

Minority Community Advancement Racial Empowerment Strategy (Minority CARES)

In the summer of 2020, Americans reacted with understandable horror at multiple instances of racial injustice and insensitivity. There are never immediate solutions to long-standing problems. Investing in underserved minority communities can narrow economic disparities and complement an organization's and/or investor's impact beyond donations and grants.

About Minority CARES

In response to strong client demand in making investments that focus on solutions to racial inequality, Community Capital Management (CCM) launched Minority CARES in June 2020. CCM's Minority CARES amplifies and expands upon our existing investing philosophies to further allow our investors the ability to target and positively impact empowerment for minority individuals, businesses, and communities. Minority CARES utilizes CCM's investment-grade fixed income impact strategy already available on major platforms and in various impact investing models. Minority CARES will invest in market-rate, investment-grade, and well-researched 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.

Impact Reporting

As with all CCM investments, those made in Minority CARES will be subject to a use of proceeds analysis and tracked within CCM's proprietary impact database for reporting and transparency. Clients invested in Minority CARES receive impact reports on the overall strategy including granular level detail on the ways that minority individuals, businesses, and communities are benefitting from their investment dollars. The impact reports will include spotlights on recent investments along with aggregate impact data.

| Impact Theme | Opportunity Set | | | | |
|---|-----------------|-------------|------------|-----------------|--------------------|
| | ABS | Agency CMBS | Agency MBS | Corporate Bonds | Taxable Municipals |
| Affordable Health and Rehabilitation Care | ● | ● | | ● | ● |
| Affordable Housing | ● | ● | ● | ● | ● |
| Education and Childcare | ● | ● | | ● | ● |
| Enterprise Development and Jobs | ● | ● | | ● | ● |
| Human Empowerment | | ● | | | ● |
| Minority Advancement | ● | ● | ● | ● | ● |
| Sustainable Communities | ● | ● | ● | ● | ● |

As of April 1, 2024, CCM updated its impact themes. For more information, click [here](#).

Case Study: Minority CARES Investment

1330 7th Street Apartments, Washington D.C. | Sector: Taxable Municipals

1330 7th Street Apartments is an affordable rental property for families. The property is in a moderate-income and majority-minority census tract. The property has provided affordable housing to very low-, low-, and moderate-income families for over 30 years. 1330 7th Street Apartments is a Community Preservation and Development Corporation (CPDC) property, which provides residents with high-quality, tailored, site-based programs for children and adults. CPDC's Community Impact Strategies team works with residents, non-profits, and local/federal government agencies to create strategic alliances to create programs and resources for residents and those in the community. They have five impact areas that serve as the basis for all Community Impact Strategies:

- **Economic Development:** access to job placement and training, financial literacy workshops, transportation, and technology
- **Education:** early school readiness, youth development, parent engagement, and adult literacy
- **Environment:** energy efficiency, recycling, and water conservation
- **Health and Wellness:** health education and awareness; nutrition/fitness classes; access to social and human services
- **Resident Engagement:** civic involvement, volunteerism, community participation, and cultural exchange



Image Source: Apartments.com

Research

Each of the bonds that CCM selects for a portfolio looks to meet our impact and financial criteria. Our proprietary approach researches the use of bond proceeds, ensuring a full understanding of the programs being financed and their positive environmental and social impacts. Social impact includes how the bond benefits minorities and invests in underserved minority communities and allows investors the opportunity to use their 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.

How to Invest

Institutional investors can invest in a separate account or through CCM Community Impact Bond Fund* (f/k/a CRA Qualified Investment Fund) Institutional Shares (ticker: CRANX) or CRA Shares (ticker: CRAIX). For more information, please contact David Sand, chief impact strategist, at dsand@ccminvests.com.

About CCM

Founded in 1998, Community Capital Management, LLC (CCM) is an investment adviser registered with the Securities and Exchange Commission. The firm's mission seeks to deliver superior risk-adjusted returns through investment strategies that contribute to positive environmental and social outcomes. For more information, please visit: www.ccminvests.com.



Our firm and our clients are optimists. We believe that impact investing can help make our society work better and can be a ladder of opportunity for people who have been the victims of systemic racism and oppression. Many of the underpinnings of the practices and tools of our sector of the industry can be traced directly to the injustice of redlining in major American cities.

- David Sand, Chief Impact Strategist



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. Most of the firm's strategies are customized, rather than modelbased, and utilize an innovative approach to fixed income and equity investing 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 impact investing and/or ESG criteria may take into consideration factors beyond traditional financial information to select securities, which could result in relative investment performance deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. Further, ESG strategies may rely on certain values-based criteria to eliminate exposures found in similar strategies or broad market benchmarks, which could also result in relative investment performance deviating. Impact figures mentioned are approximate values. Any third party links, trademarks, service marks, logos and trade names included in this content are the property of their respective owners. The inclusion of a third party link is provided for reference and does not imply an endorsement or, association with, or adoption of the site or party by us. Acceptance of this material constitutes your acknowledgement and agreement that the Advisor does not make any express or implied representation or warranty as to the accuracy or completeness of the information contained herein and shall have no liability to the recipient or its representatives relating to or arising from the use of the information contained herein or any omissions therefrom.

Risk Considerations: Investing includes risk, including possible loss of principal. 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. The Fund is not diversified. There is no guarantee the objective of the Fund will be achieved.

The CCM Community Impact Bond Fund is distributed by SEI Investments Distribution Co., which is not affiliated with Community Capital Management, Inc.

**Effective March 1, 2021 the Fund's name changed from CRA Qualified Investment Fund to CCM Community Impact Bond Fund.*

Carefully consider the Fund's investment objectives, risks, charges, and expenses. This and other information can be found in the Fund's prospectus, which can be obtained by calling 866-202-3573. Please read it carefully before investing.