

## Texas



### Houston Meat Distributors

Pasadena, TX (2022)

An NMTC enhanced loan supported the relocation and expansion of Houston Meat Distributors, Inc. into their new headquarters which includes a new, state-of-the-art, cold storage facility. The company was founded in 2003 by Paul “Jeff” Martinez and Sonia R. Martinez with a small family loan. Houston Meat Distributors was forced to relocate from its longtime office warehouse due to continued high repair costs, inefficient structural design, and an expiring lease.

**Tenant improvements funded for a small business, leveraging capital from three CDFIs and a NMTC allocation**

### FINANCING

NMTC Financing: Five Points Community Capital, LLC: \$8 million  
Equity Investor: U.S. Bancorp Impact Finance  
Total Project Cost: \$10.7 million

### IMPACT

- 48 construction jobs
- 72 permanent jobs

### COMMUNITY

- Poverty Rate: 40.6%
- Unemployment Rate: 15.1%
- Median Income: 45% of the AMI

“A large part of our mission is focused on supporting accessible, living wage jobs in disadvantaged communities, particularly in our home state of Texas,” said Roy Alston, Executive Director of Five Points. “We are very pleased to have been able to provide both NMTC allocation and to act as a leverage lender for this highly impactful project.”

While the new location offered an ideal building in size, ceiling height, and location, the costs of specialized improvements and equipment required for cold storage exceeded \$10 million. Without traditional or long-term financing available on these necessary tenant improvements and specialized equipment, the company sought subsidized NMTC financing led by Five Points to make the project viable.

Five Points collaborated with 3 participating CDFI lenders, Liberty Bank and Trust Company, PeopleFund and Raza Development Fund to provide source loans for the NMTC financing. As a result of this NMTC allocation and financing, the expansion for Houston Meat Distributors will initially bring 72 jobs to Pasadena, including 21 newly created jobs. The jobs span a wide range of skill sets and offer education internally to support access to promotion and job growth. Approximately 96% of the jobs are accessible to persons with a high school diploma or its equivalent.

Five Points seeks to connect capital available from banks, CDFIs and community financial partners to businesses and organizations that lack access to the capital. To provide capital Five Points 1) aggregates opportunities and provides underwriting and asset management services, 2) provides capacity building technical assistance to borrowers to position them to obtain financing, either directly or indirectly through Five Points. By connecting capital sources, borrowers can gain access to financing that brings jobs, services and affordable housing to benefit low-income communities.