



**Minority
CARES**

**Impact
Report**

2Q 2023

Minority CARES Impact Report

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On Juneteenth of 2020, Community Capital Management (CCM) announced the launch of its new initiative, Minority Community Advancement Racial Empowerment Strategy (CARES). The program allows institutional and retail investors the opportunity to direct their fixed income capital to advance racial equality, tackle social disparities, and help build an economy that provides opportunities for everyone from affordable housing to access to capital – the basic building blocks of income equality. Minority CARES anticipates investing over \$2 billion over the next five years in market-rate bonds that align with the values of social justice, improvement in the lives of those in historically marginalized communities, and increased economic opportunity for people of color.

Minority CARES utilizes CCM’s bespoke investment-grade fixed income impact strategy already available on major platforms and in various impact investing models. It looks to invest in market-rate and well-researched bonds that have direct and measurable positive societal impacts to minority individuals, families, and communities and includes investments made in majority-minority census tracts (greater than 50%) along with eight of CCM’s existing impact themes. All of the investments made in Minority CARES are subject to CCM’s pioneering use of proceeds analysis and tracked within CCM’s proprietary impact database for reporting and transparency.

Minority CARES Highlights as of 6/30/2023¹

| | | |
|--|--|---|
| <h1>\$2.0B</h1> <p>Investment in initiative on behalf of clients since its launch</p> | | |
| <h2>49 States</h2> <p>Including Washington, D.C.</p> <p>Number of states where capital targeting Minority CARES has been directed</p> | <h2>1,557 Loans</h2> <p>Number of loans to minority borrowers</p> | <h2>\$1.1B</h2> <p>in 1,864 unique majority-minority census tracts²</p> |
| <h2>828 Loans</h2> <p>Number of loans to minority women borrowers</p> | <h2>166,652 Units</h2> <p>Number of affordable rental housing units in Minority CARES initiative</p> | <h2>\$282m</h2> <p>in 233 unique racially/ethnically concentrated areas of poverty (R/ECAP)³</p> |

A **majority-minority census tract** has a population that is at least 50% minorities, which means that more than half of individuals in the census tract are minorities, i.e. Black, Asian, Hispanic, Asian-Pacific Islander, and/or Native American.

To assist communities in identifying **racially/ethnically-concentrated areas of poverty (R/ECAPs)**, HUD has developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test.⁴

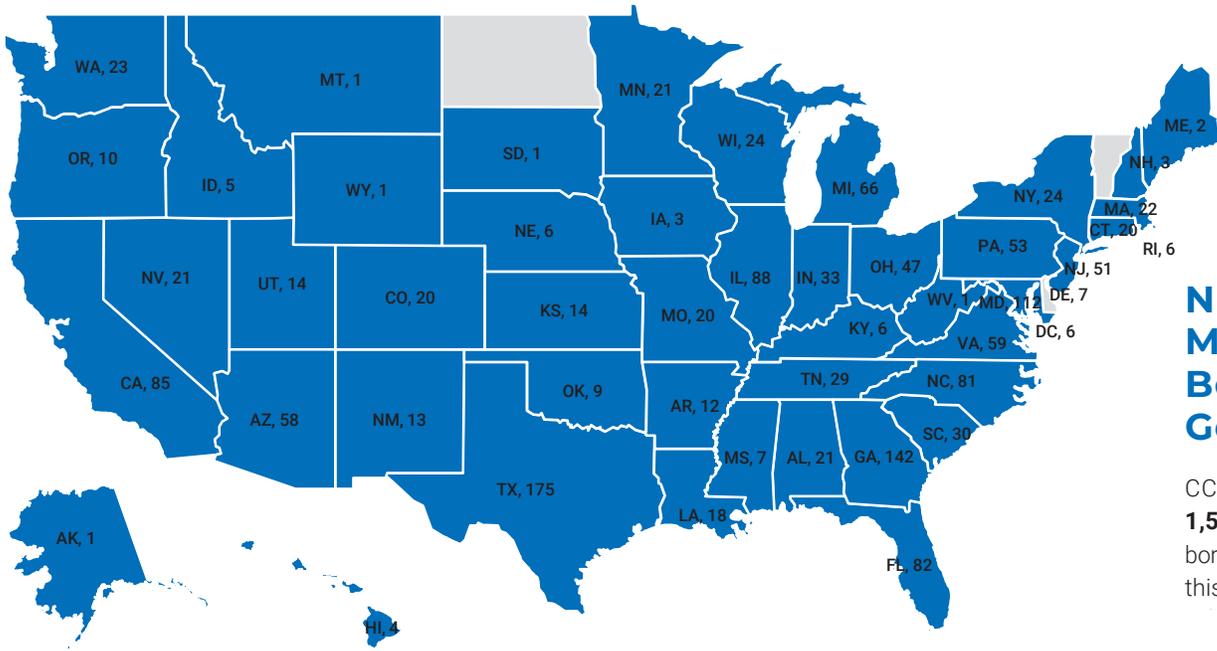
While gender lens is not one of the eight identified impact themes in the minority CARES initiative, we thought it was worthwhile to share this additional level of data given women’s fight for gender equality and their ongoing need for safe, decent, and affordable housing.

¹ All data are approximate figures. All data in this report is since the launch of the initiative on 06/19/20 to 6/30/2023. An internal audit in the third quarter reclassified some investments and impact metrics in Minority CARES.

² As of 06/30/21, we updated our count of majority-minority census tracts so that each census tract counts as one unique tract even if there are multiple investments in one majority-minority census tract.

³ As of 06/30/21, we updated our count of R/ECAPs so that each census tract counts as one unique tract even if there are multiple investments in one R/ECAP.

⁴ [https://hudgis-hud.opendata.arcgis.com/datasets/56de4ed-
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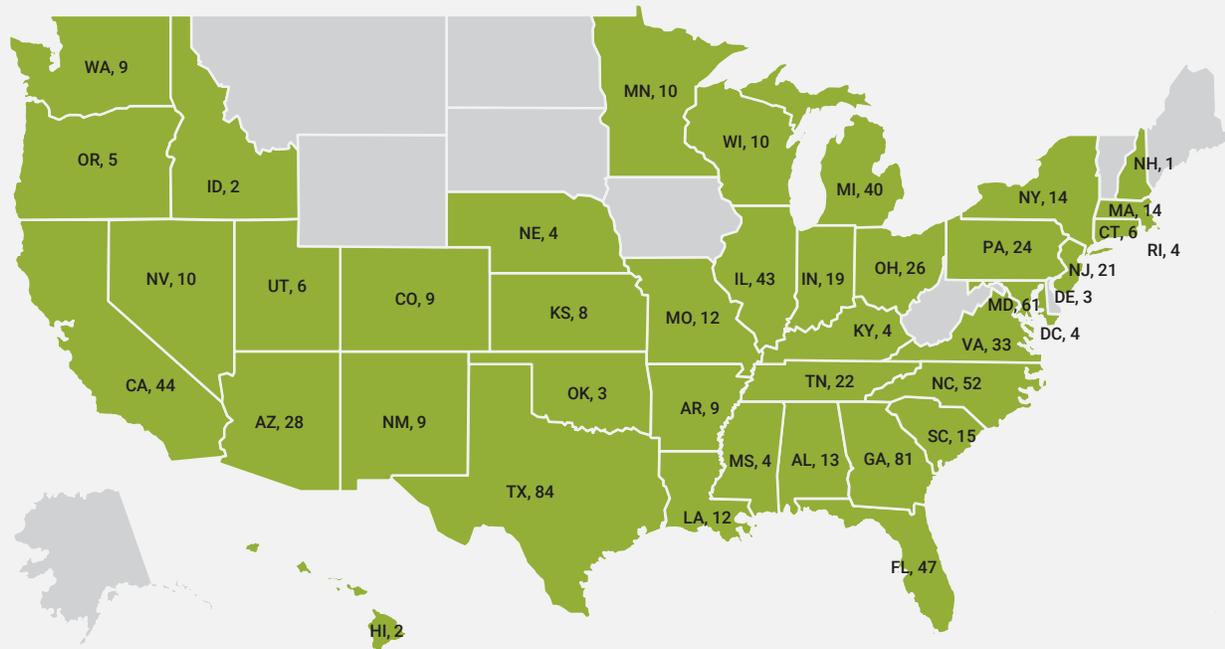


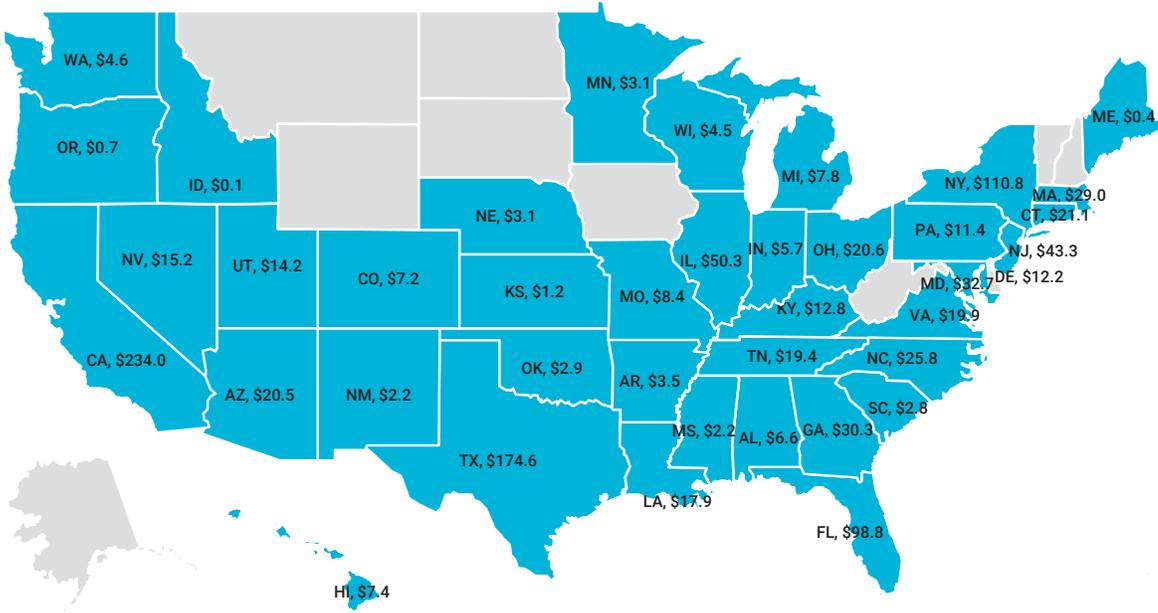
Number of Minority Borrowers by Geography

CCM has invested in **1,557 loans** to minority borrowers. The map shows this number by state.

Number of Minority Women Borrowers by Geography

CCM has invested in **828 loans** to minority women borrowers. The map shows this number by state.



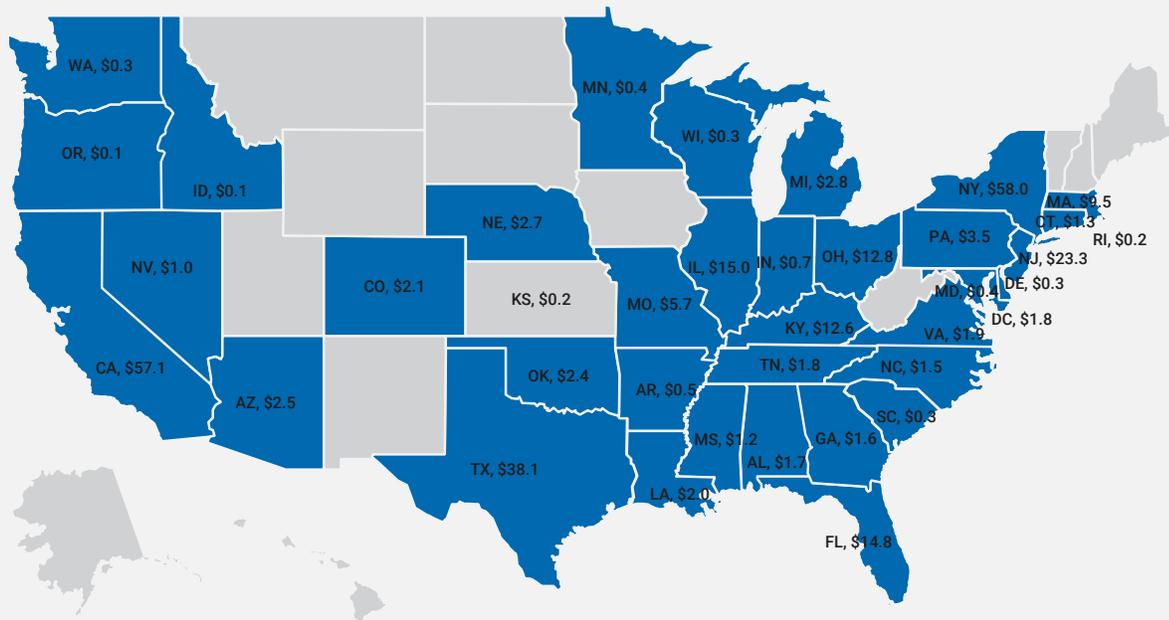


Majority-Minority Census Tracts

CCM invested **\$1.1 billion** in **1,864 unique majority-minority census tracts**. The map shows the dollar amounts invested in majority-minority census tracts by state (in \$Millions).

R/ECAP Census Tracts

CCM invested **\$282 million** in **233 unique R/ECAPs**. The map shows the dollar amounts invested in R/ECAP census tracts by state (in \$Millions).



Impact Stories: Minority CARES Investments

State of Oregon Sustainability Bonds

Location: **Oregon** | Sector: **Taxable Municipals**

The State of Oregon expects to use the proceeds of the Sustainability Bonds to fund affordable housing projects including the state's Permanent Supportive Housing (PSH) program and Local Innovation and Fast Track (LIFT) housing program. The LIFT housing program's objective is to build new affordable housing in Oregon in historically underserved communities and for households earning at or below 60% of the area median income (AMI) for rental housing and at or below 80% of AMI for homeownership. LIFT has five primary goals: creating new affordable homeownership homes that serve historically underserved communities, especially communities of color; focusing on service to families by prioritizing family-sized units; getting units constructed and placed in service quickly; encouraging innovative models of affordable housing that can be widely replicated; and developing building strategies that require lower state subsidy or result in a lower cost of affordable housing development. Together with other leveraged funding sources, the LIFT program has provided low-cost financing for 6,811 units of affordable housing across 105 projects.

All selected LIFT projects will fund new construction projects and will be required to comply with state standards on energy efficiency. OHCS and the Housing Stability Council will select projects that promote LIFT goals of financing affordable housing units for:

- Oregonian households with income at or below 60% of AMI for rental units and 80% of AMI for homeownership units.
- Historically underserved communities with a focus on communities of color and rural communities.
- Households that receive services from the Oregon Department of Human Services child welfare or self-sufficiency programs.
- Affordable housing that results in cost-efficient design and expedient timelines for placement of the units in service.



Image Source: <https://www.oregon.gov/treasury/about-treasury/pages/default.aspx>

Impact themes this investment helped support:

-  Affordable Housing
-  Environmental Sustainability
-  Human Empowerment
-  Minority Advancement
-  Poverty Alleviation
-  Rural Community Development
-  Seniors, Veterans, and the Disabled

About CCM: Community Capital Management, LLC (CCM) is an investment adviser registered with the Securities and Exchange Commission. CCM was founded in 1998 and manages approximately \$4 billion in assets. The firm believes a fully integrated portfolio — one that includes environmental, social, and governance (ESG) factors — seeks to deliver strong financial performance while simultaneously having positive long-term economic and sustainable outcomes. CCM's strategies utilize an innovative approach to fixed income and equity investing by combining the positive outcomes of impact and ESG investing with rigorous financial analysis, an inherent focus on risk management, and transparent research. For more information, please visit: www.ccminvests.com.

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