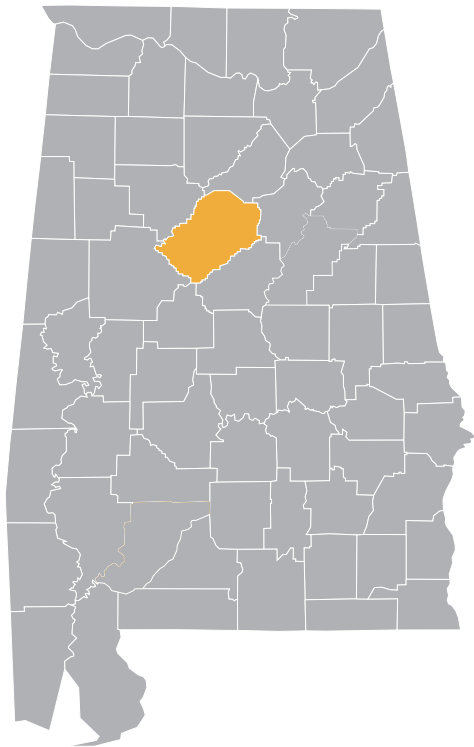


COMMUNITY FACILITIES LENDING FUNDS

HUEYTOWN FIRE DEPARTMENT
A UB COMMUNITY DEVELOPMENT (UBCD) COMMUNITY FACILITIES LENDING PROGRAM SUCCESS STORY



UB Community Development, LLC (UBCD), a community development partner of United Bank, has announced \$1,000,000 in Community Facilities Lending funds designated to the Hueytown Fire Department for the purchase of a new fire engine.

Hueytown, population 16,305, is located 14 miles southwest of Birmingham, Alabama. The city has a rich history in the coal, steel and farming industries and has accessibility to a host of parks, hiking and cycling trails, historical sites and museums.

Chief Morris, Hueytown Fire Chief, came to United Bank struggling with meeting the demand of replacing his aging ten-year-old fire engines. “No fire department wants to rely on an aging fleet. It becomes a matter of public safety,” said Chief Morris. Older engines affect response time and the ability to extinguish fires, in addition to impacting the department’s insurance costs. It was time for a new engine.

Chief Morris began researching financing options to add a fire truck to his fleet. The chief had to overcome the challenge of keeping the purchase expense neutral. Because they had no variance in their budget to take on additional expenses, their monthly payments would need to stay the same.

“Unfortunately, when I began reaching out to larger, corporate financing sources, I was turned away. We couldn’t refinance the existing engines because they were too old. I was discouraged and thought I had hit a dead end. Through a referral, I was directed to United Bank.”

Through the Community Facilities Lending Program, UB Community Development and United Bank were able to structure a \$1 million financing package that allowed the department to purchase a new fire

Hueytown Fire Department Success Story

Project Address
1318 Hueytown Road
Hueytown, AL 35023

Project Name

Hueytown Fire Department
Hueytown, Alabama

Amount of Community Facilities Lending Funds

- \$1,000,000

Community Profile

- Located in Hueytown, Alabama
- Population: 15,380
- Poverty Rate: 12.7%
- Unemployment Rate: 5.6%
- Household Median Income: \$49,705

Community Impact

- Prior to the purchase of the new engine, the city's existing fleet was a decade old, which is considered aging. This would impact the city's response time, ability to extinguish fires and insurance costs. The new engine provided a much-needed upgrade and had a widespread positive impact on public safety.
- The structure of the loan package allowed for the purchase of a new vehicle for the Battalion Chief as well. What's more, because the new loan payments remained within budget, the city was able to purchase upgraded safety equipment for the department's 33 firefighters.

Project Highlights

- To remain within budgetary restrictions, the city's fire chief knew he would need to rely on some creative financing and refinancing in order to purchase the new fire engine the city needed. However, when he started shopping around for financing, conventional lenders showed little interest in helping him.
- The loan package structure also allowed the city to purchase a larger engine with greater capacity than they originally planned.

engine as well as a new vehicle for the Battalion Chief. "We were actually able to buy more truck than originally thought," Chief Morris said. "We upgraded to a larger cab for increased man occupancy and water carrying capacity, which is critical in rural settings." He added that because the new payments were within the existing budget, there would still be funds available to update and replace aging safety gear for the department's 33 firemen.

"I know what resources my team and I need to serve our community," Chief Morris said. "Through the Community Facilities Lending Program, we were able to successfully get the resources needed for our community. The United Bank & UB Community Development team took care of things and briefed us every step of the way. It was a hometown personable experience. It was like dealing with friends."

Communities rely on fire departments in times of crisis. Hueytown Fire Department now has the capabilities it needs to fight fire. Chief Morris concluded, "The Bank team opened up opportunities for smaller communities. This is the kind of relationship small individual cities need."

About UB Community Development

UB Community Development's strong history and experience in New Markets Tax Credit transactions, coupled with our passion for improving the communities around us, make UBCD Alabama's premier financial partner for economic and community development. Through our NMTC projects, Community Facilities Lending Program and Community Housing Capital Fund, UBCD is working with community development partners in the fields of healthcare, education, manufacturing, public works, and more. Since 2016, the U.S. Department of Treasury, through its New Markets Tax Credit Program, has awarded United Bancorporation of Alabama (OTC: UBAB), the parent corporation of United Bank and UBCD, \$120 million in New Markets Tax Credit allocations. UBA, and subsequently UBCD, are the only community development entities (CDE) headquartered in Alabama to receive a NMTC allocation from Treasury in the last decade. This success was made possible largely because of United Bank's designation as a Community Development Financial Institution (CDFI) and the organization's unwavering commitment to its CDFI mission to bring positive and sustainable economic and quality-of-life improvements to underserved communities, not only in its traditional banking footprint, but throughout the entire states of Alabama and Florida. Additionally, UBCD, as the community development management entity for UBA, manages a \$40 million Community Facilities Lending Program, which provides accessible, low-cost capital to local government and nonprofits in rural areas. Finally, UBCD also manages the \$4 million Capital Magnet Fund Award that Treasury recently provided to United Bank. The CMF award requires UBCD, in conjunction with United Bank, to inject at least \$40 million in capital to facilitate accessible, affordable and quality housing communities. Like the New Markets Tax Credit awards, UBCD is the only Alabama-based entity to receive and administer these programs.

For more information about the impact of the Community Facilities Lending Program, Community Housing Capital Fund, and New Markets Tax Credit visit:

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