



Impact Report

1Q 2021

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 18 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 03/31/2021¹

\$578m Investment in initiative on behalf of clients since its launch

46 States
+ District of Columbia

Number of states where capital targeting Minority CARES has been directed

752 Loans

Number of loans to minority borrowers

\$387m

Dollar amount invested in 675 unique majority-minority census tracts²

362 Loans

Number of loans to minority women borrowers

60,220 Units

Number of affordable rental housing units in Minority CARES initiative

\$117m

Dollar amount invested in 135 unique racially/ethnically concentrated areas of poverty (R/ECAP)³

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 6/19/20 to 3/31/21.

² This quarter and moving forward, 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.

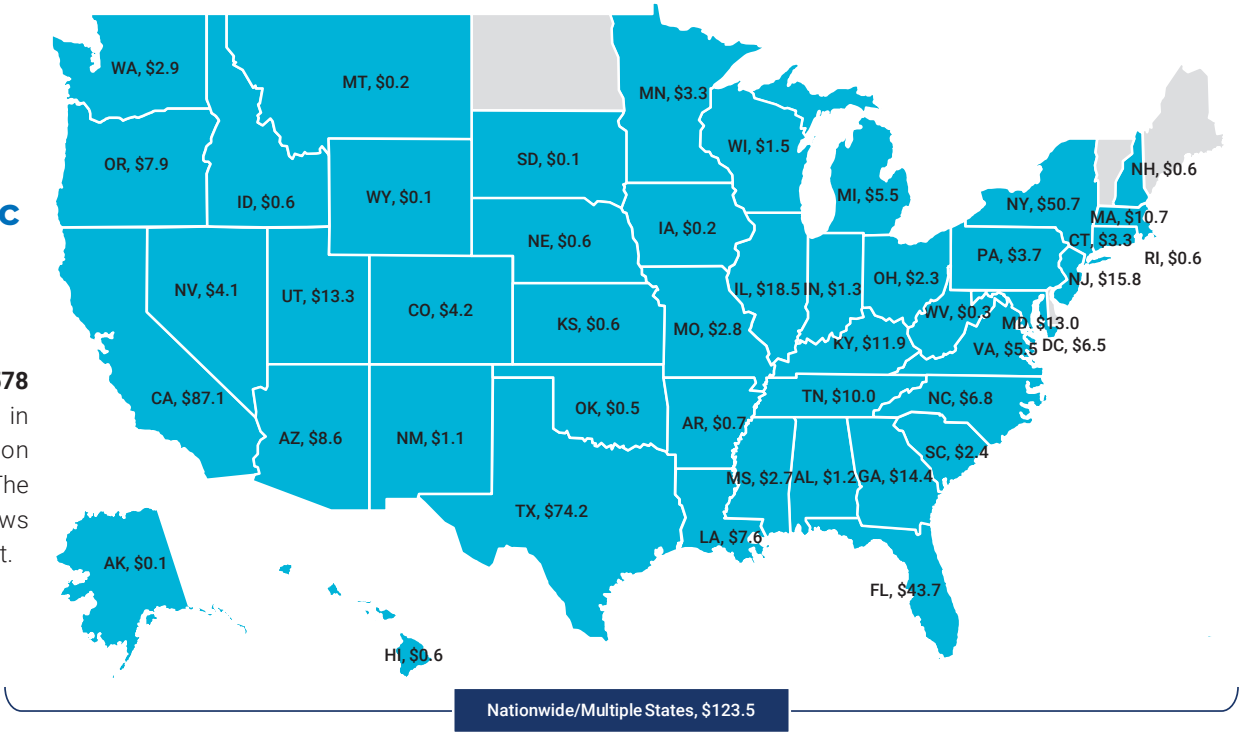
³ This quarter and moving forward, we updated our count of R/ECAPs so that each census tract counts as one unique tract even if there are multiple investments in one R/ECAP.

⁴ https://hudgis-hud.opendata.arcgis.com/datasets/56de4ed-ea8264fe5a344da9811ef5d6e_0

Minority CARES Geographic Impact

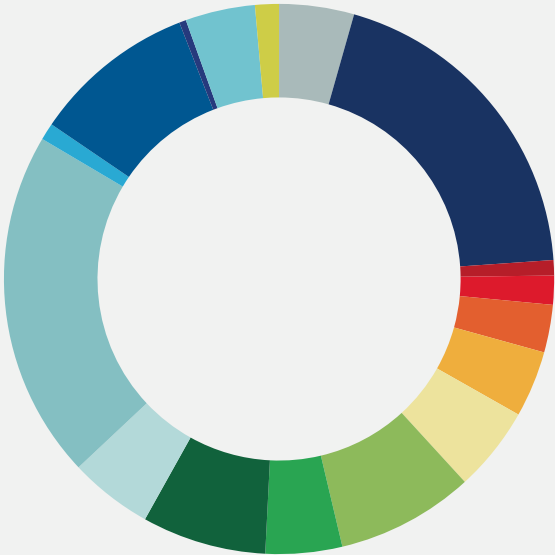
(in \$Millions)

CCM has invested **\$578 million** nationwide in Minority CARES on behalf of its clients. The following map shows state-by-state impact.

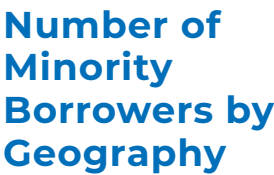


Minority CARES and Impact Themes

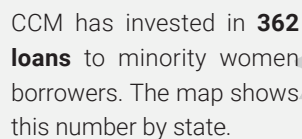
The chart below shows how the investments in Minority CARES align with all 18 impact themes, with each investment aligning with at least one of the eight themes in the program.

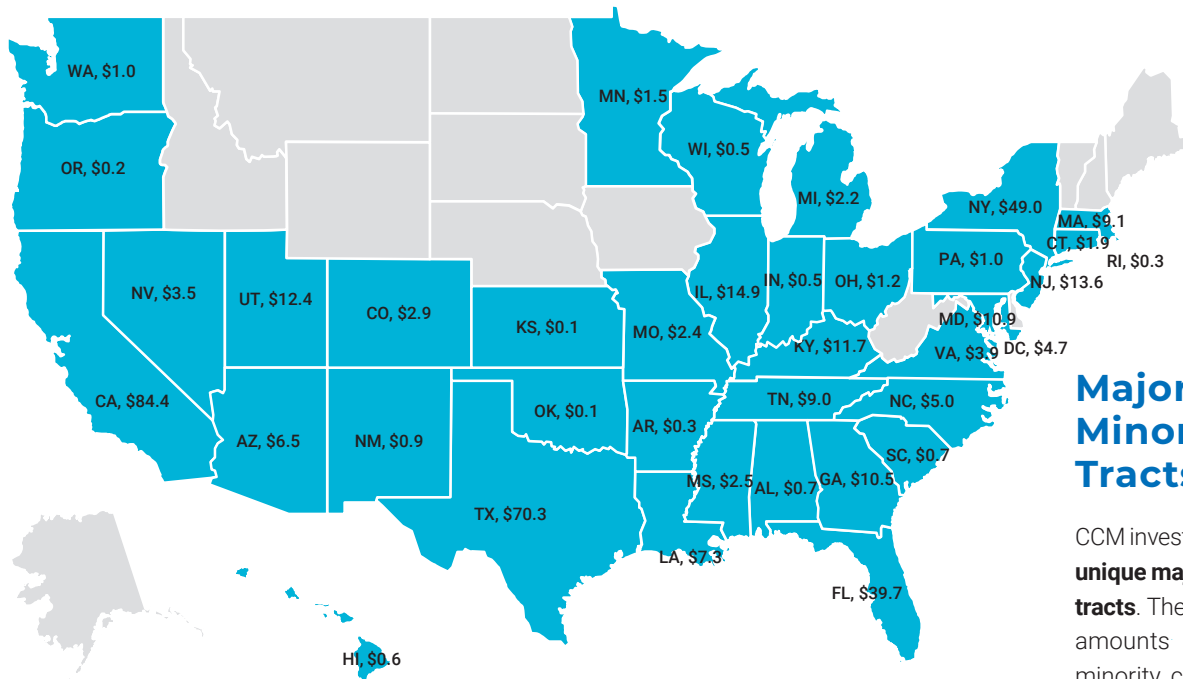


Affordable Health and Rehabilitation Care	4.4%
Affordable Housing	19.5%
Arts, Culture, and the Creative Economy	0.9%
Disaster Recovery, Resilience, and Remediation	1.7%
Economic Inclusion	2.8%
Education and Childcare	3.9%
Enterprise Development and Jobs	5.0%
Environmental Sustainability	8.1%
Gender Lens	4.5%
Healthy Communities	7.3%
Human Empowerment	4.9%
Minority Advancement	20.5%
Neighborhood Revitalization	1.0%
Poverty Alleviation	9.6%
Rural Community Development	0.4%
Seniors and the Disabled	4.1%
Sustainable Agriculture	0.0%
Transit-Oriented Development	1.4%



CCM has invested in **752 loans** to minority borrowers. The map shows this number by state.



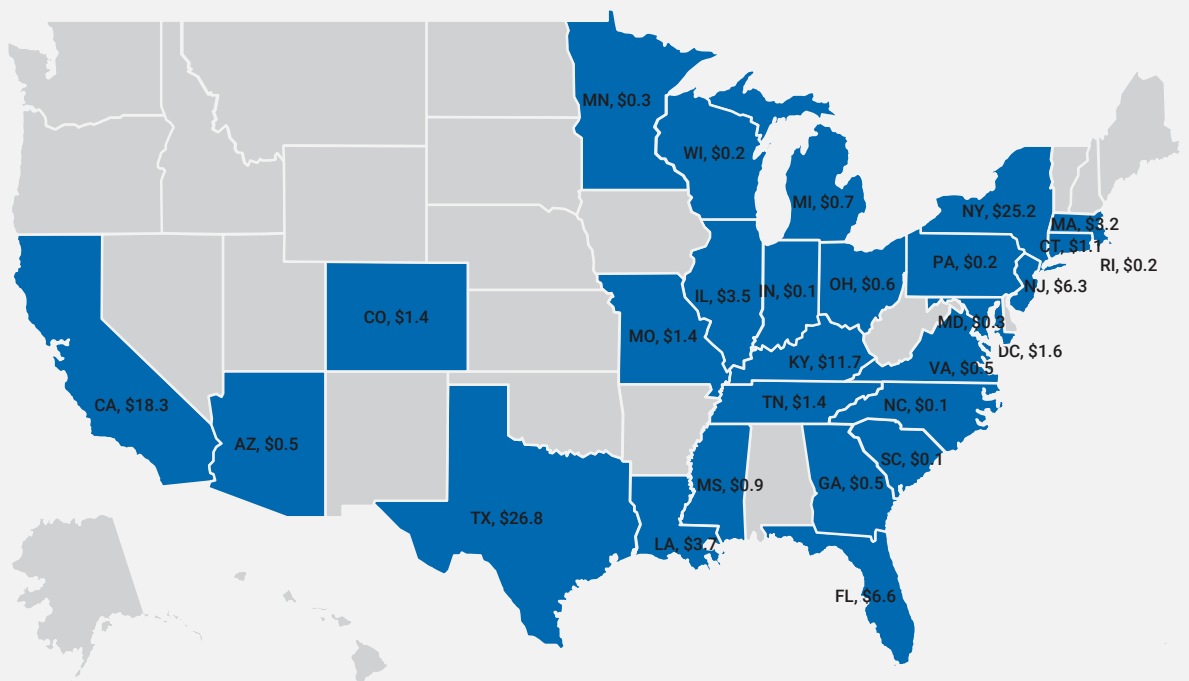


Majority-Minority Census Tracts

CCM invested **\$387 million in 675 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 **\$117 million in 135 unique R/ECAPs**. The map shows the dollar amounts invested in R/ECAP census tracts by state (in \$Millions).



Impact Stories: Minority CARES Investments

Stirrup Plaza Apartments Phase I

Miami, FL | Sector: Agency CMBS

Stirrup Plaza Apartments Phase I is a Low-Income Housing Tax Credit (LIHTC) property for seniors in Miami, Florida with 100 units. To qualify for the LIHTC allocation, the property owner agreed to reserve all 100 units for low-income residents for a period of 30 years. Specifically, 80 units are reserved for residents with incomes at or below 60% of the area median income (AMI) and 20 units for residents with incomes at or below 28% of the AMI. The property is in a moderate-income, majority-minority, and high-poverty census tract where 75% of the population are minorities and 21% live below the poverty line.

Stirrup Plaza Apartments Phase I was preserved and rehabilitated as a public/private partnership with Miami-Dade County Public Housing and Community Development. As part of the land use restriction agreement (LURA) for this project, the property owner agreed to provide units with new kitchens and bathrooms including new cabinets, appliances, and fixtures with all Water Sense-certified faucets, toilets, and shower heads. Additionally, all windows were replaced with new low "E" impact windows with new marble windowsills, and unit doors were replaced with steel doors with peepholes at an appropriate level for people in wheelchairs.

Apartments have new air conditioning units with programmable thermostats with a minimum SEER rating of 10, and kitchens have Energy Star-qualified refrigerators. The building has reflective/green roofing that is expected to last for at least 30 years. Community amenities include an exercise room, community room, shaded picnic area with tables and benches, library, computer lab, and laundry room with Energy Star-qualified machines.

The Stirrup Plaza Apartments were named after Ebenezer Woodbury Franklin Stirrup, a prominent Black Bahamian pioneer who immigrated from the Bahamas to South Florida in 1888 and worked his way from a carpenter's apprentice to become an enormously successful Coconut Grove homebuilder. Stirrup believed in "every family having a house, a yard, and a garden, so you would feel like you had a home." He and his wife began building houses to help recent Bahamian immigrants to own their own homes. Despite an environment of discrimination and segregation, Stirrup built more than 100 houses for Black Americans in his lifetime.



Walk Score's mission is to promote walkable neighborhoods. Walkable neighborhoods are one of the simplest and best solutions for the environment, our health, and our economy.⁵

IMPACT THEMES THIS INVESTMENT HELPED SUPPORT:



Affordable Housing



Environmental Sustainability



Healthy Communities

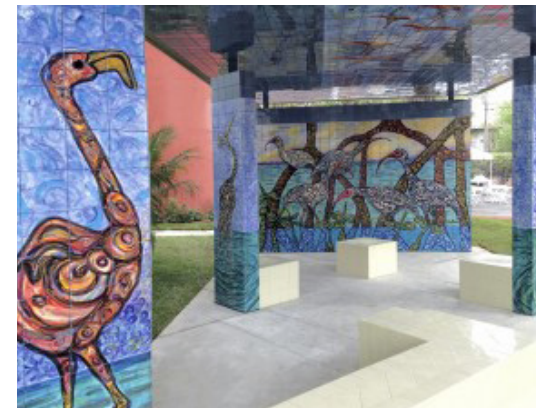


Minority Advancement



Seniors and the Disabled

Local artist Xavier Cortada was commissioned to create public art installations, primarily ceramic tile murals, in and around the building that celebrate its coastal location and the Caribbean origin of E.W.F. Stirrup.



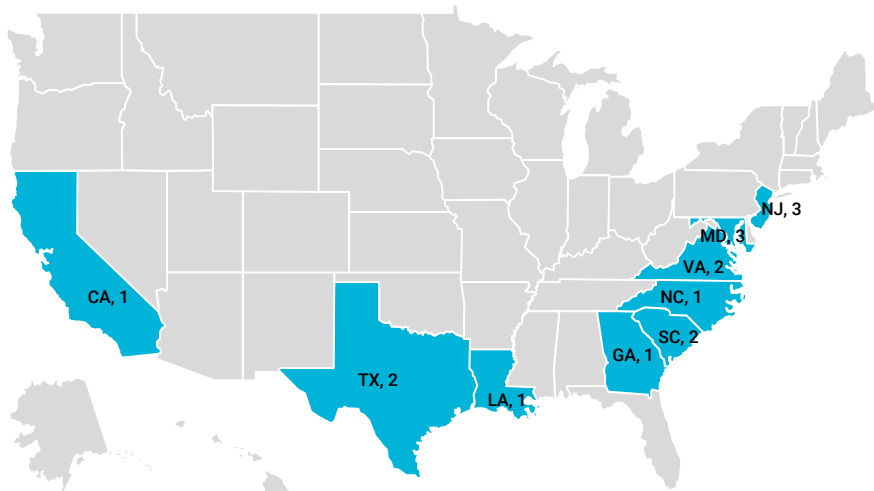
Source for images: <https://trgmanagementcompany.com/property/stirrup-plaza-apartments/>

⁵ <https://www.walkscore.com/>

Affordable Mortgages

Nationwide | Sector: Agency MBS

CCM custom created an affordable mortgage pool to LMI Black borrowers that includes 16 loans across 9 states. We believe that an increased amount of visible investment capital to purchase affordable loans and custom create MBS pools can help increase the number of originations to minority borrowers.



IMPACT THEMES THIS INVESTMENT HELPED SUPPORT:

-  Affordable Housing
-  Environmental Sustainability
-  Gender Lens
-  Healthy Communities
-  Minority Advancement

Loan Pool Highlights

- 16** loans to LMI Black borrowers
- 10** loans in majority-minority census tracts
- 7** loans made to Black women borrowers
- 3** loans in high poverty census tracts

About CCM

Community Capital Management, Inc. (CCM) is an investment adviser registered with the Securities and Exchange Commission. Headquartered in Fort Lauderdale with employees in Boston, Charlotte, the New York City area, and Southern California, CCM was founded in 1998 and manages over \$3 billion in assets. The firm believes a fully integrated portfolio – one that includes environmental, social, and governance (ESG) factors – can deliver strong financial performance while simultaneously having positive long-term economic and sustainable impact. 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.

Community Capital Management, Inc. (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. The firm's strategies are customized, rather than model-based, 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.

Any of the securities identified and described herein are for illustrative purposes only. Their selection was based upon non-performance-based objective criteria, including, but not limited to, the security's social and/or environmental attributes. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities identified. Impact figures mentioned are approximate values.