



..... A DECADE OF

building hope



building hope
10TH ANNIVERSARY REPORT
2013

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“Over a decade in which the charter school movement in DC has taken root and flourished, Building Hope has been a critical partner in helping to finance the development and growth of our schools. Its steadfast commitment to DC charters is helping to shine the light of educational choice and opportunity into every corner of the nation’s capital.”

Brian W. Jones, Former Chair, DC Public Charter School Board

10 year impact

BY THE NUMBERS

- ▶ Our project financings have developed approximately 5 Million square feet of charter school space, creating educational opportunities for an estimated 54,000 students.
- ▶ We have provided \$107 Million of direct loans and \$36 Million of credit enhancements to support \$820 Million in project costs to 90 charter schools.
- ▶ We have provided \$2.4 Million in direct grants to 44 charter schools and other institutions and \$4.8 Million in subsidies through our low-interest rate loans.
- ▶ Our free planning and consulting services have helped 400 schools identify potential sites, conduct feasibility studies and analyze financing options.
- ▶ We have provided ongoing back-office and administrative support services to 15 schools in Washington DC and 18 schools in Florida, enabling these 33 schools to focus on educating students vs. administrative functions.
- ▶ We have partnered with the DC government in creating and managing incubator space and co-location facilities for 21 charter schools educating 3,700 students.
- ▶ In addition to our seed capital from Sallie Mae, we have raised over \$15 Million in private foundation and other third party support.
- ▶ We have prudently managed our operating costs and covered expenses with our current period income, allowing us to preserve our capital to be leveraged for project financing.

dear friends,

It seems like only yesterday that our sponsors at Sallie Mae decided to make charter schools and K-12 education reform a top philanthropic priority.

Under CEO Al Lord's leadership and with a generous \$30 million investment, Sallie Mae created Building Hope and charged it with the mission of solving the bricks-and-mortar challenges faced by these start-up institutions. With this mandate and seed capital, Building Hope has helped 90 schools to finance \$820 million of facilities acquisitions and construction since our 2003 inception. We have also consistently managed to cover our operating costs with current investment and fee income, while offering our products and services at below-market rates. Most

importantly, approximately 54,000 students in 17 states have been able to attend high quality charter schools as a result of our investments. In our principal market, Washington, DC, we have fostered the growth of charter schools from 15 percent of public school enrollment in 2003 to close to 45 percent today. We are deeply grateful to Sallie Mae for enabling these results with their vision and support throughout our first decade.

Building Hope has become one of the most trusted charter school business advisors in Washington DC and Florida and is a well-known and highly-respected industry leader in many other states, as well. We have gone from being just a specialized lender, to offering full-service, turn-key project management services, including planning, site and building acquisitions, design and construction management, and financing. In addition, through various partnerships, Building Hope offers a full suite of back-office business services for both start-up and established institutions, including accounting, information technology, legal support, and employee benefits. These services enable the schools to save precious budget dollars and free up administrators to focus on their core teaching mission.

While the media sometimes question the academic results delivered by charters and the better oversight



Building Hope Board of Directors
Standing L-R: Fernando Barrueta, April Stercula, William Quinby, Joseph Muffler **Seated L-R:** Sheila Ryan-Macie, Albert D'Alessandro and Marianne Keler (Chair).

agencies systematically close underperforming schools, Building Hope's client institutions have been uniformly successful on the academic front. We take great care at the outset of a new client relationship to assess the strength of management, its academic program and community support. In Florida, 75 percent of our clients are "A"-ranked schools and we have supported 80 percent of the Tier 1 schools in Washington DC. Our involvement with these schools often continues long after we complete our transactional work. Our staff and trustees have been invited to serve as volunteer members on the boards of over a dozen schools, helping school leaders continue to address the business aspects of the organization and strengthening board governance.

As we look to the next 10 years, we envision continued growth and greater public acceptance of charter schools. With the encouragement of the U.S. Department of Education, more state and local governments are discovering ways to leverage these unique institutions to close the academic achievement gap and test new educational models, such as year-round schools, longer school days, data-based assessments and technology-driven blended learning. Building Hope has already forged groundbreaking government partnerships in Washington DC, as the manager of the Incubator Initiative, providing start-up facilities solutions for new charters, and as sole contractor for the Florida Department of Education, in implementing a federal grant to provide training and technical assistance to new charter schools. We

look forward to continuing our role as "intermediary" between State and local agencies and the charter school community.

The charter school movement celebrated its 20th anniversary in 2012, with a record of impressive grass-roots reforms and accomplishments in a sector that has seen very little change since the advent of universal education in the late 19th century. Today, more than 2 million American children attend more than 6,000 charter schools representing five percent of total public school enrollment. Building Hope's rewarding and successful participation in this movement has been made possible by Sallie Mae's investment, as well as by our exceptional team of loyal and dedicated trustees and staff. Special thanks go out to our Board Credit Committee members for providing us with the leadership, guidance and the necessary flexibility to make our financing transactions work for our clients and for us. These volunteer trustees help us follow the motto that guides so many of our schools: "Do Whatever It Takes." Many, many thanks also to our small staff in Washington and Florida for their passion and commitment to educational excellence and to providing better learning opportunities for all of our children. Congratulations on a great first decade!

With best wishes,

Marianne M. Keler
Board Chair

S. Joseph Bruno
President

WHY SCHOOLS CHOOSE BUILDING HOPE

- ▶ Mission-driven nonprofit with singular purpose to assist quality charter schools
- ▶ Aligned with school leaders' thinking and focus on educational outcomes thereby allowing the educator to educate and Building Hope to provide support services
- ▶ Flexibility in delivery of products and services to address each school's unique needs
- ▶ Proven experience and talented staff of business and education experts who deliver tangible results
- ▶ Quality products and services at no fee or below market rates to save schools money
- ▶ Respected industry leader
- ▶ 10 years of building relationships in DC, Florida and national markets with financial institutions, the construction industry, local leaders and policy makers



WHAT WE DO TO

build hope

- ▶ Financing
Direct Lending and Credit Enhancements
- ▶ Pro Bono Technical Assistance and Consulting
- ▶ Business Services
*Accounting
Information Technology
Employee Benefits
Legal*
- ▶ Turnkey Project Management
- ▶ Public/Private Partnerships
*Incubator Initiative—Washington DC
Florida Charter Support Unit*
- ▶ U.S. Department of Education
Charter School Credit Enhancement

FINANCING

Building Hope provides direct loans to quality charter schools in our defined market areas which currently include Washington, DC, Florida, and Delaware. We provide both senior and subordinated loans, for a period generally not to exceed four years, and based on underwriting criteria established by our Board's Credit Committee. Typically we obtain a security interest in the property being financed. Many of our transactions involve multiple lenders where Building Hope leverages traditional financing sources by taking a subordinate position. We also provide short-term loans, in order to help schools bridge to longer-term financing options. Our interest rates are generally lower than market rates, providing immediate financial benefit to our school clients and enhancing the school's ability to secure long-term affordable financing.

Since inception Building Hope has provided financing assistance to charter schools in 151 transactions in our two primary markets, Washington DC and Florida. In DC this financial assistance has helped the charter school movement capture almost 45% of the public school enrollment.

To date, Building Hope has provided over \$107 million in direct loans and over \$36 million in credit enhancement guarantees to support over \$820 million in total project costs.

Building Hope's Credit Enhancement Program, offered through our America's Charter School Finance Corporation affiliate, provides loan and lease guarantees to facilitate financing and leases for public charter school facilities nationwide. Our Credit Enhancement Program is supported by grants from the U.S. Department of Education Charter School Facilities Financing Demonstration Program and The Sallie Mae Fund. Preference is given to schools that have been operating for less than 3 years and/or have at least 50% of students eligible for free or reduced-price lunch. Schools that receive assistance under our Credit Enhancement Program must also provide quality education options for their students.

New schools are evaluated on their proposed curriculum and program, the experience of the school leaders and board, and community interest. Existing schools are evaluated based on their financial results and their academic performance as compared with schools in their district with similar populations. General terms include a guaranty period of three to five years, and an annual reduction in the guaranty.

PRO BONO CONSULTING AND TECHNICAL ASSISTANCE

We assist high-potential charter schools overcome facilities challenges by offering free consulting advice, technical assistance and financial expertise related to the planning, acquisition, renovation, construction, financing and maintenance of school facilities and general business operations. Schools are selected based on specified criteria, including: institutional leadership, fiscal stability, academic performance, and community support.

Our work has included:

- ▶ Developing financial cash-flow projections to determine realistic lease or loan payment amounts for school operators.
- ▶ Exploring and facilitating tax-exempt financing and other tax-structuring opportunities.
- ▶ Providing financial oversight to charter schools for closing of complex New Market Tax Credit Transactions
- ▶ Interactions with local officials, policy makers and regulators
- ▶ Advocating on behalf of charter schools for adequate facilities at the local, State, and national levels.
- ▶ Board formation, strategy and selection
- ▶ Student enrollment strategies
- ▶ Development of long-term strategic plans



“Building Hope has been instrumental in us getting DC International off the ground. Their pro bono assistance with the successful application for our site at Walter Reed, the test fit, and pre-development work is immeasurable.”

Mary Shaffner, Washington Yu Ying



BUSINESS SERVICES

- ▶ Accounting
- ▶ Information Technology
- ▶ Human Resources
- ▶ Legal

In addition to educating children, charter schools are responsible for operating a business and performing administrative services including accounting, employee benefits, and information technology. Some schools, especially start-ups, lack the staff and the resources to perform these functions. Building Hope provides quality back-office services to charter schools at low cost. This enables charter schools to direct more time and financial resources toward educating students and helps schools establish the financial footing for long-term success. Since 2005 Building Hope has built upon its services experience with charter schools in Washington DC and is currently providing services to 15 charter schools. Our Florida operation began in 2009 and is currently providing business services to 18 charter schools. With increased regulatory reporting requirements, charter schools are seeking low-cost services and we are prepared to meet the growing demand.

These services include:

- ▶ Finance and accounting: accounts payable, receipts and disbursements, preparation of annual budgets and financial statements, and periodic regulatory filings
- ▶ Information technology: computer network design and support; and general IT management and maintenance
- ▶ E-rate services: preparation and submission of applications for federal funding
- ▶ Facilities maintenance and repairs: building maintenance, non-structural repairs and installation and maintenance of equipment and services
- ▶ Human resources: staff compensation and benefit structure and payroll administration

“The startup process for charter schools can be daunting, but with the support of Building Hope, we were able to write and get four charter school applications approved in a single year. Thanks to their efforts with our applications, budget and financial services we are well on our way to providing a best-in-class education to needy students throughout Florida.”

Cheri Shannon, former Director of Florida Charter School Alliance, Founder of University Preparatory Academies

- ▶ Compliance: development of effective policies and procedures to support compliance with state and national requirements
- ▶ Charter school application development and review
- ▶ Review of contracts, letters of intent, conveyances, leases, subleases, financing documents and other related property transaction agreements; and assist with negotiating, restructuring and redrafting as appropriate
- ▶ Review of due diligence materials: corporate, organization and property documents/materials e.g., title, survey, environmental, zoning.
- ▶ Review project documents: construction, architect, engineering and budget management agreements and assist in drafting/redrafting such agreements
- ▶ Facility securing opinion of counsel

TURN-KEY PROJECT MANAGEMENT SERVICES

In the last several years, we have been asked to deliver turnkey project management solutions that allow charter school administrators to concentrate their time on their core education mission without the time-consuming distraction of overseeing the many aspects of a construction project. We have a demonstrated track record of delivering a facility project on time and on budget, taking advantage of all our areas of expertise.

Our typical process involves working with schools to:

- ▶ Gain a unique perspective of the school’s vision, mission, culture, academics, leadership, financial resources, and project objectives.
- ▶ Provide assistance with site selection, school design and development, and lease/purchase negotiation.
- ▶ Solicit proposals and assist with the selection of a lender by a charter school for short and long-term financing for a facility project.
- ▶ Construct affordable financing packages acceptable to commercial lending institutions.

We have also acted as project developer and leased build-to-suit facility with a purchase option. Our projects in the District of Columbia have included new construction as well as retrofitting and remodeling of existing facilities such as churches, warehouses, and former schools.

- ▶ We have acquired and developed sites and then subleased them to schools at below-market rates.
- ▶ We have worked with local government entities to develop a process for charter schools to co-locate with other charter schools as well as with traditional public schools and have operated as project manager for such projects.

“Building Hope provided the relationship, knowledge and financial expertise to make the Meridian dream come true for the children, parents, board, and teachers. Without Building Hope at our side, the path to provide the children the facilities to have a great education would have been more difficult. When problems needed solving we turned to them to provide solutions, and they did. Thank you so much BH from 567 happy children and parents.”

Michael Broomfield, Board Member, Meridian Charter School



PUBLIC/PRIVATE PARTNERSHIPS

Ten years ago, early in the charter school movement government agencies often viewed these new institutions with skepticism. Today, however, charter schools have proven themselves as quality educational institutions, and long-term partners in educating students. Local governments are listening to parents' demand for school choice options, and are more willing to discuss ways to work with charters. Building Hope has maintained positive relationships with government agencies at all levels and has participated in some of the most innovative public-private partnerships in education. Building Hope manages three public/private programs one in the District of Columbia and one in Florida and a national program with the U.S. Department of Education.

INCUBATOR INITIATIVE

In the District of Columbia, the Charter School Incubator Initiative was created as a partnership between Building Hope and the Office of the State Superintendent of Education ("OSSE") to provide short-term transitional space for start-up public charter schools located in communities in need. This partnership brings together Building Hope's expertise in facilities financing, development and management of public charter school facilities and OSSE's financial resources. The purpose of the incubator is to help start-up schools grow to scale by charging rents based on actual enrollment levels, rather than fair market value of an entire facility. Schools in this program are provided with a full service turn-key facility.

CHARTER SUPPORT UNIT

In Florida, we operate a charter school support program for the Florida Department of Education. This program was funded through a national grant program from the U.S. Department of Education's Race to the Top Program.

In this program we provide a support structure for assisting new and start-up charter schools in the areas of administration, curriculum, finance and governance. Specifically, this charter school support program is designed to provide short-term intensive and targeted support for new charter schools.

"Thanks to our partnership with Charter School Services Corporation/ Building Hope we are able to provide support to over 175 new charter school through the Charter Support Unit. We know we can depend on the real-world experience and expertise of their staff to help expand on the high quality of charter schools throughout the state."

*Adam Miller, Charter School Director
Florida Department of Education*

GROWTH AND SOCIAL IMPACT OF CHARTER SCHOOLS

Building Hope measures both the economic and the social impacts of its work to assess its overall impacts. This double-bottom line measurement helps us fulfill the mission of the organization to support the growth of high-quality charter schools. The following statistics describe the social environment in which we operate.

National

- ▶ More than 2 million charter school students attend over 6,000 charter schools in 42 states and the District of Columbia up from 789,479 and 2,959 ten years ago
- ▶ The student population of charter schools has grown 13.5%, and the number of charter schools has grown 6.8%, just in the past year
- ▶ Charter schools serve more minority students than do other schools in their respective school districts (62% vs. 47%)

- ▶ Charter schools serve more students through the National School Lunch Program than do other schools in their respective districts (48% vs. 45%)

District of Columbia

- ▶ Approximately 35,000 charter school students attend 57 charter schools operating on 99 campuses, accounting for 43% of DC public school students up from 11,000 and 15% of DC public school students when Building Hope was founded in 2003

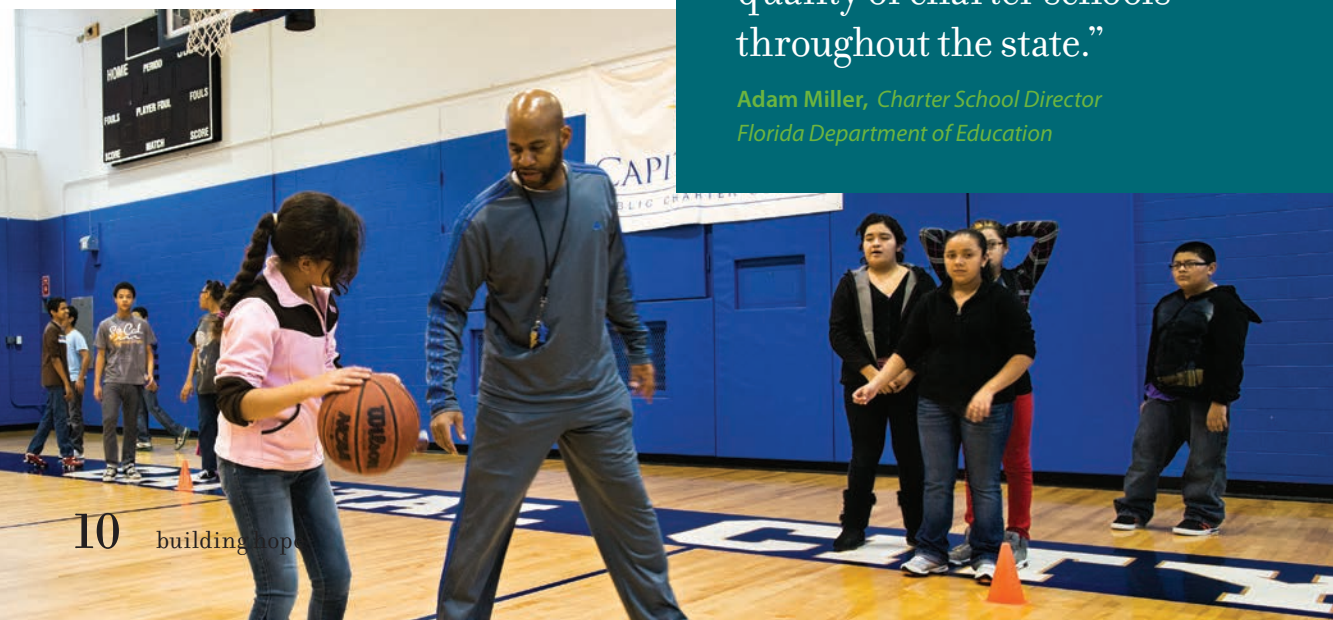
- ▶ Charter school enrollment is 98% minority

- ▶ Charter school enrollment is 72% eligible for free and reduced lunch plans
- ▶ District of Columbia is ranked second in the highest percentage of students in public charter schools

Florida

- ▶ Approximately 204,000 charter school students attend 620 charter schools operating in 46 of the 67 Florida counties, accounting for 6.74% of Florida public school students up from 53,016 and 2.09% of Florida public school students in 2003

- ▶ Charter school enrollment is 64% minority
- ▶ Charter school enrollment is 47% eligible for free and reduced lunch plans
- ▶ Florida is ranked 3rd nationally in the number of charter schools and 4th nationally in the number of charter school students



BUILDING HOPE'S IMPACT IN WASHINGTON DC AND FLORIDA 2011-2012

By Helping Students...

- ▶ Provided \$5.6 million in direct loans and \$250,000 in credit enhancements leveraging \$74 million to 9 charter schools and incubator facilities in Washington DC serving over 2,800 students
- ▶ Provided \$24 million in direct loans and \$2 million in credit enhancements leveraging \$61 million to 39 charter schools in Florida serving over 14,000 students
- ▶ Provided \$528,000 in direct loans and \$2.1 million in credit enhancements leveraging \$20 million to 5 charter schools in other states serving over 1,800 students
- ▶ Provided a total of \$30 million in loans and \$4 million in credit enhancements to support real estate transactions and \$4 million in operating loans in all markets nationwide
- ▶ Provided turn-key project management services to 2 schools in the District of Columbia for renovations and new construction of 214,000 square feet of space at a cost of \$39 million with capacity for 1,500 students
- ▶ Provided turn-key project management services to develop a new 50,000 square feet incubator site in Ward 8, District of Columbia that can accommodate 2 schools and up to 500 students
- ▶ Entered into public/private partnership with the Office of School Choice—Florida Department of Education to provide technical assistance to charter schools statewide



...and by Helping the Charter School Sector...

- ▶ Expanded Business Services in Washington DC for accounting, information technology, property management and human resources to serve an additional 7 schools
- ▶ Expanded Business Services in Florida for accounting, information technology, property management and human resources to serve an additional 2 schools
- ▶ Helped client schools realize interest savings of over \$300,000 through below-market rate loans. These savings can be used for teachers and instructional programs rather than debt service.
- ▶ Provided technical assistance to over 113 schools nationwide
- ▶ Expanded role as financial advisor for several municipal bond offerings in Florida.
- ▶ Annual sponsorships and participation in national and local charter school conferences

...We Help the Whole Community



REPRESENTATIVE LIST OF SCHOOLS SERVED

- | | | |
|---|--|--|
| Academy by the Sea (FL) | Florida International Academy (FL) | Perry Street Prep (DC) |
| Acel Charter High School (CA) | Foxborough Regional Charter School (MA) | Pincrest Academy (FL) |
| Achievement Prep Academy (DC) | Franklin Academy (FL) | Pinellas Preparatory Academy (FL) |
| Advantage Academy (FL) | Frederick Classical Charter School (MD) | Pivot Charter School (FL) |
| Alpha Charter of Excellence (FL) | Freire Charter School (PA) | Prestige Academy (DE) |
| AppleTree (DC) | Friendship Public Charter Schools (DC) | Renaissance Charter of Coral Springs (FL) |
| Arts & Technology Academy (DC) | Green Springs Charter (FL) | Ricardo Flores Magon Academy (FL) |
| ARISE Academy (LA) | Hebrew Language (DC) | Richard Wright (DC) |
| Athenian Academy (FL) | High School for the Performing Arts (GA) | River Cities (FL) |
| Bay Haven Charter Academy (MD) | Hillview Montessori Public Charter (MA) | Rocketship Education (CA) |
| Boca Raton Charter School (FL) | Howard Road Academy(DC) | Romans Charter School (FL) |
| Bridges Public Charter School (DC) | Imagine Schools (FL) | Sarasota School of Arts/Sciences (FL) |
| Bright Futures Academy (FL) | Imagine Indiana (IN) | Septima Clark (DC) |
| Capital City Public Charter School (DC) | Ingenuity Prep (DC) | Shining Star (DC) |
| Casa Ramona Academy (AZ) | Innovations International Charter (NV) | Shekinah Learning Institute (TX) |
| Caroline Education (MI) | Inspired Teaching (DC) | Somerset Academy (FL) |
| Center City Public Charter Schools (DC) | International Language Academy (FL) | Somerset DC (DC) |
| Center for Inspired Training (DC) | International School of Broward (FL) | South Bronx CS (NY) |
| Central Charter School (FL) | Kathleen C. Wright Leadership Academy (FL) | South Florida Autism (FL) |
| Cesar Chavez Public Charter Schools (DC) | Kids Community Charter School (FL) | South Florida International (FL) |
| CentroNia (DC) | KIPP DC (DC) | Sports Leadership (FL) |
| Chancellor (PB Boynton) (FL) | KIPP-Delta Public Schools (AR) | St. Coletta of Greater Washington (DC) |
| Charlotte Secondary School (NC) | King Lewter Charter School (NY) | St. Augustine's University (MI) |
| Charter School of Educational Excellence (NY) | Latin American Montessori Bilingual (DC) | Student Leadership Academy (FL) |
| Charter School of Excellence (FL) | Latin American Youth Center (DC) | South Tech Academy (FL) |
| Choices in Learning Charter (FL) | Lighthouse Monument (IN) | Success Preparatory Academy (FL) |
| City Collegiate (DC) | Lighthouse Gary (IN) | Tapestry (NY) |
| City of Hialeah Education Academy (FL) | Long Island (NY) | Thelma Gibson Charter School (FL) |
| City of Trees (DC) | Lowell Community Charter Public School (MA) | The Poplar Foundation (TN) |
| Community School for Apprenticeship (LA) | Marco Island Academy (FL) | The Rhodes School (TX) |
| Concept (AZ) | Mater Academy (FL) | Thurgood Marshall (DC) |
| Cornerstone Academy Charter (FL) | Maya Angelou (DC) | Twin Cities (MN) |
| Creative Minds (DC) | MEI Futures (DC) | Two Rivers (DC) |
| DC Bilingual (DC) | Meridian (DC) | University Preparatory Academy (FL) |
| DC Preparatory Academy (DC) | Metrolina Regional Scholar Academy (NC) | Valrico Lake Advantage Academy (FL) |
| DC Scholars (DC) | Miami Arts (FL) | Washington Math Science and Technology (DC) |
| DC Special Education Cooperative(DC) | Molalla River Academy (OR) | Washington Latin Public Charter (DC) |
| Doral Academy (FL) | Multisensory Learning Academy (OR) | Washington Yu Ying (DC) |
| Eagle Academy (DC) | Mundo Verde (DC) | Waverly Academy (FL) |
| Eagle Arts Academy (FL) | National Collegiate Preparatory Academy (DC) | Westminster Leadership PCS (DC) |
| Eagle College Prep (AZ) | Nau Charter School (FL) | William E. Doar (DC) |
| Early Childhood Academy (DC) | New City School (CA). | Williamsburg Public Charter High School (NY) |
| Elko Institute (NV) | Next Step (DC) | Youth Co-Op Charter School (FL) |
| E.L. Haynes (DC) | North Gardens Charter (FL) | |
| Elsie Whitlow Stokes (DC) | North Park Charter (FL) | |
| Enrichment Academy (DC) | Northstar (ID) | |
| Everglades Preparatory Academy (FL) | Orange Park Performing Arts Academy (FL) | |
| Excel Academy (DC) | Orenda Charter School Facility (CA) | |
| Excel Charter School (FL) | Orlando Science Middle High Charter (FL) | |
| Excelsior Academy (FL) | Palm Glades Preparatory Academy (FL) | |
| Fairfax Leadership Academy (VA) | Palm Harbor Montessori (FL) | |
| Florida Intercultural Academy (FL) | Paul Public Charter School (DC) | |

DECADE OF FINANCING TRANSACTIONS

ACCELERATED LEARNING FLORIDA	ADVANCE ACADEMY LOUISIANA	ADVANTAGE ACADEMY FLORIDA	ADVOCACY FOR ARTS LOUISIANA
\$2,550,770 5 Facilities Loans 2,000 Seats	\$249,000 3 Operations Loans	\$1,130,000 2 Facilities & 1 Operations Loans 2,599 Seats	\$150,000 Operations Loan
AKILI ACADEMY LOUISIANA	ALPHA CHARTER OF EXCELLENCE FLORIDA	ANIMO JEFFERSON MIDDLE SCHOOL	APPLETREE WASHINGTON DC
\$150,000 Operations Loan	\$220,000 Facilities Loan 296 Seats	\$2,850,000 Facilities Loan 1,080 Seats	\$765,000 3 Facilities Loans & Credit Enhancement 448 Seats
ARISE ACADEMY LOUISIANA	ARTS & TECHNOLOGY WASHINGTON DC	ATHENIAN ACADEMY OF PASCO FLORIDA	BELLE ISLE FLORIDA
\$150,000 Operations Loan	\$1,500,000 Facilities Loan 589 Seats	\$165,000 2 Operations Loans	\$425,000 2 Operations Loans
BENJAMIN E. MAYS LOUISIANA	BOSTON COLLEGIATE MASSACHUSETTS	CAPITAL CITY WASHINGTON DC	CARLOS ROSARIO WASHINGTON DC
\$270,000 2 Operations Loans	\$650,000 Facilities Loan 396 Seats	\$2,500,000 Facilities Loan & Credit Enhancement 1,152 Seats	\$750,000 Facilities Loan 611 Seats
CENTER CITY CONSORTIUM WASHINGTON DC	CESAR CHAVEZ WASHINGTON DC	CHANNELSIDE FLORIDA	CHARLOTTE SECONDARY NORTH CAROLINA
\$1,300,000 Facilities Loan 2,000 Seats	\$24,547,000 3 Facilities Loans & Credit Enhancements 1,100 Seats	\$600,000 Facilities Loan 336 Seats	\$180,000 Credit Enhancement 240 Seats
CHARTER SCHOOL INCUBATOR INITIATIVE WASHINGTON DC	CHARTER SCHOOL OF EXCELLENCE FLORIDA	CHOICES IN LEARNING FLORIDA	CITY ON A HILL MASSACHUSETTS
\$250,000 Credit Enhancement 1,607 Seats	\$1,150,000 2 Facilities & 1 Operations Loans 520 Seats	\$1,000,000 Facilities Loan 648 Seats	\$625,000 Credit Enhancement 250 Seats

DECADE OF FINANCING TRANSACTIONS

COLLEGE PREP ACADEMY FLORIDA	COMMUNITY ACADEMY WASHINGTON DC	CORAL SPRINGS FLORIDA	CRESCENT CITY SCHOOLS FLORIDA
\$200,000 Facilities Loan 225 Seats	\$2,350,000 5 Facilities Loans 1,420 Seats	\$5,500,000 2 Facilities Loans 1,500 Seats	\$125,000 Operations Loan
DC PREP WASHINGTON DC	DISCOVERY INDIANA	DORAL ACADEMY FLORIDA	EL HAYNES WASHINGTON DC
\$3,035,000 Facilities Loan & Credit Enhancement 710 Seats	\$975,000 Facilities Loan & Credit Enhancement 370 Seats	\$3,200,000 Facilities Loan 1,800 Seats	\$4,877,500 4 Facilities & 1 Operations Loans 1,124 Seats
EAGLE ACADEMY WASHINGTON DC	EDWARD BROOKE MASSACHUSETTS	ELSIE STOKES WASHINGTON DC	EXCELSIOR ACADEMY CALIFORNIA
\$1,250,000 Facilities Loan 610 Seats	\$1,000,000 Credit Enhancement 166 Seats	\$1,009,500 2 Facilities Loans 320 Seats	\$4,500,000 Facilities Loan 900 Seats
FLORIDA INTERNATIONAL FLORIDA	FOUR RIVERS MASSACHUSETTS	FRANKLIN ACADEMY FLORIDA	FREDERICK CLASSICAL CHARTER SCHOOL MARYLAND
\$710,000 Operations Loan 766 Seats	\$375,900 Credit Enhancement 192 Seats	\$2,336,598 Facilities & Operations Loans 2,570 Seats	\$250,000 Credit Enhancement 360 Seats
FREDERICK DOUGLASS MASSACHUSETTS	FREIRE PENNSYLVANIA	FRIENDSHIP TECH PREP WASHINGTON DC	HELIX NETWORK LOUISIANA
\$350,000 Credit Enhancement 284 Seats	\$1,150,000 Credit Enhancement 500 Seats	\$5,799,324 2 Facilities Loans 950 Seats	\$300,000 Operations Loan
HOLYOKE MASSACHUSETTS	HYDE WASHINGTON DC	IDEA TEXAS	IMAGINE BOYNTON BEACH FLORIDA
\$500,000 Credit Enhancement 617 Seats	\$2,600,000 Facilities Loan & Credit Enhancement 1,050 Seats	\$500,000 Credit Enhancement 800 Seats	\$4,886,025 Facilities Loan 900 Seats

DECADE OF FINANCING TRANSACTIONS

IMAGINE INDIANA INDIANA \$230,000 Credit Enhancement 653 Seats	INTERNATIONAL SCHOOL OF BROWARD FLORIDA \$288,134 2 Operations Loans 	IRVINGTON INDIANA \$518,800 Credit Enhancement 220 Seats	IVY PREP ACADEMY LOUISIANA \$250,000 Operations Loan
KC WRIGHT FLORIDA \$325,000 Facilities Loan & Credit Enhancement 500 Seats	KIPP DC WASHINGTON DC \$12,500,000 4 Facilities Loans 3,900 Seats	LAS AMERICAS ASPIRA ACADEMY DELAWARE \$453,000 Credit Enhancement 300 Seats	LAMB WASHINGTON DC \$3,075,000 2 Facilities Loans & Credit Enhancement 208 Seats
LAUNCHPAD DEVELOPMENT CALIFORNIA \$750,000 Credit Enhancement 550 Seats	LIGHTHOUSE INDIANA \$996,521 Facilities Loan & Credit Enhancement 1,494 Seats	LOTUS SCHOOL OF EXCELLENCE COLORADO \$990,000 Credit Enhancement 500 Seats	MARCO ISLAND FLORIDA \$250,000 2 Operations Loans
MASE TENNESSEE \$200,000 Credit Enhancement 850 Seats	MULTISENSORY OREGON \$146,000 Credit Enhancement 403 Seats	NAU CHARTER SCHOOL FLORIDA \$5,500,000 Facilities Loan 750 Seats	NEIGHBORHOOD HOUSE MASSACHUSETTS \$1,900,000 Credit Enhancement 206 Seats
NEW DESIGN CALIFORNIA \$500,000 Facilities Loan & Credit Enhancement 415 Seats	NEXT STEP WASHINGTON DC \$1,250,000 Facilities Loan & Credit Enhancement 450 Seats	NORTH STAR INDIANA \$500,000 Credit Enhancement 868 Seats	PATRICK HENRY VIRGINIA \$75,000 Facilities Loan 186 Seats
PINELLAS ACADEMY OF MATH AND SCIENCE FLORIDA \$4,200,000 2 Facilities Loans 650 Seats	PINELLAS PREP FLORIDA \$1,200,000 Facilities Loan 748 Seats	PRESTIGE ACADEMY DELAWARE \$900,000 Facilities Loan 432 Seats	RENEW SCHOOLS LOUISIANA \$300,000 Operations Loan

DECADE OF FINANCING TRANSACTIONS

RISE ACADEMIES FLORIDA \$100,000 Operations Loan 	RIVER CITIES FLORIDA \$361,744 3 Facilities & 1 Operations Loans 650 Seats	RIVERVIEW CROSSING FLORIDA \$250,000 Operations Loan 	ROCKETSHIP MOSIAC CALIFORNIA \$750,000 Facilities Loan 550 Seats
SCHOLARS ACADEMY FLORIDA \$75,000 Operations Loan 	SOMERSET ACADEMIES FLORIDA \$2,400,000 1 Facilities & 3 Operations Loans 2,900 Seats	SOUTH FLORIDA AUTISM FLORIDA \$200,000 Operations Loan 	SPORTS LEADERSHIP ACADEMY FLORIDA \$1,000,000 Credit Enhancement 1,000 Seats
STUDENT LEADERSHIP ACADEMY OF VENICE FLORIDA \$200,000 Credit Enhancement 277 Seats	THURGOOD MARSHALL WASHINGTON DC \$1,200,000 Facilities Loan 350 Seats	TRIAD NORTH CAROLINA \$710,000 Credit Enhancement 650 Seats	TWO RIVERS WASHINGTON DC \$800,000 Credit Enhancement 261 Seats
WASHINGTON LATIN WASHINGTON DC \$700,000 1 Facilities & 2 Operations Loans 94 Seats	WAVERLY ACADEMY FLORIDA \$250,000 Facilities Loan 330 Seats	WASHINGTON MATH & SCIENCE WASHINGTON DC \$1,000,000 Facilities Loan & Credit Enhancement 460 Seats	WILLIAMSBURG NEW YORK \$1,300,000 Credit Enhancement 1,000 Seats
WVSA WASHINGTON DC \$725,000 Facilities Loan, Operations Loan, & Credit Enhancement 274 Seats	YOUTH CO-OP FLORIDA \$2,362,500 Facilities Loan & Credit Enhancement 825 Seats		

PROJECT FINANCING INFORMATION

	DIRECT LOANS	CREDIT ENHANCEMENTS	SQUARE FOOTAGE	PROJECT COST	NUMBER OF STUDENTS SERVED
2003/2004/2005	14,247,000	20,714,700	871,000	109,317,400	7,570
2006	5,700,000	2,890,000	276,600	64,436,700	2,840
2007	7,500,000	400,000	234,400	74,923,500	3,140
2008	14,605,000	2,565,000	668,000	126,342,600	7,210
2009	19,660,000	3,056,000	889,400	179,976,500	7,310
2010	14,986,000	1,885,000	712,000	108,714,400	7,160
2011	16,280,000	1,250,000	575,300	68,827,800	7,760
2012	13,951,000	3,150,000	664,800	87,987,700	11,110
Total Projects Completed	\$106,929,000	\$35,910,700	4,892,500	\$820,526,600	54,100

SUMMARY FINANCIAL INFORMATION

	12/31/2004	12/31/2012
Revenues		
Grants and Donations	28,563,000	839,000
Investment Income	448,000	3,090,000
Professional Services Fees	-	2,211,000
Expenditures		
Grants Made to Schools (including subsidized interest)	379,000	207,000
Program and Administrative Expenses	488,000	1,699,000
Professional Service Expenses	-	1,832,000
Assets		
	51,300,000	52,746,000
Liabilities		
	13,220,000	8,281,000
Fund Balance		
	38,080,000	44,465,000

LOANS & CREDIT ENHANCEMENTS

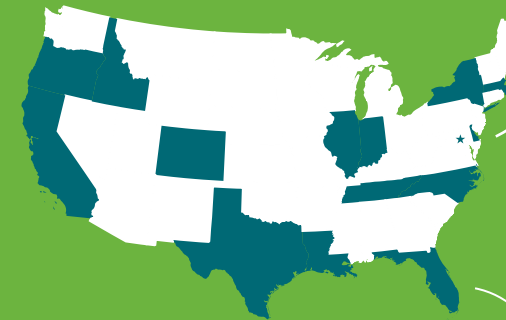
(since inception)

DC

WASHINGTON, DC

38 Loans for \$49.242 Million

13 Credit Enhancements for \$5.640 Million



FL

FLORIDA

53 Loans for \$50.265 Million

4 Credit Enhancement for \$2.200 Million

CALIFORNIA

2 Loans for \$3 Million
2 Credit Enhancement for \$1 Million

COLORADO

1 Credit Enhancement for \$990,000

DELAWARE

2 Loans for \$51.353 million

GEORGIA

2 Loans for \$325,000

IDAHO

1 Credit Enhancement for \$200,000

INDIANA

4 Credit Enhancements for \$1.055 million

ILLINOIS

1 Credit Enhancement for \$250,000

LOUISIANA

8 Loans for \$1.575 million

MARYLAND

1 Loan for \$650,000
1 Credit Enhancement for \$250,000

MASSACHUSETTS

1 Loan for \$650,000
7 Credit Enhancements for \$4.75 Million

NEW YORK

1 Credit Enhancement for \$1.3 Million

NORTH CAROLINA

2 Credit Enhancement for \$890,000

OREGON

1 Credit Enhancement for \$146,000

PENNSYLVANIA

1 Credit Enhancement for \$1.150 million

TENNESSEE

1 Credit Enhancement for \$200,000

TEXAS

3 Credit Enhancements for \$1 Million

1 Loan for \$75,000

▲ 2003 - 2011
▲ 2012

ORGANIZATION AND PARTNERS

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Curtis Fuller

Director, Charter School Operations

Mark Medema

Director, Strategic Initiatives

Laurel L. Ihator

Executive Assistant

Alice Barnes

Administrative Assistant

Kevin Luger

Charter School Accountant

Funding Organizations

The Sallie Mae Fund

U.S. Department of Education

Walton Family Foundation

District of Columbia Office of the State

Superintendent of Education

US Department of the Treasury

Independent Accountants

BDO USA, LLC

Memberships and Affiliations

National Association of Charter

School Authorizers

National Alliance for Public Charter Schools

FOCUS

DC Association of Chartered Public Schools

Florida Consortium of Public Charter Schools

The Center for Education Reform

Grantmakers for Education

Federal City Council

The Economic Club of Washington, DC

Business Partners

Dynamic Network Solutions

EdOps

Raffa and Associates

EdVillage

PMM Companies

Philip M. Battles III, Esq.

Standing L-R: Mark Medema,
Curtis Fuller, Joseph Cooper,
Alice Barnes, Philip Battles
Seated L-R: Paul Leleck,
Richard Moreno, Joe Bruno,
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