A DECADE OF

building hope
“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
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 planning, site and building acquisitions, design and construction management, and financing. We 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 the charter school community.

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

Building Hope Board of Directors
Standing L-R: Fernando Baroeta, April Stercula, William Quirolo, Joseph Muffler, Seated L-R: Sheila Ryan-Marie, Albert O’Alessandro and Marianne Keler (Chair)
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

- 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.

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.

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
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

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

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.

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

▶ 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

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 and helps schools establish the financial footing for long-term success. Since 2005 Building Hope has built time and financial resources toward educating students and helps schools establish the financial footing for long-term success. Since 2005 Building Hope has built

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TURN-KEY PROJECT MANAGEMENT SERVICES

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▶ Facility securing opinion of counsel
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 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 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 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%).
- Charter school enrollment is 72% eligible for free and reduced lunch plans.
- Charter school enrollment is 64% minority.
- District of Columbia is ranked second in the highest percentage of students in public charter schools.
- Florida is ranked 3rd nationally in the number of charter schools and 4th nationally in the number of charter school students.

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.
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 over $300,000 below-market rate loans.
- 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)
- Aces Charter High School (CA)
- Acharnment Prep Academy (DC)
- Advantage Academy (FL)
- Alpha Charter of Excellence (FL)
- AppleTree (DC)
- Arts & Technology Academy (DC)
- ARPSLA Academy (LA)
- Athosian Academy (FL)
- Bay Haven Charter Academy (MD)
- Boca Raton Charter School (FL)
- Bridges Public Charter School (DC)
- Bright Futures Academy (FL)
- Capital City Public Charter School (DC)
- Casa Ramirez Academy (AZ)
- Caroline Education (MO)
- Center City Public Charter Schools (DC)
- Center for Inspired Training (DC)
- Central Charter School (FL)
- Coca Chaves Public Charter Schools (DC)
- Continental (DC)
- Chancellor (Pittsburgh, PA)
- Charlotte Secondary School (NC)
- Charter School of Educational Excellence (NY)
- Charter School of Excellence (FL)
- Choices in Learning Charter (FL)
- City Collegiate (DC)
- City of Hialeah Education Academy (FL)
- City of Trees (DC)
- Community School for Apprenticeship (LA)
- Concept (AZ)
- Cornerstone Academy Charter (FL)
- Creative Minds (DC)
- DC Bilingual (DC)
- DC Preparatory Academy (DC)
- DC Scholars (DC)
- DC Special Education Cooperative (DC)
- Doral Academy (FL)
- Eagle Academy (DC)
- Eagle Arts Academy (FL)
- Eagle College Prep (AZ)
- Early Childhood Academy (DC)
- Elko Institute (NV)
- E.L. Haynes (DC)
- Elko Institute (NV)
- Exemplar Academy (FL)
- Exemplar Academy (FL)
- Ferguson Preparatory Academy (FL)
- Food City School (DC)
- Fordham Charter School (FL)
- Gaffney Academy (FL)
- Glenarden Academy (MD)
- Global Preparatory Academy (FL)
- Green City Preparatory School (DC)
- Green City Prep Academy (DC)
- Green Prep Academy (FL)
- Green School (FL)
- Green Springs Preparatory Academy (FL)
- Greenwich Preparatory Academy (FL)
- Harvey Academy (FL)
- Hillsborough Preparatory Academy (FL)
- Holyoke Academy (FL)
- Howard Road Academy (DC)
- Imagine Schools (FL)
- Imagine Indio (CA)
- Ingenuity Prep (DC)
- Innovations International Charter (NV)
- Inspired Teaching (DC)
- International Language Academy (FL)
- International School of Broward (FL)
- Kathleen C. Wright Leadership Academy (FL)
- Kids Community Charter School (FL)
- KIPP DC (DC)
- KIPP Delta Public Schools (AZ)
- King Lowery Charter School (NY)
- Latin American Montessori Bilingual (DC)
- Latin American Youth Center (DC)
- Lighthouse Monument (MD)
- Lighthouse Primary (MD)
- Long Island (NY)
- Lowell Community Charter Public School (MA)
- Marcus Island Academy (FL)
- Mater Academy (FL)
- Maya Angelou (DC)
- MBI Futures (DC)
- Mendian (DC)
- Metrolina Regional Scholar Academy (NC)
- Miami Arts (FL)
- Molalla River Academy (OR)
- Multiscience Learning Academy (OR)
- Mundo Verde (DC)
- National Collegiate Preparatory Academy (DC)
- New City Char School (FL)
- New City Preparatory Academy (FL)
- North Gables Charter (FL)
- North Park Charter (FL)
- Northstar (MN)
- Orange Park Performing Arts Academy (FL)
- Orleans Charter School Facility (CA)
- Orlando Science Middle High Charter (FL)
- Palm Glades Preparatory Academy (FL)
- Palm Harbor Montessori (FL)
- Paul Public Charter School (DC)
- Perry Street Prep (DC)
- Pepper Academy (FL)
- Perinola Preparatory Academy (FL)
- Prevue Charter School (FL)
- Prestige Academy (CA)
- Renaissance Charter of Coral Springs (FL)
- Ricardo Flores Magon Academy (FL)
- Richard Wright (DC)
- River Cities (FL)
- Rocketship Education CA
- Romans Charter School (FL)
- Sarasota School of Arts/Sciences (FL)
- Septima Clark (DC)
- Shining Star (DC)
- Sheikhinah Learning Institute (MI)
- Somerset Academy (FL)
- Somerset DC (DC)
- South Bronx ES (NY)
- South Florida Autism (FL)
- South Florida International (FL)
- Sports Leadership (FL)
- St. Coleta of Greater Washington (DC)
- St. Augustine’s University (MI)
- Student Leadership Academy (FL)
- South Tech Academy (FL)
- Success Preparatory Academy (FL)
- Tapestry (NY)
- Thelma Gibson Charter School (FL)
- The First Foundation (FL)
- The Rhodes School (FL)
- Thurgood Marshall (DC)
- Twin Cities (MN)
- Two Rivers (DC)
- University Preparatory Academy (FL)
- Yavapai Lake Charter Academy (FL)
- Washington Math Science and Technology (DC)
- Washington Latin Public Charter (DC)
- Washington Yu Ying (DC)
- Wearefly Academy (FL)
- Westminster Leadership PCS (DC)
- William E. Dower (DC)
- Williamsburg Public Charter School (NY)
- Youth Co-Op Charter School (FL)
<table>
<thead>
<tr>
<th>School Name</th>
<th>Location</th>
<th>Transactions</th>
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<tr>
<td>AKILI ACADEMY</td>
<td>LOUISIANA</td>
<td>$150,000 Operations Loan</td>
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<tr>
<td>ALPHA CHARTER OF EXCELLENCE</td>
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<td>$220,000 Facilities Loan</td>
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<td>ANIMO JEFFERSON MIDDLE SCHOOL</td>
<td>DC PREP</td>
<td>$3,035,000 Facilities Loan &amp; Credit Enhancement 710 Seats</td>
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<td>APPLETREE</td>
<td>WASHINGTON DC</td>
<td>$765,000 Facilities Loan &amp; Credit Enhancement 448 Seats</td>
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<td>LOUISIANA</td>
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<td>WASHINGTON DC</td>
<td>$165,000 Facilities Loan</td>
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<td>FLORIDA</td>
<td>$2,500,000 Facilities Loan &amp; Credit Enrollment 1,152 Seats</td>
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<td>BELLE ISLE</td>
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<td>$425,000 Facilities Loan</td>
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<td>$650,000 Facilities Loan</td>
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<td>CITY ON A HILL</td>
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<td>WASHINGTON DC</td>
<td>$500,000 Credit Enhancement 900 Seats</td>
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<td>HELIX NETWORK</td>
<td>LOUISIANA</td>
<td>$300,000 Facilities Loan 900 Seats</td>
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<tr>
<td>IDEAL ACADEMY</td>
<td>TEXAS</td>
<td>$5,500,000 Facilities Loan 950 Seats</td>
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<tr>
<td>IMAGINE BOYNTON BEACH</td>
<td>FLORIDA</td>
<td>$4,886,025 Facilities Loan 900 Seats</td>
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DECADE OF FINANCING TRANSACTIONS

IMAGINE 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
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

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 3 Facilities Loans
2,900 Seats

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
$200,000 Credit Enhancement
350 Seats

TWO RIVERS WASHINGTON DC
$800,000 Credit Enhancement
261 Seats

WASHINGTON LATIN WASHINGTON DC
$710,000 Credit Enhancement
650 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

WVSU 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

<table>
<thead>
<tr>
<th></th>
<th>DIRECT LOANS</th>
<th>CREDIT ENHANCEMENTS</th>
<th>SQUARE FOOTAGE</th>
<th>PROJECT COST</th>
<th>NUMBER OF STUDENTS SERVED</th>
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<tbody>
<tr>
<td>2003/2004/2005</td>
<td>14,247,000</td>
<td>20,714,700</td>
<td>871,000</td>
<td>109,317,400</td>
<td>7,570</td>
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<tr>
<td>2006</td>
<td>5,700,000</td>
<td>2,890,000</td>
<td>276,600</td>
<td>64,436,700</td>
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<td>2007</td>
<td>7,500,000</td>
<td>400,000</td>
<td>234,400</td>
<td>74,923,500</td>
<td>3,140</td>
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<td>2008</td>
<td>14,605,000</td>
<td>2,565,000</td>
<td>668,000</td>
<td>126,342,600</td>
<td>7,210</td>
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<td>2009</td>
<td>19,660,000</td>
<td>3,056,000</td>
<td>889,400</td>
<td>179,976,500</td>
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<td>2010</td>
<td>14,986,000</td>
<td>1,885,000</td>
<td>712,000</td>
<td>108,714,400</td>
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<tr>
<td>2011</td>
<td>16,280,000</td>
<td>1,250,000</td>
<td>575,300</td>
<td>68,827,800</td>
<td>7,760</td>
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<tr>
<td>2012</td>
<td>13,091,000</td>
<td>3,150,000</td>
<td>664,800</td>
<td>87,987,700</td>
<td>11,110</td>
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<tr>
<td>Total Projects Completed</td>
<td>$106,929,000</td>
<td>$35,910,700</td>
<td>4,892,500</td>
<td>$820,526,600</td>
<td>54,100</td>
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SUMMARY FINANCIAL INFORMATION

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

Board of Directors
Marianne M. Keler, Esq.
Board Chair
Albert A. D’Alessandro, Financial Solutions, LLC
Director, Credit Committee Chair
J. Fernando Barrueta, Colliers International
Director, Audit Committee Chair
William P. Quinby, Studley, Inc.
Director, Credit Committee Member
Sheila Ryan-Macie, Sallie Mae
Director, Credit Committee Member
Joseph M. Muffler, Sallie Mae
Director
April Stercula
Director, Audit Committee Member

Officers and Staff
S. Joseph Bruno
President, Treasurer
Paul R. Leleck
Chief Financial Officer
Richard Moreno
Director of Business Services
Thomas E. Porter
Secretary, Vice President, Real Estate Operations
Joseph D. Cooper
Controller
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, Tom Porter and Laurel Ihator