

# Impact Summary Report

2Q 2020

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# 2Q 2020 Impact

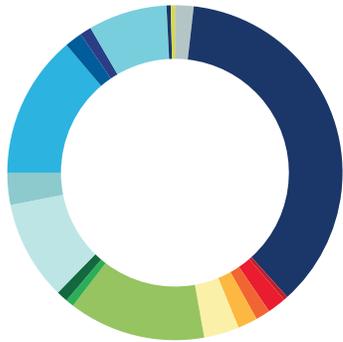
CCM manages assets that align with one or more of 18 impact themes. Initially developed for the firm’s work in fixed income, we have expanded the use of these impact themes across all asset classes. Since inception, the firm has invested approximately \$10 billion<sup>1</sup> in impact and ESG initiatives nationwide on behalf of its clients.



## Fixed Income

CCM’s fixed income strategies invest in high quality, well-researched bonds where we have confidence that the use of proceeds will have positive societal impacts and aligns with one or more of our 18 impact themes. Each of the bonds selected for a portfolio must meet our stringent impact and financial criteria.

### Fixed Income Impact Themes (as of 06/30/2020)<sup>2</sup>



Affordable Health and Rehab Care	1.8%	Government Supported Communities	1.1%
Affordable Housing	36.5%	Healthy Communities	9.6%
Arts and Culture	0.4%	Human Empowerment	3.1%
Disaster Recovery, Resilience, and Remediation	1.8%	Minority Advancement	13.8%
Economic Inclusion	1.4%	Neighborhood Revitalization	1.7%
Education and Childcare	1.9%	Rural Community Development	1.1%
Enterprise Development and Jobs	3.4%	Seniors and the Disabled	7.6%
Environmental Sustainability	13.2%	Sustainable Agriculture	0.4%
Gender Lens	0.8%	Transit-Oriented Development	0.4%

## Equities

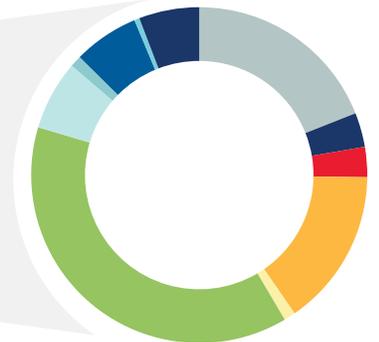
Like our approach to fixed income, we evaluate equity securities from an impact and financial perspective. CCM supplements its in-house research with third-party data to determine where potential holdings fall in four categories: Strong Positive Impact, Moderate Positive Impact, Neutral Impact, and Negative Impact.



### Impact Classification

Strong Positive Impact	28%
Moderate Positive Impact	11%
Neutral Impact	61%

Securities designated Strong Positive Impact and Moderate Positive Impact align with one or more of our 18 impact themes



### Equities Impact Themes (as of 06/30/2020)<sup>2</sup>

Affordable Health and Rehab Care	19.0%	Enterprise Development and Jobs	1.1%	Minority Advancement	0.0%
Affordable Housing	3.3%	Environmental Sustainability	38.1%	Neighborhood Revitalization	6.3%
Arts and Culture	0.0%	Gender Lens	0.0%	Rural Community Development	0.0%
Disaster Recovery, Resilience, and Remediation	2.9%	Government Supported Communities	0.0%	Seniors and the Disabled	0.5%
Economic Inclusion	0.0%	Healthy Communities	6.7%	Sustainable Agriculture	5.8%
Education and Childcare	15.2%	Human Empowerment	1.1%	Transit-Oriented Development	0.0%

<sup>1</sup> Impact numbers are approximate figures. <sup>2</sup> Data includes current fixed income and equity investments across all CCM strategies as of the most recent quarter end where we conduct a use-of-proceeds analysis.

# 2Q 2020 Impact Investment Spotlights

## Twin Oaks Apartments (Mission, TX) Sector: Agency CMBS



Twin Oaks Apartments is a Low-Income Housing Tax Credit (LIHTC) property in Mission, Texas. Out of the 104 units, 84 units are reserved for 15 years for residents with incomes at or below 60 percent of the area median income. The property is in a majority-minority, high-poverty census tract where 67 percent of the population are minorities and 21 percent live below the poverty line.

Built in 2019, Twin Oaks is a community of garden-style apartments that offers a patio or balcony for each unit as well as a pool, playground, and clubhouse for all residents to enjoy. The property is owned and managed by Tejas Housing Group, which provides educational, health, and social services at its low-income housing properties with the intention of increasing economic development, job growth, and financial opportunity for its residents and the communities in which they live. At Twin Oaks, Tejas Housing Group offers after-school programs, job training, financial planning and budgeting classes, adult education, and medical and health services. During the COVID-19 pandemic, the property manager is helping residents who don't own cars by picking up curbside-delivery food orders and delivering them to residents' doors.

## Kinder Towers (Bloomfield, NJ) Sector: Agency CMBS



Kinder Towers is an affordable rental property for seniors and people with disabilities in Bloomfield, New Jersey, with all 99 units receiving Section 8 assistance. The property is owned and managed by National Church Residences (NCR), the largest non-profit provider of senior housing in the country. With a faith-based mission, NCR believes every senior should be able to live a vibrant, healthy, and independent life. In response to the COVID-19 pandemic, NCR took decisive action to protect the vulnerable population it serves, including:

- Forming a physician-led COVID-19 task force that meets daily to develop and adjust infection prevention plans for all NCR properties.
- Implementing the highest level of infection prevention in every setting where it serves seniors, including helping its residents to shelter in place, with staff delivering food and providing creative ways for seniors to stay engaged and connected in a time of isolation.
- Launching a rapid response service coordinator program to help seniors get access to services and supplies; and a COVID-19 staff support hotline where staff can get immediate guidance and resources.

# Impact Themes



**Affordable Health and Rehab Care:** Creating and retaining affordable healthcare services and rehabilitation facilities for low- and moderate-income and medically underserved persons<sup>1</sup> and investing in opportunities that promote wellness and access to high-quality health care for everyone.



**Affordable Housing:** Financing for affordable homeownership to low- and moderate-income borrowers and renters, including workforce housing<sup>2</sup>, and investing in opportunities that promote affordable homeownership and access to quality living.



**Arts and Culture:** Supporting educational programs, businesses, organizations, and the development of properties involved with visual, performing, design, literary, and other art-related works.



**Disaster Recovery, Resilience, and Remediation:** Supporting economic development activities in designated disaster areas and physical and civic infrastructure to better prepare communities for the effects of climate change, natural disasters, and widespread health emergencies. Investments in recovery, resilience, and remediation can stimulate community and economic development, build strong infrastructure, and promote sustainability, all while empowering people and protecting our planet.



**Economic Inclusion:** Assisting and supporting the process of bringing targeted groups, individuals, and communities, including immigrants and refugees, closer to the economic mainstream and capital markets. Financial literacy training, loans to first-time homebuyers, small business loans, rent-to-own housing programs, and "banking the unbanked" initiatives are all examples of economic inclusion opportunities.



**Education and Childcare:** Providing education and/or childcare services primarily in low- and moderate-income communities, improving the quality of educational services and facilities, and offering broad-based youth development programs that look to have a beneficial impact to children.



**Enterprise Development and Jobs:** Providing small businesses with access to capital, creating jobs, retaining jobs, and offering job training programs.



**Environmental Sustainability:** Supporting properties, projects, companies, and small businesses implementing sustainable initiatives such as rehabilitation of existing buildings/adaptive reuse; meeting energy codes; LEED certification; using renewable energy, reused, or recycled materials for construction; water conservation efforts; brownfield development; and Walk Scores.<sup>3</sup>



**Gender Lens:** Benefiting women and girls, primarily those that are low- and moderate-income, such as women-owned businesses, educational programs, health-related services, and affordable homeownership. Investing in opportunities with women leadership, workplace equity, products and services beneficial to women and girls, and related shareholder engagement and policy work.



**Government Supported Communities:** Assisting communities in need of economic and community development as designated by U.S. Government, federal agencies, and/or state agencies.



**Healthy Communities:** Establishing and maintaining effective strategies to achieve healthy equity in neighborhoods such as multi-use trails, high Walk Scores, high Bike Scores<sup>2</sup>, community parks, access to nutritious foods, and investing in opportunities that promote health and wellness.



**Human Empowerment:** Assisting individuals and families, including immigrants and refugees, through resources and programs designed to achieve personal goals, greater self-sufficiency, and upward mobility.



**Minority Advancement:** Supporting communities with a high minority population (over 50 percent as defined by their ethnicity), programs offering equal access to jobs, economic development, and affordable housing. Investing in opportunities with ethnic minority leadership, workplace equity, services beneficial to ethnic minorities, and related shareholder engagement and policy work.



**Neighborhood Revitalization:** Transforming blighted neighborhoods into areas of opportunity and vibrant, safe places to live by assisting in the revitalization of neighborhood facilities.



**Rural Community Development:** Investing in small businesses and other economic opportunities in rural communities.



**Seniors and the Disabled:** Offering affordable living for seniors and/or disabled individuals including physical, social, and psychological services.



**Sustainable Agriculture:** Supporting agriculturally-sustainable businesses such as those that engage in pesticide-free agriculture, hydroponics, aquaponics, and vertical farming.



**Transit-Oriented Development (TOD):** Creating vibrant, livable, and sustainable communities through the integration of compact, walkable, pedestrian-oriented, mixed-use communities centered around high-quality train systems.<sup>4</sup>

To read CCM's full impact and ESG policy, visit [www.ccminvests.com](http://www.ccminvests.com)

<sup>1</sup> "Medically Underserved" are areas or populations 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.

<sup>2</sup>The most common definition of workforce housing comes from the Urban Land Institute, which defines workforce housing as: "housing that is affordable to households earning 60 to 120 percent of the area median income." <sup>3</sup><https://www.walkscore.com/> <sup>4</sup><http://www.tod.org/>