

## NEW MARKET TAX CREDIT

# LONGLEAF MACHINING EQUIPMENT & FACILITY UPGRADES: A UB COMMUNITY DEVELOPMENT (UBCD) NEW MARKET TAX CREDIT SUCCESS STORY

UB COMMUNITY DEVELOPMENT LLC, A COMMUNITY  
DEVELOPMENT PARTNER OF UNITED BANK



## Longleaf Machining - A Success Story

### Project Address

766 Industrial Park  
Brewton, AL 36426

With more than ten years industry experience and a handful of employees, Longleaf has achieved major goals as a successful machine shop producing top quality parts with on-time deliveries. Located in Brewton, Longleaf began their business by machining compound bow risers, cams, wheels, mods, limb pockets through provides full service, close-tolerance contract machining with the use of computer numerically controlled and manual machines. Their focus on quality has permitted them to meet their customers' needs in market segments such as archery, firearms, mining, off-road, oil and aviation industries.

Longleaf produces high quality original equipment manufacturer parts (OEM) designed to perform and fit factory specifications that increase the operational life of equipment. These products provide high quality, cost cutting solutions for local industries. Seeing opportunity in the industry, Longleaf diversified their business model in the development of specialized parts for their customers.

With an increase volume of business and a need to improve energy and operational efficiency, Longleaf required financing assistance for equipment and facility upgrades. Through New Market Tax Credits, UB Community Development was able to provide this small business with the adequate funding needed to complete their desired upgrades.

These upgrades improved ability to increase quotes on potential projects that were otherwise not available in the past. Additional benefits include facility updates conversion to all LED lighting. With less than 10% of the power used by regular lighting actually converted to visible light, this facility now uses 50% less electricity than traditional lighting, resulting in substantial savings in energy costs.

**Project Name**

Longleaf Machining

**Amount of NMTC Allocation**

\$417,000

**Community Profile**

- Poverty Rate: 22.2%
- Unemployment Rate: 9.84%
- Household Median Income: \$31,033

**Job Creation**

- 13% increase in company workforce



Small businesses in rural economies create economic opportunities. With the help of UB Community Development, Longleaf now operates a much more efficient facility and has increased their employee base by 13%. Additional benefits of the equipment upgrades include saving on manufacturing costs, increased speed of production, safety and efficiency as well as reduced production costs. Longleaf has also experienced increased sales growth and operating capabilities.

**About UB Community Development**

UB Community Development, a community development partner of United Bank is dedicated to meeting the needs of our community. UB Community Development serves communities throughout Alabama and beyond by providing funding solutions designed to increase economic development, create jobs and promote better access to goods and services. UBCD is currently using its NMTC allocation and Community Facilities Lending Program to fund businesses and finance projects related to education, healthcare, manufacturing, hospitality, non-profits, community centers and more.

In 2016, United Bancorporation of Alabama became the only CDE headquartered in Alabama to receive a New Market Tax Credit allocation. This \$65MM allocation was made possible because of United Bank's designation as a Community Development Financial Institution (CDFI) and UBCD's designation as a Community Development Entity (CDE) with a mission to bring economic viability to rural areas.

In 2017, following the successful deployment of more than \$90MM in New Market Tax Credits, UB Community Development received an additional \$55MM allocation of New Market Tax Credits. UBCD also manages \$40MM of funding as part of its Community Facilities Lending Program, as well as a \$4MM Capital Magnet Fund award. These allocations further validate our team's extensive expertise and passion for bringing community oriented economic development projects to qualifying areas.

UB Community Development's strong history as an experienced leverage lender in New Market Tax Credit transactions, coupled with our passion for improving the communities we serve, have earned UBCD the reputation as Alabama's premier financial partner for rural economic and community development.

**FOR MORE INFORMATION ABOUT THE IMPACT OF THE  
COMMUNITY FACILITIES LENDING PROGRAM AND NMTC  
VISIT [WWW.UBCOMMUNITYDEVELOPMENT.COM](http://WWW.UBCOMMUNITYDEVELOPMENT.COM)**

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