

# Fixed Income Customization

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# Fixed Income Customization

Community Capital Management's (CCM) market-rate core fixed income impact investment strategy has provided client customization for over two decades. The strategy launched in 1999, initially for banks looking for CRA-qualifying investments in their geographic regions and has grown over time to help other types of investors looking to further align their impact investing objectives within the liquid fixed income segment of their portfolios. These clients include religious organizations, foundations, nonprofits, endowments, insurance companies, healthcare organizations, and high net worth investors. Clients have the opportunity to customize their investment in the CCM Community Impact Bond Fund (Ticker: CRANX) or in a separate account to focus on specific geographies, impact themes, or impact initiatives.



Watch a video to learn more about how customization works in our CCM Community Impact Bond Fund

## Impact Customization

### Impact by Geography

Investments can target geographic regions down to the county level. Investors can choose multiple geographies within different counties, states, and/or regions with the investments supporting a variety of CCM's impact themes.



Investments by geography will support a variety of our impact themes.

or

### Impact by Theme

Investments can target one or more of the firm's impact themes. When a client selects this option, each investment will align with at least one of those specified impact themes. These investments can be anywhere in the U.S.



Target One Impact Theme

or Multiple Impact Themes



For full descriptions of themes, click [here](#).

or

### Impact by Initiative

Investments can target one or both of our impact initiatives: COVID-19 Relief or Minority CARES. These investments can be anywhere in the U.S.



For more information on our initiatives, click [here](#).

## Investment Vehicles

- **Mutual Fund (CCM Community Impact Bond Fund):** Clients invested in the Fund complete an impact customization form specifying their impact theme(s), initiative(s), or geographic region(s).
- **Separate Account:** Clients invested in a separate account complete an investment management agreement, which includes specifying their impact theme(s), initiative(s), or geographic region(s).

## Investment and Impact Reporting

As a pioneer in impact investing, CCM has created a proprietary impact model and reporting system where we track and monitor the positive environmental and societal impact attributes of our investments. Clients meeting minimum customization requirements receive quarterly impact and financial reports detailing a variety of impact metrics and outcomes. Our impact reports include a mix of quantitative data and qualitative details, also known as "impact stories." We believe that these stories truly capture the impact outcomes of the investments by providing a powerful overview of how they are positively contributing to society.

# Impact Customization Case Studies

## Impact Customization by Geography

Impact Customization: <b>Geography</b>	Targeted Investment Example: <b>Hampton Point Apartments</b>
Client: <b>Healthcare Organization</b>	Location: <b>Port Charlotte, FL</b>
Geography Target: <b>Several Florida Counties</b>	Sector: <b>Agency CMBS</b>

Hampton Point Apartments is a Low-Income Housing Tax Credit (LIHTC) property in Port Charlotte, Florida (Charlotte County) with 284 units. To qualify for the LIHTC allocation, the property owner agreed to reserve all 284 units for residents with incomes at or below 60% of the area median income for a period of 30 years. The Florida Housing Finance Corporation allocated low-income housing tax credits to the owner of the Hampton Point Apartments in connection with the construction of this multifamily residential rental housing development. As a part of the extended low-income housing agreement for this project, all units are equipped with air-conditioning, full-sized appliances, cable hook-ups, at least two full bathrooms in all three bedroom or larger units, exterior lighting, and laundry hook-ups. All new construction units were constructed with new dishwashers, at least one and a half bathrooms in all two-bedroom units, exterior finish, bathtubs in at least one bathroom, and 30 year expected life roofing on buildings.

The development's amenities include an exercise room, clubhouse, swimming pool, children's play area, care car area, volleyball court, library, gated access to the property with carded entry or a security guard, and two or more parking spaces per unit. Additionally, the following energy conservation features are in all buildings of the development: wall insulation of R-13 or better for frame-built construction, ceiling fans in bedrooms and living areas, heat traps on hot and cold pipes of water heaters, double-pane glass in windows, attic insulation of R-30 or better, and air conditioning with SEER rating of 11 or better. The property provides several resident programs at no cost to all residents, including the Homeownership Opportunity Program, first time homebuyer seminars, weekly literacy training through on-site literacy tutors, resident activities, financial counseling, and a computer lab. The Homeownership Opportunity Program is a program that sets aside 5% of a resident's gross rent towards a down payment for that resident when the resident moves from the property into homeownership. Financial counseling includes regularly scheduled tax preparation assistance and educational workshops.



Image Source: <https://www.hamptonpointapthomes.com/>

**IMPACT THEMES THIS INVESTMENT HELPED SUPPORT:**

- Affordable Housing** (Icon: House with dollar sign)
- Economic Inclusion** (Icon: Three people holding hands)
- Education and Childcare** (Icon: Book and graduation cap)
- Human Empowerment** (Icon: Person with gear and upward arrow)
- Environmental Sustainability** (Icon: Recycle symbol)

## Impact Customization by Theme

Impact Customization: <b>Theme</b>	Targeted Investment Example: <b>Housing Authority of the City and County of Denver, CO Sustainability Bonds</b>
Client: <b>Faith-Based</b>	Location: <b>Denver, CO</b>
Theme Target: <b>Environmental Sustainability, Healthy Communities, Sustainable Agriculture</b>	Sector: <b>Taxable Municipals</b>

The Housing Authority of the City and County of Denver, Colorado (DHA), used the proceeds of the Taxable Multifamily Housing Revenue Bonds to make a Low-Income Housing Tax Credit (LIHTC) loan to Thrive Housing Partners LLLP to construct and equip Thrive Apartments, a 105-unit affordable residential housing project in the city of Denver. DHA owns Thrive Housing Partners, which was created to own and operate Thrive Apartments. The construction of Thrive Apartments is part of the Sun Valley Neighborhood Transformation Project, which is transforming DHA's largest public housing site into a mixed-income community. The 35-acre project will include at least 932 units of new affordable and market-rate rental housing. Thrive Apartments is a component in a segment of the project called Thrive at Sun Valley, which also includes 30 market-rate condos. The two rental communities making up Thrive at Sun Valley – the LIHTC project and the market-rate project – are contained within one seven-story building. The land on which this building was constructed is owned by DHA and has been leased to the development for a period of 99 years. DHA believes that the notes qualify as Sustainability Bonds as defined by the International Capital Market Association (ICMA).



Image Source: <https://www.denverhousing.org/thrive/>

**WALK SCORES**

- Walk Score: **64**
- Bike Score: **81**
- Transit Score: **62**

Sustainability Bonds are those whose proceeds will be exclusively used to finance a combination of green and social projects. DHA provided a second-party opinion from Kestrel Verifiers confirming that the notes qualify as Sustainability Bonds according to the standards of ICMA.

Thrive Apartments immediate neighborhood includes residential and commercial areas, predominantly single-family homes and well-maintained small independent stores that opened within the last 50 years. The site is in a redevelopment area and has been attracting development guided by the Sun Valley Neighborhood Transformation Plan. The Thrive Project will meet Enterprise Green Community Standards. Construction was completed in 2022 and leasing is expected to begin in early 2023.

Thrive Apartments is in Census Tract 0008.00, a low-income, high-minority, high-poverty census tract where 87% of the population are minorities and 78% lives below the poverty line. The site is within a block of a bus stop and a light rail station and is within walking distance of a park, a system of walking trails, a community center, and a new market offering culturally relevant affordable fresh foods and produce. Planned infrastructure improvements will provide additional bike and walking paths. DHA will provide resident services for Thrive Apartments including employment assistance and job training, health and services navigation, resources and referrals, community engagement and cohesion, youth services, transportation assistance, and educational enrichment opportunities. The building will include on-site management offices, a community room, a media room, a common kitchen, as well as bike storage and maintenance space. The third story of the building will feature a large shared outdoor amenity deck for residents with a variety of activities including a community garden, a play area with a basketball hoop, a climbing area for young children, and an outdoor community kitchen with grills and a lounge.

Image Source: <https://www.denverhousing.org/thrive/>



**IMPACT THEMES THIS INVESTMENT HELPED SUPPORT:**

- Affordable Health and Rehabilitation Care
- Affordable Housing
- Disaster Recovery, Resilience, and Remediation
- Education and Childcare
- Enterprise Development and Jobs
- Environmental Sustainability
- Healthy Communities
- Human Empowerment
- Minority Advancement
- Neighborhood Revitalization
- Poverty Alleviation

## Impact Customization by Initiative

Impact Customization: <b>Initiative</b>	Targeted Investment Example: <b>Monsignor C.T. Shallow</b>
Client: <b>Foundation</b>	Location: <b>Las Vegas, NV</b>
Initiative Target: <b>COVID-19 Relief</b>	Sector: <b>Agency CMBS</b>

Monsignor C.T. Shallow is an affordable rental property for seniors in Las Vegas, Nevada where all 80 units receive Section 8 assistance. The property is in a low-income, highminority, high-poverty census tract where 95% of the population are minorities and 47% lives below the poverty line. The property is a senior living community that offers studio, one-bedroom, and two-bedroom apartments located near public transportation, grocery stores, retail shops, the East Las Vegas Library, and recreational areas. Community amenities include a business center, fitness facility, covered parking, on-site laundry facilities, and barbeque and picnic areas. An on-site resident services coordinator connects residents to the resources they need, including community assistance programs, volunteer programs, and community activities.

Monsignor C.T. Shallow is a project of Nevada HAND, the largest affordable housing developer in Nevada that builds, manages, and advocates for the production and preservation of affordable housing for low-income individuals and families. Nevada HAND's resident services team strives to improve the lives of its residents based on the four pillars of Education, Health & Wellness, Financial Stability, and Community Engagement.

During the COVID-19 pandemic, Nevada HAND worked with community partners and the local government to provide its senior residents with access to vaccination clinics and essential resources. Vaccinations clinics were offered on-site at some communities and others received transportation to local clinics, including Monsignor C.T. Shallow. To mitigate food instability during the pandemic, Nevada HAND partnered with Three Square Food Bank to expand their Golden Groceries program into Nevada HAND senior communities.



Image Source: <https://monsignor.nevadahand.org/>

**IMPACT THEMES THIS INVESTMENT HELPED SUPPORT:**

- Affordable Housing
- Disaster Recovery, Resilience, and Remediation
- Human Empowerment
- Minority Advancement
- Poverty Alleviation
- Seniors, Veterans, and the Disabled

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