

First Loan Closes in \$325 Million Initiative From JPMorgan Chase, Affords Education to More Children

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Alliance for College-Ready Public Schools in Los Angeles' Watts Neighborhood Exemplifies Need and Impact

WASHINGTON, Dec. 1, 2010 /PRNewswire-USNewswire/ -- NCB Capital Impact closed the first loan under the \$325 million JPMorgan Chase charter school lending program. The JPMorgan Chase initiative creates new answers to the challenges of today's credit environment by combining grant funds, debt financing and New Markets Tax Credits to support development of badly needed facilities for approximately 40 high-performing charter schools serving 50,000.

"We are grateful for this critically important source of financing for growing charter school organizations, and it comes at an affordable rate and flexible terms that translates into serving more students," Scott Spote, Managing Director of the Community Investment Group in NCB Capital Impact, said. "Imagine the impact on the future now that more children will have greater academic opportunities thanks to the leadership from JPMorgan Chase through tough economic times, and from the Alliance school in running great schools."

An average of 239 children are waiting to enter each charter school in the United States, a 21 percent surge in parental demand for charters over last year, according to The Center for Education Reform's Annual Survey of American Charter Schools. Arranging financing to expand facilities is a major obstacle for a large number of the more than 5,000 charter schools nationwide.

The first school to receive funds from the program is The Alliance for College-Ready Public Schools, which opened a new high school for 550 students in Los Angeles' Watts neighborhood. Watts is a chronically disinvested neighborhood with high rates of poverty, and more than 80% of the school's students qualify for the federal free-and-reduced-price lunch program. With 16 schools under its management throughout south Los Angeles, the Alliance has an excellent track record of providing a high quality education.

ExEd rounded out the partnership providing the New Markets Tax Credit allocation portion of the transaction to make it possible for the Alliance to access and afford its loan.

Capital Impact has used the funds from JPMorgan Chase to create an \$80 million program for 10 transactions that will benefit at least 3,500 low and moderate income students around the

country. JPMorgan Chase has awarded a second grant of \$4.5 million to Capital Impact to support the program.

About NCB Capital Impact

NCB Capital Impact helps people and communities reach their highest potential at every stage of life. As a national, non-profit community development organization, Capital Impact provides financial services and technical assistance to help make high-quality health care, housing, and education more accessible and attainable, and eldercare more dignified and respectful. Capital Impact has used its depth of experience, cooperative approach, and diverse network of alliances to generate over \$1.4 billion in critical investments that create a high quality of life for low income people and communities. www.ncbcapitalimpact.org

About JPMorgan Chase

JPMorgan Chase & Co. (NYSE: [JPM](#)) is a leading global financial services firm with assets of \$2.1 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. Information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.

The Alliance for College-Ready Public Schools

The mission of the Alliance, a nonprofit charter management organization, is to create a network of small, innovative schools that establish the foundation for college success in students who live in high poverty communities in the Los Angeles area. The Alliance currently operates 11 high school and five middle school campuses. The Alliance is committed to continuing to expand its network of high performing schools in the poorest and lowest achieving communities of Los Angeles, guided by the Alliance principles of educational excellence. www.laalliance.org

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