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
BARRIE, 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 capacity to CEI’s subsidiary, CEI Capital Management.

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 businesses in rural regions, and to help create jobs, environmental sustainability, and shared prosperity. We welcome your engagement in, and support for, our work.

ELLEN SEIDMAN
Board Chair

BETSY BIEMANN
CEO

KEITH BISSON
President
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.

RESILIENT ECONOMIES

CEI and its subsidiaries CCML, CVI, and C7a deployed over $77 million in financing for businesses 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.

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 $33.7 million in capital and supported 107 startups.

Our Housing Counseling program worked with 1,063 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.

cemaine.org/impact2016
STORIES

“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 was willing to go to bat for us when other institutions were not.”
—PAUL LANCISI, OWNER
Dove Tail Bats, Shirley Mills, Maine

“CEI Housing Counseling helps people like me get back on our feet and not become foreclosure statistics.”
—KAREN GRIFFIN, Swan's Island, Maine
CUMULATIVE IMPACT SINCE 1977

$697.6 Million
CAPITAL UNDER MANAGEMENT/COMMITTED ACROSS THE U.S.

$1.27 BILLION FINANCED

$2.55 BILLION LEVERAGED

2,649
BUSINESSES FINANCED

53,143
PEOPLE COUNSELED

35,707
FULL-TIME JOBS AT LOAN CLOSING

5,806
CHILD CARE SLOTS CREATED/PRESERVED

2,001
AFFORDABLE HOUSING UNITS CREATED/PRESERVED

“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 MCLELLAN, RN, OWNER
The McLellan, Brunswick, Maine
### FINANCIALS

- PITTSFIELD, NEW HAMPSHIRE
- PLATTEVILLE, WISCONSIN
- PORTLAND, MAINE
- PORTLAND, OREGON
- PRESQUE ISLE, MAINE
- RALEIGH, NORTH CAROLINA
- RANGELEY, MAINE
- RAYMOND, MAINE
- RICHLAND CENTER, WISCONSIN
- RICHMOND, MAINE
- ROCKLAND, MAINE
- ROCKWOOD, MAINE
- ROLLO, MISSOURI
- RUMFORD, MAINE
- SAINT JOHNSBURY, VERMONT
- SAINT LOUIS, MISSOURI
- SANFORD, MAINE
- SARASOTA, FLORIDA
- SCARBOROUGH, MAINE
- SHEPERDSTOWN, WEST VIRGINIA
- SHIRLEY MILLS, MAINE
- SKOWHEGAN, MAINE
- SOLON, MAINE
- SOUTH PARIS, MAINE
- SOUTH PORTLAND, MAINE
- SOUTHPORT, MAINE

### 2016 INCOME (RECURRING)

- Grants & Donations: 40%
- Lending & Investing: 27%
- Contracts: 19%
- Fees & Other Earned: 9%
- Subsidiaries: 5%

### 2016 IMPACT MULTIPLIER

- CEI: 31%
- Impact Leverage: 69%

### CEI BALANCE SHEET

<table>
<thead>
<tr>
<th>Account</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>
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<tr>
<td>Notes Receivable (Net of Loan Loss Reserve)</td>
<td>33,797,501</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>536,913</td>
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<tr>
<td>Investments—State Historic Tax Credit</td>
<td>7,937,123</td>
</tr>
<tr>
<td>Investments—Subsidiaries</td>
<td>11,681,269</td>
</tr>
<tr>
<td>Other Assets</td>
<td>1,546,454</td>
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<tr>
<td>Land, Property and Equipment</td>
<td>9,399,052</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>86,588,061</td>
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<tr>
<td>Debt</td>
<td>49,963,836</td>
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<tr>
<td>Other Liabilities</td>
<td>2,270,693</td>
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<tr>
<td>TOTAL LIABILITIES</td>
<td>52,234,529</td>
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<tr>
<td>Unrestricted Net Assets</td>
<td>28,507,535</td>
</tr>
<tr>
<td>Temporarily Restricted Net Assets</td>
<td>2,649,810</td>
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<tr>
<td>Permanantly Restricted Net Asset</td>
<td>3,196,187</td>
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<tr>
<td>TOTAL NET ASSETS</td>
<td>34,333,532</td>
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### 2016 Income

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Lending and Investing</td>
<td>2,941,032</td>
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<tr>
<td>Subsidiaries</td>
<td>2,019,763</td>
</tr>
<tr>
<td>Contract, Fee and Other Earned</td>
<td>1,465,093</td>
</tr>
<tr>
<td>Grants and Donations</td>
<td>4,365,496</td>
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<tr>
<td><strong>SUBTOTAL—RECURRING INCOME</strong></td>
<td><strong>10,791,384</strong></td>
</tr>
<tr>
<td>Non-Cash, Non-Recurring Income</td>
<td>(521,688)</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td><strong>10,269,696</strong></td>
</tr>
</tbody>
</table>

### 2016 Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending and Investing</td>
<td>1,480,520</td>
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<tr>
<td>Salaries and Fringe</td>
<td>5,428,800</td>
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<tr>
<td>Occupancy, Business and Admin</td>
<td>2,169,862</td>
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<tr>
<td>Outreach and Other</td>
<td>731,006</td>
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<tr>
<td><strong>SUBTOTAL—RECURRING EXPENSES</strong></td>
<td><strong>9,810,188</strong></td>
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<tr>
<td>Non-Cash, Non-Recurring Expenses</td>
<td>2,200,449</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>12,010,637</strong></td>
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</tbody>
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### CEI Cumulative Investing and Lending Since 1977

- 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 create good jobs, environmentally-sustainable enterprises, and shared prosperity in Maine and in rural regions across the country by providing 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