

READS GETS SCHOOL 100 PERCENT FINANCING FOR CONSTRUCTION  
*Final hurdle to work cleared as DEP declares soil contamination removed*

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TEANECK (Sept. 10, 2008) — Imagine being able to buy and develop property with virtually no money down.

That's the situation Teaneck Community Charter School is in right now, thanks to the financial work of Real Estate Advisory and Development Services, a Metuchen-based nonprofit that helps charter schools get their own facilities. The school is preparing to start work on its new, permanent facility on Chestnut Street.

"Ordinarily a school would need a down payment of at least 20 percent of the construction costs," said Brian Keenan, founder and president of READS. "Through an underwriter, we were able to sell bonds privately to investors and raise \$10 million in tax-exempt bond financing. Doing it this way enabled us to get more flexible financing."

Getting to this point has been a two-year process for both READS and Teaneck Community. With the help of READS, the school was able to purchase a vacant warehouse on Chestnut Street, which it intends to convert for school use, for a total \$10 million.

Unfortunately, a state-mandated study of the environmental condition of the property turned up groundwater and soil contamination from an underground fuel tank, and the school was unable to begin renovations on the building until the contamination had been removed.

The state Department of Environmental Protection recently sent the school a letter indicating that the site was good to go, and no further cleanup would be required. Getting to that point cost the school about \$600,000 in remediation-associated costs.

With the DEP approval now in hand, work is set to begin on converting the building for school use. When work finishes, students and staff at Teaneck Community will have a 35,000-square foot facility all to themselves.

In the meantime, the school has been renting a much smaller space from Ma'ayanot Yeshiva High School at the cost of \$1 million a year. Unlike other public schools in New Jersey, charter schools are required under state law to pay all facilities costs out of their operations budget. When Teaneck Community moves into its own space, its mortgage payments will amount to less than \$800,000 a year.

"Stories like this one are why we founded READS," said Keenan. "Because we were able to match Teaneck Community Charter School up with the right investors, the school is going to have a bigger space for less money, which means it will have more money to spend teaching its students."

Teaneck Community Charter School serves children from kindergarten through eighth grade. In anticipation of moving fully into its own facility, the school already has raised its enrollment from 200 to 288 children.

READS is a nonprofit real estate development company committed to building strong organizations and communities. Since its inception in 2003 READS has helped dozens of charter schools to obtain and build facilities that meet their needs.

READS provides all phases of real estate development and technical assistance, including financial structuring and project management. READS has been recognized by the New Jersey Department of Education with the Corporate Partnership Award for its work with charter schools and by the U.S. Department of Education as a promising practice in real estate development.

For more information, call Keenan at (732) 635-1000, or call the charter school at 973-621-0060.

*On the web:*

*[www.readsnj.com](http://www.readsnj.com)*

*[www.tccs.org](http://www.tccs.org)*