

American Snuff Company

Affordable Multi-Family Housing in Memphis, TN



160,649
SF



31
Affordable Housing Units



TOTAL PROJECT COST:

\$58,950,000

NMTC ALLOCATION:

\$12,500,000

HISTORIC QRES:

\$54,300,000

FINANCING COMPLETE:

January 2021

PROJECT SPONSOR:

Wolf River Harbor Holdings, LLC

CDE:

National Trust Community Investment Corporation

NMTC INVESTOR:

East West Bank

FEDERAL HTC INVESTOR:

NTCIC Climate Impact & Revitalization Fund I, LLC

SOURCE LENDER:

FirstBank

ADDRESS:

46 Keel Avenue
Memphis, TN

Project

The Snuff District of Memphis is located on the shores of the Wolf River Harbor in the uptown area of the City. Saturated by vacant industrial buildings, the district has fallen into disrepair. As one of the District's key complexes, the historic American Snuff Company site, renamed Conwood I, is a 9-building complex that reached its heyday in the 1950s when over 500 workers entered its doors each day. Today, however, a vastly different version of the community suffers with high poverty rates, low family incomes and severe unemployment.

As local Memphians, the members of the sponsor team have taken a strong interest in revitalizing the Snuff District. With a \$250+ million total development package, they propose to transform the Uptown neighborhood into a thriving, mixed-income community, where residents can live and work while enjoying all that Memphis has to offer. With a vision for affordability at all levels and jobs from entry level to administrative, the sponsors have begun this transformation with Conwood I.

The redevelopment of the American Snuff Company facilities will include 137 residential units, including 31 that will be affordable at only 80% of Area Median Income, and the headquarters and administrative offices for Varsity Spirit. As a leader in the world of competitive cheering, Varsity Spirit will provide 238 permanent jobs with all of them provided quality wages and a comprehensive benefits package. The company has a specific focus on development from within, as evidenced by their President who began with the company as an entry level employee, and by their internship program with the local school system. They also display a push for inclusion as evidenced by their creation of an entire category of cheer for those with special talents in the CheerABILITIES and DanceABILITIES divisions.

NMTC/HTC Twinned Finance

With total project costs nearing \$59 million, and the lower than downtown market rents achievable for residential and commercial space in the area, the Conwood I team had to be creative in financing the project. They twinned \$12.5 million of NMTC Allocation, providing \$12.5 million of subordinated QLICs, from National Trust Community Investment Corporation (NTCIC) with Federal historic tax credit Equity on \$54.3 million of QREs from NTCIC. Other sources of financing included construction and permanent debt from FirstBank and Opportunity Zone equity. The project has also sparked \$141 million in additional private sector development in the District.

CENSUS TRACT:

47157000200

LOW-INCOME COMMUNITY:

Poverty Rate: 46.20%

Median Family Income: 34.13%

Unemployment Rate: 30.6%

Unemployment Ratio: 3.69x

Opportunity Zone

FEMA Disaster Area

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