INVESTIGATIVE REPORT

for the

CONNECTICUT STATE DEPARTMENT OF EDUCATION

Investigation of Jumoke/FUSE Charter and Turnaround School Operations

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I. BACKGROUND

On July 11, 2014, the Connecticut State Board of Education, through the office of the Commissioner for the Connecticut State Department of Education (referred to hereinafter collectively as "CSDE") contracted with the undersigned to conduct an investigation of the finance, governance and operations of Jumoke Academy, Inc. ("Jumoke") and Family Urban Schools of Excellence ("FUSE") (collectively "Jumoke/FUSE"). Such investigation was restricted by the CSDE to a factual analysis of the situation and not to include any legal advice, analysis or other legal services.

In the same time frame as the commencement of this investigation, the Federal Bureau of Investigation ("FBI") served grand jury subpoenas on, among others, Jumoke, FUSE and CSDE regarding the operations of Jumoke and FUSE. While neither the FBI nor the grand jury did anything to directly restrict this investigation's access to pertinent files and information, the existence of the FBI/grand jury probe, with its concomitant subpoena powers unavailable in this investigation, have significantly delayed response from parties to this investigation's request for documents and access to personnel for interviews. As of the date of this report, the grand jury has issued no indictments as a result of its investigation.

In 1997, Jumoke Academy was founded by Thelma Ellis Dickerson as a single building, kindergarten to 3rd grade elementary school of 125 children in the north end of Hartford. Ms. Dickerson was a former teacher and administrator in the Hartford and Bloomfield public schools, member of the Hartford Board of Education, and mother of Michael Sharpe, eventual CEO of Jumoke Academy Inc. and FUSE. Jumoke originally struggled with low test scores, faced closure in 2002, but transformed itself, through the federal Blue Ribbon Improvement model, into a state and federally recognized learning institution with an enrollment of 575 students serving pre-kindergarten through 8th grade. Jumoke Academy Charter Schools are currently comprised of a Pre-K program (Steps to Prep Early Education

Center), a K-5th elementary school (Thelma Ellis Dickerson's Jumoke Academy), and two middle schools, Jumoke Academy Honors Science, Math, and Research Technology STEM school, and the more recent Jumoke Honors at the Hartford Conservatory, a performing arts school.

FUSE was created in 2012 as an education management organization formed "to continue, guide and expand the work of Jumoke Academy - a high-performing urban charter school in Hartford's north end." FUSE indicated a goal to create "new high-quality charter school opportunities" and "bold partnerships with districts to transform traditional schools." *FUSE web site 12-31-2014.* From 2012 until late 2014, Jumoke and FUSE were marketed on the internet as the same organization, notwithstanding the fact that they are two separate entities and have two separate boards of directors in place. The minutes of board of directors meetings for FUSE include four listings on FUSE's web site – two of which are Jumoke board of directors minutes and two of which are blank. FUSE has no official published board of directors' activities.

FUSE has also contracted with at least two (2) of the lowest academically performing schools in the State[1] to help in the turnaround of those schools, which were included in a small number of schools in the State who sought and were granted invitations to participate in the Commissioner's Network. Selected schools in the Commissioner's Network must operate pursuant to the terms of a Turnaround Plan developed by either a Turnaround Committee or the Commissioner. The Commissioner's Network is designed to turn around chronically low performing schools in three-to-five year Turnaround Plans. Turnaround Plans must include intensive and transformative strategies that are designed to support schools that, to date, have been unsuccessful in their improvement efforts. Prior to the 2014-15 school year, as a result of increasing public disclosures regarding issues at FUSE, these contracts were terminated by the schools in question.

[1] Schools are rated by their State standardized scores and by 4-year graduation rates.

II. INVESTIGATION PROCEDURES

This investigation consisted of interviews of over twenty (20) current or former Jumoke/FUSE employees, including former Chief Executive Officer Michael Sharpe; Joseph Dickerson III, Executive Fellow at Jumoke, grandson of Thelma Dickerson and nephew of Michael Sharpe; Ethyl Dickerson, contracted social worker at Jumoke, daughter of Thelma Dickerson and sister of Michael Sharpe; and Michelle Sharpe, most recently High School Transition Coordinator at Jumoke and holder of several other positions at Jumoke over the last eleven (11) years, daughter of Michael Sharpe and granddaughter of Thelma Dickerson. These interviews began on July 21, 2014 and continued through September 25, 2014. Additionally, representatives of the CSDE, Hartford Public Schools and Bridgeport Public schools were contacted to provide additional information and documentation for this investigation regarding matters such as erasure reports on standardized testing of Jumoke students, state funding of Jumoke projects, inventory issues and criminal background checks for employees. Informal meetings related to the status of the investigation were also held during the course of the investigation with the Commissioner of Education Stefan Pryor, representatives of the Legal and Internal Audit departments of the CSDE and members of the Commissioner's staff. In addition, the CSDE Student Assessment Office reported that review of the Jumoke student standardized testing data had shown no evidence of tampering with student test results and this investigator confirmed that report by direct review of the same documents; information requests were submitted to, and responded to by, the Commissioner of Education's office and Jumoke and FUSE current staff, and former members of the Jumoke Board of Directors and Jumoke staff were interviewed.

A. Interview Subjects

1. Payments transferred under June 27, 2013 agreement naming Jumoke as FUSE's fiscal agent for the receipt of certain tax exempt payments, with documentation for transfer requests and payments.

2. Joseph Dickerson III's Executive Director Fellowship agreement.

3. Rental agreement for second-floor only by Michael Sharpe, with counterclaim by Mr. Sharpe regarding rental of second and third floor.

4. March 12, 2013 and January 8, 2013 Jumoke BOD minutes listed on web, but not available, contrary to recommendations received from CSDE in March 2012.

5. Background checks for Jumoke employees and for employees of Dunbar school.

6. Michael Sharpe's relationship with Jumoke operation after he transitioned to CEO of FUSE.

7. Atmosphere in office; who runs day-to-day operations for both Jumoke and FUSE.

8. Did anyone from Jumoke management discuss this investigation with Jumoke employees prior to their interviews; or discuss "distinguishing FUSE from Jumoke"?

9. What is the plan to start the 2014-15 school year in light of the resignation of Mr. Sharpe and the disclosures regarding his association with Jumoke/FUSE?

10. (For FUSE employees) What was your relationship with Jumoke while at FUSE?

B. Documents Requested

1. June 27, 2013 MOA fund transfer documentation for tax exempt funds received by Jumoke on behalf of FUSE.

2. 2013-14 Plans of Action for Joseph Dickerson II, as a part of his Fellowship program.

3. Documentation of all payments made by FUSE to Jumoke for 834 Blue Hills during 2013-14.

4. 852-54 Asylum rental agreement between Michael Sharpe and Jumoke.

5. Documentation of rental payments by Michael Sharpe under the 852-54 Asylum Street rental agreement.

6. Jumoke and FUSE Bylaws.

7. Documentation of background checks for Jumoke employees and Jumoke-managed employment operations for other organizations.

8. Closing documents for all Jumoke real estate purchases since 2008.

9. Erasure reports for Jumoke state-required standardized testing over past three years.

10. Inventory status reports for Jumoke-managed operations.

III. GENERAL FINDINGS OF FACT BY SUBJECT AREA

The purpose of this section is to provide an overview, in narrative form organized by subject area, of the information provided by interviewees and gleaned from the documents reviewed as a part of the investigation.

A. FUSE Issues

1. Responsibility for day-to-day management

a. No Board of Directors meetings held until June 2014

Though FUSE was created in 2012 as an education management organization formed to continue, guide and expand the work of Jumoke Academy, FUSE had no Board of Directors meetings until June 2014, after revelations regarding CEO Michael Sharpe led to his resignation and FUSE's ultimate demise. During this two-year period, FUSE became synonymous with Jumoke; for example, the Jumoke web site was abandoned and web searches for Jumoke resulted in direction to the FUSE web site. While Jumoke, not FUSE, was the organization providing direct education services in the Hartford area, FUSE was the marketing arm covering both

entities, *i.e.*, to get to Jumoke, an interested parent/student had to go through FUSE.

FUSE had also begun to expand its operations, establishing contracts to manage turnaround schools in Connecticut and marketing and negotiating such contracts with schools in Louisiana. Again, all these activities were taking place absent meetings of FUSE's Board of Directors, with no formal or documented approval of such actions by the Board of Directors, or even evidence that such Board actually existed and was aware of these activities.

b. Single person management in the hands of Michael Sharpe

In lieu of Board of Directors meetings and oversight, FUSE was run by the dictates of its CEO, Michael Sharpe. Mr. Sharpe had the final say on all matters regarding FUSE and its operations, including the sole right to determine whether individuals with identified criminal records would be employed by FUSE or any of the organizations with which FUSE had contracted for management services. In this particular area, there was no protocol or formal policy for evaluating the employment of individuals with criminal records; such decisions were solely at the discretion of Mr. Sharpe, who claimed to make his decisions based on how he felt the individuals had rehabilitated themselves and developed ties in the community since their convictions. *See also*, Appendix 2 at p. 1.

There was no record of any control exercised by the FUSE Board of Directors over the actions of Mr. Sharpe from the time he was appointed as CEO of FUSE on July 1, 2012, until his resignation in June of 2014. During this period of time Mr. Sharpe undertook contracts to work with Connecticut turnaround schools and made proposals to manage Louisiana based schools with no documented

Board action on such matters. Provision of this oversight would seem to be a necessary component for the long-term success of such an organization. This type of interrelatedness could also be an issue in determining whether the two entities, Jumoke and FUSE, were actually separate entities for tax and other legal purposes; a matter that may be addressed in the ongoing audit that the Commissioner has, in accordance with the random audit procedures of C.G.S. §10-66*ll*, scheduled to provide a comprehensive financial audit of Jumoke, if it is not already a part of the FBI's investigation.

c. Michael Sharpe was also de facto head of Jumoke after moving to FUSE.

Effective July 1, 2012, Mr. Sharpe was transitioned from his then position as CEO of Jumoke to assume the duties of CEO of FUSE. Notwithstanding this change, Mr. Sharpe continued to be the person responsible for executive decision-making at Jumoke, though his activities for FUSE and its outside contracts claimed much of his time. Mr. Sharpe's nephew, Joseph Dickerson III, an intern in Jumoke's Executive Director Fellow program, assumed some managerial duties at Jumoke, but any major decisions were left to Mr. Sharpe.

2. No "arm's-length" transactions between organizations

a. All FUSE employees were processed through Jumoke payroll, under Jumoke's payroll tax number, and received Jumoke paychecks

Though Jumoke and FUSE were separate organizations, FUSE did not maintain its payroll and personnel functions as a separate entity. Instead, FUSE employees were included in Jumoke payroll runs and were issued Jumoke payroll checks identical to those received by Jumoke employees. Payroll deductions, such as income tax and FICA, were made

under Jumoke's employer tax number, which caused significant issues when FUSE employees were laid off in July 2014 and filed for unemployment compensation, which was billed against Jumoke's unemployment compensation account. This also created confusion among employees. A number of employees interviewed were not sure whether they officially were Jumoke or FUSE employees.

Though FUSE was, on paper, the management arm of Jumoke and Jumoke was paying management fees to FUSE, other than Michael Sharpe's oversight, Jumoke was acting as the management organization for FUSE, supplying payroll and accounts payable services.

b. Extreme intermingling of funds between organizations, including Jumoke acting as the Fiscal Fiduciary Agent for FUSE's receipt and administration of tax-exempt funds prior to FUSE's approval as a 501(c)(3) tax-exempt organization.

Again, though separate entities, Jumoke and FUSE intermingled not only their accounting and payroll staff, but also their funds. Instead of maintaining separate banking accounts, funds were intermingled and "paper transfers" were made between organizations to account for items such as management fees, owed by Jumoke to FUSE, and employee payroll costs, owed by FUSE to Jumoke. Given that there was no Board of Director oversight of the FUSE operation, this procedure lent itself to inappropriate manipulation and possible fraudulent financial disbursements that would be extremely difficult to detect. Examples of these potentially questionable activities, discussed in more detail later in this report, include renting an apartment to Michael Sharpe on one floor of a Jumoke building, while he was subleasing an apartment on another floor of the same building to an outside third party and keeping the lease payments, and building renovations done by companies in

which employees of Jumoke and/or FUSE had direct pecuniary involvement.

In addition to day-to-day accounting and payroll functions Jumoke performed for FUSE, Jumoke also became FUSE's "Fiscal Agent", receiving "Tax Exempt Funds" designated for FUSE that were issued prior to FUSE being approved as a tax-exempt organization pursuant to Internal Revenue Code Section 501(c)(3). The agreement creating this relationship was signed by the President of the Board of Directors of Jumoke, but not by the Board of Directors of FUSE. Instead, Mr. Sharp, as CEO of FUSE, signed the agreement. While this report makes no conclusion with regard to the propriety of this arrangement, given the other extensive intermingling of funds between the organizations, the arrangement does not inspire confidence.

c. Joseph Dickerson III authorized to administer the Fiduciary Agency.

As a corollary to Section A.2.b, above, and further evidence of the rampant nepotism issues that existed in the Jumoke/FUSE operations, Mr. Sharpe's nephew, Joseph Dickerson III was authorized by Jumoke to administer the agreement for Jumoke to act as FUSE's fiduciary agent for receipt of tax exempt funds. Mr. Dickerson, an individual in a trainee position with no noted financial expertise, was not qualified to administer such a financial arrangement and, as the nephew of Mr. Sharpe, was not a disinterested party to oversee his uncle's actions.

d. Michael Sharpe leases one floor of a Jumoke building and, without written authorization and in contradiction of his written lease, subleases another floor of the Jumoke building and personally collects the lease payments

In December 2012, Jumoke entered into a rental agreement with Mr. Sharpe for "the second floor for residential use (852-854 Asylum Avenue, Hartford, CT 06105)". *See*, Appendix 1 at p. 1. In exchange for the residential use of this facility, Mr. Sharpe was to pay rent and 50% of all utilities and/or services for heat, electric and water, and serve as "after school hours property manager for the contiguous properties known as 834, 846 and 852 Asylum Avenue." Mr. Sharpe's rent was due and payable on the first day of each month. Notwithstanding the express provisions of the rental agreement, Mr. Sharpe subleased the third floor of the building in question to another individual and personally collected rent payments for such sublease. In addition, during the renovations of the building at 852 Asylum Street, on the floor that Mr. Sharpe subsequently rented, expensive and ornate modifications were made, at Jumoke's expense, to the bathroom and shower facility located in what was to become Mr. Sharpe's bedroom, performed by a contractor that was the husband of the Jumoke Facilities Manager. *See*, Section B.2.e, below.

Given that Mr. Sharpe was, at the time, the *de facto* head of both the Jumoke and FUSE operations, this situation was clearly suspect. The resultant facts indicate the inappropriateness of this arrangement; Mr. Sharpe was, in fact, several months delinquent in his rental payments and eventually, in an undated letter to Jumoke sent sometime after July 17, 2014, disputed the express language of the rental agreement that he signed, claiming that he was also

renting the third floor of the facility and, therefore, was acting appropriately when he subleased that floor to another individual. *See,* Appendix 1 at p. 4. Curiously, even at this late date, Mr. Sharpe's July 17, 2014 check for past due rent was labeled "Dr. Michael Marion Sharpe". *See,* Appendix 1 at p. 5. To date, the discrepancy in the rental payments made by Mr. Sharpe have not been reconciled and no attempt has been made by Jumoke to obtain a return of the rental payments Mr. Sharpe collected from the third party lessee.

3. Accounting and financial operations of Jumoke and FUSE were run by the same employees, with the same supervisors

a. Accounting employees were the most intermingled of the Jumoke/FUSE staff members

One of the most fundamental of "best practices" for the financial operation of closely held organizations is to maintain financial integrity between the organizations and to maintain proper segregation of duties between staff of the two organizations. This was totally ignored between Jumoke and FUSE. The employees responsible for the primary financial activities of payroll and accounts payable at Jumoke and FUSE were the same individuals, supervised by the singular head of the two organizations, Michael Sharpe, an individual who had, by his own admission, been previously convicted of crimes involving financial improprieties. It would be difficult to construct a less appropriate financial arrangement between two supposedly separate organizations.

b. An accounting employee was also involved in a personal relationship with Joseph Dickerson III

After Michael Sharpe was transitioned to the CEO position at FUSE in July of 2012, Joseph Dickerson III, Mr. Sharpe's nephew who was working as an intern at Jumoke, was supervising the day-to-day operations of Jumoke. During October of 2013, Mr. Dickerson became involved in a personal relationship with one of the accounting personnel employed by FUSE. By January of 2014, this individual had been transferred to the Jumoke payroll. The personal relationship was allegedly kept confidential from other FUSE and Jumoke employees, but it was brought to the attention of this investigator by several such employees. Both Mr. Dickerson and the accounting employee in question were terminated by Jumoke after the commencement of this investigation.

4. Query why FUSE continues to operate out of Jumoke premises

After FUSE ceased operations during summer of 2014, it continued to occupy office space in the Jumoke building at 834 Asylum Street, having access to the building and files of Jumoke, which also had offices there. Given the circumstances, it is difficult to understand why this situation was allowed to continue.

5. Milner School inventory issues were partially resolved, but this discrepancy continues unexplained

As a part of FUSE's management contract with the Milner School, a part of the Hartford Public Schools, FUSE was responsible for, among other things, the physical inventory of property and equipment at Milner. Initially an inventory discrepancy, valued at approximately $70,000, was identified by Hartford. The inventory consisted mainly of computer equipment and projectors. By email

dated March 25, 2014, Rachel Stimpson, Operations Manager at Milner, was able to locate approximately half of the alleged missing inventory at Milner. The remaining items continue to be in dispute between Hartford and FUSE.

6. Personnel decisions by FUSE resulted in the employment of staff with past criminal records at the Bridgeport Dunbar School and questionable charges to Bridgeport from FUSE were identified.

FUSE management problems are exemplified in two issues that contributed to Bridgeport Public Schools terminating its management contract with FUSE for the Dunbar School. After an employee, whose background check by FUSE indicated a criminal record, including references to sex offenses, was cleared by Mr. Sharpe for employment without notice to Bridgeport of the criminal findings, Bridgeport became concerned about its relationship with FUSE. As a result, Bridgeport conducted a review of FUSE's background checks and resulting employment decisions at Dunbar, as well as consultant billings received from FUSE during the 2013-14 school year, which were summarized in an audit report attached hereto as Appendix 2.

The review of the documentation provided by to Bridgeport by FUSE of other FUSE hiring demonstrated that, of the sixteen (16) hirings done through FUSE, two (2) of the academic assistants hired had felony convictions, one (1) had no record of any background check being done and one (1) person, hired in a supervisory position, was not actually supervising employees. *See*, Appendix 2 at p. 2. In his "self-guided evaluation", the FUSE Program Director for Dunbar School, indicated that "the decision to hire former felons [was] based on their personal turnaround, growth, and their strong community ties.", but that FUSE "did not research their

background carefully enough and anticipate legal consequences" in a timely manner. *See*, Appendix 2 at p. 1.

Further, $46,066 of consulting fees were billed to Bridgeport by FUSE for various activities that either should, in Bridgeport's opinion, have been included within the management fee already paid to FUSE, or which produced no data or recommendation to Bridgeport on the matter in question. *See*, Appendix 2 at pp. 3-4.

Though Bridgeport had reportedly noted some positive changes in the atmosphere at Dunbar under FUSE's direction, the negative affects from FUSE's employing individuals with criminal records and questionable billing practices, coupled with the publication of Mr. Sharpe's falsified claim of a doctorate degree, created sufficient reason for Bridgeport to look elsewhere for a partner in the Dunbar turnaround plan.

B. Jumoke Issues

1. Responsibility for day-to-day management

a. Board of Directors meetings regularly held, with minutes available, but not posted on web site as required by SDE

As part of a CSDE's Charter Renewal Site Visit in the spring of 2012, Jumoke was told, among other things, that it should have the minutes of its Board of Directors meetings posted and available on its website. By August 2014, Jumoke was able to produce for this interviewer copies of the minutes for its Board of Directors meetings, but those minutes had not been posted on the Jumoke website as recommended by the CSDE. Jumoke has since corrected this problem and a schedule of its Board of Directors meetings and minutes for 2014–15 Directors meetings are available on the new Jumoke website. In discussions with the auditors selected by the Commissioner, in accordance with the random audit procedures of C.G.S. §10-66*ll*, to provide a comprehensive financial audit of Jumoke, however, it was

learned that Jumoke has been unable to provide for audit review the copies of the prior Board of Directors meeting minutes previously provided to this interviewer.

b. Single person management in the person of Michael Sharpe; minimal Board of Director control

While the Jumoke Board of Directors did meet on a regular basis prior to the CSDE's initiation of this investigation, there appears to have been little direction provided by the Board of Directors regarding the operations of Jumoke. As previously mentioned with regard to the operations of FUSE, Michael Sharpe basically had unfettered control of Jumoke from the time he was appointed CEO in 2003, and even after he had transitioned in July 2012 from CEO of Jumoke to CEO of FUSE. The Jumoke Board of Directors also approved the rental agreement with Mr. Sharpe that resulted in Mr. Sharpe subleasing a portion of a Jumoke building to an outside party and personally collecting the rental payments from such sublease. There were virtually no checks and balances in place to control Mr. Sharpe's actions at Jumoke, even though its Board of Directors was actively meeting.

Jumoke has, however, moved to correct some of the identified issues at Jumoke. These fixes include:

- Hiring as its Interim Director Dr. Troy Monroe;
- Eliminating nepotism issues in the employment of board member's family by the resignation of said board members;
- Eliminated other nepotistic practices/conflicts of interest by staff resignations and terminations; and
- Looking to the possible sale of unneeded property.

Continued close oversight by the Jumoke Board of Directors, employment of organizational management personnel that do not have

divided loyalties from affiliations with other organizations, and reduction of the burden of excessive, leveraged real estate holdings will best serve to insure the continued viability of the Jumoke schools.

c. Michael Sharpe was also de facto head of Jumoke after moving to FUSE

Effective July 1, 2012, Mr. Sharpe was transitioned from his then position as CEO of Jumoke to assume the duties of CEO at FUSE. Notwithstanding this change, Mr. Sharpe continued to be the person responsible for executive decision-making at Jumoke, though his activities for FUSE and its outside contracts claimed much of his time. Mr. Sharpe's nephew, Joseph Dickerson III, an intern in Jumoke's Executive Director Fellow program, assumed some managerial duties at Jumoke, but any major decisions were left to Mr. Sharpe.

2. Nepotism abounds in both hiring and contracting practices

a. Michael Sharpe's hiring

On his 1999 application for employment at the time he was originally hired as a paraprofessional at Jumoke by his mother, Thelma Dickerson, Mr. Sharpe indicated that he had been convicted in 1989 of "Title 18 violations/taxes"; there was no documentation in his personnel file to indicate the specifics of these violations. Also in Mr. Sharpe's 1999 employment application, he indicated that he had completed a 6th Year Degree as his highest level of education and had held a Connecticut provisional teaching certificate in History/Social Studies, grades 7–12, which had expired in 1985.

In July 2003, Mr. Sharpe submitted a letter of interest to the Jumoke Search Committee responsible for the screening and hiring of a Chief Executive Officer for Jumoke Academy Elementary Charter School,

the only school in the Jumoke organization at that time. Mr. Sharpe's personnel file also includes a resume with this letter of interest, which indicates that he had received an Ed.D. degree from New York University in 2003, and a May 17, 2003 certificate of completion for a professional development workshop regarding the No Child Left Behind legislation, which listed Mr. Sharpe as having an Ed.D.

While the documentation of his bachelors and graduate degrees had been included in Mr. Sharpe's Jumoke employment record, there was no verification of his doctoral degree, which eventually was determined to be nonexistent. Further, there was nothing in Mr. Sharpe's personnel file that indicated he had attained any additional training or schooling since beginning work as a paraprofessional at Jumoke in 1999 or any evidence of promotions or position changes from his assignment as a paraprofessional in 1999 to his elevation to CEO a mere four years later. From the time he was elevated to CEO until his resignation in June of 2014, however, Mr. Sharpe was referred to as "Dr. Sharpe" in correspondence and communications from Jumoke.

b. Chair of the Board of Directors wife an employee of Jumoke

As part of a CSDE's Charter Renewal Site Visit in the spring of 2012, Jumoke was told that it must cease having family members of existing Board of Directors employed by Jumoke. In August 2014, at least one such relationship continued. The then Chairman of the Board of Directors wife was employed by Jumoke. Though the wife's employment preceded the Board member's presence on the Board, it was in violation of the Site Visit recommendation. This was rectified by the Board member's resignation from the Board in September of 2014.

In addition to familial relationships between Board members and Jumoke employees, there were a number of close family

relationships between Jumoke employees. Michael Sharpe and Ethyl Dickerson (children of Thelma Dickerson) were employed by Jumoke. Joseph Dickerson III (Thelma Dickerson's grandson and Michael Sharpe's and Ethyl Dickerson's nephew) and Michelle Sharpe (Thelma Dickerson's granddaughter and Michael Sharpe's daughter) were also employed by Jumoke and supervised by their relatives for at least a portion of their employment. As indicated in the next sections below, Ethyl Dickerson's was uniquely and questionably retained by Jumoke as an independent contractor; Michelle Sharpe, though she had no degree or certification in an educational field, eventually became High School Transition Coordinator at Jumoke, a position for which she had no documented qualifications.

c. Ethyl Dickerson, Michael Sharpe' sister, was employed as a contracted social worker

While the nepotism demonstrated by Ethyl Dickerson's employment at Jumoke is an issue of concern, this concern is exacerbated by the fact that, unlike other social workers in the employ of Jumoke, Ethyl Dickerson was treated as an independent contractor as opposed to an employee. As a result, instead of receiving a salary from Jumoke, which for other social workers was in the area of $43 per hour, Ethel Dickerson received either $50 per hour or $100 per hour[2] for the social work services she performed that were no different than the services performed by social workers officially employed by Jumoke. This special treatment allowed Ethel Dickerson to receive substantially higher hourly payment for her services than that received by other social workers employed by Jumoke and also, though perhaps questionably inappropriate, eliminated the responsibility

[2] Ethel Dickerson received $50 per hour for services rendered to non-special education students and $100 per hour for services rendered to students having individual education plans because they required special education services due to their identified disabilities.

for Jumoke to pay certain payroll taxes required for employees, but not independent contractors. While no specific conclusions are drawn by this report, there is a question as to whether Ethel Dickerson's work for Jumoke qualified her to be treated as an independent contractor for tax purposes.

d. Michelle Sharpe, Michael Sharpe's daughter, was employed in several positions over the years, for some of which she had no apparent qualifications.

Michele Sharpe, Michael Sharpe's daughter, began to work for Jumoke prior to entering college in the summer of 2003, the year her father was appointed as CEO of Jumoke. Her initial position was as a summer camp counselor. She then worked as a tutor for the school from 2003-05, when she entered college. Michelle was a History/English major in college, but did not attain a teaching certificate. In the 2008-09 school year, Michelle came back to work at Jumoke as an academic assistant, a paraprofessional/teacher aide position, for which she had no prior training. In 2009-10, Michelle's position changed to office assistant for Anette Hollis, then the Facilities Director at Jumoke and later to become the Chief Operating Officer of FUSE. School year 2010-11 brought another position change, with Michelle becoming the administrative assistant to Dr. Doreen Crawford, the principal at Jumoke Academy. From there, Michele became the Executive Assistant to the CEO, her father Michael Sharpe, until November of 2013, when she became the High School Transition Coordinator for Jumoke. Michele indicated that her qualifications for the position of high school transition coordinator were "my prior experience and desire to work with children." Absent her father's influence, it is unlikely that these qualifications would have been sufficient to have allowed her to obtain the position.

e. Contractor for 852 Asylum property (Hollis) was husband of Facilities Director (Anette/Ken)

Extensive renovations of the Jumoke-owned property at 852 Asylum Street were conducted prior to Mr. Sharpe taking residence there. *See also*, Section A.2.d, above. These renovations were performed by the husband of the Jumoke Facilities Director. While it is beyond the scope of this report to determine whether there was anything inappropriate in the payments for these renovations, the investigation produced no documentation of any type of competitive bid for the contracting of the services, which could have led to the apparently excessive renovations done to portions of Mr. Sharpe's eventual living quarters.

3. When purchasing the 875 Asylum Avenue property, Jumoke paid in excess of the assessed value for the property

In reviewing the closing documents for the property purchased by Jumoke at 875 Asylum Street, now the home of the Jumoke Honors at the Hartford Conservatory, it was apparent that the purchase price of $3,100,000 significantly exceeded the $1,590,000 appraised value of the property. *See*, Appendix 3 at pp. 5, 6, 10 and 11. While the appraisal company did attempt to rationalize the potential purchase price, by noting that Jumoke, as a tax exempt, non-profit organization, would not be subject to real estate taxes, and, therefore, "the contract in place makes more sense in market terms", the "combined value" of the property still rose only to $2,905,000, almost $200,000 less than the purchase price agreed to by Jumoke. *See*, Appendix 3 at p. 10. Notwithstanding the machinations of the appraisal's attempt to justify the purchase price of $3,100,000, there still remains the fact that the purchase price is 6.7% above the "combined value" of $2,905,000 and 95.0% above the original appraised value of $1,590,000. Unfortunately, by the time the documents were finally secured by this investigator in late November of 2014, none of the individuals involved in the purchase were available for comment

to explain this apparent discrepancy. This is a matter that could be dealt with during the ongoing audit that the Commissioner has, in accordance with the random audit procedures of C.G.S. §10-66*ll*, scheduled to provide a comprehensive financial audit of Jumoke, if it is not already a part of the FBI's investigation.

4. Can the Jumoke organization continue to be financially viable given its current cash flow

a. Real estate mortgages appear excessive and held on some properties not utilized for educational purposes

Jumoke has, over the past decade, embarked on an aggressive number of real estate purchases, now having interests in properties at 834, 842, 842H, 846, 852-854 and 875 Asylum Street; 230 Scarborough Street and 335-339 Blue Hills Avenue. All of these properties are either mortgaged and/or collateral for one another. Between the 2013-14 and 2014-15 budgets, the Jumoke expenditures for debt service increased by 69.19%, from $388,602 to $657,485. *See*, Appendix 4 at p. 1. Included in this debt service were a fixed-rate term loan of $205,000 (to pay off an existing loan with Liberty Bank) and a floating loan in the amount of $600,000 (to be used for any commercial purpose). *See*, Appendix 5 at pp. 1 and 10. These loans, closed on November 1, 2012, are due and payable by October 30, 2017. *See*, Appendix 5 at 4 and 6. The current amortization of these loans will not cause them to be fully repaid within the five-year period and will result in a "balloon" payment due in October 2017 in excess of $400,000. Both of these loans are guaranteed by FUSE, which is not currently operational.

Jumoke has a similar arrangement on the 339 Blue Hills Avenue property, which comes due on September 30, 2017, but the documents received to date no not provide sufficient information to

calculate the balloon payment that will be due. *See*, Appendix 6 at pp. 2, 4 and 7-8.

In December of 2009, Jumoke also purchased, with monies from its general fund, property at 230 Scarborough Street. *See*, Appendix G at pp. 1 and 4. The property, when purchased, was not zoned for the use intended by Jumoke, an issue of which Jumoke had been aware since a 2004 appraisal of the property expressly indicated that *"it is an extraordinary assumption of this report that the subject could secure the necessary variances or zone changes that would allow alternative uses that conform to the functional utility of the building and adjacent neighborhood land uses."* *See*, Appendix 8 at p. 5; *see also*, Appendix 9. Notwithstanding this information available at the time of purchase, Jumoke completed the purchase of the 230 Scarborough Street property with no contingencies for the needed zoning changes. To date, Jumoke has been unable to secure such zoning changes and the property is currently vacant and has been the victim of some vadalization. A mortgage, the total principal amount which cannot exceed $857,000, was secured by Jumoke on September 30, 2013, guaranteed by FUSE, with all amounts advanced under the mortgage payable in full no later than September 30, 2017. *See*, Appendix 6 at pp. 3 and 6-7.

While existing budget projections from Jumoke show that Jumoke appears to have sufficient revenue flow to allow it to continue to operate on its approved budget for 2014-15; *see*, Appendix 4; the continuing drain from debt service, declining enrollment in comparison to projections, and the payments that will become due on existing loan agreements in September and October of 2017, raise serious questions regarding Jumoke's financial viability in the 2017-18 fiscal year. These are additional matters that could be dealt with during the ongoing audit

that the Commissioner has, in accordance with the random audit procedures of C.G.S. §10-66*ll*, scheduled to provide a comprehensive financial audit of Jumoke.

b. Current Jumoke enrollments are significantly down from projected enrollments on which the 2014-15 budget were based.

Approximately 87% of the Jumoke budget comes from State Charter School revenue based on per pupil payments by the State to Jumoke. *See*, Appendix 4 at p. 1. In 2014-15, the anticipated enrollment on which the budget was based was not met, resulting in a revenue shortfall of $430,000. As a result of personnel changes and savings in payroll and benefits, Jumoke is projected to have sufficient funds to complete the 2014-15 year, but, as indicated above, there are significant additional expenses confronting Jumoke in the near future that will require Jumoke to make further adjustments, especially in real estate holdings, in order to sustain financial viability.

5. State monies appear to be funding property with noneducational uses

Since 87% of the Jumoke budget is provided through per pupil payments as a State Charter School, and an additional 9% of the budget comes from other direct educational revenues such as Title I and II and special education income, it would appear that some of these monies must be funding principal and interest payments on real estate acquisitions, such as the purchase of the 230 Scarborough Street property, that are not being used by Jumoke for educational purposes. While such a detailed financial analysis is beyond the scope of this report, the Commissioner has, in accordance with the random audit procedures of C.G.S. §10-66*ll*, scheduled a comprehensive

financial audit of Jumoke that is ongoing and should provide more detailed financial analysis of this and similar issues within the scope of the audit.

6. Administrative issues have not as yet deterred educators from producing positive results for students

While concerns are evident, this investigation also produced positive findings. The Jumoke educators interviewed appeared to be genuinely concerned with providing a quality educational experience for their students and were eager to continue these efforts. The most prevalently expressed sentiment from the instructional staff, often in emotional, teary terms, was that they hoped to get what they perceived to be non-educational issues behind them so that they, their students and parents could get on with providing a superior educational alternative to the students who chose to come to Jumoke schools. Even the Jumoke office staff mirrored these sentiments, hoping that the students would be minimally impacted by the publicity emanating from the administrative staff.

Parents interviewed were equally frustrated and apprehensive regarding the state of the school. The timing of the disclosures and the extent of the investigation needed to review the matters that were uncovered left parents less than a month from the start of school with no concrete information as to the status of Jumoke operations for the 2014-15 school year. Despite the negative publicity, however, these parents strongly supported the efforts of the building educators and expressed a unanimous opinion that their children were receiving a quality education in a nurturing environment, which, as discussed further below, has been supported by the standardized test scores of Jumoke students.

Notwithstanding several clear administrative issues, the educational results for Jumoke over the last decade have been good. Test scores for Jumoke students have generally been increasing. Audits by the CSDE staff have shown no reason to believe that the scores recorded by Jumoke students

are not valid and accurate representations of those students' laudable academic abilities. The last four years of these tests were further reviewed as a part of this investigation and there was nothing found to indicate that the students' test responses had been altered or modified. The students and their teachers should be applauded for this success and not tarnished by administrative irregularities.

IV. COMMENT ON INTERVIEWEE CREDIBILITY

The Jumoke/FUSE employees, board members and parents interviewed were credible in their responses. Jumoke/FUSE employees, however, lacked an understanding of the interrelationship between the two organizations – Jumoke and FUSE. Many employees were not even sure for which organization they worked; but all employees clearly understood that Michael Sharpe was the decision maker for both organizations. It was also clear that the vast majority of the employees had a positive opinion of the accomplishments of Jumoke, but were unsure of the role of FUSE. The educational staff of the Jumoke schools all appeared to be dedicated to the goal of quality education for Jumoke students and had little or no knowledge of the purpose or goals of FUSE.

V. SPECIFIC CONCLUSIONS

From the above findings of fact, we conclude that Jumoke and FUSE have many good organizational intentions, but have suffered from misdirected and perhaps unqualified administration. Below are our specific conclusions about each area:

A. Jumoke/FUSE must institute a series of checks and balances which are controlled by an active and knowledgeable governing body to oversee the actions of its administration.

B. Jumoke was, and continues to be, a viable educational institution that has positive academic impact on its students.

C. Jumoke has suffered significant damage to its reputation as a result of the actions of its leadership, or the lack thereof, which could threaten its continued existence.

D. FUSE appears to be a mechanism devised by Michael Sharpe to provide an opportunity to create a base on which to grow a national educational consulting operation.

E. If Jumoke/FUSE is destined to continue and grow, the rampant nepotism in the organization must be curtailed.

F. Jumoke's real estate holdings should be examined to determine whether they are economically viable given the current state of Jumoke's operations.

G. In conjunction with item F, above, Jumoke has significant financial responsibilities regarding its real estate transactions which, if not addressed soon, will cause potentially fatal financial obligations during the 2017-18 fiscal year.

VI. GENERAL CONCLUSIONS

During the course of this investigation, the genesis of which were allegations regarding the academic qualifications of Michael Sharpe, the CEO of Jumoke and FUSE, several additional issues arose and were explored. These included the lack of oversight by the respective boards of directors of Jumoke and FUSE over the day-to-day operations of the organizations; intermingling of employees and funds between Jumoke and FUSE; rampant nepotism and conflicts of interest in the hiring practices and awarding of contracts for services; over extension in real estate purchases; quality of overall services to turnaround schools; and continued financial viability of the Jumoke organization.

For the reasons set forth above, there is sufficient credible evidence to demonstrate that Jumoke has the potential to be a viable and continuing educational institution, if it can establish practices and leadership procedures that guarantee that the educational goals of the organization, not individual goals of administrators within the organization, guide the day-to-day operations of the

entity. The classroom educators, parents and students have done their part to produce positive educational results that hopefully can continue. To that end, immediate attention must be devoted to declining enrollments, perhaps contributed to by the publicity of recent events surrounding Michael Sharpe, and to the impending debt issues that will arise in the 2017-18 fiscal year.

Respectfully submitted,

Frederick L. Dorsey

APPENDIX 1

JUMOKE ACADEMY

Rental Agreement Between Jumoke Academy (Lessor) and Michael Sharpe, (Lessee)

Jumoke Academy Board of Directors hereby agrees to lease to Michael Sharpe the second floor for residential use (852-854 Asylum Avenue, Hartford, CT 06105) in return for a fixed monthly fee and certain agreed upon services, below described. In addition to the fixed monthly fee the leasee shall provide the following services:

1. Serve as after school hours property manager for the the continguous properties known as 834, 846 and 852 Asylum Avenue. As after school hours property manager leasee shall respond to emergency alarms, emergency and after hour calls regarding the property; leasee shall ensure buildings are secured; provide regular visual inspection of property to ensure property following after school hour use has been left in a clean, safe and useable condition. Leasee when notified and requested to do so, will provide a visual inspection ensuring that all scheduled maintenance and services have been completed, such as snow removal, lawn care, mechanical inspections. Represent the school during non school hours for any emergencies or special needs that may arise during such non school-hours. Leasee shall ensure that the first floor corporate offices are maintained in good repair and availability for use by corporate office

The agreement shall commence on January 1, 2013 and continue so long as leasee continues to provide services for corporation as above outlined. Should leasee elect not to continue providing above services the lease shall be renegotiated to provide a market rate monthly rent for lease. Both parties acknowledge that leasee has a working relationship with corporation providing said lease and nothing in such relationship shall supercede the written terms of this agreement.

Both parties agree to the following terms below stated:

1. LESSEE agrees to pay in advance $500.00 per month on the 1 day of each month and provide the above services as described in #1 above.
2. Rent and/or other charges are to be paid at Jumoke Academy District Offices, 339 Blue Hills Ave., Hartford, CT as follows check, cash or money order.
3. All payments are to be made payable to Jumoke Academy.
4. **UTILITIES:** LESSEE agrees to pay 50% of all utilities and/or services based upon occupancy of the premises, heat, electric and water.

_____ 12-31-12

On Behalf of Board of Director's, Jumoke Academy Charter School, President

_____ 12-31-12

On Behalf of Board of Director's, Jumoke Academy Charter School, Treasurer

_____ 12-31-12

On Behalf of Leasee, Michael Sharpe

JUMOKE ACADEMY

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_____ 12-31-12

On Behalf of Board of Director's, Jumoke Academy Charter School, President

_____ 12-31-12

On Behalf of Board of Director's, Jumoke Academy Charter School, Treasurer

_____ 12-31-12

On Behalf of Leasee, MIchael Sharpe

From: **Michael Sharpe** michaelsharpe51@gmail.com
Subject: 852 Rental Agreement
Date: June 27, 2014 at 12:58 PM
To: Joseph Dickerson III dickersonj2@jumokeacademy.org

To: facilities division
This letter is to notify you that effective July 14th I will have completely vacated 852 Asylum. It is important to note that I have been the designated call person for alarm calls, property and mechanical issues. Please ensure another person is designated. Any questions or concerns please feel free to contact me.
Michael Sharpe
MMS

Jumoke Academy/Financial Division

I apologize for the delay in getting back to you on the final reconciliation for my rent: the upper levels (2nd/3rd floor) 852 Asylum Avenue. Given all of the present public/press scrutiny on every single detail of a transaction- I wanted to make sure my numbers and statements are as correct as possible.

Unfortunately this is made more difficult because the terms of the written lease are substantially different from the actual implementation of the lease. Fortunately, the majority of discrepancy in the lease accrue to the favor of Jumoke. For example:

1. I have been paying a property tax as part of my lease payment although such is not stated in the lease agreement. I am not contesting that payment because it was part of a verbal agreement but that somehow did not make it into the written lease.
2. In addition I have been paying utility and a portion of the building's insurance although the insurance payment is not stated in the lease agreement. I am not contesting that payment because it was also part of the pre-lease discussion that did not make it into the written lease.
3. I have maintained control over the upper floors (level 2 and 3) although the lease erroneously states "2nd" floor. This is incorrect on its face because it was clear to all parties that the second floor a) does not have a kitchen (only the upper 3rd floor attic has a kitchen and b) and because the 2nd floor does not have a kitchen and bedroom with closet by itself it is not a legal apartment. It was clear to all parties that it would have been impractical not to assume control of the upper levels). I am not contesting having paid rent for the upper levels but making it clear that such should have also been written into the agreement.

Finally, I have asserted since January- February of 2014 that the basis being used to calculate utilities, insurance, and taxes, etc., was incorrect. I have included for reconciliation and closing of this account an outline of monthly cost based on the lease terms and costs averaged per month. I think you will find it more than fair in assuring that Jumoke Academy was fully reimbursed for cost and that I was not unfairly charged beyond the intent of the lease agreement

	Jumoke Academy	MS	Sublet (LB)
Monthly Rent	$500	250	250
Property Tax	340	170	170
Property Mgr Credit	350	*credit 170	170
Utilities/Insurance	160	80	80
	$1,350	$500	$670
		170	

Based on my calculations I owe through June 30,2014 a total of: $6,550.
Enclosed please find a check in the amount of $6,550.
Michael Sharpe

Dr. Michael Marion Sharpe
852 Asylum Ave
Hartford, CT 06105

274

July 17 2014

51-110/211

Pay to the Order of Jonathan Ashby $ 6,550

Six thousand five hundred fifty dollars 00 Dollars

Security features are included. Details on back.

Wells Fargo
Wells Fargo Bank, N.A. Connecticut
Wellsfargo.com

For 852 upper floors paint
Recreational Grant Payment

MP

APPENDIX 2

FUSE - DUNBAR AUDIT SUMMARY

Summary of a review conducted by the Bridgeport School District, based on documentation submitted by FUSE

Reflections of Indra Sen, Program Director; written prior to 3-31-14 as part of a "self-guided evaluation with feedback."

Reflections on Executive Director Fellowship Program: Policy & Legal

Personal Reflection	Professional Reflection
My most critical take-away in this area has been: Revisiting the turnaround plan and MOU on a weekly basis to measure progress and compliance efforts.	**My most critical take-away in this area has been: Completing early research and due diligence.**
After our turnaround plan was approved and our team reviewed its goals during the summer, I did not pick up the document again until December 2013 when I was preparing for our mid-year review. While I had grasped the major goals and benchmarks, as well as understood the big picture, I missed some of the smaller details—such as our promise to create a high quality	Some of the challenges our school has faced this year has been because we did not adequately complete our research before making a decision. We made a decision to hire former felons based on their personal turnaround, growth, and their strong community ties. However, we did not research their background carefully enough and anticipate legal consequences until much later.

FUSE - DUNBAR AUDIT SUMMARY

Summary of a review conducted by the Bridgeport School District, based on documentation submitted by FUSE

ACADEMIC ASSISTANTS

#	LName	FName	Position	FP RECORD INCLUDED? NO	YES	HR FP Record on File	If FP Record exists, outcome?	NOTES	Appendix
1	Carpening	Clyde	Acad. Ass't	No		Yes			E
2	Chambers	Nia	Acad. Ass't	No		Yes			E
3	Daniels	Shaquanna	Acad. Ass't	No		Yes			E
4	Eady	Avery	Acad. Ass't	No		Yes			E
5	Elliott	Tiffany	Acad. Ass't	No		No			N
6	Fontanez	Jasmine	Acad. Ass't	No		Yes			E
7	Gamble	Lavette	Acad. Ass't		Yes	Yes	Felony Arrests, 1977, 2006		E
8	Griffith	Ann-Marie	Acad. Ass't	No		Yes			E
9	Hickson	Melanie	Acad. Ass't	No		Yes			E
10	Jefferson	Synques	Acad. Ass't	No		Yes			E
11	Moore	Brysen	Acad. Ass't		Yes	Yes	Driver's license suspension, 10-13		E
12	Morrison	Stachia	Acad. Ass't	No		Yes			E
13	Profit	Kevin	Acad. Ass't	No		Yes			E
14	Smith	Kelsa	Acad. Ass't	No		Yes			E
15	Spears	Doreen	Acad. Ass't	No		Yes			E
16	Brown	Albertha	Spvr, Acad Ass'ts	No		Yes		Hired under the category, "School Development Room Coordinator"	N
Total	16								

SUMMARY OF FINDINGS

- Two (2) Academic Assistants employed by FUSE were found to have arrest records.
- For one (1) Academic Assistant, as noted in the chart, there was no documentation of personnel screening.
- A Supervisor of Academic Assistants was hired under the category from the program plan titled, "School Development Room Coordinator". This category would not be interpreted as encompassing the role of a supervisor of Academic Assistants.
- Timesheets not submitted for two (2) of the FUSE employees in the chart above, Tiffany Elliott and Albertha Brown, were requested and received.

FUSE - DUNBAR AUDIT SUMMARY

Summary of a review conducted by the Bridgeport School District, based on documentation submitted by FUSE

APPENDIX C: CURRICULUM/ASSESSMENT CONSULTANT $49,875

#	LName	FName	Position	Role	Amount	Notes	Actions Taken
1	Parmelee	Liz	Consultant	Develop a plan for model PK program	$25,000	Why? -Bridgeport has an Early Childhood Department skilled in the design of PK programs. The amount paid is exorbitant. What is the justification?	The third quarter invoice submitted by FUSE in May included the services of the Pre-K consultant, at one-half of the contracted amount, $12,500. In the final invoice received 7-23-14, the amount billed is the balance of the $25,000 contractual amount, $12,500. In order to process the final invoice for payment, we requested a copy of the report composed by the PK consultant, or copies of the consultant's invoices that were processed by FUSE and the cancelled checks.
1	Parmelee	Liz	Consultant	Develop a plan for model PK program		The plan was not included. FUSE should supply the product of this consultant's work.	
2	Masterjoseph	Leanne	Consultant	We believed that she served as Director of Curriculum/Instruction, FUSE		The services appear to be supplemental to the management services encompassed by the management fee.	
3	Monroe	Troy	Consultant	Not clear -- A LOG of daily activities was included, September - February.		It would helpful to know whether this consultant generated any products documenting the impact on instruction and/or professional development.	
4	Vermont	Carolyn	Consultant	Scholar behavior services for scholars in Tier 2-3, January - June 2014	$11,066	The contract specified: The total amount will not exceed $10,000, without the principal's approval.	

FUSE - DUNBAR AUDIT SUMMARY

Summary of a review conducted by the Bridgeport School District, based on documentation submitted by FUSE

APPENDIX C: CURRICULUM/ASSESSMENT CONSULTANT					$49,875		
#	LName	FName	Position	Role	Amount	Notes	Actions Taken
5	Terrell	Calvin	Consultant	Model effective strategies to maintain a positive climate	$10,000	**Paid:** $2,500 for 3-5-14; $3,750 for 5-7-14 and 6-2-14. Copies of invoices were provided. Why did FUSE approve rates of pay that Bridgeport considers exorbitant?	
Total					**$46,066**		

SUMMARY OF FINDINGS

- For Liz Parmelee, PK Consultant, the district requested a copy of the report, or the consultant's invoices processed by FUSE and cancelled checks, in order to process the final invoice.
- It is not clear why Leanne Masterjoseph, FUSE Director of Curriculum/Instruction, was included as a consultant. We would have expected her services to be encompassed within the management fee.
- For Troy Monroe, a log of activities by day was provided. The rate of pay is not indicated, not total amount paid.
- For Calvin Terrell, it appears that exorbitant rates of pay were approved; i.e., $2,500 for one day; $3,750/day for two additional days.

FUSE - DUNBAR AUDIT SUMMARY

Summary of a review conducted by the Bridgeport School District, based on documentation submitted by FUSE

APPENDIX M: STUDENT SUPPORT SERVICES DIRECTOR					$35,000		
#	LName	FName	Position	Role	Amount	Notes	Actions Taken
1	Foreman	Christina	Employee	Monitoring of the work of school staff teams in relation to improving student support services	$35,000	It would be helpful to know whether this Director, employed for $35,000, produced any reports documenting recommendations and implementation of strategies to improve student support services.	
Total					**$35,000**		

SUMMARY OF FINDINGS

- For the Student Support Services employee, it would be helpful to know whether the employee generated any products that could be useful in sustaining current service levels or further building capacity.

FUSE - DUNBAR AUDIT SUMMARY

Summary of a review conducted by the Bridgeport School District, based on documentation submitted by FUSE

The final accounting is summarized below:

Commissioner's Network Grant	**#14052**		
	Budget Amount	**1,289,999**	
	Current Balance, 7-24-14:	**288,534**	
*	**Invoice #4:**		**205,693**
	New Balance:		**82,841** **
Wraparound Grant	**#14054**		
	Budget Amount	124,806	
	Current Balance, 7-24-14:	29,782	
*	**Invoice #4:**		**26,805**
	New Balance:		**2,977** **

SUMMARY

* **As of 8-1-14, the final (fifth) invoices were processed, based on receipt of additional information:**

REQUESTED AND RECEIVED FROM FUSE:

- copies of the consultant's invoices that were processed by FUSE and the cancelled checks.
- timesheets for two (2) FUSE employees: Tiffany Elliott, Academic Assistant; and Albertha Brown, Supervisor, Academic Assistants.

** **A balance will exist in each Dunbar account, after the final payments are processed. The balances will be returned to the State.**

NOTE:

ON-SITE OBSERVATION:

- The fourth invoice included a charge of $29,008 for the purchase of equipment and materials for the PK class that will open for 2014-15. The Bridgeport Director of Early Childhood Education visited Dunbar unannounced to view the items purchased, but all items were still boxes. The Director will review the packing slips and view the items when unpacked and assembled.

APPENDIX 3

Integra Realty Resources
Hartford/Providence

Appraisal of Real Property

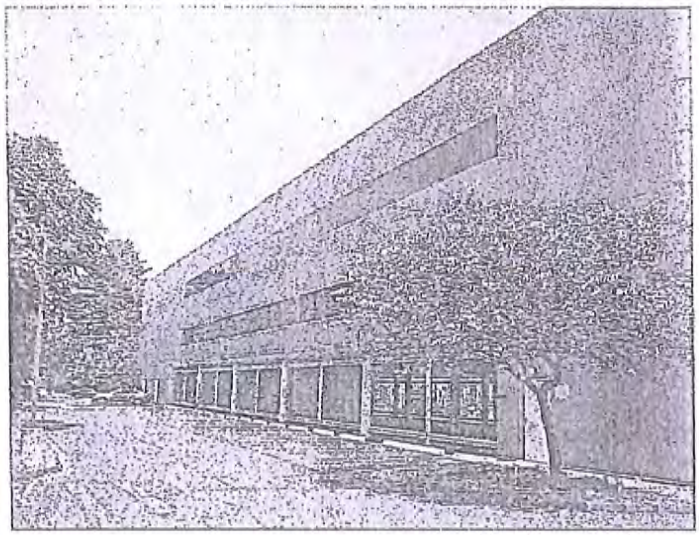
Jumoke Academy
School/Office Property
875 Asylum Ave.
Hartford, Hartford County, Connecticut 06105
Client Reference: 13-006354-APR01-001

Prepared For:
Bank of America, N.A.

Effective Date of the Appraisal:
June 25, 2013

Report Format:
Summary

IRR - Hartford/Providence
File Number: 150-2013-0290



Jumoke Academy
875 Asylum Ave.
Hartford, Connecticut

Integra Realty Resources
Hartford/Providence

290 Roberts St.
Suite 302
East Hartford, CT 06108

T 401.273.7710
F 860.290.1560
www.irr.com

July 1, 2013

Ms. Beth E. Osiason, MAI
Vice President
Bank of America, N.A.
100 N. Westshore Blvd.
Tampa, FL 33609

SUBJECT: Market Value Appraisal
Jumoke Academy
875 Asylum Ave.
Hartford, Hartford County, Connecticut 06105
Client Reference: 13-006354-APR01-001
IRR - Hartford/Providence File No. 150-2013-0290

Dear Ms. Osiason:

Integra Realty Resources – Hartford/Providence is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property. The client for the assignment is Bank of America, N.A.

The intended use of the appraisal report is to provide information for use in making business and credit decisions concerning and actual or prospective loan or line of credit. This report is for the use and benefit of, and may be relied upon by, Bank of America, N.A. as Lender, or, Bank of America, N.A. as administrative Agent for certain Lenders, and each actually and prospective Lender and Participant in such loan or line of credit, and their respective successors, assigns and affiliates.

Bank of America makes no warranties or representations regarding this document or the conclusions contained herein.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, applicable state appraisal regulations, and the appraisal

guidelines of Bank of America, N.A. The appraisal is also prepared in accordance with the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

To report the assignment results, we use the summary report option of Standards Rule 2-2 of USPAP. Accordingly, this report contains summary discussions of the data, reasoning, and analyses that are used in the appraisal process whereas supporting documentation is retained in our file. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal.

The subject is an existing school/office property containing 28,861 square feet of rentable area. The improvements were constructed in 1989 and are 100% occupied as of the effective appraisal date. The site area is 0.81 acres or 35,284 square feet. The current tenant, Jumoke Academy, is the potential buyer of the subject property. The property was previously utilized as office space and converted to a school several years ago. It is reasonable to assume the property can be converted back to office use.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusion			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	June 25, 2013	$1,590,000

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Hartford/Providence

Donald R. Donner II
Certified General Real Estate Appraiser
Connecticut Certificate # 1121
Telephone: 860-291-8997
Email: ddonner@irr.com

Gerard H. McDonough, MAI, FRICS
Certified General Real Estate Appraiser
Connecticut Certificate # 771
Telephone: 860-291-8997
Email: gmcdonough@irr.com

RESOLUTION OF 875 ASYLUM, LLC

We, the undersigned, being all of the the Members of 875 Asylum, LLC, a limited liability company existing under the laws of the State of Connecticut, (the "Company"), do hereby certify that the following is a true copy of a resolution adopted by said Company at a special meeting thereof duly called, and that the same remains in full force and effect:

WHEREAS, the Company, as Seller, entered into a certain Purchase and Sale Agreement with Jumoke Academy, Inc., as Purchaser, for that certain real property known as 875 Asylum Avenue, Hartford, Connecticut; and

WHEREAS, the Purchaser defaulted under the terms of the Original Agreement; and

WHEREAS, to resolve the outstanding claims of the parties, the Company and the Purchaser desire to amend and restate the Original Agreement to, among other things, revise the Purchase Price ($3,100,000, plus a final accounting of carrying costs and agreement of the parties), Method of Payment and time of the Closing; and

WHEREAS, a closing is scheduled for September 30, 2013; and

WHEREAS, at Closing, Purchaser intends to make a cash payment of approximately $2,200,000, with the balance of the Purchase Price, plus adjustments, (approximately $1,255,000) to be provided by the delivery of an executed purchase money mortgage note in favor of the Company; and

WHEREAS, the purchase money mortgage note shall be secured by a second mortgage on the Property; and

WHEREAS, the purchase money mortgage note shall provide for fixed monthly payments with interest at approximately 5% (rate to be based upon 50 basis points above the mortgage rate quoted by Bank of America for similar loans), amortizing on a 25-year schedule, with a maturity date of September 30, 2018.

Now therefore, the undersigned resolve as follows:

That either (a) Mario DiLoreto, acting in his capacity as Manager of Facilities Management, LLC, the Manager of the Company, or (b) Peter Alter, acting in his capacity of Trustee of the Seaview Realty Irrevocable Trust, one of the five Members of the Company, be and they hereby are authorized to execute any and all documents on behalf of the Company necessary to effect the sale of that certain property owned by the Company pursuant to the amended and restated purchase agreement referenced in the recitals set forth herein.

We have hereunto set our hands this 30th day of September, 2013.

FACILITIES MANAGEMENT LLC

_____

By Michael P. Lech, its sole member

SEAVIEW REALTY IRREVOCABLE TRUST

_____

By: Peter Jay Alter, Trustee

NATIVE PRIDE, LLC

_____

By: John Lee Holder, Managing Member

_____

William Metzger

_____

Mario DiLoreto, Sr.

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We have hereunto set our hands this 26th day of September, 2013.

FACILITIES MANAGEMENT LLC

By Michael P. Lech, its sole member

SEAVIEW REALTY IRREVOCABLE TRUST

By: Peter Jay Alter, Trustee

NATIVE PRIDE, LLC

By: John Lee Holder, Managing Member

William Metzger

Mario DiLoreto, Sr.

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We have hereunto set our hands this 26th day of September, 2013.

FACILITIES MANAGEMENT LLC

By Michael P. Lech, its sole member

SEAVIEW REALTY IRREVOCABLE TRUST

By: Peter Jay Alter, Trustee

NATIVE PRIDE, LLC

By: John Lee Holder, Managing Member

William Metzger

Mario DiLoreto, Sr.

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We have hereunto set our hands this 30th day of September, 2013.

FACILITIES MANAGEMENT LLC

_____

By Michael P. Lech, its sole member

SEAVIEW REALTY IRREVOCABLE TRUST

_____

By: Peter Jay Alter, Trustee

NATIVE PRIDE, LLC

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By: John Lee Holder, Managing Member

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William Metzger

_____

Mario DiLoreto, Sr.

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General Information

Identification of Subject

The subject is an existing school/office property containing 28,861 square feet of rentable area. The improvements were constructed in 1989 and are 100% occupied as of the effective appraisal date. The site area is 0.81 acres or 35,284 square feet. The current tenant, Jumoke Academy, is the potential buyer of the subject property. The property was previously utilized as office space and converted to a school several years ago. It is reasonable to assume the property can be converted back to office use.

Property Identification	
Property Name	Jumoke Academy
Address	875 Asylum Ave. Hartford, Connecticut 06105
Tax ID	M179/B317/L268

Current Ownership and Sales History

The owner of record is 875 Asylum Ave LLC. This party acquired the property from JEM Properties 875 LLC on June 16, 2005 for a price of $2,500,000. The transaction is recorded in Deed Volume 5352, Page 218. Since the time of sale, market conditions have declined considerably. Our concluded market value is well below last sale price and reflects the current market conditions.

The subject is currently encumbered by a purchase and sale agreement with the current tenant, Jumoke Academy. The sale contract stipulates a sale price of the lesser of $3,100,000 plus operating costs or $3,450,000. Based on our concluded market value, this appears high. According to the listing broker, whom was absent from the negotiations due to the current tenant buying the property, only one other party had shown interest, but no numbers were ever discussed. The other potential buyer was the adjacent Salvation Army.

The property had been listed with an asking price of $3,000,000. Considering the considerable difference in our concluded market value to the contract in place, further analysis was undertaken. One large discrepancy to consider is the non-profit status the buyer (Jumoke Academy) falls under. This enables the real estate to be tax exempt. With a total tax liability of $105,000, this is a considerably savings when compared to any other market participant. Applying the cap rate which we utilized of 8.00% to the tax savings approximates a value of $1,315,000, or approximately $45.00 per square foot. Adding this to our concluded value of $1,590,000, or approximately $55.00 per square foot, the contact in place makes more sense in market terms. The combined value is $2,905,000. Considering the original asking price of $3,000,000, the combined value is 5% of asking.

Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property as of the effective date of the appraisal, June 25, 2013. The date of the report is July 1, 2013. The appraisal is valid only as of the stated effective date or dates.

Summary of Salient Facts and Conclusions

Property Name	Jumoke Academy
Address	875 Asylum Ave. Hartford, Hartford County, Connecticut 06105
Property Type	School/Office - Low - Rise
Owner of Record	875 Asylum Ave LLC
Tax ID	M179/B317/L268
Land Area	0.81 acres; 35,284 SF
Gross Building Area	28,861 SF
Rentable Area	28,861 SF
Percent Leased	100%
Year Built; Year Renovated	1989; 2005
Zoning Designation	RO-1, Residential-Office
Highest and Best Use - As if Vacant	Office use
Highest and Best Use - As Improved	Continued office use
Exposure Time; Marketing Period	12-18 months; 12-18 months
Effective Date of the Appraisal	June 25, 2013
Date of the Report	July 1, 2013
Property Interest Appraised	Fee Simple
Market Value Indications	
Cost Approach	Not Used
Sales Comparison Approach	$1,590,000
Income Capitalization Approach	$1,450,000
Market Value Conclusion	$1,590,000

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than Bank of America, N.A. may use or rely on the information, opinions, and conclusions contained in the report. The summary shown above is for the convenience of Bank of America, N.A., and therefore it is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

APPENDIX 4

Jumoke Academy Inc.
2014-2015
Board Approved Budget

Account Type	Account Title	2013-2014 Board Approved Budget	2014-2015 Board Approved Budget
REV	State Charter School	$ 7,108,500	$ 8,613,000
REV	Title II	32,044	45,112
REV	Title I	277,569	199,632
REV	CT Technology Grant		201,785
REV	E rate Telecom Reimbursements	65,110	121,840
REV	Contributions	250	-
REV	Misc Income	108,080	117,785
REV	Interest Income	135	90
REV	Student Support Services	12,992	53,574
REV	Rental Income	95,400	111,590
REV	Special Education Income	308,873	466,794
	Total Revenue	**$ 8,008,953**	**$ 9,931,202**
EXP	Education Instructional Expense	$ 3,645,762	$ 3,768,132
EXP	Student Support Services	1,169,939	1,169,685
EXP	Instructional Service Improvement	20,500	643,932
EXP	School Based Administration	1,218,847	1,720,625
EXP	Plant Services Oper/Maint	947,166	1,061,576
EXP	Food Services	4,000	4,000
EXP	Special Education Expenses	349,443	466,794
EXP	Facilities Acquisition Construction	149,600	320,385
EXP	Debt Service - Principal	310,162	459,063
EXP	Debt Service - Interest	78,440	198,422
EXP	Contingency Expense	115,094	115,094
	Total Expenses	**$ 8,008,953**	**$ 9,927,707**
	Revenue over Expenses	**$ 0**	**$ 3,495**

Budgeted Revenue over Expenditures	$ 3,495
Reduction in State Charter school revenue	(430,000)
Budget vs actual Payroll and benefits	441,300
Projected revenue over expenditures	$ 14,795

Reduction is based on October 1st enrollment vs Budgeted enrollment - details on worksheet.
Saving is a combination of positions unfilled, and hiring of new staff at salary lower than bugeted

Jumoke Academy
Budget 2014/2015
State revenue Worksheet

	Approved budget					Approved budget				
	Enrollment		PS			Enrollment			PS	
Jumoke	730	$	11,000		8,030,000	685	$	11,000		7,535,000
AF	53	$	11,000		583,000	40	$	11,000		440,000
Total	783				8,613,000	725				7,975,000
Pass thru to AF										
	53	$	10,750	$	569,750	40	$	10,750	$	430,000
Net Revenue				$	8,043,250				$	7,545,000
Revenue shortfall									$	430,000

APPENDIX 5

$600,000 FLOATING RATE TERM LOAN
AND
$205,000 FIXED RATE TERM LOAN

EXTENDED BY

BANK OF AMERICA, N.A.
(Lender)

TO

JUMOKE ACADEMY, INC.
(Borrower)

834, 842, 842H, 846, 852-854 ASYLUM AVENUE
AND
230 SCARBOROUGH STREET
HARTFORD, CONNECTICUT

CLOSING DATE: NOVEMBER 1, 2012

$600,000 FLOATING RATE LOAN AND
$205,000 FIXED RATE TERM LOAN
EXTENDED BY
BANK OF AMERICA, N.A.
TO
JUMOKE ACADEMY, INC.

Borrower:	Jumoke Academy, Inc. 250 Blue Hills Avenue Hartford, CT 06112 Michael M. Sharpe, CEO Phone: (860) 527-0575 Fax: (860) 286-1137 Email: sharpem@jumokeacademy.org
Borrower's Counsel:	Shipman & Goodwin LLP One Constitution Plaza Hartford, CT 06103 Eliezer M. Strassfeld, Esq. Phone: (860) 251-5093 Fax: (860) 251-5213 Email: estrassfeld@goodwin.com Cheryl Rodzen, Paralegal Phone: (860) 251-5120 Fax: (860) 251-5213 Email: crodzen@goodwin.com
Lender:	Bank of America, N.A. 4 North Main Street West Hartford, CT 06107 Elizabeth B. Angelone Phone: (860) 466-4470 Fax: (212) 548-8800 Email: elizabeth.b.flynn-angelone@baml.com
Lender's Counsel:	Halloran & Sage LLP 225 Asylum Street Hartford, CT 06103 Robert B. Cox, Esq. Phone: (860) 297-4657 Fax: (860) 548-0006 Email: cox@halloran-sage.com Karel Ortolani, Paralegal Phone: (860) 297-4686 Email: ortolani@holloran-sage.com

Title Company: First American Title Insurance Company
600 Summer Street, Suite 6
Stamford, CT 06901-1485
Josh Luksberg, Esq.
Tel: (203) 905-6004
Email: jluksberg@firstam.com

Bank of America

LOAN AGREEMENT

This Agreement dated as of November 1, 2012, is between Bank of America, N.A. (the "Bank") and Jumoke Academy, Inc. (the "Borrower").

1. FACILITY NO. 1: FIXED RATE TERM LOAN AMOUNT AND TERMS

1.1 Loan Amount. The Bank agrees to provide a term loan to the Borrower in the amount of Two Hundred Five Thousand and 00/100 Dollars ($205,000.00) (the "Facility No. 1 Commitment").

1.2 Availability Period. The loan is available in one disbursement from the Bank on the date of this Agreement.

1.3 Interest Rate. The interest rate is 4.12% per year.

1.4 Repayment Terms.

(a) The Borrower will repay principal and interest in equal combined installments of One Thousand Five Hundred Thirty-Four and 76/100 Dollars ($1,534.76) beginning on November 30, 2012, and on the last day of each month thereafter, and ending on October 30, 2017 (the "Repayment Period"). In any event, on the last day of the Repayment Period, the Borrower will repay the remaining principal balance plus any interest then due. Each installment, when paid, will be applied first to the payment of interest accrued. The balance of each installment will be applied to the repayment of principal.

1.5 Prepayments.

(a) The Borrower may prepay the credit in full or in part at any time. The prepayment will be applied to the most remote payment of principal due under this Agreement.

(b) Each prepayment, whether voluntary, by reason of acceleration or otherwise, will be accompanied by the amount of accrued interest on the amount prepaid, and, if the prepayment is made during a Fixed Interest Rate Period, the prepayment fee described below.

(c) The prepayment fee is intended to compensate the Bank for the funding costs of the prepaid credit, if any. The prepayment fee will be determined by calculating the funding costs incurred by the Bank, based on the cost of funds at the time the interest rate was fixed, and subtracting the interest income which can be earned by the Bank by reinvesting the prepaid funds at the Reinvestment Rate. The calculation is defined more fully below.

(d) The "Fixed Interest Rate Period" is the period during which the interest rate in effect at the time of the prepayment does not change. If the Fixed Interest Rate Period does not extend for the entire remaining life of the credit, then the following rules will apply:

(i) For any portion of the prepaid principal for which the scheduled payment date is after the end of the Fixed Interest Rate Period, the prepayment fee for that portion shall be calculated based only on the period through the end of the Fixed Interest Rate Period, as described below.

(ii) If a prepayment is made on a date on which the interest rate resets, then there will be no prepayment fee.

(e) The prepayment fee calculation is made separately for each Prepaid Installment. A "Prepaid Installment" is the amount of the prepaid principal that would have been due on a particular scheduled payment date (the "Scheduled Payment Date"). However, as explained in the preceding paragraph, all amounts of the credit which would have been paid after the end of the Fixed Interest Rate Period shall be considered a single Prepaid

Installment with a Scheduled Payment Date (for the purposes of this calculation) equal to the last day of the Fixed Interest Rate Period.

(f) The prepayment fee for a particular Prepaid Installment will be calculated as follows:

(i) Calculate the monthly interest payments that would have accrued on the Prepaid Installment through the applicable Scheduled Payment Date, if the prepayment had not been made. The interest payments will be calculated using the Original Cost of Funds Rate.

(ii) Next, calculate the monthly interest income which could be earned on the Prepaid Installment if it were reinvested by the Bank at the Reinvestment Rate through the Scheduled Payment Date.

(iii) Calculate the monthly differences of the amounts calculated in (i) minus the amounts calculated in (ii).

(iv) If the remaining term of the Fixed Interest Rate Period is greater than one year, calculate the present value of the amounts calculated in (iii), using the Reinvestment Rate. The result of the present value calculation is the prepayment fee for the Prepaid Installment.

(g) Finally, the prepayment fees for all of the Prepaid Installments are added together. The sum, if greater than zero, is the total prepayment fee due to the Bank.

(h) The following definitions will apply to the calculation of the prepayment fee:

(i) "Original Cost of Funds Rate" means the fixed interest rate per annum, determined solely by the Bank, at which the Bank would be able to borrow funds in the Bank Funding Markets for the duration of the Fixed Interest Rate Period in the amount of the prepaid principal and with a term, interest payment frequency, and principal repayment schedule matching the prepaid principal.

(ii) "Bank Funding Markets" means one or more wholesale funding markets available to the Bank, including the LIBOR, Eurodollar, and SWAP markets as applicable and available, or such other appropriate money market as determined by the Bank in its sole discretion.

(iii) "Reinvestment Rate" means the fixed rate per annum, determined solely by the Bank, as the rate at which the Bank would be able to reinvest funds in the amount of the Prepaid Installment in the Bank Funding Markets on the date of prepayment for a period of time approximating the period starting on the date of prepayment and ending on the Scheduled Payment Date.

(i) The Original Cost of Funds Rate and the Reinvestment Rate are the Bank's estimates only and the Bank is under no obligation to actually purchase or match funds for any transaction or reinvest any prepayment. The Bank may adjust the Original Cost of Funds Rate and the Reinvestment Rate to reflect the compounding, accrual basis, or other costs of the prepaid amount. The rates shall include adjustments for reserve requirements, federal deposit insurance and any other similar adjustment which the Bank deems appropriate. These rates are not fixed by or related in any way to any rate the Bank quotes or pays for deposits accepted through its branch system.

2. FACILITY NO. 2: VARIABLE RATE TERM LOAN AMOUNT AND TERMS

2.1 Loan Amount. The Bank agrees to provide a term loan to the Borrower in the amount of Six Hundred Thousand and 00/100 Dollars ($600,000.00) (the "Facility No. 2 Commitment").

2.2 Availability Period. The loan is available in one disbursement from the Bank between the date of this Agreement and October 31, 2012, unless the Borrower is in default.

2.3 Repayment Terms.

(a) The Borrower will pay accrued interest on November 30, 2012, and then on the last day of each month thereafter until payment in full of any principal outstanding under this facility.

(b) The Borrower will repay principal in equal installments of Three Thousand Three Hundred Thirty-Three and 33/100 Dollars ($3,333.33) beginning on November 30, 2012, and on the last day of each month thereafter, and ending on October 30, 2017 (the "Repayment Period"). In any event, on the last day of the Repayment Period, the Borrower will repay the remaining principal balance plus any interest then due.

(c) The Borrower may prepay the loan in full or in part at any time. The prepayment will be applied to the most remote payment of principal due under this Agreement.

2.4 Interest Rate.

(a) The interest rate is a rate per year equal to the BBA LIBOR Daily Floating Rate plus 3.25 percentage point(s).

(b) The BBA LIBOR Daily Floating Rate is a fluctuating rate of interest which can change on each banking day. The rate will be adjusted on each banking day to equal the British Bankers Association LIBOR Rate ("BBA LIBOR") for U.S. Dollar deposits for delivery on the date in question for a one month term beginning on that date. The Bank will use the BBA LIBOR Rate as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as selected by the Bank from time to time) as determined at approximately 11:00 a.m. London time two (2) London Banking Days prior to the date in question, as adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate will be determined by such alternate method as reasonably selected by the Bank. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars.

1.6 Fixed Rate Conversion Option.

(a) During the Repayment Period, the Borrower will have a one-time option (the "Fixed Rate Conversion Option") to convert the interest rate on the loan from the rate specified above to a fixed rate, provided no event of default then exists under this Agreement and provided the Borrower complies with the terms of this paragraph. The Borrower may exercise the Fixed Rate Conversion Option by giving written notice to the Bank (which notice may be by facsimile transmission) of the Borrower's election to exercise such option. Once received by the Bank, the Borrower's written notice to exercise the Fixed Rate Conversion Option will be deemed irrevocable.

(b) The fixed rate will become effective on the next payment date following the Bank's receipt of the Borrower's written notice to exercise the Fixed Rate Conversion Option, provided such notice is received by the Bank at least five (5) banking days prior to such payment date. Otherwise the fixed rate will become effective on the second succeeding payment date.

(c) Upon the Borrower's request, the Bank will quote indicative rates to the Borrower for the fixed rate. An indicative rate is the interest rate in effect as of a date indicated by the Bank. The Borrower understands that such indicative rates will not be binding on the Bank and will not obligate the Bank to fix the interest rate at any specific rate. If the Borrower properly and timely exercises the Fixed Rate Conversion Option, then the fixed rate applicable to the loan will be the indicative rate as of the date and time the Fixed Rate Conversion Option is properly and timely exercised. The Bank will notify the Borrower in writing of the fixed rate. The fixed rate, once elected in accordance with this paragraph, will remain in effect until the last day of the Repayment Period.

(d) Upon exercise of the Fixed Rate Conversion Option, the Bank will determine the amount of the monthly payments that will be necessary to repay the unpaid principal of the loan at the fixed rate over an amortization period of fifteen (15) years minus the number of whole months that have elapsed since the commencement of the Repayment Period. The Borrower will pay the amount of the new payments beginning on the first monthly payment date following the effective date of the fixed rate and continuing on each monthly payment date thereafter until the last day of the Repayment Period, on which date all remaining unpaid principal and accrued interest will be due and payable.

(e) The Borrower may prepay the loan in full or in part at any time. The prepayment will be applied to the most remote payment of principal due under this Agreement.

(f) Each prepayment, whether voluntary, by reason of acceleration or otherwise, will be accompanied by the amount of accrued interest on the amount prepaid, and, if the prepayment is made after exercise of the Fixed Rate Conversion Option, the prepayment fee described below.

(g) The prepayment fee is intended to compensate the Bank for the funding costs of the prepaid credit, if any. The prepayment fee will be determined by calculating the funding costs incurred by the Bank, based on the cost of funds at the time the interest rate was fixed, and subtracting the interest income which can be earned by the Bank by reinvesting the prepaid funds at the Reinvestment Rate. The calculation is defined more fully below.

(h) The "Fixed Interest Rate Period" is the period during which the interest rate in effect at the time of the prepayment does not change. If the Fixed Interest Rate Period does not extend for the entire remaining life of the credit, then the following rules will apply:

(i) For any portion of the prepaid principal for which the scheduled payment date is after the end of the Fixed Interest Rate Period, the prepayment fee for that portion shall be calculated based only on the period through the end of the Fixed Interest Rate Period, as described below.

(ii) If a prepayment is made on a date on which the interest rate resets, then there will be no prepayment fee.

(i) The prepayment fee calculation is made separately for each Prepaid Installment. A "Prepaid Installment" is the amount of the prepaid principal that would have been due on a particular scheduled payment date (the "Scheduled Payment Date"). However, as explained in the preceding paragraph, all amounts of the credit which would have been paid after the end of the Fixed Interest Rate Period shall be considered a single Prepaid Installment with a Scheduled Payment Date (for the purposes of this calculation) equal to the last day of the Fixed Interest Rate Period.

(j) The prepayment fee for a particular Prepaid Installment will be calculated as follows:

(i) Calculate the monthly interest payments that would have accrued on the Prepaid Installment through the applicable Scheduled Payment Date, if the prepayment had not been made. The interest payments will be calculated using the Original Cost of Funds Rate.

(ii) Next, calculate the monthly interest income which could be earned on the Prepaid Installment if it were reinvested by the Bank at the Reinvestment Rate through the Scheduled Payment Date.

(iii) Calculate the monthly differences of the amounts calculated in (i) minus the amounts calculated in (ii).

(iv) If the remaining term of the Fixed Interest Rate Period is greater than one year, calculate the present value of the amounts calculated in (iii), using the Reinvestment Rate. The result of the present value calculation is the prepayment fee for the Prepaid Installment.

(k) Finally, the prepayment fees for all of the Prepaid Installments are added together. The sum, if greater than zero, is the total prepayment fee due to the Bank.

(l) The following definitions will apply to the calculation of the prepayment fee:

(i) "Original Cost of Funds Rate" means the fixed interest rate per annum, determined solely by the Bank, at which the Bank would be able to borrow funds in the Bank Funding Markets for the duration of the Fixed Interest Rate Period in the amount of the prepaid principal and with a term, interest payment frequency, and principal repayment schedule matching the prepaid principal.

(ii) "Bank Funding Markets" means one or more wholesale funding markets available to the Bank, including the LIBOR, Eurodollar, and SWAP markets as applicable and available, or such other appropriate money market as determined by the Bank in its sole discretion.

(iii) "Reinvestment Rate" means the fixed rate per annum, determined solely by the Bank, as the rate at which the Bank would be able to reinvest funds in the amount of the Prepaid Installment in the Bank Funding Markets on the date of prepayment for a period of time approximating the period starting on the date of prepayment and ending on the Scheduled Payment Date.

(m) The Original Cost of Funds Rate and the Reinvestment Rate are the Bank's estimates only and the Bank is under no obligation to actually purchase or match funds for any transaction or reinvest any prepayment. The Bank may adjust the Original Cost of Funds Rate and the Reinvestment Rate to reflect the compounding, accrual basis, or other costs of the prepaid amount. The rates shall include adjustments for reserve requirements, federal deposit insurance and any other similar adjustment which the Bank deems appropriate. These rates are not fixed by or related in any way to any rate the Bank quotes or pays for deposits accepted through its branch system.

3. COLLATERAL

3.1 Real Property-Parcel # 1. Facility NO.1

(a) The Borrower's obligations to the Bank under this Agreement will be secured by a lien covering the following real property owned by the Borrower:

834 Asylum Avenue
Hartford, Connecticut 06105

3.2 Real Property-Parcel # 2. Facility NO 1

(a) The Borrower's obligations to the Bank under this Agreement will be secured by a lien covering the following real property owned by the Borrower:

842 Asylum Avenue
Hartford, Connecticut 06105

3.3 Real Property-Parcel # 3. Facility NO 1

(a) The Borrower's obligations to the Bank under this Agreement will be secured by a lien covering the following real property owned by the Borrower:

846 Asylum Avenue
Hartford, Connecticut 06105

3.4 Real Property-Parcel # 4. Facility NO 1

(a) The Borrower's obligations to the Bank under this Agreement will be secured by a lien covering the following real property owned by the Borrower:

852 Asylum Avenue
Hartford, Connecticut 06105

3.4 Real Property-Parcel # 4. Facility NO 2

(a) The Borrower's obligations to the Bank under this Agreement will be secured by a lien covering the following real property owned by the Borrower:

230 Scarborough Street
Hartford, Connecticut 06105

The Borrower executed this Agreement as of the date stated at the top of the first page, intending to create an instrument executed under seal.

Bank:

Bank of America, N.A.

By: _____
Elizabeth Flynn-Angelone, Senior Vice President

Borrower:

Jumoke Academy, Inc.

By: _____ (Seal)
Michael M. Sharpe, Chief Executive Officer

Address where notices to Jumoke Academy, Inc. are to be sent:

339 Blue Hills Avenue
Hartford, CT 06112-1505
US

Telephone: (860) 527-0575

Address where notices to the Bank are to be sent:

Doc Retention - GCF
CT2-515-BB-03
70 Batterson Park Road
Farmington, CT 06032

Facsimile: (866) 255-9922

Federal law requires Bank of America, N.A. (the "Bank") to provide the following notice. The notice is not part of the foregoing agreement or instrument and may not be altered. Please read the notice carefully.

(1) USA PATRIOT ACT NOTICE

Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account or obtains a loan. The Bank will ask for the Borrower's legal name, address, tax ID number or social security number and other identifying information. The Bank may also ask for additional information or documentation or take other actions reasonably necessary to verify the identity of the Borrower, guarantors or other related persons.

TERM SHEET

Jumoke Academy

BORROWER:	Jumoke Academy (the "Borrower").
LENDER:	Bank of America, N.A. ("Bank of America").
GUARANTOR[S]:	None
CREDIT FACILITY:	$600,000 floating rate term loan $205,000 fixed rate term loan
PURPOSE:	The proceeds of the $600,000 Term Loan Credit Facility shall be used to complete the renovations for the owner occupied commercial real estate located at 834, 846, and 852-854 Asylum Avenue in Hartford, CT. The proceeds for the $205,000 Mortgage Term Facility shall be used to refinance the existing Liberty Bank debt on the 834 and 846 Asylum Avenue property.
CLOSING:	The closing of the Credit Facility shall occur on or before November 30, 2012.
INTEREST RATE:	<u>$600,000 floating rate term loan:</u> A rate per year equal to the BBA LIBOR Daily Floating Rate plus 325 percentage points. The BBA LIBOR Daily Floating Rate is a fluctuating rate of interest which can change on each banking day. The rate will be adjusted on each banking day to equal the British Bankers Association LIBOR Rate ("BBA LIBOR") for U.S. Dollar deposits for delivery on the date in question for a one month term beginning on that date. The Bank will use the BBA LIBOR Rate as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as selected by the Bank from time to time) as determined at approximately 11:00 a.m. London time two (2) London Banking Days prior to the date in question, as adjusted from time to time in the Bank's sole discretion for reserve requirements, deposit insurance assessment rates and other regulatory costs. If such rate is not available at such time for any reason, then the rate will be determined by such alternate method as reasonably selected by the Bank. A "London Banking Day" is a day on which banks in London are open for business and dealing in offshore dollars. The fixed interest rate offered for the term out period, if the loan began to term out today, would be 4.12%. <u>$205,000 fixed rate term Loan</u>: The interest rate for the term loan will have the option of a floating rate priced at the BBA LIBOR Daily Floating Rate plus 325 percentage points, or a fixed rate priced at 4.12%, if closed today.
INTEREST CALCULATION:	All calculations of interest and fees shall be made on the basis of actual number of days elapsed in a 360-day year.
COMMITMENT FEE:	Upon acceptance of this commitment, Borrower agrees to pay a commitment fee

of $3500. If this Loan does not close, this fee shall be used to compensate Bank of America for all expenses incurred, including legal fees, with the balance returned to Borrower.

REPAYMENT/MATURITY: The $600,000 floating rate credit facility shall have fixed principal payments over the 5 year term and shall be amortized repayable in fixed monthly payments of principal and accrued interest based on a 15 year mortgage style amortization with a 5 year maturity.

The $ 205,000 fixed rate credit facility shall have a term of 5 years with a 15 year mortgage style amortization.

All payments of principal and interest shall be made via automated debit of Borrower's checking account with Bank of America.

REAL ESTATE COLLATERAL: The $600M floating rate credit facility shall be collateralized first priority mortgage or deed of trust or deed to secure debt and assignment of all related leases and rents on real property commonly known as The Hartford Conservatory located at 834, 846,and 852-854 Asylum Avenue in Hartford, CT. Any existing leases on the real property shall not contain any right to purchase the property or any right of first refusal unless such rights are subordinated to Bank of America's lien in a manner satisfactory to Bank of America. At Bank of America's request, Borrower shall provide Bank of America with a complete copy of any existing lease on the real property.

The $205M fixed rate credit facility shall be collateralized with a first priority mortgage on the property known as 230 Scarborough Street, Hartford CT.

PREPAYMENT: For the $205M fixed rate credit facility, the calculation of any prepayment fee shall include any loss or expense which the Bank may incur or sustain as a result of the prepayment, including reimbursement of the Bank's breakage and redeployment costs.

REQUIRED DEPOSITS: To facilitate the administration of the Credit Facility, Borrower shall agree to maintain its primary deposit relationship, including operating, cash management and/or collection/lockbox services with Bank of America.

REPRESENTATIONS AND WARRANTIES: Usual and customary for transactions of this type, to include, without limitation: (i) due organization, valid existence and good standing (ii) due authorization/enforceability; (iii) correctness of specified financial statements and no material adverse change; (iv) binding effect and enforceability of loan documents; (v) no liens or encumbrances other than as disclosed to Bank of America; (vi) compliance with environmental laws; (vii) no material litigation; and (viii) payment of taxes.

CONDITIONS PRECEDENT TO CLOSING: The closing of the Credit Facility will be subject to satisfaction of the conditions precedent deemed appropriate for transactions of this type including, but not limited to, the following:

(i) The negotiation, execution and delivery of definitive documentation for the Credit Facility satisfactory to Bank of America, which shall include, without being limited to (a) satisfactory opinions of counsel to the Borrower and such other customary closing documents as Bank of America shall reasonably request and (b) satisfactory evidence that Bank of America holds a perfected, first priority lien in all of the collateral for the Credit Facility, subject to no other liens other than those expressly consented to in writing by Bank of America.

(ii) There shall not have occurred a material adverse change since December 31, 2011 in the business, assets, liabilities (actual or contingent), operations, condition (financial or otherwise) or prospects of the Borrower.

(iii) The absence of any action, suit, investigation or proceeding pending or threatened in any court or before any arbitrator or governmental authority that purports (a) to materially and adversely affect the Borrower or (b) to affect any transaction contemplated hereby or the ability of the Borrower or any other obligor under the guarantees to perform their respective obligations under the documentation for the Credit Facility.

(iv) Receipt and review, with results satisfactory to Bank of America and its counsel, of information regarding litigation, tax, accounting, labor, insurance, pension liabilities (actual or contingent), real estate leases, material contracts, debt agreements, property ownership, environmental matters, contingent liabilities and management of the Borrower.

(v) Payment of all fees and expenses then due and payable.

(vi) Receipt and review, with results satisfactory to Bank of America, of appraisals and environmental reports for properties securing the Term Loans. Aggregate value of appraisals of not less than $1,000,000 providing for an all-in Loan to Value ratio of not more than 80%.

(vii) Satisfactory Bonding Company check , if necessary
(viii) Satisfactory Certificate of Occupancy for all buildings pledged as collateral

CONDITIONS PRECEDENT TO ALL LOANS

Usual and customary for transactions of this type, to include without limitation: (i) all representations and warranties are true and correct as of the date of each loan, and (ii) no event of default has occurred or is continuing under the Credit Facility or would result from such loan.

COVENANTS:

Usual and customary for transactions of this type, to include, without limitation, restrictions on: (i) incurring additional debt; (ii) pledge or mortgage or encumbering of assets; (iii) limitations on investments; (iv) disposal of assets other than in ordinary course of business; (v) changes in management or ownership; (vi) mergers and acquisitions; (vii) changes in basic line of business; (viii) advances to third parties; and (ix) limitations on payment of dividends/distributions.

FINANCIAL COVENANTS

Financial covenants to include, without limitation:

Debt Service Coverage Ratio. Maintain on a consolidated basis a Debt Service Coverage Ratio of at least 1.25:1.0. "Debt Service Coverage Ratio" means the ratio of Cash Flow to the sum of the current portion of long term debt and the current portion of capitalized lease obligations plus interest expense on all obligations. "Cash Flow" is defined as (a) net income, after income tax, (b) less

income or plus loss from discontinued operations and extraordinary items, (c) plus depreciation, depletion, amortization and other non-cash charges, (d) plus interest expense on all obligations, and (e) minus dividends, withdrawals, and other distributions. This ratio will be calculated at the end of each annual reporting period for which Bank of America requires financial statements from Borrower, using the results of the twelve-month period ending with that reporting period. The current portion of long-term liabilities will be measured as of the date 12 months prior to the current financial statement as of the last day of the calculation period.

REPORTING REQUIREMENTS:

Financial Information from Borrower. The Borrower shall provide, or cause to be provided, to Bank of America the following financial information and statements in form and content acceptable to Bank of America in its sole discretion as indicated below: within 150 days of the Borrower's fiscal year end, the Borrower's annual business tax return, audit level financial statement, and annual budget.

EVENTS OF DEFAULT:

Usual and customary in transactions of this type, to include, without limitation: (i) nonpayment of principal, interest, fees or other amounts; (ii) violation of covenants; (iii) inaccuracy of representations and warranties; (iv) cross-default to other material agreements and indebtedness; (v) bankruptcy and other insolvency events; (vi) actual or asserted invalidity of any loan documentation or security interests; (vii) material events affecting Borrower and (vii) change in control.

EXPENSES:

Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration and enforcement of all documentation executed in connection with the Credit Facility, including, without limitation, Bank of America's attorneys' fees (including the allocated cost of internal counsel whether or not the Credit Facility is closed.)

This summary of terms and conditions contains confidential and proprietary loan structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the credit facilities contained in this summary of terms and conditions or as may be required by law, the contents of the summary of terms and conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed credit facilities.

Record and return to:
Shipman & Goodwin LLP
One Constitution Plaza
Hartford, CT 06103
Attention: C. Rodzen

RELEASE

TO ALL PEOPLE TO WHOM THESE PRESENTS SHALL COME, GREETING:

KNOW YE, THAT **LIBERTY BANK,** successor in interest to Connecticut River Community Bank, a savings bank organized and existing under the laws of the State of Connecticut ("Releasor"), does hereby release and discharge the following:

1. That certain Open End Mortgage in the amount of $230,000.00 from THE HARTFORD SCHOOL OF MUSIC, INCORPORATED (the "School") to Connecticut River Community Bank (the "Bank") dated January 10, 2007 and recorded in Volume 5811, Page 281 of the Hartford Land Records;

2. Collateral Assignment of Leases and Rentals from the School to the Bank dated January 10, 2007 and recorded in Volume 5811, Page 299 of the Hartford Land Records;

3. UCC-1 Financing Statement listing the School, as Debtor, and the Bank, as Secured Party, recorded January 10, 2007 in Volume 5811, Page 306 of the Hartford Land Records;

4. Open End Mortgage in the amount of $42,000.00 from the School to the Bank dated January 10, 2007 and recorded in Volume 5811, Page 308 of the Hartford Land Records;

5. Conditional Assignment of Leases and Rentals from the School to the Bank dated January 10, 2007 and recorded in Volume 5811, Page 326 of the Hartford Land Records;

6. UCC-1 Financing Statement listing the School, as Debtor, and the Bank, as Secured Party, recorded January 10, 2007 in Volume 5811, Page 331 of the Hartford Land Records; and

7. Open End Mortgage in the amount of $30,000.00 from The Hartford School of Music, Inc. to the Bank dated December 18, 2009 and recorded in Volume 6297, Page 181 of the Hartford Land Records.

In Witness Whereof, Releasor has hereunto caused its name to be set this 19th day of November, 2012.

Signed and Delivered

Jamie Smith

Jamie Smith

Deborah Stevens

Deborah Stevens

LIBERTY BANK

By:

Its:

STATE OF CONNECTICUT)

) ss. Middletown November 19, 2012

COUNTY OF Middlesex)

Personally Appeared Timothy Broderick, Vice-President of Liberty Bank, as aforesaid, Signer of the foregoing Instrument, and acknowledged the same to be Timothy Broderick's free act and deed as such Vice-President and the free act and deed of said savings bank, before me.

Notary Public

My Commission Expires:

Commissioner of the Superior Court

APPENDIX
6

COVERSHEET

Please keep this cover sheet with the document through all distribution and communication.

DO NOT DISCARD!

1001361315

Borrower Name:	Jumoke Academy, Inc.
Document:	Open-End Mortgage Deed, Assignment of Rents, Security Agreement and Fixture Filiing
GFS Package:	1278437
GUS Deal ID:	766601
GUS Facility ID:	1714959
Guarantor Name:	*Family Urban Schools of Excellence, Inc.*
Document Type:	Financial Booking
Line of Business:	Centralized Credit Delivery/ CCD
System of Record:	AFSEAST
Bank Number	28
Obligor Number:	0000032738

PLEASE RETURN THIS DOCUMENT TO BANK OF AMERICA

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Bank of America, N.A.
Doc Retention - GCF
CT2-515-BB-03
70 Batterson Park Road
Farmington, CT 06032

Space above this line for Recorder's Use

OPEN-END MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING

This Mortgage, dated as of September 30, 2013, is given by Jumoke Academy, Inc., as mortgagor ("Mortgagor"), to Bank of America, N.A., a national banking association, as mortgagee ("Mortgagee").

1. GRANT.

1.1 The Property. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the purpose of securing payment and performance of the Secured Obligations defined in Section 2 below, Mortgagor hereby irrevocably and unconditionally MORTGAGES, WARRANTS, GRANTS, BARGAINS, ASSIGNS, SELLS, CONVEYS, TRANSFERS AND SETS OVER to Mortgagee, upon the statutory mortgage condition for breach of which this Mortgage is subject to foreclosure as provided by law, with MORTGAGE COVENANTS AND THE POWER OF SALE, IF AND TO THE EXTENT AVAILABLE IN THE FUTURE UNDER THE LAWS OF THE STATE OF CONNECTICUT, and with the right of entry and possession, all estate, right, title and interest which Mortgagor now has or may later acquire in the following property (all or any part of such property, or any interest in all or any part of it, together with the Personalty (as hereinafter defined) being hereinafter collectively referred to as the "Property"):

(a) The real property located in the City of Hartford, State of Connecticut, as described in Exhibit A hereto (the "Land");

(b) All buildings, structures, improvements, fixtures and appurtenances now or hereafter placed on the Land, and all apparatus and equipment now or hereafter attached in any manner to the Land or any building on the Land, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment (collectively, the "Improvements");

(c) All easements and rights of way appurtenant to the Land; all crops growing or to be grown on the Land (including all such crops following severance from the Land); all standing timber upon the Land (including all such timber following severance from the Land); all development rights or credits and air rights; all water and water rights (whether riparian, appropriative, or otherwise, and whether or not appurtenant to the Land) and shares of stock pertaining to such water or water rights, ownership of which affect the Land; all minerals, oil, gas, and other hydrocarbon substances and rights thereto in, on, under, or upon the Land;

(d) All existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions relating to the use and enjoyment of all or any part of the Land or the Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the foregoing;

(e) All proceeds, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, Improvements, or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies, whether or not such policies are required by Mortgagee, and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any breach of warranty, misrepresentation, damage or injury to, or defect in, the Land, Improvements, or the other property described above or any part of them; and

(f) All proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

TO HAVE AND TO HOLD unto Mortgagee, its successors and assigns forever.

If Mortgagor shall pay or cause to be paid all obligations and liabilities under the Debt Instrument (defined in Paragraph 2.1(a) below) and if Mortgagor shall keep, perform and observe all of the covenants, agreements, conditions and provisions of this Mortgage and the other loan documents evidencing and securing the Secured Obligations, then this Mortgage shall be null and void and of no further force and effect and shall be released by Mortgagee after written request by, and at the expense of, Mortgagor, otherwise to remain in full force and effect.

1.2 Fixture Filing. This Mortgage constitutes a financing statement filed as a fixture filing under the Connecticut Uniform Commercial Code, as amended or recodified from time to time, covering any Property which now is or later may become a fixture attached to the Land or any building located thereon.

2. THE SECURED OBLIGATIONS.

2.1 Purpose of Securing. Mortgagor makes the grant, conveyance, transfer and assignment set forth in Section 1, makes the irrevocable and absolute assignment set forth in Section 3, and grants the security interest set forth in Section 4, all for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Mortgagee may choose:

(a) Payment of all obligations of Jumoke Academy, Inc. ("Obligor") to Mortgagee arising under the following instrument(s) or agreement(s) (collectively, the "Debt Instrument"):

(i) A certain Loan Agreement dated as of September 30, 2013, between Obligor and Mortgagee which provides for extensions of credit in a principal amount not exceeding Eight Hundred Fifty Seven Thousand Dollars ($857,000).

This Mortgage also secures payment of all obligations of Obligor under the Debt Instrument which arise after the Debt Instrument is extended, renewed, modified or amended pursuant to any written agreement between Obligor and Mortgagee, and all obligations of Obligor under any successor agreement or instrument which restates and supersedes the Debt Instrument in its entirety;

(b) Payment and performance of all obligations of Mortgagor under this Mortgage;

(c) Payment and performance of all obligations of Obligor under any Swap Contract with respect to which there is a writing evidencing the parties' agreement that said Swap Contract shall be secured by this Mortgage. "Swap Contract" means any document, instrument

or agreement with Mortgagee, now existing or entered into in the future, relating to an interest rate swap transaction, forward rate transaction, interest rate cap, floor or collar transaction, any similar transaction, any option to enter into any of the foregoing, and any combination of the foregoing, which agreement may be oral or in writing, including, without limitation, any master agreement relating to or governing any or all of the foregoing and any related schedule or confirmation, each as amended from time to time; and

(d) Payment and performance of all future advances and other obligations that Mortgagor (or any successor in interest to Mortgagor) or Obligor (if different from Mortgagor) may agree to pay and/or perform (whether as principal, surety or guarantor) to or for the benefit of Mortgagee, when a writing signed by Mortgagor (or any successor in interest to Mortgagor) evidences said parties' agreement that such advance or obligation be secured by this Mortgage.

This Mortgage does not secure any obligation which expressly states that it is unsecured, whether contained in the foregoing Debt Instrument or in any other document, agreement or instrument.

Notwithstanding any provision to the contrary, "Secured Obligations" secured hereby shall not include obligations arising under any Swap Contract to the extent that the grant of a lien hereunder to secure such Swap Contract would violate the Commodity Exchange Act by virtue of the Mortgagor's failure to constitute an "eligible contract participant" as defined in the Commodity Exchange Act at the time such grant of such lien becomes effective with respect to such Swap Contract. "Commodity Exchange Act" means 7 U.S.C. Section 1 *et seq.*, as amended from time to time, any successor statute, and any rules, regulations and orders applicable thereto.

2.2 Terms of Secured Obligations. All persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Debt Instrument described in Paragraph 2.1(a) and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. These terms include any provisions in the Debt Instrument which permit borrowing, repayment and reborrowing, or which provide that the interest rate on one or more of the Secured Obligations may vary from time to time.

2.3 Maximum Amount Secured. The total principal amount which may be outstanding at any one time under the Debt Instrument shall not exceed the sum of Five Hundred Fifty Thousand Dollars ($550,000), which is the maximum aggregate principal amount secured by this Mortgage.

2.4 Maturity Date. All sums advanced pursuant to the Debt Instrument or this Mortgage, unless due and payable sooner under the specific terms of the Debt Instrument or this Mortgage shall become due and payable in full no later than September 30, 2017.

3. ASSIGNMENT OF RENTS.

3.1 Assignment. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Mortgagee all rents, royalties, issues, profits, revenue, income and proceeds of the Property, whether now due, past due or to become due, including all prepaid rents and security deposits (collectively, the "Rents"), and confers upon Mortgagee the right to collect such Rents with or without taking possession of the Property. In the event that anyone establishes and exercises any right to develop, bore for or mine for any water, gas, oil or mineral on or under the surface of the Property, any sums that may become due and payable to Mortgagor as bonus or royalty payments, and any damages or other compensation payable to Mortgagor in connection with the exercise of any such rights, shall also be considered Rents assigned under this Paragraph. THIS IS AN ABSOLUTE ASSIGNMENT, NOT AN ASSIGNMENT FOR SECURITY ONLY.

3.2 Grant of License. Notwithstanding the provisions of Paragraph 3.1, Mortgagee hereby confers upon Mortgagor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Paragraph 6.2, shall exist and be continuing. If an Event of Default has occurred and is continuing, Mortgagee shall have the right, which it may choose

to exercise in its sole discretion, to terminate this License without notice to or demand upon Mortgagor, and without regard to the adequacy of the security for the Secured Obligations.

4. GRANT OF SECURITY INTEREST.

4.1 Grant of Security Interest. Mortgagor grants to Mortgagee a security interest in, and pledges and assigns to Mortgagee, all of Mortgagor's right, title and interest now or hereafter acquired in and to all of the following described personal property (collectively, the "Personalty"):

(a) All tangible personal property of every kind and description, whether stored on the Land or elsewhere, including, without limitation, all goods, materials, supplies, tools, books, records, chattels, furniture, fixtures, equipment, and machinery, and which in all cases is (i) used or useful or acquired in connection with any construction undertaken on the Land or the maintenance of the Land and the Improvements, or (ii) affixed or installed, or to be affixed or installed, in any manner on the Land or the Improvements;

(b) All crops growing or to be grown on the Land (including all such crops following severance from the Land); all standing timber upon the Land (including all such timber following severance from the Land); all water and water rights (whether riparian, appropriative, or otherwise, and whether or not appurtenant to the Land) and shares of stock pertaining to such water or water rights, ownership of which affect the Land; and all architectural and engineering plans, specifications and drawings, and as-built drawings which arise from or relate to the Land or the Improvements;

(c) All general intangibles and rights relating to the Property, including, without limitation, all permits, licenses and claims to or demands for the voluntary or involuntary conversion of any of the Land, Improvements, or other Property into cash or liquidated claims, proceeds of all present and future fire, hazard or casualty insurance policies, whether or not such policies are required by Mortgagee, and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any breach of warranty, misrepresentation, damage or injury to, or defect in, the Land, Improvements, or other Property or any part of them;

(d) All deposit accounts from which Mortgagor may from time to time authorize Mortgagee to debit payments due on the Secured Obligations; all rights and interests under all Swap Contracts, including all rights to the payment of money from Mortgagee under any such Swap Contracts; and all accounts, deposit accounts, and general intangibles, including payment intangibles, described in any such Swap Contracts;

(e) All substitutions, replacements, additions, accessions and proceeds for or to any of the foregoing, and all books, records and files relating to any of the foregoing, including, without limitation, computer readable memory and data and any computer software or hardware reasonably necessary to access and process such memory and data.

5. RIGHTS AND DUTIES OF THE PARTIES.

5.1 Representations and Warranties. Mortgagor represents and warrants that Mortgagor lawfully possesses and holds fee simple title to all of the Land and the Improvements, unless Mortgagor's present interest in the Land and the Improvements is described in Exhibit A as a leasehold interest, in which case Mortgagor lawfully possesses and holds a leasehold interest in the Land and the Improvements as stated in Exhibit A.

5.2 Taxes, Assessments, Liens and Encumbrances. Mortgagor shall pay prior to delinquency all taxes, levies, charges and assessments, including assessments on appurtenant water stock, imposed by any public or quasi-public authority or utility company which are (or if not paid, may

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written, intending to create an instrument executed under seal.

Witnessed by:

Name: Matthew Reich

Name:

MORTGAGOR:

Jumoke Academy, Inc.

By_____(Seal)
Michael M. Sharpe, Chief Executive Officer

EXHIBIT A TO MORTGAGE

Exhibit A to MORTGAGE dated as of September 30, 2013, given by Jumoke Academy, Inc. as "Mortgagor" to Bank of America, N.A., a national banking association, as "Mortgagee."

Description of Property

Those certain pieces or parcels of land, with the buildings and improvements thereon, situated in the Town of Hartford, County of Hartford, and State of Connecticut, situated on the westerly side of Blue Hills Avenue, and bounded and described as follows:

FIRST PIECE: Known as 333-335 Blue Hills Avenue, and bounded and described as follows:

Northerly: by land now or formerly of Gertrude Rosenberg and the Second Piece hereafter described, party by each, in all, 175.00 feet, more or less;

Easterly: by Blue Hills Avenue, 149.28 feet;

Southerly: by land now or formerly of George C. Barnard, 165.00 feet, more or less; and

Westerly: by land now or formerly of Clara I. Berkson 145.23 feet, more or less.

SECOND PIECE: Known as 339 Blue Hills Avenue and adjoining the First Piece above-described on the north, and bounded and described as follows:

Northerly: by land now or formerly of Edith G. Keeney, 150.34 feet, more or less;

Easterly: by Blue Hills Avenue, 10.00 feet, more or less;

Southerly: by the First Piece above-described, 160.2 feet, more or less; and

Westerly: by land now or formerly of said Gertrude Rosenberg, 49.93 feet, more or less.

THIRD PIECE: A certain piece of land situated in the Town of Hartford, County of Hartford and State of Connecticut on Blue Hills Avenue and being a triangular piece of land located in the Northeasterly corner of land of Gary L. Davis and Suzanne Davis and more particularly bounded and described as follows:

Beginning at a point on Blue Hills Avenue, the former Northeasterly corner of land of Gary L. Davis and Suzanne Davis and the Northeasterly corner of the herein-in described property and the Southeasterly corner of other land of the Tristees of the Church of God at Hartford; thence proceeding Southerly along the Westerly line of Blue Hills Avenue 17 feet to a point; thence on an interior angle of 94 degrees 53' and in a Westerly direction a distance of 59.15 feet to a point in the former Northerly line of Gary L. Davis and Suzanne Davis; thence Northeasterly along the former line of Gary L. Davis and Suzanne Davis, a distance of 63.03 feet to point of beginning.

Said Third Piece of Property is shown as "Parcel A" on a Map entitled, "Survey Showing New Property Line for Gary L. and Suzanne Davis – Peter C. Barrett & Trustees Blue Hills Avenue Hartford, Connecticut Scale 1" = 20' June 7, 1978". Said Map is recorded in the Hartford Land Records.

LESS FROM THE FIRST PIECE A certain piece or property or parcel of land in the Town of Hartford, County of Hartford and State of Connecticut, in the Southerly boundary and Southwest corner of land now or formerly of Peter C. Barrett, et al, Trustees and the Northerly boundary and Northwest corner of land now or formerly of Gary L. Davis and Suzanne Davis and more particularly bounded and described as follows, to wit:

Commencing at a reference point on Pembroke Street marking the Southwest corner of land now or formerly of Gary L. and Suzanne Davis, (#325 Blue Hills Avenue); thence Northerly 40.00 feet along the easterly line of land now or formerly of Thomas C. and Nettie R. Adams to the point of beginning; thence continuing on an exterior angle of 174 degrees 28' 10" a distance of 15.00 feet along land now or formerly of Thomas C. and Nettie R. Adams to a point in said line; thence turning to the right on an interior angle of 88 degrees 16' 20" and Easterly along exterior angle 150 degrees 47' 40" and running Northeasterly along land now or formerly of Peter C. Barrett, et al, Trustees a distance of 25.54 feet to a point; thence on the interior angle of 151 degrees 52' 30" and running Easterly a distance of 20.94 feet to a point in the Northerly line of land now or formerly of Gary L. Davis and Suzanne Davis; thence running Westerly along the Northerly line of land now or formerly of Gary L. Davis and Suzanne Davis 97.08 feet to the point of beginning.

Street Address of Property

325, 333-335 & 339 Blue Hills Avenue, Hartford, Connecticut

3046062v.2

APPENDIX 7

JUMOKE ACADEMY, INC.
CONSENT IN LIEU OF MEETING OF BOARD OF DIRECTORS

Pursuant to Section 33-1097 of the Connecticut General Statutes, the undersigned, constituting the entire Board of Directors of Jumoke Academy, Inc., a Connecticut non-stock corporation (the "Corporation"), do hereby unanimously agree and consent to the following resolutions, without notice or the holding of a meeting of the Board, which resolutions shall take effect as though adopted at a meeting duly called and held, at which a quorum was present and acting throughout:

RESOLVED, that the Corporation, shall purchase property located at 230 Scarborough Street, Hartford, Connecticut substantially in accordance with the Purchase Agreement between Thelma E. Dickerson's Jumoke Academy Charter School and Hartford Medical Society dated September 8, 2009 for the purchase price of $300,000 (the "Contract"); and be it further

RESOLVED, that the Corporation is authorized to spend funds from its general account in the amount of $300,000 to pay for the purchase price as set forth in the Contract; and be it further

RESOLVED, that Taryn Perry, as President of the Corporation, or any officer of the Corporation, is hereby authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all such documents and instruments as may be necessary or appropriate to consummate the purchase of the property, each such document or instrument containing such provisions as the executing officer shall approve, such approval to be conclusively evidenced by such execution, and to take or cause to be taken any and all such additional actions as such officer shall deem necessary or appropriate to consummate the purchase carry out the terms of the Contract; and be it further

RESOLVED, that any and all prior acts of any of the officers of the Corporation or any member of the Board of Directors, in connection with the purchase of the property, be and the same hereby is approved, ratified and confirmed in all respects.

This document may be executed in multiple counterpart originals, each of which shall have the same effect as an original.

IN WITNESS WHEREOF, the undersigned members of the Board of Directors of the Corporation have executed this consent or a counterpart thereof as of November _____ 2009, and hereby waive all notice of a meeting and the holding of a meeting of the Board of Directors, and direct that one or more copies of this consent, which together include the signatures of all of the Directors of the Corporation, be inserted in the minute book of the Corporation with the proceedings of the Board of Director meetings.

Raymond Bell, Treasurer

Taryn Perry, President

Michael Sharpe, CEO

1307200v1

JUMOKE ACADEMY, INC.
339 Blue Hills Avenue
Hartford, CT 06112

October 30, 2009

VIA E-MAIL

Dr. Robert Bedard
c/o Robert W. Sullivan, Esq.
Murtha Cullina LLP
CityPlace I
185 Asylum Street, 29th Floor
Hartford, CT 06103
rsullivan@murthalaw.com

Re: Amendment (this "Amendment") to Purchase Agreement dated as of September 8, 2009 (the "Agreement") between Thelma B. Dickerson's Jumoke Academy Charter School a/k/a Jumoke Academy, Inc. (the "Purchaser") and Hartford Medical Society a/k/a The Hartford Medical Society (the "Seller")

Dear Dr. Bedard:

As you know, under the Agreement, the Seller agreed to sell, and the Purchaser agreed to purchase, certain property known as 230 Scarborough Street in Hartford, Connecticut (the "Property"). This Amendment hereby amends the Agreement in the manner described below. In the event of any conflict between this Amendment and the Agreement or other documents attached thereto, the terms of this Amendment shall prevail.

1. Closing will take place on December 3, 2009 or on such earlier date to which the parties may agree (the "Closing Date").

2. Within seven days of the full execution of this Amendment, the Purchaser shall increase the deposit by $50,000.00, thereby increasing the total deposit to $75,000.00.

3. On the Closing Date, the Purchaser shall pay to the Seller: (i) actual and reasonable recurring operating expenses incurred by the Seller to operate and maintain the Property from the date of this Amendment up to and including the Closing Date and (ii) per diem interest on $225,000.00 at a rate per annum equal to the Wall Street Journal Prime Rate, for each day from the date of this Amendment up to and including the Closing Date. The total amount due from the Purchaser to the Seller under this Paragraph 3 shall not exceed $5,000.00.

4. The Agreement, as amended by this Amendment, is not contingent upon the Purchaser procuring a written mortgage commitment.

This Amendment may be executed in counterparts and a facsimile signature shall be deemed an original.

If Hartford Medical Society agrees to the terms of this Amendment, please have a duly authorized person countersign on behalf of Hartford Medical Society.

Very truly yours,

JUMOKE ACADEMY, INC.

By: _____
Dr. Michael M. Sharpe
CEO

ACCEPTED AND AGREED TO AS OF THE 30th DAY OF OCTOBER 2009:

THE HARTFORD MEDICAL SOCIETY

By: _____
Dr. Robert Bedard
President

4. The Agreement, as amended by this Amendment, is not contingent upon the Purchaser procuring a written mortgage commitment.

This Amendment may be executed in counterparts and a facsimile signature shall be deemed an original.

If Hartford Medical Society agrees to the terms of this Amendment, please have a duly authorized person countersign on behalf of Hartford Medical Society.

Very truly yours,

JUMOKE ACADEMY, INC.

By: _____
Dr. Michael M. Sharpe
CEO

ACCEPTED AND AGREED TO AS OF THE 30th DAY OF OCTOBER 2009:

THE HARTFORD MEDICAL SOCIETY

By: _____
Dr. Robert Hedard,
President

APPENDIX 8

COMPLETE REAL ESTATE APPRAISAL
In a SELF-CONTAINED FORMAT

230 Scarborough Street
Hartford, Connecticut

AUTHORIZED BY:

Ms Diane Hernsdorf, Executive Secretary
The Hartford Medical Society
230 Scarborough Street
Hartford, Connecticut 06105

DATE OF VALUATION

December 10, 2003

PREPARED BY:

R.P. McDermott Associates, Inc.
11 Mountain Avenue, Suite 302
Bloomfield, CT 06002

FILE REFERENCE:

RPMAI File #729

R.P. McDERMOTT ASSOCIATES, INC.

Richard P. McDermott, MAI
President

11 Mountain Avenue
Bloomfield, CT 06002
Phone: (860) 242-2700
Fax: (860) 242-1530

January 6, 2004

Ms. Diane Hernsdorf, Executive Secretary
The Hartford Medical Society
230 Scarborough Street
Hartford, Connecticut 06105.

Subject Property: 230 Scarborough Street, Hartford, CT

Dear Ms. Hernsdorf:

At your request we have prepared a Complete Real Estate Appraisal Report in a Self-Contained Format for the purpose of providing a market value opinion of the fee simple interest for the subject as of the December 10, 2003 inspection. It is our understanding that the intended user of the report is the Hartford Medical Society and that the intended use of the report is to establish a market value of the property for negotiations and a possible sale of the property. A copy of the engagement letter confirming our agreement is in the addenda of the report for reference.

The subject is a 2 and 3 story, concrete, steel and brick building with a gross building area of 22,030 square feet that was constructed in 1955 and 1956. The building is used primarily as a museum with a library but it also has an apartment unit, a small theatre/auditorium and classroom space. The facility is operated by a non-profit organization known as the Hartford Medical Society.

The subject is on a triangular, 3.750 acre site that has 427' of frontage on the east side of Scarborough Street and 45.76' of frontage on the south side of Albany Avenue. The site is in the R-8 Low Density Residential zone. The subject is a pre-existing, non-conforming building and use in the R-8 zone and it has operated as a museum, library, education and conference facility since it was constructed.

Since the subject is non-conforming and potential alternative uses allowed in the R-8 zone are limited to residential, a buyer would need to use the existing building in the same manner as the current owner or secure either a variance or zone change to put the property to a different use. Since the market for the current use is extremely narrow, *it is an extraordinary assumption of this report that the subject could secure the necessary variances or zone changes that would allow alternative uses that conform to the functional utility of the building and adjacent neighborhood land uses.*

When the building was completed in 1956, the paperwork necessary to secure a building Certificate of Occupancy was not filed and the City of Hartford apparently never issued a Certificate of Occupancy for the building. As a result, the building may not be a legal structure. In addition, when the subject became a non-conforming use in 1960, it never received a Zoning Certificate of Occupancy. These factors could have a significant impact on the market value of the subject unless they are resolved. It is strongly recommended that the client consult with appropriate counsel to determine the legal status of the building and the property.

Since the legal status of the building and the marketability of the appraised property are uncertain, *it is a hypothetical condition of this report that the subject has the necessary Certificates of Occupancy that would allow it to be marketed, sold and used by a potential buyer.*

Due to the age of the building, the property may contain lead paint and asbestos. Some asbestos may be present in the basement utility room but no environmental report has been provided to this office for review, and no detailed environmental information was available. Please be aware that we are not qualified to detect the presence or absence of hazardous materials nor to estimate remediation or clean up costs. It is important to note that **this appraisal assumes the subject is free of and unaffected by all hazardous materials and contaminated waste.** No responsibility is assumed for any expertise or engineering knowledge required to discover any hazardous substances that may impact the market value of the subject. The client is urged to retain an expert in this field to evaluate any potential environmental problems and associated remediation costs.

This appraisal report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The analyses and conclusions within this report are based on a complete appraisal process that included: field research; interviews with market participants; a description and analysis of the real estate; and the development of pertinent valuation methodology. Supporting exhibits are included within the report and in the addenda. The report is presented in a Self-Contained Format, which is a full presentation of the data, reasoning and conclusions for the property being appraised.

Based on the data and analyses within the report, the market value for the subject property as of December 10, 2003 is:

The above value is subject to the assumptions and limiting conditions included in this report. It is also based on marketing and exposure periods not to exceed 12 months. The data, reasoning and judgments substantiating the value estimates are in the attached report.

Respectfully submitted,

Richard P. McDermott

Richard P. McDermott, MAI
President

INTRODUCTION

IDENTIFICATION OF THE PROPERTY

Property Address	230 Scarborough Street, Hartford, Connecticut
Assessor's Reference	Map 310 Block 003 Lot 015
Owner of Record	Hartford Medical Society
Current Use	A medical museum and library operated by the Hartford Medical Society and classroom space.
Gross Building Area	22,030 square feet
Land Area	3.750 acre site with 427' of frontage on the east side of Scarborough Street and 45.76' of frontage on the south side of Albany Avenue
Intended User	Hartford Medical Society
Intended Use	Negotiations and a possible sale of the property.
Legal Description	A legal description is in the addenda of the report.

LEGAL REFERENCES

Upon request of the Hartford Medical Society (HMS), the zoning map of the City was amended on February 26, 1951 to include the appraised property within the A-2 residence zone. In March 1951, the Hartford Corporation Counsel, Samuel Gould, opined that the HMS building would be permitted by the zoning regulations in effect at that time.

The most recent transfer of the subject property is summarized below.

Grantor	Real Estate Incorporated
Grantee	Hartford Medical Society
Deed Type	Warranty
Volume/Page	886/195
Date of Deed	July 23, 1951

The previous deed was for the underlying land. There was a subsequent quitclaim deed from Real Estate Incorporated to the Hartford Medical Society for a parcel of land on the westerly side of the Woods River that was recorded in Volume 950 Page 397 of the Hartford land records on December 17, 1954.

In January 1954, the HMS filed an application with the Zoning Board of Appeals for a variance to permit the parking of 250 passenger cars on the premises. The variance was granted by the ZBA on February 16, 1954. The Hartford Medical Society subsequently constructed the existing building between 1955 and 1956.

When the zoning codes and designations changed on September 26, 1960, Scarborough Street was changed from an A-2 Residential to an R-8 Single-Family Residential Zone. This change made the subject's use non-conforming. At that time the ordinance required the Zoning Administrator to issue a Certificate of Occupancy for the non-conforming use. This was not done and the subject never received the required Zoning Certificate of Occupancy.

HYPOTHETICAL CONDITION

When the building was completed in 1956, the paperwork necessary to secure a building Certificate of Occupancy was not filed and the City of Hartford apparently never issued a Certificate of Occupancy for the building. As a result, the building may not be a legal structure. In addition, when the subject became a non-conforming use in 1960, it never received a Zoning Certificate of Occupancy. These factors could have a significant impact on the market value of the subject unless they are resolved. Since the legal status of the building and the marketability of the property are uncertain, *it is a hypothetical condition of this report that the subject has the required Certificates of Occupancy and it could secure the necessary variances or zone changes that would allow it to be marketed, sold and used by a potential buyer.*

EXTRAORDINARY ASSUMPTION

The only permitted use in the R-8 zone is single-family residential. Since the subject use and building are non-conforming, zoning requires that a buyer would need to continue the same current use unless a variance or zone change could be secured. Since the market for the current use if extremely narrow, *it is an extraordinary assumption of this report that the subject could secure the necessary variances or zone change that would allow for alternative uses that conform to the functional utility of the building and adjacent neighborhood land uses.*

Prior Sales of Subject

There have been no sales of the subject within the past five years or since the owner completed the building in 1956.

Property Listings

The property is not currently listed for sale and we are not aware of any agreements, options, listing or contracts for sale affecting the property. A prior attempt to market the property in 1995 was negatively impacted by strong neighborhood opposition to any changes in the current non-conforming use of the property.

PURPOSE OF APPRAISAL

The purpose of this appraisal is to provide a market value opinion of the fee simple interest for the subject as of the December 10, 2003 inspection.

PROPERTY RIGHTS APPRAISED

The Fee Simple interest is being appraised. "Fee Simple" is defined in the Definitions section of the report.

APPRAISAL DATES

Date of Report	January 6, 2004
Date of Valuation:	December 10, 2003
Date of Inspection:	December 10, 2003

SCOPE OF WORK

The scope of the work describes the extent of the process of collecting, confirming and reporting data. The information listed below is a summary of the primary investigations and research conducted by R.P. McDermott Associates, Inc. to complete this assignment.

Scope of Work (continued)

- Examined all pertinent public records available in the City of Hartford. Departments contacted included, but were not limited to; Planning and Zoning, Tax, Licenses and Inspections, Zoning, Assessment and the Town Clerk's Office.
- Gathered and reviewed pertinent employment, housing and demographic information from State of Connecticut publications, Census data, City of Hartford publications and information from relevant regional planning agencies.
- Reviewed recent conveyances of comparable building and land sales in Hartford.
- Researched building and land sales for schools, museums and comparable special purpose properties throughout Connecticut.
- Reviewed and analyzed all available and relevant, surveys and site plans.
- Conducted an interview with a representative of the Hartford Medical Society.
- Interviewed an attorney and broker previously involved with the appraised property.
- Richard P. McDermott conducted an interior and exterior building inspection. Driving inspections of the subject neighborhood and comparable areas of Hartford were also conducted to evaluate the market.
- The market area was researched for pertinent financing, rental and conversion/renovation cost information by contacting appropriate State agencies, non-profit organizations, knowledgeable developers and property owners familiar with the subject market.
- The factual information and market data used in the report has been confirmed with Assessor's records, conveyance deeds, buyers, sellers, property owners, public officials, brokers, property managers, lenders or other public information sources.

PERSONAL PROPERTY

Personal property includes movable items of property that are not permanently affixed or part of the real estate. No personal property is considered in the report and the value conclusion represents only the real estate.

UNAVAILABILITY OF INFORMATION

Environmental studies or assessments and building plans were not available. To the best of our knowledge, all other pertinent information necessary for the appraisal process was available.

APPENDIX 9

Stover, Arlene

From: Critton, Beth
Sent: Friday, October 16, 2009 2:49 PM
To: All Attorneys; All Paralegals
Subject: Supplemental Conflict and Sensitivity Check

Tim Hollister and I are sending this message as a follow-up to the conflict check in the August 4, 2009 e-mail, below. As a result of responses to the initial conflict check, we have established an ethical wall regarding this file with Matt Ritter. We also have obtained a waiver letter from the Hartford Corporation Counsel.

Please let us know if, based on the additional information in black typeface below, there are any previously unidentified conflicts or sensitivities:

We have been asked to represent our existing client, the **Jumoke Academy**, in connection with zoning issues/applications relating to school use of the **Hartford Medical Society property at 230 Scarborough Street in Hartford**, which Jumoke Academy is proposing to purchase. **The property involved is located at the corner of Scarborough Street and Albany Avenue in Hartford's West End, approximately four lots down from the Chick Austin House. The school would serve approximately 295 students in grades pre-kindergarten through 5.**

Potentially adverse parties would include **land use commissions of the City of Hartford** and the seller of the property, whom we have been advised is the **Hartford Medical Society and possibly neighbors who may oppose the applications.**

Thank you.

Beth Critton and Tim Hollister

From: McConnell, Germaine R.
Sent: Tuesday, August 04, 2009 11:31 AM
To: All Attorneys; All Paralegals
Cc: Kelly, Janet
Subject: Conflicts Check

This conflict check is being sent on behalf of Beth Bryan Critton.

We have been asked to represent our existing client, the **Jumoke Academy**, in connection with zoning issues/applications relating to school use of the **Hartford Medical Society property at 230 Scarborough Street in Hartford**, which Jumoke Academy is proposing to purchase.

Potentially adverse parties would include **land use commissions of the City of Hartford** and the seller of the property, whom we have been advised is the **Hartford Medical Society.**

We are in the process of resolving potential conflict issues relating to the representation of the City in employment and other matters.

Bill Rock is the supervising attorney.

Thank you.