

# HUSCH BLACKWELL CLOSES LOW INCOME HOUSING TAX CREDIT CONSTRUCTION LOAN

With a population of fewer than 10,000, low crime and tree-lined streets, New London, Wisconsin, is the quintessential “small town.” It’s little wonder residents take pride in calling this area, situated on two rivers 25 miles northwest of the more commercially developed Appleton, their home. Through a new residential development financed by the efforts of Associated Bank, 40 low-income families soon will be able to do the same.

## ASSOCIATED BANK, N.A.

Other Key Players: Commonwealth Development Corp., Associated Community Development LLC, Wisconsin Housing and Economic Development Authority (WHEDA), National Equity Fund Inc.

Deal Location: New London, Wisconsin

Type of Deal: Low Income Housing Tax Credit construction loan

Size of Deal: \$5 million

Principal Husch Blackwell Team Members: Paul Dombrowski, Eric Hansch, Deborah Hall (senior paralegal)

Industry Group and Practice Area Involved: Financial Services & Capital Markets, Banking & Finance

Beacon Avenue Cottages will include 40 affordable housing units in five cottage-style buildings. The units include 16 two-bedroom and 24 three-bedroom apartments, each with a private entrance and attached garage. Tenants will also have access to a laundry room, fitness center and clubhouse with community room.

The project, situated on land once occupied by a factory and employee parking lot, will be completed in winter 2018, with full occupancy projected by that spring.

Associated Bank and its community development arm, Associated Community Development LLC, arranged for more than \$10 million to finance the development. This included passing through a \$510,000 Affordable Housing Program (AHP) grant, providing \$4.9 million in Low Income Housing Tax Credit (LIHTC) equity and making a \$5 million LIHTC construction loan, the latter of which Husch Blackwell negotiated and drafted on behalf of the bank. Associated Community Development also relied on Husch Blackwell to negotiate and draft the AHP documentation. The LIHTC and AHP programs used to finance this project will ensure that Beacon Avenue Cottages provides housing to low-income persons and families.

The City of New London, like Associated Bank, hopes the development will stimulate the local economy.

Associated Bank believes its success is tied to the strength of the communities in which it operates. As such, it uses its expertise and financial support to identify needs and lead efforts to provide small-business lending, support neighborhood development and promote affordable housing such as Beacon Avenue Cottages.

