

## ROUNTREE HALL SUCCESSFULL RESTRUCTURE

In April, 2007 Wisconsin Management Company presented an innovative restructuring proposal to the city that would provide an infusion of cash for the improvements, provide an adequate incentive for additional investment in the property, maintain at least 20% of the units as “affordable units”, improve the property’s on-going cash flow, and join the owners and the city as partners in the future growth in the value of the property.



After a presentation to the Platteville Common Council in April, the general terms of the restructure were approved and city staff were authorized to negotiate the details. WMC worked closely with Platteville’s City Attorney, City Manager, Finance Director and Common Council President to arrive at a final deal that served the best interests of all parties. The deal was approved by the Platteville Common Council in September, 2007.

WMC arranged to replace the WHEDA mortgage with a new \$500,000 mortgage from M & I Bank and raised \$225,000 from the partnership to fund the capital improvements. The \$225,000 was secured by a new second mortgage. The City’s HODAG mortgage was subordinated to both new mortgages and a portion of the city debt was converted to shared equity. All the loans closed on November 21, 2007 and work has begun on the improvements.