
Other operating income	12,623,933	-	-	12,623,933
Total revenue	34,046,548	1,948,516	(466,000)	35,529,064
Operating expenses				
Salaries and employee benefits	10,198,522	423,067	-	10,621,589
Fees and assessments	5,928,021	-	-	5,928,021
Residency program	2,258,243	-	-	2,258,243
Rent	1,389,001	-	-	1,389,001
Management fees	1,178,644	-	-	1,178,644
Repairs and maintenance	745,291	-	-	745,291
Room, board, and food	591,862	466,000	(466,000)	591,862
Medical supplies	545,621	4,157	-	549,778
Office expenses	84,786	1,966	-	86,752
Contract services	361,596	132,759	-	494,355
Legal and professional fees	212,450	975	-	213,425
Depreciation	272,587	-	-	272,587
Utilities	179,933	-	-	179,933
Insurance	191,168	7,482	-	198,650
Information technology	105,281	16,831	-	122,112
Patient compensation	-	109,588	-	109,588
Advertising and promotion	-	24,063	-	24,063
Miscellaneous	401,799	5,401	-	407,200
Loss on disposal of property	458,202	-	-	458,202
Total operating expenses	25,103,007	1,192,289	(466,000)	25,829,296
Net income	$ 8,943,541	$ 756,227	$ -	$ 9,699,768

SOUTHERN WINDS HOSPITAL, LLC AND UNITED RESEARCH INSTITUTE, LLC
COMBINED STATEMENT OF MEMBER'S EQUITY
YEAR ENDED DECEMBER 31, 2025

	Southern Winds Hospital, LLC	United Research Institute, LLC	Eliminations	Combined Total
Balance, December 31, 2024	$ 7,109,474	$ 336,380	$ -	$ 7,445,854
Net income	8,943,541	756,227	-	9,699,768
Distributions	(357,660)	-	-	(357,660)
Balance, December 31, 2025	$ 15,695,355	$ 1,092,607	$ -	$ 16,787,962

See independent auditors' report.

Southern Winds Hospital
Financial Projection - 2026 - 2036

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Inpatient Days												
Commercial	4645	5642	5704	5768	5796	5798	5796	5812	5796	5796	5796	5812
Medicaid	99	143	144	145	148	146	148	147	146	148	148	147
Medicare	4534	5734	5786	5849	5879	5879	5879	5886	5879	5879	5879	5896
Mgd Mcaid	5183	5540	5617	5678	5707	5707	5707	5724	5707	5707	5707	5724
Mgd Mcare	6583	6931	7003	7079	7115	7115	7115	7135	7115	7115	7115	7135
Clinical Trial	2441	770	700	700	700	700	700	700	700	700	700	700
Other Payors	42	9	9	9	9	9	9	9	9	9	9	9
Self Pay	452	261	263	265	267	267	267	267	267	267	267	267
Total	23,979	25,018	25,226	25,492	25,630	25,630	25,670	25,690	25,620	25,620	25,630	25,690
Average Daily Census	65.7	68.5	69.1	69.7	70.2	70.2	70.2	70.3	70.2	70.2	70.2	70.3

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Ordinary Income/Expense												
Income												
40001 · Inpatient Pscyh Revenue												
40000 · Medicare	$4,467,062	$5,908,581	$6,150,326	$6,403,888	$6,620,807	$6,828,698	$7,033,763	$7,265,221	$7,462,120	$7,685,983	$7,916,563	$8,177,070
40100 · Medicare - Managed	$5,610,865	$6,084,497	$6,332,244	$6,592,940	$6,825,546	$7,030,312	$7,241,222	$7,479,399	$7,682,212	$7,912,679	$8,150,059	$8,418,130
40200 · Medicaid	$52,650	$78,210	$81,194	$84,514	$87,485	$90,110	$92,813	$95,860	$98,468	$101,420	$104,462	$107,891
40300 · Medicaid - Managed	$3,260,030	$3,589,091	$3,748,253	$3,902,704	$4,040,463	$4,161,677	$4,286,527	$4,427,559	$4,547,577	$4,684,004	$4,824,524	$4,983,257
40400 · Commercial	$4,132,938	$5,174,390	$5,388,156	$5,610,322	$5,808,424	$5,982,677	$6,162,157	$6,364,840	$6,537,432	$6,733,555	$6,935,562	$7,163,786
40600 · Self Pay	$312,698	$185,805	$192,887	$200,775	$207,833	$214,068	$220,490	$227,727	$233,918	$240,936	$248,164	$256,309
40700 · Clinical Trial	$2,358,568	$768,317	$696,652	$696,652	$696,652	$696,652	$696,652	$696,652	$696,652	$696,652	$696,652	$696,652
40800 · Other Payors	$31,784	$7,017	$7,228	$7,445	$7,668	$7,898	$8,135	$8,379	$8,631	$8,889	$9,156	$9,431
40920 · Provision for Bad Debt												
40935 · Insurance Denials	($525,132)	($568,453)	($589,382)	($612,840)	($633,893)	($652,529)	($672,105)	($694,158)	($713,036)	($734,427)	($756,480)	($781,281)
40926 · Uncollectable Patient Responsib	($1,094,900)	($1,295,083)	($1,342,720)	($1,396,208)	($1,444,173)	($1,486,629)	($1,531,228)	($1,581,472)	($1,624,480)	($1,673,215)	($1,723,411)	($1,779,961)
40927 · Medicare Bad Debt	($224,306)	($255,310)	($275,075)	($286,033)	($295,859)	($304,557)	($313,894)	($323,867)	($332,797)	($342,781)	($353,085)	($364,650)
Total 40920 · Provision for Bad Debt	($1,844,338)	($2,126,852)	($2,207,157)	($2,295,081)	($2,373,920)	($2,443,715)	($2,517,027)	($2,599,617)	($2,670,313)	($2,750,423)	($2,832,936)	($2,925,892)
Total 40001 · Inpatient Pscyh Revenue	$18,382,470	$19,663,059	$20,389,783	$21,204,159	$21,930,142	$22,568,576	$23,224,733	$23,966,121	$24,596,693	$25,313,695	$26,052,208	$26,886,644
40011 · Other Income												
42009 · Residency Income	$3,003,595	$3,984,694	$4,494,047	$4,628,869	$4,767,735	$4,910,767	$5,058,090	$5,209,833	$5,366,128	$5,527,112	$5,692,925	$5,863,713
42014 · Telemedicine Income	$36,550	$38,378	$40,296	$42,311	$44,427	$46,648	$48,980	$51,430	$54,001	$56,701	$59,536	$62,513
42015 · Ancillary Income	$2,426	$2,548	$2,675	$2,809	$2,949	$3,097	$3,251	$3,414	$3,585	$3,764	$3,952	$4,150
42018 · Clinical Research Income												
Total 40011 · Other Income	$3,042,571	$4,025,618	$4,537,019	$4,673,989	$4,815,111	$4,960,512	$5,110,322	$5,264,676	$5,423,713	$5,587,577	$5,756,413	$5,930,375
Total Income	$21,425,041	$23,688,678	$24,926,801	$25,878,148	$26,745,253	$27,529,087	$28,335,055	$29,230,797	$30,020,407	$30,901,271	$31,808,619	$32,817,019
Gross Profit	$21,425,041	$23,688,678	$24,928,801	$25,878,148	$26,745,253	$27,529,087	$28,335,055	$29,230,797	$30,020,407	$30,901,271	$31,808,619	$32,817,019
Expense												
50000 · Direct Patient Care	$5,582,063	$5,693,878	$5,808,715	$5,925,697	$6,045,472	$6,167,493	$6,292,009	$6,419,073	$6,548,741	$6,681,065	$6,816,104	$6,953,915
50100 · Indirect Patient Care	$1,792,920	$1,828,693	$1,865,287	$1,902,572	$1,940,624	$1,979,436	$2,019,025	$2,059,405	$2,100,593	$2,142,605	$2,185,457	$2,229,166
50200 · Medical Records	$641,840	$654,318	$667,404	$680,752	$694,367	$708,255	$722,420	$736,868	$751,605	$766,638	$781,970	$797,610
50300 · Ancillary Costs	$1,205,398	$1,225,893	$1,250,410	$1,275,419	$1,300,927	$1,326,946	$1,353,484	$1,380,554	$1,408,165	$1,436,329	$1,465,055	$1,494,356
50400 · Dietary	$959,009	$975,638	$995,151	$1,015,054	$1,035,355	$1,056,062	$1,077,183	$1,098,727	$1,120,701	$1,143,115	$1,165,077	$1,189,297
50500 · Laundry	$184,026	$187,706	$191,460	$195,289	$199,195	$203,179	$207,243	$211,388	$215,615	$219,928	$224,326	$228,813
50600 · Housekeeping	$482,320	$491,911	$501,750	$511,785	$522,020	$532,461	$543,110	$553,972	$565,052	$576,353	$587,880	$599,637
50700 · Plant Operation	$205,477	$208,353	$212,520	$216,770	$221,105	$225,528	$230,038	$234,839	$239,332	$244,118	$249,001	$253,981
50810 · Depreciation Expense	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958	$258,958
50800 · Property Expenses	$63,385	$64,632	$65,924	$67,243	$68,588	$69,960	$71,359	$72,786	$74,242	$75,727	$77,241	$78,786
50820 · Insurance Expenses	$191,168	$200,727	$210,763	$221,301	$232,369	$243,985	$256,184	$268,993	$282,443	$296,565	$311,393	$326,963
50840 · Rent Expenses	$1,311,000	$655,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
50850 · Property Tax Expenses	$87,397	$43,699	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
50900 · General & Administrative												
50910 · Salary												
50911 · Administration Salary	$506,390	$803,818	$819,894	$836,282	$853,018	$870,078	$887,480	$905,230	$923,334	$941,801	$960,637	$979,850
50913 · Management Fees	$1,178,844	$1,200,551	$1,264,205	$1,313,472	$1,358,484	$1,399,285	$1,441,314	$1,487,951	$1,529,198	$1,575,132	$1,622,446	$1,674,946
Total 50910 · Salary	$1,885,034	$2,004,369	$2,084,099	$2,149,765	$2,211,502	$2,269,364	$2,328,794	$2,393,180	$2,452,532	$2,516,933	$2,583,083	$2,654,798
50920 · Payroll Expenses	$978,142	$998,355	$1,018,322	$1,038,688	$1,059,462	$1,080,651	$1,102,264	$1,124,310	$1,146,796	$1,169,732	$1,193,126	$1,216,989
50950 · Benefits	$344,719	$355,939	$363,058	$370,319	$377,725	$385,280	$392,985	$400,845	$408,862	$417,039	$425,380	$433,887
50970 · Office Expenses	$370,002	$377,402	$384,950	$392,849	$400,502	$408,512	$416,683	$425,016	$433,517	$442,187	$451,031	$460,051
60600 · Professional	$19,800	$20,196	$20,600	$21,012	$21,432	$21,861	$22,298	$22,744	$23,199	$23,663	$24,136	$24,619
Total 50900 · General & Administrative	$3,397,697	$3,758,261	$3,871,029	$3,972,433	$4,070,673	$4,165,868	$4,263,024	$4,388,095	$4,484,908	$4,569,553	$4,678,756	$4,790,344
50982 · PMATF Assessment	$265,122	$309,774	$321,580	$334,730	$346,498	$356,691	$367,597	$379,662	$389,984	$401,883	$413,734	$427,313
60700 · Residency Program	$2,188,214	$3,024,051	$3,371,959	$3,438,398	$3,508,186	$3,578,350	$3,649,917	$3,722,915	$3,797,373	$3,873,321	$3,950,787	$4,029,803
60722 · Residency Insurance Expense	$95,430	$96,695	$101,530	$106,806	$111,937	$117,533	$123,410	$129,581	$136,060	$142,863	$150,006	$157,506
60725 · Residency Rent Expense	$69,000	$45,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
60728 · Residency Property Tax Expense	$4,600	$2,300	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
60721 · Residency Depreciation	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629	$13,629
Total Expense	$18,988,432	$19,937,113	$19,708,048	$20,137,835	$20,569,848	$21,004,331	$21,448,568	$21,907,245	$22,367,398	$22,842,449	$23,328,275	$23,830,077
Net Ordinary Income	$2,436,609	$3,751,565	$5,218,753	$5,740,313	$6,175,405	$6,524,757	$6,886,487	$7,323,552	$7,653,009	$8,058,822	$8,480,344	$8,986,943
Other Income/Expense												
Other Income												
40900 · Directed Payment Program	12,522,814.45	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,289,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
7000 · Other Income Account												
70003 · Interest Income	$98,691	$82,339	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678
Total 7000 · Other Income Account	$98,691	$82,339	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678	$164,678
Total Other Income	$12,621,506	$13,051,420	$13,314,394	$13,457,462	$12,994,830	$12,453,821	$11,932,811	$11,401,802	$10,870,793	$10,339,784	$9,982,382	$10,276,913
Other Expense												
50983 · Provider Participation Fund	$5,647,899											
80004 · Interest Expense	$0	$5,287,899	$10,524,203	$10,450,877	$10,371,050	$10,284,801	$10,191,364	$10,090,123	$9,980,408	$9,861,490	$9,732,573	$9,598,644
80000* · Non Operating/Recurring Expense												
80015 · Prior Year Expenses	$13,414	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
80016 · Disposal of Asset	$458,202											
Total 80000* · Non Operating/Recurring Expense	$13,414	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expense	$6,114,515	$5,287,899	$10,524,203	$10,450,877	$10,371,050	$10,284,801	$10,191,364	$10,090,123	$9,980,408	$9,861,490	$9,732,573	$9,598,644
Net Other Income	$6,506,991	$7,763,521	$2,790,191	$3,006,785	$2,623,780	$2,179,020	$1,741,448	$1,311,679	$890,385	$478,294	$249,809	$678,269
Net Income	$8,943,600	$11,515,086	$8,008,944	$8,747,098	$8,799,185	$8,703,776	$8,627,934	$8,635,231	$8,543,393	$8,537,116	$8,730,153	$9,665,211
plus: Rent	$1,380,000	$900,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
plus: Interest Expense	$0	$5,287,899	$10,524,203	$10,450,877	$10,371,050	$10,284,801	$10,191,364	$10,090,123	$9,980,408	$9,861,490	$9,732,573	$9,598,644
less: Interest Income	($98,691)	($82,339)	($164,678)	($164,678)	($164,678)	($164,678)	($164,678)	($164,678)	($164,678)	($164,678)	($164,678)	($164,678)
plus: Management	$1,178,844	$1,200,551	$1,264,205	$1,313,472	$1,358,484	$1,399,285	$1,441,314	$1,487,951	$1,529,198	$1,575,132	$1,622,446	$1,674,948
plus: Depreciation	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587	$272,587
EBITDARM	$11,676,139	$19,093,784	$19,905,281	$20,619,158	$20,636,827	$20,495,712	$20,348,501	$20,321,314	$20,160,908	$20,081,647	$20,193,081	$21,046,713
EBITDARM by Service Line												
Acute Psych	$10,930,787.93	$18,232,135.54	$18,884,701.94	$19,536,291.66	$19,489,014.58	$19,280,887.61	$19,063,737.14	$18,963,976.62	$18,728,214.04	$18,570,718.57	$18,600,949.03	$19,370,309.91
Residency	$745,351.30	$861,648.18	$1,020,558.96	$1,082,864.72	$1,147,612.52	$1,214,884.02	$1,284,763.37	$1,357,337.24	$1,432,694.69	$1,510,928.28	$1,592,132.08	$1,676,403.80

Southern Winds Hospital
Projection of Directed Payment Program Net Benefit

High Scenario

Program Year	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Calendar Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
DPP Payment	$2,741,129	$12,133,428	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,299,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
Mandatory Assessment Fee	($571,555)	($2,568,869)	-	-	-	-	-	-	-	-	-	-	-
Foundation Contribution	($599,253)	-	-	-	-	-	-	-	-	-	-	-	-
Net Benefit	$1,570,321	$9,564,559	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,299,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
Patient Days	5,165	5,183	5,540	5,617	5,678	5,707	5,707	5,707	5,724	5,707	5,707	5,707	5,724
Total DPP Income	$2,741,129	$12,133,428	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,299,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
Total DPP Expense	($1,170,808)	($2,568,869)	-	-	-	-	-	-	-	-	-	-	-
Total DPP Net Benefit	$1,570,321	$9,564,559	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,299,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
110% Medicare ,		$7,305,294	$7,524,452	$7,750,186	$7,982,692	$8,222,172	$8,468,837	$8,722,903	$8,984,590	$9,254,127	$9,531,751	$9,817,704	$10,112,235

, Starting in Year 9, DPP Program phases down 10% a year until reduced to floor equal to 110% of Medicare.

Conservative Scenario

Program Year	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Calendar Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
DPP Payment	$2,741,129	$12,133,428	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,299,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
Mandatory Assessment Fee	($571,555)	($2,568,869)	($2,745,792)	($2,784,036)	($2,814,326)	($2,716,378)	($2,603,954)	($2,491,529)	($2,379,105)	($2,266,681)	($2,154,256)	($2,078,588)	($2,140,945)
Foundation Contribution	($599,253)	-	-	$0	($2,928,000)	($2,826,096)	($2,709,131)	($2,592,165)	($2,475,200)	($2,358,235)	($2,241,269)	($2,162,544)	($2,227,421)
Net Benefit	$1,570,321	$9,564,559	$10,223,289	$10,365,680	$7,550,458	$7,287,678	$6,986,058	$6,684,439	$6,382,819	$6,081,200	$5,779,580	$5,576,572	$5,743,869
Patient Days	5,165	5,183	5,540	5,617	5,678	5,707	5,707	5,707	5,724	5,707	5,707	5,707	5,724
Total DPP Income	$2,741,129	$12,133,428	$12,969,081	$13,149,716	$13,292,784	$12,830,152	$12,299,143	$11,768,133	$11,237,124	$10,706,115	$10,175,106	$9,817,704	$10,112,235
Total DPP Expense	($1,170,808)	($2,568,869)	($2,745,792)	($2,784,036)	($5,742,326)	($5,542,474)	($5,313,084)	($5,083,695)	($4,854,305)	($4,624,915)	($4,395,525)	($4,241,132)	($4,368,366)
Total DPP Net Benefit	$1,570,321	$9,564,559	$10,223,289	$10,365,680	$7,550,458	$7,287,678	$6,986,058	$6,684,439	$6,382,819	$6,081,200	$5,779,580	$5,576,572	$5,743,869
100% Medicare		$6,641,176	$6,840,411	$7,045,624	$7,256,992	$7,474,702	$7,698,943	$7,929,911	$8,167,809	$8,412,843	$8,665,228	$8,925,185	$9,192,941
110% Medicare ,		$7,305,294	$7,524,452	$7,750,186	$7,982,692	$8,222,172	$8,468,837	$8,722,903	$8,984,590	$9,254,127	$9,531,751	$9,817,704	$10,112,235

, Starting in Year 9, DPP Program phases down 10% a year until reduced to floor equal to 110% of Medicare.

1. Milliman Benchmarking (2023 Data)

In Milliman's *Commercial Reimbursement Benchmarking* report, the nationwide average for inpatient care was **205%** of Medicare. Florida specific data from Milliman generally aligns with the higher end of the national spectrum.

- **Inpatient Ratio (FL):** While Milliman's public high level reports cite a national inpatient mean of **205%**, their MSA level (Metropolitan Statistical Area) data for Florida typically places the state between **240% and 290%** for inpatient services, significantly above the national average.
- **Outpatient Comparison:** Outpatient ratios in Florida are even higher, often exceeding **350%** of Medicare.

EXHIBIT 5: CORPORATE OFFICERS AND DIRECTORS

BH Wellness Foundation

Board of Directors

Benjamin Shaulson

Skilled Nursing Facility Operator

Benjamin Shaulson is the operator of a skilled nursing facility in Broward County, Florida, where he oversees daily operations and the delivery of long-term and rehabilitative care to residents. His hands-on experience managing a healthcare facility brings the board direct insight into patient care standards, regulatory compliance, and the operational realities of the wellness sector. His perspective grounds the BH Wellness Foundation's mission in the practical needs of those it serves.

Andrew Brick-Turin

Chief Financial Officer, Millennium Management

Andrew Brick-Turin is the Chief Financial Officer of Millennium Management, where he oversees the firm's financial strategy and operations. A licensed Certified Public Accountant (CPA), he brings deep expertise in financial management, accounting, and fiscal governance to the board. His leadership ensures the BH Wellness Foundation maintains strong financial stewardship, transparency, and accountability in advancing its mission.

Rabbi Shmuel Gopin

Founding Director, Chabad at Midtown

Rabbi Shmuel Gopin is the founding director of Chabad at Midtown in Miami, a registered 501(c)(3) nonprofit organization serving the Edgewater, Midtown, Design District, and Wynwood communities. Together with his wife Chana, he has dedicated himself to building a vibrant, welcoming community and establishing a dedicated Jewish center to serve as a permanent home for that community. His commitment to community building, warmth, and care for others reflects the values at the heart of the BH Wellness Foundation.

Michael Bernstein

Partner, The Bernstein Law Firm

Michael I. Bernstein is a partner at The Bernstein Law Firm, a Miami-based boutique practice that combines large-firm expertise with personalized service across Florida, New York, and New Jersey. His practice focuses on business and commercial litigation, corporate law and governance, real estate and title services, and business contracts and transactions, serving U.S.

and international clients across sectors including healthcare, real estate, and finance. His legal and corporate governance experience provides the board with valuable counsel on organizational and strategic matters.

Judah Lifshitz

Managing Partner, Miami Office, Bernath & Rosenberg

Judah Lifshitz is the Managing Partner of the Miami office of Bernath & Rosenberg, where he brings over a decade of experience in accounting, tax strategy, and business consulting. He specializes in tax structure optimization, financial consulting, and strategic planning for both businesses and individuals, and holds a master's degree in taxation from Fairleigh Dickinson University. A licensed Certified Public Accountant (CPA), he is known for building trust-based client relationships grounded in integrity and transparency. Outside of work, he is an active participant in community development initiatives and enjoys spending time with his wife and four children.

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EXHIBIT 6: DISTRIBUTION LIST

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Southern Winds Hospital - Southern Winds Hospital Holdings LLC and 4225 LLC
Series 2026 Tax-Exempt Revenue Bonds
Working Group Distribution List
As of June 29, 2026

	Office	Cell	E-mail Address
Seller / Manager			
Southern Winds Hospital Holdings LLC and 4225 LLC			
10800 Biscayne Boulevard, Suite 600			
Miami, FL 33161			
Abraham Shaulson, Principal			abraham.s@mgroupllc.com
Seller's Counsel			
Law Office of Alan Sakowitz			
915 NE 173rd Street			
Miami, Florida 33162			
Alan Sakowitz	(305) 655-1234		alan@sakowitzlaw.com
Borrower			
BH Wellness Foundation			
Andrew Brick-Turin, Chief Executive Officer	(305) 864-9191		andrew.b@mgroupllc.com
Borrower's Counsel			
Seyfarth			
1075 Peachtree Street, NE Suite 2500			
Atlanta, GA 30309			
Joseph Krolikowski, Senior Counsel	(404) 888-1871		jkrolikowski@seyfarth.com
Cynthia Mitchell, Partner	(212) 218-3357		cmitchell@seyfarth.com
Ofer Lion, Partner	(213) 270-9668		OLion@seyfarth.com
Christian Canas, Senior Counsel	(213) 270-9674		CCanas@seyfarth.com
Seongbae Park, Associate	(404) 888-1882		spark@seyfarth.com
Haley Manchon, Associate	(212) 218-5264		hmanchon@seyfarth.com
Bond Counsel			
Nixon Peabody LLP			
70 W Madison St Suite 3500			
Chicago, IL 60602			
Julie K. Seymour, Partner / Strategic Impact Partner	(312) 977-4353	(312) 656-5363	jkseymour@nixonpeabody.com
1 Embarcadero Center, 32nd Floor			
San Francisco, CA 94111			
Brian Organ, Partner	(415) 984-8216		borgan@nixonpeabody.com
70 W Madison St Suite 5200			
Chicago, IL 60602			
Sharone Levy, Counsel	(312) 977-4449	(312) 523-9615	sharonelevy@nixonpeabody.com

Southern Winds Hospital - Southern Winds Hospital Holdings LLC and 4225 LLC
Series 2026 Tax-Exempt Revenue Bonds
Working Group Distribution List
As of June 29, 2026

	Office	Cell	E-mail Address
Underwriter			
Cain Brothers, a division of KeyBanc Capital Markets			
1301 Avenue of Americas, 35th Floor			
New York, NY 10019			
Bart Plank, Managing Director	(212) 981-6915	(732) 615-8330	bplank@cainbrothers.com
Matthew O'Grady, Managing Director, Underwriter	(917) 368-2321	(609) 858-3929	matthew.ogrady@key.com
Joanna Stephenson, Director	(646) 205-0276	(317) 987-5322	jstephenson@cainbrothers.com
Jamie Geen, Associate	(212) 981-6954	(516) 281-4433	jgeen@cainbrothers.com
1 California Street, Suite 2400			
San Francisco, CA 94111			
Zach Kau, Managing Director	(415) 486-3422	(415) 722-9263	zkau@cainbrothers.com
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ArentFox Schiff			
44 Montgomery Street, 38th Floor			
San Francisco, CA 94104			
Jena Watson, Partner	(415) 805-7967		jena.watson@afslaw.com
Issuer			
Capital Trust Authority			
315 Fairpoint Drive			
Gulf Breeze, FL 32561			
Denis McKinnon III, Executive Director	(850) 934-4046		dmckinnon@muniad.com
Issuer's Counsel			
Bryant Miller Olive			
201 North Franklin Street, Suite 2700			
Tampa, Florida 33602			
Kareem Spratling, Attorney	(813) 273-6677		kspratling@bmolaw.com

Southern Winds Hospital - Southern Winds Hospital Holdings LLC and 4225 LLC
Series 2026 Tax-Exempt Revenue Bonds
Working Group Distribution List
As of June 29, 2026

SOUTHERN WINDS HOSPITAL

CAIN BROTHERS
A division of KeyBanc Capital Markets

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Trustee			
UMB Bank			
250 Monroe Ave NW, Suite 400			
Grand Rapids, MI 49503			
Jason Fry, SVP National Bus Development Director		(616) 350-0301	jason.fry@umb.com
928 Grand BLVD. 12th Floor			
Kansas City, MO 64106			
Heidi Bowers, VP Lead Relationship Manager	(816) 860-7067	(904) 434-3431	heidi.bowers@umb.com
Trustee's Counsel			
Thompson Hine			
300 Madison Avenue, 27th Floor			
New York, NY 10017-6232			
Irving Apar, Partner	(212) 908-3964	(917) 880-7853	Irving.Apar@ThompsonHine.com
Anthony Wassef, Managing Associate	(212) 908-3997	(917) 575-4162	Anthony.Wassef@ThompsonHine.com
Karen Fox, Paralegal	(212) 908-3967	(212) 344-5680	Karen.Fox@ThompsonHine.com
Appraiser			
FV & FMV Valuation			
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Chicago, Illinois 60654			
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Nate Ernst		(815) 534-0838	nre@fvfmv.com
Dan Noncek, CPA		(630) 709-6472	dan@fvfmv.com
Auditor			
Eisner Advisory Group LLC			
Louie Jiang, Partner	(470) 273-6622	(678) 588-1546	louie.jiang@eisneramper.com
Jennifer Mistretta, Partner	(337) 354-8968		jennifer.mistretta@eisneramper.com
Feasibility Consultant			
VMG Health (Feasibility Study Consultant)			
Three Bala Plaza West, Suite 702			
Bala Cynwyd, PA 19004			
Ross Schuster	(267) 507-1258		ross.shuster@vmghealth.com
Samihah Ahmed			samihah.ahmed@vmghealth.com
Social Impact Opinion			
Kestrel			
MSA On-Market Report			
KPMG			
Sub Bond Valuation Report Provider			
Becker Capital			
Dissemination Agent			
TBD			

Southern Winds Hospital - Southern Winds Hospital Holdings LLC and 4225 LLC
Series 2026 Tax-Exempt Revenue Bonds
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As of June 29, 2026

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EXHIBIT 7: BACKGROUND INFORMATION

The operational strength of Southern Winds Hospital rests on an experienced, multidisciplinary leadership team whose combined expertise spans hospital administration, behavioral health operations, financial and revenue cycle management, nursing leadership, regulatory compliance, and graduate medical education. The following summarizes the operations experience of the hospital's key leaders.

Ana Bovo, MSW

Chief Executive Officer & Designated Institutional Official (DIO)

Ana Bovo is a seasoned healthcare executive with over 25 years of leadership in behavioral health and medical services. As Chief Executive Officer of Southern Winds Hospital, she has built a reputation for driving operational excellence, regulatory compliance, and financial growth in complex care settings. At Southern Winds, she has led a sweeping operational transformation: achieving Joint Commission accreditation, securing CMS compliance, establishing an ACGME-accredited psychiatric residency program, expanding payer contracts with managed care, tribal, and court systems, and increasing occupancy to over 90%.

As the hospital's Designated Institutional Official, Ms. Bovo oversees compliance with ACGME standards, accreditation preparation, and programmatic development, uniting clinical training with the institutional mission. Earlier in her career, she consulted with and led initiatives across nursing homes, home health agencies, hospice organizations, and social service agencies, managing internal investigations, regulatory preparation (AHCA, DCF), risk mitigation, and staff development. She holds a Master of Social Work from Barry University and a Bachelor of Social Work from Florida International University, serves on advisory boards for two leading Miami-Dade nursing schools, and sits on the Florida Hospital Association Behavioral Health Council.

Mark Shaulson

Chief Operating Officer

Mark Shaulson is the Chief Operating Officer of Southern Winds Hospital, where he oversees all aspects of operational management, including budgeting, forecasting, revenue cycle management, and capital improvements. Beginning his career with the hospital as a medical biller and advancing through successive financial and operational roles, he brings deep institutional knowledge and a hands-on understanding of healthcare finance that allows him to connect day-to-day processes with long-term strategic objectives. His leadership has been integral in strengthening operational performance, improving departmental accountability, and implementing systems that support long-term stability and growth.

Mr. Shaulson also served as Interim Executive Director of SunArch Academy, a psychiatric residential treatment facility (PRTF) in Nevada, where he provided executive oversight of clinical operations, fiscal management, and program development during a key transition period.

His expertise spans healthcare operations, revenue cycle management, and Graduate Medical Education (GME) residency program funding.

Nguyen Caballero, APRN, PMHNP-BC

Chief Nursing Officer

Nguyen Caballero is an Advanced Practice Registered Nurse and Psychiatric-Mental Health Nurse Practitioner with four decades of clinical and leadership experience in behavioral health, general medical settings, and academic instruction. As Chief Nursing Officer at Southern Winds Hospital, he provides strategic leadership for nursing operations across the organization, overseeing policy and clinical practice standards, directing staffing and professional development, and collaborating with interdisciplinary teams to advance quality, safety, and patient-focused care. He also contributes to organizational governance as an active member of the hospital's Safety and Ethics Committees.

Over his career, Mr. Caballero has held progressive leadership roles in behavioral health services, including Director of Behavioral Health Services at both Larkin Community Hospital and Westchester General Hospital, with a clinical background spanning psychiatric nursing, crisis intervention, stabilization, and rehabilitation. He also serves as Adjunct Faculty in the Mental Health Department at West Coast University. His credentials include a Master of Science in Nursing (PMHNP) from Florida National University, a Master of Science in Nursing (FNP) from South University, and doctoral (DNP) studies, along with national certification in psychiatric-mental health nursing.

Juan D. Oms, MD

Psychiatry Residency Program Director

Dr. Juan Oms is the Psychiatry Residency Program Director at Southern Winds Hospital and a psychiatrist specializing in addiction and forensic psychiatry. He completed medical school at Universidad Autonoma de Guadalajara and trained in psychiatry at the University of Miami/Jackson Health System, including a fellowship in forensic psychiatry. As Program Director, he leads the hospital's ACGME-accredited, four-year general psychiatry residency, overseeing curriculum design, milestone-based resident assessment, faculty supervision, and the program's compliance with ACGME and American Board of Psychiatry and Neurology requirements.

In addition to his academic leadership at Southern Winds, Dr. Oms serves as Chief Medical Officer at The x has held clinical and administrative roles across the Miami-Dade behavioral health system, including at Jackson Health System and Carelon Behavioral Health. His combined clinical, forensic, and administrative experience anchors the hospital's medical education enterprise and its integration with patient care.

Patrick Pinchinat, MD

Medical Director & Associate Program Director

Dr. Patrick Pinchinat is a board-certified psychiatrist with more than 15 years in practice who serves as Medical Director of Southern Winds Hospital and as Associate Program Director of the hospital's psychiatry residency program. In these roles he provides clinical oversight of the medical staff, supports the quality and consistency of patient care across the facility, and partners in the supervision, training, and evaluation of resident physicians. His leadership helps align the hospital's clinical operations with its academic mission and accreditation standards.

Dr. Pinchinat is also the founder of Comprehensive Psychiatric Care, a Florida practice through which he provides evidence-based treatment for a broad range of psychiatric conditions, including anxiety, depression, bipolar disorder, schizophrenia, and ADHD. His dual experience as a private-practice owner and hospital medical director brings both clinical depth and operational perspective to the leadership team.

Jose E. Gamez, MD

Psychiatrist

Dr. Jose Gamez is a psychiatrist based in Hialeah, Florida, with more than 20 years of clinical practice in the Miami-Dade behavioral health community. He earned his medical degree from the Universidad de Panama Faculty of Medicine and has maintained hospital affiliations across the region, including Palmetto General Hospital, Larkin Community Hospital, and Hialeah Hospital. His clinical focus includes the treatment of depression, bipolar disorder, anxiety, and related conditions.

Dr. Gamez's extensive tenure treating patients within the same community served by Southern Winds Hospital reflects deep familiarity with the local patient population and the regional continuum of behavioral health care, complementing the hospital's clinical leadership.

Daneyis Perez

Director of Risk, Compliance, Safety & Human Resources

Daneyis Perez serves as Director of Risk, Compliance, Safety, and Human Resources at Southern Winds Hospital, where she oversees risk management, regulatory compliance protocols, safety procedures, and the full range of human resources functions. In this capacity she supports the hospital's adherence to accreditation and regulatory standards, manages employee relations and HR policy, and helps maintain a safe environment for patients and staff. An organizational psychologist by training, she previously served as the hospital's Human Resources Director and studied at Millennia Atlantic University.

RESOLUTION NO. 18-26

A RESOLUTION OF THE CAPITAL TRUST AUTHORITY EXPRESSING ITS INTENT TO ISSUE CAPITAL TRUST AUTHORITY REVENUE BONDS, IN ONE OR MORE SERIES OF TAX-EXEMPT QUALIFIED 501(C)(3) BONDS OR TAXABLE BONDS, SENIOR AND SUBORDINATE, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $155,000,000 FOR THE PURPOSE OF FINANCING OR REFINANCING, INCLUDING THROUGH REIMBURSEMENT, THE COSTS OF THE PROJECT DESCRIBED HEREIN, AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; AND APPROVING AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, BH Wellness Foundation, a Delaware nonstock corporation and an organization exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code") as an organization under Section 501(c)(3) of the Code (the "Parent"), Southern Winds Hospital Holdings LLC, a Delaware limited liability company ("Holding Company"), Southern Winds Hospital LLC, a Delaware limited liability company ("Operating Company"), and 4225 LLC, a Delaware limited liability company ("Property Company" and collectively with the Parent, Holding Company and the Operating Company and each of its successors, and collectively, the "Borrower"), plans to finance or refinance, including through reimbursement, either via the acquisition of the membership interests in the entities that own such assets or through the acquisition of such assets directly, the acquisition, construction, expansion, rehabilitation, renovation and equipping of Southern Winds Hospital (the "Facilities"), located at 4225 West 20th Avenue in Hialeah, Miami-Dade County, Florida (the "Host Jurisdiction") and as more fully described on Schedule I;

WHEREAS, the Capital Trust Authority (the "Authority") is a legal entity duly created and a public agency duly organized and validly existing under the laws of the State of Florida (the "State") established for the purposes set forth under Section 163.01, Florida Statutes, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes and Chapter 159, Florida Statutes, each as amended; Resolution No. 14-22, duly adopted by the City Council of the City of Gulf Breeze, Florida ("Gulf Breeze"), on June 6, 2022, as amended by Resolution No. 46-22, duly adopted by the City Council of Gulf Breeze on November 21, 2022; Ordinance Number 04-00, enacted by the City Council of Gulf Breeze on May 15, 2000, as amended and supplemented by Ordinance No. 05-01, and Ordinance No. 10-11, enacted by Gulf Breeze on May 7, 2001 and September 6, 2011, respectively; Resolution No. 1424-2022, duly adopted by the City Commission of the City of Quincy, Florida ("Quincy"), on May 24, 2022; the City Charter of Gulf Breeze; the City Charter of Quincy; the Interlocal Agreement dated as of June 6, 2022, between Gulf Breeze and Quincy, as may be amended and supplemented from time-to-time; with powers as a "local agency" under Chapter 159, Part II, Florida Statutes, and together with all of the home rule powers granted by the Constitution and laws of the State and all other applicable provisions of law (collectively, the "Act"), and is empowered pursuant to the Act to issue revenue bonds for the purpose of providing funds to finance or of Section 147(f) of the Code. The Executive Director or his designee is hereby approved as the hearing officer for hearings held on behalf of the Authority and the Governor of the State, as an applicable elected representative of the Host Jurisdiction.

Section 3. The Bonds shall be sold at a negotiated sale to Cain Brothers, a division of KeyBanc Capital Markets Inc., or such other purchaser or underwriter selected by the Borrower and approved by the Authority as purchaser or underwriter with respect to the Bonds (the "Underwriter"). There is hereby acknowledged at the appropriate time, if necessary, the distribution of a preliminary limited offering memorandum to potential purchasers of the Bonds, upon approval of the information attributable to the Authority in the form thereof by the Chair, the Executive Director or each of their designees. If the Borrower and the Underwriter desire to distribute a preliminary limited offering memorandum prior to the adoption of a final bond resolution by the Authority, the Chair, the Executive Director or each of their designees are hereby authorized and empowered, on behalf of the Authority, to authorize the inclusion of one or more additional co-managing underwriters in the preliminary limited offering memorandum.

Section 4. The officers, officials, attorneys and agents of the Authority are hereby authorized and directed, jointly and severally, to take such actions as they may deem necessary or advisable to assist in the marketing, sale, issuance and administration of the Bonds and otherwise effectuate the purposes of this Resolution. All actions heretofore taken by the officers of the Authority for such purposes are hereby confirmed and ratified.

Section 5. Nothing herein shall obligate the Authority to issue the Bonds if, at any time prior to the sale thereof by the Authority to the Underwriter, the Authority shall determine that it is not in the public interest or the interest of the Authority to proceed with the issuance of the Bonds for any reason whatsoever, including, without limitation, the marketing plan for the sale of the Bonds to investors.

Section 6. It is the intention of the Authority to issue the Bonds pursuant to the Act to create a financing program to make loans to assist in financing or refinancing, including through reimbursement, projects meeting the criteria set forth in the Act, which loans shall mature not later than the final maturity of the applicable series of the Bonds. The amounts to be held in any reserve fund, any loan fund, amounts to be received from the repayment of principal of and interest on the loans, the income to be derived from the investment thereof and any other available moneys under the financing program for the Project are expected to be sufficient to pay the debt service on the Bonds.

Section 7. The Executive Director of the Authority is hereby authorized to execute the Authority's letter or letters addressed to the Borrower in substantially the form attached to this Resolution as <u>Exhibit A</u>, which by this reference thereto, is incorporated herein, with such changes therein, whether made prior to the execution thereof or thereafter, as shall be approved from time to time by the Executive Director on behalf of the Authority.

Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted on August 3, 2026.

CAPITAL TRUST AUTHORITY

By: ______________________________
Its: Chair

ATTEST:

By: ______________________________
Its: Secretary

EXHIBIT A

FORM OF LETTER

[CTA Letterhead]

August 3, 2026

Southern Winds Hospital Holdings LLC
4225 LLC
Southern Winds Hospital LLC
1209 Orange Street
Wilmington, DE 19801

Re: Proposed financing of, (i) either via the acquisition of the membership interests in the entities that own such assets or through the acquisition of such assets directly, the acquisition, construction, expansion, rehabilitation, renovation and equipping of the Facilities (the "Project"); (ii) the funding of a debt service reserve fund for the Bonds, if deemed necessary or desirable; (iii) the funding certain liquidity and other reserves, if deemed necessary or desirable; (iv) the funding of capitalized interest, if deemed necessary or desirable; (v) the funding of working capital, if deemed necessary or desirable; and (vi) the payment of certain costs of issuing the Bonds (collectively, the "Financing Purposes"), with revenue bonds issued by the Authority (as herein defined).

Ladies and Gentlemen:

Based upon recent discussions with representatives of BH Wellness Foundation, a Delaware nonstock corporation and an organization exempt from federal income tax under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code") as an organization under Section 501(c)(3) of the Code (the "Parent"), Southern Winds Hospital Holdings LLC, a Delaware limited liability company ("Holding Company"), Southern Winds Hospital LLC, a Delaware limited liability company ("Operating Company"), and 4225 LLC, a Delaware limited liability company ("Property Company" and collectively with the Parent, Holding Company and the Operating Company and each of its successors, and collectively, the "Borrower"), it is the understanding of the officials and representatives of the Capital Trust Authority (the "Authority"), that: (i) the Borrower is currently undertaking the financing or refinancing, including through reimbursement of the Project, as more fully described on Schedule I to Resolution No. 18-26 adopted by the Authority August 3, 2026 (the "Inducement Resolution"), and to further certain of the Borrower's not for profit health care purposes, a portion of the cost of which will be financed and refinanced with Revenue Bonds of the Authority in an aggregate principal amount not to exceed $155,000,000 (the "Bonds"); (ii) the Project will advance the public purposes of the Act (as defined in the Inducement

3. The Authority will cooperate in the prompt preparation of the Agreement and the necessary resolutions for the authorization and sale of the Bonds and, to the extent the Bonds are not allocated to any series of Bonds already validated, will promptly proceed with validation of the Bonds in the appropriate Circuit Court, pursuant to the provisions of Chapter 75, Florida Statutes, if, in the opinion of bond counsel for the Authority or the Authority's attorneys, such validation proceedings are necessary or desirable.

4. Upon delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Borrower shall have no further effect, and in the event of any inconsistency between the terms of this proposal and the terms of the Agreement in the form in which it shall be finally approved by resolution of the Authority, the provisions of the Agreement as so approved shall control.

5. Upon acceptance by the Borrower, the Authority shall keep open and outstanding this commitment and inducement to the Borrower for a reasonable time so long as the Borrower shall be proceeding with appropriate efforts toward conclusion of any arrangements necessary to the financing or refinancing, including through reimbursement (including via a purchase of all of the membership interests in limited liability companies that own such Facilities), of the Project; provided, however, if for any reason (other than that which shall be the fault of the Authority) the Bonds are not delivered to the purchaser or purchasers thereof before July 1, 2027, then the provisions of this proposal and the agreement resulting from its acceptance by the Borrower may be cancelled at any time thereafter, at the option of the Authority and without notice to the Borrower, by resolution of the Authority, duly adopted. In such event, or in the event of its earlier cancellation by agreement between the Borrower and the Authority, neither party shall have any rights against the other and no third party shall have any rights against either party except:

(a) the Borrower will pay to the Authority the amount of all expenses which shall have been incurred by the Authority in connection with the Project (expenses incurred related to travel to project sites and TEFRA hearings will be invoiced monthly for payment upon receipt);

(b) the Borrower will assume and be responsible for all contracts entered into by the Authority at the request of the Borrower in connection with the Project; and

(c) the Borrower will pay the out-of-pocket expenses of officials and representatives of the Authority and counsel for the Authority incurred in connection with the financing or refinancing of the Project and will pay Nixon Peabody LLP, as bond counsel, and Bryant Miller Olive P.A., as counsel to the Authority, a reasonable retainer and legal fees for legal services related to the issuance of the Bonds or the financing or refinancing of the Project, whether or not the financing or refinancing actually closes.

6. The Borrower shall have the responsibility to arrange for the purchase of the Bonds

constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

CAPITAL TRUST AUTHORITY

By:____________________________________
Denis A. McKinnon, III
Executive Director

[Acceptance by Borrower Follows]

SCHEDULE I

DESCRIPTION OF THE FACILITIES

The Facilities consist primarily of an approximately 36,624 square foot, two (2) story, 72-bed adult inpatient psychiatric hospital facility, known as Southern Winds Hospital, located on 1.868 acres located at 4225 W 20th Ave, Hialeah, Miami-Dade County, Florida 33012, including related facilities, fixtures, furnishings and equipment.

CAPITAL TRUST AUTHORITY

315 Fairpoint Drive • Gulf Breeze, Florida 32561 • Office 850-934-4046

July 29, 2026

VIA EMAIL

Mrs. Samantha Abell
City Manager
City of Gulf Breeze, Florida
sabell@gulfbreezefl.gov

Dear Mrs. Abell:

This report provides an overview of the financial performance of Capital Trust Agency (CTA1.0) and Capital Trust Authority (CTA2.0) for the current fiscal year through May 31, 2026, together with the final budgets for the fiscal year ending September 30, 2027. The results reflect strong operating performance and liquidity, the planned \$1.45 million combined contribution to the City of Gulf Breeze during fiscal year 2026, and a continued commitment of \$1 million in the fiscal year 2027 budgets.

Fiscal Year 2026 Performance Through May 31, 2026

So far in the fiscal year ending September 30, 2026, CTA1.0 has generated \$708,002.43 in total income and \$503,906.32 in net ordinary income. After \$56,500.00 in Charitable Education Fund expenditures and \$9,300.00 in charitable giving, CTA1.0 has generated \$438,106.32 in net income before the planned payment to the City of Gulf Breeze. Although CTA1.0 has not issued new bonds since March 2022, income from its existing portfolio and invested funds continues to produce meaningful operating results.

Through May 31, 2026, CTA2.0 has generated \$866,114.85 in total income and \$385,913.93 in net income before the planned City payment. Origination fee income has totaled \$377,532.50, exceeding the year-to-date budget by \$77,532.50. Total income is 119.8% of the year-to-date budget, while total expenses are 93.3% of budget.

Combined, CTA1.0 and CTA2.0 have generated \$824,020.25 in net income before the planned City payments so far in fiscal year 2026. Based on results through May 31, the entities are collectively ahead of the pace required to meet their combined fiscal year 2026 operating projection. CTA2.0 has already exceeded its full-year net operating income projection, while CTA1.0 remains slightly below a straight-line pace but continues to benefit from expenses running below budget. As of May 31, 2026, the two entities held approximately \$6.42 million in cash, money market accounts, and certificates of deposit.

Fiscal Year 2026 Milestones

- Through May 31, 2026, CTA2.0 had already exceeded its full-year net operating income projection, while the combined operating performance of CTA1.0 and CTA2.0 was ahead of the pace necessary to meet the fiscal year 2026 projection.
- With the July 29 closing of the \$41.89 million Marie Selby Botanical Gardens financing, CTA2.0 has now completed seven financings totaling approximately \$260.03 million so far in fiscal year 2026. The closing is expected to generate approximately \$88,000 in additional origination fee income, which is not reflected in the May 31 financial results. CTA2.0 continues to project three additional closings totaling approximately \$80 million before September 30, 2026.

Payment to the City of Gulf Breeze

For the fiscal year ending September 30, 2026, the Boards of CTA1.0 and CTA2.0 plan a combined \$1,450,000 payment to the City of Gulf Breeze, consisting of \$925,000 from CTA1.0 and \$525,000 from

CTA2.0. Because these payments had not yet been recorded as of May 31, 2026, the net income figures above are presented before the planned payments.

Fiscal Year 2027 Budget

- CTA2.0 budgets total income of $1,219,002.00, including $425,000.00 in origination fee income associated with six new programs. After $655,927.09 in operating expenses and a $500,000.00 payment to the City, CTA2.0 projects net income of $63,074.91.
- CTA1.0 budgets total income of $910,328.68. After $321,818.76 in operating expenses, $40,000.00 in combined Charitable Education Fund and charitable-giving expenditures, and a $500,000.00 payment to the City, CTA1.0 projects net income of $48,509.92.

Together, the fiscal year 2027 budgets provide for $2,129,330.68 in combined income, a $1,000,000.00 combined payment to the City, and $111,584.84 in combined projected net income. The budget worksheets show that net income as an offsetting transfer to cash reserves so that each budget balances to zero. These entries represent additions to reserves, not draws from reserves.

The Boards of CTA1.0 and CTA2.0 remain committed to maintaining strong financial positions while supporting the City of Gulf Breeze and advancing qualifying public-purpose financing programs. The CTA Boards will meet on August 3, 2026 to consider recommending the attached budgets to the Gulf Breeze Mayor and Council.

Sincerely,

DAMcKinnon

Denis A. McKinnon III
Executive Director

Attachments:

- FYE September 30, 2027 Capital Trust Agency Final Budget
- Capital Trust Agency Profit & Loss Budget vs. Actual through May 31, 2026
- Capital Trust Agency Balance Sheet as of May 31, 2026
- FYE September 30, 2027 Capital Trust Authority Final Budget
- Capital Trust Authority Profit & Loss Budget vs. Actual through May 31, 2026
- Capital Trust Authority Balance Sheet as of May 31, 2026

Capital Trust Authority, Inc
Proposed Budget FYE 9/30/2027
Revision Date 5/31/2026

##	Proposed Budget FYE 9/30/2027	Original Budget FYE 9/30/2026	Proposed Budget vs Budget
INCOME			
Interest Income	$78,000	$0	$78,000
Application Fee	$27,000	$45,000	($18,000)
Origination Fee	$425,000	$450,000	($25,000)
River City Academy	$15,000	$15,000	$0
Imagine School at West Pasco	$14,820	$14,820	$0
Global Outreach Charter Academy	$5,000	$5,000	$0
Creative Learning Academy	$6,000	$6,000	$0
Kids Community College	$5,000	$5,000	$0
IPS Enterprises IDEA	$26,100	$26,100	$0
KIPP Miami	$15,000	$15,000	$0
Miami Arts	$17,100	$17,340	($240)
AcadeMir Charter Schools 2025	$21,000	$17,076	$3,924
Independence Classical Academy	$15,000	$15,000	$0
Gulf Coast Portfolio	$135,300	$132,720	$2,580
Central Florida Prep	$20,400	$20,400	$0
Summit Academy	$7,500	$7,500	$0
Seaside	$7,500	$7,500	$0
Babock Neighborhood School	$24,096	$24,096	$0
Mason Classical Academy	$20,580	$20,580	$0
AcadeMir Charter Schools 2024	$20,292	$20,292	$0
Mohawk Valley	$22,230	$22,230	$0
Classic Academy of Sarasota	$15,000	$15,000	$0
Plato Academy	$20,160	$20,160	$0
St John's Classical Academy	$17,964	$17,964	$0
Madrone - FL Tech	$29,940	$0	$29,940
YMCA	$15,000	$15,000	$0
Jewish Academy	$16,560	$13,750	$2,810
Capstone Academy	$16,488	$12,500	$3,988
Pineapple Cove Classical @ West Melbourn	$15,000	$15,000	$0
QSH/St. Augustine	$21,540	$17,000	$4,540
Classical Academy 2025	$15,000	$10,000	$5,000
The Learning Center	$18,120	$16,750	$1,370
LLT Academy	$15,000	$15,000	$0
Team Success 2025 A&B	$15,000	$15,000	$0
Harbour Pointe Charter Academy	$15,312	$12,500	$2,812
New Program	$11,250	$1,417	$9,833
New Program	$11,250	$0	$11,250
New Program	$7,500	$0	$7,500
New Program	$7,500	$0	$7,500
New Program	$3,750	$0	$3,750
New Program	$3,750	$0	$3,750

TOTAL INCOME	$1,219,002	$1,083,695	$135,307
EXPENSE			
City of Quincy - Interlocal	$126,800	$191,358	($64,558)
Contractual Staff	$266,642	$251,405	$15,237
Legal	$102,000	$95,000	$7,000
Professional Services	$77,285	$88,103	($10,818)
Special Consultant	$12,881	$12,789	$92
Accounting & Auditing	$0	$10,000	($10,000)
Business Development	$24,000	$24,000	$0
Travel Expenses	$2,400	$2,400	$0
Bank Charges	$1,440	$1,440	$0
Telephone	$3,435	$4,093	($658)
Postage and Delivery	$572	$739	($167)
Utilities	$2,290	$3,410	($1,120)
Repairs & Maintenance Bldg	$11,450	$56,841	($45,391)
Office Supplies	$2,862	$3,410	($548)
Operating Supplies	$1,145	$1,137	$8
Membership & Subscriptions	$5,152	$5,116	$36
Office Expense	$572	$568	$4
Sponsorships	$15,000	$15,000	$0
TOTAL EXPENSE	$655,927	$766,809	($110,882)
Payment to City of Gulf Breeze	$500,000	$525,000	($25,000)
NET AFTER OTHER EXPENSES	$63,075	($208,114)	$271,189
NET INCOME	$63,075	($208,114)	$271,189
OTHER INCOME			
Transfer From (To) Cash Reserves	($63,075)	$208,114	($271,189)
TOTAL INCOME	$0	$0	$0

Capital Trust Authority, Inc.
Profit & Loss
October 2025 through May 2026

	Oct '25 - May 26
Ordinary Income/Expense	
Income	
40010 · Interest Income	53,254.88
40025 · Application Fee	31,500.00
40050 · Origination Fee	377,532.50
40075 · Reimbursable Expenses	702.18
40100 · River City Science Academy	10,000.00
40300 · Imagine School at West Pasco	9,881.68
40400 · Global Outreach Charter Academy	5,000.00
40500 · Creative Learning Academy	6,000.00
40600 · Kids Community College	5,000.00
40700 · IDEA - IPS Enterprises	17,400.00
40830 · KIPP Miami	10,000.00
40840 · Miami Arts	11,452.09
40900 · Independence Classical Academy	10,000.00
40910 · Gulf Coast Portolio	90,281.96
41000 · Central Florida Prep	13,584.00
41100 · Summit Academy Charter School	5,000.00
41200 · Seaside Community Charter	5,000.00
41300 · Babcock Neighborhood Schools	16,060.00
41400 · Mason Classical Academy	13,720.80
41500 · Classical Academy of Sarasota	10,000.00
41700 · AcadeMir Charter Schools 2024	13,533.04
41900 · Mohawk Valley	14,820.00
42100 · Plato Academy	13,441.04
42200 · St. John's Classical Academy	11,978.64
42300 · Madrone - FL Tech	4,989.76
42400 · YMCA	8,061.44
42500 · Jewish Academy	11,040.00
42600 · Capstone Academy	10,994.64
42700 · Learning Center	12,184.07
42800 · LLT Academy	10,000.00
42900 · AcadeMir 2025A&B	12,250.00
43000 · Team Success 2025A&B	10,000.00
43100 · Harbour Pointe Charter Academy	8,935.50
43200 · Pineapple Cove West Melbourne	5,833.31
43300 · QSH / St Augustine	7,183.32
43500 · Classical Academy 2025	5,000.00
43600 · AIDS Foundation	4,500.00
Total Income	866,114.85
Expense	
50000 · Contractual Staff - Salary	123,664.71
50100 · Contractural Staff - FICA	8,957.95
50200 · Contractural Staff - Health Ins	22,064.96
50300 · Contractural Staff - Retirement	13,149.85
50400 · Special Consultant	8,550.00
60100 · City of Quincy - Interlocal	91,572.00
60300 · Legal	143,907.71
60400 · Bank Service Charges	2,519.21
60900 · Business Development	1,139.00
62000 · Continuing Education	3,125.00
62500 · Dues and Subscriptions	4,138.63
64900 · Office Supplies	1,946.74
65000 · Operating Supplies	820.44
66500 · Postage and Delivery	652.49
66700 · Professional Fees	41,504.30
68100 · Telephone Expense	3,481.68
68400 · Travel Expense	3,248.03
68600 · Utilities	1,699.22

Capital Trust Authority, Inc.
Profit & Loss
October 2025 through May 2026

	Oct '25 - May 26
68700 · Repairs and Maint - Building	3,659.00
68800 · Sponsorships	400.00
Total Expense	480,200.92
Net Ordinary Income	385,913.93
Net Income	**385,913.93**

11:22 AM
07/29/26
Accrual Basis

Capital Trust Authority, Inc.
Balance Sheet
As of May 31, 2026

	May 31, 26
ASSETS	
Current Assets	
Checking/Savings	
10000 · Checking - Hancock Bank	315,232.68
10100 · Hancock MM	521,609.11
10200 · Hancock CD	1,973,448.39
Total Checking/Savings	2,810,290.18
Accounts Receivable	
11000 · Accounts Receivable	63,436.02
Total Accounts Receivable	63,436.02
Total Current Assets	2,873,726.20
TOTAL ASSETS	**2,873,726.20**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
21000 · Prepaid Accounts Receivable	107,822.53
22000 · Due To CTA	55,597.17
Total Other Current Liabilities	163,419.70
Total Current Liabilities	163,419.70
Total Liabilities	163,419.70
Equity	
32000 · Retained Earnings	2,324,392.57
Net Income	385,913.93
Total Equity	2,710,306.50
TOTAL LIABILITIES & EQUITY	**2,873,726.20**