

July 24, 2020

My name is Josh Kern, and I am the receiver for Quest Preparatory Academy and Argent Preparatory Academy. I write to provide an update on Quest and to discuss the status of Argent's property located at 788 Fairview Drive.

### Argent

I am pleased to report that 788 Fairview Drive, Carson City, Nevada has been under contract since April 10, 2020 (See Purchase and Sale Agreement included with this report).

By way of background, 788 Fairview Drive consists of approximately 2.34 acres with an approximate 24,940 square foot building that was used as Argent's primary school property and building.

The contracted purchase price is two million three hundred fifty thousand dollars (\$2,350,000). The contract purchaser made a fifty thousand dollars (\$50,000) good faith deposit on April 10, 2020, which is being held in escrow and will be credited toward the purchase price.

The contract purchaser had an initial sixty (60) day due diligence period after execution of the Purchase and Sale Agreement by both parties. That initial due diligence period ended June 10, 2020. Under the Purchase and Sale Agreement, the contract purchaser has the option to extend the due diligence period for three (3) additional thirty (30) day periods by paying fifteen thousand dollars (\$15,000), which is applied to the purchase price and immediately released to Argent. The contract purchaser has twice extended the escrow by paying the required \$15,000. Those moneys remain in Argent's bank account.

I expect to hear any day whether the contract purchaser intends to close on the property. The purchaser is awaiting a contract award by the GSA. Closing, which is required on or before mid-September, is effectively contingent upon that award.

### Quest

I am pleased to report that Quest Preparatory was featured in a special webinar hosted by the National Charter School Resource Center (NCSRC) on June 30, 2020 that highlighted Quest's use of best practices in its immediate, short, and long-term school improvement efforts—even during the uncertainty of the pandemic.

I am also pleased to report that the Alexander property has been under contract since June 15, 2020. (See Purchase and Sale Agreement included with this report).

By way of background, 7550 W. Alexander Avenue Las Vegas NV 89129 was previously used to house Quest's kinder program. That program has since been moved to Quest's NW campus.

The contracted purchase price is five hundred and ninety-five thousand dollars (\$595,000). The contract purchaser has made a five thousand dollar (\$5000) good faith deposit, which is being held in escrow and will be credited toward the purchase price and is required to put an additional twenty thousand dollars (\$20,000) by September 15, 2020 when the due diligence period ends. The contract purchaser is in the process of obtaining a Special Use Permit for the property. The property is scheduled to close on or before October 15.

We continue to make good progress toward reconstituting the Board of Trustees, despite some challenges caused by the shutdown (i.e., not being able to have board members tour the school). We have 5 confirmed new Board members, including two parents and two educators, and we expect to have our first Board meeting sometime in late August. We continue to try to grow the Board prior to the first meeting as we connect with more qualified individuals who would be a good fit for the school's governing body.

Finally, worth noting here is that Quest is on track to meet its enrollment target of just over 500 students for this year.

I want to thank the SPCSA, once again, for your support of Quest and look forward to speaking before you this Friday.