

POSITIVE IMPACTS

Quarterly Update

July—Sept 2011

Beaver Dam Lake Historic Lofts Nominated for Timmy Award for Most Innovative Adaptive Reuse:

The National Housing & Rehabilitation Association (NH&RA) recently announced in Washington, DC 18 finalists in seven categories for this year's "Timmy Awards," which will be presented at an awards luncheon and ceremony on November 15 in Boston, Massachusetts. The nominees are located in 18 different communities in 15 states from Massachusetts to Oregon. Among them is Beaver Dam Lake Historic Lofts, for which Impact Seven (I-7) served as the developer, Miller Architectural Group served as the architect and Wisconsin Redevelopment LLC served as the historic consultant. "You can't help but be awestruck by the high level of creativity going into re-thinking these historic structures throughout our country," says Thom Amdur, Executive Director of NH&RA. "This year's Timmy nominees demonstrate the value of merging our historic past with the present resulting in something unique and special." The "Timmy Awards" were created to honor outstanding real estate projects that involve rehabilitation of older, historic buildings, primarily using state or federal historic rehabilitation tax credits. Scoring is based on overall design and quality, interpretation and respect of historic elements, innovative approach to construction and use of building materials, impact on the community, sustainability and financial and market success of the project. Finalists were selected by a multi-disciplinary panel of judges, exhibiting expertise in architecture, real estate development, construction, public policy, and historic preservation. NH&RA created the "Timmy Awards" in 2005 in memory of Boston Architect and Preservation Advocate J. Timothy Anderson. Anderson was a singular figure in the historic rehabilitation business, whose legacy includes numerous Boston area projects, as well as a seminal study that helped preserve South Beach in Miami.

I-7 Financing Strengthens Position of Flambeau River Papers (FRP): I-7 provided financing for the purchase of the former Flambeau Metals facility in Park Falls, Wisconsin. This project serves as another collaborative effort undertaken between FRP and I-7. The project entails the acquisition of the 17-acre property previously used as a machine shop, which borders FRP. The building will be used by FRP for much needed paper storage purposes. Previously, FRP had rented paper storage facilities in Wisconsin Rapids, Wisconsin, some 160 miles from FRP's mill in Park Falls, at a cost of \$240,000 a year, in addition to freight costs to move the paper to storage. The move will significantly reduce FRP's storage and freight costs and further strengthen their competitive position in the paper industry. It will also create between five and ten jobs at the Park Falls facility.

Six I-7 Housing Projects Complete Refinancing and Plan for Significant Rehabilitation: The refinancing of six, multi-family housing projects will allow for approximately \$1 million in capital improvements for the projects. The improvements will primarily include energy efficient and green measures. The renovations will be Leadership in Energy and Environmental Design (LEED) certified and will be focused on improving energy savings, water efficiency, carbon dioxide emissions, improved indoor air quality and general stewardship of resources and sensitivity to their impacts. The six projects, built in the 1980's and financed through the Department of Housing and Urban Development, total 103 units. The projects will now come under the ownership of Impact Seven, Inc.'s subsidiary Impact Housing Development and will continue to be managed by Impact Seven. The six projects include: Gaylord Nelson Manor, a 20-unit project for the physically disabled located in Menomonie; Lee Dreyfus Manor, a 30-unit project for elderly and/or disabled located in Ellsworth; Eldon Marple Manor, a ten-unit project for the physically disabled located in Park Falls; Alvin O'Konski Manor, a 20-unit project for the physically disabled located in Wausau; Warren Knowles Manor, a 20-unit project for the physically disabled located in Menomonie; and Neil Rasmussen Manor, an eight-unit project for elderly and/or disabled located in Glen Flora. Rehabilitation work is just underway at Neil Rasmussen Manor and some of the capital improvements include, among other items: relocation of the parking lot, roof replacement, siding replacement, replacement of existing windows along with addition of extra windows and main entrance relocation for greater accessibility. Improvements at the five other projects

are slated to begin within the next two months. The total \$1 million in improvements will make these projects more marketable and attractive for the populations they serve.

I-7 Receives \$4 Million for Small Business Lending Fund: I-7 has received \$4 million through the Department of Treasury's Small Business Lending Fund (SBLF). The goal of the SBLF is to stimulate small business lending by providing capital to a participating community development loan fund (CDLF), such as I-7. The SBLF is a \$30 billion fund that was created in an effort to help CDLFs and small businesses work together to create jobs and promote economic growth in local communities across the nation. Data from the Federal Reserve Board indicates that small businesses employ roughly one-half of all Americans and account for about 60 percent of gross job creation.

Microloan Catalyzes Innovative Yellow VAN Handyman Franchise Acquisition: An I-7 Small Business Administration microloan has enabled RK Handyman Enterprise, LLC to acquire an existing Yellow VAN Handyman franchise in the Fox River Valley. RK Handyman Enterprises, LLC will be buying an existing operator's franchise rights, book of business, vehicle, tools and materials. The franchise will serve Appleton, Grand Chute, Neenah, Menasha, Little Chute, Oshkosh, Winneconne, Omro and existing customer locations. Most maintenance tasks require both time and some degree of skill. While the idea of do-it-yourself projects is very popular, there are a substantial number of people who lack either the time and/or skill to do home and property maintenance, and small repairs and/or improvements. The Yellow VAN Handyman franchise exists to help these people accomplish those tasks. The franchise has combined the resources of an internet/web presence, e-marketing and e-business, finance (accounting, bookkeeping, and billing), and great customer service with an outsourced business model that allows individual owner operator handymen to run their business in an effective, efficient and consistent way. This aids those individual owners who need help with the administrative side of the business and just want to serve customers. In exchange, the franchise can charge royalties some four to six percent higher than those before seen in the industry. In fact, the franchise systems are so innovative they are being recognized by the industry as a leader in technology deployment in support of individual owner operators. The franchise was recognized in the spring of 2008 and 2011 in the top 50 franchises by *Franchise Business Review*. In both 2010 and 2011 *USA Today's* Franchising Today listed them as one of the 50 Top Franchises for Military Veterans. Yellow VAN Handyman currently has over 80 franchise partners operating in 14 states and additional locations in Canada.