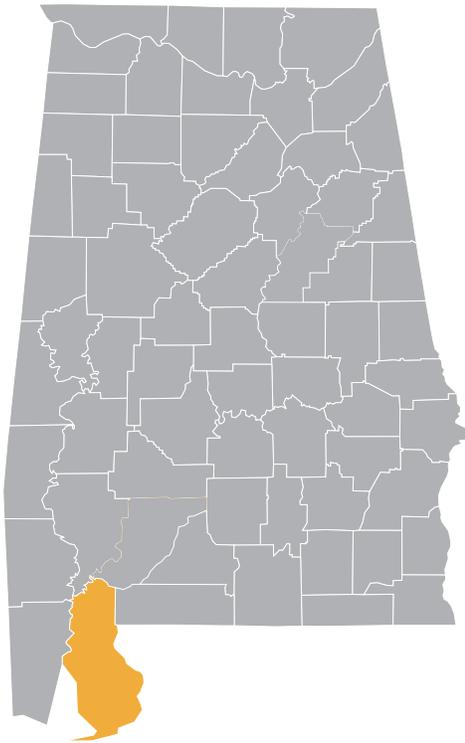


NEW MARKET TAX CREDIT

SWEET BREW FACILITY EXPANSION IN BAY MINETTE, ALABAMA

A UB COMMUNITY DEVELOPMENT (UBCD) NEW MARKET TAX CREDIT SUCCESS STORY

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



Sweet Brew Tea & Sugar Company, which is based in Loxley, Alabama, sells and distributes a patented system for brewing sweet tea and lemonade in commercial settings. The company has a national distribution network, and offers custom solutions for restaurants, hospitals, convenience stores, large franchise chains, and entertainment venues. Sweet tea is currently the fastest growing beverage category in the U.S.

Fueled by demand and the popularity of their brewing system, the company began eyeing the construction of a second production facility.

A \$6 million New Market Tax Credit allocation provided by United Bank's community development partner, UB Community Development, LLC, turned the company's plans into reality and in December 2018, Sweet Brew broke ground on an expansion facility in Bay Minette, Alabama. The project will bring 86 direct, full-time jobs during construction and 75 permanent jobs to Bay Minette and north Baldwin County.

"Without the NMTC investment, the facility in Bay Minette would not have been built," said Paul Stewart, president and co-founder of Sweet Brew. "A significantly smaller investment using the limited internal capital resources would have been made to the facility in Loxley. The smaller investment would have created only about two to four jobs, and the expansion would have occurred over a much longer period of time — five or more years."

"This expansion will allow us to expand our output, create more jobs, and positively impact the health of our company. We are thrilled to be a driver for robust job creation and economic activity in Bay Minette and north Baldwin County," Stewart said.

United Bank Sweet Brew Success Story

Project Address

Hwy 59
Bay Minette, AL 36507



Project Name

Sweet Brew

Amount of NMTC Allocation

\$6 Million

Community Profile

- Poverty Rate: 22.5%
- Unemployment Rate: 9.2%
- Household Median Income: \$31,310

Job Creation

- Permanent Jobs: 75
- Temporary Construction Jobs: 86

Project Highlights

- NMTC allocation allowed Sweet Brew to build the project at one time, instead of in phases over a period of four to five years. It also increased the number of jobs created during construction and once the facility comes online.
- The total cost of the project is \$10,915,874 with a \$6MM NMTC allocation from UBCD. The total square feet of the real estate that will be leased by the NMTC beneficiary is 111,180 square feet, which includes 106,428 square feet of manufacturing/industrial space and 4,752 square feet of office space.
- Family-owned business headquarters located in Loxley, AL.
- Rail services near the Bay Minette facility will assist them in growing their granulated sugar business.

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 NMTC, Capital Market Funds and Community Facilities Lending Program to fund businesses and finance projects related to education, healthcare, manufacturing, hospitality, non-profits, community centers and more.

Since 2016, the U.S. Department of Treasury, through its New Market Tax Credits Program, has awarded United Bancorporation of Alabama (OTC: UBAB), the parent corporation of United Bank and UBCD, \$120 million in New Market Tax Credits allocations. UBA, and subsequently UBCD, are the only community development entities (CDE) headquartered in Alabama to receive a New Market 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.

"We are thrilled to be a driver for robust job creation and economic activity in Bay Minette and north Baldwin County."
— Paul Stewart

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 non-profits 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 Market Tax Credits awards, UBCD is the only Alabama-based entity to receive and administer these programs.

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 economic and community development.

**FOR MORE INFORMATION ABOUT THE IMPACT OF
THE COMMUNITY FACILITIES LENDING PROGRAM,
CAPITAL MARKET FUNDS AND NMTC
VISIT WWW.UBCOMMUNITYDEVELOPMENT.COM**

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