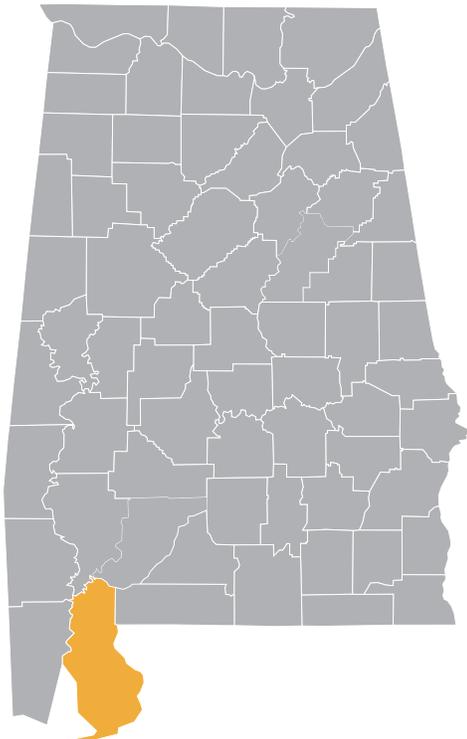


CAPITAL MAGNET FUND

GRACEWAY APARTMENTS
A UB COMMUNITY DEVELOPMENT (UBCD)
CAPITAL MAGNET FUND SUCCESS STORY



United Bank provided \$550,000 in secondary financing to The Morrow Companies for the construction of Graceway Apartments, a 48-unit affordable, multi-family project for seniors to be built in Fairhope, Alabama. A substantial portion of the funding is from United Bank's 2017 Capital Magnet Fund Award managed by UB Community Development, a community development partner of United Bank. United Bank also provided \$3.3 million in additional funding, as a participant in BBVA Bank's construction facility.

Graceway Apartments has 44 one-bedroom units and 4 two-bedroom units. Eighteen units are reserved for households at or below 60 percent of the area median income and 30 units serve households at or below 50 percent of the area median income. Five of the units are designated for veterans. As of November 2020, the development is 100 percent occupied.

Graceway Apartments are in close proximity to numerous amenities and services including a hospital, grocery stores, banks, pharmacies, restaurants, churches, and local parks, as well as the Nix Senior Center, Fairhope Public Library and Fairhope Recreation Center.

"We appreciate UBCD and United Bank partnering with us on the Graceway project."

"We are thrilled to provide capital to The Morrow Companies for Graceway Apartments," said Joe Raines of UB Community Development. "Graceway is an exciting new project for the Eastern Shore that is providing much-needed affordable housing to senior adults in Baldwin County," said Raines.

"We appreciate UBCD and United Bank partnering with us on the Graceway project," said David Morrow, President of The Morrow Companies. "The expertise of the United team was invaluable in helping us craft a creative

Graceway Apartments Success Story

Project Address
20815 Bishop Road
Fairhope, AL 36532

Project Name

Graceway Apartments
Fairhope, Alabama

Amount of Capital Magnet Fund

- \$550,000

Community Profile

- Population: 22,085
- Unemployment: 2.7%
- Poverty: 10.1%
- Household Median Income: \$58,767

Community Impact

- Graceway is a 48-unit senior development with 44 one-bedroom units and 4 two-bedroom units. Eighteen units are reserved for households at or below 60 percent of the area median income and 30 units serve households at or below 50 percent of the area median income. Five of the units are designated for veterans. As of November 2020, the development is 100 percent occupied.
- Graceway Apartments are in close proximity to numerous amenities and services including a hospital, grocery stores, banks, pharmacies, restaurants, churches, and local parks, as well as the Nix Senior Center, Fairhope Public Library and Fairhope Recreation Center.

Project Highlights

- A ribbon cutting and open house was held on November 13, 2020 to officially celebrate the opening and occupancy of Graceway Apartments.
- “We appreciate UBCD and United Bank partnering with us on the Graceway project,” said David Morrow, President of The Morrow Companies. “The expertise of the United team was invaluable in helping us craft a creative structure that recognized the unique aspects of the transaction, and will ensure the project’s success.”

structure that recognized the unique aspects of the transaction, and will ensure the project’s success,” added Morrow.

The Capital Magnet Fund (CMF) Program is administered by the Community Development Financial Institutions Fund within the U.S. Treasury Department. The CMF program offers competitively awarded grants to qualified institutions and non-profits, for the purpose of providing affordable housing solutions and community revitalization efforts to low-income people nationwide. In 2017, United Bank was the only Alabama-based bank to receive a Capital Magnet Fund award, and is further validation of United’s strong commitment to providing unique and meaningful capital solutions to community development projects across Alabama and Florida.

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 2017, United Bank has been the recipient of two CMF awards totaling \$10 million. Like the New Markets Tax Credit awards, United Bank 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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