

# THE COMMUNITY INVESTOR

SPRING 2022

NOW AVAILABLE

## 2021 IMPACT REPORT AND NEW VIDEO

In February, we released the ninth edition of our groundbreaking [annual impact report](#) with a [new video](#) featuring CCM team members. The report has grown over the years as CCM has added investment strategies, impact customization options, and impact measurement.

The video highlights content in the 42-page report, including, but not limited to:

- Comprehensive impact metrics for 2021
- Evolving impact themes
- Impact customization investment case studies

### IN THIS ISSUE

- |        |  |
|--------|--|
| Page 1 | • 2021 Impact Report and New Video<br>• 5in5 Video with Craig Nolte<br>• Special Purpose Credit Programs |
| Page 2 | • Celebrating Women<br>• CRA Investments with a Gender Focus   |
| Page 4 | • About CRA Partners   |

Impact Report

READ REPORT >

WATCH VIDEO >

## 5IN5 VIDEO WITH CRAIG NOLTE OF THE FEDERAL RESERVE BANK OF SAN FRANCISCO

We recently sat down for a 5in5 video with Craig Nolte, regional manager for community development at the Federal Reserve (Fed) Bank of San Francisco, to discuss the Community Reinvestment Act (CRA) and community development. Questions were on a variety of topics, including the Notice of Proposed Rulemaking, banks' involvement with Indian tribes and other Indigenous communities, recent community development research the Fed has published, and climate risk. To watch the full video, [click here](#).

## SPECIAL PURPOSE CREDIT PROGRAMS

In February 2022, The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Consumer Financial Protection Board (CFPB), the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Justice, and the Federal Housing Finance Agency (collectively, the agencies) published an interagency statement regarding special purpose credit programs (SPCP) under the Equal Credit Opportunity Act (ECOA), and its implementing regulation, Regulation B.<sup>1</sup>

Under federal law, lenders are permitted to design and implement SPCPs to extend credit to a class of persons who would otherwise be denied credit or would receive it on less favorable terms, under certain conditions. In particular, the ECOA and Regulation B permit creditors to offer or participate in SPCPs to meet special social needs through:<sup>2</sup>

- Any credit assistance program authorized by federal or state law for the benefit of an economically disadvantaged class of persons;
- Any credit assistance program offered by a non-for-profit organization for the benefit of its members or an economically disadvantaged class of persons; or
- Any SPCP offered by a for-profit organization, or in which such an organization participates to meet special social needs, if it meets certain standards prescribed in regulation by the Bureau.

As an impact investing firm, CCM continually looks for ways to invest in securities benefitting underserved people or communities. SPCPs can be a great tool to help those historically disadvantaged individuals that were affected by redlining and biases in underwriting. If you have any questions or would like to discuss how CCM can work with your bank regarding SPCPs, please contact David Sand at [dsand@ccminvests.com](mailto:dsand@ccminvests.com).

**Regulation B** is intended to prevent applicants from being discriminated against in any aspect of a credit transaction. Reg B outlines the rules that lenders must adhere to when obtaining and processing credit information.

# CELEBRATING WOMEN

In March, we celebrated Women's History Month and International Women's Day, which recognizes the achievements of women and supports a world free of bias, stereotypes, and discrimination and asks to collectively work toward greater women's equality moving forward. This year's campaign theme — #BreakTheBias — spotlights the individual and collective biases against women that fuel gender inequality.

At CCM, we are committed to the advancement of gender equity, in our workplace, communities, and through our investments. CCM helps #BreakTheBias and support gender equality by doing the following:

- CCM considers gender in its investment process by focusing on securities benefiting women and girls, primarily those that are low- to moderate-income, including women-owned businesses, educational

programs, health-related services, and affordable homeownership. More information on our impact theme, Gender Lens, is available [here](#).

- CCM facilitates gender diversity in employee hiring, training, and promotion. With the asset management industry reporting one of the lowest levels of representation among women, we are proud to report that 45 % of CCM's team are women (as of March 31, 2022). More information can be found in our March 2022 report, [The Women of CCM](#).
- CCM's impact institute looks to provide thought leadership and educational pieces on a variety of topics, many of which touch upon gender equity. Read our latest perspective, [A Closer Look at Gender and Affordable Rental Housing](#), and for more information

READ REPORT >

The Women of CCM  
March 2022

March 2022  
A Closer Look at Gender and Affordable Rental Housing

READ REPORT >



## IMPACT INVESTMENTS WITH A GENDER FOCUS

### 74 West Tremont

Location: **Bronx, NY** | Sector: **Agency CMBS**

74 West Tremont Apartments is a special public purpose affordable housing property located in the Morris Heights neighborhood of the Bronx, New York. The property is in a low-income census tract where minority households comprise 97% of the population and 57% live below the poverty line. Three units are leased to Section 8 Voucher tenants and 27 units (or 80%) are leased to non-profit tenants who provide transitional and permanent housing for homeless youth, adults struggling with HIV/Aids, adults recovering from mental and behavioral health issues, adults recovering from substance use challenges and other chronic medical conditions. Of the 27 total non-profit units:

- Twelve are leased to **Comunilife**. Comunilife is a community-based health and housing service provider that each year supports the needs of more than 3,500 low-income and vulnerable New Yorkers with its continuum of care. Comunilife owns or manages 1,636 units of supported transitional and permanent housing for homeless adults struggling with HIV/AIDS, serious mental and behavioral health issues, and other chronic medical conditions as well as offering 293 units of low-income housing. In addition to its housing efforts, Comunilife operates a full-service, Latino-centered, South Bronx-based mental health clinic called the Vida Guidance Center, which provides more than 23,000 outpatient visits a year. Life Is Precious is Comunilife's unique suicide prevention program for Latina girls and is nationally recognized for effectively addressing the needs of the highest-risk group of teenagers in the country.

#### Impact themes this investment helped support:

- Affordable Health and Rehabilitation Care
- Affordable Housing
- Education and Childcare
- Environmental Sustainability
- Gender Lens
- Healthy Communities
- Human Empowerment
- Minority Advancement
- Poverty Alleviation
- Transit-Oriented Development

Walk,  
Bike,  
Transit  
Scores<sup>3</sup>

Walk Score  
**96**

Bike Score  
**65**

Transit Score  
**94**



Image Source: <https://www.apartmenthomeliving.com/apartment-finder/74-W-Tremont-Ave-Bronx-NY-10453-4651054>

continued on page 3

- Six are leased to **Services for the Underserved (SUS)**. SUS housing consists of transitional and permanent housing in single site residences, apartment buildings, and scattered site apartments across New York City for adults in recovery from mental illness, adults with substance use challenges, adults living with HIV/AIDS, and families experiencing domestic violence. In addition to housing, SUS specializes in intellectual and developmental disabilities services, homeless services, behavioral health services, veteran services, and urban farming to provide therapeutic horticulture, nutritional programming, and employment opportunities to the individuals served by the organization.
- Five are leased to **Praxis Housing Initiatives Inc.** Praxis offers transitional housing and health and social services to homeless persons living with HIV/AIDS and other special needs. Praxis houses nearly 400 people a night and approximately 1,200 homeless individuals with HIV/AIDS each year.
- Three are leased to **Promesa**. Promesa is a Bronx-based health and human service and community development organization with a

mission to enable New York City residents to become self-sufficient citizens who contribute to the quality of life of their communities. The organization provides residential and ambulatory substance abuse treatment services, primary health care for the community, educational and vocation training, along with operating a Head Start program, transitional housing for youth, and a 24-hour drop-in center for homeless and or runaway youth in the Bronx.

- The final non-profit unit is leased to **Covenant House**. Covenant House is the largest privately funded charity in the Americas providing care and vital services to homeless, abandoned, abused, trafficked, and exploited youth. Covenant House New York has a comprehensive continuum of care characterized by the coordination and integration of a range of services, including crisis care and shelter; transitional living; health care; employment and job readiness training; educational support and GED preparation; legal services; street outreach; aftercare and drop-in; and more. Covenant House's Rights of Passage (ROP) program serves young men and women as well as young moms and their babies.

## Bishop Harrison Apartments

Location: **Syracuse, NY** | Sector: **Agency CMBS**

Bishop Harrison Apartments is an affordable rental property for seniors in Syracuse, New York, where 47 of the 48 total units receive Section 8 assistance. It is in a low-income, majority-minority, and high-poverty census tract where 55% of the population lives below the poverty line. Bishop Harrison Apartments is easily accessible to essential services, including shopping and emergency and health services. The Meals on Wheels program is available to residents along with weekly bus trips for grocery shopping. Meals on Wheels America is the leadership organization supporting the more than 5,000 community-based programs across the country that are dedicated to addressing senior isolation and hunger. This network serves virtually every community in America and, along with more than two million staff and volunteers, delivers the nutritious meals, friendly visits and safety checks that enable America's seniors to live nourished lives with independence and dignity.<sup>4</sup> Residents have access to social programs and a community room. Amenities include resident-controlled "Enterguard" security system to restrict building entry; fire detection system; on-site laundry facilities; on-site superintendent with 24-hour emergency response; community Room with kitchen and air conditioning; smoke and heat detectors, and emergency pull cords in all apartments; heat and hot water included in rent; utility allowance; and a call-a-bus route.

The property is managed by Christopher Community, Inc., a not-for-profit development, and management company founded in 1971 promoting senior and elderly housing facilities for low- and moderate- income individuals and a transition home for homeless women and children in upstate New York. Christopher Community develops and operates safe, affordable housing that respects the dignity of residents and fosters independence, all while enhancing the character of the neighborhoods in which residents live.



Image Source: <https://christopher-community.org/properties/bishop-harrison/>

### Impact themes this investment helped support:

- Affordable Housing
- Environmental Sustainability
- Healthy Communities
- Gender Lens
- Minority Advancement
- Seniors and the Disabled

### Walk, Bike, Transit Scores<sup>3</sup>



The securities identified and described herein are for illustrative purposes only and their selection was based upon non-performance criteria, such as the security's social and/or environmental attributes. As of 03/31/22, 74 West Tremont and Bishop Harrison Apartments represented 0.14% and 0.08%, respectively, of the CCM Community Impact Bond Fund's assets.



# ABOUT CRA PARTNERS



In our ongoing efforts to network with and spotlight like-minded organizations, this edition of The Community Investor features an overview of CRA Partners. CRA Partners is a turnkey CRA compliance program powered by the Senior Housing Crime Prevention Foundation (SHCPF). SHCPF operates Senior Crimestoppers, a nationwide crime prevention program educating and safeguarding against theft, abuse, and neglect. The SHCPF mission is to provide protection and an enhanced quality of life for vulnerable senior housing residents through meaningful turnkey CRA compliance for community focused banks.

Funded exclusively by the banking industry and endorsed by the ICBA and over 30 state bankers' associations, the Foundation has developed a low-risk, profitable solution — CRA Partners — for banks of all asset sizes and charter types — to fulfill their federally mandated Community Reinvestment Act (CRA) requirements in the form of qualified loans, investments, or grants through the operation of the nationally acclaimed Senior Crimestoppers program. CCM looks to support their mission via charitable donations and help support senior housing facilities nationwide.



For more information, please visit CRA Partners at <https://shcpfoundation.org/cra-partners>.

## VISIT [CCMINVESTS.COM](https://ccminvests.com) TO:

- ✓ Watch our [5in5 video series](#)
- ✓ Read our [2021 Impact Report](#)
- ✓ Check out our latest [CRA Investing Survey](#)

## CCM COMMUNITY IMPACT BOND FUND HIGHLIGHTS

### OVERALL

- Extensive documentation on each investment purchased
- New investments identified, purchased, and earmarked to a bank per CRA exam cycle
- Ongoing dialogue with examiners/regulators
- Easy way to accomplish your CRA investment goals

### FINANCIAL

- Daily liquidity
- Monthly dividends
- Competitive financial performance
- Investing in high credit quality fixed income securities

<sup>1</sup> <https://www.occ.treas.gov/news-issuances/bulletins/2022/bulletin-2022-3.html>

<sup>2</sup> <https://www.consumerfinance.gov/about-us/blog/using-special-purpose-credit-programs-to-serve-unmet-credit-needs>

<sup>3</sup> <https://www.walkscore.com/>

<sup>4</sup> <https://www.mealsonwheelsamerica.org/learn-more/national>

Community Capital Management, LLC (CCM) is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Registration as an investment adviser does not imply a certain level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the adviser. Past performance is not indicative of future results. CCM has distinct investment processes and procedures relating to the management of investment portfolios for institutional clients. The firm's strategies are customized, rather than model-based, and utilize an innovative approach to fixed income and equity by combining the positive outcomes of impact and environmental, social, and governance (ESG) investing with rigorous financial analysis, an inherent focus on risk management, and transparent research. Bonds are subject to interest rate risk and will decline in value as interest rates rise. Stocks will fluctuate in response to factors that may affect a single company, industry, sector, or the market as a whole and may perform worse than the market. A sustainable investment strategy which incorporates ESG criteria may result in lower or higher returns than an investment strategy that does not include such criteria. Any of the securities identified and described herein are for illustrative purposes only. Their selection was based upon non-performance based objective criteria, including, but not limited to, the security's social and/or environmental attributes. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities identified. Impact figures mentioned are approximate values.

**The CCM Community Impact Bond Fund is distributed by SEI Investments Distribution Co. (SIDCO), which is not affiliated with Community Capital Management, LLC. Carefully consider the risks, investment objectives, and charges and expenses of the Fund before investing. This and other information can be found in the Fund's prospectus which can be obtained by calling 866-202-3573. Please read the prospectus carefully before investing.**

This fund involves impact and ESG Risk. The Adviser may select or exclude securities of certain companies for reasons other than performance and, as a result, the Fund may underperform other funds that do not use an impact and ESG screening process. Impact and ESG investing is qualitative and subjective by nature. There is no guarantee that impact and ESG criteria used by the Adviser will reflect beliefs or values of any particular investor.