

AN OZ INVESTMENT MODEL FOR POSITIVE SOCIAL IMPACT

Opportunity Zone Program

- Established by Congress in Tax Cuts and Jobs Act of 2017
- Long-term investment in historically underinvested areas (Qualified Opportunity Zones)
- Ability for investors to defer and reduce capital gains tax
- Equity investment serves to leverage additional capital to projects



\$22MM

Woodforest CEI-Boulos Opportunity Zone Fund

- One of the first funds of its kind
- \$22 Million Fund using CRA-aligned capital
- Rural and urban communities across Woodforest's 17-state footprint



WOODFOREST
NATIONAL BANK

A Unique Partnership



Social Impact Advisory Board

National experts who provide:

- Trusted guidance
- Help identifying community needs
- Referrals to high-impact projects



Opportunity Zone Impact Reporting Framework

- Developed by U.S. Impact Investing Alliance, the Beeck Center at Georgetown University and the Federal Reserve Bank of New York
- Guiding principles promote community engagement, transparency, social equity and impact reporting: core to effective and equitable OZ investment



Fund Benefits for Low- and Moderate-Income Individuals

- Affordable housing
- Neighborhood revitalization
- Access to needed goods and services (e.g. healthy food access, healthcare, financial services)
- Local quality job creation

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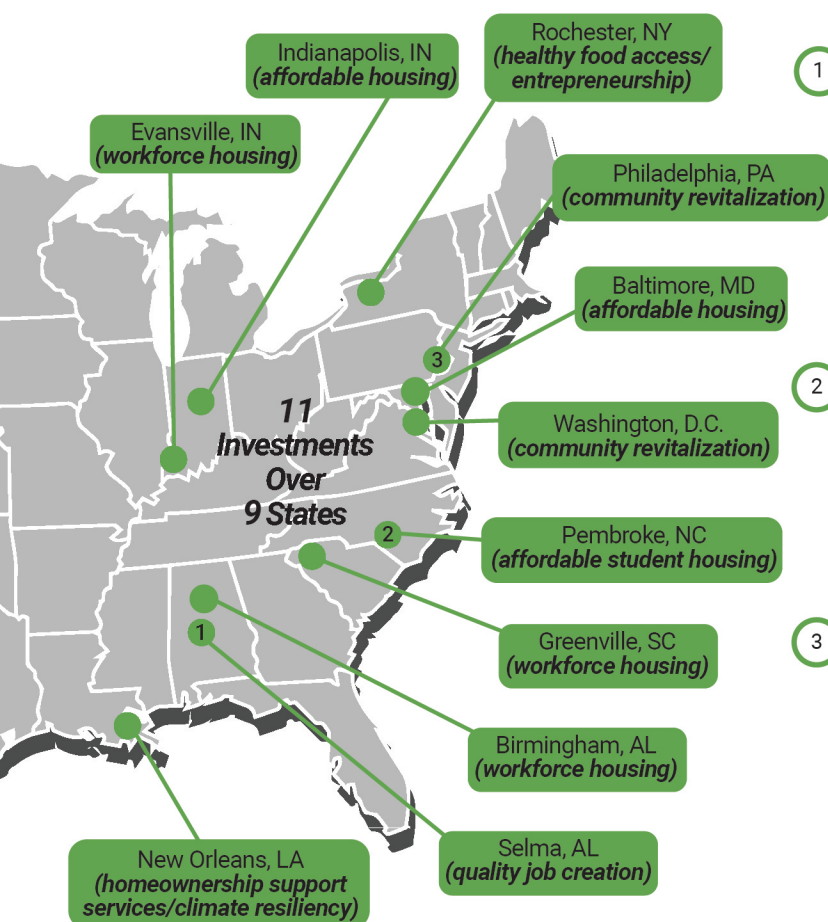
ABOUT WOODFOREST CEI-BOULOS OPPORTUNITY FUND

- The \$22 Million Woodforest CEI-Boulos Opportunity Fund (The “Fund”) invests in high-impact commercial real estate projects in federally designated Opportunity Zones with the goal of ensuring investments benefit economically distressed communities in which projects are located. The Fund invests with qualified and experienced sponsors, often alongside other Opportunity Zone equity partners
- The Fund is an innovative collaboration between privately held, employee-owned national bank (Woodforest) and The Fund’s manager, CEI-Boulos Capital Management, LLC, a joint-venture of: Coastal Enterprises, Inc. (CEI), one of the nation’s most successful Community Development Financial Institutions (CDFIs), with over 40 years of experience working in low-income communities; and The Boulos Company, an integrated commercial real estate firm with broad experience in capital markets and real estate development. The Fund will include 11 Community Reinvestment Act (CRA) and return-motivated investments throughout the 17 state footprint where Woodforest National Bank operates over 700 branch locations*
- Many of The Fund’s portfolio investments are collaborations between various entities (e.g., non-profits, local and state government, philanthropic institutions, banks, CDFIs, community-based organizations, private investors, local developers, etc.) who share a common vision for their community
- Targeted projects help create good jobs, affordable and workforce housing, “green” real estate, Main Street revitalization/historic preservation and non-profits. All projects are measured against the “Opportunity Zone Impact Reporting Framework” developed by U.S. Impact Investing Alliance, Beeck Center on Social Impact, and Innovation at Georgetown University and Federal Reserve Bank of New York. The Fund is intentional in ensuring all investments foster community engagement and promote transparency and social equity
- The Woodforest CEI-Boulos Opportunity Fund was recognized by Forbes and the Sorenson Impact Center as one of “The Forbes OZ 20: Top Opportunity Zone Catalysts”

*Targeted federally designated Opportunity Zones Alabama, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Virginia and West Virginia.

INNOVATIVE INVESTMENTS

Through its unique multi-faceted approach, The Fund has already demonstrated how the Opportunity Zone tax incentive can be used to achieve multiple objectives and positive outcomes for both investors and low-income communities. Some examples of the 11 investments approved include:



Portfolio as of January 2021

Investment Examples

- 1 Selma, Alabama - The St. James Hotel - \$2 Million (closed)**
St. James Hotel project in Selma, Alabama will convert a blighted asset that is central to this rural economically distressed, historically significant city into a 55-key, Hilton™-branded, quality hotel that will support Selma's growing civil rights' tourism industry. The hotel is a block from historic Edmund Pettus Bridge (site of 1965's "Bloody Sunday," a seminal event in the civil rights movement where civil rights workers were attacked by law enforcement at the start of the first of three planned marches from Selma to Montgomery, that led to passage of the Voting Rights Act), as well as the National Voting Rights Museum and other historic attractions. Currently, Selma has no hotel that caters to the city's large employers or tourists. The project's financing utilizes federal and state Historic Tax Credits and the hotel revitalization will create 45 permanent living wage jobs, 42 of which will be accessible to local low-income individuals.
- 2 Pembroke, NC - The University of North Carolina Pembroke ("UNCP") Student Housing - \$3 Million (closed)**
The University of North Carolina Pembroke Student Housing Project will build 138 units/498 beds of student housing in a small, highly distressed, rural town. UNCP is an "NC Promise" campus that limits in-state tuition costs to \$500 per semester to keep college affordable to low-income students. The Project will address the shortage of affordable housing for low-income students attending UNCP, thereby increasing access to an affordable college education. UNCP was founded by the Native American Lumbee Tribe of North Carolina and the development team includes a Lumbee-owned firm. The Project is consistent with and will support the town's master plan for downtown revitalization.
- 3 Philadelphia, PA - The Sharswood Partners Shopping Center - \$1.36 Million (closed)**
The Sharswood Partners project in the underserved Philadelphia community of Sharswood consists of approximately 175,000 square feet of retail space and mixed-income housing. The development includes a grocery store, bank and urgent care facility; all of which the neighborhood desperately needs. 80% of the housing units will be rented at market rate (between 80-120% area median income) and the remaining 20% of the deeply affordable units will be rented using project-based vouchers from the Philadelphia Housing Authority. The development is part of a comprehensive plan spearheaded by the Philadelphia Housing Authority. The Fund's investment in the project is the first private capital injected into the area's overall revitalization plan. The project's financing includes public funding sources such as New Markets Tax Credits and equity crowd funding to provide wealth building opportunities for local residents to benefit from the revitalization of their neighborhood. The project is being undertaken by a local, minority-owned developer highly focused on delivering social impact in underserved urban neighborhoods.