



MUNICIPAL MARKET STATISTICS

	7/1/19	7/1/18	7/1/17	7/1/16	7/1/14
10 Year AAA Municipal	1.63	2.47	1.99	1.35	2.26
10 Year US Treasury	2.01	2.86	2.227	1.40	2.54
10 Year Muni/Treasury	81%	86%	88%	96%	89%
Open End Fund Flows	\$42.8 Billion	\$8.2 Billion	\$4.7 Billion	\$32.9 Billion	\$4.7 Billion
New Issue Calendar YTD	\$167 Billion	\$166 Billion	\$201 Billion	\$225 Billion	\$156 Billion

Similar to May, the month of June provided modest new issue supply of \$33 BN, leaving YOY supply basically unchanged. \$6.3 BN of new money was invested into open-end funds, \$1.2 BN of which went into HY funds. Continuing demand/supply imbalance.

A June rally in long-end treasuries, however, caused 10-Year Municipal/Treasury ratios to end the month at 81% versus 78% at the end of May. More significantly, 81% is a full 9.5 ratios wider than the historic 71.5% low that the ratio touched at one point during the month of May. While LCP is unsure where such ratios will normalize, we think 80% plus ratios offer a more reasonable entry point to the entire municipal marketplace.

CCRCS, Higher Ed, Charter Schools, Healthcare, Economic Development are some of the larger HY sectors that LCP focuses on. The daily goal of the PM Team is to purchase bonds that generate high levels of tax-exempt income from issuers that simultaneously provide transparent disclosure. Depending on market conditions the better opportunities to buy may lie in either the secondary or primary markets. Below we highlight a healthcare issuer that LCP regards favorably.

LIND CAPITAL PARTNERS CREDIT SNAPSHOT

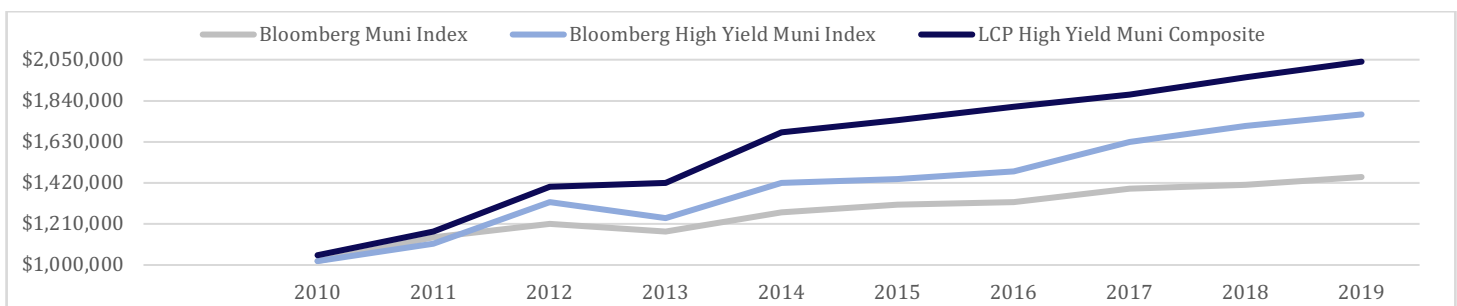
Deal: Greater Philadelphia Health Action (GPHA). LCP holdings include the 6.375% due 2040 and the 6.50% due 2045.

Backdrop: The healthcare landscape has experienced significant change over the past ten years and so has LCP's investment approach to the sector. Ten years ago, LCP favored rural, Critical Access Hospitals (CAHs) because they received enhanced Medicare reimbursements to cover fixed costs. The passage of ACA curbed CAH reimbursements and also imposed additional costs on rural hospitals which caused LCP to shift away from CAH debt. Post ACA, LCP focused on larger, 2nd to 3rd tier hospital systems located in medium-sized cities in Medicaid expansion states. These systems benefitted from improved insurance coverage and higher paying patient utilization. Over time, much of that hospital debt has been called away from LCP, leaving us to look for new opportunities in the space. Greater Philadelphia Health Action (GPHA) is one.

LCP View: GPHA operates several outpatient clinics in the City of Philadelphia. The GPHA clinics provide primary-care, dental, behavioral and pharmaceutical services to underserved neighborhoods and are collectively designated as a Federally Qualified Health Center (FQHC). GPHA, as an FQHC, receives enhanced federal reimbursements, reduced drug pricing and can attract medical talent through the National Health Services Corp. (essentially, 'Teach for America' for doctors). As federal employees, GPHA doctors cannot be sued for malpractice. Most importantly, GPHA significantly reduces healthcare costs through preventive care and treatment of patients that would otherwise use higher cost emergency rooms.

Conclusion: GPHA issued \$51 Million bonds in 2015 to refinance existing debt, acquire/retrofit a new site, and to relocate other clinical spaces. Lind Capital purchased the new deal and has added to holdings via the secondary market. The new facilities were completed in July 2017 and GPHA operations continue to grow. For CY 2018 revenues increased nearly 10% versus 2017 while Debt Service Coverage remained at a satisfactory 1.23x. *From LCP's perspective since GPHA reduces the cost of healthcare for an underprivileged patient set both Democrats and Republicans are supportive of its operations.* Should the ACA be challenged or modified in the future we feel that GPHA will remain viable with its FQHC support.

THE LIND CAPITAL PARTNERS HIGH YIELD MUNICIPAL STRATEGY



The graph above shows the increase in the value of \$1 Million invested at inception in the LCP composite vs. our index, the Bloomberg High Yield Muni (LMHYTR), as well as the Bloomberg Muni Index (LMBITR). Please reach out with questions regarding the above credit profile, returns, taxable equivalent yields, or further portfolio information.

DISCLOSURE

Past performance is not indicative of future results. An investment in the Lind Capital Partners Municipal High Yield strategy is not suitable for all investors. Investing involves risk, and municipal instruments can be affected by adverse political and economic conditions. The material contained herein is provided for informational purposes only and is not financial advice, should not be construed as an offer to buy, hold, or sell any security or to invest in the strategy, and may contain information from third party sources Lind Capital Partners, LLC (LCP) believes to be accurate. Any offer for investment in the LCP limited partnership vehicle will be made exclusively to qualified investors on a private placement basis, and only by means of a private placement memorandum, which contains detailed information concerning investment terms. LCP is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration as an investment advisor does not imply a certain level of skill or training. The borrowers identified and described in this communication are intended to illustrate certain concepts employed by LCP in the management of its High Yield Municipal Strategy. The borrowers identified do not represent all of the securities purchased, sold or recommended for client accounts and certain data, such as the purchase price, may not be indicative of an individual client's actual experience. The reader should not assume that an investment in the securities identified was or will be profitable. LCP's opinion of a borrower's prospects should not be considered a guarantee of future events. Performance information (time-weighted rate of return) pertains to the period ending 9.30.19 and includes realized and unrealized gains and losses; is net of actual advisory fees and transaction costs and is total return, including distributions to Limited Partnership investors where appropriate. Performance measured by Cortland Capital Services, Clearwater Analytics, NAV Consulting, ICE Data Services and Bloomberg. Opinions expressed are those of LCP and should not be considered a forecast of future events or a guarantee of future results. Opinions and estimates offered constitute our judgment as of the date set forth above and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. All material presented is compiled from sources believed to be reliable, but no guarantee is given as to its accuracy.