

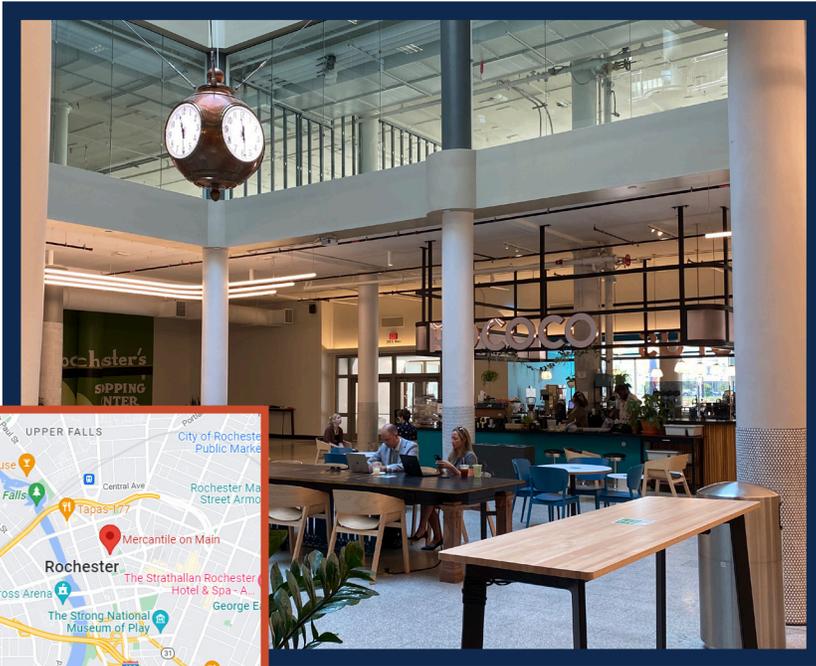
WOODFOREST CEI-BOULOS OPPORTUNITY FUND

Mercantile on Main at Sibley Square

260 East Main Street
Rochester, New York

A food hall supporting food entrepreneurship and an adjacent grocery, bringing food choices and economic activity to residents in downtown Rochester

Sole Outside Equity Investor
\$3.8MM Total Project
Closed July 2020



The Woodforest CEI-Boulos Opportunity Fund invests in high-impact commercial real estate projects in federally designated Opportunity Zones with the goal of ensuring that its investments benefit economically distressed communities in which the projects are located. Most of the fund's investments to date are in projects located in Black communities or in one case, a Native American community, helping to address the nation's renewed focus on racial and economic equity.

Mercantile on Main at Sibley Square in Rochester, New York, is the city's first food hall, bringing food options to residents in the epicenter of a federally designated "low-income, low-access food desert" in downtown Rochester.

The project addresses common barriers to food entrepreneurship, such as build-out and equipment costs, and does not require long-term leases. The project is closely affiliated with an adjacent new nonprofit food business incubator program, The Commissary, sponsored by the Rochester Downtown Development Corporation, which provides workforce training and entrepreneurship opportunities for individuals with low incomes.

The project is part of a community focused redevelopment of the 1.1 million square foot historic Sibley's building, formerly the largest department store between New York City and Chicago. The Sibley Square project represents one of the largest and most impactful redevelopment projects in the history of Upstate New York. Aspects of the overall redevelopment project incorporate historic preservation, affordable housing, entrepreneurship and technology incubation, childcare services, workforce development and job creation, office and retail space and a senior center. Since opening its doors, Mercantile on Main has become a popular community meeting place.

COMMUNITY FACTS*

Census Tract: 36055009400
Metropolitan Area

Poverty Rate: 44.8%

Unemployment Rate: 10.7%

Median Family Income: \$15,406
(21.42% of area average)

USDA low-income, low-access
"food desert"

*at time of investment

The Mercantile on Main project serves as the food-oriented anchor of Sibley Square and involved renovating a 10,000 square foot space to create seven turn-key spaces for food entrepreneurs and vendors. The project created approximately 40 permanent new jobs. In addition, a grocery store that sells produce and other fresh food occupies an adjacent ground-floor retail space. In July 2020, the fund made a \$1.3 million investment in the \$3.8 million project as the sole outside equity investor.



Palermo's Market- a deli and sandwich shop located in the Mercantile on Main at Sibley Square

PROJECT IMPACT*

- Brings affordable, healthy food options to a USDA qualified “food desert” for residents of Sibley Square’s 280 mixed-income apartments, commercial tenants’ employees and the surrounding neighborhood.
- Helps remove common barriers to food entrepreneurship, such as the high-cost of kitchen/restaurant infrastructure and space build-out and personal guarantees requirements, by providing turn-key spaces for food entrepreneurs and vendors and by not requiring long term leases.
- Revitalizes Rochester’s Central Business District with the build-out of a key ground-floor retail space in a transformative, multi-purpose community development project
- Houses seven, locally owned restaurants in a 10,000 square foot ground floor prime retail space at below-market rent (15% gross sales).
- Provides a sales outlet for approximately fifty small and emerging food entrepreneurs who are members of The Commissary kitchen incubator adjacent to The Mercantile.
- Creates 24-40 permanent, restaurant-oriented jobs, nearly all of which are accessible to low-income local residents.
- Supported 50 temporary construction jobs and a minimum of \$180,000 in construction contracts commissioned to minorities and women owned business as required by grant from New York State.

**all impacts projected as of project closing date*

“The need for new street-level services is outpacing the market, and downtown currently lacks the type of vibrant street life that attract tenancy of all kinds – particularly on Main Street. This is an unusual project which hits on three key economic pistons: creating pathways to prosperity for lower skilled workers; growing entrepreneurial start-ups in the city and in the food sector; and building a more magnetic and vibrant downtown”

— LOVELY WARREN, FORMER MAYOR OF ROCHESTER

ABOUT THE FUND

The Woodforest CEI-Boulos Opportunity Fund is an innovative \$22 million real estate investment fund targeting projects within federally designated Opportunity Zones. The fund is managed by CEI-Boulos Capital Management, LLC, a joint-venture between Coastal Enterprises, Inc. (CEI), one of the nation’s leading community development financial institutions, and The Boulos Company, one of New England’s most successful integrated commercial real estate firms with broad experience in capital markets and real estate development.

The fund’s sole investor is Woodforest National Bank®, a privately owned national bank headquartered in The Woodlands, TX, that currently operates over 760 branches in 17 states proudly celebrating over 40 years in banking.

The fund invests in projects that have positive social and environmental impact and is intentional in ensuring that all investments foster community engagement and promote social equity. The fund’s Social Impact Advisory Board provides input related to the impacts of proposed investments by using metrics aligned with the goals of the Community Reinvestment Act and the “Opportunity Zone Reporting Framework” developed by the U.S. Impact Investing Alliance, the Beek Center at Georgetown University and the Federal Reserve Bank of New York.

The fund was recognized by Forbes and the Sorenson Impact Center as one of “The Forbes OZ 20: Top Opportunity Zone Catalysts” and won a 2020 BAI Global Innovation Award in the Societal and Community Impact Innovation category.



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