

NEW MARKETS TAX CREDIT

COMMUNITY FOUNDATION OF SOUTH ALABAMA
A UB COMMUNITY DEVELOPMENT (UBCD)
NEW MARKETS TAX CREDIT SUCCESS STORY



UB Community Development, LLC (UBCD), a community development partner of United Bank, provides \$3.5 million in New Markets Tax Credit (NMTC) for Southwest Alabama-based nonprofit, Community Foundation of South Alabama (CFSA). The funds will be used to construct a 6,900-square-foot office facility that will replace the current office in downtown Mobile, Alabama.

The CFSA is a nonprofit organization serving eight counties in Southwest Alabama. Relying on private donations for organizational support, the CFSA utilizes over 450 funds, awarding more than \$80 million in grants and scholarships since its inception in 1976. Their mission includes four main focuses: investing to grow resources for communities, connecting organizations and leaders, initiating and leading efforts to strengthen communities and inspiring educational opportunities through scholarships enabling individuals to be productive members of the community.

“UBCD has a strong commitment to support impactful community development projects across the Southeast, and assisting the CFSA with their project is a prime example,” said Alex Jones, President of UBCD. “We began working with the CFSA almost 2 years ago when they began their initial planning for this project and we worked with them from conception to now commencing construction. This has been a great partnership and we are very excited to play a small role in the important work they do across Southwest Alabama.”

With more than 44 years of experience serving Southwest Alabama, the CFSA is bringing together philanthropic assets to invest in communities. The CFSA has a particularly elevated focus on increasing opportunities to help young people thrive through investing in programs that address

Community Foundation of South Alabama
Success Story

Project Address
212 St. Joseph Street
Mobile, Alabama 36602

Project Name

Community Foundation of South Alabama
Mobile, Alabama

Amount of New Markets Tax Credit (NMTC)

\$3.5 Million

About Community Foundation of South Alabama (CFSA)

- The CFSA is a nonprofit organization serving eight counties in Southwest Alabama which relies on private donations for organizational support.
- Since its founding in 1976, the CFSA has awarded more than \$80 million in grants and scholarships.
- Today, the CFSA is keenly focused on increasing opportunities to help young people thrive through investing in programs that address family, education, and narrowing opportunity gaps to give more children a chance to achieve their full potential.

Community Impact

- The project is expected to create 26 temporary construction jobs and 6 permanent positions after completed.
- The new 6,900-square-foot facility will be constructed on the same site as the CFSA's existing building and allow the non-profit to expand its operations and provide additional services, support and opportunity to residents and organizations in the eight counties it serves.

Project Highlights

- UB Community Development used their knowledge in structured financing to minimize transactional cost while optimizing the capital investment by acting as both the tax credit provider, investor and lender.

family, education, and narrowing opportunity gaps, positioning children to have a chance to achieve their full potential.

"We have been working to create stronger communities and encouraging greater giving since our founding more than forty years ago," said Community Foundation of South Alabama President & CEO, Rebecca Byrne. "With an emboldened commitment to provide more opportunities to everyone, we are constructing this new facility on the same site where our roots have been firmly planted in downtown Mobile."

Through this funding partnership, the CFSA expects to maintain 6 direct jobs and expects 26 temporary construction jobs. UB Community Development used their knowledge in structured financing to minimize transactional cost while optimizing the capital investment by acting as both the tax credit provider, investor and lender.

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, affordable housing and more. Since 2016, the U.S. Department of Treasury, through its New Markets Tax Credit Program, has awarded United Bancorporation of Alabama (OTCQX: 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 offers Community Housing Capital (CHC) investments as part of its commitment to strong inclusive neighborhoods and diverse housing opportunities. CHC investments are partly funded by Capital Magnet Fund (CMF) awards allocated through the US Department of Treasury. Since 2018, United Bank has been the recipient of two CMF awards totaling \$10 million. Like the New Markets Tax Credit awards, UBCD is the only Alabama-based bank 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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