



**Minority
CARES**

**Impact
Report**

4Q 2022

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 12/31/2022¹

\$1.7B

Investment in initiative on behalf of clients since its launch

<p>49 States <small>Including Washington, D.C.</small></p> <p>Number of states where capital targeting Minority CARES has been directed</p>	<p>1,557 Loans</p> <p>Number of loans to minority borrowers</p>	<p>\$936m</p> <p>Dollar amount invested in 1,628 unique majority-minority census tracts²</p>
<p>828 Loans</p> <p>Number of loans to minority women borrowers</p>	<p>142,353 Units</p> <p>Number of affordable rental housing units in Minority CARES initiative</p>	<p>\$238m</p> <p>Dollar amount invested in 203 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 12/31/2022. 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.

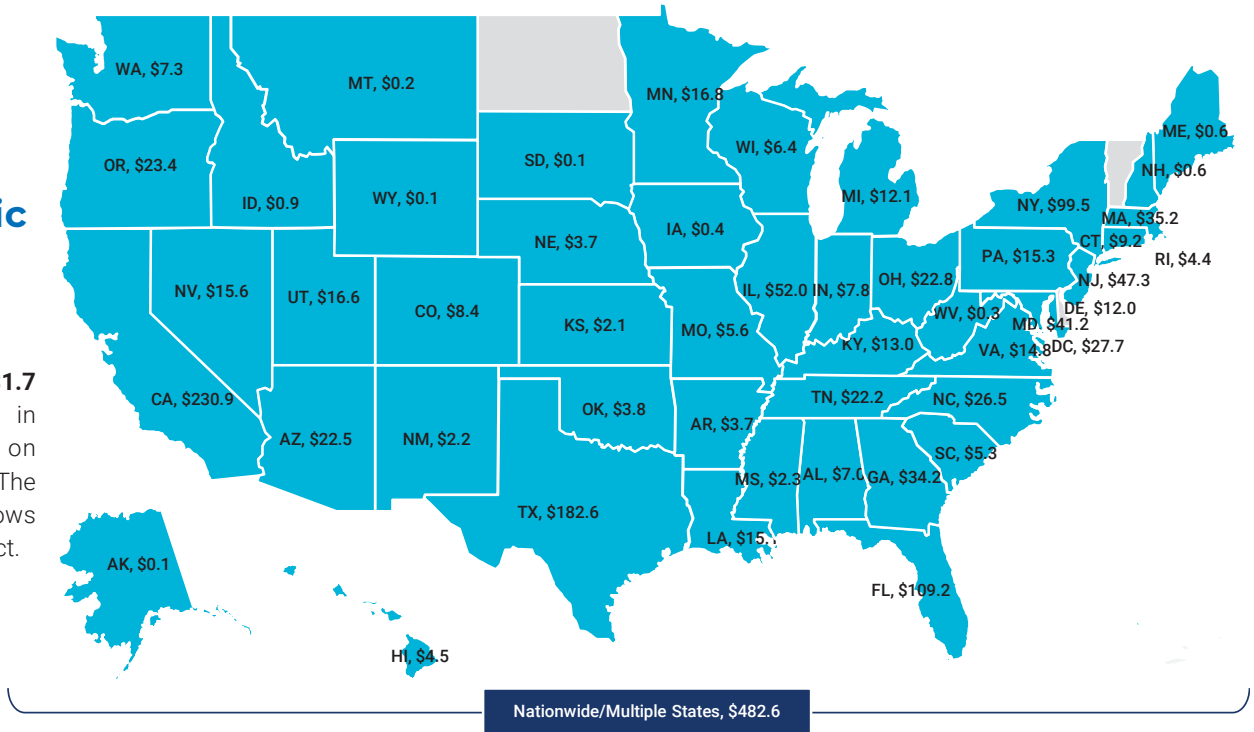
³ As of 06/30/21, we updated our count of R/ECAPs so that each census tract counts as one unique tract even if there are multiple investments in one R/ECAP.

⁴ [https://hudgis-hud.opendata.arcgis.com/datasets/56de4ed-
ea8264fe5a344da9811ef5d6e_0](https://hudgis-hud.opendata.arcgis.com/datasets/56de4ed-
ea8264fe5a344da9811ef5d6e_0)

Minority CARES Geographic Impact

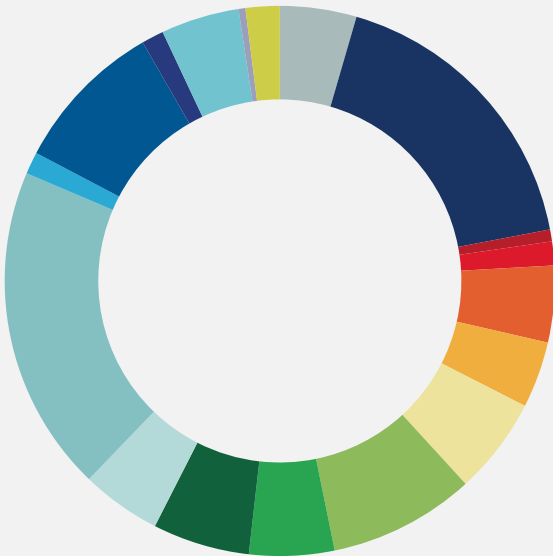
(in \$Millions)

CCM has invested **\$1.7 billion** nationwide in Minority CARES on behalf of its clients. The following map shows state-by-state impact.

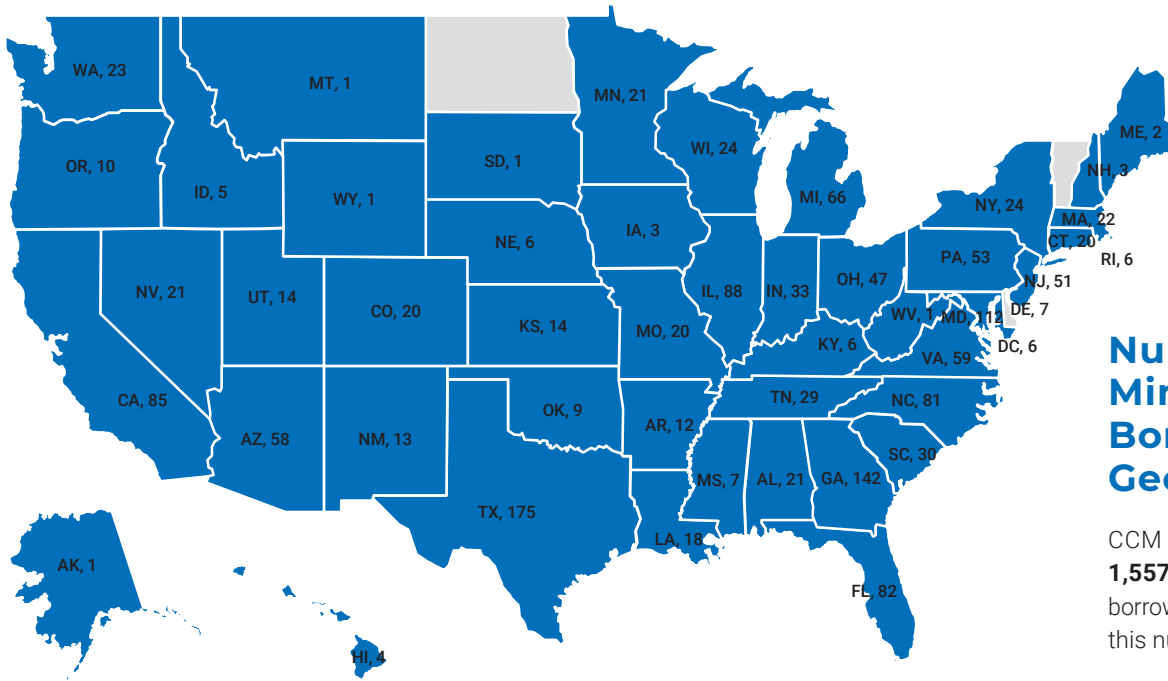


Minority CARES and Impact Themes

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



Affordable Health and Rehabilitation Care	4.5%
Affordable Housing	17.5%
Arts, Culture, and the Creative Economy	0.7%
Disaster Recovery, Resilience, and Remediation	1.4%
Economic Inclusion	4.5%
Education and Childcare	3.9%
Enterprise Development and Jobs	5.7%
Environmental Sustainability	8.6%
Gender Lens	5.0%
Healthy Communities	5.7%
Human Empowerment	4.7%
Minority Advancement	19.2%
Neighborhood Revitalization	1.3%
Poverty Alleviation	9.0%
Rural Community Development	1.3%
Seniors, Veterans, and the Disabled	4.6%
Sustainable Agriculture	0.4%
Transit-Oriented Development	2.0%

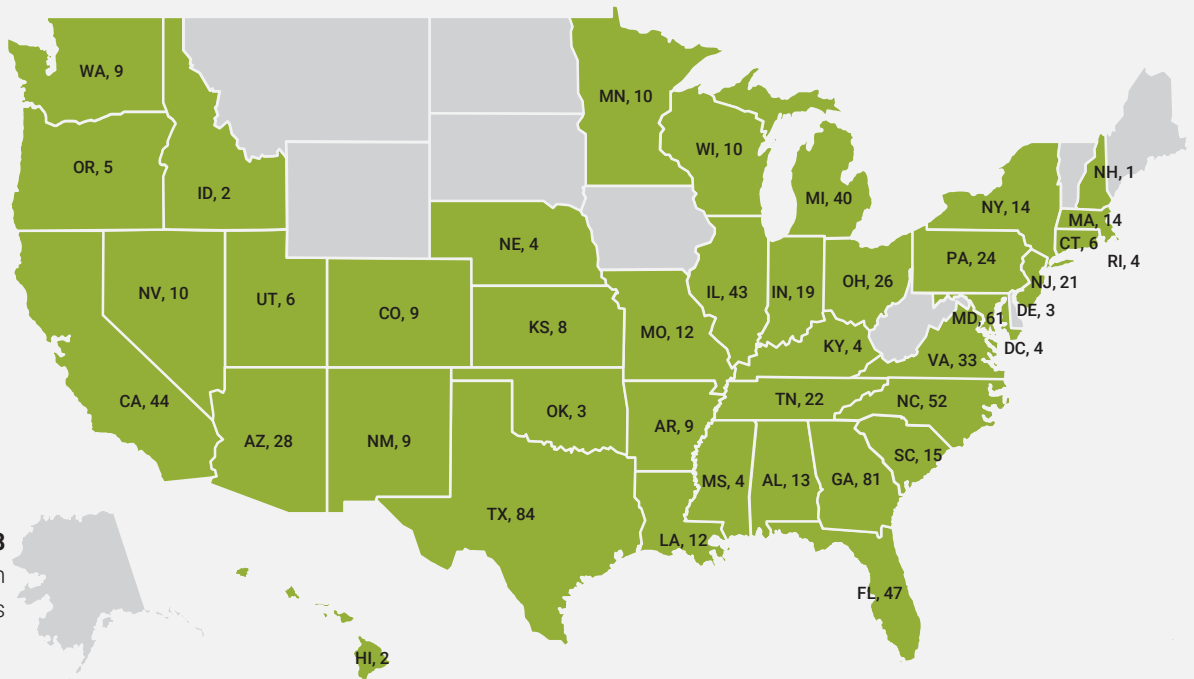


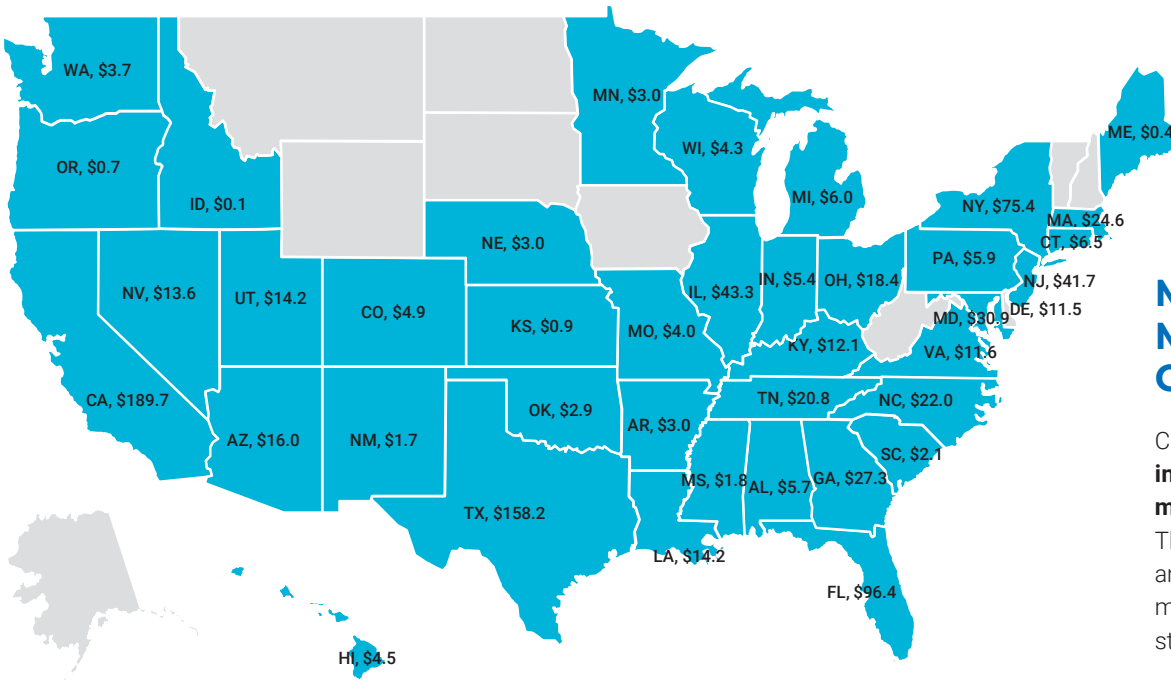
Number of Minority Borrowers by Geography

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.



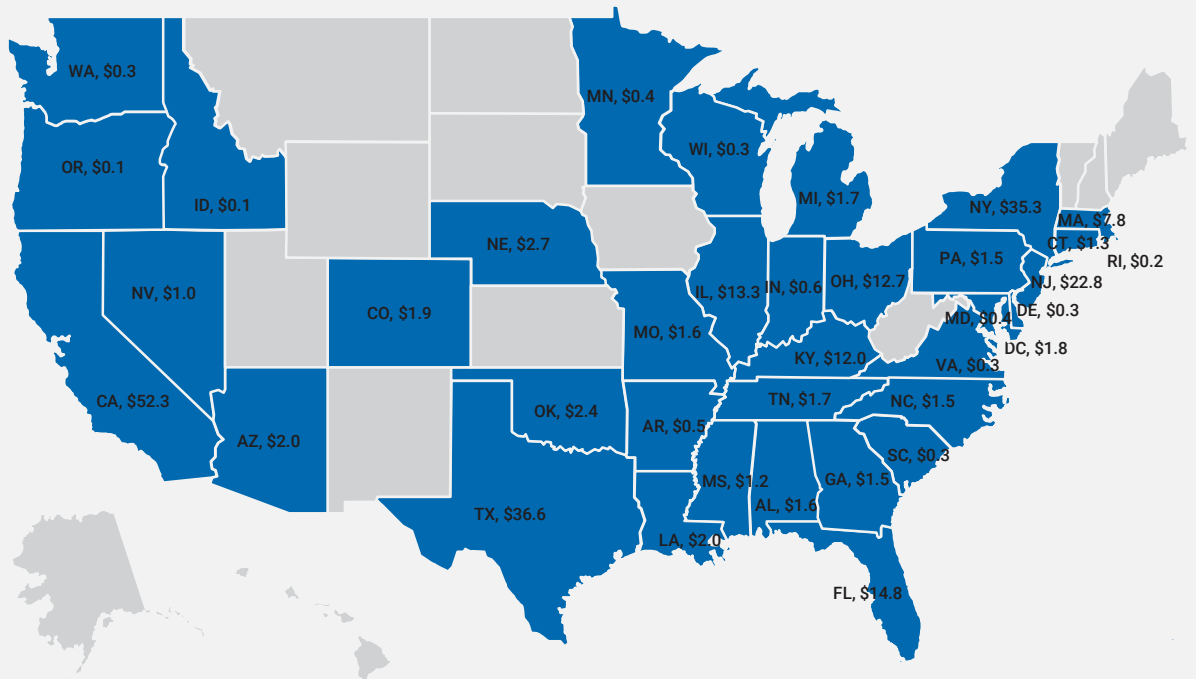


Majority-Minority Census Tracts

CCM invested **\$936 million** in **1,628 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 **\$238 million** in **203 unique R/ECAPs**. The map shows the dollar amounts invested in R/ECAP census tracts by state (in \$Millions).



Impact Stories: Minority CARES Investments

Monsignor C.T. Shallow

Location: Las Vegas, NV | Sector: Agency CMBS

Monsignor C.T. Shallow is an affordable rental property for seniors in Las Vegas, Nevada where all 80 units receive Section 8 assistance. The property is in a low-income, high-minority, high-poverty census tract where 95% of the population are minorities and 47% lives below the poverty line. The property is a senior living community that offers studio, one-bedroom, and two-bedroom apartments located near public transportation, grocery stores, retail shops, the East Las Vegas Library, and recreational areas. Community amenities include a business center, fitness facility, covered parking, on-site laundry facilities, and barbeque and picnic areas. An on-site resident services coordinator connects residents to the resources they need, including community assistance programs, volunteer programs, and community activities.







Monsignor C.T. Shallow is a project of Nevada HAND, the largest affordable housing developer in Nevada that builds, manages, and advocates for the production and preservation of affordable housing for low-income individuals and families. Nevada HAND's resident services team strives to improve the lives of its residents based on the four pillars of Education, Health & Wellness, Financial Stability, and Community Engagement.

During the COVID-19 pandemic, Nevada HAND worked with community partners and the local government to provide its senior residents with access to vaccination clinics and essential resources. Vaccinations clinics were offered on-site at some communities and others received transportation to local clinics, including Monsignor C.T. Shallow. To mitigate food instability during the pandemic, Nevada HAND partnered with Three Square Food Bank to expand their Golden Groceries program into Nevada HAND senior communities.



Image Source: <https://monsignor.nevada-hand.org/photogallery.aspx>

Impact themes this investment helped support:

-  Affordable Housing
-  Human Empowerment
-  Poverty Alleviation
-  Disaster Recovery, Resilience, and Remediation
-  Minority Advancement
-  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.

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. 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.

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