



2023

Impact
Report

Table of Contents

2023 Foreword	2
Year in Review	4
2023 Impact-At-A-Glance	8
Impact Metrics	10
Impact Outcomes	12
Impact Investing at CCM	22
Impact Framework	23
Impact Customization	24
Impact Reporting	25
About CCM	26
History	27
Team	28
Diversity, Equity, and Inclusion (DEI)	30
Impact in Action	32
Looking Ahead	36

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2023 Foreword



The days are long, but the years are short.

— Gretchen Rubin, author of “The Happiness Project”

It is always hard to believe another year has ended, and we are sharing our annual impact report. This edition marks 11 years of sharing our impact in this format, and we are so pleased to see its many positive changes and adaptations over the years.

The 2023 Impact Report highlights the significance of **intentional investing**, a central theme in Community Capital Management’s (CCM’s) approach to its operations. This concept goes beyond traditional asset management and encompasses various aspects, such as diversity among employees, impact metrics, and innovative reporting methods.

Intentional investing involves aligning investments with personal values, long-term goals, and a carefully devised strategy. CCM’s approach to intentionality is comprehensive and reflects the core principles of the company’s mission, which revolves around setting deliberate investment objectives, maintaining transparency throughout the process, and providing documented evidence of positive impacts on individuals, families, and communities across the nation.

This commitment to intentionality demonstrates CCM’s dedication to not only achieving financial success but also making a meaningful and responsible contribution to society.

What is intentional investing?¹

Intentional investing includes three things:

- Understanding **WHY** you’re investing
- Carefully choosing **WHAT** you’re investing in
- Being cognizant about **WHO** you’re investing with



Introduction from
Alyssa Greenspan, CFA
CEO & President

I am delighted to present CCM’s 2023 Impact Report. As we navigate the ever-evolving landscape of impact investing, this report is a testament to our team’s unwavering dedication to creating positive environmental and societal change on behalf of our clients.

This year’s report focuses on intentionality, which is a key component in our fixed income impact investing strategies and a guiding force in the fundamental fabric of our firm’s operations. Throughout the report, you will find inspiring case studies that highlight the real-world positive impact outcomes of our investments and how our team embraces intentionality in support of their communities and the organization.

Thank you for joining us on this journey as we reflect on our collective achievements and in anticipation of the transformative impact we can create together in the years to come.

Year in Review



I'm the one who will take chances, not worry about the backlash.

— **Magic Johnson**, basketball player

The backlash toward impact and ESG investing seemed to wane as 2023 strummed along, but it remains, and will continue to remain, a political flashpoint heading into an election year. Political influence aside, the impact investing industry continues to evolve and mature as investors are increasingly allocating assets to impact and exploring approaches to manage their portfolios toward greater impact, according to the GIIN.

The 2023 [GIINsight series](#) offers a comprehensive overview of the impact investing industry; we highlight a few key data points from its Impact Investor Demographics study below.

Target Financial Returns: Impact investing allows investors to target a range of returns, from risk-adjusted, market-rate to below-market rate. In the GIIN survey, just under three-quarters of impact investors (74%) are market-rate investors with the remainder of the sample targeting below-market-rate returns. Larger investors more commonly seek risk-adjusted, market-rate returns. In fact, 90% of large investors seek market-rate financial returns compared with 83% of medium investors and 60% of small investors (see [Table 1](#) and [Chart 1](#)).

Impact-Only Investors by Organization Type: While some investors solely make impact investments, others make both impact investments and impact-agnostic investments (i.e., they do not intend to generate a measurable, positive social and/or environmental impact for a portion of their portfolio). In this sample, 63% of investors allocated 100% of their assets under management (AUM) to impact, and the remaining 37% made both types of investments. Among survey respondents, a diverse range of organizations consider themselves to be impact-only investors. Unsurprisingly, only 15% of institutional investors are impact-only, reflecting the mandate of these asset allocators. Just under three-quarters of private market-focused investors (71%) are impact-only, while 29% of public market-focused investors are impact-only investors (see [Chart 2](#)).

TABLE 1 The GIIN survey categorizes large, medium, and small investors as follows:

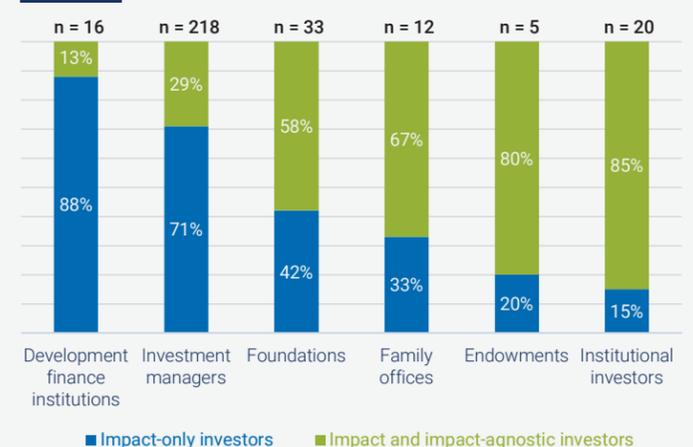
▶ Small Investors	Respondents with total impact investment AUM ≤ USD 100M
▶ Medium Investors	Respondents with total impact investment AUM > USD 100M ≤ USD 500M
▶ Large Investors	Respondents with total impact investment AUM > USD 500M

CHART 1



Source: Global Impact Investing Network (GIIN), 2023 GIINsight: Impact Investor Demographics

CHART 2



Note: "Institutional investors" include pension funds, insurance companies, sovereign wealth funds, coprorates and diversified financial institutions.

Source: Global Impact Investing Network (GIIN), 2023 GIINsight: Impact Investor Demographics

Looking at impact AUM growth in the 2023 GIINSight series, Impact Investing Allocations, Activity, & Performance, data shows the amount of impact AUM an organization typically holds has grown over the past five years. In aggregate, impact AUM increased from USD 95 billion in 2017 to USD 213 billion at the end of 2022, at a compound annual growth rate (CAGR) of 18%. At the median, impact AUM was USD 98 million in 2017 compared to USD 242 million in 2022, suggesting that organizations are increasing their impact assets (see **Chart 3**).

On a similar note, the Principles for Responsible Investment (PRI) continues to show a significant increase in signatories since it began in 2006 (see **Chart 4**).³

The PRI works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories in integrating these issues into investment and ownership decisions. The six Principles were developed by investors and are supported by the UN. They have more than 4,000 signatories from over 60 countries representing over US\$120 trillion of assets.

CHART 3 Impact AUM Growth Over a Five-Year Period



Note: This figure represents a subset of 88 repeat respondents from the 2018 Annual Impact Investor Survey and 2023 GIINSight briefs. Between 2017 and 2022, impact AUM grew by a CAGR of 18%.

Source: Global Impact Investing Network (GIIN), 2023 GIINSight: Impact Investing Allocations, Activity & Performance

Like the PRI, we continue to see growth in impact investing across various institutional investors, with a large majority seeking risk-adjusted, market-rate returns. More specifically, in 2023, we saw a significant increase in assets from high-net-worth investors, foundations, nonprofits, and religious organizations, and we anticipate this progress to continue into 2024 and beyond. With the development of the industry, we continue to evolve as impact investing managers and stewards of capital. We look to be intentional in our commitments, activities, and initiatives and are pleased to report on a few of these actions that took place in 2023.

- **PRI:** CCM is a signatory to the PRI and completed its 2023 Reporting and Assessment. The PRI Reporting Framework helps to build a common language and industry standard for reporting responsible investment activities. Public RI Reports provide accountability and transparency on signatories' responsible investment activities and support dialogue within signatories' organizations as well as with their clients, beneficiaries, and other stakeholders.

CHART 4



As of April 2021
Source <https://www.unpri.org/download?ac=10948>

- **Sustainability Bond of the Year:** In June, we were thrilled to announce that one of our impact investments, Preservation of Affordable Housing (POAH), was the recipient of the [2023 Sustainability Bond of the Year – US Muni by Environmental Finance](#). POAH is a Boston-based nonprofit organization that preserves, creates, and sustains affordable rental homes for low- and moderate-income (LMI) families, seniors, and individuals. It is one of the largest nonprofit affordable housing developers and owners in the country.
- **Climate Policy:** In 2023, CCM crafted its first climate policy, which reviews CCM's historical, current, and future climate-mitigating efforts. The process of creating the climate policy enabled us to take a detailed inventory of our current climate-mitigating efforts and, from there, set actionable and measurable future targets as both an asset manager and a business. CCM's climate policy acknowledges the significance of climate change and will look to evolve as the industry incorporates best practices and as CCM continues to grow.
- **New CRA Rule:** In October 2023, the federal banking regulators issued a final rule to implement the Community Reinvestment Act (CRA). The final rule marks the first substantial revision to the CRA regulations in 30 years and provides comprehensive changes to how banks' performances are assessed under the CRA. In November, CCM shared a [report](#) on the new rule's impact on the CCM Community Impact Bond CRA Shares.
- **Racial Wealth Gap:** Homeownership is one of the primary tools for building wealth. Finding ways to increase homeownership opportunities for all income levels, specifically for LMI households, is critical to wealth building and reducing the racial wealth gap that persists. In 2023, we were honored to have the Impact Shares Affordable Housing MBS ETF (OWNS), sub-advised by CCM, featured in a [Morningstar® story](#) on how investing in mortgage-backed securities can create equity and chip away at the wealth gap. We continue to look for new and innovative ways to help reduce the racial wealth gap and help those in low-income and distressed neighborhoods build wealth.

- **Investor Statements and Commitments:** In 2023, CCM signed on to ICCR's Investor Statement in Support of a Living Wage and Ceres' Freedom to Invest. ICCR's investor statement calls on U.S. companies to take steps toward the payment of a living wage to direct and contract workers, in line with international human rights standards. Ceres' Freedom to Invest rallies leaders worldwide to remind policymakers that the economy will be stronger and more resilient if businesses make their own investment decisions.
- **Impact Awards:** We ended the year with our seventh annual impact awards competition, which recognizes five impactful investments with voting open to the general impact community to select a favorite story. The winning investment or affiliated nonprofit receives a \$10,000 donation. The 2023 winner is North Carolina Agriculture & Technical (A&T), one of the country's largest Historically Black Colleges and Universities (HBCUs) by enrollment. Read our [press release](#) announcing the winner and thank you to all who participated!

North Carolina A&T State University is a public university with a 200-acre campus in Greensboro, North Carolina. It was founded in 1891 as a land grant institution and became a constituent institution of the University of North Carolina in 1972. It is one of the country's largest HBCUs by enrollment.

North Carolina A&T State University issued a taxable municipal bond financing a variety of school initiatives, including the construction of a student healthcare center, among other important buildings on campus for its students.

In closing, we would not be where we are today without our amazing clients, and we thank you for your ongoing support. Your investments are intentionally and positively helping underserved people and communities with critical issues like affordable housing, climate change, and job creation. As always, we welcome all suggestions for future publications.

Intentionally yours,

The CCM Team

2023 Impact At-A-Glance

“If you don't collect any metrics, you're flying blind. If you collect and focus on too many, they may be obstructing your field of view.”
— **Scott Graffius**, “Agile Scrum: Your Quick Start Guide with Step-by-Step Instructions”

Staying committed to measuring impact while being open to evolution better positions us to navigate the intricacies of impact measurement and contribute meaningfully to the broader impact and ESG industry. This intentional commitment reflects an understanding that impact measurement is not static; rather, it is an ongoing journey that requires continuous evolution to stay effective and relevant.

CCM has a long-standing commitment to impact investing and deploying capital to support underserved communities and people. The firm has invested approximately \$15 billion in impact and ESG initiatives nationwide on behalf of clients since managing assets in 1999, showing an intentional commitment to creating positive environmental and social change. Furthermore, the impact of approximately \$1.6 billion in the 2023 calendar year alone demonstrates sustained momentum and a continued dedication to making a tangible difference in communities nationwide through investments.

Impact Highlights

\$15 billion



Since inception, we have invested approximately **\$15 billion** in impact and ESG initiatives on behalf of our clients.

50 states



We have invested in all 50 states and the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands.

Firm Highlights

24 years



managing impact and ESG investment strategies

\$5 billion



in assets under management

18 impact themes



Our investments align with one or more of firm's impact themes supporting a variety of positive environmental and societal outcomes

COVID-19 RELIEF



Invested **\$185 million** in our COVID-19 Relief Initiative since its launch in May 2020

Minority CARES



Invested **\$2.1 billion** in our Minority CARES Initiative since its launch in June 2020

2023 Impact Metrics

Thematic Impact

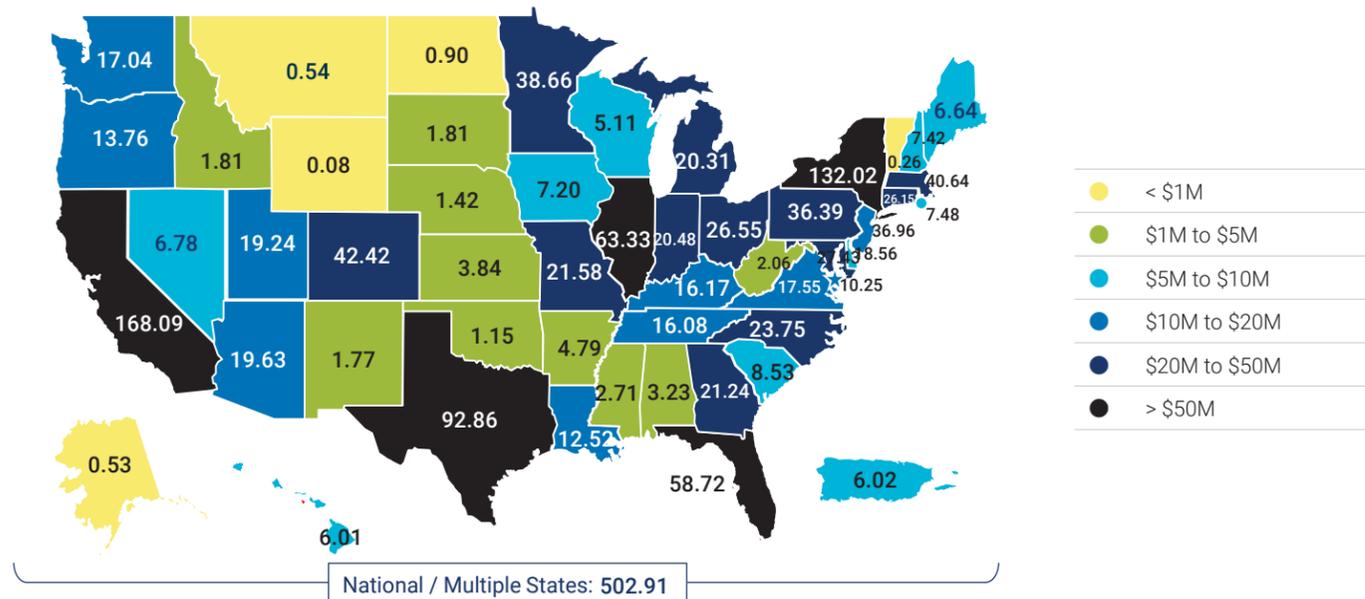
Impact by Theme shows impact metrics across all fixed income investments as of 12/31/23 and how they align with multiple impact themes.



Affordable Health and Rehabilitation Care	2.7%	Healthy Communities	6.5%
Affordable Housing	24.7%	Human Empowerment	3.9%
Arts, Culture, and the Creative Economy	0.6%	Minority Advancement	13.1%
Disaster Recovery, Resilience, and Remediation	1.2%	Neighborhood Revitalization	1.4%
Economic Inclusion	4.5%	Poverty Alleviation	8.7%
Education and Childcare	2.6%	Rural Community Development	1.4%
Enterprise Development and Jobs	4.3%	Seniors, Veterans, and the Disabled	6.1%
Environmental Sustainability	11.4%	Sustainable Agriculture	0.9%
Gender Lens	3.5%	Transit-Oriented Development	2.5%

Impact by Geography

Impact by Geography shows investment impact by state for all fixed income investments purchased in 2023 on behalf of clients.



CCM's **fixed income** holdings purchased in 2023 had the following impact:



Affordable Homeownership

2,323 loans to LMI borrowers

74 loans in persistent poverty counties

768 loans in majority-minority census tracts

60 loans in Racially or Ethnically Concentrated Areas of Poverty (R/ECAP)



Affordable Rental Housing

95,461 affordable rental housing units

53,297 affordable rental housing units in majority-minority census tracts

35,996 affordable rental housing units in persistent poverty counties

21,211 affordable rental housing units in R/ECAP



Gender and Racial Equity

\$449M amount invested in 797 unique majority minority census tracts

\$87M amount invested in 92 unique R/ECAP

318 jobs created or retained from minority-/women-owned small businesses

12 loans to minority-/ women-owned small businesses



These stories play a pivotal role in communicating the value of impact investments and the positive changes they bring to underserved communities across the nation.

— **Jessica Botelho**, Director of Impact and CRA Research, CCM

2023 Impact Outcomes

Impact investment stories are an excellent way to highlight the real-world effects and outcomes of investments purchased on clients' behalf that go beyond numbers and data. These stories provide a narrative that illustrates the tangible and meaningful changes created from our clients' capital. Stories add a human element, allowing stakeholders to connect emotionally with the impact being made. These stories look to serve as concrete examples of how investments align with specific impact themes, illustrating how investments contribute to positive environmental and social change.

FIXED INCOME

City of Emeryville, California⁴

Sector: **Taxable Municipals**

About

The City of Emeryville has experienced significant population growth throughout the past 40 years and anticipates similar population growth in the future. Population projections estimate that Emeryville will nearly triple in size between 2021 and 2040, indicating the need to proactively plan for this population expansion. Emeryville has relatively low rental vacancy rates, indicating high demand, which typically results in upward price pressures. Additionally, Emeryville's job-to-housing ratio is more than double that of Alameda County as a whole, indicating a jobs-rich community with a shortfall of housing units. Emeryville's 2023-2031 Housing Element report outlines the affordability of the city's housing and identifies the following key findings:

1. Without subsidies or rent restrictions to units, most rental and for-sale housing in Emeryville is unaffordable to low-income households.
2. Households with lower incomes are far more likely to overpay for housing than households with moderate and above moderate incomes.
3. Renter households experience more of a cost burden than owner households.

Emeryville is located on the east shore of the San Francisco Bay in Alameda County, bordered by the City of Berkeley to its north and the City of Oakland to the east and south. Emeryville is one of the smallest cities in California by area, covering 2.25 square miles, of which approximately 1.2 miles is land, and 1 mile is tidelands on the San Francisco Bay.

The City of Emeryville has significantly transformed over the last few decades; formerly an industrial hub, it now serves as a regional commercial center and the home of well-known animation, life

science, and technology companies. Despite the Bay Area's high-income levels, the region has among the highest cost of living in the U.S., which has put significant rental pressure on low-income families.

Emeryville continues to be a regional leader in affordable housing and tenant protection. Housing production at all levels of income, coupled with housing preservation and adequate renter protections, is critical to creating a just, equitable, stable, and safe community. Emeryville is one of the only cities in the region that has reduced homelessness at a time when overall numbers have grown.



Impact

The City of Emeryville, California (Alameda County), will use proceeds of the Series 2023 Measure C general obligation bonds to finance the costs of providing and/or enhancing the acquisition or improvement of real property in order to provide affordable housing for extremely low-, very low-, low-, and middle-income individuals and families, including vulnerable populations such as veterans, seniors, local artists, people with disabilities, current or former foster youth, survivors of abuse, people experiencing homelessness, and individuals suffering from mental health or substance abuse illnesses. Approximately 71% of the proceeds will finance the production of affordable housing reserved for residents earning no more than 80% of the area median income (AMI).

Measure C Addresses the Affordable Housing Shortage

The City of Emeryville Series 2023 Bonds aim to address the city's housing crisis. In June 2018, more than two-thirds of Emeryville voters approved Ballot Measure C, authorizing the city to invest \$50 million to provide affordable local housing and prevent displacement of vulnerable populations in Emeryville, including low and moderate-income households, veterans, seniors, and people with disabilities. The bonds also provide funding for permanent supportive housing for people experiencing homelessness and to help low- and middle-income households purchase homes and stay in the community.

Affordable Housing Bond Administration and Expenditure Plan

In March 2021, the City Council approved the Affordable Housing Bond Administration and Expenditure Plan, which guides the expenditure of \$50,000,000 in Measure C Affordable Housing Bond funds and approximately \$14,000,000 in additional affordable housing resources available to the city, for a total investment of over \$64,000,000. Projects to be financed through Measure C may include:

1. The acquisition or improvement of real property to produce new affordable housing projects.
2. The rehabilitation of existing multifamily projects that are affordable to extremely low-, very low-, low-, and moderate-income families and individuals.
3. The acquisition of additional affordability commitments in new, privately developed mixed-income projects for veterans, seniors, people with disabilities, current or former foster youth, victims of abuse, people experiencing homelessness, and individuals suffering from mental health or substance abuse illnesses.
4. Helping low and middle-income households, including local artists, purchase homes and stay in the community with first-time homeowner loans.
5. Preventing displacement of vulnerable populations in Emeryville, including extremely low-, very low-, low-, and moderate-income households, veterans, seniors, and people with disabilities.
6. Providing permanent supportive housing for people experiencing homelessness.



Impact themes this investment helped support:

- Affordable Housing
- Arts, Culture, and the Creative Economy
- Economic Inclusion
- Education and Childcare
- Environmental Sustainability
- Healthy Communities
- Minority Advancement
- Poverty Alleviation
- Seniors, Veterans, and the Disabled

Minority CARES This investment is part of our Minority CARES Initiative.

Photo credit: <https://www.linkedin.com/company/city-of-emeryville/>

The City of Emeryville’s Economic Development and Housing Division administers the city’s affordable housing programs and will oversee the programs and projects funded by the bonds. Approximately 22.4% of the bond proceeds will go toward the preservation of affordable housing, 71% will go toward the production of affordable housing, and the remaining 6.6% is going toward the cost of issuance and administrative costs. Each initiative includes a variety of programs and specific projects that will be developed. There are five programs under the preservation initiative and two programs under the production initiative. Below are the programs and their descriptions:

Initiative 1: Preservation of Affordable Housing

- a. Special Needs Housing Program (8.1% of bond proceeds) – Incentivize the creation of additional below-market-rate units for special needs populations (i.e., people with disabilities, transitional-aged youth, and people experiencing homelessness) at existing rental developments.
- b. Rental Preservation Program (8.0%) – Improve the condition of existing rental units by providing owners with capital to make needed improvements to units occupied by income-eligible tenants.
- c. Homebuyer Assistance Program (3.6%) – Assist low- to moderate-income first-time homebuyers in purchasing homes. Eligible borrowers can receive down payment and closing cost assistance in the form of a deferred loan.
- d. Retention of Below Market Rate (BMR) Homebuyer Units Program (2.4%) – Purchase BMR ownership units that are at risk of becoming market-rate units.
- e. Foreclosure Prevention Program (0.3%) – Assist income-eligible homeowners to prevent displacement through foreclosure. Eligible homeowners can receive assistance in the form of a deferred loan.

Initiative 2: Production of Affordable Housing

- a. Rental Development Program (54.4% of bond proceeds) – Fund new construction of rental units on development sites with a city interest. Units will serve very low-, low-, and moderate-income households, including seniors,

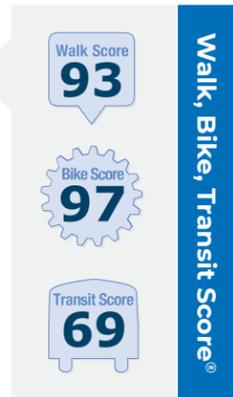
transitional-aged youth, individuals with disabilities, and formerly homeless people.

- b. Development Opportunity Program (16.6%) – Fund strategic acquisition or development of properties for very low- to moderate-income units.

Within the Rental Development Program under initiative two, the City of Emeryville has identified three specific development sites:

3600 San Pablo Ave will be an affordable housing property with 89 total units. Approximately 52 units will be reserved for very low-income households earning between 30% and 50% of AMI, and 38 units will be reserved for low-income households earning between 50% and 80% of AMI. Of these 89 total units, approximately one-third will be reserved as permanent supportive housing for people experiencing homelessness, and 22 will be reserved for special needs residents. This property is in a majority-minority, high-poverty census tract where 67% of the population are minorities and 22% live below the poverty line. The proposed project is located on an 0.375-acre property on the north side of San Pablo Avenue between 36th and 37th streets. A wide range of apartment layouts, from studio to three-bedroom units, will be provided. The current proposal provides approximately 27 studios (30%), 42 one-bedrooms (47%), 16 two-bedrooms (18%), and five three-bedroom (6%) units. The 3600 San Pablo Ave development will provide a minimum of 3,600 square feet of ground-floor retail space in a seven-story mixed-use building. The proposed ground floor height will accommodate high ceilings in the retail area, the mechanized parking system, and a second story, primarily above the garage drive aisle and residential entry. This floor level will accommodate bicycle parking, maintenance, storage, utility space, residential units, and other functions.

Christie Sites will be a 367-unit affordable housing development. In December 2022, the Emeryville City Council unanimously voted for EAH Housing, out of six candidates, as its first-choice developer for the Christie Sites. EAH



proposes to create three eight-buildings totaling 367 units, 46 studios, 89 one-bedrooms, 128 two-bedrooms, and 104 bedroom units. The Measure bonds are funding the first phase this project, totaling 158 units. Approximately 66 units will be reserved for very low-income households earning between 30% 50% AMI, 42 units for low-income households earning between 50% and 80% AMI, and 50 units for moderate-income residents earning between 80% and 120% AMI. Of these 158 total units, eight will be reserved for special needs residents. This property is in a majority-minority census tract where 72% of the population are minorities. The three residences will comprise 46 studios, 89 one-bedroom, 128 two-bedroom, and 104 three-bedroom units. Residents will have access to laundry services, community-serving common areas, green spaces, roof decks, play zones, and compact parking garages. A variety of services will be available to families, including summer and afterschool support in partnership with the Emery Unified School District, in-home childcare units, financial planning services, nutrition classes, and general family support and workshops. Additionally, a new park expansion will help augment after-school resources, serving residents and the broader community.

The development aims to improve pedestrian and bike access within the city. This site plan creates a new pedestrian connection between Christie Avenue and the public market, features upgraded access to major bike lanes, and transforms the industrial 59th Street easement into a vibrant shared street. Residents can take advantage of an innovative partnership with Bay Area Bike Rescue, which will be housed in a prominent ground-floor retail space of the project. The nonprofit will provide free and low-cost bikes, safety training, bike maintenance, and volunteer opportunities for residents and community members. The project plan emphasizes design and infrastructure that promotes low-carbon and sustainable living, including rooftop energy production, exterior sunshades to keep apartments cool, and water-efficient buildings. On-site EV charging stations, car-share



facilities, and alternative transportation options will reinforce the community’s green living and zero net energy-ready standards. EAH hopes to break ground on the project in the fall of 2025 and estimates project completion in the summer of 2028.

Adeline Sites will be an affordable housing development with four total units. All four units will be reserved for low-income residents earning between 50% and 80% AMI, with preference given to formerly incarcerated individuals. This property is in a moderate-income, majority-minority census tract where 69% of the population are minorities. The Adeline Sites development seeks to incorporate thoughtful design to maximize the number of private bedrooms and bathrooms and create a safe and secure shared indoor and outdoor living environment while maintaining the neighborhood’s character. The city has established the following primary development goal for Adeline Sites: Provide affordable housing opportunities to extremely low- and very low-income individuals who are able to live independently and are part of a special needs group, such as formerly incarcerated individuals, developmentally disabled individuals, or transitional-aged youth.

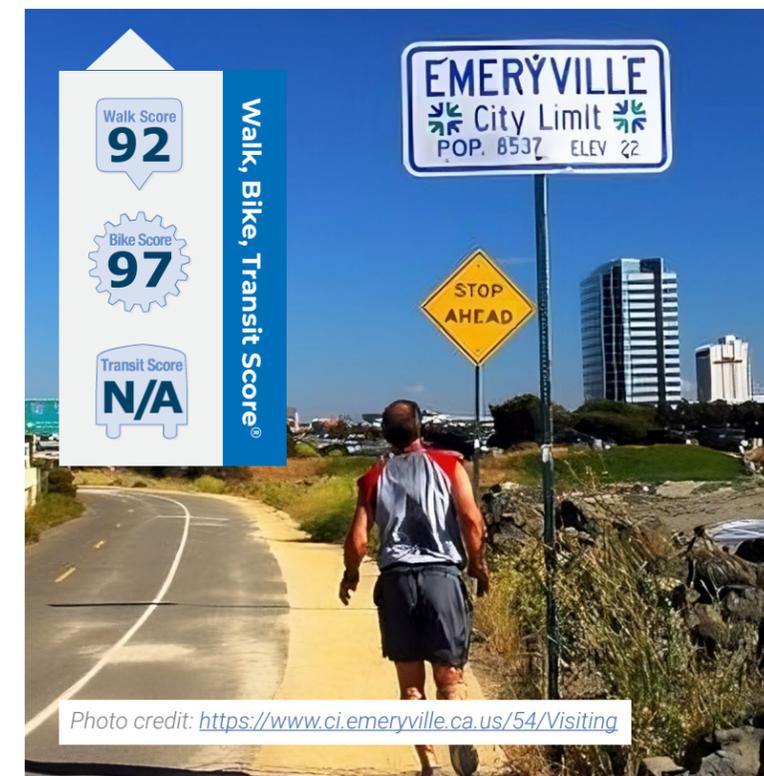


Photo credit: <https://www.ci.emeryville.ca.us/54/Visiting>



Photo credit: <https://www.beecherterrace-pts.com/photogallery?nocache=1>

Impact themes this investment helped support:

- Affordable Health and Rehabilitation Care
- Affordable Housing
- Economic Inclusion
- Education and Childcare
- Environmental Sustainability
- Gender Lens
- Healthy Communities
- Human Empowerment
- Minority Advancement
- Poverty Alleviation
- Neighborhood Revitalization
- Seniors, Veterans, and the Disabled

Minority CARES This investment is part of our Minority CARES Initiative.

FIXED INCOME

Beecher Terrace III (Louisville, KY)⁵

Sector: **Agency CMBS**

About

Beecher Terrace III is an affordable housing development in Louisville, Kentucky (Jefferson County). Of the 185 units, 103 units (56%) are reserved for low-income residents. Specifically, 37 units are Low-Income Tax Credit (LIHTC)-only affordable units and 66 are Project-Based Voucher (PBV)/LIHTC units. The PBVs are committed pursuant to a Section 8 HAP contract to this development. The initial term for the PBVs is 20 years. The property is in a majority-minority, high-poverty census tract where 54% of the population are minorities and 30% live below the poverty line. When the Beecher Terrace construction project began in 2020, 50% of the population in this census tract was living below the poverty line.

Impact

Beecher Terrace was a severely distressed public housing complex built in 1939 in the Russell Neighborhood of Louisville. As part of a major revitalization effort, the buildings of Beecher Terrace are being demolished or renovated in multiple phases. The entire project began in 2017 and is expected to be completed in August 2025. The third phase was completed in September 2023. Phase III encompasses 185 multifamily units in townhomes and garden-style apartments distributed between 23 buildings. Construction also includes a pool, pool house, and play area.

Louisville Metro Housing Authority (LHMA) received a Choice Neighborhoods Initiative Implementation grant award from HUD for the Russell Neighborhood transformation. The new sustainable, walkable, and amenity-rich Beecher Terrace community features commercial businesses on the first floor of select buildings along 9th Street and Muhammad Ali Boulevard and a renovated and expanded community center flanking an Olmsted-designed Park. Eliminating the super-block by reestablishing the historic street pattern throughout the site created a walkable, pedestrian-friendly neighborhood and enhanced a sense of community. Green spaces and playgrounds also help promote a healthier lifestyle among residents.

The entire redevelopment is Enterprise Green Community and Energy Star certified; it is pursuing Leadership in Energy and Environmental Design (LEED) for Neighborhood Development (LEED ND) certification. All the homes in the new Beecher Terrace are Energy-Star certified; they are designed to be energy efficient to ensure lower utility costs and to provide a healthier living environment for low-income households. Specific green features and activities for the Beecher Terrace project include:

- Recycling of demolished materials and construction waste
- Low-flow kitchen and bathroom faucets and toilets
- Use of south facing windows and daylighting tubes
- ENERGY STAR-rated appliances, lighting, fans, and heating and air conditioning equipment
- ENERGY STAR-compliant roofing and pavement that reflects heat
- Use of vegetation to conserve energy and landscaping that includes 50% native and adaptive plant material
- Efficient water irrigation systems
- Bio-filtration swales and an underground storm retention system
- Electric vehicle charging stations
- Low VOC (volatile organic compound) paints, primers, and adhesives
- Composite wood products with low or no levels of formaldehyde
- On-site organic waste composting and recycling stations in the parking lots on each block

An essential component of the Choice Neighborhood grant is the Community and Supportive Services (CSS) plan. The CSS plan was designed to prepare individuals for the transition from Beecher Terrace to their new communities during the revitalization process, offer services that support success in the workplace, and move families toward a path of self-sufficiency. Programs and services include needs assessments and comprehensive case management services for all Beecher Terrace residents. Programs will include:

- Healthcare services that are accessible and affordable, including the HUD health initiative “With Every Heartbeat is Life,” which focuses on self-help management for chronic illness
- Job placement
- Financial skills training
- A scholarship program for residents who are high school/ GED graduates and wish to pursue higher education
- Recruitment for early childhood education programs
- Transportation assistance
- Homeownership counseling and a Section 8 homeownership program that offers subsidy toward a mortgage payment for eligible candidates

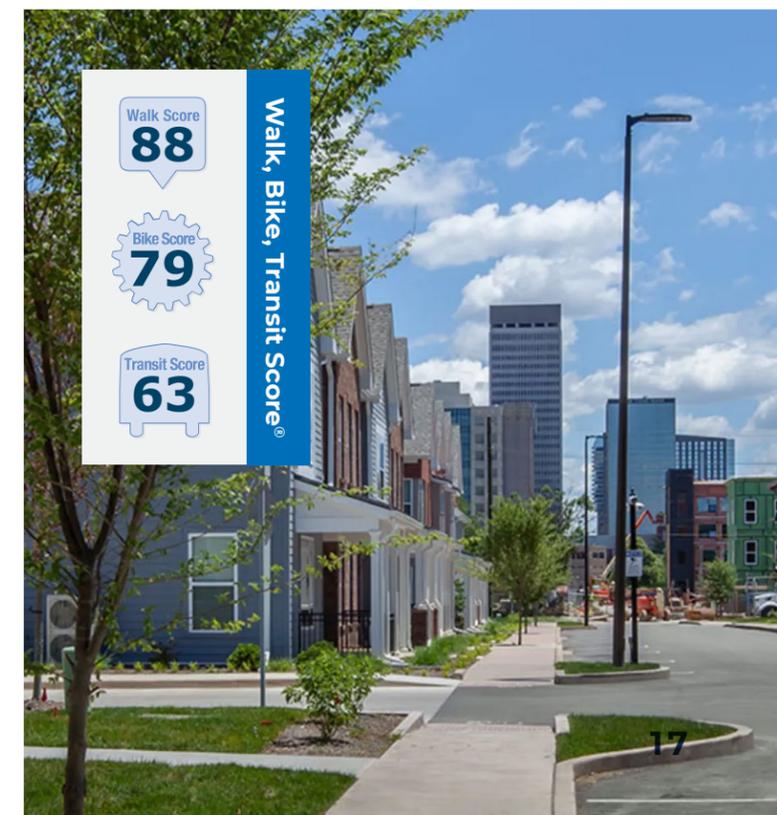


Photo credit: <https://www.beecherterrace-pts.com/photogallery?nocache=1>

While **CIP** operates across the nation, its work is concentrated in five core geographies, where offices and staff are located. CIP's investments are currently concentrated in northern and southern California, Michigan, northwest Ohio, the Washington, D.C., metropolitan area, the New York Tri-State area, and central Texas (Bexar, Dallas, Harris, Tarrant, and Travis Counties).

FIXED INCOME

Capital Impact Partners⁶

Sector: **Corporate Bonds**

About

Capital Impact Partners (CIP) is a nonprofit, mission-driven Community Development Financial Institution (CDFI) headquartered in Arlington, Virginia, with offices in California, Michigan, New York, and Texas. Through capital and commitment, CIP helps people build communities of opportunity that break barriers to success and has been working on social and racial justice issues since 1982. In 2011, CIP was certified as a CDFI by the U.S. Treasury Department's CDFI Fund. CDFI certification is the U.S. Department of Treasury's recognition of specialized financial institutions serving low-income communities.

CIP provides financial support and technical assistance to cooperatives and organizations that are dedicated to supporting underserved communities, including minority populations, through comprehensive community revitalization. It finances projects related to healthcare, education, affordable housing, and community development and provides project development technical assistance to borrowers and other market participants to increase the likelihood their projects will be successful and impactful. CIP's ultimate objective is to create a nation of communities that are built upon foundations of equity, inclusiveness, and cooperation, where high-quality healthcare, healthy foods, affordable housing, and quality education are accessible to everyone.

CIP financially supports and provides technical assistance to mission-aligned cooperatives and organizations through two main offerings: loans and sector-specific expertise. CIP believes that it is strategically positioned to bring people together in a spirit of cooperation to create businesses, provide services, and develop property in their own communities, thus increasing access to goods, developing needed infrastructure to support commerce and essential community services, and opening fair and efficient markets to a greater segment of the population.

Impact

The CIP Investment Notes are fixed income securities that raise capital to finance impact investments. Consistent with CIP's charitable purpose, the proceeds of the notes will be primarily used to fund initiatives that meet critical needs in low-income communities across the U.S., including through CIP's subsidiaries, affiliates, strategic partners, joint ventures, and third-party intermediaries, including CDC Small Business Finance Corporation – a Certified Development Company as recognized by the U.S. Small Business Administration. The proceeds may also be used to purchase securities or other assets that will be leveraged to support CIP's lending activities and general operations and for general corporate purposes.

CIP offers several loan products to organizations improving community healthcare, education, affordable housing, and community development sectors: revolving lines of credit, working capital financing, bridge financing, construction and renovation loans, tenant improvement loans, real estate acquisition loans, predevelopment loans, permanent loans, and equipment loans.

During the lending evaluation process, CIP places a strong emphasis on the connection between the borrower's project and its charitable purpose and mission. The organization considers the likelihood that the borrower's project will drive societal change in a community or sector served by CIP. When considering mission alignment, CIP typically focuses on the degree to which the project will benefit low-income or disadvantaged populations, increase access to goods and services in underserved communities, develop needed infrastructure to support commerce, drive further development and density within a targeted area, and support CIP's core cooperative principles of equity and inclusion.

CIP's borrowers are often organizations involved in developing commercial real estate that creates affordable housing or becomes the backbone for community-based services in one of the CDFI's sectors. Its lending strategy targets capital and commitment across multiple sectors simultaneously, such as affordable housing, charter schools, healthy food retailers, community health centers, and community-based aging projects, which creates a set of interconnected resources that work to strengthen each other.

Community and economic development are becoming increasingly cross-sectoral, creating opportunities for Community Development Corporations (CDCs), CDFIs, and other organizations to bring a holistic lens to the issues facing communities. The Social Determinants of Health Framework (SDOH) is CIP's path for assessing its progress toward this holistic vision. Examples of organizations CIP serves in each of the six SDOH domains include:

1. **Economic Stability** → (a) Small businesses, (b) Mission-driven community lenders, (c) Employment-focused nonprofits, and (d) Financial health social enterprises
2. **Neighborhood** → (a) Housing developers, (b) Housing nonprofits, (c) New models of production, and (d) Transit-oriented nonprofits
3. **Education** → (a) Charter schools, (b) Early childhood education centers, (c) Childcare providers, (d) Vocational/higher education programs, and (e) Education technology companies
4. **Healthy Food** → (a) Grocery stores, (b) Healthy food-focused nonprofits, (c) Food co-operatives and enterprises, (d) Urban farms, and (e) Hunger-focused nonprofits
5. **Healthcare** → (a) Health nonprofits, (b) Federally Qualified Health Centers (FQHCs), (c) Elderly care facilities/PACE, (d) New healthcare models, (e) Homecare co-operatives, and (f) Healthcare enterprises
6. **Community and Social Context** → (a) Community centers

Impact themes this investment helped support:

-  Affordable Health and Rehabilitation Care
-  Affordable Housing
-  Economic Inclusion
-  Education and Childcare
-  Enterprise Development and Jobs
-  Healthy Communities
-  Human Empowerment
-  Minority Advancement
-  Neighborhood Revitalization
-  Poverty Alleviation
-  Seniors, Veterans, and the Disabled
-  Sustainable Agriculture



Photo credit: <https://www.capitalimpact.org/contact/>

 This investment is part of our Minority CARES Initiative.

Impact themes this investment helped support:

-  Enterprise Development and Jobs
-  Gender Lens
-  Human Empowerment
-  Minority Advancement
-  Poverty Alleviation
-  Rural Community Development
-  Seniors, Veterans, and the Disabled

 This investment is part of our Minority CARES Initiative.

PPCs are defined by Public Law 112-74 (enacted on December 23, 2011) as counties where 20% or more of their population lives in poverty as measured by the U.S. Census Bureau (1990 and 2000 decennial censuses, and 2006–2010 American Community Survey).

A **high-minority census tract** is one where minority households represent over 85% of the population.

Majority-minority census tracts are those where minority households represent over 50% of the population.

High-poverty counties are those that have a poverty rate greater than 20% per the Federal Financial Institutions Examination Council (FFIEC), which is tracked annually.

FIXED INCOME

Small Business Administration Loan Pool⁷

Sector: **Agency ABS**

About

The Small Business Administration (SBA) 7(a) program was established to serve small-business borrowers that cannot otherwise obtain private sector financing under suitable terms and conditions. The SBA 7(a) program is SBA's primary vehicle for providing small businesses with access to credit, whereby SBA provides partial guarantees of loans made by SBA-approved private sector lenders.

Impact

A custom-created pool of SBA 7(a) consists of 14 loans with an average loan balance of \$202,365. The businesses serve 13 different industries as classified by the North American Industry Classification System, and loans were made to borrowers in Alabama, Georgia, Louisiana, South Carolina, and Texas. Characteristics of the borrowers in the SBA loan pool include:

- All 14 businesses are in persistent poverty counties (**PPC**).
- Four of the businesses are both minority- and women-owned, two of the businesses are minority-owned, and two of the businesses are women-owned.
- Loan financing in this pool created or retained 309 jobs across the 11 businesses that provided this data.
- Eight of the businesses are in [Qualified Historically Underutilized Business \(HUB\) zones](#).
- Seven of the businesses are in **high-minority census tracts** and three of the businesses are in **majority-minority census tracts**.
- Five of the businesses are in **high-poverty census tracts**.

Highlights of four of the businesses in the pool include:

Afrodisiac Enterprises LLC, doing business as Afrodisiac Nola, in New Orleans, Louisiana (Orleans Parish), is a minority- and woman-owned business that has annual revenues of approximately \$288,670. Loan financing created six jobs and retained six jobs. The business is in a moderate-income, high-minority census tract where 93% of the population are minorities. Additionally, the business is in a PPC and a HUB zone. Afrodisiac Nola is a full-service restaurant that offers Jamaican-Creole fusion cuisine in the Gentilly neighborhood of New Orleans. The idea of fusion cuisine came naturally to the owners, Shaka and Caron Garel, whose life together as a couple plays out as a blend of Jamaican-Creole heritage. Shaka Garel is a first-generation Jamaican American who grew up in a home surrounded by island culture while Caron Garel grew up in Lafayette, Louisiana, and came to New Orleans to attend Dillard University. Chef Caron Garel learned to cook at home and Creole cuisine was central to her family life. Afrodisiac Nola began in 2017 as a delivery van that was converted into a food truck; the business quickly became a part of the New Orleans community. The food truck made appearances at festivals and community celebrations and made regular stops outside hospitals, breweries, and other venues. When the COVID-19 pandemic hit in 2020, the Garels redeployed their food truck as a portable kitchen to help feed homeless people in the city.

Amian Care Services, LLC, dba Amian Angels, in Alexandria, Louisiana (Rapides Parish), is a personal home care company. Loan financing created 25 jobs and retained 120 jobs at Amian Angels. The business is in a moderate-income, high-minority, high-poverty census tract where 98% of the population are minorities and 21% live below the poverty line. The business has a second office in Lafayette, Louisiana (Lafayette Parish), in a high-minority, high poverty census tract where 90% of the population are minorities and 40% lives below the poverty line. Amian Angels has provided personal home care and companion care for over 17 years. The registered nurses, licensed practical nurses, and direct service workers provide personal care support that includes assistance with activities of daily living, companionship, and homemaker services. Its mission is to provide its clients with excellent home and community-based services along with high quality, compassionate, and personal care assistance that promotes dignity and independence.

Clore Equipment, LLC in Harlingen, Texas (Cameron County), is a locally owned construction business that provides a broad range of construction services to private and public clients across South Texas. Loan financing created three jobs and retained 41 jobs at Clore Equipment. The woman-owned business is in a high-minority census tract where 91% of the population are minorities. Clore Equipment employees and families all live and work in the communities the company serves. The business specializes in site preparation and development, concrete and asphalt paving, underground utilities services, and heavy civil construction. Clore Equipment provides construction services to several projects that are important to the South Texas community. One of these projects is Port of Harlingen, a gateway for global commerce and a growing economic hub of South Texas. The Port of Harlingen has generated more than \$1.7 billion in economic activity, seen over two million tons of cargo move through the port, sustained more than 4,600 jobs, and generated over \$17 million in local and state tax revenue. Another Clore Equipment project is Pharr Nature and Birding Center, an attraction for nature education, bird watching, and the arts. The center has increased the green footprint of the City of Pharr and promoted ecotourism and the arts.

Trison Wells, LLC in Walterboro, South Carolina (Colleton County), is located outside a metropolitan statistical area and is a full-service contract manufacturing company that specializes in liquid filling for household, personal, and beauty care products. Trison Wells, LLC has 24 employees and is in a high poverty, distressed middle-income nonmetropolitan census tract where 21% of the population live below the poverty line. The company offers products to meet customers' specific needs by leveraging the knowledge of its team and state-of-the-art equipment. In 2022, the South Carolina Coordinating Council for Economic Development approved a Rural Infrastructure Fund grant to allow Colleton County to assist with building improvements for the Trison Wells location. This new location was a \$1.2 investment that created an estimated 35 jobs in Colleton County. Since operations began in June of 2022, the business has developed partnerships within this rural community and been an asset to the region's diverse industrial community.

Impact Investing at CCM



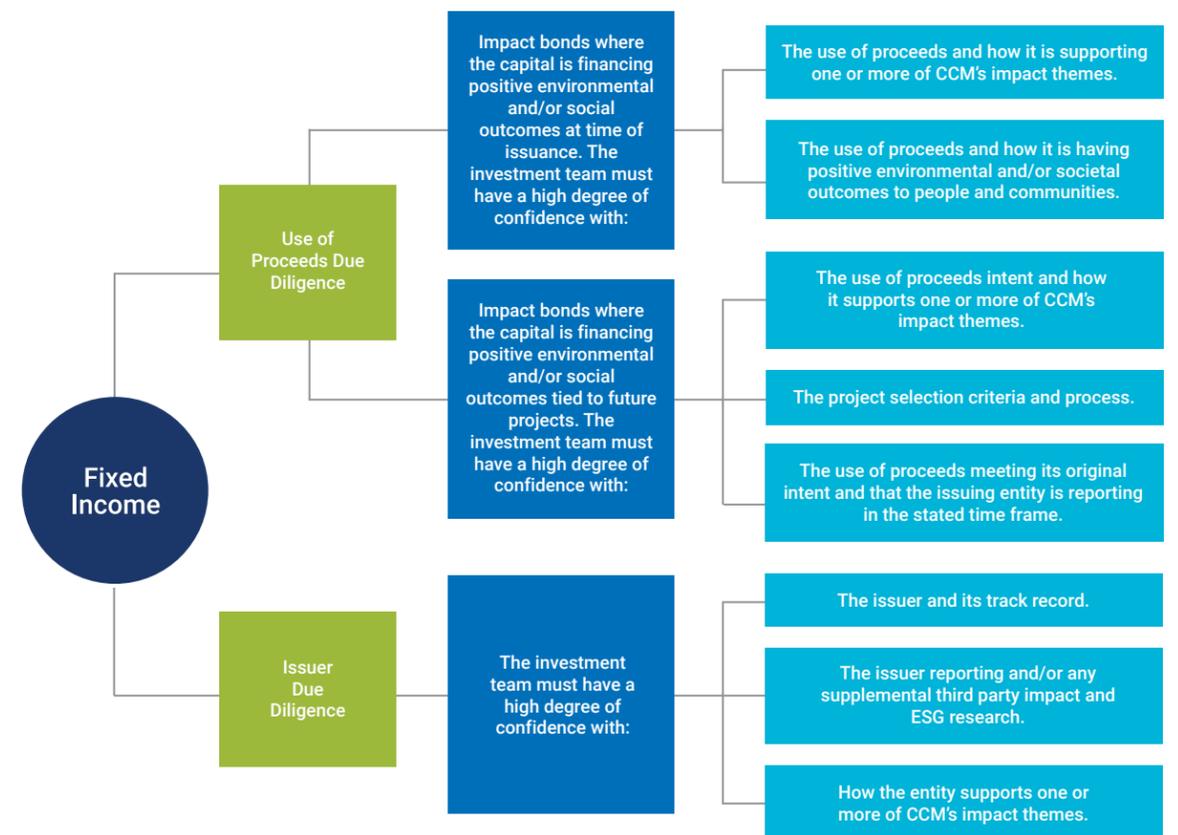
The investment decision we make today will have a profound, lasting impact on our economy, our environment, and our quality of life for generations to come.

— Michael W. Frerichs, Illinois State Treasurer

CCM has been managing assets since 1999 and our mission remains the same – we seek to deliver superior risk-adjusted returns through investment strategies that contribute to positive environmental and social outcomes. We look for affirmative, bottom-up expressions of impact and ESG qualifications across asset classes and select investments that align with one or more of our impact themes.

Impact Framework

CCM’s impact framework provides an overview of how we look at impact and ESG in the fixed income sector, where the majority of our strategies and assets reside. We feel it is prudent to be transparent about how we incorporate impact and ESG into our investment processes. While variations have occurred over time, and will likely continue to transpire, we believe evaluating and refining our framework continuously and intentionally is important. Our fixed income impact framework centers around transparency, reporting, and ongoing monitoring. We must have a high degree of confidence that the use of, or intent of, proceeds will result in positive environmental and/or societal outcomes as defined by one or more of our impact themes or that the issuing entity supports one or more of our impact themes.



Fossil Fuel Free Framework

CCM invests in securities that we consider to be fossil fuel free. We may invest in a bond whose proceeds will be used to finance activities or projects in clean and renewable energy or other activities that may contribute to the transition to a more sustainable economy, even if the issuer’s revenue or profits are partially derived from the fossil fuel sector.

Impact Themes

-  Affordable Healthcare and Rehabilitation
-  Affordable Housing
-  Arts, Culture, and the Creative Economy
-  Disaster Recovery, Resilience, and Remediation
-  Economic Inclusion
-  Education and Childcare
-  Enterprise Development and Jobs
-  Environmental Sustainability
-  Gender Lens
-  Healthy Communities
-  Human Empowerment
-  Minority Advancement
-  Neighborhood Revitalization
-  Poverty Alleviation
-  Rural Community Development
-  Seniors, Veterans, and the Disabled
-  Sustainable Agriculture
-  Transit-Oriented Development

For additional information on CCM's Impact Themes, please click [here](#).

Our Impact and CRA Committee reviews and assesses our impact themes annually at the beginning of each year. Changes are usually made based on client feedback, ability to source bonds targeting certain criteria, and/or internal discussions with the committee as to potential new themes, themes that may need additional information, and/or what themes may no longer be stand alone.

Impact Customization

CCM investors have the unique opportunity to customize their investments to support specific geographies, align with one or more impact themes, or target impact initiatives. Customizable impact can take place in the CCM Community Impact Bond Fund CRA Shares (ticker: CRAIX), CCM Community Impact Bond Fund Institutional Shares (ticker: CRANX), or in a separate account.

How Does Customizable Impact Work?

Upon funding, clients can customize their investments using our impact customization form. The form includes three bespoke impact options: thematic, place-based, and impact initiative. Our proprietary technology system keeps track of each client's customizable selections. We use this information to ensure impact alignment for each investor.



Thematic Framework

Our impact themes have grown over time, and while the current themes are distinct and diverse, they share certain common characteristics:

- We ensure each theme strives to have positive environmental and/or social outcomes that we believe are societal benefits from our investors' capital.
- We look for liquid investment opportunities that contribute to the portfolio's overall risk/return that align with each impact theme.
- We must be able to measure, monitor, and track the expected positive outcome(s) in an effort to maintain transparency in our client reporting.
- We must believe that market-rate opportunities will exist to allow client commitments to individual themes to be fulfilled over time.

We continually seek to advocate for greater investment product creation in support of our existing and future impact themes. By communicating this need to the broader capital markets, we expect to play an ongoing, catalytic role in creating impact investment opportunities.

Place-based investments can target geographic regions down to the county level. Investors can choose multiple geographies within different counties, states, and/or regions with the investments supporting a multitude of CCM's impact themes.

Place-Based Framework

CCM has been managing place-based impact investments since its inception over two decades ago. In fact, the firm got its start by making place-based impact investments for banks to meet investment test requirements of the CRA – a law intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including LMI neighborhoods, consistent with safe and sound banking operation.

Today, we work with various place-based impact investors, including foundations, nonprofits, religious organizations, healthcare organizations, and high-net-worth investors. In public fixed income securities, impact investments can be tied directly to local projects or initiatives supporting environmental and societal benefits in a specific region or community. Our place-based framework includes research, analysis, tracking, and reporting on where capital is being geographically directed and how it benefits a state, county, or neighborhood. Oftentimes, these areas are underserved, distressed, and/or low-income communities.

Initiative Framework

In 2020, CCM launched two impact initiatives – COVID-19 Relief and Minority CARES. Both were created in response to strong client interest in making investments that focus on COVID-19 relief and solutions to racial inequality, respectively. The goal for the COVID-19 relief initiative was to invest \$100 million in bonds financing assistance to people and communities nationwide from the pandemic. We are pleased to share that we surpassed this figure and ended 2023 investing \$185 million. While COVID-19 remains an ongoing health issue, it is no longer considered a global health emergency. Given this, combined with a decline in issuance for relief efforts, we decided to close this initiative at the end of 2023. We are grateful for the support of our clients and will continue to invest in bonds financing COVID-19 relief should they become available and if they meet CCM's impact and financial criteria. For additional information, please click [here](#).



Impact Reporting

CCM has created a proprietary tracking and reporting system for our tailored client impact reporting. Clients who choose to customize, whether in our flagship mutual fund or in a separate account, receive quarterly impact reports anytime new investments are added to a separate account or earmarked within the CCM Community Impact Bond Fund, detailing a variety of impact metrics and outcomes. Our impact reports include a mix of quantitative data and qualitative details, also known as impact stories. Impact reports are supplementary to traditional financial reports that clients receive. Our goal is to provide clear, concise impact reports where clients can see how their capital is having meaningful positive environmental and/or societal impacts on communities nationwide.



About CCM



Alone we can do so little; together we can do so much.

— Helen Keller

The growth from a small group of employees to a significantly larger organization demonstrates the firm's ability to scale. An intentional approach to hiring, retaining, and developing talent is crucial for this growth and continued success. Recognizing that each team member plays an important role is essential for fostering a sense of value and purpose within the organization. It encourages employees to take ownership of their contributions and their impact on the firm's success.

History

CCM is a majority-employee owned, privately held investment management firm headquartered in Ft. Lauderdale, Florida. The firm was founded in 1998 and began managing assets in 1999. The firm's mission seeks to deliver superior risk-adjusted returns through investment strategies that also contribute to positive environmental and social outcomes. We provide investment management services to a wide array of clients, including institutions and individuals, through various investment vehicles, such as mutual funds, ETFs, and separate accounts. CCM has accumulated over two decades of experience in impact and ESG investing. Our expertise in providing customizable impact investment solutions positions us as an innovative and pioneering firm in the field of sustainable and socially responsible investing.

CCM's Diverse Client Base

 Banks	 Foundations	 Faith-Based	 Healthcare
 High Net Worth	 Nonprofits	 Pensions	 Insurance

- 1998 ● CCM founded with the goal of combining financial investments with a commitment to achieving positive environmental and social impacts.
- 1999 ● CCM begins managing assets by launching its flagship core bond fund, the CCM Community Impact Bond Fund CRA Share Class (CRAIX). This fund was previously named the CRA Qualified Investment Fund.

The CRA, enacted in 1977, requires the Federal Reserve and other federal banking regulators to encourage financial institutions to help meet the credit needs of the communities in which they do business, including LMI neighborhoods.
- 2001 ● CCM expands its services to include managing separate accounts, offering another customized approach to investment management.
- 2007 ● CCM introduces institutional (CRANX) and retail (CRATX) share classes of its flagship fund, making it more accessible to a broader range of investors.
- 2009 ● Surpasses \$1 billion in AUM
- 2015 ● Surpasses \$2 billion in AUM
- 2020 ● Surpasses \$3 billion in AUM
- 2021 ● CCM becomes sub-advisor to a newly launched ETF, the Impact Shares Affordable Housing ETF (ticker: OWNS).
Surpasses \$4 billion in AUM
- 2022 ● OWNS celebrates one-year anniversary
- 2023 ● CCM announces CEO transition

Team

Our experienced and dedicated team is essential to the firm's success and includes diverse individuals across gender, faith, ethnicity, and background. We are pleased to share our exceptional team in this report and appreciate their ongoing commitment to making a positive impact to CCM and communities-in-need nationwide.



In 2023, Alyssa Greenspan succeeded me as CEO as I moved into the new role of executive chair. Alyssa joined CCM in 2003 and today, has 30 years of experience across multiple business functions and a strong understanding of the asset management industry.

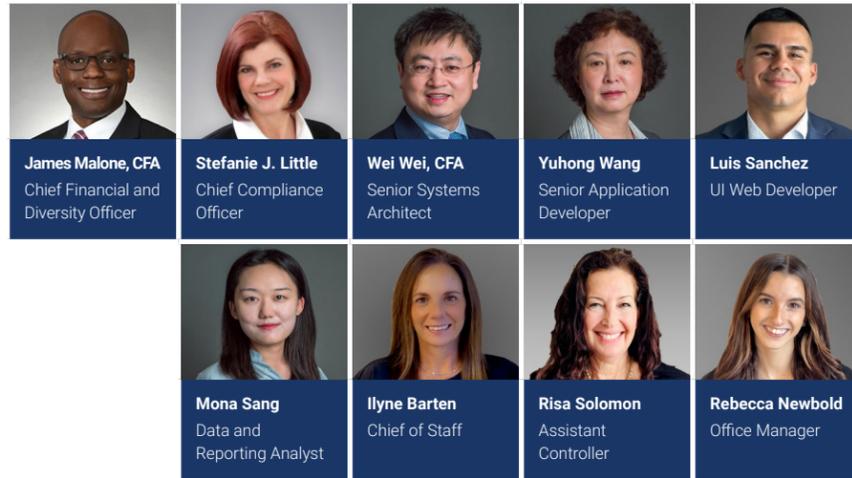
— **Todd Cohen**, Executive Chair, CCM



Leadership



Business Management



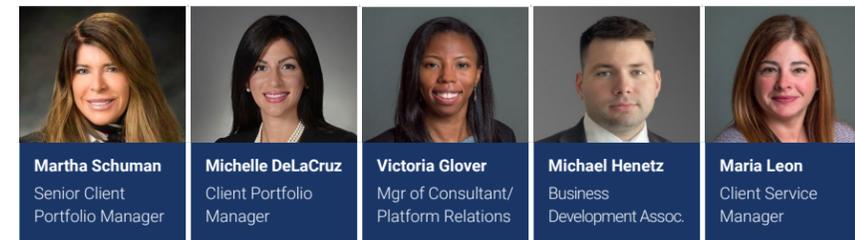
Marketing



Investment Team



Sales and Client Services



Operations



Diversity, Equity, and Inclusion (DEI)

CCM places a strong emphasis on DEI within the organization. Many companies recognize that promoting DEI aligns with social and ethical values and also contributes to improved business performance. CCM's commitment to DEI is evident in several key aspects of its approach:

Incorporating DEI in Employee Practices

CCM acknowledges the importance of diversity not only in hiring but also in the training and promotion of employees. This approach is important in creating an inclusive and equitable work environment.

Consideration in Investment Processes

CCM's commitment to DEI extends beyond internal practices and is integrated into our investment processes, which means we consider the impact of investments as it relates to DEI initiatives.

DEI Strategic Plan (2021-2024)

CCM's DEI Strategic Plan for the fiscal years 2021-2024 shows an initiative-taking approach to embedding diversity, inclusion, and opportunity into the core of the organization. The plan includes specific, measurable actions that are designed to drive change and improve DEI within the organization.

Enhancing Organizational Effectiveness

CCM recognizes that embracing diversity and inclusion can improve the organization's overall effectiveness. Diverse teams can bring varied perspectives and ideas, leading to more innovative solutions and better decision making.

Meeting Future Challenges

As the world continues to evolve, addressing DEI is crucial for staying relevant and competitive. CCM's commitment to DEI seeks to position us to meet future challenges by fostering an inclusive and diverse workforce and aligning investments with these important principles.

DEI is about creating an environment where every individual, regardless of their background, feels valued, included, and has equal opportunities to succeed. Our focus on DEI is a commitment to this broader, more integrated approach. The presence of a DEI committee at CCM is a positive initiative that plays a significant role in promoting DEI within the organization. Overall, its existence demonstrates a commitment to fostering an inclusive workplace culture and addressing complex issues related to diversity and equity. By championing DEI within the organization, this committee plays a crucial role in building a diverse and inclusive workplace where employees of all backgrounds and demographics can thrive.

Members of CCM's DEI Committee



James Malone, CFA
Chief Financial and
Diversity Officer



Alyssa Greenspan, CFA
Chief Executive Officer
and President



Andy Kaufman
Chief Investment
Officer



Shonali Pal
Portfolio Manager



Priscilla Lozevski
Head of
Operations



Amina Rubin
Impact Research
Analyst

Impact-in-Action

At CCM, being intentional about helping others, joining like-minded membership organizations, sharing transparent communication, and being involved in our communities is of the utmost importance. We are pleased to share highlights of our "impact-in-action" activities in 2023.

Community Involvement

Giving back to our communities and helping others is intentional and embedded in our core values. Each year, we donate to charitable causes, coordinate firmwide volunteer activities, and offer employees paid time off for personal volunteering and mentoring opportunities. In 2023, employee volunteer events included packing food kits to send to the Caribbean, Latin America, and the U.S. for Food For The Poor; sorting and packing materials for the Broward Public Library's annual Books and Bears holidays program; serving food to women in shelter at Rosie's Place; and purchasing and boxing school supplies for JAFCO.



Member/Supporter Highlights

We are intentional and thoughtful in supporting like-minded organizations. CCM works with coalitions of investor organizations and advocacy groups to promote the incorporation of impact and ESG factors into investment decision making. We look to add value to these organizations through leadership roles, engagement activities, and committee participation. Included below are some of these efforts.



In support of

The Net Zero Asset Managers initiative



WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office



Impact Institute

Sharing thought leadership in the field of impact and ESG investing is an excellent way to advance the industry and educate stakeholders. By providing valuable insights and information through various mediums, CCM is not only contributing to the development of the industry but also raising awareness about responsible investment practices. We believe this is important for a variety of reasons:

Educational Value: Thoughtful and deliberate reports, perspectives, videos, newsletters, and webinars are valuable educational resources for investors, clients, and the broader public. They help individuals and organizations better understand the principles and practices of impact and ESG investing.

Industry Leadership: Sharing thought leadership content positions CCM as a leader in the impact and ESG investing space. It displays our expertise and commitment to responsible investing.

Transparency: Thought leadership content provides transparency into CCM's investment philosophy, strategies, and results. This transparency can build trust among clients and investors.

Marketing and Branding: Thought leadership initiatives are an intentional aspect of our marketing and branding efforts, reinforcing CCM's reputation as a responsible and knowledgeable impact investment management firm.

Client Engagement: Regularly sharing insights can help engage and retain clients. It demonstrates that CCM is committed to informing and educating clients about their investments.

Impactful Reporting: Detailed and insightful reports can highlight the impact of our investments, allowing clients to see the tangible results of their investments in terms of positive environmental and social outcomes.

As the impact and ESG investing industry evolves, staying committed to sharing thought leadership content means that CCM is staying informed and adapting to changes in the field. Intentionally sharing thought leadership content contributes to the growth and development of the impact and ESG investing industry while also serving as a valuable resource for clients and investors.

Reports



Perspectives



Newsletters and Surveys



Impact Webinars and Videos





Looking Ahead



The best thing about the future is that it comes one day at a time.

— Abraham Lincoln

Looking Ahead

Looking forward, we see meaningful transformations across the impact and ESG investing industry in 2024. Small changes can have a big impact, and they will continue to further the landscape and drive more capital to affect positive change.

We believe that the coming year will be a pivotal time for our firm and the impact and ESG investing industry. We have no doubt that the shortsighted efforts to shut down or curtail impact and ESG investments will not take place. Across the dedicated impact investing industry, we see that clients are too committed to positive change via their investments. While failure is not in the cards, some changes are, and we are encouraged by ways to improve transparency and communication.

The attacks on ESG, DEI, and climate and racial justice help us (and we believe, other impact investment managers) to

better articulate and clarify our services. Our commitment to transparency has been part of our culture for nearly 25 years and we always look for ways to better inform and communicate the impact our clients' capital is having on people and communities most in need. We believe we do a good job, and this report is an excellent example, but we always strive to do more.

As we continue to grow in assets and team members, we have seen increased opportunities to be a trusted partner for others in the field, particularly newer firms with strong commitments to impact. While change is a constant in our universe, we know that our clients continue to be a source of inspiration and idea generation and look forward to seeing ongoing meaningful change across the impact and ESG investing industry.



¹ <https://www.ellevest.com/magazine/investing/intentional-investing>

² <https://thegiin.org/research/publication/2023-giinsight-series/>

³ <https://www.unpri.org/download?ac=10948>

⁴ https://www.ci.emeryville.ca.us/DocumentCenter/View/14790/Emeryville-Housing-Element-Certification-Draft-PORTRAIT_Clean_1_20_23; <https://www.ci.emeryville.ca.us/1403/2023-2031-Housing-Element>; <https://www.ci.emeryville.ca.us/1204/Measure-C-Emeryville-Affordable-Housing-#:~:text=Expenditure%20Plan&text=This%20plan%20guides%20the%20expenditure,total%20investment%20of%20over%20%2464%2C000%2C000>

⁵ <https://visionrussell.org/beecher/>; <https://louisvilleky.gov/government/advanced-planning/russell-choice-neighborhood-initiative>; <https://www.nlc.org/article/2023/02/24/how-choice-neighborhoods-is-transforming-louisvilles-russell-neighborhood/>

⁶ <https://www.capitalimpact.org/>

⁷ <https://www.sba.gov/funding-programs/loans/7a-loans>; <https://afrodisiacnola.com/>; <http://amianangels.com/>; <https://www.clore-equipment.com/>; <http://www.trisonwells.com/>

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Carefully consider the Impact Shares Affordable Housing MBS ETF's (ticker: OWNS) investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in Impact Shares' prospectus or summary prospectus, which may be obtained by calling 844-448-3383. Read the prospectus carefully before investing.

Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. The top 10 holdings for OWNS as of 12/31/23 are: FN BT7259 2% 09/01/51 (3.54%); FR RA7091 2.5% 03/01/52 (2.92%); FN CB7019 4.5% 09/01/53 (2.42%); FN BT7190 2.5% 08/01/51 (2.19%); FN FS2040 2% 02/01/52 (2.12%); FN CB7613 5% 12/01/53 (2.09%); FR RA3838 3% 10/01/50 (1.98%); FN CB7018 4% 09/01/53 (1.82%); FN CB7459 5% 11/01/53 (1.82%); FR RA6694 2% 01/01/52 (1.75%). Holdings are subject to change.

Investing involves risk, including the possible loss of principal. Bonds and bond funds are subject to interest rate risk and will decline in value as interest rates rise. Mortgage-backed securities are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities. OWNS is non-diversified. As an actively managed ETF, it does not seek to replicate a specified index.

OWNS is distributed by SEI Investments Distribution Co., with is not affiliated with Impact Shares Corp., the Investment Adviser for the Fund, or Community Capital Management LLC, the sub-adviser for the Fund.

Mutual fund investing involves risk including the loss of principal. Bond and bond funds are subject to interest rate risk and will decline in value as interest rates rise. The CCM Community Impact Bond Fund is non-diversified. There is no guarantee the objective of the Fund will be achieved. The Fund involves impact and ESG Risk. The Adviser may select or exclude securities of certain companies for reasons other than performance and, as a result, the Fund may underperform other funds that do not use an impact and ESG screening process. Impact and ESG investing are qualitative and subjective by nature. There is no guarantee that impact and ESG criteria used by the Adviser will reflect beliefs or values of any particular investor. The top 10 holdings for the CCM Community Impact Bond as of 12/31/23 are: CCMTRISTATE FL.CD 11/1/20 (1.27%); BAC 6.204 11/10/28 (1.19%); AXP 4.05 05/03/29 (1.07%); PLD 4 5/8 01/15/33 (1.06%); T 3 1/2 01/31/30 (1.03%); T 4 7/8 10/31/30 (1.01%); CMCSA 4.65 02/15/33 (0.79%); FIRST AM GOV OBLIG - X (0.79%); GOOGL 1.1 08/15/30 (0.78%); T 4 1/2 11/15/33 (0.75%). Holdings are subject to change.

Carefully consider the risks, investment objectives, charges and expenses of the Fund before investing. The prospectus contains this and other important information. The prospectus is available by calling 866-202-3573. Please read the prospectus carefully before investing. The CCM Community Impact Bond Fund is distributed by SEI Investments Distribution Co. (SIDCO), 1 Freedom Valley Drive, Oaks, PA 19456, which is not affiliated with Community Capital Management or any other affiliate.