

NMTC Case Study for Plush Mill

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Project

Once an abandoned plush fabric mill, the revitalized 24,116 square foot Plush Mill now houses Serendipity Labs, a high-performance co-working and shared office space located just minutes from downtown Greenville.

Project developer Mark Peters says he knew that the old textile building complex, which has long been an eyesore for the surrounding community, had the potential to become a hub for activity on the Easley Bridge Road corridor. As the Principal of M Peters Group, Peters now focuses his time on the redevelopment of defunct manufacturing facilities that face significant barriers to traditional financing in both South Carolina and Indiana.

Peters found a willing tenant and partner for the project in Serendipity Labs franchisee Trey Scott. The envisioned a project where the original building, designed by J.E. Serrine and the first home to plush fabric production in South Carolina could become home to a new generation of hard working Greenvillians, only this time, instead of earning wages at a textile mill, they would be entrepreneurs launching new concepts and companies in the mill space.

The project, located in an Appalachian Regional Commission Distressed Area with 44.2% poverty and 36.8% median family income, included remediation of a brownfield site, restoration of the Plush Mill, and development of a pocket park for the City of Greenville.

NMTC/State Tax Credit Twinned Finance

The approximately \$9.4 million project was financed by pairing permanent debt and NMTC equity from Iberia Bank with \$1.1 million in South Carolina Textile Communities Revitalization Tax Credit equity from Stonehenge Community Capital to leverage \$9 million of New Markets Tax Credit Allocation provided by River Gorge Capital. Through the use of these flexible financing tools, the project was able to reduce the overall rent for Serendipity and support the offering of discounted memberships to local, low-income community residents and free use of meeting spaces for area non-profit organizations.

TOTAL PROJECT COST:
\$9,400,000

NMTC ALLOCATION:
\$9,000,000

FINANCING COMPLETE:

July 2018

PROJECT SPONSOR:

Farm Products, LLC

CDES:

River Gorge Capital, LLC

NMTC INVESTOR:

Iberia Bank

LEVERAGED LENDER:

Plush Mills, LLC

“The availability of the New Markets Tax Credits and South Carolina Textiles Communities Revitalization programs were essential to completing this project and restoring vibrancy to this long-neglected neighborhood. Tax Advantage Group was able to guide us through the multi-faceted financing package to successful completion.”

– **Mark Peters, *Principal, M Peters Group***

ADDRESS:

141 Traction
Street
Greenville, SC

**CENSUS
TRACT:**

45045002105

**COMMUNITY
OUTCOMES:**

24,116 SF
Direct Jobs:
250

**LOW-INCOME
COMMUNITY:**

Poverty Rate:
44.2%
Median Family
Income: 36.8%
Unemployment
Rate: 11.3%
Unemployment
Ratio: 1.36x
ARC
Distressed
Area