LIND CAPITAL PARTNERS

December 2020

MUNICIPAL MARKET STATISTICS

	12-01-20	11-01-20	12-01-19	12-01-17	12-01-15
10-Year AAA MMD Municipal	0.71	0.92	1.48	2.15	2.02
10-Year US Treasury	0.85	0.84	1.77	2.37	2.23
10-Year Muni vs. Treasury	83%	110%	84%	91%	90%
IG Fund Flows YTD	$32B	$26B	$59B	$17B	$9B
HY Fund Flows YTD	($5B)	($6B)	$18B	$7B	$2B
New Issue Calendar YTD	*$439B est.*	$414B	$378B	$379B	$375B

LIND CAPITAL PARTNERS MARKET COMMENTARY

Ending November at 83%, the 10-year AAA municipal vs. treasury ratio ended a month below 100% for the first time since March's municipal market selloff. Amazingly, on April 1st the ratio was 198% and did exceed 200% during April. We attribute the rebound to positive vaccine news leading investors to find value in the oversold municipal market, as evidenced by improved fund inflows (above). As always, LCP remains focused on credit analysis. While our outlook is markedly clearer today compared to March, we are keenly aware that currently unknown factors may still negatively impact specific credits in a number of municipal sectors. Our thoughts our largest high yield sectors follow.

HIGH YIELD MARKET TODAY

Numerous crosscurrents impacted the municipal market broadly and the high yield market specifically during November: contested election results; dramatically increasing COVID cases and hospitalizations; and, the promise of multiple COVID vaccines. We think that the positive news outweighs the negative.

As the current wave of COVID surges across the country, cities and states are renewing restrictions on work, travel and dining, leading to renewed credit concerns in the municipal market. As the media highlights the escalating COVID incidence rate, we may experience increased market volatility. Still the prospect further fiscal stimulus from an incoming Biden administration more sympathetic to the plight of municipal borrowers, combined with several successful vaccines provides investors with a real sense of optimism.

Generally, LCP thinks that recent investor optimism is warranted. The prospect of a COVID vaccine certainly improves the outlook for high yield borrowers. LCP's target sectors of senior living, healthcare, higher education and charter schools stand to benefit as will others that we avoid such as airports, convention centers, etc. The improved outlook has resulted in most high yield sectors rallying during Q4-20, particularly since November 1st.

While these events generally strengthen sector outlooks, there are still unquantifiable unknowns that may negatively affect high yield credit. Since March, we have gained considerable knowledge adding to our existing deep foundational base regarding LCP's investible sectors, giving us confidence that they can manage through ongoing uncertainty while we await the tangible impacts of vaccines and further fiscal stimulus. Highlighted below are insights into LCP's largest overall sector exposures which also happen to be our most COVID-sensitive sectors: Senior Living and Higher Education

Senior Living

What we've learned…

- Strong management teams have adapted and learned to operate in a pandemic environment and prevent outbreaks (ex. effective quarantining, onsite testing, managing visitor restrictions, virtual marketing).
- COVID has disproportionately affected higher levels of care, specifically skilled nursing and short-term rehab facilities that rely on admissions from hospitals following elective procedures (many of which were restricted). In addition, physical separation of residential units made outbreak containment easier. These factors result in LCP preferring a higher independent living unit mix.
- Demand for congregate care remains strong, although prospective residents may be delaying their decision.
- Most borrowers covered by LCP qualified for PPP and CARES Act stimulus, providing extremely helpful liquidity.

Higher Education

What we've learned…

- Schools opened for the fall semester with variety of plans, including in-person, remote, and hybrid models.
- Enrollment numbers have not been affected as much as early predictions. However, foreign student enrollment has seen large declines.
- COVID spikes occurred, but largely linked to off-campus social events. On-campus policies have been effective.
- Management has taken proactive cost containment actions, and PPP loans and stimulus helped borrowers adjust operating model.

What we're watching…

- Additional waves of COVID forcing tighter restrictions & another reduction in elective procedures.
- Higher ongoing operating costs to contain outbreaks.
- Lower residential unit turnover, resulting in less entrance fee cash flow available for debt service.

Reasons for optimism…

- Prospect of effective vaccine, and priority of distribution to health care workers and vulnerable populations.
- Additional rounds of stimulus or PPP would continue to help borrowers weather additional occupancy stresses and operating costs.

What we're watching…

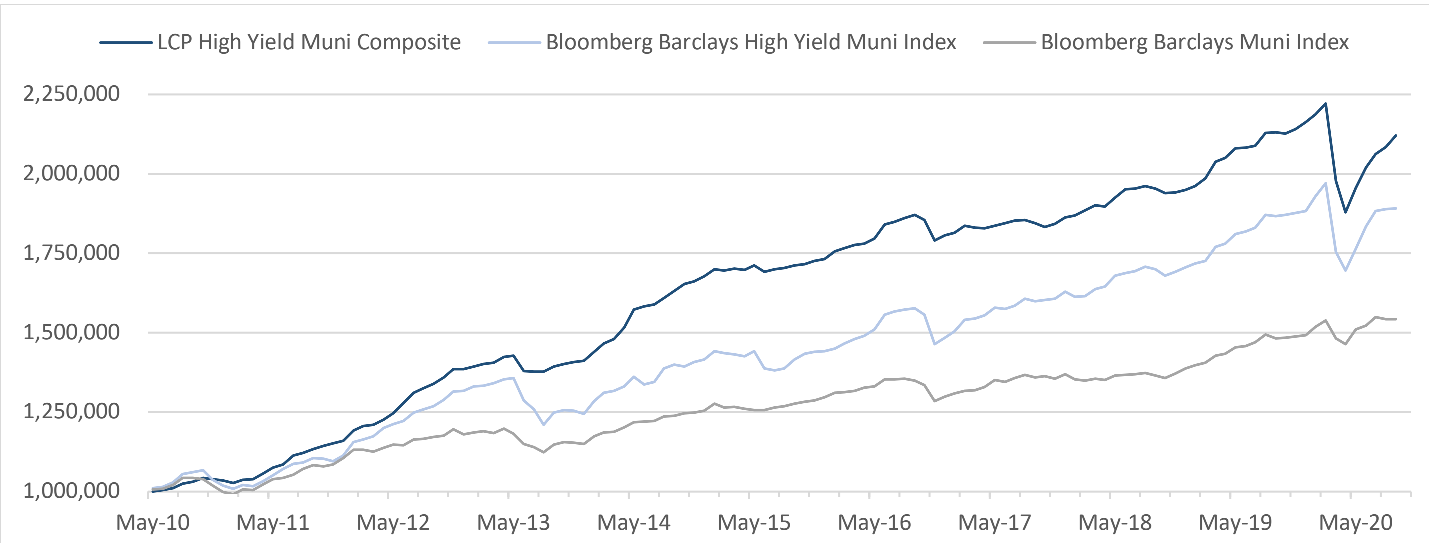
- Near and long-term enrollment declines (spring semester & beyond) if college experience continues to be impacted.
- Financial strain due to lower room & board revenue, and any potential tuition discounts.
- Long-term demographic trends that may negatively affect enrollment.

Reasons for optimism…

- Long-standing institutions with strong academic position and local/regional reputation.
- Endowment strength and proven fundraising history. LCP considers this our primary credit focus in the current environment.
- Proactive changes to academic programming toward growth majors.

Conclusion: While we expect further near-term volatility in the high yield municipal market we re-iterate that today the positives far outweigh the negatives. An ever-improving credit outlook combined with taxable equivalent yields (maximum federal income tax bracket) exceeding 10% makes LCP's High Yield Municipal Product compelling for fixed income asset allocations.

LIND CAPITAL PARTNERS HIGH YIELD MUNICIPAL STRATEGY (THROUGH SEPTEMBER 30, 2020)



The chart above shows the increase in value of $1,000,000 invested in the LCP composite at inception 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. Please see additional important disclosures below.

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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 September 30, 2020 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.