

Education and Childcare



Throughout our 25 years working in impact investing, we have developed a series of impact themes in which one or more themes aligns with each of our investments.¹ Themes are evaluated individually for alignment based on each investment's use of or intent of proceeds.

Common Characteristics in CCM's Impact

- Each theme strives to have positive societal outcomes because of capital provided by our investors.
- We look for high credit quality, liquid investment opportunities that contribute to the portfolio's overall risk/return and align with at least one impact theme.
- We must be able to measure, monitor, and track the expected positive outcome(s) to maintain transparency in our client impact reporting.
- We must believe that market-rate opportunities exist so that client commitments to individual themes can be fulfilled over time.

Opportunity Set and Impact Themes

Our investment opportunity set includes securities that are liquid, financially sound, and that meet our impact criteria. We have found such securities in the following fixed income sectors: asset-backed securities, agency commercial mortgage-backed securities (CMBS), agency mortgage-backed security (MBS), corporate bonds, and taxable municipals.

Impact Themes		ABS	Agency CMBS	Agency MBS	Corporate Bonds	Taxable Municipals
Affordable Health and Rehabilitation Care		•	•		•	•
Affordable Housing		•	•	•	•	•
Arts, Culture, and the Creative Economy			•		•	•
Disaster Recovery, Resilience, and Remediation			•	•	•	•
Education and Childcare		•	•		•	•
Enterprise Development and Jobs		•	•		•	•
Environmental Sustainability		•	•	•	•	•
Gender Lens		•	•	•	•	•
Human Empowerment		•	•		•	•
Minority Advancement		•	•	•	•	•
Poverty Alleviation		•	•	•	•	•
Rural Community Development		•	•	•		•
Seniors, Veterans, and People with Disabilities		•	•		•	•
Sustainable Communities		•	•	•	•	•

Impact Theme Description:

Education and Childcare

Investments aligned with this theme provide and/or offer high-quality, equal access to education opportunities and resources. It also includes investments providing and/or offering access to affordable childcare services and resources.

Examples of bond financing activities in alignment with this theme (this list is not exhaustive):

- Housing that provides childcare, daycare, preschool, or after-school programs.
- Summer camps or similar programs for children in low- to moderate-income households or communities.
- Youth-centered programs that provide resources or financial aid to help students enter college or vocational school.
- Free or affordable tutoring services and programs that increase the affordability of and access to education.

Case Studies: Education and Childcare

We believe real-world examples are one of the most powerful ways to demonstrate how a bond aligns with a specific impact theme. This perspective highlights two impact investments that exemplify the impact theme of **Education and Childcare**.

For details on our impact in this theme or to see additional examples, please email us at info@ccminvests.com.

Howard University

Nationwide | Coporate Bonds

Howard University is a private university founded in 1867 with campuses in Washington, D.C., and Maryland. It is one of 101 Historically Black Colleges and Universities (HBCUs) in the U.S. and is consistently ranked as one of the top universities in this category by U.S. News & World Report.

On July 15, 2020, Howard University issued a \$215 million taxable bond to refinance debt from a previous bond issuance. The university will use the net proceeds of the Series 2020B notes to refund \$192 million in outstanding principal from the District of Columbia Revenue Bond (The Howard University Issue) Series 2011A. The proceeds of the Series 2011A notes went toward general upgrades, renovations, and construction of facilities on the university's Main Campus, East Campus, and West Campus.

These included heating, air conditioning, and sprinkler/fire systems, modernization of classrooms, upgrading laboratories for research, roof replacement and repairs, and renovating buildings for safety and access. It also funded the installation of modern instructional and clinical equipment and the equipping of classrooms, teaching laboratories, and other building learning spaces with enhanced multimedia technology, improved information systems, fiber optic wiring, camera surveillance, and entry access systems, as well as new construction of a science, technology, engineering, and mathematics building, and an interdisciplinary building.

The upgrades may have helped smooth the university's transition to remote learning in response to the COVID-19 pandemic. Because it had recently completed IT network upgrades and many faculty members were already trained in online teaching platforms, the transition was successful and required only modest additional investments in software licenses and laptops for faculty and student use.



With interest rates low in 2020, many educational institutions were tapping the bond market to raise capital for projects, renovations, and other funding needs. At the time of issuance, more than 100 U.S. universities had issued \$27 billion in bonds. Howard University was a rarity as an HBCU joining this trend, issuing two bonds in 2020. While HBCUs play an outsized role in educating Black students, they are significantly underfunded compared to predominantly white institutions (PWIs). Even when the market favors borrowers, most HBCUs do not have the financial profile to enter the bond market and take advantage of low-interest financing as can wealthier universities.

HBCUs typically have smaller endowments than their non-HBCU peers. There are currently no Black institutions among the top 100 richest schools in the country, and HBCUs average \$15,000 per student in endowment funds, compared to \$410,000 per student for similar non-HBCU schools, according to a 2018 U.S. Government Accountability Office report. At the time of this issuance, the United Negro College Fund estimated the combined endowment of all 101 HBCUs to be approximately \$3.86 billion—a tenth of Harvard University's endowment. In February 2025, Howard University's endowment surpassed \$1 billion, making it the first HBCU to reach that milestone.

Howard University is a federally chartered university that confers undergraduate, graduate, and professional degrees. It has an enrollment of just over 10,000 students across all its degree programs, which span more than 120 areas of study within its 13 schools and colleges, including a law school, divinity school, and medical school with a teaching hospital.

Since its founding, Howard has been a coeducational institution open to students of any race. The Howard University School of Law was the first Black law school in the country and is still among the top producers of Black law school graduates in the country. The university's School of Business was ranked by Princeton Review as the "greatest opportunity for minority students." Howard University is a leader in science, technology, engineering, and mathematics (STEM) among HBCUs. Approximately 12% of Black students who earn doctoral degrees in STEM fields receive those degrees from an HBCU; 33% of those students received their Ph.D. from Howard University. Howard University Hospital is the only teaching hospital on the campus of an HBCU, and it is the leading producer of African American students entering medical schools in the U.S. Howard University is the only HBCU to be ranked in the top 100 on U.S. News & World Report's list of best colleges.



Impact Themes	
	Education and Childcare
	Minority Advancement
Impact Designations	
N/A	
Walk, Bike, Transit Scores®	
N/A	

Persing Park Apartments

Memphis, TN | Agency CMBS

Persing Park Apartments is an affordable rental property in Memphis, Tennessee (Shelby County). Of the 160 units, 149 (93%) receive Section 8 assistance under Section 8 Contract TN40M000019, which was initiated June 1, 2022, and runs through May 31, 2042. The property is in Census Tract 0100.02, a low-income, high-minority, and high-poverty census tract where 94% of the population are minorities and 32% live below the poverty line. The property features a playground, a spiritual center, a picnic area, and wheelchair-accessible units.

Neighborhood Christian Centers, Inc. (NCC) is on-site at Persing Park Apartments, providing a range of programs for residents and their families. NCC's mission is to guide those in need toward stability and sustainability. At each of NCC's on-site locations, programs are offered under three pillars: Compassionate Ministries, Youth Empowered to Succeed, and Adult and Family Empowerment Programs.

Compassionate Ministries programs provide food, clothing, furniture, referral services, transportation, and financial assistance to those in need. Youth Empowered to Succeed offers programs that directly impact under-resourced youth. Elementary students are served through site-based homework centers, literacy programs, bible study, and community service projects. After entering middle school, the program shifts to strategically focusing on drop-out prevention, grade-to-grade advancement, ACT workshops, college and career readiness, jobs training, vocational training, mentoring, college tours, and financial literacy. Adult and Family Empowerment programs equip adults and their families with the skills and education needed for both home and work life.



Impact Themes

- Affordable Housing
- Education and Childcare
- Human Empowerment
- Minority Advancement
- Poverty Alleviation
- Seniors, Veterans, and People with Disabilities
- Sustainable Communities

Impact Designations

- High Minority Census Tract
- High Poverty Census Tract
- Low- or Moderate-Income Census Tract
- Majority-Minority Census Tract

Walk, Bike, Transit Scores®

- 20** Walk Score
- 37** Bike Score
- 24** Transit Score

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 societal outcomes. For more information, please visit: www.ccminvests.com.

¹ Impact criteria exceptions are only applicable to transitional assets that are used for portfolio management purposes.
² Medically underserved areas or populations are designated by HRSA (U.S. Department of Health and Human Services, Health Resources and Services Administration) as having too few primary care providers, high infant mortality, high poverty, and/or high elderly population.

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