

MUNICIPAL MARKET STATISTICS

| | 11-01-21 | 10-01-21 | 11-01-20 | 11-01-18 | 11-01-16 |
|------------------------------|----------|----------|----------|----------|----------|
| 10-Year AAA BVAL Municipal | 1.21% | 1.12% | 0.93% | 2.74% | 1.58% |
| 10-Year US Treasury | 1.58% | 1.49% | 0.88% | 3.15% | 1.60% |
| 10-Year Muni vs. Treasury | 76% | 75% | 106% | 87% | 99% |
| IG Fund Flows YTD | \$72.9B | \$69.5B | \$33.1B | \$6.6B | \$40.2B |
| HY Fund Flows YTD | \$18.9B | \$19.4B | (\$5.4B) | \$3.3B | \$10.2B |
| IG (LMBITR) Total Return YTD | 0.48% | 0.79% | 3.02% | (1.01%) | 2.92% |
| HY (LMHYTR) Total Return YTD | 6.07% | 6.53% | 0.54% | 3.14% | 8.01% |
| New Issue Calendar YTD | \$380B | \$335B | \$415B | \$238B | \$325B |

LIND CAPITAL PARTNERS MARKET COMMENTARY

The municipal market experienced the reversal of several trends leading to higher municipal yields, underwriters struggling to place new issues and increased investment opportunities. As we often discuss, the municipal market is driven largely by retail fund flows and new issue supply. Investment grade (IG) fund flows were anemic in October and high yield (HY) fund flows were negative for the first month since May 2020. Q4 typically brings a substantial increase in HY supply as many 501(c)(3) borrowers face losing their issuing authorization at year end. Underwriters struggled to place new issues into a cash strapped market. We witnessed concessions between **35 bps and 70 bps** from initial price talk to final pricing. The concessions were not relegated to unique sub-sectors, regions or underwriters but were broad based and widespread. Issues that we had approved from a credit perspective but not from a yield perspective (risk vs. return) were back on our radar. Additionally, a number of issues were delayed or pulled from the market due to lack of investor interest at proposed rates. This represents a significant reversal of market environment from earlier this year when funds were awash with cash and new issue supply was limited. We fully expect this current dislocation to persist for the foreseeable future as concerns regarding inflation are likely to heighten going forward and investors realize increases in individual federal tax rates are not likely to be included in any final infrastructure bill.

LIND CAPITAL PARTNERS MUNICIPAL HIGH YIELD COMMENTARY

With the financial world rightly focused on inflation and its nature, transitory or persistent, we want to compare the impact of inflation on investment grade and high yield municipal bond portfolios. Despite recent increases, interest rates remain historically low and highly susceptible to the negative impacts of inflation. Inflation impacts a fixed income portfolio two-ways: a devaluation of the income stream generated and principal erosion as rates rise to accommodate increasing inflation expectations. Due to significant yield differences, the implications are greater for IG portfolios than HY portfolios. The income stream from a high yield portfolio is significantly greater than an IG portfolio (LCP estimates populating new portfolios today with tax-exempt yields between 5.50% and 6.00%) providing protection from erosion of the purchasing power of portfolio income. The chart below illustrates the benefit of a high-income portfolio in a rising rate environment, (IG **-5.05%** vs HY **-1.51%**).

Additionally, IG and HY portfolios with similar duration implies similar price sensitivity to interest rate moves, the correlation

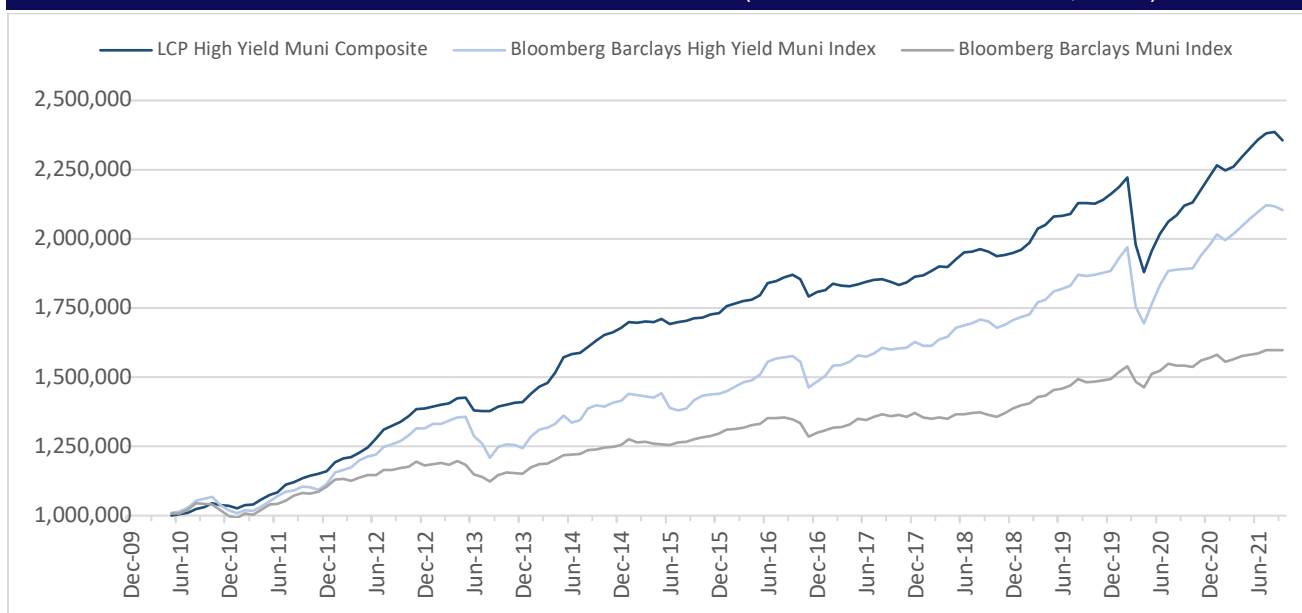
| Portfolio | Coupon | Maturity | Call Date | Call Price | Yield | Duration | Change in bps 6 months | Total Return |
|-----------|--------|----------|-----------|------------|--------|----------|---------------------------|-----------------|
| IG | 4.00% | 11/1/41 | 8/1/30 | 100.00 | 1.850% | 7.45 | 50 | -5.05% |
| HY | 6.25% | 11/1/41 | 11/1/31 | 100.00 | 5.500% | 7.45 | 50 | -1.51% |

between the two markets is not 100%. Historically, (2010 to present) using the Bloomberg Barclays Municipal High Yield and Municipal Indices as proxies, the correlation between the two markets is 84%. This is likely due to an inflationary environment with rising rates is typically symptomatic of a strong economic environment and improving credit landscape. Finally, the correlation between IG and HY municipals to US Treasuries is even lower, 36% and 18% respectively. LCP believes HY portfolios provide greater principal protection in a rising rate environment than IG portfolios.

Inflation negatively impacts fixed rate portfolios. There are different ways investors can protect themselves from the consequences of an inflationary environment. LCP strongly believes investors should consider a strategic allocation out of a municipal IG portfolio into a municipal HY portfolio for the reasons discussed above. At Lind Capital, we welcome the opportunity to discuss any and all topics municipal bond related. Please feel free to contact us at your convenience.

Milestone: As of December 2020, LCP celebrated its 10th consecutive year of annual, positive total return. While always confident that our disciplined approach to the high yield municipal market was sound, we are grateful to see our investment thesis confirmed over an extended period.

LIND CAPITAL PARTNERS HIGH YIELD MUNICIPAL STRATEGY (THROUGH SEPTEMBER 30, 2021)

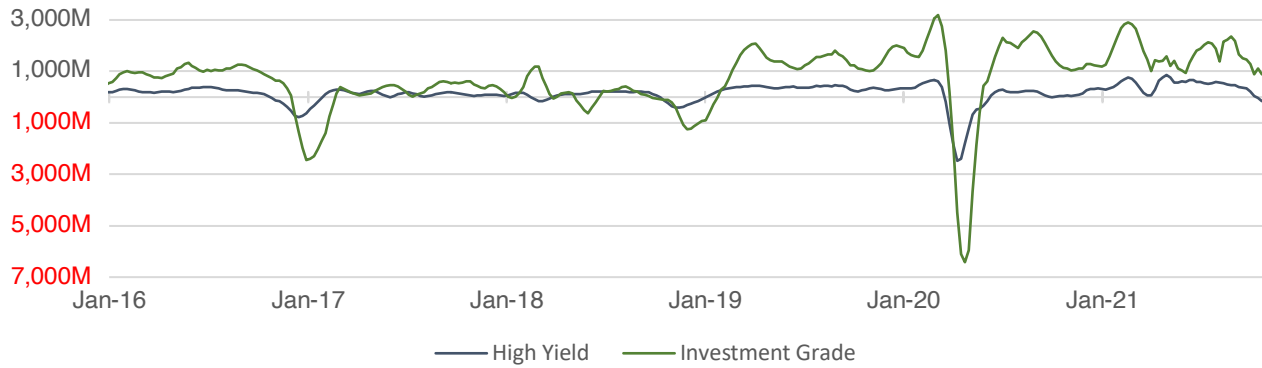


The chart above shows the increase in value of \$1,000,000 invested in the LCP composite at inception (net of management fees and expenses) vs. the benchmark, the Bloomberg High Yield Muni (LMHYTR) as well as the Bloomberg Muni (LMBITR) indices (it is not possible to invest in either Bloomberg Index). Please contact us with questions regarding credit profile, returns, taxable equivalent yields or further portfolio information. Past performance is not indicative of future results.

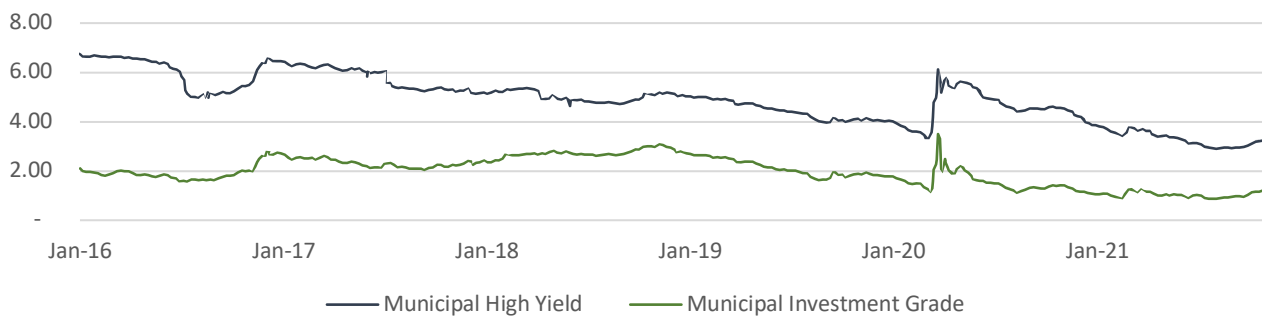
DISCLOSURE

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. Performance information (time-weighted rate of return) is provided for the LCP High Yield Muni Composite (Inception May 1, 2010) which is comprised of all fully discretionary accounts managed in the LCP High Yield Muni Strategy. Performance returns include realized and unrealized gains and losses; are calculated total return, net of actual advisory fees and transaction costs, including distributions to Limited Partnership investors where appropriate. Refer to LCP's Form ADV Part 2A for additional information related to advisory fees and services. This document is publicly available and upon request by contacting: info@LindCapitalPartners.com. 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.

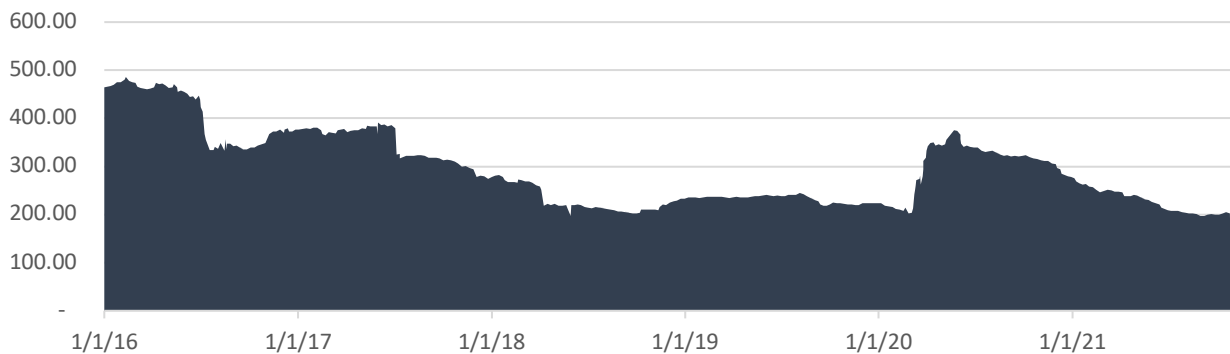
Municipal Fund Flows 4-week Moving Average



Municipal Index Yields



Municipal High Yield vs. Investment Grade Spread



Municipal vs Treasury Ratio

