



Contact: Carmen Tenuta Scalzo  
Assistant Vice President – Media / Public Relations  
262-619-2684  
cscalzo@johnsonbank.com

## FOR IMMEDIATE RELEASE

### **BUSINESSES/COMMUNITIES BENEFIT FROM JOHNSON BANK TAX CREDITS**

August 24, 2005 – In December 2000, Congress passed legislation creating the New Markets Tax Credits (NMTC) program, as part of the Community Renewal Tax Relief Act, to encourage private investment in low-income communities. Johnson Bank received a \$52 million NMTC allocation in May 2004 for the purpose of financing community projects, creating jobs, and supporting business activities in underserved areas of the communities they serve. The Bank has approved loans totaling over \$40 million with plans to have the remainder of their allocation committed by September. The tax credits have contributed to the planned relocation or preservation of 2,800 jobs in targeted areas. Employment opportunities created by NMTC funds will result in over 950 new jobs over the next seven years.

“We’ve committed close to \$4 million to fund a newly constructed office building, Deer Valley Corporate Center, in a highly distressed area of North Phoenix,” said Scott Cornelius, President of Johnson Bank Arizona. A food service equipment supplier and a provider of dental and vision care for underserved children and seniors will be relocated to this site. Both employers are expected to create numerous employment opportunities for local residents.

**“The impact of the project is significant as it promises to not only create new jobs, but move over 90 jobs from other areas,”** said Barbara Boosman, Vice President and Commercial Relationship Manager, who served as the lender on the project.

“We’ve supported projects from rural Wisconsin to inner city census tracts in Phoenix, Arizona,” said Cornelius. “The tax credits allowed us to assist The Stockyards Restaurant, a virtual living museum and local landmark that

commemorates and celebrates Arizona's cattle industry, by replacing their construction debt.”

Through the Stockyards project four buildings in this area and approximately 100,000 square feet were rehabilitated. The overall employment for the project will range from 200 to 300 employees.

Johnson Bank created a scoring system to help evaluate the quality of each proposal to ensure that the funds go to the most worthy projects. Over 90% of the approved loans are designated for areas deemed “highly distressed.”

“Contributing to the creation of jobs and improvement of blighted areas truly follows our company’s mission,” added Cornelius.

Through Johnson Bank, NMTC loans have funded improvements for a wide range of industries in Wisconsin, including a dairy operation, world headquarters for a medical systems company, various retail developments, and now, in Phoenix, a woman-owned small business, which employs many women and minorities and a healthcare services provider for underserved children and seniors.

**“The goal of the program aligns with the bank’s goal, which is to make loans for projects that attract conventional lending or other investments and in turn, inspire growth and make a positive impact in Arizona communities,” said Boosman.**

Johnson Bank retains the tax credits as part of the direct loans they make and shares the benefits through innovative lending products that may include below market interest rates, flexible interest only repayment options, convertible warrants, equity options and other products. The bank works directly with eligible clients without using outside consultants who often charge fees to structure loans.

**Johnson Bank was one of only 63 organizations and 14 banks nationwide to be awarded these tax credits during the second round of this five-year program.** The Johnson Community Development Company, the wholly owned subsidiary of Johnson Bank, was established to allocate these funds. Under the program, the bank will finance projects from \$1 million to \$10 million.

The bank hopes to receive additional credits before the NMTC program comes to an end in 2007.

Johnson Bank is a member of Johnson Financial Group, a premier financial services company offering comprehensive financial solutions in the areas of banking, trust, insurance, investment management and leasing. The \$3.4 billion financial services company has operating companies in Wisconsin, Arizona, and Europe. Principal owners of Johnson Financial Group are members of the Samuel C. Johnson family. Helen Johnson-Leipold is Chairman of Johnson Financial Group and Chairman, Chief Executive Officer and Chairman of the Board of Johnson Outdoors Inc. in Racine, Wisconsin. For more information visit [www.johnsonbank.com](http://www.johnsonbank.com)

Revised 05/23/05