



FIRE
FIRST-RING INDUSTRIAL REDEVELOPMENT ENTERPRISE
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FOR IMMEDIATE RELEASE

FOR INFORMATION CONTACT:

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First-ring Industrial Redevelopment Enterprise provides \$10 million in New Markets Tax Credit allocation to Tramont Manufacturing located at 3701 N. Humboldt Blvd. Milwaukee WI.

West Allis, Wisconsin (December 23, 2016) — First-ring Industrial Redevelopment Enterprise, Inc. (FIRE), an affiliated entity of the City of West Allis, announced today that it has funded \$10 million in New Markets Tax Credit (NMTC) allocation to support working capital for the continued growth and expansion of Tramont Manufacturing of Milwaukee at a below market interest rate of 1.27%.

In March of 2014, Tramont Corp entered into receivership, with 80 employees at jeopardy of being laid off. Tramont Corp's assets were purchased out of receivership by Tramont Manufacturing LLC, which was organized by Nand Kumar, CEO and owner of UCA Group out of Elgin, IL. The company was able to retain those 80 jobs and through the additional working capital and internal growth that the NMTC financing will provide is expected to grow to over 160 quality jobs in the by 2019.

With a recent bankruptcy, it has been very difficult for the company to access traditional capital. The NMTC financing will allow Tramont to expand its operations inside its current facility by refinancing existing debt while providing much-needed

working capital.

“Without access to these critical tax credits FIRE is providing, we would not have been able to finance our company’s growth,” said Nand Kumar, CEO of Tramont Manufacturing. In 2014 with the company in bankruptcy, UCA Group of Elgin, IL purchased Tramont Manufacturing and retained more than 80 jobs. Tramont has subsequently expanded to over 100 employees.

“This is a huge win for manufacturing in southeastern Wisconsin,” said John Stibal, president of First-ring Industrial Redevelopment Enterprise, Inc. (FIRE). “Tramont Manufacturing has been a long-standing manufacturer and valuable employer to Milwaukee’s economy. We’re proud to have been a part of ensuring their future success and growth.” The project is located in a qualified census tract with 18.5% unemployment and a poverty rate of 42.9%, according to 2010 census data.

West Allis-based FIRE is the Community Development Entity (CDE) providing \$10 million in NMTC allocation to the project. U.S. Bancorp Community Development Corporation, a subsidiary of U.S. Bank, was the New Markets Tax Credit Investor.

"We're delighted to join FIRE to make this important manufacturing expansion become a reality for Tramont Manufacturing," said Steve Kramer, Vice President of U.S. Bancorp Community Development Corporation, the division of U.S. Bank that contributed tax credit equity to the project.

The NMTC program, established by Congress in December 2000, permits individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in investment vehicles known as Community Development Entities (CDEs). The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year period. Substantially all of the taxpayer’s investment must in turn be used by the CDE to make qualified investments in low-income communities.

Headquartered in West Allis, WI, First-ring Industrial Redevelopment Enterprise, Inc. (FIRE) was formed in 2007 to attract tax credit and other funding incentives for projects that can demonstrate significant and measurable community impact. The company provides below-market rates and terms for equity-equivalent, senior and subordinate loans products in healthcare, education, commercial, mixed-use and industrial projects located in highly distressed communities throughout its four-county service region. FIRE is an equal opportunity provider.

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