

WAGNER FOREST MANAGEMENT

Somerset and Franklin Counties, Maine

Wagner Forest Management, Ltd. (Wagner) is the second-largest forestland owner/management companies in Maine, owning a. of nearly 1.5 million acres of forestland in the heart of Maine's "industrial forest." This deal focuses on Wagner's Merriweather lands, which includes some 300,000 acres, primarily in Somerset County and Franklin Counties.

Approximately 329,000 acres of land in the area have been placed under a conservation easement by the Forest Society of Maine, which provides for sustainable forest management, maintenance of these timberlands as a working forest, continued public access, and potential future use for compatible eco-tourism initiatives. Merriweather also is a Sustainable Forestry Initiative (SFI) licensee, providing the certification of Wagner's sustainable forest management practices and in July of 2008, the lands became additionally certified under the Forest Stewardship Council (FSC) guidelines. The land supports a number of major paper and saw mills, including the Katahdin mills in Millinocket and East Millinocket and an estimated 85-90 people are employed in these woods.

The project included substantial equity for CEI's Northern Heritage Development Fund, which is helping to diversify rural economies in Maine's woodland communities. In support of this Fund, Wagner Forest Management agreed to engage with entrepreneurs, companies, representatives of nearby communities and other related entities and organizations regarding proposals for forest use for eco-tourism and value-added wood products manufacturing activities within the Merriweather lands.

CEI Capital Management (CCML), along with fellow NMTC allocatees Boston Community Capital and Rural Development Partners provided \$24 million worth of NMTC capacity to finance the debt on the Wagner woods, of which CCML provided \$5.2 million in NMTCs. GE Capital provided the debt and equity financing for the deal, which closed July 5, 2005.

Key Benefits

- Lands available to for recreational purposes
- Creates a fund to support entrepreneurship among the local population through new eco-tourism and value-added wood products businesses.
- Lands supports major paper and saw mills
- Preserves 85-90 current jobs in woods
- Preserves natural resources while allowing for certified stewardship of the working forestlands

Qualifying Features

- SBA Hub Zone

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