Facilities Investment Fund Announces New $100M in Funding

New partnership with PNC Bank allows larger loans to public charter schools, helping create 6,500 new spots for students to access critical learning resources

BENTONVILLE, AR, Oct. 5, 2020 – The Facilities Investment Fund, an innovative private-philanthropic partnership, today announced new funding of $100 million, which will help make it easier and more affordable for public charter schools to build, renovate and refinance facilities. The new round of funding will expand the capacity of high-performing public charter schools by 6,500 students and redirect more than $5 million in savings to the education needs of teachers and students. PNC Bank and the Walton Family Foundation are providing funding, with management of the fund by Civic Builders.

“Especially during these uncertain times, we must do everything possible to direct resources to where they matter most – to student learning and success,” said Walton Family Foundation K-12 Program Director, Marc Sternberg. “Thanks to the partnership of PNC Bank, we can make this a reality for educators and students across the country.”

The Facilities Investment Fund offers public charter schools five-year, fixed-rate loans for up to 90% of project costs for new construction or facility renovation. The fund prioritizes schools serving traditionally under-resourced communities and projects with a target of 50% of lending invested in early-stage schools and/or schools led by leaders of color or non-network operators. These groups have historically faced substantial barriers to affordable capital for facilities projects. For public charter school projects up to $25 million, Facilities Investment Fund uniquely offers one-stop new construction funding at low, fixed interest rates.

The new partnership with PNC Bank is evolving the Facilities Investment Fund in a critical way: public charter schools with only one year of operating history are now eligible to apply for loans. This feature allows the private-philanthropic capital to have a larger and earlier impact on students, schools and communities. All loans are expected to be invested in schools that academically outperform local options, increasing students’ access to high-quality public education.

“At PNC, we understand how pivotal education is to the success of our communities, which is why we invest heavily in early childhood education through the PNC Foundation, and support low- to moderate-income communities across our footprint through PNC Public Finance and PNC Community Development Banking,” said Executive Vice President and head of PNC Public Finance, Robert Dailey. “We know charter schools have historically struggled to secure the financing they need to grow, but through PNC’s partnership with the Facilities Investment Fund, schools will have a new efficient source of bridge financing for construction and renovation.”

To date, the Facilities Investment Fund has issued $81.5 million in funding, enabling an estimated 6,000 students to attend school in a state-of-the-art facility. An additional $264 million in loans are in the pipeline for more than 25 projects to serve an estimated 11,700 students.

"Facilities Investment Fund is an innovative lending platform, with a sharp focus on leveraging commercial capital to support the nation’s best public charter schools,” said Civic Builders CEO and Co-Founder, David Umansky. “Civic Builders is thrilled to be a partner in this important work with the
Walton Family Foundation and PNC Bank during this critical time for education in our communities, when affordable capital for schools is limited."

Future School of Fort Smith, Arkansas is the first public charter school grantee to receive facilities financing through the new $100 million financing allocation. Future School was founded in 2016 and currently serves 226 students in 10th through 12th grade. The school provides an education rooted in real-world experiences and skills development, with student-designed internships, personalized learning plans and an advisor-led learning team for each student. The Facilities Investment Fund provided Future School with a $4 million loan to support the purchase of its existing facility as well as the construction of an 18,400 square foot addition, which will allow Future School to expand to 9th grade and increase enrollment at all grade levels to 400.

“Our team is on a mission to transform high school to be more responsive to kids while connecting them to the local economy,” said Future School Co-Founders, Boyd Logan and Trish Flanagan. “This loan allows us to open more doors for more students, create capacity for educational leadership within our community and build our local economy through local talent.”

The Facilities Investment Fund continues the long history of education and community impact work of PNC and Civic Builders. PNC’s Public Finance Group launched its National Charter School Group in 2017, which is comprised of a team of experts that provide one-stop solutions for all types of charter school borrowers and create efficient financing solutions to assist the growth of high-performing charter schools. PNC also has a legacy of supporting early childhood education from a philanthropic perspective through the PNC Foundation’s $500 million initiative, PNC Grow Up Great®.

For nearly 20 years, Civic Builders has worked to fulfill its nonprofit mission of removing real estate as a barrier to an excellent education. The organization offers a full suite of real estate and financial services dedicated to ensuring that the nation’s best public charter schools have the resources they need to grow and lead. With the firm belief that excellent public charter schools require better financing options, Civic Builders partnered with the Walton Family Foundation and PNC Bank to design and manage the Facilities Investment Fund.

The Facilities Investment Fund is supported by the Walton Family Foundation’s Building Equity Initiative (BEI), an unprecedented effort to make it easier and more affordable for public charter schools to access equitable, affordable facilities funding. Since its launch in 2016, the BEI has helped nearly 50,000 students attend school in more than 145 new or renovated buildings. Further amplifying the impact, BEI capital of $150 million has been leveraged to secure $529 million in additional capital for public charter school facilities. By taking advantage of cost-effective BEI-supported loans, charter school recipients will save over $102 million that can be directed back into the classroom.

**About the Walton Family Foundation**
The Walton Family Foundation is, at its core, a family-led foundation. Three generations of the descendants of our founders, Sam and Helen Walton, and their spouses, work together to lead the foundation and create access to opportunity for people and communities. We work in three areas: improving K-12 education, protecting rivers and oceans and the communities they support, and investing in our home region of Northwest Arkansas and the Arkansas-Mississippi Delta. In 2019, the foundation awarded more than $525 million in grants in support of these initiatives. To learn more, visit [waltonfamilyfoundation.org](http://waltonfamilyfoundation.org) and follow us on [Facebook](https://www.facebook.com/waltonfamilyfoundation), [Twitter](https://twitter.com/waltonfamil), and [Instagram](https://www.instagram.com/waltonfamilyfoundation).
About PNC Bank
PNC Bank, National Association, is a member of The PNC Financial Services Group, Inc. (NYSE: PNC). PNC is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. For information about PNC, visit [www.pnc.com](http://www.pnc.com).

About Civic Builders
Civic Builders is the nation’s leading nonprofit lender and developer, bringing high-quality educational opportunities to under-sourced communities through the development of public charter schools. Since 2002, the organization has supported the growth of 53 schools that educate more than 30,000 students annually. Civic Builders partners with philanthropists and capital providers to design and manage affordable, new financing solutions for high-quality schools. Civic Builders tackles the full spectrum of facilities and financing challenges so that school leaders can focus on the important work of educating students. For more information about Civic Builders, visit [www.civicbuilders.org](http://www.civicbuilders.org).

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