



CASE STUDY

Community Capital Management

Impact Core Fixed Income Strategy



Year established	1999
Fund domicile	United States
Strategy-level AUM (USD)	\$5.29 billion ^{65,66}
Target market	United States
Primary investments	Agency MBS; agency CMBS; ABS; municipal bonds (taxable); corporate bonds
Management team	5 dedicated portfolio managers
Aligned standard(s) & regulation	UN SDGs, UN PRI

Strategy overview

CCM initially launched its Impact Core Fixed Income Strategy in 1999 to support banks seeking to meet regulatory requirements under the Community Reinvestment Act (CRA). Over time, the strategy expanded in response to growing demand from various non-financial institutional impact investors (e.g., faith-based investors, foundations, endowments, healthcare organizations, and non-profits). At the core of

the strategy is impact customization, through which clients—via separately-managed accounts (SMAs) or CCM’s Community Impact Bond Fund—can direct capital to support specific geographies (at the regional, state, or county-level), one or more of CCM’s proprietary impact themes (among a list of 14, including Affordable Housing, Environmental Sustainability, and Gender Lens, which are curated on an annual

65. As of 3/31/2025
66. Firm-level AUM is \$6.3B, as of 12/31/24

basis), or to a CCM-led impact initiative (e.g., to advance equity via Minority CARES or to support first-time homebuyers). Clients receive personalized impact reporting that includes a variety of quantitative impact metrics, as well as impact narratives that tell the story of how the investments are contributing to real-world societal impact.

Impact customization enables clients to translate their specific values and impact objectives into a diversified impact portfolio that looks to offer capital preservation and attractive risk-adjusted returns. To facilitate this, CCM invests across a large and diverse universe of impact fixed income securities, which primarily includes ABS, agency MBS, agency CMBS,

corporate bonds, and taxable municipals.

CCM's impact approach is comprised of dual use of proceeds (UoP) analysis and issuer due diligence to gauge the extent to which investments (both labeled and unlabeled) are contributing to one or more of CCM's proprietary impact themes, have a material impact on people and/or the environment, and are managed by issuers with a strong track record of reporting and impact performance, among other characteristics. Separately, CCM has a place-based investment framework to serve clients seeking local impact at a regional, state, or county level, offers firm-led impact initiatives, and provides clients with customized impact reporting.

Core characteristics

Focus

The investor selects securities based on their stated UoPs' or revenues' contribution to specific impact themes.

Securities are purchased based on prospective alignment to one or more of CCM's 14 impact themes, which are then subject to UoP analysis to confirm societal impacts and tracked in CCM's proprietary impact database. Using this database, securities are then added or earmarked to clients' portfolios based on alignment to their impact objectives. This includes further determining how they 1) benefit a specific state, county, or neighborhood; 2) contribute to an impact theme as defined by CCM; or 3) fall within one or more of CCM's proprietary impact initiatives.

Responsibility

The investor assesses an issuer's ESG performance and ethical footprint (e.g., reputational checks, thematic exclusions).

CCM's investment team must have a high degree of confidence in the issuer, its track record and reporting, any supplemental third-party research provided, and its alignment to one or more of CCM's impact themes. CCM invests in securities that it considers to be fossil fuel free. CCM 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.

Completeness

The investor takes a holistic approach to impact assessment—considering UoPs/revenue, the issuer’s practices, and securities’ structure, while also calibrating assessment to the theme and sub-asset class at hand.

In parallel with UoP assessment, CCM conducts diligence on issuers to ensure they have a high degree of confidence in the quality of their reporting, as well as their capacity to manage impact risks. CCM’s impact assessment framework includes assessing an investment’s structural characteristics based on the bond’s prior impact performance, the issuer’s reporting periods, and any impact triggers.

The impact framework is applied consistently across securities within CCM’s opportunity set. However, opportunities are also sourced and assessed using sub-asset class-specific parameters. For example, to invest in a corporate bond, the issuer must have clear impact and/or mission-driven goals that are aligned with one or more of CCM’s impact themes and have specified UoPs that are expected to generate positive societal impacts.

Engagement

The investor leverages impact data to optimize their portfolio and engages with issuers to improve their impact.

CCM’s engagement with investors is grounded in its capacity to provide high-quality impact customization, which entails routinely engaging with issuers to ensure they provide transparent and timely disclosures. Outside of the context of specific securities, CCM also engages with issuers more broadly to signal demand for and play a catalytic role in creating new impact investment opportunities in fixed income to advance their impact themes.

Transparency

The investor collects, aggregates, and transparently reports on the impact of its investments.

Several types of impact reporting are available to CCM’s investors, including client-specific customized reporting. Additionally, CCM creates an annual impact report that shares firm-level outputs and outcomes, includes aggregated metrics on themes and geography, and provides long-form impact narratives. Throughout the year, CCM shares pieces on its website that report on various impact investments focused on different regions of the country and impact themes.

Featured practice: Customized impact reporting

A distinguishing feature of CCM's approach is *customized impact reporting*. Upon investing, clients can direct their capital towards specific impact themes, initiatives, or geographic regions. Leveraging its proprietary database, CCM can generate quarterly impact reports tailored to these specifications—a capability stemming from its prioritization of issuers with track records of measurement, reporting, and tracking positive impacts, as well as the specific and direct impacts that each security generates.

Impact reports feature a combination of aggregated impact metrics at the output and outcome levels, as well as long-form “impact narratives” that contextualize this data with real-world examples. CCM also grounds its reporting on its experience of having managed place-based investments since 1999 to support depository institutions in meeting the requirements of the CRA. CCM's place-based reporting includes specific analysis of where capital is being directed, how it is benefitting the location, and to what extent the population is underserved.

Highlighted transaction: Shirley Chisholm Family Residence

CCM invested in a bond financing the Shirley Chisholm Family Residence, a mixed-use residential property with 146 transitional housing units available to families that are experiencing homelessness in Brooklyn, New York. The property is operated by the non-profit Win, the largest provider of family shelter and supportive hous-

ing in New York City, which has a rate of homelessness that is four times greater than the rest of the country (158,019 individuals in 2024).⁶⁷ Within the Shirley Chisholm Family Residence itself, Win offers—among other service offerings—general case management, childcare and after-school recreational programs, career counseling, and medical and mental health programs. The facility has further influenced its Brooklyn neighborhood by adding 85 new jobs to the community. Through these diverse offerings, the investment aligns with eight of CCM's 14 impact themes.

Investor spotlight: Veris Wealth Partners

As a wealth management firm and outsourced chief investment officer (OCIO) for endowments and foundations, Veris Wealth Partners (“Veris”) is responsible for constructing customized investment portfolios tailored to clients' financial goals and impact priorities—seeking best-in-class managers across different asset classes. Among other reasons, Veris invests in CCM as a fixed income manager owing to its long track record of delivering positive social impact and competitive risk-adjusted returns; its exposure to diverse impact themes and targeted impact initiatives (including Minority CARES); its capacity for impact customization synergizing with Veris' own objective to align clients' investments with their values; and its robust impact reporting, which facilitates informed decision-making for investor clients.

67. New York State Comptroller, “New Yorkers in Need” Homelessness in New York State (2025)