

IN THE COMMUNITY

Community Development Newsletter

Chase Donates \$25MM to Help Small Businesses Grow

Grants double capital for Main Street community development institutions



Chase bankers presenting grant check to Valley Economic Development Center.

Recognizing the critical importance of small businesses in the recovery and vitality of our economy, JPMorgan Chase (Chase)¹ recently provided \$25 million in grants to Community Development Financial Institutions (CDFIs) serving hard-to-reach communities.

This initiative is part of Chase's \$100 million commitment to strengthen CDFIs. When leveraged with private capital and government programs, this \$25 million funding initiative will increase lending to small businesses by \$125 to \$250 million.

Chase has partnered with top-tier CDFIs for more than 20 years and

remains a national leader in financing CDFIs. Over the last three years, Chase provided over \$1 billion in loans, grants and investments to CDFIs and their affiliates. Last year, the bank committed \$100 million toward CDFIs: \$50 million for charter schools, in conjunction with a larger \$325 million charter school initiative; \$25 million to small businesses; and \$25 million for other community needs, to be announced at a later date.

The recent grants, ranging from \$2 million to \$5 million, were provided to the following institutions across the country:

- **ACCION Texas**, an alternative lender in Texas and Louisiana
- **Valley Economic Development Center, Inc.**, the largest non-profit small business development corporation in Los Angeles, California
- **Opportunity Fund**, a lender and technical assistance provider that meets the capital needs of low-income entrepreneurs in the San Francisco Bay Area
- **First State Community Loan Fund**, a growing CDFI that provides significant lending and technical assistance in Delaware, and
- **Enterprise Cascadia**, a creditor and consultant to small businesses, community facilities, nonprofit organizations and consumers in Washington and Oregon

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¹ Chase refers to JPMorgan Chase & Co and any of its subsidiaries or affiliates.

Community Development Financial Institutions (CDFIs) are certified by the U.S. Treasury Department's CDFI Fund, which was created in 1994 to promote economic revitalization in lower income neighborhoods.

UPCOMING EVENT:
On March 31st, join Chase's on-line forum with thought leaders on social media and philanthropy, including executives from Facebook and Twitter. See page 15 for details.

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The CDFI grants will double the existing capital bases of most of the organizations and allow them to grow in a way they cannot today.

Over the last 18 months, Chase has taken additional steps to support small businesses, including lending 40% more in 2010, becoming the #1 Small Business Administration lender in the United States and encouraging economic development through innovative programs such as Chase's "Loan for Hire," which reduced the interest rate on a small business loan for every new employee hired by the business.

"We thank Chase for its generous support and continued leadership in the CDFI industry," said Jeannine Jacokes, Chair of the CDFI Coalition. "With these funds, the industry will be able to continue its efforts to further small business growth and strengthen some of our most underserved communities."

Welcome to In the Community

Across our bank communities, Chase is proud to be making a difference. In collaboration with its many partners, Chase is investing in a range of projects and programs that are helping to transform communities and sustain long-term economic growth.

As a leader in community development and affordable housing finance, Chase is committed to best practices that are responsive to the changing needs of the communities as well as to the emerging trends in housing and community development. Many of the stories in this newsletter demonstrate how Chase helps to meet the needs of affordable housing while at the same time, investing in projects across many communities that are supporting environmental sustainability as well as projects that are leveraging federal stimulus program funds.

Beyond affordable housing finance, for example, Chase is helping to breathe new life into an abandoned brownfield site in Bethlehem, Pennsylvania, launch a renewable energy project to lower production costs at a paper mill in Quinnesec, Michigan, expand emergency food pantry distribution in Washington, D.C., and bring about holistic change to an entire community in Columbus, Ohio. By investing in these projects, Chase is at the forefront of catalytic change, helping to attract additional investment and spur much needed development in the most underserved communities.

In addition, recognizing the critical importance of small businesses in helping to fuel economic growth and stability, Chase is investing significantly in programs that support small businesses and workforce development, including its recent \$25 million funding initiative (see cover story) as well its investment in programs that are helping to strengthen and support small businesses and local economic development.

Chase continues its leadership in helping homeowners stay in their homes. With the expansion of the number of its Homeownership Centers to 81, along with the many robust outreach programs and initiatives across the country, Chase is reaching thousands more borrowers in the hardest-hit communities and helping them explore all the options for staying in their homes.

We are pleased to share this issue of *In the Community* with you, which highlights some of the ways Chase is making a difference across its communities.



FINANCING AFFORDABLE HOUSING

Through capital provided by Chase Community Development Banking and low-income housing tax credit investments provided by the J.P. Morgan Capital Corporation, Chase continues its leadership role in helping to finance the construction and rehabilitation of hundreds of quality affordable homes across its bank markets. Following are some recent examples.

Krohn West Apartments – Phoenix, Arizona

In Phoenix, Chase is helping to transform a former public housing project into a new mixed-income affordable housing complex. In October 2010, Chase Community Development Banking provided a \$5.5 million loan for the new construction of Krohn West, a former public housing project site.



Krohn West is an 83-unit low-income housing tax credit HOPE VI project that will include 16 market rate units, 21 low-income housing tax credit units, and 46 public housing units. The HOPE VI program serves a vital role in the Department of Housing and Urban Development's efforts to transform public housing and help revitalize surrounding communities by creating a mixed-income development, incorporating services and resources that enable residents to become self-sufficient and empowered, and creating linkages that encourage public and private partnerships.

In addition to funding provided by Chase, the City of Phoenix is providing several sources of funds for the transaction, including a \$4.1 million Hope VI loan, a \$2.2 million loan from the Phoenix Housing Finance Commission and a \$1.9 million loan utilizing American Recovery and Reinvestment Act funds.

The developer for this project is McCormack Baron Salazar – a nationally recognized leading developer of Hope VI, mixed-income and mixed-finance developments in inner-city neighborhoods.

Julian Street Partners – Santa Clara County, California

Several years ago, the Housing Authority of the County of Santa Clara, California embarked on an ambitious project to redevelop 335 public housing units, located in six different sites, into affordable housing financed in part by low-income housing tax credits.



The Housing Authority provides rental subsidies and develops affordable housing for lower income families, seniors, and persons with disabilities living in Santa Clara County. The large population and critical need for affordable housing in the Santa Clara Valley has made the agency one of the largest housing authorities in the country.

The refinancing of this project allowed the Housing Authority to recapitalize the units and make needed repairs and upgrades, as well as replace the annual public housing operating subsidy with a more stable source of funding.

In support of this project, Chase Community Development Banking provided construction period financing with an \$18.5 million standby letter of credit to credit enhance the permanent bonds during the construction period, and \$26.1 million in private placement bonds for Julian Street Partners. The bonds helped fund the purchase and rehabilitation of the six scattered site apartment complexes in Santa Clara County. Of the 335 units being developed, 288 of the units are age-restricted to households with at least one member at age 62 or older.

Total construction period financing for this large and complex transaction was \$81.2 million. In addition to funding provided by Chase, other sources of financing included a commitment by Freddie Mac, low-income housing tax credit equity, and sponsor equity. Chase was pleased to be able to support the Housing Authority in its goal to rehabilitate the properties, maintain affordability for its residents, and ensure the long-term sustainability of these projects.

Chatham Square – Lafayette, Indiana



Chatham Square, once a seriously declining property in a community hard hit by foreclosure and blight, is undergoing a significant and very welcome transformation.

Located in Lafayette, Indiana, the Chatham Square development is replacing a 162-unit troubled and foreclosed project formerly known as Bridgeway Apartments, which has since been demolished.

The City of Lafayette was awarded the largest Neighborhood Stabilization Grant in Indiana by the Indiana Housing & Community Development Authority to support the redevelopment of this site.

The new project will contain 89 affordable rental units and 10 single-family homes as well as attractive amenities including a community center, tennis courts, and community gardens.

Chase Community Development Banking provided many sources of financing for this project, including a \$1.7 million construction loan to support infrastructure development and \$7.2 million in construction financing for the redevelopment of the Chatham Square rental units. The infrastructure will include roads, sidewalks, alley, curbs, water, sewer, and street lighting. Construction is scheduled to be completed by the end of 2011.

Illinois-based Brinshore Development, the developer for this project, specializes in developing affordable and market-rate housing throughout Illinois and the Midwest.

Twin Oaks Apartments – North Hempstead, NY

In North Hempstead, New York, Chase is helping to finance the conversion of former student housing into much needed affordable family rental housing.

In October 2010, Chase Community Development Banking issued a 30-month letter of credit for up to \$15.7 million. These funds were designated to provide credit enhancement in connection with the acquisition and renovation of two residential buildings into 95 units of affordable housing to be known as Twin Oaks Apartments. The letter of credit is for enhancement of a tax-exempt loan funded by the issuance of tax-exempt private activity bonds by the New York State Housing Finance Agency.

Additionally, J.P. Morgan Capital Corporation invested \$16 million in low-income housing tax credit equity in the project.

The property, which was acquired from Hofstra University, has been dormant for the past two years and was sold for redevelopment into affordable rental housing for families in a market with an acute need for such development.

By fall 2011, Twin Oaks will offer 91,000 square feet of residential space in two three-story buildings, with each building separated by a courtyard that includes sitting areas, plantings and walks. There will be a new community space on the main floor of each building, as well as a fitness center, computer lab, common laundry and resident storage lockers in a lower level basement.



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Twin Oaks Apartments (Continued from Page 4)

Conifer Realty, LLC, the developer of the project, specializes in the development and management of high-quality affordable housing communities mainly in New York, New Jersey, Maryland, and Pennsylvania. Since its inception, the company has developed over 200 properties and over 15,000 apartment units.

The non-profit partner for the project is Community Development Corporation of Long Island - a private not-for-profit, housing, community development, and economic development corporation with nearly four decades of experience serving low- and moderate-income families and individuals.

Uptown Tower Apartments – Portland, Oregon

Chase Community Development Banking is helping to preserve affordable housing for seniors in Portland, Oregon.

In January 2011, Chase provided a \$10 million construction loan to help finance interior and exterior improvements to Uptown Tower Apartments, an existing 72-unit apartment building serving lower income seniors in downtown Portland. Chase will also be providing an 18-year, \$7 million permanent loan for the project.

The developers for this project are Guardian Real Estate Services and MHT Housing Inc. Guardian is a third generation real estate management, development and investment firm specializing in multifamily housing investment opportunities, property management services and specialized development projects. MHT Housing is the largest developer of affordable housing projects in the state of Michigan.

Work on the building includes rehabilitation of the 72 living units, community room, corridors, and lobby as well as construction of a new tenant activity area on the lower level adjacent to the parking garage. All units will receive new cabinets, countertops, flooring, paint, radiant cove heaters, windows, and water efficient plumbing fixtures as well as new patio siding and light fixtures. Corridor work includes new flooring and a climate control system. Exterior improvements include a new "green" roof, complete window replacement, and painting.

Preservation of this existing building, along with rent subsidies, will help prevent the displacement of lower income seniors in a highly desirable neighborhood.

Construction is scheduled to be completed in Summer 2011.



Francis Village – Kirkland, Washington

Last October, over 100 individuals and local elected officials led by the King County Executive, along with the Saint Francis Housing Group, gathered to celebrate the official groundbreaking of Francis Village, a new affordable housing development in the Totem Lake neighborhood of Kirkland, Washington.

When completed in the fall of 2012, Francis Village will provide 60 new units of affordable housing, including 45 units that will be dedicated to individuals and families transitioning from homelessness. Saint Francis will also coordinate with local service providers to provide case management and supportive services to Francis Village residents. The project is designed to meet the objectives of the 10-Year Plan to End Homelessness adopted by King County, and will help meet a high priority housing need in east King County.

An additional feature of this project is its focus

on environmental sustainability. Current plans include a roof-top garden, rain planters, and energy efficient lighting and monitors that will enable residents to monitor their daily energy consumption.



Funding for the construction of this project included an \$8 million loan provided by Chase Community Development Banking. Additional sources of funding were provided by the State of Washington Department of Commerce, King County Washington, and A Regional Coalition for Housing - an organization created

by eastside cities and King County to preserve and increase the supply of housing for low- and moderate-income households in east King County.

Saint Francis Housing Group, the developer of this project, is a non-profit developer of tax credit properties located throughout the eastside suburban communities in the greater Seattle metropolitan area.

National Avenue Lofts – Milwaukee, Wisconsin

On a site that once housed a demolished trucking facility, work is underway for the construction of National Avenue Lofts, a new 73-unit affordable apartment building located one mile south of downtown Milwaukee. The development will have 20 townhouse-style units on the lower floors, with the remaining 53 units on the upper floors. All units will have rents that are affordable for low- and moderate-income families.

Funding for this project included an \$8.1 million construction loan from Chase Community Development Banking. In addition, J.P. Morgan Capital Corporation invested \$11.6 million in this low-income housing tax credit project.

Additional capital included funds received through the American Recovery and Reinvestment Tax Act and permanent financing from the Wisconsin Housing and Economic Development Authority.

The project is being developed Impact Seven, Inc., a real estate development that focuses on the special needs areas low-income housing for families, elderly, and physically and mentally disabled individuals.

Construction is scheduled to be completed by early 2012.



MAKING AN IMPACT IN OUR COMMUNITIES

Through Chase's New Markets Tax Credit (NMTC) Program and philanthropic support, Chase is helping to revitalize distressed areas, promote environmental efficiencies, and expand important community services. And in many communities like the Columbus, Ohio neighborhood of Weinland Park, Chase is investing and collaborating with several partners to bring about catalytic change. Following are some highlights



Breathing New Life into an Abandoned Brownsfield Site – Bethlehem, Pennsylvania

For more than 20 years, the abandoned plant of the Bethlehem Steel Corporation has been a very visible reminder to the surrounding community of the decline of a once thriving manufacturing giant that employed thousands in the Lehigh Valley and, as the second largest producer of steel in the United States, was an economic powerhouse.

The abandoned site is the nation's largest brownsfield, located in a severely economically distressed neighborhood in Bethlehem, Pennsylvania where the poverty rate approaches 30% and

unemployment at almost 14%, is more than twice the national average.

But recent developments have brought renewed hope and change to this area.

Public Broadcasting System (PBS) at SteelStacks is constructing a new public television station for the Lehigh Public Telecommunications Corporation and Public Media and Education Center on the abandoned plant of the Bethlehem Steel Corporation. It will include two television studios featuring state-of-the-art high definition production and broadcast equipment. The new facility will be 29,000 square feet and will create 104 construction jobs and 33 full-time positions.

In December, Chase's New Markets Tax Credit Group made a \$6.4 million equity investment in this project. Additionally, Chase's Intermediaries Lending Group provided \$5.5 million as a bridge loan, which will be used to cover acquisition, pre-development, and property maintenance expenses and will be eligible to generate New Market Tax Credits. Chase partnered with the Urban Development Fund and City First Bank to provide the New Markets Tax Credit financing for this deal.

The project is being developed in conjunction with the City of Bethlehem and is expected to be completed by mid-year 2011. Using resources from the Tax Incremental Financing District, the city has committed resources to making substantial physical improvements to the site's infrastructure and public space by creating two plazas, a town square, and the city's new visitor center. Additionally, the space will accommodate public events and activities, free concerts, family events, community celebrations and food and beverage services.

The Public Media and Education Center will be the new home of the regional PBS affiliate, Lehigh Valley Public Television (PBS39). For the past 36 years, PBS39 has been located on top of a mountain in a rapidly deteriorating building leased from Lehigh University. While the lease at \$1 per year is extremely favorable to PBS39, the remote location does not provide easy access for the community it serves. The facilities are aging and the cost to modernize the facilities and equipment is prohibitive.

The new station will provide PBS39 the opportunity to expand its educational outreach, enhance cultural offerings in the SteelStacks Campus, attract new entities to do business in this highly distressed economic area, and relocate and add jobs to the Bethlehem Keystone Innovation Zone – an area intended to create partnerships among universities, businesses and the community to foster innovation and incubate new business.

Converting Biomass to Steam Power – Quinnesec, Michigan

In 2010, Verso Paper Corp. in Quinnesec, Michigan launched a significant renewable energy project at its local paper mill to lower the operating costs and generate almost all of its energy needs using biomass sources. Verso, a paper supplier, operates eleven paper machines at four mills located in Maine, Michigan and Minnesota.



The Quinnesec Mill - located in the southeast corner of Dickinson County, Michigan - produces pulp and paper and is the single largest employer in the county with 475 employees operating one paper machine and a pulp dryer.

Due to the economic challenges in recent years, Verso has been attempting to lower its operating costs and overhead and has been evaluating the possible closure of several of its facilities.

Thanks to financing provided by Chase and other sources, Verso Paper is well on its way towards reducing its overall production costs and generating more renewable energy at

its Quinnesec plant. In December 2010, Chase's New Markets Tax Credit Group originated a \$9 million equity investment to finance the construction of a steam powered turbine and boiler used to generate electricity for the existing paper mill. The boiler will utilize biomass generated from the paper production process to fuel the steam generation.

Chase partnered with Michigan Magnet Fund, CapFund New Markets, LLC and Local Initiatives Support Corporation to provide the New Markets Tax Credit financing for this deal. Other sources of financing include a leveraged loan from Verso Paper Finance Holdings.

Verso anticipates that the steam driven turbine will eliminate virtually all of its electricity costs for the foreseeable future, and may actually generate excess electricity that can be sold back to the grid at a profit. Thus, with the construction of the steam turbine, in conjunction with state tax incentives, Verso will be able to keep Quinnesec Mill open and may possibly be able to increase its production level.

WHAT IS BIOMASS?

Biomass is a renewable energy source made from plants and animals (micro-organisms), such as wood, crops or manure. When burned, the chemical energy in biomass is released as heat or steam. Biomass can be also converted to other useable forms of energy, such as methane gas or transportation fuels, such as ethanol and biodiesel.

Source: U.S. Energy Information Administration



Expanding Food Distribution While Creating Jobs – Washington, D.C.

Faced with the continuing and growing need for emergency food distribution, Capital Area Food Bank, the largest public nonprofit hunger and nutrition education resource in Washington, D.C., has ambitious plans underway to expand its operations.

At its current facility, Capital Area Food Bank accepts and sorts food donated from grocers, wholesalers, farmers, community food drives, and other sources. With the help of community-based nonprofit partners, the food is then redistributed to those who lack access to adequate nutrition. The facility today contains warehousing operations, administrative offices, and a variety of classes offered to partner agencies.

In order to achieve its goals, the food bank has purchased and is renovating a new facility, which will replace its current facility a half mile from its present location. When completed, the new building will contain 100,000 square feet of warehouse space and 25,000 square feet of office space that will allow the organization to more than double its capacity. The new space will also enable the food bank to expand its training and administrative spaces which will enable the group to build its program and services, accept new clients, and increase relationships with community partners.

To help fund this project, Chase's New Markets Tax Credit Group, in conjunction with Chase's Intermediaries Lending Group, performed a series of complex financial transactions in order to provide low-cost funding for this project. The New Markets Tax Credit Group made an equity investment of \$8.8 million, which, combined with a \$14 million bridge loan from Chase's Intermediaries Lending Group, enabled the food bank to capitalize \$16 million in acquisition, pre-development and property maintenance expenses. The bridge loan enables funds

spent to date to generate New Market Tax Credits. Chase partnered with City First Bank and Enhanced Community Development, LLC to provide the New Markets Tax Credit financing for this deal.

The new distribution center will help to better address the challenges of reducing hunger and malnutrition in the Washington metropolitan area and drastically decrease food waste and inefficient food distribution. In addition, the project will stimulate the economy by creating 172 construction jobs and engage a contractor, sub-contractors and numerous vendors involved in this multi-million dollar construction project. Within five years of moving into the new facility, the food bank expects to add up to an additional 15-20 permanent jobs.

The food bank is also working to make this project environmentally sustainable. Management is striving to obtain LEED certification and expects to save over \$70,000 a year in energy costs.

Chase is proud to be financing this important project, which will help to feed more people and create more jobs.



A Holistic Approach to Community Revitalization – Columbus, Ohio



Franklin County treasurer Ed Leonard making remarks before the demolition of property in background

In partnership with the Columbus Foundation, The Ohio State University, the City of Columbus, several other public and private interests, the JPMorgan Chase Foundation (Chase) is taking a holistic approach to addressing the revitalization and stabilization needs of the Columbus, Ohio neighborhood of Weinland Park.

Weinland Park, one of Columbus's most distressed neighborhoods, is the byproduct of decades of disinvestment and fragmented urban policy resulting in concentrated poverty, low school performance, and high crime rates.

Alongside its partners in the Weinland Park Collaborative, Chase has invested more than \$1 million to improve the housing conditions and attract families to Weinland Park. Through its leadership and advocacy, it has attracted additional investment to complement its efforts. Examples of Chase's support and leadership include:

- **Acquisition and rehabilitation of properties:** Chase provided \$450,000 to Campus Partners for the Community Urban Development for the Weinland Park Vacant Property Acquisition/Rehab program. In addition, Chase donated two real estate owned properties to Campus Partners CDC to be rehabilitated and sold to lower income buyers. The funding has enabled Campus Partners to lead the acquisition, demolition, rebuilding, or rehabilitation of hundreds of residential properties in Weinland Park and to also leverage federal Neighborhood Stabilization Funds from the City of Columbus to fund the demolition and/or rehabilitation of the properties.
- **Home repairs:** A \$250,000 Chase grant was provided to Campus Partners for the Exterior Home Repair Program. The program provides grants to make needed repairs to the interior and exterior of the homes of income-eligible homes in Weinland Park. More than 50 qualified homes will receive interior and exterior repairs and updates to address code violations and energy efficiency.
- **New builds:** Chase provided \$200,000 to Habitat for Humanity Greater Columbus to help complete two Habitat homes for Weinland Park. In addition, Habitat plans to enlist the help of 800 Chase volunteers .
- **Construction training:** A \$90,000 Chase grant invested with the Columbus Foundation is helping to support a construction training program provided by Columbus State Community College. Residents who receive construction training certification through this program will be part of the construction crews that will complete the demolition and rehabilitation of Weinland Park properties.
- **Technical assistance:** The Affordable Housing Trust for Columbus and Franklin County received a \$50,000 grant from Chase for technical assistance to help them unwind tax liens and secure clear title on two condemned, multi-unit rental properties, which have been turned over to Campus Partners to re-purpose as ten single-family affordable homes.

Collectively, these activities are helping to address the various housing-related needs in the community, and, importantly, have been a catalyst for attracting both market rate and low-income housing tax credit development to Weinland Park, all of which will spur new development and further stabilize the community.

INVESTING IN SMALL BUSINESSES AND ECONOMIC DEVELOPMENT

In communities across the country, small businesses are the key to a thriving local economy. They are also incubators for new ideas and opportunities, and often the gateways through which many are able to gain self-sufficiency and economic independence. Thus, beyond providing small businesses and communities with access to capital, Chase remains committed to investing in programs and initiatives to help strengthen and support small businesses and stimulate local economic development, particularly in underserved and hardest-hit communities. Examples include:

- **Chicago, Illinois:** a \$20,000 grant to Hull House Association for their Small Business Development program. The Hull House has supported low-and moderate-income as well as minority, immigrant, and refugee entrepreneurs in the city of Chicago for 25 years. Today, through two Small Business Development Centers in Chicago's north and south side communities, Hull House assists new, emerging, and existing entrepreneurs resulting in job creation, enterprise development, self-empowerment, and community economic development.
- **Louisville, Kentucky:** a \$27,000 grant to Jewish Family and Career Services to introduce microenterprise development as an element in an ongoing resident-led neighborhood revitalization strategy in the Smoketown and Shelby Park neighborhoods of Louisville, Kentucky. The short term objectives are to assist lower income residents start, stabilize or expand micro businesses in order to both increase financial self-sufficiency and address the business needs of neighborhood residents. The long term objective is to spark increased business development and an increase in jobs for residents of these communities.
- **Broward County, Florida:** a \$25,000 grant to Hispanic Unity of Florida for renewed support of its Small Business Program, which is designed to empower lower income immigrants to successfully merge into America's small business sector. The program provides practical information, resources and tools to empower clients to choose the right type of business, develop a business and marketing plan, secure financing, develop operational systems, and ensure compliance with all regulating agencies.
- **Detroit, Michigan:** a \$65,000 grant to the Center for Empowerment & Economic Development for the Detroit Neighborhood Small Business Initiative. The goals of this initiative are to deepen a small business infrastructure in the southwest and north-end communities of Detroit by providing lower income families with the technical assistance and financing needed to facilitate self-employment and microenterprise development. Funding from Chase will help provide financial and technical assistance to lower income small business owners and entrepreneurs.
- **Delaware, Statewide:** a \$125,000 grant to the National Council on Agricultural Life & Labor Research to support many of their programs, including support for the capital expansion of the organization's CDFI loan fund and loan loss reserve. The expansion is necessary in order for the fund to continue to build internal infrastructure, meet the increasing community development lending demand, and serve other providers of affordable housing development in Delaware.
- **Utah, Statewide:** a \$25,000 grant to Utah Microenterprise Loan Fund to support its micro lending program. The loan fund is a private, non-profit, multi-bank CDFI whose mission is to provide financing and management support to entrepreneurs in start-up and existing firms that do not have access to traditional sources of capital, especially those who are socially and economically disadvantaged. Over the past 15 years, the fund has helped to launch or expand more than 640 small businesses across Utah, injected over \$8.3 million into the community and created or retained well over 1,500 jobs.
- **Boise, Idaho:** a \$7,500 grant to Mountain States Group, Inc. to provide training to disadvantaged entrepreneurs. The Mountain States Group works to promote citizen and community leadership in improving health and human services. Their Microenterprise Training and Assistance program offers Boise area refugees individualized technical assistance, a range of in-house lending products, training on how to develop a business plan, and beneficial partnerships with financial institutions and refugee agencies. Chase's support will allow the organization to expand their program to help up to 40 new clients, providing them with over 144 hours of technical assistance as they develop their small businesses.



INVESTING IN EDUCATION

Chase Helps to Open Door to Affordable Education for More Students – Los Angeles, CA

JPMorgan Chase \$325 MM Charter School Lending Program

In May 2010, Chase announced the \$325MM initiative to support the growth of high-performing U.S. charter schools. Under this program, the bank committed to provide \$50MM in grants to CDFIs focused on funding charter schools. In turn, the institutions use the grants as permanent equity, which they leverage to fund top-performing charter schools.

Additionally, Chase works with the CDFIs to provide about \$175MM in debt and approximately \$100MM in New Markets Tax Credit equity to support the development of charter school facilities.

College-Ready Academy High School #11 is the first of many charter schools to receive funding under Chase's \$325 million charter school lending program. College-Ready Academy is a unique charter high school in the Watts district, a high poverty community in South Los Angeles, California.

Under Chase's charter school lending program, Chase Community Development Banking, in partnership with the JPMorgan Chase Foundation, are combining grant funds, debt financing and New Markets Tax Credits in order to create unique financing opportunities to help support the development of badly needed facilities for approximately 40 high-performing charter schools nationwide (*see inset*).

Closing their first deal under this program, Chase Community Development Banking partnered with NCB Capital Impact and their partner Excellent Education Development (ExEd) to provide a total of \$8.7 million in financing to help build College-Ready Academy. NCB Capital Impact specializes in charter school lending in lower income communities across the United States. When Chase announced the \$325MM initiative to support the growth of high-performing U.S. charter schools, NCB Capital Impact was an ideal partner.

Chase's New Markets Tax Credit ExEd Charter School Investment Fund, LLC funded \$4.3 million in debt and \$2.45 million in New Markets Tax Credit equity combined with a \$1.96 million subordinate loan from NCB Capital Impact.

The \$8.7 million in funding is being used for the construction of College-Ready Academy, a new high school that is operated by Alliance College-Ready Public Schools and currently serves approximately 150 ninth-grade students. College-Ready Academy will grow to approximately 550 students in grades 9-12 over the next three years.

College-Ready Academy is one of three schools Chase plans to finance in the Watts neighborhood, with the partnership of Excellent Education Development and NCB Capital Impact.



ON THE HOME FRONT

Bringing HOPE to Communities



Chase seeks to support non-profits with big dreams and the resources to realize them. As we all know, many Americans are struggling with their mortgage payments and many families without proper counseling and support often fail to pull together the proper mortgage loan documentation and required information.

In response to its deepened understanding of the home foreclosure crisis and the obstacles homeowners are experiencing in trying to preserve their homes, and with the help of a \$100,000 grant from Chase, HOPE LoanPort has implemented an innovative technology solution that will aid families in need.

HOPE LoanPort, developed by the HOPE NOW Alliance, is a revolutionary Web-based portal that aims to vastly increase the speed and transparency of submitting loan modification documents in order to help at-risk homeowners avoid foreclosure. This software platform enables all of the modification documentation to be uploaded into the portal, allowing the housing counselors to more efficiently transmit completed applications, and improving the ability of servicers to make decisions on the application. Thanks to HOPE LoanPort, counselors typically receive decisions on files within 45 days from the time the family seeks out help.

The platform is currently being used by homeowners, non-profit counselors, servicers, and other organizations involved in the loan modification process. It is the first platform of its kind and in less than one year, has

garnered use by over 480 counseling organizations representing 1,800 counselors in 47 states.

The success of the HOPE LoanPort process requires the support of all of the main servicers and proper training of counselors across the country. With the \$100,000 grant from Chase, HOPE LoanPort is able to accelerate the on-boarding, training and development of counselors, making the HOPE LoanPort platform compatible with legacy systems. The grant will also support the launch of a concerted marketing and partnership campaign to increase awareness of this innovative platform.

In addition to providing philanthropic support, Chase also has been a key partner and the second largest user of the platform. Since the early stages, Chase's Home Lending's mortgage servicing division has been instrumental in the development of HOPE LoanPort. During the pilot phase, Chase provided a dedicated project manager, and continued to provide guidance for the HOPE LoanPort steering and outreach communities throughout the platform's development.

Uptake is rapidly increasing, with a dual target of reaching over 2,000 Housing & Urban Development certified counselors and becoming the primary source of submission for counselor modification applications. With Chase, HOPE LoanPort can reach many more of the 6 million households facing the threat of foreclosure.



Chase Increases Number of Homeowner Centers by 50%

In a continuing effort to keep people in their homes, Chase plans to add 30 new Chase Homeownership Centers (CHOCs) in 19 states this year, dramatically expanding the reach of its foreclosure prevention efforts. The additional CHOCs will provide thousands more borrowers in the hardest-hit communities with the knowledge and resources they need to explore all the ways they can stay in their homes. This investment will bring the total number of CHOCs to 81 nationwide.

The CHOCs are walk-in centers that allow borrowers to sit down face-to-face with a Chase advisor and discuss their individual circumstances. Chase advisors work closely with the borrowers to explain their options and help structure a solution that is right for them. They also provide a single point of contact and accountability to work with the borrower through the mortgage modification process.

Since 2009, more than 120,000 customers have visited the CHOCs. In addition, Chase has held approximately 1,500 borrower events, reaching more than 57,300 borrowers.

This expansion will bring CHOCs to a total of 27 states and the District of Columbia. This year, Chase will open centers for the first time in 12 states: Connecticut, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, North Carolina, Oregon, Utah, and Wisconsin. It will also add centers in California, Florida, Illinois, New York/New Jersey, Texas, and Washington.

In addition, over the course of 2011, Chase will host at least 34 multi-day events across the country, where borrowers can meet face-to-face with Chase advisors who will assist them with the mortgage modification process.

All of the centers are open six days a week and have multi-lingual staff. For further information about locations and hours, visit www.chase.com/myhome.



KEEPING YOU INFORMED

Chase Connects Nonprofits with Experts in Social Media and Philanthropy

The Chase Community Giving program has given Facebook's 500 million users the ability to vote for the charities they would like to see receive grants from Chase. Since its inception in the Fall of 2009, Chase Community Giving has hosted two voting programs and given away more than \$10 million to 300 charities across 38 states. The program has attracted more than 2.4 million fans and encourages charities to use the power of social media to tell their story and rally support.

Taking its commitment to empowering small non-profits a step further, Chase is hosting thought leaders in social media and philanthropy in a forum for charities that will be streamed live on the Chase Community Giving application on Facebook. The forum, "Chase Charity Insights: Conversations on Social Media," will be held Thursday, March 31, at 12:30 p.m. EDT. Chase Charity Insights was created as a resource for charities, to equip them with some of the social media tools they need to help further their organization's goals. The speakers will focus on the growing connection between social media and philanthropic giving, and specifically how charities can get involved.

Jack Dorsey, co-founder of Twitter and Square, will host the event. The panel of speakers includes Elliot Schrage, Vice President of Communications, Marketing and Public Relations at Facebook; Holly Ross, Executive Director of the Nonprofit Technology Network; and Zachary Sniderman, Assistant Editor of Social Good at Mashable. After speakers share their insights, participants in-person and online from across the country will be invited to ask questions live through Facebook and Twitter.

Visit the Chase Community Giving Facebook application www.facebook.com/ChaseCommunityGiving to view the forum on March 31st. Registration is open. The page also features numerous videos showcasing how past Chase Community Giving grant recipients have put the bank's philanthropic dollars to work. This year's program will provide much more support for many more charities with new ways of finding and supporting your favorite cause. Don't let your favorite charities miss out. Be sure to stay tuned for details of the next Chase Community Giving program that will be announced live at the forum.

Join us for

"Chase Charity Insights: Conversations on Social Media"

Date: **Thursday, March 31**

Time: **12:30 p.m. EDT**

To view the forum, visit www.facebook.com/ChaseCommunityGiving




**CHASE CHARITY
INSIGHTS**
Conversations on social media



Contact Information: Community Relations Regional Managers

Region	Name	Telephone	Email
Central	Jeff Lyttle	614-248-9079	jeffrey.r.lyttle@chase.com
Illinois	Francee Harrington	312-732-8190	francia.harrington@jpmorgan.com
Mid-Atlantic/Southeast	Helen Stewart	302-634-1099	helen.m.stewart@chase.com
Northeast	Kim Jasmin	212-270-4889	kim.l.jasmin@chase.com
West/Southwest	Antonio Manning	323-860-2006	antonio.manning@jpmchase.com
Northwest/Intermountain	Cree Zischke	206-500-2477	cree.zischke@jpmchase.com

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Comments can be directed to Genny.Chow@chase.com

To access prior issues of *In the Community*, please click [here](#).