



Impact Report

4Q 2023

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 12/31/23¹

\$2.4B

Investment in initiative on behalf of clients since its launch

48 States

Including Washington, D.C.

Number of states where capital targeting Minority CARES has been directed

\$1.4B

in 2,195 unique majority-minority census tracts²

196,689 Units

Number of affordable rental housing units in Minority CARES initiative

\$327m

in 263 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

¹ All data are approximate figures. All data in this report is since the launch of the initiative on 06/19/20 to 12/31/23. 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.

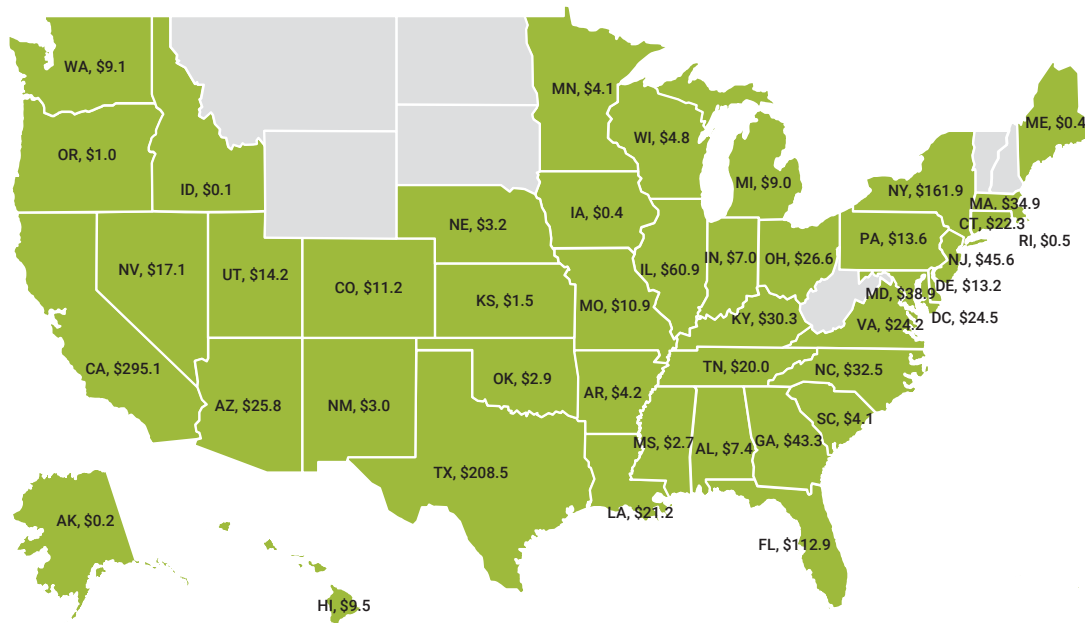
⁴ https://hudgis-hud.opendata.arcgis.com/datasets/56de4ed-ea8264fe5a344da9811ef5d6e_0

(in \$Millions)

[illegible]

A donut chart representing the gender distribution of 1000 respondents. The chart is divided into 11 segments of various colors, each representing a different gender category. The segments vary in size, indicating the proportion of respondents in each category. The colors include shades of blue, green, yellow, orange, red, and purple.

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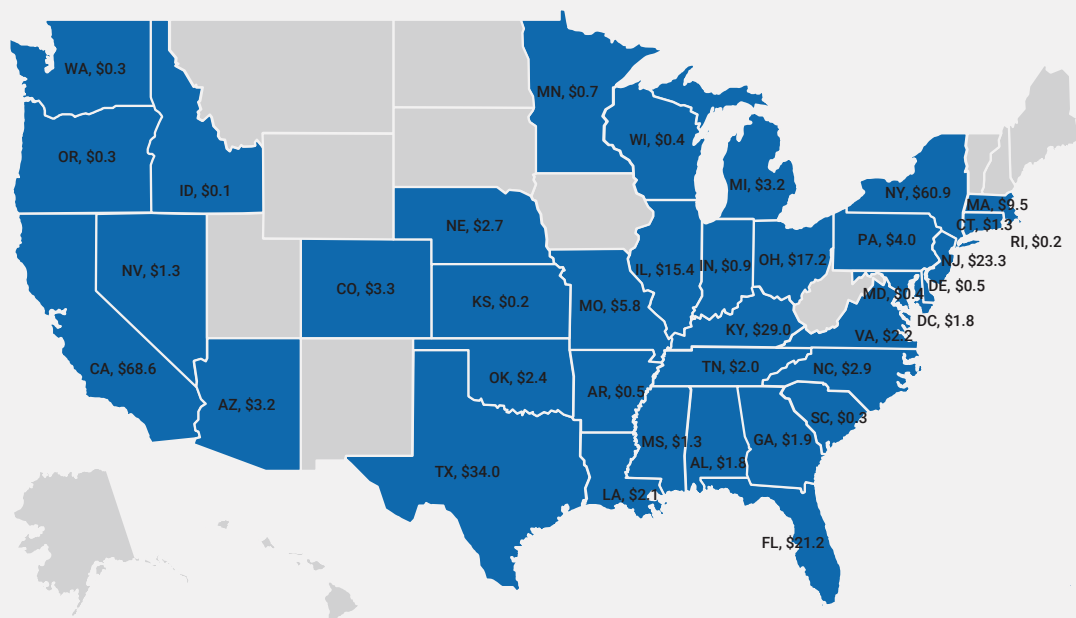


Majority-Minority Census Tracts

CCM invested **\$1.4 billion** in **2,195 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 **\$327 million** in **263 unique R/ECAPs**. The map shows the dollar amounts invested in R/ECAP census tracts by state (in \$Millions).



Impact Stories: Minority CARES Investments

Wysong Village Apartments

Location: **Alhambra, CA** | Sector: **Agency CMBS**

Wysong Village Apartments is an affordable rental property for seniors in Alhambra, California (Los Angeles County). All 94 units receive Section 8 assistance. The property is in a majority-minority census tract where 84% of the population are minorities. Wysong Village Apartments is a fully accessible housing community. Amenities include on-site laundry facilities, a library, a community room, a game room, an emergency call system, and an on-site service coordinator. Wysong Village Apartments has five parks within seven miles, including Huntington Botanical Gardens, the Audubon Center at Debs Park, and Whittier Narrows Recreation Area.

Wysong Village is owned and managed by National Church Residences (NCR), the largest nonprofit provider of senior housing and service coordinators in the country, with 340 senior housing communities in 25 states. With a faith-based mission, NCR believes every senior should be able to live a vibrant, healthy, and independent life. NCR provides a wide array of housing options and supportive services, ranging in service level from independent living apartments to assisted living, memory care, and skilled nursing care. The organization's property management team and service coordinators work together to provide resident activities and ensure resident needs are met.

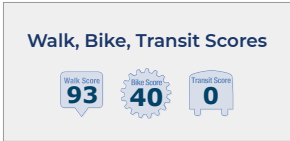


Image Source: <https://www.nationalchurchresidences.org/communities/wysong-village-apartments/>

Impact themes this investment helped support:

 Affordable Housing	 Human Empowerment
 Environmental Sustainability	 Seniors, Veterans, and the Disabled
 Healthy Communities	 Minority Advancement

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 \$5 billion in assets. 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.

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 for institutional clients. The firm's strategies are customized, rather than model-based, and utilize an innovative approach to fixed income and equity by combining the positive societal 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. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. A sustainable investment strategy that incorporates ESG criteria may result in lower or higher returns than an investment strategy that does not include such criteria. Impact figures mentioned are approximate values. Opinions, estimates, forecasts, and statements of market trends are based on current market conditions and are subject to change without notice. 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 there from. Any of the securities identified and described herein are for illustrative purposes only. Their selection was based upon nonperformance-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. For a full list of relevant disclosures, please visit <https://www.ccminvests.com/regulatory-disclosures/>.
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