



W239 N1700 Busse Road  
Waukesha, WI 53188-1160

Phone 262.523.1000

www.nebat.com

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Everson & Gibbs, LLC.  
Attorney William B. Everson  
885 Western Avenue, Suite 100  
Fond du Lac, WI 54935

RE: St. John's Evangelical Lutheran School of St. Johns Evangelical Church Milwaukee, WI

Bill,

Per your request I am providing you with some more detail on the upcoming classroom expansion project at St. John's Evangelical Lutheran School of St. Johns Evangelical Church ("St. John's") in Milwaukee. St. John's church members have been active in the Milwaukee community for over 150 years, and St. John's Evangelical Lutheran School began operations in 1854 and is open to anyone in the community. More recently, since 2005 the school has been part of the Milwaukee Parental Choice Program ("Milwaukee School Choice") and enrollment has grown significantly over the last 5 years to over 260 K-8 students today, with a waiting list for some classes. As such, the congregation has made the decision to demolish two existing homes on the property to add additional space to the school to almost double the classroom capacity and greatly expand the facilities available to the community. The existing school building has gone through three additions since the first part of the building was erected in 1941. The proposed new facility would be constructed between the existing church and existing school and contain 8-10 new classrooms to allow enrollment to a capacity of approximately 500 students.


The proposed budget for the project is approximately \$3,400,000. The congregation has always been very supportive, and as such has initially pledged \$900,000 towards the costs, which will be collected over the next three years. Currently there is approximately \$430,000 cash on hand today of the campaign. As seen in the attached proposed architect's diagram, the building will be 2 stories and just over 23,500 sq. ft. and contain eight new classrooms, a teacher workspace, new school office and a larger multipurpose room for use by the school, community and church. It will also include much needed storage space and additional parking for the campus and is being built with very strong security emphasis. Catalyst Construction from Milwaukee will be the general contractor and the Tredo Group was hired as the architect.

National Exchange Bank and Trust has approved up to \$3,400,000 financing commitment to St. John's to assist with the completion of the project. The bank will require a minimum of \$300,000 deposit to be opened as part of the financing. It is anticipated the school capital campaign pledges will continue come in over the next 3 years and will be used to service the proposed bank debt.

National Exchange Bank and Trust is proposing to utilize tax-exempt bond funding for the project, and will need to partner with the City of Milwaukee and/or their Redevelopment Authority to assist St. John's in obtaining this type of lower cost funding. Based on the age of the existing facilities; and enrollment demand, as well as the necessary safety upgrades and community impact, we believe it is a perfect project to receive this kind consideration.

I hope that this provides you with a good overview of the project, and how St. John's and the Bank are proposing to bring it to a successful conclusion. The Bank is excited to be part of this project. Please let me know if you have any questions, or need further information.

Sincerely,

  
Michael Gryczka  
Vice President