

## a**DONE**deal

**Client Name:** JOHNSON BANK  
**Other Key Players:** Dixon Development LLC; US Bank Community Development Corp.; Wisconsin Housing and Economic Development Authority (WHEDA); Impact 7; Kelly Construction and Design Ltd.; The Kubala Washatko Architects Inc.  
**Type of Deal:** Senior leverage loan with new market tax credits and historic tax credits  
**Size of Deal:** \$30 million  
**Principal WHD Team Members:** Hal Karas, Kim Wynn, Justin Szalanski, Renee Jacque (paralegal)  
**Practice Groups Involved:** Real Estate, Finance, Tax

From the moment Milwaukee developer Tim Dixon stepped foot into the former Burger Bedding Company building, which was built in 1907, he knew it was a property he wanted to redevelop. The question he found himself asking, however, was develop into what? This was quickly answered when Harley-Davidson announced plans for its museum (to be located just north of the property) two weeks after he purchased the building in 2004.

To help make Tim Dixon's vision of a unique boutique hotel a reality, Dixon Development approached Johnson Bank, who in turn approached Whyte Hirschboeck Dudek S.C. to help in a series of multi-layered complex lending transactions, involving loans, new market tax credits and historic tax credits. WHD worked with and communicated between multiple entities in terms of equity and collateral, and leveraged not only new market tax credits but also historic tax credits to receive a favorable loan rate. WHD gave

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## WHD helps secure financing for the Iron Horse Hotel

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counsel to Johnson Bank in connection with the financing and overall tax strategy for the project.

Tim Dixon's vision became a reality when the Iron Horse Hotel opened in November 2008. Dixon Development maintained some of the building's original architecture and charm, as the 100-room hotel is highlighted by its original heavy timber construction and exposed Cream City brick walls. The hotel is listed in *Condé Nast Traveler* magazine's 13<sup>th</sup> Annual "Hot List" (May edition), and was featured on The Today Show in April 2009.

