2016 IMPACT REPORT

Creating good jobs, environmentally-sustainable enterprises and shared prosperity in:

ALABASTER, ALABAMA
ALBION, MAINE
ALFRED, MAINE
ALPENA, MICHIGAN
AROOSTOOK COUNTY, MAINE
ASHLAND, MAINE
AUBURN, MAINE
AUGUSTA, MAINE
BAILEY ISLAND, MAINE
BAILEYVILLE, MAINE
BANGOR, MAINE
BAR HARBOR, MAINE
BARRE, VERMONT
BATH, MAINE
BELFAST, MAINE
BELGRADE, MAINE
BERLIN STATION, NEW HAMPSHIRE
2016 WAS A YEAR OF SIGNIFICANT CHANGE. CEI and its subsidiaries, CEI Capital Management, CEI Ventures, and CEI 7(a) Financing, settled into new LEED-certified headquarters in Brunswick, Maine. Our board of directors conducted a national search to replace founder, President and CEO Ron Phillips, who retired in 2016. We welcomed Betsy Biemann as CEO and Keith Bisson as President, while celebrating Ron’s incredible accomplishments at the helm.

Throughout this period of celebration and transition, the CEI team continued to exceed impact goals for financing, advising and policy. CEI provided loans and investments to a total of 80 businesses, helping to create 1,421 jobs. To support targeted financing and services to entrepreneurs with low incomes, CEI received a highly-competitive $1.75 million Financial Assistance Award from the CDFI Fund and was selected to borrow up to $20 million from USDA Rural Development for financing community facilities in rural regions of Maine and other states beginning in 2017. The U.S. Department of the Treasury allocated $80 million—one of the highest award levels—in New Markets Tax Credit regions of Maine and other states beginning in 2017.

Amplifying the impact of our financing dollars, our colleagues in lending, housing counseling, business advising, and workforce solutions work daily with borrowers, business leaders and partners. Every business that starts or grows—whether a Washington County farm, a New Mainer’s new business in Portland, a solar array in Massachusetts or a peanut processing facility in Georgia—generates a ripple effect of greater self-sufficiency, resilience and economic mobility. We are honored to share the economic journey of people and projects in Maine and rural regions throughout the U.S.

More than 80% of our loans and investments support either entrepreneurs with low incomes, or business owners and companies that create jobs, affordable housing, and crucial services such as childcare and health care for economically-disadvantaged communities.

RESILIENT ECONOMIES
CEI and its subsidiaries CCMC, CVI, and CVa deployed over $77 million in financing for businesses and projects in Maine and rural regions throughout the U.S.

Growing Enterprises and Assets
CEI provided business advising and housing counseling to 3,357 entrepreneurs and individuals. The Women’s Business Center at CEI, StartSmart program for immigrants and refugees, and Maine Small Business Development Centers at CEI connected business owners to $3.7 million in capital and supported 107 startups. Our Housing Counseling program worked with 3,095 individuals and families, helping avoid 62 foreclosures.

Unlocking Potential
CEI helped companies embrace innovation and opportunity. Our Sustainable Agriculture & Food Systems program advised 65 clients, supporting $2.5 million in lending. CEI’s Sustainable Fisheries program helped ensure waterfront access for 100 boats and fishermen. The Workforce Solutions team developed four Employment Training Agreements with companies and helped to connect job seekers with new jobs.

Expanding Opportunity
CEI tackled policy issues that impact the success and well-being of rural regions. CEI issued Building Maine’s Economy: How Maine Can Embrace Immigrants and Strengthen the Workforce, a framework for leveraging the value that immigrants bring to Maine.

A regional broadband conference and video produced by CEI made the case for expanding access in Maine. CEI supported a state minimum wage increase as a starting point for a more inclusive economy.

ElLEN SIEdMAN Board Chair
BETSY BIEMANN CEO
KEITH BISSON President

Welcome
Casco, Maine
Charlotte, North Carolina
Cincinnati, Ohio
Clearwater, Florida
Clay County, Georgia
Corinna, Maine
Cornish, Maine
Corinth, Maine
Cumberland Foreside, Maine
Damascus, Maine
Darien, South Carolina
Dennysville, Maine
Divfield, Maine
Dillard, Oregon
Dorchester, Massachusetts
Douglas, Georgia
Dover Foxcroft, Maine
Dresden, Maine
Durham, Maine
East Waterboro, Maine
Eastport, Maine
Echos County, Georgia
Elliot, Maine
Edmunds, Maine
Ellsworth, Maine
Enfield, Vermont

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“We wanted to create an environment where food entrepreneurs can collaborate, learn, and have fun. At the end of the day, humans want to connect.

CEI distinctly had the success of our business as a top priority and was the first one in as a professional financier.”

— NEIL SPILLANE, CO-OWNER
Fork Food Lab, Portland, ME

“CEI Housing Counseling helps people like me get back on our feet and not become foreclosure statistics.”

— KAREN GRIFFIN, Swan’s Island, Maine

“Most importantly, for these 225 farmers, CEI brought stability during tough times and protected their livelihood.”

— KARL ZIMMER, CEO
Premium Peanut, Douglas, Georgia

“I had the passion, I found the building, but CEI gave the project a heartbeat.”

— AMY MCELLELLAN, RN, OWNER
The McLellan, Brunswick, Maine
### Financials

**CEI Balance Sheet**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount ($MM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>10,420.554</td>
</tr>
<tr>
<td>Restricted Cash</td>
<td>5,504.825</td>
</tr>
<tr>
<td>Notes Receivable (Net of Loan Loss Reserve)</td>
<td>13,797.507</td>
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<tr>
<td>Accounts Receivable</td>
<td>5,764.370</td>
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<tr>
<td>Grants Receivable</td>
<td>336.935</td>
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<tr>
<td>Investments—State Historic Tax Credit</td>
<td>7,917.123</td>
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<tr>
<td>Investments—Subsidiaries</td>
<td>11,681.269</td>
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<tr>
<td>Other Assets</td>
<td>1,546.454</td>
</tr>
<tr>
<td>Land, Property and Equipment</td>
<td>9,199.052</td>
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<tr>
<td>TOTAL ASSETS ($MM)</td>
<td>86,588.062</td>
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<tr>
<td>Debt</td>
<td>49,962.839</td>
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<tr>
<td>Other Liabilities</td>
<td>2,270.693</td>
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<tr>
<td>TOTAL LIABILITIES ($MM)</td>
<td>52,234.532</td>
</tr>
<tr>
<td>Unrestricted Net Assets</td>
<td>28,507.355</td>
</tr>
<tr>
<td>Temporarily Restricted Net Assets</td>
<td>2,049.810</td>
</tr>
<tr>
<td>Permanently Restricted Net Asset</td>
<td>1,196.187</td>
</tr>
<tr>
<td>TOTAL NET ASSETS ($MM)</td>
<td>34,353,532</td>
</tr>
</tbody>
</table>

**CEI Cumulative Investing and Lending Since 1977**

- NEW MARKETS TAX CREDITS
- SBA LENDING
- HOUSING
- VENTURE CAPITAL
- MICROLENDING
- SMALL / MEDIUM ENTERPRISE

**CEI Impact Leverage**

- Lending and Investing: 31%
- Subsidiaries: 19%
- Fees & Other Earned: 9%
- Grants & Donations: 6%
- Contracts: 5%
- Subsidiaries: 0%

**CEI Income (Recurring)**

- Lending and Investing: 2,941.032
- Subsidiaries: 2,019.765
- Contract, Fee and Other Earned: 1,466.097
- Grants and Donations: 4,354.496
- Non-Cash, Non-Recurring Income: (511,688)
- TOTAL INCOME: 10,269,696

**CEI Expenses (Recurring)**

- Lending and Investing: 1,480,510
- Salaries and Fringe: 5,418,800
- Occupancy, Business and Admin: 2,169,863
- Outreach and Other: 731,006
- TOTAL EXPENSES: 12,010,637

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**New Markets Tax Credits**

- SBA Lending
- Housing
- Venture Capital
- Microlending
- Small / Medium Enterprise

To request full audited financials, please contact CEI.
Coastal Enterprises, Inc. (CEI) helps to grow good jobs, environmentally-sustainable enterprises, and shared prosperity in Maine and in rural regions across the country by integrating financing, business and industry expertise, and policy solutions. CEI envisions a world in which communities are economically and environmentally healthy, enabling all people, especially those with low incomes, to reach their full potential.

To learn more, please visit ceimaine.org/impact2016