

Allegheny Rural Woodlands

The economy of West Virginia is heavily dependent on its forests. Between forest-based industries and tourism, the woodlands of West Virginia account for over 20% of the state's total employment. However, by 2009, many forestland companies were struggling to stay open. In an effort to help these companies and their hundreds of employees stay in business, CEI Capital Management, working with Rural Development Partners, provided \$25 million in NMTC financing that allowed The Forestland Group (TFG) to purchase 123,000 acres of working forestland in Eastern and Central West Virginia.

The Forestland Group is an independent timberland investment and management organization, headquartered in Chapel Hill, NC. Since 1995, TFG, working with private investors and communities, has successfully purchased forest lands across the country in an effort to maintain the productive capacity of the forests while ensuring sustainability. TFG's purchase of the Allegheny Woodlands in West Virginia saved hundreds of jobs in the timber, harvesting, and milling industries that are the backbone of the rural economy.

The \$25 million in NMTC financing provided by CEI Capital Management and Rural Development Partners enabled TFG to invest in locally owned and established sawmill operations in West Virginia, helping 13 different mills create 925 new, direct jobs and 840 indirect jobs in the forest products industry in the state. As part of the financing agreement, several of the mills have entered into long-term, wood-supply agreements with TFG.

In addition to saving and creating jobs in the timber industry, the Allegheny Woodland purchase will generate significant conservation benefits through a conservation easement or sale to a public agency of approximately 3,000 acres surrounding the Cheat River Canyon area.

NMTC ALLOCATEE

CEI Capital Management LLC*
Portland, ME
Charlie Spies
207.772.5356

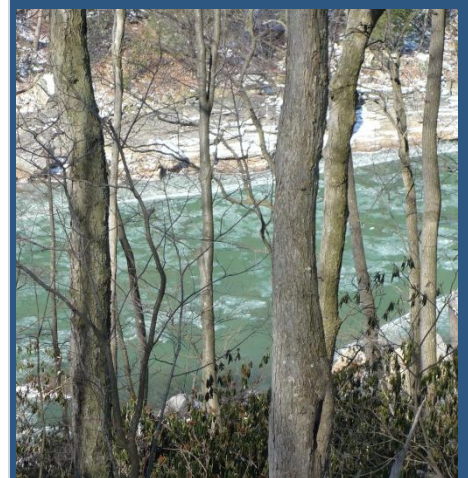
*An affiliate of Coastal Enterprises, Inc.

COMMUNITY PROFILE

- Eastern and Central WV
- Poverty rate 26.7%
- Unemployment rate 1.8 times the national average
- Non-Metropolitan County
- FEMA disaster area
- Appalachian Regional Commission designated distressed

PROJECT HIGHLIGHTS

- Forestland preservation
- Total Project Cost: \$31 million
- NMTC: \$25 million
- Co-Allocatee: Rural Development Partners
- Investor: GE Capital
- Jobs: 925 direct new, 840 indirect



Top: Allegheny Rural Woodland in West Virginia

Bottom: Allegheny Rural Woodland in West Virginia