PROSPECTUS SUPPLEMENT DATED NOVEMBER 13, 2026
TO PROSPECTUS DATED AUGUST 31, 2026



Capital Impact Investment Notes

Up to $300,000,000

Interest rates set with each offering

This Prospectus Supplement is being filed to update the "Management Team and Key Employees" section beginning on page 58 of the Prospectus and the "Executive Compensation" section beginning on page 60 of the Prospectus to reflect (i) the appointment of Arthur Fatum as Capital Impact's Interim Chief Financial Officer, effective November 16, 2026, in connection with the resignation of Jaret Ings as Interim Chief Financial Officer effective November 13, 2026, and (ii) the planned resignation of Brian McEvoy as Capital Impact's General Counsel, Chief Compliance Officer and Corporate Secretary, effective December 11, 2026.

This Prospectus Supplement should only be read in conjunction with the Prospectus dated August 31, 2026, the Prospectus Supplement dated October 6, 2026, and any related pricing supplements.

Capitalized terms have the meaning ascribed to them in the Prospectus dated August 31, 2026.

Updates to MANAGEMENT TEAM AND KEY EMPLOYEES section (beginning on page 58 of the Prospectus)

The biography and references to Jaret Ings on page 58 of the Prospectus under the "Management Team and Key Employees" section are hereby deleted in their entirety and replaced with the following:

Chief Financial Officer Transition. Jaret Ings has resigned as Capital Impact's and CDC's Interim Chief Financial Officer effective November 13, 2026. To provide continuity of financial leadership, Capital Impact has appointed Arthur Fatum, who joined Capital Impact on November 9, 2026, to serve as Interim Chief Financial Officer effective November 16, 2026. CDC has appointed an internal finance employee as Interim Chief Financial Officer. Capital Impact and CDC are conducting an executive search for a permanent Chief Financial Officer, have identified qualified candidates, and expect to fill the position during the first quarter of 2027.

Arthur Fatum, Interim Chief Financial Officer. As Interim Chief Financial Officer, Mr. Fatum is responsible for the overall direction of accounting, tax, audit, treasury, and financial planning and analysis, as well as capital base expansion and investor relations. He has more than 40 years of financial leadership experience in the nonprofit and for-profit sectors, with a focus on community development finance and affordable housing. Mr. Fatum previously served as Interim Chief Financial Officer of Low Income Investment Fund, a nonprofit CDFI ("LIIF") from 2021 to 2022, as Chief Financial Officer of MidPen Housing Corporation, one of the nation's leading nonprofit affordable housing developers, from 2013 to 2019, and as Chief Financial Officer and Executive Vice President, Capital Markets of LIIF from 2005 to 2013. Earlier in his career, he held senior finance and executive positions at General Electric Company, Dun & Bradstreet, AT&T Capital Corporation and CNET Networks. Mr. Fatum graduated from the State University of New York at Cortland (B.S. Mathematics, with high honors).

The following is hereby added after the biography of Brian McEvoy on page 58 of the Prospectus under the "Management Team and Key Employees" section:

General Counsel Transition. Brian McEvoy has submitted his resignation as Capital Impact's and CDC's General Counsel, Chief Compliance Officer and Corporate Secretary, effective December 11, 2026. Capital Impact and CDC will commence a search for Mr. McEvoy's successor. Pending the appointment of a successor, Mr. McEvoy's responsibilities will be assumed by existing members of the Legal and Compliance departments.

Updates to EXECUTIVE COMPENSATION section (beginning on page 60 of the Prospectus)

The introductory sentence preceding the table on page 60 of the Prospectus is hereby deleted in its entirety and replaced with the following: "The following table lists the total compensation of our executive management team (other than Waleed Husain, our Chief Risk Officer, who joined us in April 2026, and Arthur Fatum, our Interim Chief Financial Officer, who joined us in November 2026) during the year ended December 31, 2025. No staff member receives sales-related commissions."

A footnote 6 is hereby added to the table on page 60 of the Prospectus with respect to Jaret Ings as follows: "Resigned effective November 13, 2026."

A footnote 7 is hereby added to the table on page 60 of the Prospectus with respect to Brian McEvoy as follows: "Resignation will be effective December 11, 2026."

PROSPECTUS SUPPLEMENT DATED OCTOBER 6, 2026
TO PROSPECTUS DATED AUGUST 31, 2026

Capital Impact Investment Notes

Up to $300,000,000

Interest rates set with each offering

This Prospectus Supplement is being filed to update the "Management Team and Key Employees" section beginning on page 58 of the Prospectus to reflect the retirement and resignation of Matt Wehland as Capital Impact's Chief Operations Officer effective October 30, 2026.

This Prospectus Supplement should only be read in conjunction with the Prospectus dated August 31, 2026 and any related pricing supplements.

Capitalized terms have the meaning ascribed to them in the Prospectus dated August 31, 2026.

Updates to MANAGEMENT TEAM AND KEY EMPLOYEES section (beginning on page 58 of the Prospectus)

The biography and references to Matt Wehland on page 59 of the Prospectus under the "Management Team and Key Employees" section are hereby deleted in their entirety and replaced with the following:

Chief Operations Officer Transition. Matt Wehland has elected to retire and resign as Capital Impact's and CDC's Chief Operations Officer effective October 30, 2026. Following Mr. Wehland's departure, responsibility for portfolio management, special assets and credit will transition to our Chief Risk Officer, and responsibility for project management will transition to our Chief Strategy Growth Officer. Mr. Wehland's remaining responsibilities will be assigned among other members of our executive management team or other employees.

Updates to EXECUTIVE COMPENSATION section (beginning on page 60 of the Prospectus)

A footnote 5 is hereby added to the table on page 60 of the Prospectus with respect to Matthew Wehland as follows: "Resigned effective October 30, 2026."

Capital Impact Investment Notes

Up to $300,000,000

Interest rates set with each offering

Total Aggregate Offering	$300,000,000
Term/Maturity	Various terms from 6 months to 20 years
Interest Rates	Interest rates will be fixed rate and are set at the time of issuance and are determined by current market conditions. Interest rates will be set forth in the accompanying pricing supplement.
Minimum Investment Requirement	$1,000
Status	Unsecured debt obligations

Lead Agent

InspereX

Investor dollars are not used to pay sales concessions or any other expenses of the offering.

Prospectus dated August 31, 2026

Included in this Prospectus is the essential information related to the Capital Impact Investment Notes (the "Notes"), fixed income securities that raise capital to financially support impact investments targeted towards underestimated communities across the United States. Prospective investors are advised to read this Prospectus carefully prior to making any decision to invest in the Notes. The Notes are issued by Capital Impact Partners ("Capital Impact"), a District of Columbia nonprofit corporation organized at the direction of the United States Congress that is a tax-exempt Internal Revenue Code 501(c)(3) public charity and is a Community Development Financial Institution ("CDFI") certified by the U.S. Department of the Treasury Community Development Financial Institutions Fund (the "CDFI Fund"). Capital Impact's national headquarters are located at 2231 Crystal Drive, Suite 203, Arlington, Virginia 22202. Capital Impact's telephone number is (703) 647-2300. Specific terms of the Notes will be described in a separate pricing supplement. The Notes will be global book-entry Notes, which means that they may be purchased electronically through a prospective investor's brokerage account and settled through the Depository Trust Company ("DTC").

The Notes will be offered through InspereX LLC ("InspereX") as lead agent for sale of the Notes ("Lead Agent"), and InspereX will reoffer the Notes to several other registered broker-dealers that are part of a selling group of broker-dealers established by the Lead Agent, including Momentus Securities, LLC, a registered broker-dealer and indirect wholly owned subsidiary of Capital Impact ("Momentus Securities"). InspereX's principal address is 25 SE 4th Avenue, Suite 400, Delray Beach, FL 33483. The Lead Agent, or any other agent appointed by Capital Impact that is a party to a sales agent agreement with Capital Impact, is not required to purchase or sell any specific amount of Notes and will sell the Notes on a best-efforts basis. Through this offering, Capital Impact expects to receive net proceeds from sales after sales concessions to the Lead Agent and any agent appointed by us, based on certain factors including the maturity and marketability of the Notes. The sales concessions shall range from 0.300% to 3.000% based on the aforementioned factors. Capital Impact estimates that the total expenses of the offering excluding sales compensation will be approximately $500,000, or 0.17% of the total aggregate, resulting in estimated net proceeds ranging from $290,500,000 to $298,600,000 if the total amount of Notes being offered are sold.

The Notes are subject to certain risks, discussed in the section entitled "Risk Factors" beginning on page 18.

Investors should not rely on any information not expressly set forth in this Prospectus (or any related pricing supplement). Investors should read this Prospectus and any related pricing supplement carefully prior to making any decision to purchase the Notes. No person has been authorized to give any information or to make any representation in connection with this offering other than those contained in this Prospectus, and if given or made, such information or representation must not be relied upon as having been made by Capital Impact.

This Prospectus and any related pricing supplement provide potential investors with information necessary to make an informed investment decision concerning the Notes. However, nothing contained herein is intended as legal, accounting, tax or investment advice, and it should not be relied upon as such. A prospective investor should consult his or her own legal, tax, and/or financial advisor concerning potential investments in the Notes. An investor must rely on his or her own evaluations of Capital Impact, the Notes, and the terms of this offering, including the merits and risks involved.

In this Prospectus and in the course of its operations, Capital Impact will make a number of forward-looking statements. The words "believe," "expect," "intend," "anticipate," "estimate," "project," and other similar expressions identify forward-looking statements, which speak only as of the date the statement was made.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying these forward-looking statements. Statements in this Prospectus, including those contained in the section entitled "Risk Factors," describe factors, among others, that could contribute to or cause such differences.

Neither the Notes nor the adequacy of this Prospectus has been approved, disapproved, or passed on by the Securities and Exchange Commission (the "SEC"), any state securities commission, or any other regulatory body. Any representation to the contrary is a criminal offense.

None of the SEC, any state securities commission, nor any other regulatory body has passed upon whether the offering can be sold in compliance with existing or future suitability or conduct standards, including the "best interest" standard established pursuant to Regulation Best Interest under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

The Notes are not and will not be insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC"), the Securities Investor Protection Corporation ("SIPC"), or any other agency.

This Prospectus does not constitute an offer nor the solicitation of an offer to sell to any person in any state or any other political jurisdiction in which such offer or solicitation may not lawfully be made. This Prospectus does not constitute an offer by a broker-dealer in any state where that broker-dealer is not qualified to act as a broker-dealer. Federal and state securities laws may affect Capital Impact's ability to continue to sell the Notes in certain states. As of the date hereof, the Notes will be offered for sale in the United States, excluding the State of Arkansas and the State of Washington and any territories thereof.

The Notes are being offered under an exemption from federal registration pursuant to Section 3(a)(4) of the Securities Act of 1933, as amended (the "Securities Act"), and Section 3(c)(10) of the Investment Company Act of 1940, as amended (the "Investment Company Act"). The SEC has not made an independent determination that these Notes are exempt from registration.

Purchasers of the Notes should not expect there to be any secondary market in or for the Notes. The Notes may not be transferred or resold except as permitted under the Securities Act, the Exchange Act, and applicable state securities laws. Accordingly, investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

The Lead Agent has advised Capital Impact that at its sole discretion it may purchase and sell Notes, but that it is not obligated to buy or sell Notes or make a market in the Notes and may suspend or permanently cease that activity at any time.

The Notes will be offered on a continuous basis. Capital Impact has not set a date for termination of this offering in the event it elects to terminate the offering prior to the sale of the total aggregate offering amount.

FOR RESIDENTS OF ALABAMA ONLY:

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 37(H) OF THE ALABAMA SECURITIES ACT AND SECTION 3(A)(4) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION OR WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION. NEITHER THE ALABAMA SECURITIES COMMISSION NOR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED OF THE OFFERING, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR RESIDENTS OF FLORIDA ONLY:

THESE SECURITIES HAVE NOT BEEN REGISTERED IN THE STATE OF FLORIDA. THE SECURITIES WILL BE SOLD PURSUANT TO THE ELEEMOSYNARY EXEMPTION IN FLORIDA STATUTES SECTION 517.015(10).

FOR RESIDENTS OF GEORGIA ONLY:

THESE SECURITIES ARE EXEMPT FROM REGISTRATION WITH THE SECURITIES COMMISSIONER OF THE STATE OF GEORGIA PURSUANT TO RULE 590-4-2-.07. THE SECURITIES COMMISSIONER, BY ACCEPTING REGISTRATION, DOES NOT IN ANY WAY ENDORSE OR RECOMMEND THE PURCHASE OF ANY OF THESE SECURITIES.

IN ORDER TO REMAIN IN COMPLIANCE WITH THE POLICIES ESTABLISHED BY THE GEORGIA DIVISION OF SECURITIES AND BUSINESS REGULATION, AUTOMATIC REINVESTMENT AT MATURITY (AS DISCUSSED ON PAGE 12) WILL NOT BE OFFERED TO GEORGIA INVESTORS.

CAPITAL IMPACT HAS FILED NOTICE TO SELL UP TO $300,000,000 OF THE NOTES IN THE STATE OF GEORGIA. IF AND WHEN $300,000,000 IN THE NOTES HAVE BEEN SOLD IN THE STATE OF GEORGIA, UNDER THIS EXEMPTION, WHICH INCLUDES NEW SALES AS WELL AS RENEWALS, CAPITAL IMPACT MUST FILE NOTICE OF A NEW ISSUE OF SECURITIES IN THE STATE OF GEORGIA BEFORE IT MAY EFFECT ANY ADDITIONAL NEW SALES OR RENEWALS.

AS REQUIRED BY STATE LAW, ALL RESIDENTS OF GEORGIA HAVE THE OPTION OF RESCINDING THEIR INVESTMENT WITHIN 72 HOURS OF THE EXECUTION OF A WRITTEN AGREEMENT TO PURCHASE OR TO REINVEST A NOTE AT MATURITY. PLEASE NOTE THAT NO INVESTOR IN THE STATE OF GEORGIA HAS EVER EXERCISED THIS OPTION.

FOR RESIDENTS OF INDIANA ONLY:

THE INDIANA SECURITIES DIVISION HAS NOT IN ANY WAY PASSED UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, THE SECURITIES OFFERED, OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY

IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR RESIDENTS OF KENTUCKY ONLY:

THESE SECURITIES ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION KRS 292.400(9) OF THE KENTUCKY SECURITIES ACT.

FOR RESIDENTS OF LOUISIANA ONLY:

THESE SECURITIES HAVE BEEN REGISTERED WITH THE SECURITIES COMMISSIONER OF THE STATE OF LOUISIANA UNDER SECTION 51-705(B) OF THE LOUISIANA REVISED STATUTES. THE SECURITIES COMMISSIONER, BY ACCEPTING REGISTRATION, DOES NOT IN ANY WAY ENDORSE OR RECOMMEND THE PURCHASE OF THESE SECURITIES.

FOR RESIDENTS OF MICHIGAN ONLY:

THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION AUTHORIZATION AS DESCRIBED BY SECTION 201(G) OF MICHIGAN'S UNIFORM SECURITIES ACT, MCL 451.2201(G). THE STATE OF MICHIGAN DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE TRUTH, MERITS, OR COMPLETENESS OF ANY PROSPECTUS OR ANY OTHER INFORMATION FILED WITH THIS STATE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR RESIDENTS OF MISSOURI ONLY:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE MISSOURI SECURITIES ACT, BEING EXEMPTED FROM REGISTRATION BY 409.2-201(7)(B) OF THE MISSOURI SECURITIES ACT. THE AVAILABILITY OF THAT EXEMPTION DOES NOT MEAN THE MISSOURI SECURITIES COMMISSIONER HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, CAPITAL IMPACT, THE NOTES, OR THE OFFER OR SALE THEREOF IN CONNECTION TO ANY MISSOURI RESIDENTS.

FOR RESIDENTS OF OHIO ONLY:

IN ORDER TO REMAIN IN COMPLIANCE WITH POLICIES ESTABLISHED BY THE OHIO DIVISION OF SECURITIES, AUTOMATIC REINVESTMENT AT MATURITY (AS DISCUSSED ON PAGE 12) WILL NOT BE OFFERED TO OHIO INVESTORS. OHIO INVESTORS SHALL NOT INVEST MORE THAN 10% OF THEIR LIQUID NET WORTH IN THE ISSUER, AFFILIATES OF THE ISSUER, AND IN ANY OTHER NON-TRADED DEBT INVESTMENT PROGRAM. "LIQUID NET WORTH" IS DEFINED AS THAT PORTION OF NET WORTH (TOTAL ASSETS EXCLUSIVE OF PRIMARY RESIDENCE, HOME FURNISHINGS, AND AUTOMOBILES, MINUS TOTAL LIABILITIES) COMPRISED OF CASH, CASH EQUIVALENTS, AND READILY MARKETABLE SECURITIES.

FOR RESIDENTS OF OREGON ONLY:

IN ORDER TO REMAIN IN COMPLIANCE WITH POLICIES ESTABLISHED BY THE OREGON DIVISION OF FINANCE AND CORPORATE SECURITIES, AUTOMATIC REINVESTMENT AT MATURITY (AS DISCUSSED ON PAGE 12) WILL

NOT BE OFFERED TO OREGON INVESTORS. CAPITAL IMPACT WILL REGISTER TO SELL $300,000,000 OF NOTES IN OREGON PURSUANT TO THIS PROSPECTUS DURING A 12-MONTH PERIOD.

FOR RESIDENTS OF PENNSYLVANIA ONLY:

A REGISTRATION STATEMENT WITH RESPECT TO THE SECURITIES OFFERED BY THIS PROSPECTUS HAS BEEN FILED IN THE OFFICES OF THE PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES IN HARRISBURG, PENNSYLVANIA. SUCH REGISTRATION STATEMENT INCLUDED CERTAIN EXHIBITS ONLY SUMMARIZED OR ALLUDED TO IN THE PROSPECTUS, AND ARE AVAILABLE FOR INSPECTION AT THE HARRISBURG OFFICE OF THE COMMISSION DURING REGULAR BUSINESS HOURS. THE HARRISBURG OFFICE IS LOCATED IN MARKET SQUARE PLAZA, 17 N. SECOND STREET, SUITE 1300, HARRISBURG, PENNSYLVANIA 17101. REGULAR BUSINESS HOURS ARE MONDAY THROUGH FRIDAY, 8:30 AM TO 5:00 PM. THE PHONE NUMBER FOR THE PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES IS (717) 787-8059.

IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES MADE PURSUANT TO A PROSPECTUS WHICH CONTAINS A WRITTEN NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(M) OF THE PENNSYLVANIA SECURITIES ACT OF 1972, YOU MAY ELECT, WITHIN TWO BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS (WHICH IS NOT MATERIALLY DIFFERENT FROM THE FINAL PROSPECTUS) TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO CAPITAL IMPACT OR INSPEREX INDICATING YOUR INTENTION TO WITHDRAW. IT IS THE POSITION OF THE PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES THAT INDEMNIFICATION IN CONNECTION WITH VIOLATION OF SECURITIES LAWS IS AGAINST PUBLIC POLICY AND VOID.

THE PAYING AGENT IS U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION ("U.S. BANK"), LOCATED AT 100 WALL STREET, 20th FLOOR, NEW YORK, NY 10005 ("PAYING AGENT").

THE LEAD AGENT AUTHORIZED TO EFFECT SALES OF THE NOTES THROUGH ITS SELLING GROUP IS INSPEREX, LOCATED AT 25 SE 4TH AVENUE, SUITE 400, DELRAY BEACH, FL 33483. INSPEREX HAS BEEN AUTHORIZED BY CAPITAL IMPACT TO OFFER THE NOTES FOR SALE AND RESELL THE NOTES TO OTHER REGISTERED BROKER-DEALERS THAT ARE MEMBERS OF INSPEREX'S NETWORK OF SELECTED DEALERS INCLUDING MOMENTUS SECURITIES, AN INDIRECT WHOLLY OWNED SUBSIDIARY OF CAPITAL IMPACT.

INVESTORS ARE ENCOURAGED TO CONSIDER THE CONCEPT OF INVESTMENT DIVERSIFICATION WHEN DETERMINING THE AMOUNT OF NOTES THAT WOULD BE APPROPRIATE FOR THEM IN RELATION TO THEIR OVERALL INVESTMENT PORTFOLIO AND PERSONAL FINANCIAL NEEDS.

FOR RESIDENTS OF TENNESSEE ONLY:

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION SET FORTH IN THE SECURITIES ACT OF 1933. THESE SECURITIES HAVE BEEN REGISTERED WITH THE TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE. SUCH REGISTRATION DOES NOT CONSTITUTE A RECOMMENDATION OR ENDORSEMENT OF ANY SECURITY, NOR HAS THE TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE PASSED UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS OFFERING DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE PAYING AGENT IS U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION ("U.S. BANK"), LOCATED AT 100 WALL STREET, 20th FLOOR, NEW YORK, NY 10005 ("PAYING AGENT").

THE LEAD AGENT AUTHORIZED TO EFFECT SALES OF THE NOTES THROUGH ITS SELLING GROUP IS INSPEREX, LOCATED AT 25 SE 4TH AVENUE, SUITE 400, DELRAY BEACH, FL 33483. INSPEREX HAS BEEN AUTHORIZED BY CAPITAL IMPACT TO OFFER THE NOTES FOR SALE AND RESELL THE NOTES TO OTHER REGISTERED BROKER-DEALERS THAT ARE MEMBERS OF INSPEREX'S NETWORK OF SELECTED DEALERS, INCLUDING MOMENTUS SECURITIES, AN INDIRECT WHOLLY OWNED SUBSIDIARY OF CAPITAL IMPACT, AND BROKER-DEALERS MAY RE-OFFER THE NOTES TO THEIR RETAIL AND INSTITUTIONAL CUSTOMERS. INSPEREX MAY ALSO RE-OFFER THE NOTES TO ITS INSTITUTIONAL CUSTOMERS. INSPEREX AND OTHER SELLING AGENTS APPOINTED BY CAPITAL IMPACT MAY REOFFER THE NOTES TO THEIR RETAIL AND INSTITUTIONAL CUSTOMERS AS APPLICABLE.

INVESTORS ARE ENCOURAGED TO CONSIDER THE CONCEPT OF INVESTMENT DIVERSIFICATION WHEN DETERMINING THE AMOUNT OF NOTES THAT WOULD BE APPROPRIATE FOR THEM IN RELATION TO THEIR OVERALL INVESTMENT PORTFOLIO AND PERSONAL FINANCIAL NEEDS.

FOR RESIDENTS OF VERMONT ONLY:

IN ORDER TO REMAIN IN COMPLIANCE WITH THE POLICIES ESTABLISHED BY THE VERMONT DEPARTMENT OF FINANCIAL REGULATION, AUTOMATIC REINVESTMENT AT MATURITY (AS DISCUSSED ON PAGE 12) WILL NOT BE OFFERED TO VERMONT INVESTORS.

FORWARD-LOOKING STATEMENTS

Statements contained in this Prospectus that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act. Also, when Capital Impact uses any of the words "anticipate," "assume," "believe," "estimate," "expect," "intend" or similar expressions, it is making forward-looking statements. These forward-looking statements are not guaranteed and are based on Capital Impact's present intentions and on Capital Impact's present expectations and assumptions. These statements, intentions, expectations, and assumptions involve risks and uncertainties, some of which are beyond Capital Impact's control, that could cause actual results or events to differ materially from those anticipated or projected. Purchasers of Notes should not place undue reliance on these forward-looking statements, as events described or implied in such statements may not occur. Except as required by law, Capital Impact undertakes no obligation to update or revise any forward-looking statements as a result of new information, future events or otherwise.

TABLE OF CONTENTS

FORWARD-LOOKING STATEMENTS 7
OFFERING SUMMARY 9
SUMMARY FINANCIAL INFORMATION 14
RISK FACTORS 18
USE OF PROCEEDS 34
DESCRIPTION OF THE ISSUER 35
LENDING ACTIVITIES 40
INVESTING ACTIVITIES 51
BOARD OF DIRECTORS 52
MANAGEMENT TEAM AND KEY EMPLOYEES 58
EXECUTIVE COMPENSATION 60
LEGAL PROCEEDINGS 60
CAPITALIZATION 61
DESCRIPTION OF THE NOTES 64
CERTAIN KEY INDENTURE PROVISIONS 72
HOW TO INVEST / PLAN OF DISTRIBUTION 73
FINANCIAL REPORTING 74
APPENDIX I AUDITED FINANCIAL STATEMENTS 75

OFFERING SUMMARY

This section summarizes the legal and financial terms of the Notes that are described in more detail in the section entitled "Description of the Notes" beginning on page 64. Final terms of any particular Note, including the public offering price, will be determined at the time of sale and will be contained in the accompanying pricing supplement relating to those Notes. The terms in that pricing supplement may vary from and supersede the terms contained in this Prospectus, including the terms contained in this summary section and in the section entitled "Description of the Notes." Before making a decision to purchase a Note, investors are advised to carefully read this Prospectus and the accompanying pricing supplement.

In this prospectus, unless the context indicates otherwise, the words "we," "Capital Impact," "our," "ours" and "us" refer to Capital Impact Partners and all of its consolidated subsidiaries (which consolidated subsidiaries do not include CDC Small Business Finance Corporation ("CDC") or its subsidiaries). The term "you" refers to a prospective investor.

Key Investment Terms	
Issuer	Capital Impact Partners, a District of Columbia nonprofit corporation and certified CDFI.
Securities Offered	Up to $300,000,000 of Capital Impact Investment Notes (the "Notes").
Authorized Denominations	Minimum investment of $1,000.
Term of Investments	Notes may be purchased for various terms ranging from 6 months up to 20 years.
Interest Rates and Payment Options	Interest rates will be fixed rate and are set at the time of issuance and are determined by current market conditions. Interest rates for the Notes will be set forth in the accompanying pricing supplement relating to those Notes. Interest payments will be made quarterly.
Offering Period	The Notes will be offered on a continuous basis and no termination date has been set for this offering.
Note Purchases	The Notes are available for purchase in book-entry form, which means they may be purchased electronically through the investor's brokerage account and settled through DTC. As of the date hereof, the Notes will be offered and sold only in the United States, excluding the

	State of Arkansas and the State of Washington and any territories thereof.
Use of Proceeds	The proceeds of the offering will be used primarily to fund initiatives that meet critical needs in low-income communities across the United States, including through Capital Impact's subsidiaries, affiliates, strategic partners, joint ventures and third-party intermediaries, including CDC, Momentus Manager, LLC (formerly Equitable Prosperity Manager, LLC) ("Momentus Manager") and Momentus Securities, as further described beginning on page 38. We may allow investors who offer to purchase a minimum of $2,000,000 in Notes to request that we use the proceeds of the Notes purchased by such investor for a particular purpose (i.e., to benefit vulnerable populations in a particular geography, or to meet a critical need in a particular industry or sector). We will weigh a variety of factors when considering such requests, including, in particular, whether or not the use of the proceeds to benefit such population, geography, or sector is aligned with our nonprofit, tax-exempt purposes and strategic plan, and will accept or decline such requests in our sole discretion. The proceeds of the offering may also be used to purchase securities or other assets that will be leveraged to support our lending and investment activities, to repay outstanding indebtedness, including maturing Notes, and for general operations, and to further our general corporate purposes.
Distribution of Notes	We will offer the Notes through InspereX, as Lead Agent, and any other agent appointed by us. InspereX will reoffer the Notes to other registered broker-dealers acting as selected dealers, including Momentus Securities. InspereX and any other agent appointed by us are not required to purchase or sell any specific amount of Notes and will sell the Notes on a best-efforts basis.

Interest Accrual and Interest Periods	Notes begin to accrue interest on the issuance date and mature on the relevant anniversary of issuance. Interest accrues on a 360-day year based on twelve 30-day months. Interest is paid out quarterly and cannot be reinvested. The interest payment dates for a Note will be the fifteenth day of every third month, commencing in the third succeeding calendar month following the month in which the Note is issued, unless such calendar day is not a business day, in which case the interest payment shall be made on the next succeeding business day. The first payment of interest under a Note shall be an amount equal to interest accruing during the period commencing on the closing date of the Note and ending on the day preceding the fifteenth day of the third full calendar month that follows such closing date (the "First Interest Period"). The interest accrual period does not include each interest payment date. Subsequent payments of interest under the Note shall be in an amount equal to interest accruing during each period of three calendar months that follow the First Interest Period.
Ranking	The Notes constitute unsecured debt obligations of Capital Impact. Capital Impact has outstanding secured debt obligations that rank senior to the Notes and has other unsecured debt obligations, including previously issued and outstanding Capital Impact Investment Notes, that will rank equally with the Notes. The notes will also be structurally subordinated to the indebtedness and other liabilities of Capital Impact's subsidiaries (to the extent of the value of the assets of those subsidiaries). As described more fully on page 38, neither CDC nor any of its subsidiaries are guarantors of the Notes and the assets of CDC and its subsidiaries are not available to satisfy Capital Impact's obligations under the Notes.

Redemption	Notes may be redeemable by us prior to stated maturity at our option, as provided in the relevant pricing supplement. Notes will not be repayable at the option of the Note holder prior to stated maturity date, except as provided under "Survivor's Option" below.
Survivor's Option	In the limited circumstances set forth below, a holder of Notes may sell the Notes back to us prior to stated maturity. This sale option can only be made by the authorized representative of the beneficial owner of the Notes within one year following the death of the beneficial owner of the Notes, so long as the Notes were owned by the beneficial owner or his or her estate at least six months prior to the request and certain documentation requirements are satisfied. This feature is referred to as a "Survivor's Option." The right to exercise the Survivor's Option is subject to (i) a limit on total exercises by all holders of Notes in any calendar year of the greater of (x) $1,000,000 or (y) 1% of the aggregate principal balance of all Notes outstanding at the end of the most recently completed calendar year, and (ii) a limit on individual exercises by any holder of Notes in any calendar year of $250,000. Additional details on the Survivor's Option are described in the section entitled "Description of Notes—Survivor's Option" on page 66.
Options at Maturity/Reinvestments	Principal is automatically repaid at maturity. Investors may reinvest their repaid principal by purchasing new Notes at then-current interest rates and terms offered by us at such time, assuming we are offering the Notes for sale.
Covenants	The Notes are subject to the terms of an indenture (the "Indenture"), with U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association) ("U.S. Bank") serving as indenture trustee (the "Indenture Trustee"). The

	Indenture contains certain affirmative and negative covenants.
Risk Factors	Please refer to “Risk Factors” beginning on page 18.
Tax Consequences	Amounts paid by an investor to purchase the Notes are not deductible for federal tax purposes. Any interest paid on the Notes to an investor is taxable. Please refer to “Description of the Notes - Interest Payments and Tax Considerations” on page 68.

SUMMARY FINANCIAL INFORMATION

The tables below set forth select financial information as of and for the years ended December 31, 2021 through 2025. This information is based on historical audited financial statements for Capital Impact and its consolidated subsidiaries, and should be read in conjunction with the financial statements attached to this Prospectus as Appendix I. For the avoidance of doubt, this financial information does not include any financial information of CDC.

Capital Impact Partners and Subsidiaries
Consolidated Statements of Financial Position
As of December 31, 2021 through December 31, 2025

	2021	2022	2023	2024	2025
Assets					
Cash and cash equivalents - unrestricted	$ 73,212,984	$ 67,806,764	$ 44,233,703	$ 100,043,027	$ 99,750,710
Cash and cash equivalents - restricted	25,053,259	20,560,201	26,424,133	26,847,156	28,306,101
Accounts and interest receivable	2,831,834	4,262,594	7,455,892	10,808,212	15,886,850
Contributions receivable	250,000	2,600,000	-	-	-
Investments	33,922,261	42,359,730	41,473,089	47,358,811	60,079,473
Investment in joint venture					
Mortgage Backed and US Treasury Securities	59,429,070	29,230,723	33,822,580	34,029,460	36,916,905
Loans receivable [1]	364,076,525	382,419,078	499,585,126	557,337,088	557,033,184
Less: allowance for credit losses	(13,355,265)	(13,622,171)	(12,573,430)	(16,914,877)	(21,942,645)
Loans receivable, net	350,721,260	368,796,907	487,011,696	540,422,211	535,090,539
Loans receivable - subsidiaries [2]	27,105,392	20,227,669	19,868,695	15,938,096	18,247,198
Loans receivable - intercompany	-	-	2,500,000	16,800,000	51,800,000
Other real estate owned	-	-	658,498	658,498	658,497
Other assets	2,928,134	2,831,666	3,643,329	3,053,759	3,639,519
Right of use assets [6]	8,637,426	7,898,991	9,428,191	8,425,267	2,736,250
Total assets	$ 584,091,620	$ 566,575,245	$ 676,519,806	$ 804,384,497	$ 853,112,042
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	$ 5,033,519	$ 7,002,491	$ 10,847,230	$ 10,201,921	$ 12,017,508
Refundable advance liability	6,694,569	6,172,250	9,735,754	8,336,547	8,453,815
Revolving lines of credit	-	46,000,000	69,500,000	83,000,000	20,000,000
Notes payable	52,230,970	54,242,446	68,786,736	64,289,530	46,500,000
Investor Notes, net	183,197,579	201,306,219	262,805,148	377,129,499	401,508,658
Subordinated debt	2,500,000	2,500,000	14,500,000	14,500,000	14,500,000
Federal Home Loan Bank borrowing	47,271,304	24,000,000	24,000,000	24,000,000	24,000,000
Bond loan payable	58,849,113	5,000,000	5,000,000	10,000,000	130,712,020
Notes payable - subsidiaries	27,384,895	24,193,922	24,193,922	19,120,355	18,836,641
Liability for CECL - loan commitments [7]	-	-	2,917,764	2,596,742	2,487,354
Lease liabilities [6]	11,463,612	10,588,824	11,991,765	10,821,624	3,837,854
Total liabilities	394,625,561	381,006,152	504,278,319	623,996,218	682,853,850
Net assets:					
Without donor restrictions [4]	120,919,519	115,654,148	106,347,815	133,312,603	127,558,745
Noncontrolling interest in consolidated subsidiaries [3]	20,572,345	20,572,345	20,572,345	1,281,113	-
Total without donor restrictions	141,491,864	136,226,493	126,920,160	134,593,716	127,558,745
With donor restrictions [5]	47,974,195	49,342,600	45,321,327	45,794,563	42,699,447
Total net assets	189,466,059	185,569,093	172,241,487	180,388,279	170,258,192
Total liabilities and net assets	$ 584,091,620	$ 566,575,245	$ 676,519,806	$ 804,384,497	$ 853,112,042

(1) As of December 31, 2025, Capital Impact had $21,579,642 of outstanding receivables from unsecured loans, or 3.9% of all outstanding loans receivable.

(2) Capital Impact's subsidiaries had no outstanding receivables from unsecured loans at December 31, 2025.

(3) As of December 31, 2021 - 2023, this represents the non-managing member's 70% equity interest in Community Investment Impact Fund, LLC. As of December 31, 2024, the non-managing member's equity interest in Community Investment Impact Fund, LLC decreased to 13%. As of December 31, 2025,

Capital Impact Partners reduced its managing membership interest from 87% to 0%, and the Community Investment Impact Fund, LLC was dissolved in 2025.

Per ASU 2016-14, Capital Impact Partners now classifies net assets into two categories: Without donor restrictions and With donor restrictions.

(4) Net assets without donor restrictions means that contributions are available for unrestricted use.

(5) Net Assets with donor restrictions are contributions with donor-imposed time or purpose restrictions.

(6) Per ASU 2016-02, Capital Impact Partners now recognizes lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. The new standard is effective for the fiscal year beginning January 1, 2019.

(7) Per ASU 2016-13, Capital Impact Partners now recognizes a liability for Current Expected Credit Losses (CECL) on the statement of financial position. The new standard is effective for the fiscal year beginning after December 31, 2022. Capital Impact Partners adopted the standard on January 1, 2023.

Capital Impact Partners and Subsidiaries
Consolidated Statements of Activities
For Years ended December 31, 2021 through December 31, 2025

	2021	2022	2023	2024	2025
Changes in net assets without donor restrictions:					
Financial activity:					
Financial income:					
Interest income on loans	$ 21,999,678	$ 22,838,542	$ 26,888,711	$ 38,758,453	$ 41,354,103
Loan fees	751,999	723,032	389,267	569,969	424,056
Investment income, net	(399,959)	(4,394,506)	3,554,364	3,065,482	8,125,573
Gain / (loss) on equity method investments	110,112	(466,532)	770,537	942,906	1,766,939
Gain / (loss) on NMTC unwind	23,600	(21,845)	-	6,977	(6,688)
Gain on sale of securities				1,041,401	1,467,908
Total financial income	22,485,430	18,678,691	31,602,879	44,385,188	53,131,891
Financial expense:					
Interest expense	10,312,851	10,753,248	16,489,064	27,083,575	31,442,343
Provision (credit) for loan losses	13,875	266,906	(308,991)	9,805,409	6,814,053
Total financial expense	10,326,726	11,020,154	16,180,073	36,888,984	38,256,396
Net financial income	12,158,704	7,658,537	15,422,806	7,496,204	14,875,495
Revenue and support:					
Loan servicing fees	1,103,502	1,383,433	1,580,738	1,737,007	1,475,698
Fees	1,023,369	1,345,051	1,459,523	1,861,940	2,631,771
Asset management fees from investments		125,097	1,568,719	3,014,780	2,186,023
Contract revenue	57,648	719,570	1,244,007	635,780	501,866
Contributions	2,000,000	9,065,225	94,000	45,155,925	160,000
Gain on debt extinguishment	-	6,452,689	352,238	-	-
Inter-company fee income	-	1,553,228	3,395,383	3,742,764	3,986,147
Other income	122,469	118,602	527,332	91,919	925,390
Net assets released from restrictions	14,110,281	15,310,283	32,177,179	17,876,926	22,154,106
Total revenue and support	18,417,269	36,073,178	42,399,119	74,117,041	34,021,001
Expenses:					
Innovative community lending program	16,564,633	14,907,624	18,072,528	17,919,218	21,371,857
Technical assistance	-	16,374,510	22,144,126	11,086,702	11,476,909
Total program expenses	16,564,633	31,282,134	40,216,654	29,005,920	32,848,766
Support expenses:					
Management and general	11,977,331	14,883,845	21,290,552	22,131,243	18,623,728
Fundraising	1,604,226	1,848,796	2,320,344	2,963,966	3,157,509
Total expenses	30,146,190	48,014,775	63,827,550	54,101,129	54,630,003
Change in net assets without donor restrictions before noncontrolling Interest activities	429,783	(4,283,060)	(6,005,625)	27,512,116	(5,733,507)
Noncontrolling interest - distribution	(980,200)	(982,311)	(1,012,132)	(19,838,560)	(1,301,466)
Change in net assets without donor restrictions	(550,417)	(5,265,371)	(7,017,757)	7,673,556	(7,034,973)
Change in net assets with donor restrictions					
Investment Income , net	30,639	77,325	304,422	683,517	579,132
Grant revenue	28,485,802	16,601,363	27,851,484	17,666,645	18,479,860
Net assets released from restrictions	(14,110,281)	(15,310,283)	(32,177,179)	(17,876,926)	(22,154,106)
Change in net assets with donor restrictions	14,406,160	1,368,405	(4,021,273)	473,236	(3,095,114)
Change in net assets	13,855,743	(3,896,966)	(11,039,030)	8,146,792	(10,130,087)
Net assets, beginning	175,610,316	189,466,059	185,569,093	172,241,487	180,388,279
Cumulative change in accounting policy [1]	-	-	(2,288,576)	-	-
Net assets, ending	$ 189,466,059	$ 185,569,093	$ 172,241,487	$ 180,388,279	$ 170,258,192

(1) Per ASU 2016-13, Capital Impact Partners recognized a cumulative-effect adjustment for the changes in the allowances for credit losses. The new standard is effective for the fiscal year beginning after December 31, 2022. Capital Impact Partners adopted the standard on January 1, 2023.

Additional Summary Financial Information

Selected Financial Data (as of December 31)	2021	2022	2023	2024	2025
Cash and cash equivalents, (Unrestricted and Restricted)	$98,266,243	$88,366,965	$70,657,836	$126,890,183	$128,056,811
Amount of unsecured loans receivable	$10,773,690	$9,571,877	$8,290,895	$8,214,380	$21,579,642
Allowance for credit losses	$(13,355,265)	$(13,622,171)	$(12,573,430)	$(16,914,877)	$(21,942,645)
Allowance for credit losses as a percent of loans receivable	3.7%	3.6%	2.5%	3.0%	3.9%
Loan delinquencies [(1)]	$7,173,438	$933,055	$5,175,000	$17,013,287	$36,876,506
Loan delinquencies as a percent of loans receivable [(1)]	2.0%	0.2%	1.0%	3.1%	6.6%
Net charge-offs during the year	$(141,250)	-	$(110,562)	$(5,784,984)	$(1,895,673)
Notes payable and revolving lines of credit	$52,230,970	$100,242,446	$138,286,736	$147,289,530	$66,500,000
Notes payable subsidiaries	$27,384,895	$24,193,922	$24,193,922	$19,120,355	$18,836,641
Amount of notes redeemed during the fiscal year	$10,302,000	$46,795,000	$41,370,000	$57,895,000	$109,954,000
Amount of Capital Impact Investment Notes sold	$33,866,000	$64,955,000	$103,039,000	$172,779,000	$135,066,000
Other long-term debt	$108,620,417	$31,500,000	$43,500,000	$48,500,000	$169,212,020
Net assets without donor restrictions before noncontrolling interest	$120,919,519	$115,654,148	$106,347,815	$133,312,603	$127,558,745
Change in net assets [(2)]	$13,855,743	$(3,896,966)	$(13,327,606)	$8,146,792	$(10,130,087)
Non-managing member's net equity interest activities in Community Investment Impact Fund, LLC and Community Investment Impact Fund II, LLC included in change in net assets	$ (980,200)	$(982,311)	$(1,012,132)	$(19,838,560)	$(1,301,466)
Net assets as a percentage of total assets	32.4%	32.8%	25.5%	22.4%	20.0%
Net assets without donor restrictions before noncontrolling interest as a percentage of total assets [(3)]	20.7%	20.4%	15.7%	16.6%	15.0%
Net assets without donor restrictions before noncontrolling interest as a percentage of total assets less subsidiaries debt [(3)]	21.7%	21.3%	16.3%	17.0%	15.3%
Net assets without donor restrictions before noncontrolling interest plus subordinated debt as a percentage of total assets less subsidiaries debt [(3)]	22.2%	21.8%	18.5%	18.8%	17.0%
Total liabilities, net less subsidiaries debt as a percentage of net assets	193.8%	192.3%	278.7%	335.3%	390.0%

(1) Includes loan balances on which payments of principal or interest are delinquent ninety (90) days or more and non-accruing balances. See pages 47 and 50 for additional information regarding loan delinquencies.

(2) Includes a cumulative change in accounting policy related to allowances for credit losses. The new standard was effective for the fiscal year beginning after December 31, 2022. Capital Impact Partners adopted the standard on January 1, 2023.

(3) Net assets without donor restrictions means that contributions are available for unrestricted use.

RISK FACTORS

An investment in the Notes involves various material risks, including the loss of principal. Prior to any investment, and in consultation with their financial and legal advisors, investors should carefully consider, among other matters, the following risk factors and the other information contained in this Prospectus before deciding whether to purchase Notes. There can be no assurance that the following list of risks associated with an investment in the Notes is comprehensive. Additional risks not presently known to us or that are currently deemed immaterial could also materially and adversely affect our financial condition, results of operations, business, and prospects.

Risks associated with the Notes and the Offering

The Notes are not secured by any of our assets and will be effectively subordinated to any of our existing or future secured indebtedness.

The Notes are general unsecured obligations of Capital Impact and will be effectively subordinated to any of Capital Impact's existing and future secured indebtedness, to the extent of the value of the collateral securing such indebtedness that, by its terms, is expressly senior to Capital Impact's general unsecured obligations. As of December 31, 2025, Capital Impact's outstanding secured indebtedness was $24,000,000. The secured indebtedness consists of the $24,000,000 outstanding under Capital Impact's secured credit facility with the Federal Home Loan Bank of Atlanta ("FHLB-A"). The FHLB-A secured credit facility provides Capital Impact with the ability to draw up to 20% of the value of the assets pledged as eligible collateral thereunder, subject to FHLB-A's approval of any requisite application by Capital Impact to FHLB-A for advances thereunder. As of December 31, 2025, the total available borrowings under the FHLB-A secured credit facility were $155,880,252. Payment of principal and interest will depend solely upon the financial condition of Capital Impact. Further, no sinking fund or other similar deposit has been or will be established by us to ensure payment of the Notes except as may be required by law. Capital Impact's obligations under its secured indebtedness are secured on a first priority basis by the collateral primarily consisting of certain mortgage-backed securities held by Capital Impact and other first lien debt securities and other personal property owned by Capital Impact and other collateral now existing or that may arise in the future that Capital Impact is required to pledge to FHLB-A pursuant to FHLB-A's credit and collateral policy, and such obligations are senior in right of payment and lien priority to all of Capital Impact's existing and future unsecured or subordinated obligations (including the Notes). In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding, Capital Impact's secured creditors will have priority over investors in the Notes and will be entitled to recover from the collateral securing such indebtedness prior to any payment being made to holders of the Notes (if any). Therefore, the relative risk of repayment is higher for the Notes than for Capital Impact's secured indebtedness.

The Notes are not guaranteed by any of Capital Impact's subsidiaries.

Capital Impact's subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to guaranty, pay any amounts due on the Notes or to make funds available to Capital Impact to do so. The Notes are not secured by the assets and cash flows of Capital Impact's subsidiaries. While other existing or future indebtedness of Capital Impact is and may be secured or guaranteed by Capital Impact's subsidiaries, the Notes will constitute solely the obligations of Capital Impact and as a result, other creditors of Capital Impact may be able to seek repayment from Capital Impact's subsidiaries while holders of the Notes will have no recourse or claim against any of Capital Impact's subsidiaries.

The Notes are not FDIC or SIPC insured, are not bank instruments, and are subject to investment risks.

The Notes are not FDIC or SIPC insured or otherwise insured or guaranteed by any governmental agency; nor are the Notes certificates of deposit or deposit accounts with a bank, savings and loan association, credit union or other financial institution regulated by federal or state authorities. As a result, investors are at risk of possible loss of principal invested.

We are offering the Notes on a best-efforts sales basis and there is no minimum sales requirement.

The sale of the Notes is a best-efforts offering and there is no minimum sales requirement. Thus, a low sales volume may not prompt cancellation of the offering or cause us to refund Note purchases to existing investors.

The interest rate applicable to a Note is fixed at the time of issue.

Interest rates offered for the Notes may change at our discretion and will be driven by market conditions and the current interest rate environment. Should interest rates rise, we are not legally obligated to pay a higher rate or to redeem the principal of a Note prior to its maturity. Moreover, the marketability and value of the Notes may decline in a rising interest rate environment. Risks of investment in the Notes may be greater than implied by a relatively low interest rate on the Notes.

The market value of the Notes may be adversely affected by a decrease in the credit ratings assigned to the Notes or Capital Impact.

There is no assurance that any ratings assigned to the Notes or to Capital Impact at the time of issuance will not be lowered or withdrawn at any time, which could adversely affect the market price and marketability of the Notes.

We may redeem the Notes prior to maturity.

We have a discretionary right to redeem all or a portion of the Notes prior to maturity. This enables us to manage our leverage relative to our liquidity needs. If we elect to exercise this right with respect to your Notes, the redemption of your Notes will prevent you from realizing the full value of your investment through the scheduled maturity date.

The Survivor's Option may be limited in amount.

We have a discretionary right to limit the aggregate principal amount of Notes subject to the Survivor's Option that may be exercised in any calendar year to an amount equal to the greater of $1,000,000 or 1% of the outstanding principal amount of all Notes outstanding as of the end of the most recent calendar year. We also have the discretionary right to limit to $250,000 in any calendar year the aggregate principal amount of Notes subject to the Survivor's Option that may be exercised in such calendar year on behalf of any individual deceased beneficial owner of Notes. Accordingly, no assurance can be given that exercise of the Survivor's Option for the desired amount will be permitted in any single calendar year.

Holders of Notes will depend in part on the Indenture Trustee enforcing provisions of the Indenture.

We have made arrangements with U.S. Bank to serve as Indenture Trustee. The Indenture defines the possible events of default that could cause the Indenture Trustee to accelerate Note payment obligations

(see "Certain Key Indenture Provisions"). The Indenture does not ensure or secure the repayment of the Notes.

Individual holders of Notes may be unable to control actions taken under the Indenture.

The consent or approval of the holders of a specified percentage of the aggregate principal amount of all outstanding series of Notes is required before various actions may be taken under the Indenture. These actions include the appointment of a successor Indenture Trustee following an Indenture Trustee resignation, the amendment of the Indenture under specified circumstances, the waiver of events of default, and certain other events. There can be no assurance that your interests with respect to actions under the Indenture will coincide with those of other investors.

Holders of Notes can only act indirectly through DTC and the Indenture Trustee.

Note transactions are settled through DTC. As is standard to facilitate such electronic transactions, DTC represents the Notes with one or more global certificates registered in the nominee name of "Cede & Co.," the nominee of DTC, rather than in the name of the investor or investor's nominee. To exercise their rights under the Indenture, beneficial owners can only act indirectly through DTC and its participating organizations under their established rules. The Indenture Trustee does not track the beneficial owners of global book-entry Notes, and cannot directly provide information regarding beneficial ownership of the Notes to us.

There might not be any secondary market in the Notes and the Notes should be considered to be an illiquid investment.

The Notes will not be listed for sale on any securities exchange and the nature of this offering does not afford the opportunity of a public or secondary market in the Notes. Neither the Lead Agent, nor any agent appointed by Capital Impact, or any broker-dealers that sell the Notes as selected dealers are obligated to create a secondary market for the Notes or to buy the Notes from individual purchasers thereof. Consequently, the purchase of a Note should be viewed as an investment to be held to maturity.

Holders of Notes should be aware of certain tax consequences.

Although Capital Impact is a 501(c)(3) nonprofit corporation, the interest paid or accrued on the Notes will be taxable as ordinary income to you in the earlier of the year it is paid or the year it is accrued, depending on your method of accounting. You should be provided with an IRS Form 1099 by your broker in January of each year detailing the interest earned on their investments in the prior year. You will not receive a receipt for a charitable contribution and will not be entitled to a charitable deduction for the purchase of the Notes. You should consult with your tax advisor regarding any tax treatment of the Notes.

Momentus Securities, in its role as a selling group member, may face conflicts of interest as a result of its indirect ownership and control by Capital Impact.

Momentus Securities is an affiliate and indirectly wholly owned subsidiary of ours. Pursuant to the offering, Momentus Securities will act as a selling group member and selected dealer whereby it will purchase Notes from the Lead Agent at a discount to the public offering price. Accordingly, Momentus Securities will receive sales concessions pursuant to its sales of the Notes and there is arguably an incentive for Momentus Securities to participate in a large volume of Note sales whereby our funding expense will be presumably reduced based on the sales concessions retained by Momentus Securities as a result of such sales. Consequently, our affiliation with, and the sales concessions retained by, Momentus Securities could result

in a conflict of interest. In addition, some of our officers are also involved in the activities of Momentus Securities, which may create an additional conflict of interest.

Risks associated with Capital Impact

We may not be able to repay our obligations under the Notes if there is a material adverse effect in our financial condition or results of operations.

Payment of the Notes depends on our ability to sufficiently generate revenues in order to make payments on the Notes after payment of all our other indebtedness that is senior in right of payment to the Notes while meeting our operating expenses and other cash requirements. No representation can be made or assurance given that we will meet our obligations and make payments under the Notes as they become due and our ability to make payments under the Notes is an inherent risk to any investment in the Notes. Our future revenues and expenses are subject to, among other things, the capabilities of our management, future economic conditions and a variety of non-economic and other conditions, many of which are unpredictable or not within our control. The payment of principal and interest under the Notes, as well as our other obligations, may be adversely impacted by these factors.

Examples of these factors include, but are not limited to, the following:

- *General lending risks*. Although we have established due diligence and payment monitoring procedures, there can be no guarantee that borrowers under the credit facilities established by us will repay such indebtedness when due or at all. Additionally, a portion of our lending portfolio consists of unsecured loans and our remedies under such credit facilities are limited to those of general unsecured creditors and may be subordinated in right or payment or security to other indebtedness. While we intend to pay our investors on schedule, defaults or untimely repayments of loans made by us may result in the need to provide assistance to borrowers by restructuring or modifying loan terms or structure, which may result in a material adverse effect in our financial condition and results of operation and our having insufficient capital to satisfy payments under the Notes. Specific lending risks include:
    - *General commercial and multifamily real estate investment risk*. A significant portion of our loan portfolio consists of assets with first lien mortgages on commercial and multifamily real estate. Our borrowers derive cash flows and value from the performance of commercial and multifamily real estate and thus we are subject to general risks of investments related thereto. These risks include:
        - Declines in the value of real estate;
        - Risks related to general and local economic conditions, including a health epidemic or pandemic described further on page 31;
        - Dependency on management skills of the borrower or third-party property management firm;
        - Risk depending on the timing of cash flows from the underlying mortgage properties;
        - Increases in property taxes;
        - Inflation, which results in increased operating expenses, including energy, construction and insurance costs;

- Changes in zoning laws and other governmental rules, regulations and fiscal policies; compliance with existing legal and regulatory requirements, including environmental controls and regulations, including changing regulations and policy initiatives under the current presidential administration;
- Expenses incurred in the cleanup of environmental problems;
- Risks related to the type and use of a particular commercial and multifamily property; and
- Casualty or condemnation losses, including where liability and casualty insurance does not provide full protection.

- *Changes in net interest income*. Our earnings and cash flows depend substantially upon our net interest income. Net interest income is the difference between interest income earned on our loans, and interest expense paid on interest-bearing liabilities, such as borrowed funds, many of which are based on floating interest rates that will vary based on economic conditions. Interest rates are sensitive to many factors that are beyond our control, including general economic conditions, competition and policies of various governmental and regulatory agencies and, in particular, the policies of the Board of Governors of the Federal Reserve System. Interest rate changes could influence not only the interest we receive on loans and investments and the amount of interest we pay on borrowings, but these changes could also affect: (1) our ability to originate loans; (2) the fair value of our financial assets and liabilities, including our investment portfolio; and (3) the average duration of our interest-earning assets. This also includes the risk that interest-earning assets may be more responsive to changes in interest rates than interest-bearing liabilities, or vice versa (repricing risk), the risk that the individual interest rates or rate indices underlying various interest-earning assets and interest-bearing liabilities may not change in the same degree over a given time period (basis risk), and the risk of changing interest rate relationships across the spectrum of interest-earning asset and interest-bearing liability maturities (yield curve risk), including a prolonged flat or inverted yield curve environment. Any substantial, unexpected, prolonged change in market interest rates could have a material adverse effect on our financial condition and results of operations.

- *Prepayment and refinancing risk*. Prepayment and refinancing rates may adversely affect the value of our loan portfolio. Prepayment and refinancing rates on loans made by us may be adversely affected by a number of factors including, but not limited to, the availability of mortgage credit, the relative economic vitality of the area in which the related properties are located, the servicing of the loans, possible changes in tax laws, other opportunities for investment, more favorable lending conditions available in the market and other economic, social, geographic, demographic and legal factors and other factors beyond our control. Consequently, prepayment and refinancing rates cannot be predicted with certainty and no strategy can completely insulate us from prepayment or other such risks. In periods of declining interest rates, prepayment and refinancing rates on loans generally increase. If general interest rates decline at the same time, the proceeds of such prepayments and refinancings received during such periods are likely to be reinvested by us in loans yielding less than the yields on the loans that were prepaid or refinanced.

- *Sector concentration risk*. As part of our loan portfolio, we primarily finance commercial real estate, mixed use real estate and other projects in the affordable housing, healthcare,

education and community development sectors. As of December 31, 2025, 49% of our revenue-generating loan portfolio was concentrated in the affordable housing sector. The affordable housing sector is facing various challenges, including high interest rates which have increased borrowing costs, inflation which has driven up construction costs, rising insurance, utility and other operating costs, federal, state and local government funding instability, slower lease stabilization and increased tenant defaults. These challenges have caused many commercial lenders to pull back from the sector, which in turn has led to constrained affordable housing construction and redevelopment activity. If the affordable housing or any other sector in which we invest continues to experience a financial downturn, our borrowers may have difficulty making loan payments.

- *Geographic concentration risk*. As of December 31, 2025, 19% of our revenue-generating loan portfolio was concentrated in Michigan, 18% of our loan portfolio was concentrated in California and 16% of our loan portfolio was concentrated in the Washington, DC metropolitan area. The Washington, DC and Michigan markets, in particular, are experiencing more pronounced challenges in the affordable housing sector relative to other major U.S. metropolitan areas. Federal, state, and local policy responses implemented during the COVID-19 pandemic, including eviction moratoriums and expanded tenant protections, were intended to reduce tenant displacement during the public health emergency. In certain jurisdictions, including Washington, DC, some of these measures remained in effect beyond the expiration of the federal eviction moratorium in August 2021, and certain tenant protections were subsequently codified into permanent law. These policies, together with other market factors, have affected landlord/tenant dynamics and elongated the enforcement process (often through court backlogs), reduced investor demand, increased financial pressure on affordable housing property owners, decreased lender appetite, and limited the availability of capital. If one or more of these geographic areas continue to experience a financial downturn, our borrowers may have difficulty making loan payments.

- *Illiquidity risk*. Loans made by us are typically illiquid as there is no secondary market for community development loans. While investment diversification, credit analysis, and limited maturity can reduce the risk of loss, there can be no assurance that we will be able to liquidate our position in any particular loan, that borrowers will repay us promptly, or that losses will not occur. In addition, many loans in our portfolio are unsecured and our ability to liquidate our position in such loans will be limited by our status as an unsecured creditor.

- *Adequacy of loan loss reserve*. We maintain an allowance for credit losses in accordance with GAAP; it is reviewed quarterly by the Head of Small Business and Community Development Credit in Lending Operations overseen by the Chief Operations Officer (COO) and the Board of Directors (see "Lending Activities – Credit Quality and Risk Management – Loss Reserve" beginning on page 47). However, the allocation for credit losses reserve may not be adequate to meet all potential losses. In light of the economic headwinds facing the affordable housing sector, which has disproportionately affected Washington, DC and Michigan, we expect our allocation for credit losses, in dollar amount and as a percentage of our loans receivable, to increase during 2026 and 2027.

- *Charitable purpose*. In furtherance of our charitable purpose, we lend money to borrowers which are not able to obtain financing at competitive market rates from conventional lenders such as regulated retail or commercial banks; the reasons for this vary, but often relate to the

creditworthiness of the borrower, the ability to generate sufficient cash flow and the availability or value of the collateral the borrower is able to offer to support the credit risk represented by a loan to the borrower. Thus, our lending criteria used in determining whether a loan should be made to a borrower may be more flexible than the criteria used by commercial lenders. Further, in view of the relationship we have with our borrowers, we have been willing, in certain instances in the past, to modify and extend the terms of our loans to an extent greater than a commercial lender may be willing or able to do. As a result, there is a higher risk that our loans may not be repaid during their original repayment schedules or at all.

- *Lack of control*. We may not have control over certain of our investments. Our ability to manage our portfolio of investments may be limited by the form in which they are made. In certain situations, we may:
    - acquire only a minority and/or a non-controlling participation in an underlying loan;
    - engage in intermediary lending by making a loan to another financial institution with a distinct mission, underwriting practices and asset management capabilities, which in turn, makes loans to borrowers;
    - engage in intermediary investing by making equity investments in joint ventures with a distinct mission, underwriting practices and asset management capabilities, which in turn, make investments, which may be in the form of equity or debt, in projects that help us accomplish our charitable purpose to support underestimated communities; or
    - rely on independent third-party management or servicing, including external lending partners, with respect to the management of our loans.

  Our rights to control the process following a borrower default may be subject to the rights of others whose interests may not be aligned with our own.

- *Limits on access to capital*. A significant portion of our revenue is derived from grants from private foundations and other institutions. A smaller portion is obtained through federal programs. In addition, we rely heavily on allocations of funds from various tax credit programs offered by the CDFI Fund. Receipt of grants and access to tax credit programs are neither guaranteed, nor renewable. They are also often associated with lengthy and stringent application processes, which can make them difficult to obtain. Periods of economic hardship may cause a decrease in the availability of grant funding as grant funding sources adopt more conservative financial practices. Budgetary constraints or shifts in the programmatic priorities of federal and private funding sources may also cause a decrease in the availability of CDFI Fund allocations and grants that are targeted to our mission. Because of the uncertain nature of grant receipts or allocations from the CDFI Fund, there is a risk that a sudden reduction in funding could occur, which may adversely impact our ability to repay our obligations as they come due (see "Recent changes in federal and state priorities and regulations may adversely affect us" below). We also depend on sales of Notes, bank financing, transaction or asset specific funding arrangements, asset sales and other sources of financing to execute our business plan. Our inability to access such funding at acceptable interest rates or at all could have a material adverse effect on our results of operations, financial condition and business.

- *Other investments*. In addition to our lending program, we make investments in, and grants to, cooperatives, cooperative-like organizations, nonprofit organizations, CDFIs, private investment funds, including investment funds managed by Momentus Manager (the "Momentus Funds") (*see* "Broker-Dealer and Investment Adviser Activities" beginning on page 38), joint ventures and others

involved in supporting programs that are generally related to our mission. The scale, scope, or focus of these investments may change over time, consistent with Board approval and oversight. These investments may be in the form of equity, debt (including small business loans) or revenue/profit sharing arrangements. Some of these investments, which are often not subject to our normal underwriting standards, tend to be higher risk investments than those in our loan portfolio. In certain cases, our investments may be in the form of minority equity investments where we do not control the underwriting or asset management of the investments. If these investments are not recoverable, it will result in a reduction of capital available to support our lending activities.

- *Loan servicing and portfolio management*. In addition to providing capital directly to end borrowers, we also service loans owned by third parties and engage in lending activities through our wholly owned subsidiaries. Capital Impact's subsidiaries are typically formed specifically for the purpose of lending to borrowers operating within a particular industry or geography, and are typically financed through senior-subordinate debt structures by us and third-party investors. Capital Impact manages all aspects of the business of these subsidiaries, including the origination and servicing of loans made by the subsidiaries. We bear risk relating to our servicing obligations and the conflicts of interest that may exist in cases where we or any of our affiliates are both a servicer and a lender to a subsidiary. We may also suffer reductions in servicing income if our origination of new loans is slower than the pace of maturing loans.

- *Technical assistance.* We also provide technical assistance (e.g., consulting services) to a wide range of stakeholders, including project borrowers, community development organizations, strategic partners, policy makers and internal business units. When providing these services to unaffiliated third parties, we bear the risk of both payment and performance in relation to the underlying technical assistance agreement. Failure to perform services to the satisfaction of the third-party client may result in non-payment and/or legal action against us.

- *New business activities*. We may enter into new business ventures or alter our existing business model in order to achieve greater social impact consistent with our charitable purpose. For example, we may expand the number and type of loan products or programs we offer; adjust our risk tolerance parameters with respect to new or existing business; change the manner or scope of our asset acquisition strategies, including through loan sales, purchases, and participations; change the manner or scope of our investment management strategies by engaging in joint ventures or establishing investment vehicles with, or by selling or contributing assets to, related or unrelated third parties; expand the industries or geographic areas in which we operate; or offer new forms of technical assistance or other innovative products or services. In 2022, through taxable, for-profit subsidiaries, we launched broker-dealer and investment advisory businesses. These activities generate revenue streams in the form of fee income and commissions (whether related to placement of securities, financing, investment management or investment banking). One or more of our affiliates may also receive a profit allocation or carried interest in connection with its investment advisory activities. Although our intention in undertaking new business activities or altering our existing business model includes increasing our social impact, losses related to these activities may adversely impact our financial condition or present a risk of litigation or regulatory oversight not currently present in our core lending business model.

Our debt and guaranty obligations could adversely affect our financial condition and prevent us from fulfilling our debt obligations, including under the Notes.

We have debt, totaling approximately $637,220,678,[1] as of December 31, 2025. In addition, in connection with Capital Impact's strategic alliance with CDC, as further described on page 38, Capital Impact has guaranteed approximately $92,634,485 aggregate principal amount of CDC's indebtedness as of December 31, 2025. CDC's cash and cash equivalents (unrestricted and restricted) at December 31, 2025 were approximately $30,182,907 with approximately $64,564,303 of net assets without donor restrictions and total liabilities as a percentage of total net assets of approximately 153%.

Our level of debt poses significant risks, including the following risks, particularly in periods of declining revenues:

- we may be unable to service our debt obligations, especially during negative economic, financial credit and market industry conditions;
- we may require a significant portion of our cash flow to pay principal and interest on our outstanding debt especially during negative economic and market industry conditions;
- the amount available for loans, working capital and other general corporate purposes may be limited because a significant portion of cash flow is used to pay principal and interest on outstanding debt;
- if our revenues decline, we may not be able to service our debt;
- our lenders may not be as willing to lend additional amounts to us for future loan investment, working capital needs or other purposes;
- our lenders may not be willing to refinance both our fixed and variable rate debt instruments as they come due or the rates the debt is refinanced at may not be equal to or lower than the maturing rates;
- rating agencies may downgrade our corporate family rating and/or debt ratings which could impair our ability to raise funds, refinance debt, or incur a higher financing cost;
- the cost to borrow from lenders may increase or market rates may increase;
- our ability to access the capital markets may be limited, and we may be unable to issue securities with pricing or other terms that we find attractive, if at all;
- if our cash flow was inadequate to make interest and principal payments, we might have to restructure or refinance our debt or sell assets to reduce debt service obligations; and
- we may be more vulnerable to adverse economic and industry conditions than less leveraged competitors and thus less able to withstand competitive pressures.

Any of the events above could reduce our ability to generate cash available to repay, restructure or refinance our debt, including the Notes, seek additional debt, make loan investments or respond to events that would enhance profitability.

[1] Total debt does not include subsidiary debt or lease obligations.

We may incur or guaranty additional debt, which may hinder our ability to pay debt service on the Notes.

We may issue additional Notes under the Indenture pursuant to supplemental indentures or other unsecured indebtedness and Capital Impact may guarantee additional CDC indebtedness without the consent or approval of the owners of any Notes then outstanding. However, through December 31, 2025, management does not expect Capital Impact to guarantee more than $125,000,000 aggregate principal amount of CDC's indebtedness. The outstanding Capital Impact Investment Notes, any additional Notes or any additional unsecured indebtedness will rank equally with the Notes. The Indenture does not limit the amount of additional Notes or other unsecured indebtedness that may be issued or guaranteed. The incurrence by Capital Impact of additional indebtedness or guarantees of CDC indebtedness may adversely affect its ability to make payments required on the Notes. Further, if Capital Impact incurs additional indebtedness or guarantees additional CDC indebtedness, the market perception of our ability to pay debt service on the Notes, regardless of our actual ability to make such payments, may result in a decrease in the marketability of the Notes.

Certain of our indebtedness include restrictive covenants that limit our ability to incur additional indebtedness and enter into certain transactions and failure to comply with these covenants could trigger an acceleration of certain of our outstanding indebtedness and adversely affect our financial position and operating results.

Certain of our indebtedness prevents us from taking certain actions and requires us to maintain compliance with certain financial covenants. These covenants may require us to conduct our business in ways that make it more difficult to repay our debt or decrease the value of our assets and business. These covenants include, but are not limited to, the following:

- restrictions on the incurrence of additional indebtedness;
- restrictions on transactions with affiliates;
- restrictions on the sale or disposition of assets to third parties if such sale or disposition would cause a material adverse effect on us; and
- financial covenants related to each of Capital Impact's and CDC's loan delinquency and non-performing loan ratios, loan loss reserves and delinquent loans, and Capital Impact's and CDC's combined net asset ratio, secured debt ratio, and unencumbered liquidity as compared to average quarterly operating expenses and unrestricted net assets.

As of December 31, 2025 and June 30, 2026, we were in compliance with all of our debt arrangements. Future financing arrangements may contain additional restrictions and financial covenants that may limit our ability to manage our business and limit our ability to raise additional liquidity to operate during general economic or business downturns. In addition, certain of our debt agreements contain cross-default and cross-acceleration provisions with other indebtedness of ours and CDC's, which means that a default under certain of our debt instruments may cause a default under other indebtedness of ours. If we default on our obligations, creditors could require immediate payment of the obligations or foreclose on collateral, which would adversely affect our financial position and operating results.

Changes in federal and state policy priorities and regulations may adversely affect us.

Changes in policy priorities and regulations by the federal and state governments, such as support for diversity, equity and inclusion ("DEI") programs, which may include the CDFI Fund, Federally Qualified Health Centers, charter schools and affordable housing, could have an adverse effect on us and our charitable purpose of providing financial services and technical assistance to cooperatives and other organizations which support underestimated communities. President Trump issued a series of executive orders, which among other things, (i) require all federal agencies to terminate any policies, programs, mandates, guidance, regulations, activities and other actions and orders establishing DEI-based preferences (ii) direct each federal agency to take appropriate action to discourage and deter private sector DEI-based initiatives, including requiring the identification of up to nine potential civil compliance investigations of large nonprofit corporations with assets of $500,000,000 or more, such as Capital Impact, (iii) require the non-statutory components and functions of the CDFI Fund to be eliminated to the maximum extent consistent with applicable law and to reduce the performance of its statutory functions and associated personnel to the minimum presence and function required by law, and (iv) require the Director of the Office of Management and Budget or the head of the executive department or agency charged with reviewing grant requests by the CDFI Fund, to the extent consistent with applicable law and except insofar as necessary to effectuate an expected termination, reject funding requests for the CDFI Fund, to the extent they are inconsistent with the executive order.

The CDFI Fund operates various programs in which Capital Impact participates, including Financial Assistance Awards, Technical Assistance Awards and the New Market Tax Credits Program (NMTC). In 2025, Capital Impact received $6,800,000 from the CDFI Fund and its programs and has access to $85,000,000 of New Market Tax Credits. The inability to benefit from CDFI Fund programs could have an adverse effect on our operations and financial condition. While the fiscal year 2026 minibus spending bill signed by President Trump on February 3, 2026 funds the CDFI Fund at fiscal year 2025 levels, the executive orders signaled a material shift in federal DEI policy that reasonably can be expected to have implications for Capital Impact and its mission as well as the CDFI industry. In this regard, any scrutiny by federal government authorities of Capital Impact and its operations, or those of the CDFI industry generally, may have a material adverse effect on us. Furthermore, Capital Impact's debt financing arrangements from non-government sources (other than the Indenture) includes covenants that Capital Impact maintain its CDFI status. If Capital Impact were to lose its CDFI status, then Capital Impact would either need to amend or seek waivers to these covenants with non-government source partners or seek other refinancing options. This and the potential of losing access to grants from the CDFI Fund could adversely affect our operations and financial conditions and, therefore, our ability to pay interest and principal under the Notes when due.

The Trump Administration is also considering or instituting other changes to eliminate regulations, cut federal expenditures and restructure federal agencies and government-sponsored enterprises. Potential actions of the Trump Administration could include:

- the privatization of Fannie Mae and Freddie Mac, which could result in uncertainty in the residential mortgage finance market;

- the loss of low-income housing tax credits (LIHTCs), which subsidize the acquisition, construction, and rehabilitation of affordable rental housing in underserved communities; and

- the elimination of the Community Reinvestment Act, which encourages banks to help meet the credit needs of the underserved communities in which they operate.

The Trump Administration has already made funding cuts to certain federal agencies, including the U.S. Department of Housing and Urban Development and the U.S. Department of Health and Human Services, and has proposed funding cuts to Medicare and Medicaid.

Capital Impact's investment levels and the operations of its borrowers depend, in part, on these agencies and their programs. The loss of these programs could have an adverse effect on our operations and financial condition.

No assurances can be provided as to how governmental funding in DEI-based areas or other areas may vary over the term of any loan made by us. Changes in funding priorities and regulations could hinder our ability to make loans or affect the ability of our borrowers to make loan payments. In addition, future changes in federal, state or municipal laws, rules, or regulations governing the sale of securities by religious, charitable, or other nonprofit organizations may make it more difficult for us to offer the Notes. Such an occurrence could result in a decrease in the amount of the Notes sold by us, which could potentially affect our operations and ability to meet our obligations to noteholders.

Failure of Capital Impact or CDC to meet existing debt obligations on any debt agreement could result in a cross-default under other debt agreements, which could adversely affect our business, operations and financial condition.

Capital Impact's and CDC's existing debt is (and any future debt likely will be) structured through debt agreements, many of which contain (or will contain) provisions for financial covenants that Capital Impact and CDC must maintain in order to avoid an event of default. If Capital Impact or CDC were to fail to maintain a financial covenant in any of the debt agreements, it would trigger an event of default in not only that particular debt agreement, but also in all other debt agreements that contain a cross-default mechanism. If Capital Impact defaults on its debt agreements or CDC defaults on its debt agreements, in light of Capital Impact's guarantee of CDC indebtedness, it would negatively impact our financial condition and ability to pay interest and principal under the Notes when due.

Any change in Capital Impact's nonprofit, tax exempt or CDFI status could negatively impact its ability to meet its obligations under the Notes.

Federal authorities have determined that Capital Impact is a CDFI certified by the CDFI Fund and is also exempt from federal and state taxation on the basis of its charitable purpose. These determinations rest upon a number of conditions and assumptions that must continue to be met on an ongoing basis. If Capital Impact fails to comply with any of these conditions or assumptions, Capital Impact could lose its CDFI, nonprofit or tax-exempt status. If Capital Impact loses its nonprofit or tax-exempt status, it will be subjected to federal and/or state taxation. If Capital Impact became subject to federal or state taxation, this could negatively impact its financial viability and cash flow, and its ability to sell Notes pursuant to exemptions for nonprofit charitable securities, all of which could ultimately negatively impact its ability to meet its obligations under the Notes. If Capital Impact loses its CDFI status, it will no longer be able to participate in the various programs that are only available to CDFIs. The inability to benefit from CDFI Fund programs would pose a serious challenge to Capital Impact's ability to operate. Finally, a loss of Capital Impact's or CDC's nonprofit, tax exempt or CDFI status would result in an event of default under most of Capital Impact's and CDC's debt agreements and certain other agreements with third parties, which defaults would negatively impact our financial condition and ability to pay interest and principal under the Notes when due.

Failure of Capital Impact to comply with the National Consumer Cooperative Bank Act could negatively impact its ability to meet its obligations under the Notes.

Capital Impact was formed in 1982 as a District of Columbia nonprofit corporation that is a tax-exempt 501(c)(3) public charity at the direction of the United States Congress, pursuant to amendments to the National Consumer Cooperative Bank Act ("NCCBA") adopted in 1981. Capital Impact was formed to support the development of cooperatives in underestimated communities. While we actively engage in activities that are fully consistent with the intent and purpose of the NCCBA, and seeks to engage with cooperatives, we have expanded our impact beyond cooperatives to other organizations that embrace two core and foundational principles of cooperation: voluntary and open membership and democratic member control, and which serve members of a low or moderate income, or otherwise underestimated, community. The NCCBA does not subject Capital Impact to any Federal regulatory oversight. However, Capital Impact could be examined or audited in the future, if the United States Congress were to take action to authorize Federal oversight, or a Federal agency or department (such as the General Accounting Office) were to successfully assert that it possessed the authority to exercise oversight of Capital Impact. Any Federal oversight resulting in a determination that Capital Impact failed to comply with the NCCBA could ultimately negatively impact its ability to meet its obligations under the Notes.

Investments in readily marketable securities are subject to market risk, which may have a material adverse impact on our financial condition and results of operation.

A portion of our liquid assets (including a portion of the proceeds of this offering) is or may be invested in readily marketable securities, such as mortgage-backed securities ("MBS"), and is therefore subject to market risks. As a result, we may incur losses if the market values of those investments decline. We may grow our MBS portfolio in order to leverage capital through its FHLB-A secured credit facility. The MBS may be subject to periodic "mark-to-market" valuations, which may have a negative, interim effect on the reported value of the MBS prior to realization of an investment in the MBS.

Holders of Notes are subject to risk associated with our bankruptcy or insolvency.

If Capital Impact, a subsidiary, or another affiliated company (such as CDC) seeks relief under bankruptcy or related laws, a bankruptcy court could attempt to consolidate its assets into the bankruptcy estate, possibly resulting in delayed or reduced payments to noteholders. While we or the Indenture Trustee are permitted to hold certain segregated funds as Paying Agent under the Indenture, the enforceability in bankruptcy of any pledge of such segregated funds may be limited. Furthermore, there is some risk that a bankruptcy court would deem segregated funds held by us or the Indenture Trustee as assets of the bankrupt estate.

Our loss of key management personnel could adversely affect our operating performance and ability to pay interest and principal under the Notes when due.

We are dependent on the efforts of our key management. Competition for senior management personnel can be intense, and we may not be able to retain our key management. Although we believe qualified replacements could be found for any departures of key management, the loss of their services could adversely affect our operating performance and ability to pay interest and principal under the Notes when due. In addition, the governing agreements of the Momentus Funds generally provide investors with the ability to terminate the investment period in the event that certain "key persons" in the fund do not meet the specified time commitment to the fund or its affiliates.

A health epidemic, pandemic, or similar outbreaks may have an adverse effect on our business.

Our business could be materially and adversely affected by the outbreak of a widespread health epidemic or pandemic, particularly if located in regions where we derive a significant amount of our loan-portfolio

revenue. To the extent the operations of our borrowers are adversely affected, our borrowers' ability to meet their loan obligations may be adversely affected, which, in turn, could lead to loan default, which would adversely affect our results of operations. Finally, the outbreak of a widespread health epidemic or pandemic could lead to volatility and disruption in global financial markets, which could adversely affect our ability to obtain financing to execute our business plan and increase the volatility of the daily mark-to-market values of the underlying securities in our mortgage-backed securities portfolio.

Shared directors of Capital Impact and CDC could result in conflicts of interests.

Capital Impact and CDC have identical Board membership, and the meetings of the Boards of Directors of both organizations are held jointly. As a result of the sharing of directors, persons associated with CDC will be in a position to exercise significant influence over Capital Impact's affairs, which influence might not be consistent with the interests of some of our noteholders. In addition, directors of both Capital Impact and CDC have fiduciary duties to both entities. As a result, such directors could experience a conflict of interest between their duties to Capital Impact and CDC in the future, which may have an adverse effect on our business and prospects.

Shared executive officers of Capital Impact and CDC result in a split in management time and could result in conflicts of interest.

Capital Impact and CDC each have substantially overlapping executive management teams, including Ellis Carr, Capital Impact's President and Chief Executive Officer, serving as President and Chief Executive Officer of both organizations. Some of these officers are also involved in the activities of Momentus Manager and Momentus Securities, the taxable, for-profit subsidiaries of Capital Impact (*see* "Broker-Dealer and Investment Adviser Activities" beginning on page 38). Accordingly, Capital Impact's executive management team splits their time between Capital Impact and CDC, and those taxable, for-profit subsidiaries. Although Capital Impact believes that its management will spend sufficient time to meet their responsibilities, the amount of time devoted to Capital Impact will depend on specific circumstances at any given point in time. As a result, in a given period, management may spend less than a majority of their time on Capital Impact's matters. The diversion of management's time and attention may have an adverse effect on our business and prospects.

As a result of the sharing of executive management, persons associated with CDC will be in a position to exercise significant influence over Capital Impact's affairs, which influence might not be consistent with the interests of our noteholders. As a result, such officers could experience a conflict of interest between their duties to Capital Impact and CDC in the future, which may have an adverse effect on our business and prospects.

We face risks relating to cybersecurity threats that could cause loss of confidential information and other business disruptions.

We rely extensively on information technology systems to process transactions and manage our business, and our business is at risk from and may be impacted by cybersecurity incidents. These could include attempts to gain unauthorized access to our data and computer systems as well as attacks on third party's information technology systems that we rely on to provide important information technology services relating to key business functions, such as payroll. Cyber-attacks can be both individual and/or highly organized attempts by very sophisticated hacking organizations. A cyber-attack could compromise the confidential information of our employees, tenants and vendors. A successful attack could adversely affect our business operations, results of operations or financial condition by, among other things, disrupting our

collection of revenue, interfering with our ability to satisfy our financial obligations by restricting access to our assets, or causing inaccuracies in our financial reporting. We employ a number of measures to prevent, detect and mitigate these threats, which include password encryption, frequent password change events, firewall detection systems, anti-virus software in-place, frequent backups, a redundant data system for core applications and penetration testing; however, there is no guarantee such efforts will be successful in preventing a material cybersecurity incident.

The activities of our broker-dealer and investment advisory subsidiaries are subject to a number of risks and conflicts of interest.

As described under "Description of the Issuer – Broker-Dealer and Investment Adviser Activities" beginning on page 38 below, we commenced broker-dealer and investment advisory activities in 2023 through subsidiaries. These activities represent new offerings for which we have limited prior experience. These activities expose us to a number of risks, including:

- *Extensive regulation, which could subject our subsidiaries to additional costs and significant penalties*. Broker-dealer and investment advisory activities are subject to extensive regulation under federal and state laws by governmental agencies, supervisory authorities and self-regulatory organizations. The costs and uncertainty related to complying with such regulations are significant. These regulations affect certain of our regulated subsidiaries' business operations and impose capital, client protection, and market conduct requirements on Capital Impact's regulated subsidiaries as well as restrictions on the activities that Capital Impact's regulated subsidiaries are allowed to conduct. We may also become subject to increasing regulatory scrutiny as our operations grow. Regulators have broad discretion in connection with their supervisory and enforcement activities and examination policies, and the regulated subsidiaries' activities and related governmental and self-regulatory oversight could negatively impact us and our business strategy indirectly and/or directly. Despite efforts to comply with applicable legal requirements, there are a number of risks, particularly in areas where applicable laws or regulations may be unclear or where regulators could revise their previous guidance. Any enforcement actions or other proceedings brought by regulators against Capital Impact, its regulated subsidiaries or their respective officers or employees could result in fines, penalties, cease and desist orders, enforcement actions, suspension, disqualification or expulsion, or other disciplinary sanctions, including limitations on business activities, any of which could harm our reputation and adversely affect our results of operations and financial condition.

- *Failure to meet capital adequacy and liquidity guidelines could affect Capital Impact's financial condition*. Momentus Securities must meet certain capital and liquidity standards, subject to qualitative judgments by regulators about the adequacy of their capital and internal assessment of their capital needs. Capital Impact may choose to supplement Momentus Securities' minimum capital requirement to the extent the broker-dealer, a new business in its initial stages, is unable to secure the required funds. Failure by Momentus Securities to meet minimum capital requirements could result in certain mandatory and additional discretionary actions by regulators that, if undertaken, could have a negative impact on us.

- *Investment advisory operations may subject us to fiduciary or other legal liability for investor losses*. Investment advisory and fund management services are complex activities and include investment advisory and back office operational functions such as investment selection, compliance with investment restrictions, regulatory compliance, recordkeeping and accounting, asset valuation, corporate actions, account reconciliations, and distributions to fund investors. Capital Impact provides certain operational and back-office services to Momentus Manager on a contractual basis.

Failure to meet industry and regulatory standards in performing investment and operational functions could subject Momentus Manager and Capital Impact itself to regulatory sanctions, penalties or litigation and result in reputational damage, liability to clients and investors, and the termination of investment advisory and other client agreements and the withdrawal of assets under management.

USE OF PROCEEDS

The proceeds of the offering will be used primarily to fund initiatives that meet critical needs in low-income communities across the United States, including through Capital Impact's subsidiaries, affiliates, strategic partners, joint ventures and third-party intermediaries, including CDC, Momentus Manager and Momentus Securities, as further described beginning on page 38. The proceeds of the offering may also be used to purchase securities or other assets that will be leveraged to support our lending activities and general operations, to repay outstanding indebtedness, including maturing Notes, and for general corporate purposes.

Consistent with our existing projects, initiatives that are funded using the proceeds from the offering are expected to be focused in the healthcare, education, affordable housing and community development sectors. Proceeds will also be used to provide technical assistance to borrowers and other market participants as projects are developed in order to increase the likelihood that its borrowers' projects will be successful and have a positive impact on the communities they serve. We typically invest in cooperatives, cooperative-like organizations, nonprofit organizations, and CDFIs that are dedicated to supporting these sectors. In addition, proceeds from the offering may also be used to make investments in Momentus Manager and the Momentus Funds (*see* "Broker-Dealer and Investment Adviser Activities" beginning on page 38) or investments in the form of equity, debt (including small business loans) or revenue/profit sharing arrangements, in entities supporting programs that are generally consistent with our mission.

We may allow investors who offer to purchase a minimum of $2,000,000 in Notes to request that we use the proceeds of the Notes purchased by such investor for a particular purpose (i.e., to benefit vulnerable populations in a particular geography, or to meet a critical need in a particular industry or sector). We will weigh a variety of factors when considering such requests, including, in particular, whether or not the use of the proceeds to benefit such population, geography, or sector is aligned with our nonprofit, tax-exempt purposes and strategic plan, and will accept or decline such requests in our sole discretion.

Please note that proceeds from the sale of the Notes will not be used to pay commissions or any other costs related to the sale of the Notes; all commissions or related costs will be paid from our operating budget and will therefore not be charged to investors.

DESCRIPTION OF THE ISSUER

Overview

Capital Impact is a District of Columbia nonprofit corporation, formed in 1982 pursuant to Title 2 of the National Consumer Cooperative Bank Act of 1978, as amended, at the direction of the United States Congress. Capital Impact is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, as amended (the "Code"), and a public charity, as described in Section 509(a)(1) and Section 170(b)(1)(A)(vi) of the Code. Our principal executive office is located in Arlington, Virginia; we also have offices located in Oakland, California; Detroit, Michigan; New York, New York; and Austin, Texas. In 2011, Capital Impact was certified as a CDFI by the CDFI Fund.

Mission

Our charitable purpose is to provide financial services and technical assistance to cooperatives and other organizations which support underestimated communities. We accomplish our charitable purpose by (i) financing projects in the healthcare, education, affordable housing and community development sectors, (ii) providing technical assistance to borrowers and other market participants as projects are developed in order to increase the likelihood that our borrowers' projects will be successful and have a positive impact on the communities they serve, and (iii) investing in entities supporting programs that are generally consistent with our mission. Through capital and commitment, we help people build communities of opportunity that break barriers to success.

Strategy

Our business strategy is one that supports comprehensive community revitalization and is specifically designed to actualize our vision of a nation of communities built on a foundation of respect and cooperation, in which high-quality healthcare, healthy foods, affordable housing, and quality education are accessible to everyone present in the community. Our business strategy may develop over time, consistent with Board approval and oversight, as a result of the strategic alliance with CDC, as further described on page 38.

Cooperatives, cooperative-like organizations, and other organizations that are dedicated to supporting these sectors receive financial support (primarily in the form of loans) and technical assistance (primarily in the form of sector-specific expertise) from us in furtherance of our charitable purpose. We believe that we are 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.

As discussed in more detail in the section on the "Strategic Alliance with CDC and Momentus Capital Rebranding" below, Capital Impact's business strategy also includes working alongside CDC to provide a unique suite of financing products and programs that support community efforts to create strong, vibrant, and healthy places of opportunity, and will increase the impact and financial sustainability of both organizations.

Lending

Our core business is to lend capital to organizations engaged in community development projects that are aligned with our mission. A typical borrower is an organization involved in developing commercial real estate that creates affordable housing or becomes the backbone for community-based services in one of our sectors; examples include charter schools and community health centers. Although we offer a variety of debt products to our borrowers at different stages of the borrower's life cycle, as more fully described below, a typical loan is one that is secured by a first lien on commercial real estate. Because borrowers in our sectors are often unable to obtain financing at competitive rates directly from conventional lenders, such as regulated retail or commercial banks, we pride ourselves on sourcing and providing capital to mission-oriented borrowers at competitive rates and/or on terms that are generally more flexible than those that may be available to the borrowers in the traditional capital markets.

Although we operate on a nationwide basis, our lending products provide facilities-related financing targeted to key community pillars located primarily in one of our five core geographies, which are anchored by the locations of our offices and staff. This 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, to create a set of interconnected resources that work to strengthen each other. At the present time, our investments are concentrated in California, Michigan and northern Ohio, the Washington, D.C. metropolitan area, the New York City metropolitan area and central Texas (Austin, San Antonio, Dallas/Fort Worth and Houston). These geographic concentrations may shift in the ordinary course of business as we evaluate our business strategy, including new opportunities that arise in new geographies, and our concentration risk, which may result in a re-balancing of our portfolio.

We often work with local and national strategic partners, including community development organizations, private foundations, other CDFIs and the community development groups within commercial banks, to establish viable ties to the communities we serve, enhance our market presence and increase the scope of the financial products and technical assistance that we can bring to market. Our strategic partners are selected based on a variety of factors, including mission alignment, commitment to a particular sector or geography, community ties and financial strength.

In addition to providing capital directly to project borrowers, Capital Impact engages in lending activities with its strategic partners through its wholly owned subsidiaries, affiliates and third-party intermediaries, including CDC, as further described beginning on page 38, and through the purchase and sale of whole loans and fractional loan participations.

Capital Impact's subsidiaries are typically formed specifically for the purpose of lending to borrowers operating within a particular sector or geography and are typically financed by Capital Impact and its strategic partners through senior-subordinate debt structures. The senior-subordinate debt structures used to capitalize the subsidiaries allow Capital Impact to provide project borrowers with financing on flexible terms and afford its strategic partners an opportunity to more broadly share risk in markets that have historically been difficult for them to finance at market rates. Capital Impact manages all aspects of the business of these subsidiaries, including the origination and servicing of loans made by the subsidiaries. These subsidiaries are actively engaged in sector-specific or geographically focused lending activities.

Our intermediary lending relationships allow us to finance the lending activity of other lenders to achieve scale in an area in which the intermediary has a particular focus or expertise. Examples of intermediaries financed by us include joint ventures, cooperative loan funds, nonprofit organizations, including CDC, as

further described beginning on page 38, and other CDFIs. In each case, the mission, underwriting practices and asset management capabilities of the intermediary are believed to be aligned with those of us.

The purchase and sale of whole loans and fractional loan participations, directly by Capital Impact or through special purpose entities or joint ventures, enable us to create liquidity, manage credit risk and diversify our portfolio.

Sources of capital used to finance or otherwise support our programs include: institutional debt, grants, guarantees, credit enhancements and program-related investments, the Notes and special purpose entities, joint ventures or private investment funds. Most of this capital originates from Federal government programs, private foundations, retail investors, or other institutions focused on using our established lending platform to scale community development efforts.

Servicing and Portfolio Management

In addition to servicing a portfolio of loans for itself and, for a customary fee, its wholly owned subsidiaries, Capital Impact also services commercial loans that are owned in whole or in part by strategic partners, affiliated or unaffiliated funds, including special purpose entities and joint ventures, with similar community development goals, or that are a part of tax credit transactions in which Capital Impact is also a leverage lender or allocatee. Servicing clients typically bring capital and sector-specific expertise to transactions in which we have an interest, but do not have the necessary servicing platform or personnel to service their own loans or loans of the type originated by us for community development purposes. Servicing includes the management of billing and payment applications and responding to the immediate needs of the borrower. We generate fee revenue when we perform servicing on behalf of third parties and limit this activity to transactions in which the strategy and mission of the parties, or the underlying community development purpose of the loans being serviced, is aligned; it is not a service that is marketed independently of our core competency in community development. Our portfolio management team manages all aspects of each loan over its life, and monitors loan performance and the credit risk relating to each loan.

Technical Assistance

Although we do not generate a substantial amount of revenue through our technical assistance activities, we view technical assistance as being core to our mission and critical to the success of our project borrowers and the communities we serve. Our technical assistance activities include research, writing, analytics and consulting in areas in which our team of professionals have industry-recognized expertise. Our technical assistance benefits a wide range of stakeholders, including existing and potential project borrowers, community development organizations, strategic partners, policy makers and internal business units, all of whom are dedicated to actualizing our vision for a more respectful and cooperative society.

Other Investments

In addition to our lending program, we make investments in, and grants to, cooperatives, cooperative-like organizations, nonprofit organizations, CDFIs, private investment funds (including the Momentus Funds), joint ventures and others involved in supporting programs that are generally related to our mission. The scale, scope, or focus of these investments may change over time, consistent with Board approval and oversight. These investments may be in the form of equity, debt (including small business loans) or revenue/profit sharing arrangements. Some of these investments, which generally are not subject to our normal underwriting standards, tend to be higher risk investments than those in our loan portfolio. In certain cases, our investments may be in the form of minority equity investments where we do not control the

underwriting or asset management of the investments. If these investments are not recoverable, it will result in a reduction of capital available to support our lending activities.

Strategic Alliance with CDC and Momentus Capital Rebranding

In 2021, Capital Impact consummated a transaction with CDC, a California nonprofit corporation, which is a Certified Development Company as certified by the U.S. Small Business Administration, whereby Capital Impact and CDC operate together to focus on economic empowerment and wealth creation but remain as separate legal and tax entities. The strategic alliance provides for Capital Impact and CDC the unique ability to deliver a full suite of financial products and programs that support community efforts to create strong, vibrant, and healthy places of opportunity, designed to increase the impact and financial sustainability of both organizations.

In connection with the strategic alliance, Capital Impact and CDC have identical Board membership, and the meetings of the Boards of Directors of both organizations are held jointly to ensure consistency of approach on overall strategy and business planning. In addition, Capital Impact and CDC have substantially overlapping executive management teams with Ellis Carr, Capital Impact's President and Chief Executive Officer, serving as President and Chief Executive Officer of both organizations.

Each of Capital Impact and CDC have separate audited financial statements for itself and its consolidated subsidiaries, and they also have combined audited financial statements. To enable each organization to benefit from the combined financial strength of both organizations, Capital Impact and CDC cross-guarantee most of the other party's debt and are co-borrowers on other obligations. However, neither CDC nor its subsidiaries are obligors or guarantors of the Notes. As a result, the audited financial statements included in this Prospectus reflect financial information of Capital Impact and its consolidated subsidiaries only, which excludes CDC and its subsidiaries. In addition, our business and operations described in this Prospectus do not include the business and operations of CDC and its subsidiaries. Capital Impact and CDC are continuing to evaluate whether CDC will become a guarantor or co-issuer of the Notes in the future.

In 2022, the strategic alliance of Capital Impact and CDC was rebranded as Momentus Capital, although each of Capital Impact and CDC operate as a separate entity committed to serving its key market and clients, complementing Capital Impact's and CDC's shared missions of community development and support for small businesses.

Broker-Dealer and Investment Adviser Activities

Stemming from research that uncovered significant demand for investment capital in communities across the country, we believe that it can play a deeper role in communities than with our core lending activities. Leveraging our current footprint and market positions, we have developed a business plan for an intermediary role in community development finance to help bridge the gap between capital sources and community development projects by offering a range of financial services.

As part of this strategy, in 2022, through a taxable subsidiary, we acquired an SEC-registered broker-dealer and a member of FINRA which has been renamed Momentus Securities. Momentus Securities is a mission-driven investment bank that connects institutional investors with community organizations through community-centric securities offerings and other services that raise capital for funding Capital Impact's and CDC's shared mission – community development and support for small businesses. Its licenses for institutional brokerage, with primary focus on investment banking and mergers and acquisitions advisory, among other transactional businesses, have been approved by FINRA, effective in 2023.

We also control Momentus Manager, a taxable indirect wholly-owned investment adviser subsidiary, which currently serves as an investment adviser to one or more private Momentus Funds. Momentus Manager is an investment adviser registered with the SEC under the U.S. Investment Advisers Act of 1940, as amended. The Momentus Funds are exempt from registration as investment companies under the U.S. Investment Company Act of 1940, as amended. Momentus Manager has also partnered with a large global corporation to make investments in certain businesses through a Momentus Fund and may continue to enter into similar strategic partnerships or alliances in the future. As of December 31, 2025, Momentus Manager had approximately $5,603,952 of assets, representing less than 1% of our total assets and, for the year ended December 31, 2025, revenues derived from Momentus Manager represented less than 3% of our revenue. Momentus Manager may, in the future, manage the assets of additional Momentus Funds. Momentus Funds are typically organized as limited partnerships (or limited liability companies) in which investors are limited partners (or members) who do not take part in the fund's management or operations. They provide capital and participate in the Momentus Fund's profits and losses while Momentus Manager manages the fund's assets and operations for investment management fees and a profit share.

The Momentus Funds, while for-profit business enterprises, currently intend to invest, whether in the form of equity, debt or revenue/profit sharing arrangements, in growth-stage small and medium sized community businesses as part of bolstering our community development-focused program and mission to support small businesses. Momentus Fund investments, which are not subject to our normal underwriting standards, tend to be higher risk investments than those in our loan portfolio. In certain cases, our investments may be in the form of minority equity investments where we do not control the underwriting or asset management of the investments. If these investments are not recoverable, it will result in a reduction of capital available to support our lending activities. In April 2024, Momentus Manager closed its first Momentus Fund with an aggregate capital commitment of approximately $171,000,000.

These broker-dealer and investment advisory activities are intended to generate revenue streams in the form of fee income, profit share and commissions (whether related to placement of securities, financing, investment management or investment banking).

Demonstrated Results

Our dedication to our mission has led us to become recognized as a leader in community development in communities across the country. Notably, as of December 31, 2025, we have:

- disbursed more than $3,500,000,000 to organizations that provide services to more than 6 million people in low-income communities annually;
- become a significant nonprofit community health center lender in the country, with more than $1,050,000,000 deployed to Federally Qualified Health Centers and other community-based health care providers, touching nearly 4 million patients nationwide;
- provided close to $1,000,000,000 in financing to charter schools serving over 15,000 students annually;
- deployed over $200,000,000 to healthy food retailers and wholesalers that have eliminated food deserts and other low access areas;
- disbursed approximately $374,000,000 to the revitalization of housing and other community facilities in Detroit, Michigan; and
- disbursed over $800,000,000 toward the financing of affordable housing units.

LENDING ACTIVITIES

Loan Products

We offer the following loan products to organizations operating in or supporting the 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.

Although our loans are typically secured by a first lien on the real estate or other business assets of the borrower, we sometimes take a subordinated or unsecured position in a transaction. We believe that this flexibility enables us to support borrowers throughout their life cycles, and that this support leads to greater social impact in the communities we serve. Determinations regarding the level of credit risk that is supportable in a particular transaction, including the type and amount of collateral required to secure our position, are made in accordance with our underwriting guidelines and the underwriting and approval process described below.

Lending Criteria

Because we are a public charity, we place strong emphasis during the evaluation process on the connection between the borrower's project and our charitable purpose and mission. We consider the likelihood that the borrower's project will drive societal change in a community or sector served by us and may give greater weight to the potential social impact of the project than it does to other factors that traditionally drive the credit decisions of commercial banks. When considering mission alignment, we typically focus on the degree to which the project will:

- benefit low-income or disadvantaged populations;
- increase access to goods and services in underestimated communities;
- develop needed infrastructure to support commerce; and
- drive further development and density within a targeted area.

Potential loans are evaluated by our Credit Committee to determine the fit with our overall strategy and mission, and then potential loans move to underwriting to determine if the credit and risk requirements set forth in our underwriting guidelines are met. The factors used to evaluate potential loans include:

- how the proposed loan fits within our strategy for the sector or geography;
- the risk of the loan relative to the risk allocations within our portfolio by sector and geography and the overall credit quality of the portfolio;
- the financial strength of the borrower;
- the financial projections for the project to be financed;

- the ability of the borrower to repay the loan obligation;
- the value of the collateral for the loan (if any);
- the need for and availability of additional credit support if the creditworthiness of the borrower is questionable or the value of the collateral is low;
- the success of other similar projects completed by the borrower (if any);
- the availability of capital to finance the transaction at competitive rates; and
- the interest of third parties, such as community development organizations, CDFIs, community banks and private foundations, to partner on the transaction, including, for example, through co-lending arrangements, or loan sales or participations, directly or through special purpose entities or joint ventures.

Our mission focus during the evaluation process differentiates us from our for-profit peers in the financial services and banking industries and may result in the extension of credit to higher risk borrowers consistent with our mission.

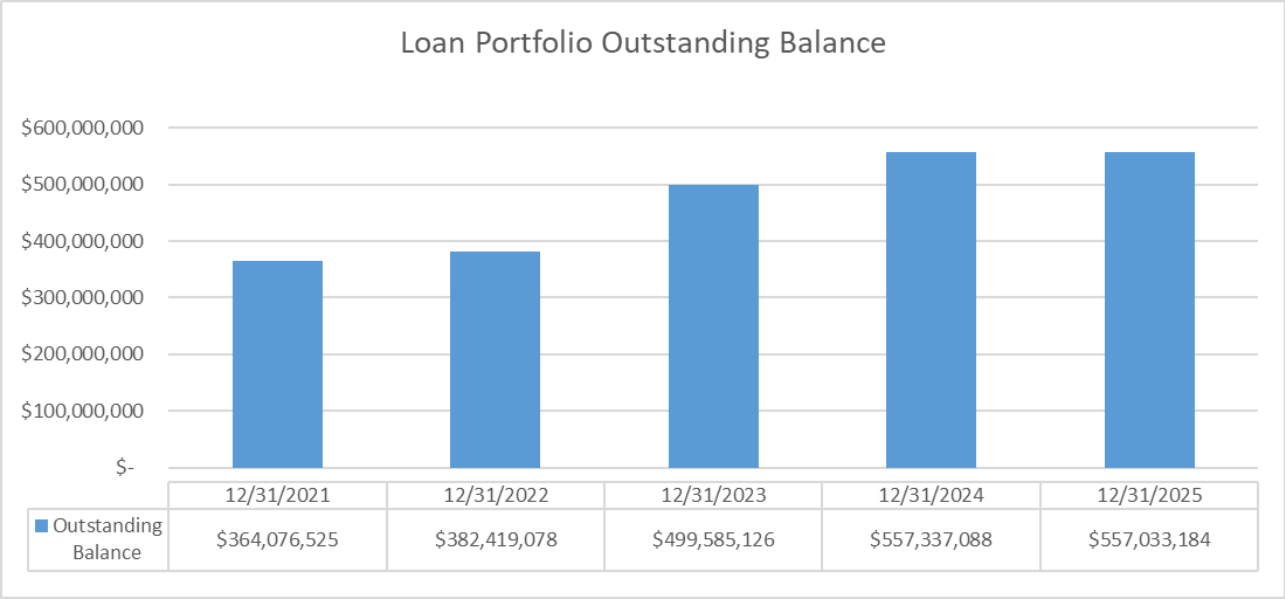
We maintain a loan policy that provides a framework for and expectations to management regarding the scope and nature of our lending, in furtherance of our mission and tax-exempt purposes. The loan policy is reviewed and approved by our Board of Directors on an annual basis.

Loan Portfolio

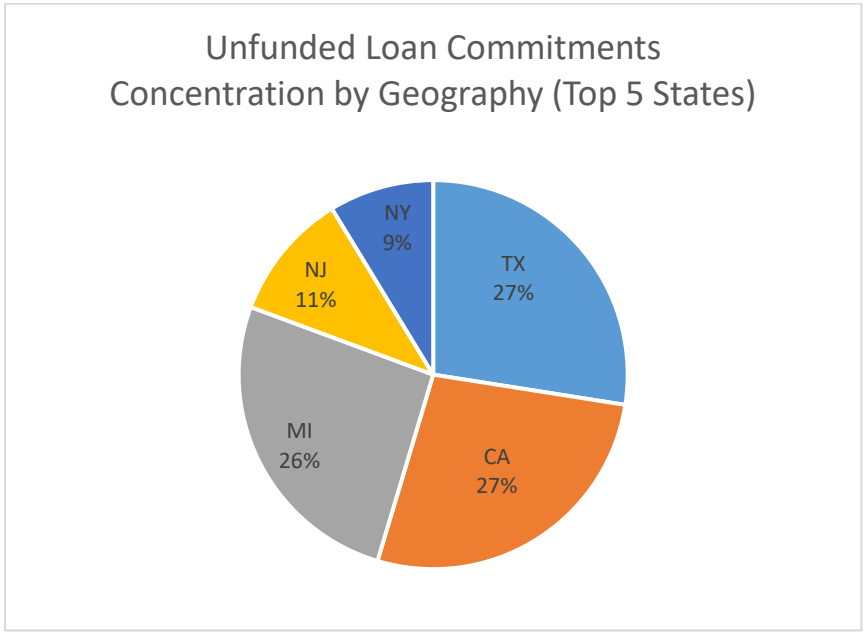
Our loan portfolio consists of loans reflected in our loans receivable balance as set forth in our accompanying audited financial statements. The loans receivable balance includes loans disbursed through Capital Impact as well as Capital Impact's portion of loans disbursed through five consolidated subsidiaries.[2] Capital Impact earns revenue (which may include interest, management fees, servicing fees, and other revenue) related to its subsidiary loans and loans it manages on behalf of unaffiliated third parties; but these loans are not reflected in our loans receivable balances set forth in the accompanying audited financial statements.

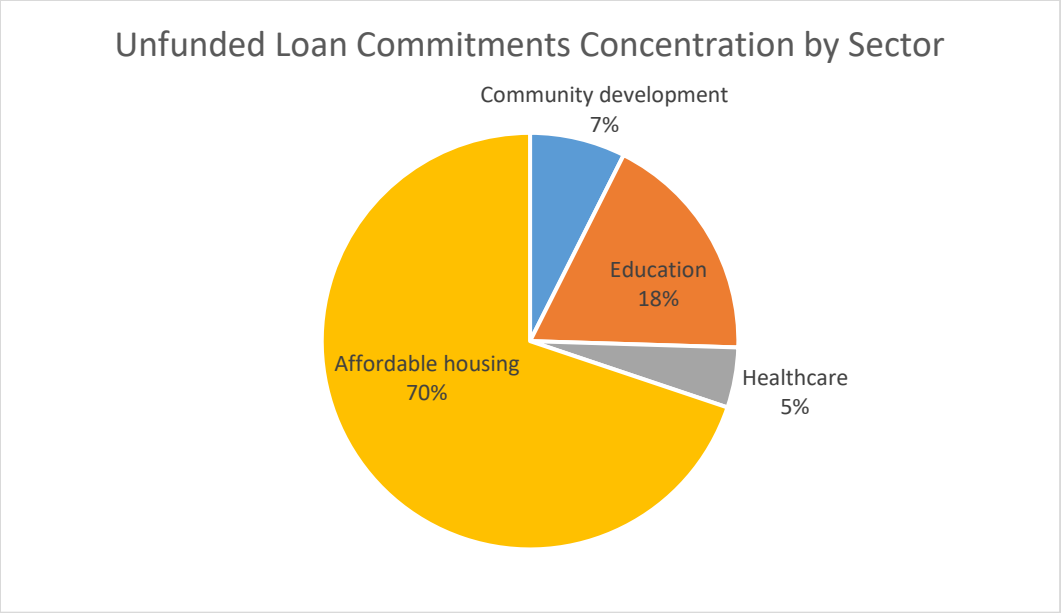
[2] Five subsidiaries were consolidated on Capital Impact's financial statements during the period of 2021 to 2025: FPIF, LLC, Detroit Neighborhoods Fund, LLC, Community Investment Impact Fund, LLC ("CIIF"), Community Investment Impact Fund II, LLC ("CIIF II") and Alliance Securities Manager, LLC. CIIF commenced operations as of December 13, 2017 and CIIF II merged with and into CIIF as of January 1, 2020 and is no longer in existence. Alliance Securities Manager, LLC commenced operations as of December 10, 2021. Momentus Fund I GP LLC is a Delaware limited liability company and wholly-owned subsidiary of Capital Impact and is a single purpose entity that holds the general partner interest in Momentus Fund I LP, commencing operations on June 10, 2022.

Our loan portfolio is illustrated in the below chart.



In the normal course of business, we make commitments to extend loans and lines of credit, which are not reflected in our financial statements until they are disbursed. Since many of the commitments are expected to expire without being completely drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Our unfunded loan commitment balance as of December 31, 2025 was $54,645,092, the detail of which is illustrated in the following charts.





Lending Process: Underwriting and Approval

Each new loan is evaluated in a multi-phase process that is both formal and documented to ensure that the loan is aligned with our mission and strategy. The credit risk represented by the loan falls within acceptable risk parameters and the structure and terms of the loan serve to mitigate identified risks to the extent possible.

Screening Committee. Each new loan is evaluated on a preliminary basis by a Screening Committee, comprised of a Director of Loan Originations, Head of Credit, a portfolio management representative, and the Head of National Programs or a designee. The Screening Committee evaluates the loan to determine its fit with our lending strategy, the requirements of a particular lending initiative (if applicable), and the resources available to fund it. If the Screening Committee approves the memo, the loan officer prepares a term sheet that is reviewed by the responsible Director of Loan Originations. If the term sheet is accepted by the responsible Director of Loan Originations, a loan officer then underwrites the loan and prepares a credit memo that is submitted for credit approval.

Credit Approval. All loans require final credit approval from the following personnel: (i) Community Development Real Estate (CDRE) Loan Officer, Director of National Underwriting, and Director CDRE and Loan Workout for loans up to $4,000,000 and (ii) Head of Credit and Senior Vice President for CDRE for loans above $4,000,000. For loans above $10,000,000, the Chief Risk Officer must approve in addition to the foregoing approvers for loans in excess of $4,000,000.

Underwriting. Once approved by the required parties, a loan moves to underwriting and a non-binding term sheet is typically issued to the prospective borrower. Our underwriting group is overseen by the Director of National Underwriting. This group underwrites all loans that have successfully moved through the screening process and had a term sheet accepted by the borrower. During underwriting, due diligence is completed; all exceptions to our underwriting guidelines, pricing guidelines, and any applicable lending initiative requirements (including those identified earlier by the approvers) are noted, together with any potential mitigants, and the structure of the proposed loan is modified, if and to the extent necessary to address residual risk. The underwriting is submitted for review and approval to the required approvers. If the

aggregate principal amount of the loan exceeds the credit limit established by our Board of Directors, it must also be approved by the Chief Executive Officer prior to submission to and approval by the Board's Audit & Risk Committee.

Approval Letters. Approval of all loans, with the exception of New Market Tax Credit (NMTC) transactions and California Primary Care Association (CPCA) loans, will be evidenced by issuance of an approval letter issued to the borrower after the loan is approved, or such other documentation acceptable to management. In a NMTC transaction, reservation letters are issued to reserve NMTC allocation, and the underwriting occurs at the same time as the structuring and legal work, so an approval letter is unnecessary. The CPCA loan program is a standardized program with minimal underwriting requirements, no negotiated terms, and fast moving from application to closing so approval letters were deemed unnecessary. The approval letters are based on a template that incorporates key loan terms set forth in the credit memo and has been approved by our Legal department. Should a loan be complex or have unique points, the approval letter will be reviewed by an attorney in our Legal department for accuracy and completeness. The applicable CDRE Regional Director or the National CDRE Director is required to review all approval letters prior to signing.

Closing. Licensed attorneys within our Legal department work with staff in its Lending and Operations departments to document and close all approved loans. Our Legal department has developed and consistently leverages standardized forms and processes to manage risks that vary based on the type and location of transaction. Outside counsel is consulted by our Legal department if subject matter expertise is not resident within the department.

Disbursements and Servicing. The Servicing department adds the details of each loan and other borrower-related information into Capital Impact's loan accounting system to enable proper reporting and management of the asset. Servicers manage billing, payment application and any immediate issues and questions from the borrower. Construction management staff actively manages all aspects of each construction loan, including the general contractor relationship, contract, and other due diligence review, draw requests and disbursements, and construction budget management. These processes are intended to ensure that loans are disbursed to borrowers in accordance with applicable loan documentation when conditions to disbursement have been satisfied; payments from borrowers are collected and deposited into the appropriate corporate account(s); an appropriate portion of the payments are remitted to the investors in the loan (if any); and other ministerial functions related to the loan have been completed.

Credit Quality and Risk Management

Portfolio Management. Our portfolio management team, with the support of our Legal department, manages all aspects of each loan over its life, including delinquencies, waivers, amendments, and modifications, and monitors loan performance and the credit risk related to each loan by conducting annual site visits and periodic loan reviews. The frequency and scope of the site visits and loan reviews vary depending on the risk rating assigned to the loan; risk rating adjustments are typically made as a result of information acquired during the portfolio management process. Our portfolio management and servicing teams closely monitor loan delinquencies, beginning internal follow-ups at 30 days past due. Our loan officers maintain direct, ongoing contact with borrowers facing financial difficulty or whose payments are delinquent. Consistent with our use of lending activity to further our non-profit mission, we may employ a range of resolution strategies, including term extensions, interest deferrals, interest rate reductions, principal forbearance or forgiveness, other financial accommodations and modifications, or a combination thereof, tailored to each borrower's circumstances. Generally, loan modifications modify terms to achieve payment terms that are more affordable to the borrower, and as a result, increase the likelihood of full repayment of principal and

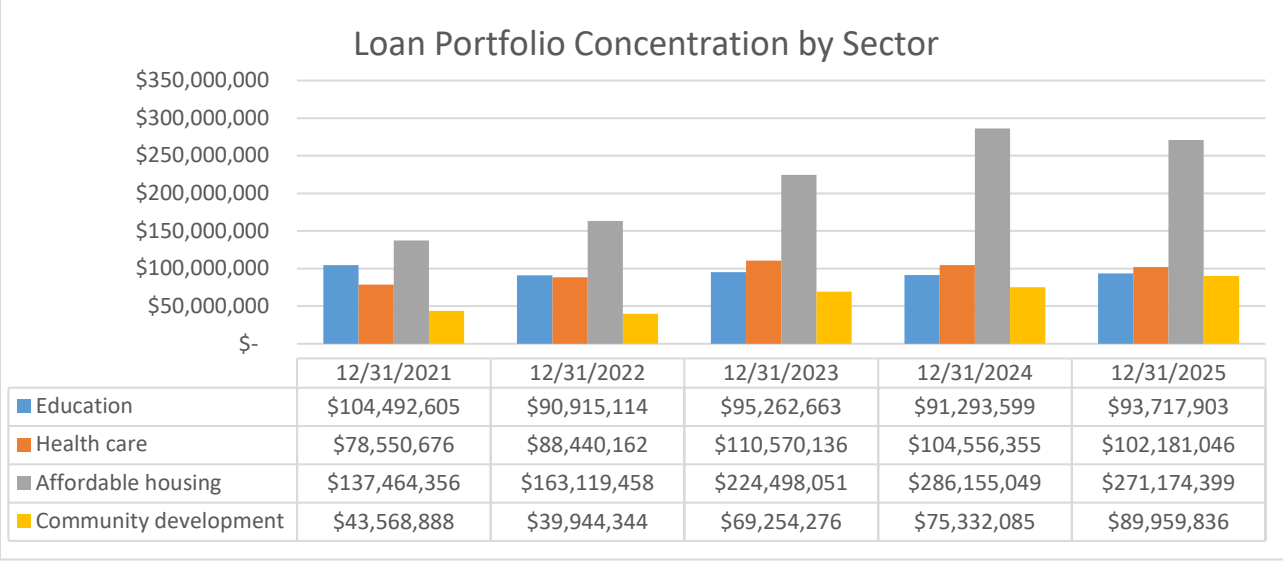
interest. Loan modifications must comply with terms of our significant modification loan restructuring policy, which is in alignment with Current Expected Credit Loss (CECL) policy under Financial Accounting Standards Board (FASB) guidelines. We also proactively track pre-delinquency indicators, such as missed partial payments, late payments within grace periods, and unusual borrower communication, allowing us to intervene early before a loan becomes seriously delinquent. For more complex situations, delinquent loans are referred to our special assets team, which employs tailored workout strategies, including connecting developers with technical assistance and identifying grant funding for immediate repair needs (if any).

Oversight. We have quarterly internal Risk Management/System Operations meetings. Credit quality metrics and trends, the allowance for credit losses, and new loan programs are evaluated and discussed at these meetings led by the Head of Credit Operations. Key risk, operations and accounting personnel attend and participate in the meetings. Issues identified during the meetings are assigned to appropriate personnel for resolution.

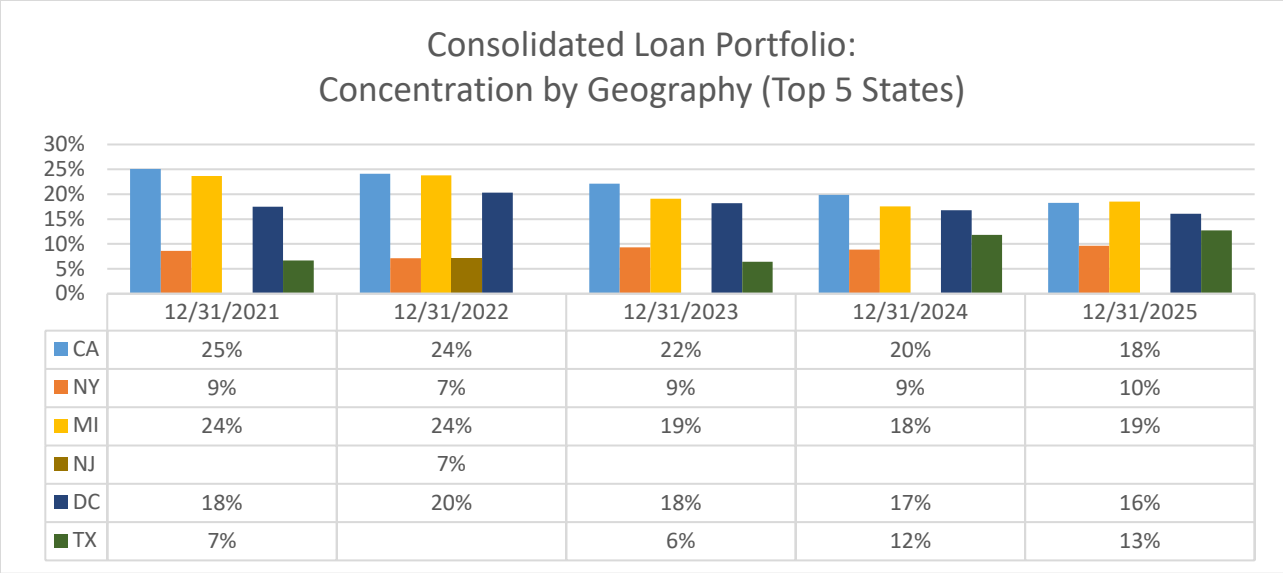
Diversification and Concentration. We seek to diversify risk by lending in a variety of sectors and geographies. However, consistent with our strategy and mission, we are focused in several specific sectors and geographies. Our sectors at the present time are healthcare, education, housing, food systems and a place-based initiative in Detroit. Overlaying the sectors is a focus on particular geographies – specifically California, Michigan and northern Ohio, the Washington, D.C. metropolitan area, the New York City metropolitan area and central Texas (Austin, San Antonio, Dallas/Fort Worth and Houston), with growth opportunities in other geographies subject to evaluation. We also have concentrations in the areas of loan product and loan size. No single loan or borrower represents 10% or greater of our total loan portfolio as of December 31, 2025.

We do not have established quantitative lending concentration or geographic limits, but actively monitor the loan portfolio on a quarterly basis. Concentration and geographic risks, and any related changes in approach, are reported to our Board of Directors on a regular basis. Concentrations will shift over time as new opportunities in new sectors or geographies are integrated into our strategic plan, or as we determine that shifts in approach are advisable to manage risk.

The following charts illustrate our sector-specific and geographic concentrations:



	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
Education	$104,492,605	$90,915,114	$95,262,663	$91,293,599	$93,717,903
Health care	$78,550,676	$88,440,162	$110,570,136	$104,556,355	$102,181,046
Affordable housing	$137,464,356	$163,119,458	$224,498,051	$286,155,049	$271,174,399
Community development	$43,568,888	$39,944,344	$69,254,276	$75,332,085	$89,959,836



	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
CA	25%	24%	22%	20%	18%
NY	9%	7%	9%	9%	10%
MI	24%	24%	19%	18%	19%
NJ		7%			
DC	18%	20%	18%	17%	16%
TX	7%		6%	12%	13%

[1] New Jersey was not part of the top 5 states in years 2021 and 2023-2025. Texas is not part of top 5 states at year end 2022.

Risk Rating System and Loan Review. Capital Impact maintains a risk rating system that is applied to all loans originated by it or its subsidiaries and to all third-party loans that are serviced by us. Each loan is assigned a risk rating when the loan is closed; ratings are assigned in accordance with our underwriting guidelines. The risk rating system identifies the risks that exist in the portfolio, supports the development of the allowance for credit losses, and provides guidance regarding the level of resources that should be devoted to monitoring a particular credit.

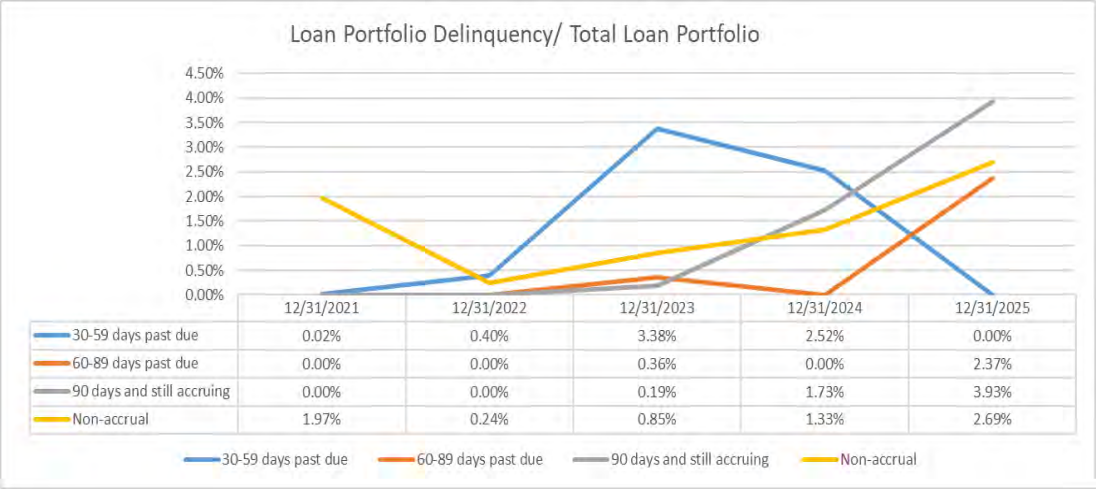
As noted above, risk rating adjustments are typically made as a result of information acquired during the portfolio management process. The risk ratings are also evaluated each year in the ordinary course of the audit of our financial statements. Additionally, a random sampling of the loan portfolio is reviewed at least once per year by an independent consultant. The results of the independent loan reviews, which examine, among other things, the risk ratings assigned to the loans, are presented to the Audit & Risk Committee of our Board of Directors.

In 2025, we saw a deterioration in the credit quality of our loan portfolio, particularly in the affordable housing sector. The following chart summarizes the loan portfolio by sector and the internally assigned credit quality ratings for those categories as of December 31, 2025 and 2024:

December 31, 2025	Above Average	Pass	Watch	Special Mention	Substandard	Doubtful	Total
Education	$ 1,498,975	$ 14,169,927	$ 60,070,992	$ 17,816,479	$ 161,530	$ -	$ 93,717,903
Health Care	-	15,489,544	79,445,225	3,540,014	3,706,263	-	102,181,046
Affordable Housing	572,987	6,499,012	157,181,126	59,252,610	44,117,310	3,551,354	271,174,399
Community Development & Other	-	3,801,934	38,660,336	36,400,433	8,048,482	3,048,651	89,959,836
	$ 2,071,962	$ 39,960,417	$ 335,357,679	$ 117,009,536	$ 56,033,585	$ 6,600,005	$ 557,033,184

December 31, 2024	Above Average	Pass	Watch	Special Mention	Substandard	Doubtful	Total
Education	$ 1,525,532	$ 33,034,076	$ 50,381,010	$ 6,352,981	$ -	$ -	$ 91,293,599
Health Care	-	19,452,725	72,331,881	12,771,749	-	-	104,556,355
Affordable Housing	599,191	21,004,013	193,547,334	35,282,410	34,154,268	1,567,833	286,155,049
Community Development & Other	-	14,447,772	44,128,808	9,076,462	4,630,392	3,048,651	75,332,085
	$ 2,124,723	$ 87,938,586	$ 360,389,033	$ 63,483,602	$ 38,784,660	$ 4,616,484	$ 557,337,088

The following chart illustrates our loan portfolio delinquencies as a percentage of our total loan portfolio from 2021 to 2025.



	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
30-59 days past due	0.02%	0.40%	3.38%	2.52%	0.00%
60-89 days past due	0.00%	0.00%	0.36%	0.00%	2.37%
90 days and still accruing	0.00%	0.00%	0.19%	1.73%	3.93%
Non-accrual	1.97%	0.24%	0.85%	1.33%	2.69%

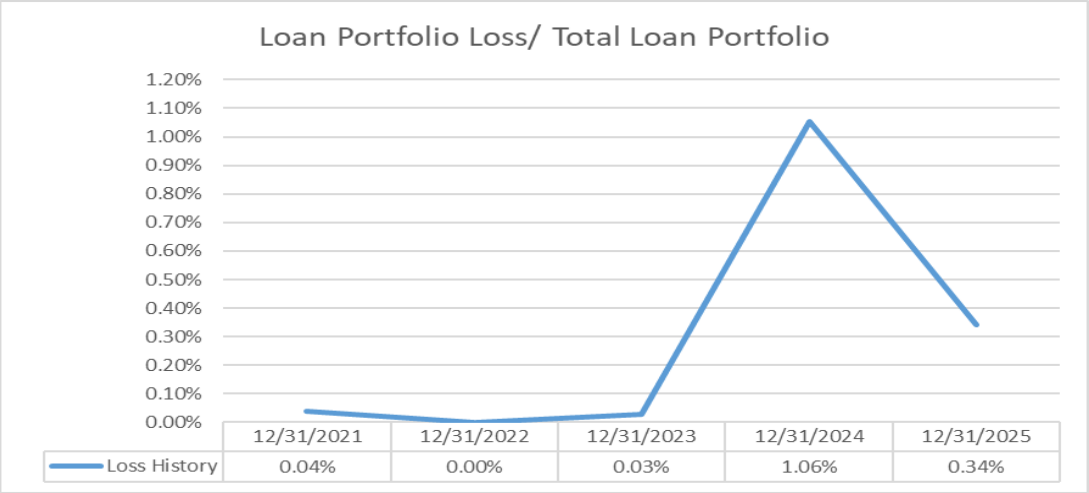
Loss Reserve. We maintain a general allowance for loan loss that is used to reserve against losses in the loan portfolio funded on our balance sheet. Establishing an appropriate level of allowance for loan loss involves both objective and subjective measures. First, we apply a general reserve percentage on all loans in our portfolio based on risk rating assigned. This process provides a numerical calculation to be used as a base figure for the actual allowance. Second, impaired loans are identified as incurred. Each loan is evaluated quarterly to determine the sufficiency of collateral coverage. If appropriate, the value may be discounted further. The outstanding balance (or ultimate commitment) of the loan is compared to the discounted value of the collateral, and a specific reserve is identified if the collateral is insufficient. This additional reserve is added to the general reserve calculation. Third, we perform a trend analysis on six areas of risk and, if needed, increase the allowance by the calculated amounts. Upon totaling the results of these three steps, a calculation is done to determine the variance from the actual allowance in existence on our financial records.

The following tables summarize the allowance for credit losses as of and for the years ended December 31, 2025 and 2024, by sector and the amount of loans evaluated individually or collectively for impairment by sector:

December 31, 2025	Education	Health Care	Affordable Housing	Community Development	Total
Allowance for credit losses:					
Beginning balance	$ 1,357,423	$ 1,771,874	$ 10,792,348	$ 2,993,232	$ 16,914,877
Charge-offs	-	-	-	(1,895,673)	(1,895,673)
Recoveries	-	-	-	-	-
Provisions	785,777	630,883	2,544,024	2,962,757	6,923,441
	$ 2,143,200	$ 2,402,757	$ 13,336,372	$ 4,060,316	$ 21,942,645
Ending balance of allowance for credit losses:					
Individually evaluated for impairment	$ -	$ -	$ -	$ -	$ -
Collectively evaluated for impairment	2,143,200	2,402,757	13,336,372	4,060,316	21,942,645
	$ 2,143,200	$ 2,402,757	$ 13,336,372	$ 4,060,316	$ 21,942,645
Loan ending balances:					
Individually evaluated for impairment	$ -	$ -	$ 499,892	$ -	$ 499,892
Collectively evaluated for impairment	93,717,903	102,181,046	270,664,784	89,959,835	556,523,568
	$ 93,717,903	$ 102,181,046	$ 271,164,676	$ 89,959,835	$ 557,033,184

December 31, 2024	Education	Health Care	Affordable Housing	Community Development	Total
Allowance for credit losses:					
Beginning balance	$ 1,148,157	$ 1,408,749	$ 7,920,485	$ 2,096,039	$ 12,573,430
Charge-offs	-	-	-	(5,880,553)	(5,880,553)
Recoveries	-	-	-	95,569	95,569
Provisions	209,266	363,125	2,871,863	6,682,177	10,126,431
	$ 1,357,423	$ 1,771,874	$ 10,792,348	$ 2,993,232	$ 16,914,877
Ending balance of allowance for credit losses:					
Individually evaluated for impairment	$ -	$ -	$ -	$ -	$ -
Collectively evaluated for impairment	1,357,423	1,771,874	10,792,348	2,993,232	16,914,877
	$ 1,357,423	$ 1,771,874	$ 10,792,348	$ 2,993,232	$ 16,914,877
Loan ending balances:					
Individually evaluated for impairment	$ -	$ 1,857,936	$ 532,679	$ 3,645,600	$ 6,036,215
Collectively evaluated for impairment	91,293,599	102,698,419	285,622,370	71,686,485	551,300,873
	$ 91,293,599	$ 104,556,355	$ 286,155,049	$ 75,332,085	$ 557,337,088

The following chart illustrates our loan portfolio loss as a percentage of our total loan portfolio from 2021 to 2025.



We proactively manage past due loans—primarily driven by maturity and covenant defaults—through borrower engagement and restructuring. We have experienced increased credit risk in our loan portfolio driven by concentrations in the Washington, D.C. metropolitan area and Michigan, which are experiencing economic deterioration, and concentrations in the affordable housing sector, which is facing numerous challenges, including high interest rates which have increased borrowing costs, inflation which has driven up construction costs, rising insurance, utility and other operating costs, government funding instability, slower lease stabilization and increased tenant defaults. These challenges have caused many commercial lenders to pull back from the sector, which in turn has led to constrained affordable housing construction and redevelopment activity. We have also seen increased credit risk in the community development sector where a high percentage of our loans are unsecured or under-collateralized.

In the past eighteen months, we have seen an increase in borrower requests for loan modifications and forbearance. During the six months ended June 30, 2026, we granted loan modifications in the form of principal and interest payment deferrals to four borrowers experiencing financial difficulty whose total outstanding loan balance was $28,259,805 (representing 5.3% of total loans outstanding as of June 30, 2026). During the year ended December 31, 2025, we granted loan modifications in the form of principal and interest payment deferrals to nine borrowers experiencing financial difficulty whose total outstanding loan balance was $48,014,152 (representing 8.6% of total loans outstanding as of December 31, 2025). During the year ended December 31, 2024, we granted loan modifications in the form of principal and interest payment deferrals to two borrowers experiencing financial difficulty whose total outstanding loan balance was $3,969,373 (representing 0.7% of total loans outstanding as of December 31, 2024). We considered the financial difficulty of these borrowers in our risk scoring for our allowance for credit losses during the first half of 2026 and during 2025 and 2024. As of June 30, 2026, six of the borrowers whose loans were modified during the six months ended June 30, 2026 and the years ended December 31, 2025 or 2024 representing $20,202,365 subsequently defaulted on payments. We monitor the performance of all loans to borrowers experiencing financial difficulty that are modified to understand the effectiveness of our loan modification efforts.

For the six months ended June 30, 2026, net charge-offs were $(9,505,319) and our change in net assets was $(17,884,762). In addition, our loan delinquencies (ninety (90) days or more and non-accruing balances) as of June 30, 2026 were 9.5%. We expect a further increase in credit risk to our loan portfolio until the distressed loans have been worked-out, charged-off or mature or are replaced with new loan originations. Thus, we expect increases during the remainder of 2026 and 2027 in our requests from borrowers for loan modifications and forbearance as well as our approvals thereof, and net charge-offs, which could have a material adverse effect on our financial condition and results of operations.

In response to increasing loan delinquencies and loan modification and forbearance requests, we are:

- updating our credit guidelines, strengthening our due diligence and tightening our underwriting standards to reflect changing market and macroeconomic conditions and lessons learned;
- improving our pricing discipline and modeling for increased risk to ensure returns coincide with the risk profile of our borrowers;
- investing in technology to improve automation, perform portfolio analytics and provide real-time reporting;
- developing additional pre-delinquency or early warning indicators to identify risks before they materialize; and
- closely evaluating certain geographic markets and sectors demonstrating sustained weakness and adjusting our approach to those moving forward.

As we adjust our underwriting and pricing practices, our loan origination volume may be reduced in the near-term and it will take time for new originations to flow into our portfolio and supplement our earnings profile.

INVESTING ACTIVITIES

Our investment policy is to invest its liquid assets in securities that are intended to: (i) preserve principal, (ii) ensure adequate liquidity, (iii) manage interest rate exposure, and (iv) achieve desired rates of return, except to the extent that we make potentially higher risk investments, including but not limited to investments in one or more Momentus Funds, as more fully described under "Risk Factors" above. These potentially higher-risk investments are typically in cooperatives, cooperative-like organizations, nonprofit organizations, CDFIs and others involved in supporting programs that are generally related to our mission. In addition, we invest in securities that are used to provide us with a base of eligible collateral to enable us to borrow under our FHLB-A credit facility.

Our investment and liquidity management policies are reviewed and approved by the Board each year, and only the Board may approve amendments to such policies. It is the responsibility of the Chief Financial Officer to monitor and report compliance with the policies, and the Chief Financial Officer, together with their designees are authorized to make investments that are in compliance with the investment and liquidity policies. The following table depicts our cash, cash equivalents, and investments from 2023 to 2025. In 2025, our investments generated $8,125,573 of net income. The net income is the result of interest income from investments and unrealized net gains incurred from Mortgage-Backed Securities portfolio. The Alternative Investments category within this table represents a mix of our equity method investments, marketable equity securities, and debt investments. None of our officers or directors have an interest in property acquired by or from us.

	2023	2024	2025
Cash, cash equivalents - Unrestricted	$44,233,703	$100,043,027	$99,750,710
Cash, cash equivalents – Restricted	$26,424,133	$26,847,156	$28,306,101
Mortgage Backed and US Treasury Securities	$33,822,580	$34,029,460	$36,916,905
Alternative Investments	$41,473,089	$47,358,811	$60,079,473

BOARD OF DIRECTORS

Our Board is responsible for setting our mission, vision and direction, and for supervising our executive officers. Accordingly, the Board approves our strategic plan; sets annual corporate goals, which are measured against the strategic plan; approves the annual budget; approves our annual audited financial statements; evaluates executive performance and sets executive compensation; resolves potential conflicts of interest; and ensures that appropriate financial controls are in place.

The Board is comprised of a total of sixteen (16) individuals and two vacant board seats. The Board is divided into three classes that are nearly as equal in size as is practicable. Any directors elected to replace those of the class whose terms expire shall be elected to hold office for three (3) years and until their respective successors shall have been duly elected and qualified. No person shall be eligible to be nominated for election as a non-employee director after having served as a director for a period of nine (9) years or more since July 15, 2021. We strive to fill Board vacancies when they occur with individuals who possess core competencies and backgrounds that are aligned with our mission and strategy, and that are complementary to the qualifications of the directors who are re-elected to serve another term. Board members are entitled to reimbursement of reasonable costs and expenses incurred in connection with the performance of their duties on the Board of Directors and are entitled to reasonable compensation for service on the Board as authorized by the Board and in compliance with applicable law and Section 501(c)(3) of the Code.

The Board may (but is not required to) designate and appoint committees. The Board prescribes the powers and functions of each committee. The Board has constituted the following standing committees: an Executive Committee; a Finance Committee; an Audit and Risk Committee; a Governance and Nominations Committee; a Mission and Impact Committee; a CDFI and NMTC Advisory Board. The committee structure is re-evaluated on an annual basis and may change at the discretion of the Board.

Regular meetings of the Board are held at least quarterly at places and times fixed by the Board. Regular meetings of each Board committee are held at places and times fixed by the committee.

To our knowledge, no director has been convicted of any criminal activity, is the subject of any pending criminal proceedings, or has been the subject of any order, judgment, or decree of any court enjoining such person from any activities associated with the offer or sale of securities.

The following individuals presently serve on our Board:

Oswaldo Acosta (Class III). Oswaldo Acosta is the President and CEO of CityFirst Enterprises (CFE), where he leads the organization's vision and strategy to deliver capital to underserved markets across a range of lending sectors. Since joining CFE in 2019, he has driven the company's expansion into new areas such as clean energy and residential mortgages, while guiding significant innovation and growth. Under Mr. Acosta's leadership, CFE's total assets have quadrupled, and its lending portfolio has grown at an average annual rate of 40%. This success has been supported by nearly $70 million in capital raised from a wide range of sources, including state and federal programs, philanthropic partners, commercial banks, and private investors. In addition to his role at CFE, Mr. Acosta serves as Chair of the Board of the Vermont Energy Investment Corporation and Chair of the Risk Committee at the Coalition for Green Capital. Mr. Acosta is also a member of the Board of Directors of CDC. Mr. Acosta holds a B.S. in Economics from Monterrey Institute of Technology, a M.A. in Political Economy from the United Kingdom's University of Essex, and an MSC in Economic Regulation from the London School of Economics and Political Science.

Rick Benito (Class I). Rick Benito is a retired senior vice president and national SBA executive at Bank of America. In that role, he supported the bank's national Small Business Administration (SBA) sales and support teams. Mr. Benito joined Bank of America in 1995 after 7 years at Wells Fargo, having served in a variety of roles at both banks. Mr. Benito's previous career experience includes the Xerox Corporation and serving as a Lieutenant in the United States Navy. Mr. Benito remains active in Bank of America's Community Volunteer Network in San Diego. He has served on a number of boards and other civic organizations with a focus on education, veterans' issues, and economic development. Mr. Benito is also a member of the Board of Directors of CDC. He completed the Consumer Bankers Association Graduate School of Retail Bank Management program at the University of Virginia and is a graduate of LEAD San Diego. He received his Bachelor of Science degree in Business Administration from Valparaiso University in Indiana.

Alaina C. Beverly (Class II). Alaina Beverly is the Executive Vice President of the Black Economic Alliance (BEA) Foundation. She previously served as the Assistant Vice President for Urban Affairs in the Office of Federal Relations at the University of Chicago from 2017 to 2024, where she was responsible for driving action on the University's research, scholarship, and models of urban investment with federal policymakers and national partners. She is the founding director of Urban America Forward, an annual convening of national civil rights leaders, scholars, community-based practitioners, and foundations to examine evidence-based policies to further equity in America's cities. Ms. Beverly was previously a principal at the Raben Group from 2010 to 2013, where she provided strategic planning, communications, government relations, and third-party partnership services to a broad range of nonprofit, corporate and philanthropic clients. Ms. Beverly served as Associate Director, Office of Urban Affairs at the White House from 2009-2010. Ms. Beverly earned a B.A. in Political Science and African American Studies from Stanford University, and a J.D. from the University of Michigan Law School.

Erik Caldwell (Class II). Erik Caldwell is the CEO of Metropolis IQ Technology, Inc., an innovative artificial intelligence company providing economic and workforce development insights to local governments. Before founding Metropolis IQ, Erik served as the Vice President of Data Strategy at The Atlas, leading the development and launch of buyer intent and market intelligence products. Mr. Caldwell brings extensive experience in local government, having held positions as Chief Sustainability Officer, Deputy Chief Operating Officer, and Economic Development Director for the City of San Diego. In these roles, he leveraged data analytics to promote a culture of data-driven decision-making, significantly advancing sustainable practices and economic development in the region. Mr. Caldwell is also a member of the Board of Directors of CDC.

Sheryl Cameron (Class II). Sheryl Cameron is the Executive Director for the SBA Solutions Group at JPMorgan Chase. She has over 42 years of banking experience, the last 28 specializing in SBA lending. Ms. Cameron oversees sales and operation teams that provide support for SBA products offered by Chase. She has designed and facilitated access to capital seminars at multiple Chase for Business events to provide valuable insights to small business owners on how to use credit to grow their business and manage cash flow. She also sits on the Board of Directors for the National Association of Government Guaranteed Lenders (NAGGL) and previously sat on the National Association of Development Companies Board. Sheryl has been an instructor for NAGGL for over twenty-two years. Previously, she was a member of the NAGGL Technical Issues Committee and Large Lender Committee along with serving as Committee Chairperson for the Automation Committee. Ms. Cameron also sits on the Board of Directors for the National Association of Development Companies and CDC. Ms. Cameron graduated summa cum laude from Western International University with a bachelor's degree in Finance.

Ellis Carr (Class III). Ellis Carr is the President and CEO of Capital Impact and CDC. Mr. Carr has more than 20 years of experience in the for-profit and nonprofit financial sectors. He became President & CEO of CDC Small

Business in 2021 and has served as the President & CEO of Capital Impact since 2016, originally joining Capital Impact as CFO in 2012. Prior to joining Capital Impact, he held various positions in the investments, capital markets, strategy, and corporate finance areas within Freddie Mac, and in fixed-income fund management both domestically and abroad at Deutsche Bank. Mr. Carr is an Aspen Institute Finance Leader Fellow and sits on the boards of the Marguerite Casey Foundation, Expanding Black Business Credit and the Housing Partnership Network, as well as Morgan Stanley's Community Development Advisory Board. Mr. Carr is also a member of the Board of Directors of CDC.

Mr. Carr has been recognized among the "Most Creative People in Business" by Fast Company, and has received multiple awards from the Washington Business Journal, including "Nonprofit Leader of the Year" in 2022.

Kurt Chilcott (Class I). Kurt Chilcott is the retired President and CEO of CDC. For over 35 years, Mr. Chilcott has been dedicated to economic development and creating access to responsible and affordable capital for small businesses. Mr. Chilcott served as the President and CEO of CDC from 1998-2021, helping the organization to become the leading small business lender in the country. While there he helped pioneer a variety of new mission-based lending products and advanced strategic initiatives to raise capital. Mr. Chilcott now serves as the Vice Chair of the Board of Directors of CDC and also serves on the boards of the National Association of Development Companies, the California Endowment, and the International Economic Development Council. Prior to leading CDC, Mr. Chilcott worked for the City of San Diego to help reshape its economic development strategy creating one of the first industry cluster-based regional economic development strategies in the nation and leading the revitalization of numerous underserved communities throughout San Diego. Mr. Chilcott received his bachelor's degree from Harvard University and a Master of Public Policy degree from University of California, Berkeley.

Grace Chionuma (Class III). Grace Chionuma is the Co-Head of the Affordable Housing and Community Development Finance Group within Public Finance Banking at Morgan Stanley and a member of the Municipal Securities Operating Committee. She leads Morgan Stanley's capital markets coverage of CDFIs, NonProfit Affordable Housing Developers, and charter schools. Ms. Chionuma has led several CDFI debt IPOs including for Local Initiatives Support Corporation, Enterprise Community Loan Fund, Low Income Investment Fund, and BlueHub Loan Fund. She has worked with Freddie Mac on affordable housing securitizations and Freddie Mac's first issuance under its Social Bond Framework which financed affordable housing loans. In addition, she has worked with foundations including the Ford Foundation and the MacArthur Foundation to raise capital from institutional investors to increase grants during the COVID-19 and economic crisis of 2020. Ms. Chionuma is also a member of the Board of Directors of CDC. Ms. Chionuma earned her B.A. at Dartmouth College, completing majors in both Government and Philosophy; and she earned her M.B.A. at Yale University School of Management.

Gary Cunningham, Chair of Board (Class III). Gary Cunningham is a Senior Advisor for the New School's Institute on Race, Power, and Political Economy, where he leverages his extensive experience to address economic inequalities. Previously, Mr. Cunningham was the President and CEO of Prosperity Now. Under Mr. Cunningham's leadership, Prosperity Now focused on moving from just mitigating the effects of a broken racist system to transforming that system by testing, investing, and scaling what works. Mr. Cunningham is a recognized and respected expert on entrepreneurship, job creation, and racial wealth equity and is a sought-after thought leader on issues related to building a more inclusive economy. Prior to joining Prosperity Now, he served as President and CEO of the Metropolitan Economic Development Association in the Twin Cities, where he was recognized as an innovator in minority business development. Earlier, Mr. Cunningham held senior leadership positions in philanthropic, community development, health care, housing, and

transportation organizations. Mr. Cunningham is also a member of the Board of Directors of CDC. Mr. Cunningham earned a Bachelor of Arts degree in Public Policy from Metropolitan State University, and a Master of Public Administration from Harvard University's Kennedy School of Government. He serves on a number of Boards including the Association for Enterprise Opportunity, and Artspace.

Jennifer Smith Dolin (Class I). Jennifer Smith Dolin is the President and CEO of the Tenderloin Neighborhood Development Corporation. As the founder and principal of JENDolin Consulting, she has worked with housing providers across the country. She is also the interim vice president of real estate at Christian Church Homes, a national nonprofit that provides housing to seniors. She is the Jobs Committee Chair at ICA Cristo Rey School in San Francisco, a low-income girls' high school. She is the former Board Chair for National Cooperative Bank, N.A. (NCB). She previously served as the Vice President of Operations for Mercy Housing California, managing resident social services, commercial retail development, and relocation services for low-income multi-family housing. Ms. Dolin is also a member of the Board of Directors of CDC. Her commitment to community revitalization began in New York City where she worked in the economic development department of Common Ground. She received her Bachelor of Science degree in Business from Santa Clara University.

Casey P. Fannon (Class III). Casey Fannon is CEO and President of National Cooperative Bank (NCB), leading a team of senior managers representing business development units and functional areas across the company. NCB is a leading financial services company for cooperatives across the country. Since joining NCB in 1996, Mr. Fannon has dedicated his entire career to National Cooperative Bank and has served as its President since March 2020. Prior to becoming President, Mr. Fannon was Chief Lending Officer and has worked in new product and market development, commercial real estate, capital markets, and has managed NCB's loan and deposit production across all NCB's customer segments. Mr. Fannon is also a member of the Board of Directors of CDC and also currently serves on the investment committee of The National Grocers Association (NGA), a national trade association representing the retail and wholesale community grocers nationwide. Mr. Fannon received a BS in Finance from Bentley University and is a Chartered Financial Analyst charter holder.

Pedro I. Goitia (Class II). Mr. Goitia is a retired Partner from KPMG, where he spent his entire career (32 years). After spending 11 years in the audit department serving banking and other financial institutions, he was promoted to Partner in 1995 and moved to the advisory department to specialize in the structured finance and mortgage banking industries. During his 21 years as a Partner, he led/co-led the securitization group, served as account representative for several large local and national securitization and mortgage banking clients and was project manager on multi-year engagements involving risk management process, financial reporting processes/controls and compliance testing of credit agreements. Throughout his career, Mr. Goitia was heavily involved in diversity and inclusion initiatives, serving as Partner Champion of the D.C. Area Hispanic Latino Network and Trustee of the KPMG Foundation. Mr. Goitia is also a member of the Board of Directors of CDC. Mr. Goitia earned a B.S.B.A. from Washington University in St. Louis in 1983 and a Master's Degree in Accountancy from the George Washington University in 1984. He is a Certified Public Accountant (Inactive).

Gail Markulin (Class II). Gail Markulin is the retired Director of Capital Markets for the Federal Home Loan Bank-Office of Finance (FHLBank); Ms. Markulin worked at FHLBank for more than 27 years, serving in various capital markets positions. Ms. Markulin served on the Board of Directors for Aspire! Afterschool Learning and previously volunteered as a tutor and mentor with AHC, Inc., a nonprofit affordable housing developer of low- and moderate-income housing in Virginia, Maryland and Washington, D.C. Ms. Markulin is also a

member of the Board of Directors of CDC. Ms. Markulin earned an M.B.A. in Finance from George Washington University and a B.A. from Pennsylvania State University.

Tyler Orion (Class I). Tyler Orion is Co-Founder and Officer of Precision Healthcare Ecosystem, a nonprofit pioneering a new model of healthcare focused on patient education and empowerment, primarily through its flagship program, Project Apollo. Ms. Orion has decades of experience in enterprise development and business incubation. She served as interim President and COO of CONNECT, having served as President and Chief Executive Officer of the San Diego Regional Technology Alliance (RTA) until its merger with CONNECT in 2005. CONNECT is a technology business accelerator dedicated to the creation and sustained growth of innovative, science-based companies. She has served on numerous boards for companies and nonprofit organizations and has been recognized by San Diego Business Journal and others for her leadership in the regional entrepreneurial ecosystem. Ms. Orion is also a member of the Board of Directors of CDC. Ms. Orion earned her M.B.A. in Health Services Management from Webster University, her bachelor's degree from Thomas A. Edison College, and studied Drama/Directing at Carnegie-Mellon University.

Tom Topuzes (Class I). Tom Topuzes is President and CEO of Thomas Topuzes & Associates, a consultancy that provides a wide range of services to organizations in the public, private, and nonprofit sectors. He and his firm advise clients across the United States and Mexico on strategic planning, trans-border commerce, financial institution regulatory relations, and more. His professional experience includes executive roles at multiple banks, government service as the Region XI SBA Administrator and within the Office of the Governor of California, and private legal practice. Mr. Topuzes has been deeply involved in his community, serving as director, trustee, advisor or founder to over a dozen leading organizations in sectors as diverse as banking, education, health, local, state and national agencies, and economic development. Mr. Topuzes is also a member of the Board of Directors of CDC. He received his bachelor's degree from San Diego State University and his J.D. from the Thomas Jefferson School of Law. He also holds an associate's degree from San Diego Mesa College. He served in the United States Air Force and is an active member of the State Bar of California.

Dan Varner, Vice Chair of Board (Class I). Dan Varner has been the Chief Executive Officer of Goodwill Industries of Greater Detroit, a nonprofit organization focused on employment training, education, support and job placement programs for residents of Greater Detroit, since 2016. Mr. Varner served as Chief Executive Officer at Excellent Schools Detroit from 2011 to 2016, and worked as a Program Officer at the W.K. Kellogg Foundation on both the Michigan and Education & Learning teams from 2010 to 2011. Mr. Varner was the cofounder of Think Detroit where he served as the Chief Operating/Finance Officer from 2000 to 2006 and the Chief Executive Officer of Think Detroit PAL, which was the result of a merger with the Detroit Police Athletic League, from 2006 to 2010. Mr. Varner is also a member of the Board of Directors of CDC. Mr. Varner earned a B.A. from the University of Michigan and a J.D. from the University of Michigan Law School.

The following sets forth board member compensation during 2025 (other than Ellis Carr, Sheryl Cameron and Grace Chionuma, who are not able to receive compensation for their roles):

Board Member	Compensation (2025)
Alaina Beverly	$5,000
Jennifer Smith-Dolin	$5,000
Casey Fannon	$5,000
Pedro Goitia	$5,000
Gail Markulin	$5,000
Ellis Carr	-
Daniel Varner	$5,000
Rick Benito	$3,750
Erik Caldwell	$5,000
Sheryl Cameron	-
Kurt Chilcott	$3,750
L. Tyler Orion	$5,000
Frank Robinson[3]	$2,500
Tom Topuzes	$5,000
Oswaldo Acosta	$3,750
Grace Chionuma	-
Gary Cunningham	$7,500
Total	$66,250

[3] Retired in 2025.

MANAGEMENT TEAM AND KEY EMPLOYEES

Our principal executive office is located at 2231 Crystal Drive, Suite 203, Arlington, Virginia 22202.

Ellis Carr, President and Chief Executive Officer. Ellis Carr is the President and CEO of Capital Impact and CDC. Mr. Carr has more than 20 years of experience in the for-profit and nonprofit financial sectors. He became President & CEO of CDC Small Business in 2021 and has served as the President & CEO of Capital Impact since 2016, originally joining Capital Impact as CFO in 2012. Prior to joining Capital Impact, he held various positions in the investments, capital markets, strategy, and corporate finance areas within Freddie Mac, and in fixed-income fund management both domestically and abroad at Deutsche Bank. Mr. Carr is an Aspen Institute Finance Leader Fellow and sits on the boards of the Marguerite Casey Foundation, Expanding Black Business Credit and the Housing Partnership Network, as well as Morgan Stanley's Community Development Advisory Board. Mr. Carr is also a member of the Board of Directors of CDC.

Mr. Carr has been recognized among the "Most Creative People in Business" by Fast Company, and has received multiple awards from the Washington Business Journal, including "Nonprofit Leader of the Year" in 2022.

Jaret Ings, Interim Chief Financial Officer. Following the resignation of Natalie Gunn, Capital Impact and CDC's former Chief Financial Officer, effective July 31, 2026, Jaret Ings was appointed to serve as Capital Impact and CDC's Interim Chief Financial Officer. Capital Impact and CDC have commenced an executive search for qualified candidates to fill the Chief Financial Officer position. As Interim Chief Financial Officer, Mr. Ings is responsible for formulating and executing Capital Impact's financial road map, capital base expansion, and investor relations. He also manages the overall direction for accounting, tax, audit, treasury, and financial planning and analysis. Prior to this interim role, Mr. Ings served in the roles of Senior Director of Finance and Treasurer of Capital Impact and CDC. Prior to joining Capital Impact, Mr. Ings served in a senior treasury leadership capacity at National Railroad Passenger Corporation ("Amtrak"). Prior to joining Amtrak, Mr. Ings worked in Corporate Banking and Financial Services with PNC Bank, N.A., SunTrust Bank, N.A. and Ford Motor Credit Company. Mr. Ings is a graduate of Florida Agricultural & Mechanical University (B.S. Business Administration, Finance Concentration) and Florida Atlantic University (M.B.A., Accounting Concentration).

Brian McEvoy, General Counsel, Chief Compliance Officer and Corporate Secretary. As General Counsel, Chief Compliance Officer, and Corporate Secretary, Brian McEvoy leads the legal and compliance functions at Capital Impact. Brian has significant experience in the commercial, multifamily/housing, real estate and finance sectors, including broad experience in commercial lending and structured finance, equity, securitization, policy and strategy, product and platform development, risk management, operations, regulatory and compliance. Mr. McEvoy also serves as General Counsel, Chief Compliance Officer and Corporate Secretary of CDC. Most recently he was Vice President and Deputy General Counsel at Fannie Mae. Prior to joining Fannie Mae, Brian was in private practice in large, national law firms. Brian graduated summa cum laude from Towson University, where he received a Bachelor of Science in Business Administration and Management, with dual concentrations in Finance and Marketing. He graduated with honors from the University of Maryland Francis King Carey School of Law, where he received a Juris Doctor.

Kim Dorsett, Chief Human Resources Officer. Kimberly Dorsett is responsible for developing and executing Capital Impact's human resource strategy in support of the overall business plan and strategic direction of the organization. This includes overseeing areas of succession planning, talent acquisition, organizational and performance management, training and development, and compensation and benefits administration. She has more than 20 years of experience in the financial services and construction industries. Mrs. Dorsett also

serves as Chief Human Resources Officer for CDC. Prior to joining Capital Impact in 2016, first as a Director and then as Senior Director in 2018, she was the Human Resources Director for Federal Home Loan Banks – Office of Finance. Mrs. Dorsett graduated from Bethune-Cookman University with a bachelor's degree in Business Administration, and from Marymount University with a master's degree in Management.

Matt Wehland, Chief Operations Officer. Matt Wehland is responsible for Capital Impact's business operations strategy and execution. This includes Lending Operations, Portfolio Management, Credit, Information Technology, Data Operations, Compliance, Facilities Management, and the affiliated Ventures+ SAAS platform. Mr. Wehland joined Capital Impact in 2019 and served as the Senior Director of Lending Operations prior to assuming the role of COO in 2022. Mr. Wehland also serves as Chief Operations Officer for CDC. He has more than 25 years of experience in the financial services industry. Prior to joining Capital Impact, he served as Senior Vice President at both Capital One and National Cooperative Bank. Mr. Wehland graduated from the University of Maryland, College Park with a degree in Political Science. He currently serves as a board member for his local housing cooperative.

Kimberly Dickens, Chief Strategy Growth Officer. Kimberly Dickens is responsible for Capital Impact's drive to identify and pursue new business opportunities, partnerships, and market expansion opportunities. This includes overseeing strategic planning firmwide, marketing, fundraising and customer success to support growth objectives. Mrs. Dickens also serves as Chief Strategy Growth Officer for CDC. Mrs. Dickens' experience in aiding businesses to drive their organic growth spans more than 20 years – working with Fortune 100 businesses to small businesses across a diverse set of industries including financial services, healthcare, and technology. Prior to joining Capital Impact, Mrs. Dickens served as an executive growth strategist and leadership consultant, wherein she partnered with the C-Suite of companies in strategy formulation and execution, leadership team development, and marketing. She also served as Head of Strategy for Wells Fargo Commercial Lending, and Chief Commercial Strategy & Customer Experience Officer with GE Capital. Mrs. Dickens holds an MBA from The University of Pennsylvania's Wharton School and a B.S. in General Business Management and Human Resources from the University of Maryland.

Waleed Husain, Chief Risk Officer. Waleed Husain is responsible for overseeing Capital Impact's risk strategy, ensuring business resilience and aligning enterprise risk management with corporate objectives and key performance indicators. This includes identifying, assessing, mitigating and monitoring risks to optimize portfolio performance in the following areas: credit, underwriting, enterprise risk management, and risk functions. Mr. Husain also serves as Chief Risk Officer for CDC. Mr. Husain brings 18 years of experience leading enterprise risk, insurance, and loss-mitigation programs across both the public and private sectors through periods of transformation, regulatory pressure, and business recovery. Most recently, he served as a Board Advisor and Deputy Superintendent at the New York State Department of Financial Services, overseeing entity risk management. He has also served within the Supervision & Regulation department at the Federal Reserve Bank of Chicago, as Chief Risk Officer at JPMorgan Chase and Ryan Specialty Holdings, and as Senior Vice President – Risk Management at Wintrust Financial Corporation.

EXECUTIVE COMPENSATION

The following table lists the total compensation of our executive management team (other than Waleed Husain, our Chief Risk Officer, who joined us in April 2026) during the year ended December 31, 2025. No staff member receives sales-related commissions.

Name	Title	Compensation (2025)
Ellis Carr	President and Chief Executive Officer	$1,192,484
Natalie Gunn[4]	Former Chief Financial Officer	$481,202
Jaret Ings	Interim Chief Financial Officer	$350,910
Brian McEvoy	General Counsel, Chief Compliance Officer and Corporate Secretary	$422,879
Kim Dorsett	Chief Human Resources Officer	$351,090
Matthew Wehland	Chief Operating Officer	$393,320
Kimberly Dickens	Chief Strategy Growth Officer	$287,729

LEGAL PROCEEDINGS

There are no material legal proceedings presently pending against us or any of our directors, officers, or employees acting in their capacity as our representatives.

[4] Resigned on July 31, 2026.

CAPITALIZATION

Our capitalization as of December 31, 2025 is shown below.

	Amount Outstanding
Debt:	
Revolving Lines of Credit	$20,000,000
Notes Payable	$46,500,000
Investor Notes	$405,408,000
Subordinated debt	$14,500,000
FHLB-A	$24,000,000
Bond Loan Payable Net	$130,712,020
Subtotal Debt	$641,120,020
Less Investor Notes issuance costs	$(3,899,342)
Total Debt [3]	$637,220,678
Net Assets:	
Without Donor Restrictions [1]	$127,558,745
Noncontrolling Interest	$0
Total Net Assets without donor restrictions	$127,558,745
With Donor Restrictions [2]	$42,699,447
Total Net Assets	$170,258,192
Total Capitalization	$807,478,870

1 Net assets without donor restrictions have no external restrictions regarding their use or function.

2 Net assets with donor restrictions have donor-imposed restrictions such as (i) fulfilling a specified purpose, and/or (ii) the passage of a specified amount of time regarding use or function.

3 Total Debt does not include subsidiary debt or lease obligations.

Additional information on our net assets as of December 31, 2025 is shown below:

Purpose	Portion of Total Net Assets	Restriction(s) and Possible Uses
Net Assets without Donor Restrictions		
Without Donor Restrictions	75%	Unrestricted
Noncontrolling Interest	0%	Unrestricted
Net Assets with Donor Restrictions		
Programs	3%	General Operating
Credit Enhancement	12%	Credit Enhancement
Financing	10%	Lending Activity
Total	100%	

Debt Composition and Sources

Sources of Debt at December 31, 2025

Type of Investor	Number of Investors	Total Debt Payable	% of Total Debt Payable	Average per Investor
Financial Institutions	3	$67,000,000	10%	$23,333,333
Foundations	3	$24,000,000	4%	$8,000,000
Federal Government/FHLB	1	$24,000,000	4%	$24,000,000
Total[1]	**7**	**$115,000,000**	**18%**	**$16,428,571**

[1] Does not include Capital Impact Investment Notes, of which $405,408,000 was outstanding as of December 31, 2025 (representing 63% of total loans payable as of December 31, 2025) and Capital Impact Bond, of which $122,750,000 was outstanding as of December 31 2025 (representing 19% of total loans payable), as the notes and bond are held by investors in book-entry form through their brokerage account. Thus, the identity of investors in Capital Impact Investment Notes and Bond are unknown.

With the exception of its revolving lines of credit, our debt carries a fixed rate.

Although we do not have a policy in place which specifically limits the level of senior secured indebtedness that can be incurred by us, there are a number of policies and practices in place that address the issue, including (i) a Board-approved policy called the "Delegations of Authority," which requires management to seek the approval of the Board prior to incurring indebtedness, (ii) multiple third party credit agreements, which require us to actively monitor and manage financial covenants, including covenants relating to the level and type of indebtedness incurred by us, (iii) the supervision and oversight of enterprise risk by the Senior Director & Credit Officer, pursuant to our Enterprise Risk Management Policy, and (iv) the supervision and oversight of the General Counsel and Chief Compliance Officer with respect to risk-related compliance matters.

Remaining Term on Debt at December 31, 2025

Year of Debt Maturity	Total Debt Maturing [1]	% of Total Debt
2026	$82,399,900	13%
2027	$118,279,000	18%
2028	$109,162,000	17%
2029	$82,375,000	13%
2030 and Beyond	$250,943,000	39%
Total	**$643,158,000**	**100%**

[1] This excludes issuance costs.

Largest Debt Investors at December 31, 2025

Five Largest Investors	Dollar Amount Outstanding	% of Total Loans Payable	Final Maturity	Characteristics	Secured or Unsecured
JPMorgan Chase	$29,166,667	5%	September 2027 & December 2029	Financial Institution	Unsecured
FHLB	$24,000,000	4%	June 2027, December 2027 & December 2029	Federal Government/FHLB	Secured
Wells Fargo	$16,944,444	3%	September 2027 & October 2035	Financial Institution	Unsecured
US Bank	$12,000,000	2%	August 2026 & October 2034	Financial Institution	Unsecured
The California Endowment	$10,000,000	2%	December 2027 & August 2030	Foundation	Unsecured
Total Debt from Five Largest Investors [1]	**$92,111,111**	**16%**			

[1] Does not include Capital Impact Investment Notes, of which $405,408,000 was outstanding as of December 31, 2025 (representing 63% of total loans payable) and Capital Impact Bond, of which $122,750,000 was outstanding as of December 31, 2025 (representing 19% of total loans payable) as these notes and bond are held by investors in book-entry form through their brokerage account. Thus, the identity of investors in Capital Impact Investment Notes and Bond is unknown.

DESCRIPTION OF THE NOTES

This section provides detail on the legal and financial terms of the Notes. Final terms of any particular Note will be determined at the time of sale and will be set forth in the accompanying pricing supplement relating to those Notes, and may vary from and supersede the terms set forth in this Prospectus. Before deciding to purchase any Notes, investors should read the more detailed information appearing elsewhere in this document.

What is a Capital Impact Investment Note?

The Capital Impact Investment Notes are notes issued by us that help channel investment capital to social and economic impact investments in the United States. The Notes pay a fixed interest rate that is determined by market conditions at issuance and can be purchased with a term from 6 months to 20 years.

Seniority; Security

The Notes are unsecured general obligations of Capital Impact. Capital Impact has outstanding other unsecured general obligations and secured obligations. Moreover, the Indenture does not restrict Capital Impact from incurring additional indebtedness. Such additional indebtedness, if issued, may be either secured or unsecured and may be entitled to payment prior to payment on the Notes. Finally, Capital Impact's subsidiaries have outstanding obligations, and the Notes will be effectively subordinated to such obligations.

Who Can Invest

The Notes are marketed to both individual and institutional investors.

Minimum Investment

The minimum investment for the Notes is $1,000.

Distribution

The Notes will be offered through InspereX, as Lead Agent, for reoffer to several other registered broker-dealers, including Momentus Securities. The Lead Agent, and any other agent appointed by us, are not required to purchase or sell any specific amount of Notes and sell the Notes on a best-efforts basis.

How to Invest / Purchase Method

The Notes are available for purchase in book-entry form, which means they may be purchased electronically through the investor's brokerage account and settled through DTC. Interest rates are set at the time of issuance and are determined by current market conditions. Interest rates for the Notes will be set forth in the accompanying pricing supplement relating to those Notes. The DTC arrangement is described below in the section entitled "Description of the Notes — Book-Entry Notes and DTC" on page 70. U.S. Bank serves as issuing agent, registrar, and Paying Agent of global book-entry Notes. We have appointed InspereX as the Lead Agent, which in turn has established a selling group of registered broker-dealers, including Momentus Securities, and each of the selling group members has executed a Master Selected Dealer Agreement with InspereX. Notes may be purchased through any broker-dealer participating in the Lead Agent's selling group. Investors must review the current pricing supplement, available from participating brokerages, in addition

to this Prospectus for applicable Note terms. To purchase Notes, please contact your financial advisor or brokerage firm.

CUSIP Numbers

We will assign CUSIP numbers at the time Notes are offered for sale. "CUSIP" is an acronym that refers to Committee on Uniform Security Identification Procedures and the nine-digit, alphanumeric CUSIP numbers that are used to identify securities such as the Notes. A CUSIP number, similar to a serial number, is assigned to each maturity of a security issue. For more information regarding CUSIP numbers, please see the applicable pricing supplement or visit our website www.capitalimpact.org.

Trust Indenture

All Notes are subject to a Trust Indenture, with U.S. Bank serving as Indenture Trustee. Under the Trust Indenture and subject to the terms of the Trust Indenture, the Indenture Trustee will take specified actions on behalf of noteholders in the event of a default on the Notes. Certain issues relating to the Trust Indenture are set forth beginning on page 72. Upon request, we will provide copies of the Trust Indenture, which defines the rights of noteholders.

Interest Accrual and Interest Periods

Notes begin to accrue interest on the issuance date and mature on the relevant anniversary of issuance. Interest accrues on a 360-day year based on twelve 30-day months. Interest is paid out quarterly and cannot be reinvested. Interest rates on the Notes will be fixed rate.

The interest payment dates for a Note will be the fifteenth day of every third month, commencing in the third succeeding calendar month following the month in which the Note is issued, unless such calendar day is not a business day, in which case the interest payment shall be made on the next succeeding business day. The first payment of interest under a Note shall be an amount equal to interest accruing during the period commencing on the closing date of the Note and ending on the fifteenth day of the third calendar month that follows such closing date (the "First Interest Period"). Subsequent payments of interest under the Note shall be in an amount equal to interest accruing during each period of three calendar months that follow the First Interest Period. Interest will be payable to the person in whose name a Note is registered at the close of business on the regular record date before each interest payment date. The first payment of interest on any Note originally issued between a regular record date and an interest payment date will be made on the interest payment date following the next succeeding regular record date to the registered owner of the Note on such next succeeding regular record date. The principal and interest payable at maturity will be paid to the person in whose name the Note is registered at the time of payment. Unless otherwise specified in the applicable pricing supplement, the regular record date for an interest payment date will be the first calendar day of the month in which the interest payment date falls.

Options at Maturity / Reinvestments

Principal is automatically repaid at maturity, but investors have the option to reinvest their repaid principal by purchasing new Notes at then-current interest rates and terms offered by us.

Redemption

Notes may be redeemable by us prior to stated maturity at our option, as provided in the relevant pricing supplement. Notes will not be repayable at the option of the noteholder prior to stated maturity date, except as provided under "Survivor's Option" below or in the relevant pricing supplement.

Survivor's Option

Subject to the repayment limitations described below, the "Survivor's Option" is a provision in the Notes pursuant to which we agree to repay the Notes, if requested by the authorized representative of the beneficial owner of those Notes, following the death of the beneficial owner of the Notes, so long as the Notes were owned by that beneficial owner or the estate of that beneficial owner at least six (6) months prior to the request and certain documentation requirements are satisfied.

Upon the valid exercise of the Survivor's Option and the proper tender of the Notes for repayment, subject to the repayment limitations described below, we will repay the Notes, in whole or in part, at a price equal to 100% of the principal amount of the deceased beneficial owner's interest in the Notes plus unpaid interest accrued to the date of repayment.

To obtain repayment pursuant to exercise of the Survivor's Option for Notes, the deceased beneficial owner's authorized representative must provide the following items to the broker or other entity through which the beneficial interest in the Notes is held by the deceased beneficial owner within one year of the date of death of the beneficial owner:

- a written instruction to such broker or other entity to notify DTC of the authorized representative's desire to obtain repayment pursuant to exercise of the Survivor's Option;

- appropriate evidence satisfactory to the Indenture Trustee and us (a) that the deceased was the beneficial owner of the Notes at the time of death and his or her interest in the Notes was owned by the deceased beneficial owner or his or her estate at least six months prior to the request for repayment, (b) that the death of the beneficial owner has occurred, (c) of the date of death of the beneficial owner, and (d) that the representative has authority to act on behalf of the beneficial owner;

- if the interest in the Notes is held by a nominee of the deceased beneficial owner, a certificate or letter satisfactory to the Indenture Trustee and us from the nominee attesting to the deceased's beneficial ownership of such Notes;

- a written request for repayment signed by the authorized representative of the deceased beneficial owner with the signature guaranteed by a member firm of a registered national securities exchange or of the Financial Industry Regulatory Authority, Inc. or a commercial bank or trust company having an office or correspondent in the United States;

- if applicable, a properly executed assignment or endorsement;

- tax waivers and any other instruments or documents that the Indenture Trustee and we reasonably require in order to establish the validity of the beneficial ownership of the Notes and the claimant's entitlement to repayment; and

- any additional information the Indenture Trustee or we reasonably require to evidence satisfaction of any conditions to the exercise of the Survivor's Option or to document beneficial ownership or authority to make the election and to cause the repayment of the Notes.

In turn, the broker or other entity will deliver each of these items to the Indenture Trustee, together with evidence satisfactory to the Indenture Trustee from the broker or other entity stating that it represents the deceased beneficial owner.

A beneficial owner of a Note is a person who has the right, immediately prior to such person's death, to receive the proceeds from the disposition of that Note, as well as the right to receive payment of the principal of the Note.

The death of a person holding a beneficial ownership interest in a Note as a joint tenant or tenant by the entirety with another person, or as a tenant in common with the deceased holder's spouse, will be deemed the death of a beneficial owner of that Note, and the entire principal amount of the Note held in this manner will be subject to repayment by us upon exercise of the Survivor's Option. However, the death of a person holding a beneficial ownership interest in a Note as tenant in common with a person other than such deceased holder's spouse will be deemed the death of a beneficial owner only with respect to such deceased person's interest in the Note, and only the deceased beneficial owner's percentage interest in the principal amount of the Note will be subject to repayment.

The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial ownership interests in a Note will be deemed the death of the beneficial owner of that Note for purposes of the Survivor's Option, regardless of whether that beneficial owner was the registered holder of the Note, if the beneficial ownership interest can be established to the satisfaction of the trustee. A beneficial ownership interest will be deemed to exist in typical cases of nominee ownership, ownership under the Uniform Transfers to Minors Act or Uniform Gifts to Minors Act, community property or other joint ownership arrangements between a husband and wife. In addition, the beneficial ownership interest in a Note will be deemed to exist in custodial and trust arrangements where one person has all of the beneficial ownership interest in that Note during his or her lifetime.

We have the discretionary right to limit the aggregate principal amount of Notes as to which exercises of the Survivor's Option shall be accepted by us from authorized representatives of all deceased beneficial owners in any calendar year to an amount equal to the greater of $1,000,000 or 1% of the aggregate principal amount of all Notes outstanding as of the end of the most recent calendar year. We also have the discretionary right to limit to $250,000 in any calendar year the aggregate principal amount of Notes as to which exercises of the Survivor's Option shall be accepted by us from the authorized representative of any individual deceased beneficial owner of Notes in such calendar year. In addition, we will not permit the exercise of the Survivor's Option except in principal amounts of $1,000 and multiples of $1,000 and, in the event that the limitations described in this paragraph would result in the partial repayment of any Note, the principal amount of such Note remaining outstanding after repayment must be at least $1,000.

An otherwise valid election to exercise the Survivor's Option may not be withdrawn. Each election to exercise the Survivor's Option will be accepted in the order that elections are received by the Indenture Trustee, except for any Note the acceptance of which would contravene any of the limitations described in the preceding paragraph. Notes accepted for repayment through the exercise of the Survivor's Option normally will be repaid on the first interest payment date that occurs twenty (20) or more calendar days after the date of the acceptance. Each tendered Note that is not accepted in any calendar year due to the application of

any of the limitations described in the preceding paragraph will be deemed to be tendered in the following calendar year in the order in which all such Notes were originally tendered. If a Note tendered through a valid exercise of the Survivor's Option is not accepted, the Indenture Trustee will deliver a notice by first-class mail to the authorized representative of the deceased beneficial owner that states the reason that Note has not been accepted for repayment.

All other questions regarding the eligibility or validity of any exercise of the Survivor's Option will be determined by us, in our sole discretion, which determination will be final and binding on all parties. For the avoidance of doubt, we also retain the right to reject in our sole discretion any exercise of the Survivor's Option where the deceased held no or only a minimal beneficial ownership interest in the Notes and entered into arrangements with third parties in relation to the Notes prior to death for the purpose of permitting or attempting to permit those third parties to directly or indirectly benefit from the exercise of the Survivor's Option.

For assistance with the exercise of the Survivor's Option, please contact U.S. Bank by email at mmi.processing@usbank.com or call 800-934-6802.

Events of Default

Notes will become immediately due and payable upon the occurrence of certain insolvency events related to us, as specified in Section 5.01 of the Indenture. Upon the occurrence of other "Events of Default" with respect to any series of Notes specified in Section 5.01 of the Indenture, the Indenture Trustee may, and shall, if so directed by the holders of not less than twenty-five percent (25%) of the aggregate outstanding amount of such Series of Notes, declare that the Notes are immediately due and payable. Such events include, among other things, non-payment of principal or interest.

Secondary Market

The Notes are not listed on any exchange and there is no intention to do so. As such, there is no corresponding established secondary market for the Notes. The Lead Agent, other agents appointed by us, and members of the selling group may engage in secondary market transactions of the Notes, but are not obligated to do so and there should be no expectation that any of these broker-dealers will participate in secondary market transactions. Consequently, the purchase of a Note should be viewed as an illiquid investment to be held to maturity.

Interest Payments and Tax Considerations

This summary of U.S. federal income tax considerations is for general information purposes only, is not relevant to all noteholders of the Notes, and is not tax advice. This summary does not purport to deal with all aspects of U.S. federal income taxation that may be relevant to a particular noteholder in light of the prospective noteholder's circumstances. For instance, it does not address special rules that may apply if the noteholder is a financial institution or tax-exempt organization, or if the noteholder is not a "U.S. Person" within the meaning of the Internal Revenue Code or holds its investment in the notes in an Individual Retirement Account (IRA). This summary deals only with Notes that are held as "capital assets" within the meaning of Section 1221 of the Code and are acquired for cash upon original issuance at their initial "issue price".

Stated interest

It is anticipated, and this discussion assumes, that the Notes will be issued at par or at a discount that is less than a "de minimis" amount for United States federal income tax purposes.

Any interest paid or accrued on a Note will be ordinary income to the holder for federal income tax purposes, at the time received or accrued. Although the Issuer is a 501(c)(3) organization, a noteholder is not entitled to a deduction with respect to the Notes it purchases. The purchase of a Note is not deemed a charitable contribution.

In addition, for certain noteholders, if the interest paid to the noteholder is below the applicable federal rate the IRS may impute income up to that applicable federal rate.

Sale, exchange, retirement, redemption or other disposition of the Notes

Upon the sale, exchange, retirement, redemption or other taxable disposition of a Note, a holder will recognize gain or loss equal to the difference, if any, between the amount realized upon the sale, exchange, retirement, redemption or other taxable disposition (less an amount equal to any accrued but unpaid stated interest, which will be taxable as interest income to the extent not previously included in income) and such holder's adjusted tax basis in the Note. A holder's adjusted tax basis in a Note will generally be its U.S. dollar cost for that Note. Any gain or loss recognized will generally be capital gain or loss and will generally be long term capital gain or loss if the holder has held the Note for more than one year. Long term capital gains of non-corporate U.S. holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Information reporting and backup withholding

In general, information reporting requirements will apply to payments of stated interest on a Note and the proceeds from a sale, exchange, retirement, redemption or other taxable disposition of a Note paid to non-exempt noteholders. Payments described in the previous sentence may be subject to "back-up withholding" of U.S. federal income tax if a non-exempt noteholder fails to furnish a correct Social Security Number or tax identification number, or if the Internal Revenue Service ("IRS") informs the applicable withholding agent that the noteholder is subject to back-up withholding.

If the laws addressed in this "Interest Payments and Tax Considerations" summary change, this summary could become inaccurate. This summary is based on the Code, the regulations promulgated under the Code and administrative interpretations and court decisions existing as of the date of this Prospectus. These authorities could be changed either prospectively or retroactively by future legislation, regulations, administrative interpretations, or court decisions. Accordingly, this summary may not accurately reflect the tax consequences of an investment in the Notes after the date of this Prospectus.

If you are considering the purchase of Notes, you should consult your tax advisors concerning the particular United States federal income tax consequences to you of the purchase, ownership and disposition of the Notes and accepting a below-market rate of return on your investment, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

Book-Entry Notes and DTC

We will issue the Notes in the form of one or more permanent global book-entry Notes fully registered and deposited with or on behalf of DTC and registered in the name of Cede & Co., as nominee of DTC.

DTC has advised us as follows:

- DTC is a limited-purpose trust company under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under Section 17A of the Securities Exchange Act.

- DTC holds securities that its participants deposit and facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities, through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates.

- Direct participants include securities brokers and dealers, trust companies, clearing corporations and other organizations.

- DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is owned by the users of its regulated subsidiaries.

- Access to the DTC system is also available to others, such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.

- The rules applicable to DTC and its participants are on file with the SEC.

We have provided the following descriptions of the operations and procedures of DTC solely as a matter of convenience. These operations and procedures are solely within the control of DTC and may be subject to change. Neither we nor the Indenture Trustee takes any responsibility for these operations or procedures, and you are urged to contact DTC or its participants directly to discuss these matters.

We expect that under procedures established by DTC:

- Upon deposit of the global Notes with DTC or its custodian, DTC will credit through its internal system the accounts of its direct participants with portions of the principal amounts of the global book-entry Notes.

- Ownership of the Notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions require purchasers of securities to take physical delivery in definitive form. Accordingly, the ability to transfer interests in the book-entry Notes represented by a global book-entry Note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in Notes represented by a global book-entry Note to pledge or transfer those interests to persons

or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global book-entry Note, DTC or that nominee will be considered the sole owner or holder of the Notes represented by that global book-entry Note for all purposes under the Indenture and under the Notes. Except as provided below, owners of beneficial interests in a global book-entry Note will not be entitled to have Notes represented by that global book-entry Note registered in their names, will not receive or be entitled to receive physical delivery of a certificated Note and will not be considered the owners or holders thereof under the Indenture or under the Notes for any purpose, including with respect to the giving of any direction, instruction or approval to the Indenture Trustee. Accordingly, each beneficial holder owning a beneficial interest in a global book-entry Note must rely on the procedures of DTC and, if that beneficial holder is not a direct or indirect participant, on the procedures of the participant through which that beneficial holder owns its interest, to exercise any rights of a holder of Notes under the Indenture or the global book-entry Notes.

Neither we nor the Indenture Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of Notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to the Notes.

Payments on the Notes represented by the global book-entry Notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. We expect that DTC or its nominee, upon receipt of any payment on the Notes represented by a global book-entry Note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the global book-entry Note as shown in the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global book-entry Note held through such participants will be governed by standing instructions and customary practice as is now the case with Notes held for the accounts of customers registered in the names of nominees for such customers. The participants will be responsible for those payments.

Payments on the Notes represented by the global book-entry Note will be made in immediately available funds. Transfers between participants in DTC will be effected in accordance with DTC rules and will be settled in immediately available funds.

CERTAIN KEY INDENTURE PROVISIONS

Indenture Covenants

The Indenture contains the following covenants:

***Existence; Tax-Exempt and Nonprofit Status*.** Capital Impact will keep in full effect its existence, rights and franchises as a corporation under the laws of the District of Columbia (unless it becomes, or any successor issuer hereunder is or becomes, organized under the laws of any other state, in which case such successor issuer will keep in full effect its existence, rights and franchises under the laws of such other jurisdiction) and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Indenture and the Notes. Capital Impact is and at all times until the termination of this Indenture will be organized and operated exclusively for religious, educational, benevolent, charitable, or reformatory purposes exempt from federal income taxes under Section 501(c)(3) of the Code, and not for pecuniary profit, and no part of the net earnings of Capital Impact inures or shall inure to the benefit of any person, private stockholder, or individual. Capital Impact is and shall at all times be excluded from the definition of an investment company under Section 3(c)(10)(B) of the Investment Company Act.

Merger, Consolidation or Sale of Assets. Capital Impact may not consolidate or merge with or into, or transfer all or substantially all of its assets to, any person unless: (i) either Capital Impact shall be the resulting or surviving entity or such person (A) is a corporation organized and existing under the laws of the United States, a State thereof or the District of Columbia, (B) is organized and operated exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes exempt from federal income taxes under Section 501(c)(3) of the Code, and not for pecuniary profit, (C) has no part of its net earnings which inures or shall inure to the benefit of any person, private stockholder, or individual, and (D) is excluded from the definition of an investment company under Section 3(c)(10)(B) of the Investment Company Act; (ii) if Capital Impact is not the resulting or surviving entity, such person assumes by supplemental indenture satisfactory to the Indenture Trustee all of the obligations of Capital Impact under the Notes and the Indenture; and (iii) immediately before and immediately after the transaction no event of default exists.

Indenture Events of Default

"Events of Default," wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

a) Failure to pay on any Payment Date the full amount of accrued interest on any Note, which failure continues unremedied for ten (10) or more calendar days after such Payment Date;
b) Failure to pay the principal of or premium (if any) on, any Note, on its related Maturity Date, which failure continues unremedied for ten (10) or more calendar days after such Maturity Date;
c) Failure on the part of Capital Impact to observe or perform any covenants or agreements set forth in the Indenture (other than a covenant or agreement of Capital Impact a breach of which is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of one or more Series of Notes other than such Series), which failure has a material adverse effect on the Noteholders and which continues unremedied for a period of sixty (60) calendar days after there has been given

written notice to Capital Impact by the Indenture Trustee, or to Capital Impact by the holders of at least a majority in outstanding principal amount of the Notes of such Series, a written notice specifying such Default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture;

d) Any representation or warranty made by Capital Impact in the Indenture proves to have been incorrect in any material respect and continues to be incorrect in any material respect for sixty (60) days after written notice and as a result of which the interests of the Noteholders are materially and adversely affected;
e) The occurrence of an Insolvency Event relating to Capital Impact;
f) Capital Impact becomes an "investment company" within the meaning of the Investment Company Act;
g) This Indenture is required to become qualified under the Trust Indenture Act of 1939, as amended; or
h) Capital Impact fails to provide to the Indenture Trustee the Issuer Payment Confirmation in accordance with section 3.01(b)(ii) of the Indenture, which failure continues unremedied for ten (10) or more days.

Information Concerning the Indenture Trustee

If an Event of Default occurs, the holders of specified percentage amounts of the then outstanding Notes will have the right to direct the Indenture Trustee to exercise remedies in accordance with the terms of the Indenture, subject to certain exceptions. The Indenture Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of Notes, unless such Holder shall have offered to the Indenture Trustee security and indemnity satisfactory to it against any loss, liability or expense.

HOW TO INVEST / PLAN OF DISTRIBUTION

Investors must consult the relevant pricing supplement available from participating broker-dealers, in addition to this Prospectus for applicable Note terms.

The public offering price of the Notes will be set forth in the relevant pricing supplement. Please note that proceeds from the sale of the Notes will not be used to pay commissions or any other costs related to the sale of the Notes; all commissions or related costs will be paid from our operating budget and will therefore not be charged to investors.

Capital Impact has entered into a Selling Agent Agreement with InspereX, as the Lead Agent, as well as with any other agent that may be appointed by us. InspereX may reoffer the Notes to certain broker-dealers, including Momentus Securities, our indirect wholly owned subsidiary (the "selected dealers"). Notes may be purchased through any selected dealer that has entered into a Master Selected Dealer Agreement with InspereX. Selected dealers who effect transactions have agreed to sell Notes in accordance with the terms of this Prospectus. Through this offering, we will receive net proceeds from sales after the sales concessions are retained by the Lead Agent and any agent appointed by us in connection with sales of the Notes. The Lead Agent will reoffer the Notes to the selected dealers at a price within the range of sales concessions.

InspereX, as the Lead Agent, and any other agent appointed by us, may purchase the Notes at a selling concession not in excess of 3.000% of the principal amount of the Notes. The amount of the sales concession will be based on certain factors including the maturity and marketability of the Notes and shall range from

0.300% of the principal amount of the Notes, and shall not exceed 3.000% of the principal amount of the Notes. In the event the Lead Agent sells the Notes to the selected dealers, the Lead Agent will sell the Notes to such selected dealers at a price less than the public offering price and such selected dealers may retain all or a portion of such selling concession when they sell the Notes to their retail or institutional customers. While we receive net proceeds after sales of less than the full par value, we use operating funds to cover the discount resulting from the sales concessions such that each investor receives the full par value of a Note.

Notes will be sold at the selling price specified in the applicable pricing supplement. The Lead Agent shall purchase Notes from Capital Impact at the selling price less the applicable gross concession specified in the applicable pricing supplement. The Lead Agent may resell the Notes it purchases to any agent appointed by Capital Impact and selected dealers at the selling price less a concession that, at the discretion of the Lead Agent, may be less than or equal to the gross concession received by the Lead Agent. Notes purchased by the Lead Agent or any other agent appointed by Capital Impact and selected dealers on behalf of level-fee investment or advisory accounts may be sold to such accounts at the selling price less the applicable concession, and no such agent appointed by Capital Impact nor any selected dealer shall retain, as compensation, any portion of such concession.

As of the date hereof, the Notes will be offered for sale in the United States, excluding the State of Arkansas and the State of Washington and any territories thereof.

FINANCIAL REPORTING

Within 120 days of the fiscal year end, we send or make available to all current investors in the Notes the audited financial statements for the most recent fiscal year end. The most recent financial statements are also available on our website http://www.capitalimpact.org and upon written request to us.

APPENDIX I

AUDITED FINANCIAL STATEMENTS

CohnReznick LLP
cohnreznick.com

CohnReznick

Independent Auditor's Inclusion Letter

We agree to the inclusion in Appendix I to the Capital Impact Partners Prospectus dated August 31, 2026 of our report, dated March 27, 2026, on our audits of the consolidated financial statements of Capital Impact Partners and Subsidiaries as of December 31, 2025 and 2024 and for the years then ended.

CohnReznick LLP

Bethesda, Maryland
August 31, 2026

Capital Impact Partners and Subsidiaries

Consolidated Financial Statements with Independent Auditor's Report

December 31, 2025 and 2024

Contents

Independent auditor's report	3-4
Financial statements	
Consolidated statements of financial position	5
Consolidated statements of activities and changes in net assets	6
Consolidated statements of functional expenses	7
Consolidated statements of cash flows	8-9
Notes to consolidated financial statements	10-41
Supplementary information:	
Consolidating statement of financial position – 2025	42
Consolidating statement of activities – 2025	43
Consolidating statement of financial position – 2024	44
Consolidating statement of activities – 2024	45

Independent Auditor's Report

Board of Directors
Capital Impact Partners and Subsidiaries

Opinion

We have audited the consolidated financial statements of Capital Impact Partners and Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Capital Impact Partners and Subsidiaries as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Capital Impact Partners and Subsidiaries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Capital Impact Partners and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material

if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Capital Impact Partners and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Capital Impact Partners and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CohnReznick LLP

Bethesda, Maryland
March 27, 2026

Capital Impact Partners and Subsidiaries

Consolidated Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents – unrestricted	**$ 99,750,710**	$ 100,043,027
Cash and cash equivalents – restricted	**28,306,101**	26,847,156
Accounts and interest receivable	**15,886,850**	10,808,212
Investments	**60,079,473**	47,358,811
Mortgage backed securities	**36,916,905**	34,029,460
Loans receivable	**557,033,184**	557,337,088
Less: allowance for credit losses	**(21,942,645)**	(16,914,877)
Loans receivable, net	**535,090,539**	540,422,211
Loans receivable – subsidiaries	**18,247,198**	15,938,096
Loans receivable - intercompany	**51,800,000**	16,800,000
Other real estate owned	**658,497**	658,498
Other assets	**3,639,519**	3,053,759
Right of use assets	**2,736,250**	8,425,267
Total assets	**$ 853,112,042**	$ 804,384,497
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	**$ 12,017,508**	$ 10,201,921
Refundable advance liability	**8,453,815**	8,336,547
Revolving lines of credit	**20,000,000**	83,000,000
Notes payable	**46,500,000**	64,289,530
Investor notes, net	**401,508,658**	377,129,499
Subordinated debt	**14,500,000**	14,500,000
Federal Home Loan Bank borrowing	**24,000,000**	24,000,000
Bond loan payable, net	**130,712,020**	10,000,000
Notes payable – subsidiaries	**18,836,641**	19,120,355
Liability for CECL - loan commitments	**2,487,354**	2,596,742
Lease liabilities	**3,837,854**	10,821,624
Total liabilities	**682,853,850**	623,996,218
Net assets:		
Without donor restrictions	**127,558,745**	133,312,603
Noncontrolling interest in a consolidated subsidiary	**-**	1,281,113
Total without donor restrictions	**127,558,745**	134,593,716
With donor restrictions	**42,699,447**	45,794,563
Total net assets	**170,258,192**	180,388,279
Total liabilities and net assets	**$ 853,112,042**	$ 804,384,497

See notes to consolidated financial statements.

Capital Impact Partners and Subsidiaries

Consolidated Statements of Activities and Changes in Net Assets
Years Ended December 31, 2025 and 2024

	2025	2024
Changes in net assets without donor restrictions:		
Financial activity:		
Financial income:		
Interest income on loans	**$ 41,354,103**	$ 38,758,453
Loan fees	**424,056**	569,969
Investment income, net	**8,125,573**	3,065,482
Gain on equity method investments	**1,766,939**	942,906
(Loss) / Gain on NMTC unwinds	**(6,688)**	6,977
Gain on sale of securities	**1,467,908**	1,041,401
Total financial income	**53,131,891**	44,385,188
Financial expense:		
Interest expense	**31,442,343**	27,083,575
Provision for credit losses	**6,814,053**	9,805,409
Total financial expense	**38,256,396**	36,888,984
Net financial income	**14,875,495**	7,496,204
Revenue and support:		
Loan servicing fees	**1,475,698**	1,737,007
Fees	**2,631,771**	1,861,940
Asset management fees from investments	**2,186,023**	3,014,780
Contract revenue	**501,866**	635,780
Contributions	**160,000**	45,155,925
Inter-company fee income	**3,986,147**	3,742,764
Other income	**925,390**	91,919
Net assets released from donor restrictions	**22,154,106**	17,876,926
Total revenue and support	**34,021,001**	74,117,041
Non-financial expenses:		
Innovative community lending program	**21,371,857**	17,919,218
Technical assistance	**11,476,909**	11,086,702
Total non-financial program expenses	**32,848,766**	29,005,920
Support expenses:		
Management and general	**18,623,728**	22,131,243
Fundraising	**3,157,509**	2,963,966
Total non-financial expenses	**54,630,003**	54,101,129
Change in net assets without donor restrictions before noncontrolling interest activities	**(5,733,507)**	27,512,116
Noncontrolling interest – distributions	**(1,301,466)**	(19,838,560)
Change in net assets without donor restrictions	**(7,034,973)**	7,673,556
Changes in net assets with donor restrictions:		
Investment income, net	**579,132**	683,517
Grant revenue	**18,479,860**	17,666,645
Net assets released from donor restrictions	**(22,154,106)**	(17,876,926)
Change in net assets with donor restrictions	**(3,095,114)**	473,236
Change in net assets	**(10,130,087)**	8,146,792
Net assets, beginning	**180,388,279**	172,241,487
Net assets, ending	**$ 170,258,192**	$ 180,388,279

See notes to consolidated financial statements.

Capital Impact Partners and Subsidiaries

Consolidated Statements of Functional Expenses
Years Ended December 31, 2025 and 2024

	Program Expenses		Support Expenses		
2025	**Innovative Community Lending Program**	**Technical Assistance**	**Management and General**	**Fundraising**	**Total**
Interest expense	**$ 31,442,344**	**$ -**	**$ -**	**$ -**	**$ 31,442,344**
Provision for credit losses	**6,814,053**	**-**	**-**	**-**	**6,814,053**
Salaries and benefits	**18,389,369**	**3,166,320**	**11,336,062**	**2,569,061**	**35,460,812**
Inter-company management fee	**-**	**-**	**173,321**	**15,319**	**188,640**
Professional fees	**163,812**	**-**	**1,161,132**	**74,215**	**1,399,159**
Contractual services	**797,288**	**704,671**	**756,568**	**121,156**	**2,379,683**
Corporate development	**29,199**	**-**	**679,435**	**59,165**	**767,799**
Lease expense	**601,224**	**-**	**877,762**	**62,102**	**1,541,088**
Insurance	**-**	**-**	**423,547**	**26,040**	**449,587**
Travel and entertainment	**331,905**	**57,148**	**197,081**	**46,368**	**632,502**
Training and tuition	**61,562**	**-**	**258,650**	**21,317**	**341,529**
Grant expense	**-**	**7,548,770**	**-**	**-**	**7,548,770**
Depreciation	**256,794**	**-**	**198,678**	**-**	**455,472**
Technology	**41,519**	**-**	**1,448,061**	**107,871**	**1,597,451**
Other	**699,185**	**-**	**1,113,431**	**54,895**	**1,867,510**
	$ 59,628,254	**$ 11,476,909**	**$ 18,623,728**	**$ 3,157,509**	**$ 92,886,399**

	Program Expenses		Support Expenses		
2024	Innovative Community Lending Program	Technical Assistance	Management and General	Fundraising	Total
Interest expense	$ 27,083,575	$ -	$ -	$ -	$ 27,083,575
Provision for credit losses	9,805,409	-	-	-	9,805,409
Salaries and benefits	15,838,438	3,059,404	13,462,705	2,124,874	34,485,421
Inter-company management fee	-	-	287,026	31,892	318,918
Professional fees	292,421	-	1,390,006	99,105	1,781,532
Contractual services	433,585	868,649	1,643,398	245,175	3,190,807
Corporate development	110,555	-	914,819	100,193	1,125,567
Lease expense	587,047	-	888,751	79,289	1,555,087
Insurance	-	-	400,159	31,836	431,995
Travel and entertainment	360,810	-	433,930	37,594	832,334
Training and tuition	63,936	-	312,979	32,695	409,610
Grant expense	-	7,158,649	-	-	7,158,649
Depreciation	92,050	-	210,656	-	302,706
Technology	30,912	-	1,293,242	120,046	1,444,200
Other	109,464	-	893,572	61,267	1,064,303
	$ 54,808,202	$ 11,086,702	$ 22,131,243	$ 2,963,966	$ 90,990,113

See notes to consolidated financial statements.

Capital Impact Partners and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	**$ (10,130,087)**	$ 8,146,792
Noncontrolling interest activities	**(1,301,466)**	(19,838,560)
Change in net assets before noncontrolling interest activities	**(8,828,621)**	27,985,352
Adjustments to reconcile change in net assets to		
net cash provided by (used in) operating activities:		
Provision for credit losses	**6,814,053**	9,805,409
Depreciation	**455,472**	302,706
Amortization of notes issuance costs	**301,806**	268,798
Straight-line rent expense	**1,541,088**	1,375,422
(Gain) loss on investments	**(1,842,697)**	1,142,884
(Gain) on equity method investments	**(1,766,939)**	(1,304,536)
(Gain) loss on NMTC unwind	**6,688**	(6,977)
Distribution on earnings from equity method investments	**5,450**	4,269
Gain (Loss) in:		
Accounts and interest receivable	**(5,078,638)**	(3,352,320)
Other assets	**(910,387)**	513,229
Right of use assets	**4,147,929**	-
(Decrease) increase in:		
Accounts payable and accrued expenses	**1,822,390**	(406,599)
Refundable advance liability	**117,268**	(1,399,207)
Lease liabilities	**(6,983,770)**	(1,542,639)
Net cash (used in) provided by operating activities	**(10,198,908)**	33,385,791
Cash flows from investing activities:		
Loan originations and advances	**(112,654,448)**	(189,444,754)
Loan purchases	**(2,250,734)**	(7,152,004)
Loan repayments	**91,618,754**	106,694,745
Loan sales	**21,694,661**	26,365,068
Loan originations and advances - subsidiaries	**(2,601,717)**	(673,008)
Loan repayments - subsidiaries	**292,614**	4,603,607
Loan originations and advances - intercompany	**(74,000,000)**	(19,800,000)
Loan repayments - intercompany	**39,000,000**	5,500,000
Proceeds from return on investment from equity investment	**2,321,645**	2,199,118
Proceeds from sale and distributions of investments	**(4,539,848)**	55,353,440
Purchase of investments, net	**(8,402,621)**	(62,117,820)
Proceeds from mortgage backed securities	**6,223,822**	5,068,947
Purchase of mortgage backed securities	**(7,613,607)**	(6,431,929)
Purchase of furnishings and equipment	**(130,848)**	(226,365)
Net cash (used in) investing activities	**(51,042,327)**	(80,060,955)
Cash flows from financing activities:		
Repayment of notes payable	**(17,789,530)**	(4,497,206)
Proceeds from bond payable	**122,750,000**	10,000,000
Repayment of bond loan payable	**(2,037,980)**	(5,000,000)
Proceeds from issuance of investor notes, net	**134,454,851**	172,384,764
Repayment of investor notes	**(109,954,000)**	(57,895,000)
Payment of issuance cost of investor notes	**(423,497)**	(434,210)
Capital distribution paid - noncontrolling interest	**(1,308,267)**	(20,077,270)
Repayment of notes payable - subsidiaries	**(283,714)**	(5,073,567)
Proceeds from lines of credit	**60,000,000**	52,000,000
Repayment of lines of credit	**(123,000,000)**	(38,500,000)
Net cash provided by financing activities	**62,407,863**	102,907,511
Net increase in cash and cash equivalents	**1,166,628**	56,232,347
Cash and cash equivalents - beginning	**126,890,183**	70,657,836
Cash and cash equivalents - ending	**$ 128,056,811**	$ 126,890,183

Capital Impact Partners and Subsidiaries

Consolidated Statements of Cash Flows (Continued)
Years Ended December 31, 2025 and 2024

	2025	2024
Cash and cash equivalents consist of:		
Cash and cash equivalents – unrestricted	**$ 99,750,710**	$ 100,043,027
Cash and cash equivalents – restricted	**28,306,101**	26,847,156
	$ 128,056,811	$ 126,890,183
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	**$ 24,038,220**	$ 26,427,732
Cash paid for reductions to right of use assets and liabilities from operating lease	**$ 1,080,085**	$ -
Supplemental schedule of noncash operating activities:		
Loan forgiveness	**$ 1,895,673**	$ 5,880,553
Supplemental schedules of noncash investing and financing activities:		
Distributions payable to noncontrolling interest included in accounts payable	**$ -**	$ 6,802

See notes to consolidated financial statements.

Note 1. Description of Activities and Significant Accounting Policies

Description of activities: Capital Impact Partners is a nonprofit organization without capital stock organized under the laws of the District of Columbia at the direction of the U.S. Congress in 12 U.S. Code 3051(b). The purpose of Capital Impact Partners is to provide industry altering financial services and technical assistance programs designed to spark systemic change for lasting economic progress. Capital Impact Partners empowers communities to create more affordable cooperative homeownership, access to healthy foods, housing and services for the elderly, and facilities for health care centers and charter schools. The Community Development Financial Institutions Fund of the U.S. Treasury Department has designated Capital Impact Partners as a certified Community Development Financial Institution ("CDFI").

Effective February 8, 2021, Capital Impact Partners amended its organizational documents. The amendments were primarily to convert from membership to a non-membership organization and to revise the board makeup and size requirements in relation to the membership conversion.

CDC Small Business Finance Corp. ("CDC") is a California not-profit organization committed to serving the capital needs of small businesses in California, Nevada, and Arizona. CDC is a Certified Development Company certified by the U.S. Small Business Administration. Its mission is to champion the growth of small companies in its communities through various lending services. CDC arranges industrial and commercial real estate, and business development loans for small business companies located throughout the states of California, Nevada, and Arizona.

Effective April 1, 2021, Capital Impact Partners' and CDC aligned their operations under one chief executive officer and a joint board of directors. The strategic alliance between Capital Impact Partners and CDC, which closed on July 15, 2021, innovates how capital and investments flow into communities to advance economic empowerment and wealth creation. Capital Impact Partners and CDC remain as separate legal and tax entities with no control over the other.

Capital Impact Partners and CDC cross-guarantee most of the other party's debt and are co-borrowers on other obligations to enable each organization to benefit from the combined financial strength of both organizations.

Capital Impact Partners and CDC have substantially overlapped executive management teams with Ellis Carr, Capital Impact Partners' President and Chief Executive Officer, serving as President and Chief Executive Officer of both organizations.

In July 2022, the strategic alliance of Capital Impact Partners and CDC was rebranded as Momentus Capital, although each of Capital Impact Partners and CDC continues operating as separate entities committed to serving its key market and clients, complementing Capital Impact Partners and CDC's shared missions of community development and support for small businesses.

On December 10, 2021, Alliance Securities Manager LLC ("ASM"), a Delaware limited liability company and taxable wholly-owned subsidiary of Capital Impact Partners, entered into a Membership Interest Purchase Agreement ("Purchase Agreement") to purchase all the rights, title and interest in RPS Securities LLC ("RPS"), a member broker-dealer of the Financial Industry Regulatory Authority ("FINRA"). On February 11, 2022, RPS' continuing membership application was approved by FINRA and shortly after, on February 17, 2022, ASM acquired all of the interests in RPS pursuant to the Purchase Agreement and renamed RPS as Alliance Securities LLC effective February 17, 2022. Soon after Alliance Securities, LLC was renamed Momentus Securities LLC ("Momentus Securities"). In January 2024, the SBA approved Momentus Securities as an SBA Pool Assembler in the 7(a) Loan Guarantee Program.

On June 10, 2022, Capital Impact Partners formed two entities:

1) Momentus Manager LLC ("MM"), formerly Equitable Prosperity Manager LLC ("EPM") is a wholly owned investment adviser and a subsidiary of ASM.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

2) Momentus Fund 1 GL LLC ("MF GP"), formerly Equitable Prosperity Fund I GP LLC ("EPF GP") is a Delaware limited liability company and wholly owned subsidiary of Capital Impact Partners and a single purpose entity that holds the general partner interest in Momentus Fund 1 LP ("MF") formerly Equitable Prosperity Fund I LP ("EPF").

MF, formed June 10, 2022, is a growth stage impact investment fund designed to fill the capital gap needed to propel community-centric enterprises to scale and create measurable impact. Capital Impact Partners' capital contributions currently account for 35.89% of the aggregate capital contributions to MF.

The broker-dealer and investment advisory activities related to these entities are intended to generate revenue streams in the form of fee income and commissions (whether related to placement of securities, financing, investment management or investment banking). One or more affiliates of Capital Impact Partners, including MM, may also receive a profit allocation or have carried interest in connection with its investment advisory activities.

The following table provides information on Capital Impact Partners' various subsidiaries:

Subsidiary Name	Ownership %	Purpose of Subsidiary	Included in Consolidated Financials
Community Solutions Group, LLC	100%	Subsidiary of Capital Impact Partners formed to foster development and provide technical assistance to cooperative organizations and similar non-profit organizations and provide capital in support of development projects by making strategic grants and business planning advances. This entity had no activity in 2025 and 2024.	Yes
NCBCI Education Conduit, LLC	100%	Subsidiary of Capital Impact Partners formed to facilitate, encourage and assist in financing charter schools. This entity holds Capital Impact Partner's interest in the Charter School Financing Partnership (CSFP), LLC. This entity had no activity in 2025 and 2024.	Yes
Impact NMTC Holdings II, LLC	100%	Subsidiary of Capital Impact Partners formed to act as a non-managing member for NMTC Community Development Entities (CDEs) with Capital Impact Partners acting as managing member. This entity had no activity in 2025 and 2024.	Yes
Detroit Neighborhoods Fund, LLC (DNF, LLC)	100%	Subsidiary of Capital Impact Partners formed to provide financing for mixed-use and multi-family rental housing and healthy foods retail in areas in Detroit, Michigan.	Yes
FPIF, LLC	100%	Subsidiary of Capital Impact Partners formed to channel funds to a predominately low income population aged 50+. FPIF dissolved in 2025.	Yes
Community Investment Impact Fund, LLC	87%	The purpose of this fund is to engage solely in the business of, directly or indirectly, owning, holding for investment, exchanging, selling and disposing of investments in loans and other related activities. Capital Impact Partners is the managing member of this entity. Community Investment Impact Fund II, LLC merged with and into this entity, on January 1, 2020. Effective January 1, 2020, Capital Impact Partners increased its managing member ownership from 20% to 30%. As of December 31, 2024, Capital Impact Partners increased its managing membership ownership from 30% to 87%. As of December 31, 2025, Capital Impact Partners decreased its managing membership ownership from 87% to 0%. CIIF dissolved in 2025.	Yes
Alliance Securities Manager LLC	100%	This LLC is a holding company created to house the interests in investment business lines. This company is the parent company of Momentus Securities LLC and Momentus Manager LLC (formally Equitable Prosperity Manager LLC) which provides investment advisory services to multiple funds and is currently an Exempt Reporting Adviser.	Yes
Momentus Fund I GP LLC (formally, Equitable Prosperity Fund I GP LLC)	100%	This LLC is a single purpose entity that holds the General Partner interest in Momentus Fund 1 LP (formerly Equitable Prosperity Fund I LP).	Yes

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Capital Impact Partners' principal sources of revenue and support are interest income and fees earned from its lending activities, grants, contracts/technical assistance and contributions.

Significant accounting policies:

Basis of presentation: The consolidated financial statements (collectively, the financial statements) are in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which have been applied on a consistent basis and follow general practices within the not-for-profit industry.

Principles of consolidation: The financial statements include the accounts of Capital Impact Partners and its consolidated subsidiaries, which include Community Solutions Group, LLC, NCBCI Education Conduit, LLC, Detroit Neighborhoods Fund, LLC, FPIF, LLC, Community Investment Impact Fund, LLC, Impact NMTC Holdings II, LLC, Alliance Securities Manager LLC, and Momentus Fund 1 GP LLC (formerly Equitable Prosperity Fund I GP LLC). All intercompany balances and transactions are eliminated in consolidation.

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications: Certain amounts for the prior year have been reclassified to conform to the current year presentation; specifically, fee revenue, technical assistance and net asset purpose reclassifications to align with current business activity and investment summary financial information.

Unrestricted cash and cash equivalents: Unrestricted cash and cash equivalents consist of cash and investment securities with original maturities at the date of purchase of less than 90 days.

Restricted cash and cash equivalents: Capital Impact Partners have certain restricted cash and cash equivalents that are held by terms of grant and loan agreements.

Investments: Investments in equity securities, money market funds, Mortgage-Backed Securities with readily determinable fair values are stated at fair value measured, as more fully described in Note 21. Capital Impact Partners' investment in Real Estate Investment Trust ("REIT"), and other investments are stated at estimated fair value, as more fully described in Note 21. Interest and dividend income are recognized when earned. Any unrealized or realized gains or losses are reported in the Consolidated Statements of Activities and Changes in Net Assets as a change in assets without donor restrictions, unless explicit donor intent or law restricts their use, in which case unrealized or realized gains or losses are reported in the Consolidated Statements of Activities and Changes in Net Assets as a change in assets with donor restrictions. Investment return is reported net of investment expenses. Capital Impact Partners recognizes an average prepayment term of 10 years for the accretion of premium/discount on Mortgage-Backed Securities. This accelerated term relates to the increase in mortgage payoffs due to refinancing of homes. The accretion is reported with investment income, net assets without donor restrictions.

Investments in other entities are accounted for under the equity or the cost method depending on Capital Impact Partners' voting interest and the degree of control or influence Capital Impact Partners may have over the operations of these entities, as noted below:

Investments in New Markets Tax Credit entities: Investments in New Markets Tax Credit ("NMTC") entities are accounted for under the equity method of accounting under which Capital Impact Partners' share of net income or loss is recognized in the Consolidated Statements of Activities and Changes in Net Assets and added or subtracted from the investment account, and distributions received are treated as a reduction of the investment account.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Investment in ROC USA, LLC: Capital Impact Partners has a 23.81% voting interest in ROC USA, LLC and 33% equity investment in ROC USA, LLC and is accounting for its investments in ROC USA, LLC under the equity method of accounting. Accordingly, Capital Impact Partners' share of the change in net assets without donor restrictions of the affiliate is recognized as income or loss in Capital Impact Partners' Consolidated Statements of Activities and Changes in Net Assets and added to or subtracted from the investment account. Dividends received from the affiliate are treated as a reduction of the investment account. Capital Impact Partners appoints two of the eleven directors of the Board of Directors.

Investment in Charter School Financing Partnership, LLC: Capital Impact Partners has a 20% voting interest in Charter School Financing Partnership, LLC ("CSFP") and is accounting for its investment in CSFP under the equity method of accounting. Accordingly, Capital Impact Partners' share of net income of the affiliate is recognized as income or loss in Capital Impact Partners' Consolidated Statements of Activities and Changes in Net Assets and added to or subtracted from the investment account. Dividends received from the affiliate are treated as a reduction of the investment account. Capital Impact Partners appoints one of the five managers of the Board of Managers.

Investment in FHLB Stock: In January 2015, Capital Impact Partners became a member of the Federal Home Loan Bank of Atlanta ("FHLBank Atlanta") and is required to maintain an investment in capital stock in FHLBank Atlanta. The FHLBank Atlanta stock does not have a readily determinable value as ownership is restricted and there is no ready market for this stock. As a result, the stock is carried at cost and management evaluates periodically for impairment based on the ultimate recovery of the cost basis of the stock. No impairment was noted as of December 31, 2025, or 2024.

Investment in Workforce Affordable Housing Fund I, LLC: In July 2019, Capital Impact Partners became a 96% non-controlling member in the Investment in Workforce Affordable Housing Fund I, LLC ("WAHF") and is accounting for its investment under the equity method of accounting. Capital Impact Partners does not consolidate WAHF since it is not the managing member and the managing member controls the entity. The purpose is to invest in multifamily affordable housing properties located in specified areas in the U.S. Housing properties are to be acquired, held for investment then sold. Members record their proportionate share of income or loss from the properties and gain/loss upon sale of the property.

Investment in Momentus Fund and Momentus GP LLC (formerly Equitable Prosperity Fund and Equitable Prosperity General Partner LLC): Capital Impact Partners' capital contributions currently account for 35.89% of the aggregate capital contributions to MF. MF is a growth stage impact investment fund designed to fill the capital gap needed to propel community-centric enterprises to scale and create measurable impact. Capital Impact Partners is accounting for its investment in MF GP under the equity method of accounting. Accordingly, Capital Impact Partners' share of net income/loss of MF, through MF GP, is recognized as income/loss in Capital Impact Partners' Consolidated Statements of Activities and Changes in Net Assets and added to or subtracted from the investment account.

Noncontrolling interest in consolidated subsidiaries: The noncontrolling interest represents the equity interest in Community Investment Impact Fund, LLC ("CIIF") exclusive of Capital Impact Partners' interest. CIIF is a for-profit entity, which is jointly owned by Capital Impact Partners (managing member with 30% ownership) and Annaly Social Impact LLC ("Annaly") (non-managing member with 70% ownership). The non-managing member does not have substantive kick-out rights or substantive participating rights and therefore cannot consolidate. CIIF shall engage solely in the business of owning, holding for investment, exchanging, selling and disposing of investments in loans and other activities related or incidental to the foregoing business.

The operating agreements outline the "waterfall" of funds for CIIF to distribute to its investors. Distributions include: 1) operating cash to Annaly until such time it achieves a preferred return, and 2) remaining operating cash allocated to Annaly and Capital Impact Partners. Commencing in 2024, distributions included principal payments to Annaly until its capital contributions were returned, and then principal payments to Capital Impact Partners until its capital contributions have been returned. Any remaining distributable principal shall be allocated to Annaly and Capital

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Impact Partners. As of December 31, 2025, Annaly's non-managing member ownership is 0% and Capital Impact Partner's managing ownership is 0% and the CIIF entity dissolved.

Other Real Estate Owned (OREO): Real estate acquired through foreclosure or other proceedings is carried at estimated fair value, indicated by current appraisal, less estimated costs of disposal. The appraised value may be discounted based on Management's review and changes in market conditions. Costs of improving OREO are capitalized to the extent that the carrying value does not exceed its fair value less estimated selling costs. Subsequent valuation adjustments, if any, are recognized as a charge to lending expenses on the Consolidated Statements of Activities and Changes in Net Assets. Holding costs are charged to current period expense. Gains and losses on sales are recognized in financial income (loss) as they occur.

Loans receivable:

Loans: Loans are stated at their principal amounts outstanding, net of deferred loan fees. Interest income is accrued daily at the loans' respective interest rates. Related direct loan origination fees and costs are deferred and amortized over the life of the loans. Fees relating to expired commitments are recognized as non-interest income. If a commitment is exercised during the commitment period, the fee at the time of exercise is recognized over the life of the loan as an adjustment of yield.

Non-accrual loans: The accrual of interest on outstanding loans is discontinued at the time the loan is 90 days delinquent unless the credit is well secured and in process of collection. When the accrual of interest ceases, any unpaid interest previously recorded as income is deducted from income. Any future payments received are applied to reduce principal. When full collection of the remaining recorded balance is expected in the ordinary course of business, and interest payments are recorded as interest income on a cash basis. Loans may be reinstated to accrual status when all payments are brought current and, in the opinion of management, collection of the remaining principal and interest can reasonably be expected. If at any time collection of principal or interest is considered doubtful, all or some portion of the loan is charged off for financial reporting purposes, although collection efforts may continue.

Allowance for credit losses: Capital Impact Partners routinely evaluates the credit worthiness of the Borrower, at least quarterly, and establishes an allowance for credit losses (CECL reserve). The allowance is a valuation that management believes will be adequate to absorb possible losses on existing loans that may become uncollectible. It is established through a provision for credit losses charged to expense. Loans deemed to be uncollectible, such as debt discharged in bankruptcy or collateral deterioration, are charged against the allowance. Subsequent recoveries, if any, are credited to the allowance. The allowance is maintained at a level believed adequate by management to absorb estimated potential losses after considering changes, past loss experience, the nature of the portfolio and current economic conditions. However, the allowance is an estimate that could change if there are significant changes in the portfolio and/or economic conditions.

Capital Impact Partners estimates its CECL Reserve using datapoints that may include the likelihood of default and expected loss given default and other inputs which may include the risk rating of the loan, financial performance of the borrower compared to financial projections, and how recently the loan was originated compared to the measurement date. Estimating the CECL Reserve requires significant judgment with respect to various factors, including (i) the appropriate historical credit loss reference data, (ii) the expected timing of loan repayments, (iii) calibration of the likelihood of default to reflect the risk characteristics of Capital Impact Partners' loans and (iv) Capital Impact Partners current and future view of the macroeconomic environment. Capital Impact Partners may consider qualitative factors to estimate its CECL Reserve. Additionally, Capital Impact Partners' considers whether Borrowers are experiencing financial difficulty and whether the delays in payment are insignificant.

Transfers of financial assets: Transfers of financial assets are accounted for as sales when control over the assets have been surrendered. Control over transferred assets is deemed to be surrendered when: (1) the assets have been isolated from Capital Impact Partners, (2) the transferee obtains the right to pledge or exchange the transferred assets and no condition both constrains the transferee from taking advantage of that right and provides

Note 1. Description of Activities and Significant Accounting Policies (Continued)

more than a trivial benefit for the transferor, and (3) the transferor does not maintain effective control over the transferred assets through either (a) an agreement that both entitles and obligates the transferor to repurchase or redeem the assets before maturity or (b) the ability to unilaterally cause the holder to return specific assets, other than through a cleanup call.

Contributions receivable: Capital Impact Partners accounts for contributions received as without donor restriction or with donor restrictions depending on the existence or nature of any donor restrictions. All donor restricted support is reported as an increase in net assets with donor restrictions as to time or purpose depending on the nature of the restriction. When the donor restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), donor restricted net assets are reclassified to net assets without donor restrictions and reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from restrictions. Contributions receivable, which represent unconditional promises to give, are recognized as revenue in the period received and as assets, decreases in liabilities or expenses depending on the form of the benefits received. Conditional promises to give, which depend on the existence of both performance barriers and right of return language, are recorded as deferred revenue.

Other assets: Other assets include deposits, a recoverable grant, prepaid expenses, and furniture, equipment and leasehold improvements (see Note 10).

Right of use assets / lease liabilities: Capital Impact Partners recognizes right of use assets and lease liabilities on the Consolidated Statements of Financial Position for all leases with terms longer than 12 months. Right of use assets and lease liabilities are recognized at the lease commencement date based on the present value of the remaining lease payments over the lease term, using the incremental borrowing rate. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the Consolidated Statements of Activities and Changes in Net Assets. Lease expense is recognized on a straight-line basis over the term of the lease. The options to extend the lease term are not included in the right of use assets and liabilities recorded, when applicable. Capital Impact Partners has selected the practical expedient of not separating lease components from non-lease components.

Investor Notes: Capital Impact Partners launched an Investor Notes ("Investor Notes") program in 2017. The proceeds of the offerings are used primarily to fund initiatives that meet critical needs in low-income communities across the United States, including through Capital Impact Partners' subsidiaries and third-party intermediaries. The proceeds of the offerings may also be used to purchase securities or other assets that will be leveraged to support Capital Impact Partners' lending activities and general operations. The Investor Notes are offered through registered broker-dealers and are available for purchase in book-entry form, which means they may be purchased electronically through the investor's brokerage account and settled through the Depository Trust Company ("DTC"). Capital Impact Partners incurs agent and other fees to issue the Investor Notes program. The fees include legal and accounting fees which are capitalized in accordance with U.S. GAAP and amortized using the effective-yield method over the term of the Investor Notes and are presented net of the Investor Notes on the Consolidated Statements of Financial Position. US Bank has been designated as the trustee to the indenture governing the terms of the Investor Notes and in this capacity US Bank serves as paying agent for the Investor Notes. The Investor Notes constitute unsecured debt obligations of Capital Impact Partners.

Net assets: Capital Impact Partners classifies net assets into two categories: Without Donor Restrictions and With Donor Restrictions. All contributions are available for unrestricted use unless specifically restricted by the donor. Donor restricted net assets are contributions with donor-imposed time or purpose restrictions. Donor restricted net assets can be released from restriction when the time restrictions expire, or the contributions are used for their intended purpose at which time they are reported in the Consolidated Statements of Activities and Changes in Net Assets as net assets released from restrictions. Donor restricted funds also include donor contributions to be utilized in perpetuity as a revolving loan fund totaling $11,209,663 and $11,970,304, respectively, on December 31, 2025, and 2024.

Note 1. Description of Activities and Significant Accounting Policies (Continued)

Revenue recognition*:* Capital Impact Partners generally measures revenue based on the amount of consideration Capital Impact Partners expects to receive for the transfer of services to a customer, then recognizes this revenue when or as Capital Impact Partners satisfies its performance obligations under the contract, except in transactions where U.S. GAAP provides other applicable guidance. Material revenue streams are reported separately on the Consolidated Statements of Activities and Changes in Net Assets.

Revenue recognized at a point in time includes NMTC sub-allocation fees, unused fee, portfolio amendment / modification fees, covenant waiver fees, fund management fees, organization fee, advisory fees and bond syndication fees.

NMTC suballocation fees are paid to Capital Impact Partners from the community development entity ("CDE") for Capital Impact Partners' allocation of its NMTC award to the CDE. The fees are a percentage of the qualified equity investment ("QEI") made from the investor member to the CDE. The performance obligation of Capital Impact Partners is to assist in the transfer of its NMTC allocation to a CDE; therefore, the performance obligation is satisfied and revenue recognized when the deal closes.

Unused fees are paid to Capital Impact Partners from borrowers with revolving line of credit loans; equal to 15 basis points of the difference between the maximum available loan amount and average aggregate amount outstanding during the immediately preceding year. The unused fees are recognized upon receipt.

Portfolio amendment/modification fees are paid to Capital Impact Partners from borrowers. Borrowers request amendments to their existing loan agreement. The Portfolio team members determine the amount of work necessary to incorporate the requested amendments. Fees can range from $500 - $2,500 based on the complexity of the update.

As an investor member of WAHF, Capital Impact Partners earned an annual fund management fee. The equity investment fund management fee is the annual Fund equal to five tenths of one percent (0.5%) per annum multiplied by the Company's gross revenue for each Fiscal Year flat annual amount that ranges from $30,000 to $50,000.

Organization fees are reimbursed by organization and legal expenses paid by Capital Impact Partners on behalf of Macy's M Supplier Fund.

Advisory service fees are earned by Momentus Securities as part of its investment banking activities. Services provided include strategic advisory and capital-raising services.

Bond syndication fees are earned by Momentus Securities as the lead arranger for the bond issuance, which includes structuring the bonds, marketing the bonds, and selling the debt offering to investors. Capital Impact Partners amortizes the fee over the life of the bonds, which is eliminated upon consolidation.

Revenue recognized over a period of time includes Asset Management Fees and Guarantee Fees:

Asset management fees are earned by Capital Impact Partners for management services for NMTC programs and include assisting with NMTC program requirements. These performance obligations are estimated to be satisfied evenly over the life of each loan. The fee is either based on basis points of the outstanding balance of a loan or a flat fee. The fee is accrued monthly and paid quarterly. Asset management fees earned from subsidiaries are eliminated upon consolidation.

In December 2020, the California Primary Care Association ("CPCA") established the CPCA COVID Response Loan Fund to finance loans to California community healthcare centers. Capital Impact Partners serves as both the Program Administrator and Servicer of loans originated by this fund. As Program Administrator of these off-balance sheet loans, Capital Impact Partners reviews and manages the loan application process. This role entitles Capital Impact Partners to earn a fund underwriting fee of 1% per loan, which is recognized upon receipt in the Consolidated Statements of Activities and Changes in Net Assets. In addition, Capital Impact Partners has committed to

Note 1. Description of Activities and Significant Accounting Policies (Continued)

guarantee payments on defaulted loans for up to 5% of the total amount disbursed, not to exceed $1.5 million. As loans originated, the guarantee fees are recorded as a contingent liability and offset to underwriting fee income.

Asset management fees from investments: Capital Impact Partners recognizes investment management fees earned by EPM as part of its third-party investment management advising to one or more private funds.

Loan servicing fees: Capital Impact Partners recognizes loan servicing fees on the loans that it services for third parties. These fees are earned over the life of the loan.

Innovative community lending program: Capital Impact Partners provides loans and other kinds of financial services and support (i.e., financial analysis, real estate development tools and training) to cooperative and cooperative-like organizations serving low-income people and communities.

Technical assistance: Working with federal, state and local agencies, long-term care providers, small businesses, housing developers and community development corporations, Capital Impact Partners' team of experts enable affordable homeownership, small business development, and safe, humane community-based long-term care.

Functional expense allocation: The costs of providing various programs, technical assistance and other activities have been summarized on a functional basis in the Consolidated Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include the departments of President's Office, National Programs, Information Technology, Human Resources, Finance, Legal and Communications. These departments also benefit various programs. Any direct program related invoices such as Professional Fees and Contractual Services, specific to the teams noted above, are reported as program or technical assistance expenses. Salaries and benefits, travel and entertainment, depreciation and certain other expenses are allocated as a percentage of time worked on program specific duties.

Income taxes: Capital Impact Partners is generally exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, Capital Impact Partners qualifies for charitable contribution deductions and has been classified as an organization that is not a private foundation. Income, which is not related to exempt purposes, or less applicable deductions, is subject to federal corporate income taxes. Management evaluated Capital Impact Partners' tax positions and concluded that Capital Impact Partners had taken no uncertain tax positions that require adjustment to the financial statements. Consequently, no accrual for federal or state tax liability for interest and penalties was deemed necessary for the years ended December 31, 2025, and 2024. Capital Impact Partners files tax returns in the U.S. federal jurisdiction and California. Generally, Capital Impact Partners is no longer subject to income tax examination by the U.S. federal or state tax authorities for years before 2022.

CIIF is a consolidated subsidiary of Capital Impact Partners and is a Delaware limited liability company. The entity files an annual tax return to report the income, deductions, gains, losses, etc., from its operations. The entity does not pay federal income tax but pays non-resident withholding tax, to the State of California. All profits or losses pass through to its members, Capital Impact Partners and Annaly. Each member includes its share of the entity's income/loss on its tax return, whereas Annaly pays applicable non-resident withholding tax. CIIF dissolved in 2025.

ASM is a consolidated subsidiary of Capital Impact Partners and is a Delaware limited liability company and is taxable as a C corp. This company is the parent company of Momentus Securities LLC and Momentus Manager LLC (formerly Equitable Prosperity Manager LLC). ASM income is subject to income taxes and ASM files a separate tax return from Capital Impact Partners and accounts for income taxes in accordance with FASB's guidance on Accounting for Income Taxes. ASM has no material deferred tax asset or liability and has concluded that it has no material uncertain tax positions to be recognized at this time. ASM's wholly owned subsidiaries are disregarded

Note 1. Description of Activities and Significant Accounting Policies (Continued)

entities for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by ASM on its income tax return. Accordingly, the wholly owned subsidiaries are not required to file income tax returns with the Internal Revenue Service or other taxing authorities.

Note 2. Cash and Cash Equivalents

Cash and cash equivalents, including restricted balances, consist of the following at December 31:

	2025	2024
Cash in bank	$ 97,570,853	$ 108,957,036
Overnight investments	1,765,237	1,119,253
Other short-term investments	28,720,720	16,813,894
	$ 128,056,811	$ 126,890,183
Unrestricted	$ 99,750,710	$ 100,043,027
Restricted	28,306,101	26,847,156
	$ 128,056,811	$ 126,890,183

Restricted cash and cash equivalents are held, per respective agreements, for the following purposes: a) lending for the affordable housing in low-income community, b) to cover loan losses under a charter school loan program from the United States Department of Education (“USED”) and c) other programs.

Note 3. Liquidity

Capital Impact Partners regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to maximize the return on investment of its funds not required for annual operations.

Note 3. Liquidity (Continued)

As of December 31, 2025, and 2024, the following financial assets are available to meet annual operating needs of the 2025 and 2024 fiscal year, respectively:

Liquidity

	2025	2024
Total assets at year-end:		
Cash and cash equivalents – unrestricted	$ 99,750,710	$ 100,043,027
Cash and cash equivalents – restricted	28,306,101	26,847,156
Accounts and interest receivable	15,886,850	10,808,212
Loans receivable, net	535,090,539	540,422,211
Loans receivable – subsidiaries	18,247,198	15,938,096
Loans receivable – intercompany	51,800,000	16,800,000
Other real estate owned	658,498	658,498
Other assets	3,639,519	3,053,759
Investments	60,079,473	47,358,811
Mortgage backed securities	36,916,905	34,029,460
Right of use assets	2,736,250	8,425,267
Total assets	853,112,043	804,384,497
Less amounts not available to be used within one year:		
Cash and cash equivalents – unrestricted – subsidiaries	(13,016,559)	(14,649,770)
Cash and cash equivalents – restricted	(28,306,101)	(26,847,156)
Loans receivable, due after one year, net	(372,454,967)	(382,257,345)
Loans receivable – subsidiaries	(18,247,198)	(15,938,096)
Loans receivable – intercompany	(51,800,000)	(16,800,000)
Other assets	(2,633,909)	(2,037,004)
Investments	(60,079,473)	(47,358,811)
Investments in pledged mortgage backed securities	(27,596,393)	(27,612,892)
Unfunded loan commitments	(54,645,092)	(89,196,384)
Right of use assets	(2,736,250)	(8,425,267)
Assets not available to be used within one year	(631,515,942)	(631,122,725)
Financial assets available to meet general expenditures within one year	$ 221,596,101	$ 173,261,772

Note 4. Concentration of Credit Risk and Concentration of Contributions

Capital Impact Partners maintains cash in various financial institutions. Cash balances at each financial institution are insured by the Federal Deposit Insurance Corporation for up to $250,000.

On December 31, 2025, and 2024, Capital Impact Partners had uninsured balances of $95,378,453 and $105,713,538, respectively, that are included in cash and cash equivalents. Capital Impact Partners has not experienced any losses in such accounts. Capital Impact Partners' management believes it limits any significant credit risk by placing its deposits with high quality financial institutions. Uninsured amounts of $11,741,533 and $9,279,164 are held in short-term investments, in sweep accounts and non-bank money market accounts at December 31, 2025, and 2024, respectively.

As indicated in Note 8, a substantial portion of the loan portfolio is represented by loans for affordable housing projects. Most affordable housing loans have reserves established to mitigate risk of borrower payment issues. In addition, a substantial portion of the loan portfolio is represented by loans to charter schools. The viability of the borrowers and their ability to honor their contracts is dependent upon their ability to retain their charters. Approximately 20% and 19% of the portfolio represents loans made to entities associated with the NMTC program

Note 4. Concentration of Credit Risk and Concentration of Contributions (Continued)

on December 31, 2025, and 2024, respectively. Approximately 18% and 20% of the portfolio represents loans made in the state of California and approximately 19% and 18% in the state of Michigan at December 31, 2025, and 2024.

During the years ended December 31, 2025, and December 31, 2024, approximately $6,800,000, or 36% of total with or without donor restricted grants and contributions, was from one donor and $45,000,000, or approximately 72% of total with or without donor restricted grants and contributions, was from one donor, respectively.

Note 5. Investments

Investments consist of the following as of December 31:

	2025	2024
Marketable equity securities	$ 570,528	$ 577,897
Real estate investment trust	2,004,656	2,079,981
Other investments	286,230	286,672
Total investments at fair value (Note 21)	2,861,414	2,944,550
Equity method investments:		
ROC USA, LLC	6,377,005	5,535,599
Charter School Financing Partnership, LLC	343,752	343,752
Workforce Affordable Housing Fund I, LLC	16,970,108	19,227,386
Momentus Fund and Momentus Fund 1 GP LLC (formerly Equitable Prosperity Fund and Equitable Prosperity Fund I GP LLC)	20,254,494	13,475,466
Alliance Securities Manager LLC	11,226,223	3,334,151
Other equity method investment	323,925	359,476
Equity method investments in New Markets Tax Credit entities (Note 18)	20,452	27,731
Total equity method investments	55,515,959	42,303,561
Investments at cost	1,702,100	1,610,700
Debt investment	-	500,000
	$ 60,079,473	$ 47,358,811

Investment gain / (loss) consists of the following during the year ended December 31:

	2025	2024
Interest income, net	$ 5,600,738	$ 3,884,225
Dividend income	682,138	324,141
Unrealized gain (loss) on marketable securities and investments	1,926,117	(946,455)
Net realized loss on sale of mortgage backed securities	(83,420)	(196,429)
	$ 8,125,573	$ 3,065,482

Investment in Alliance Securities Manager LLC: On December 10, 2021, ASM, a wholly owned subsidiary of Capital Impact Partners, entered into the Purchase Agreement to purchase all the rights, title and interest in RPS Securities, a member broker-dealer of FINRA. On February 11, 2022, RPS' continuing membership application was approved by FINRA. Soon after, on February 17, 2022, ASM acquired all of the interests in RPS pursuant to the Purchase Agreement and renamed RPS as Alliance Securities LLC. Soon after, Alliance Securities LLC was renamed Momentus Securities. In January 2024, the SBA approved Momentus Securities as an SBA Pool Assembler in the 7(a) Loan Guarantee Program. The balance of $11,118,513 as of December 31, 2025, and $3,334,151 as of December 31, 2024, represents the consolidation of Momentus Securities SBA loan purchases and the associated originator fees through ASM and reported on the Statement of Financial Position.

Note 5. Investments (Continued)

The following is a summary of financial information for the years ended December 31, 2025, and 2024 for ASM:

	2025	2024
Loss	$ (1,474,140)	$ (2,145,821)
Capital contributions	13,333,333	-
Distributions	-	(3,333,333)

	2025	2024
Total assets	$ 25,413,676	$ 12,047,732
Total liabilities	5,365,491	3,858,738
Total members' capital	20,048,185	8,188,993
Total revenue	5,319,988	4,444,943
Total expenses	6,794,129	6,590,764
Net loss	(1,474,140)	(2,145,821)

Investment in Momentus Fund I and Momentus Fund 1 GP (formerly Equitable Prosperity Fund I and Equitable Prosperity Fund I GP LLC): Capital Impact Partners' capital contributions currently account for 35.89% of the aggregate capital contributions to Equitable Prosperity Fund I, a growth stage impact investment fund designed to fill the capital gap needed to propel community-centric enterprises to scale and create measurable impact.

The following is a summary of unaudited financial information for the years ended December 31, 2025, and 2024 for Momentus Fund I and Momentus Fund 1 GP (formerly Equitable Prosperity Fund I and Equitable Prosperity Fund I GP LLC):

	2025	2024
Gain / (Loss)	$ 1,017,946	$ (720,585)
Capital contributions to MF, formerly EPF	5,484,521	6,251,113
Distributions	(270,311)	(2,807,050)
CIP Equity Investment in MF, formerly EPF	17,900,636	12,416,115

	2025	2024
Total assets	$ 53,849,370	$ 39,555,417
Total liabilities	11,590,167	8,634,834
Total members' capital	42,259,203	30,920,583
Total revenue	5,900,669	4,114,387
Total expenses	6,242,049	6,351,609
Net loss	(341,380)	(2,237,222)

ROC USA, LLC: In February 2019, Capital Impact Partners contributed an additional $750,000 to ROC USA, LLC and amended the existing operating agreement (reflecting Capital Impact Partners' prior $500,000 investment) to incorporate this new equity investment. The revised operating agreement allows for the investor members to receive distributions equal to 5% of their capital contribution.

The allocation of the change in net assets without donor restriction and voting rights remained consistent with the original agreement at 33.33% and 33.33%, respectively. As provided for in the operating agreement of ROC USA, LLC, there are certain limitations affecting member capital withdrawals.

Note 5. Investments (Continued)

The following is a summary of financial information for the years ended December 31, 2025, and 2024, for ROC USA LLC:

	2025	2024
(Made) / Distribution received	$ (46,875)	$ 62,500
Gain	888,280	1,528,971

	2025	2024
Total assets	$ 191,048,192	$ 168,135,125
Total liabilities	36,925,847	134,357,726
Net assets	154,122,345	33,777,399
Total revenue	5,942,051	3,966,532
Total expenses	2,940,180	2,076,573
Change in net assets without donor restrictions	3,001,871	1,889,959

Workforce Affordable Housing Fund I, LLC: In December 2019, Capital Impact Partners invested in WAHF. The purpose of this transaction is to invest in multifamily affordable housing properties located in specific areas throughout the United States.

The following is a summary of financial information for WAHF for the years ended December 31, 2025, and 2024:

	2025	2024
Returns of investment / (Distributions)	$ (2,321,645)	$ 2,199,118
Gain	64,367	500,243

Total assets	$ 98,761,820	$ 102,234,168
Total liabilities	81,741,511	82,807,707
Total members' capital	17,020,309	19,426,461
Total revenue	10,346,731	10,798,331
Total expenses	10,277,472	10,264,123
Net income	69,259	534,208

Charter School Financing Partnership, LLC: As of December 31, 2025, and 2024, Capital Impact Partners had an investment in CSFP of $343,752. The net income of CSFP is allocated 18% to Capital Impact Partners and amounted to $0, for the years ended December 31, 2025, and 2024.

Other equity method investments: In 2018, Capital Impact Partners entered into an agreement to invest $500,000 in Develop Detroit, a nonprofit developer in Detroit, Michigan. The balance recorded as of December 31, 2025, and 2024, was $323,925 and $359,476, respectively. Net (loss) recorded as of December 31, 2025, and 2024 were ($35,540) and ($3,618), respectively.

Debt investment: In 2018, Capital Impact Partners entered a debt investment with a CDFI in the cooperative sector. The balance of $500,000 paid off as of June 2, 2025.

Investments at cost: Capital Impact Partners is a member of FHLBank Atlanta, whose mission is to support member's residential-mortgage and economic-development lending activities. FHLBank Atlanta is a cooperative bank that offers, among other services, competitively priced financing. As a requirement of membership, Capital

Note 5. Investments (Continued)

Impact Partners was required to purchase Class A Membership Stock of $250,000, which carries voting rights and is also an earning asset with dividends. Capital Impact Partners is required to purchase additional stock of 4.5% of each advance and pledge cash or securities as collateral for advances. On December 31, 2025, and 2024, the amount of stock held was $1,702,100 and $1,610,700, respectively. As of December 31, 2025, and 2024, Capital Impact Partners has outstanding advances from FHLBank Atlanta totaling $24,000,000.

Note 6. Mortgage-Backed Securities

Capital Impact Partners purchases Mortgage-Backed Securities in order to serve as collateral/pledge base for FHLBank Atlanta borrowings and earns a return on these investments.

The following is a summary of financial information of the total purchased Mortgage-Backed Securities:

	2025	2024
Pledged Amount	$ 27,596,393	$ 27,613,025
Unpledged Amount, net of discount, which is available to secure future advances	9,319,686	6,416,435
Net realized loss on sale of mortgage backed securities	(83,420)	(196,429)

The Mortgage-Backed Securities categories as of December 31, 2025, and 2024 are as follows:

	2025	2024
Mortgage Backed Securities:		
Federal Home Loan Mortgage Company (FHLMC)	$ 803,236	$ 901,844
Government National Mortgage Association (GNMA)	3,044,597	3,011,471
Uniform Mortgage Backed Securities (UMBS)	33,069,072	30,116,145
Total Mortgage Backed Securities	$ 36,916,905	$ 34,029,460

Note 7. Contributions Receivable

As of December 31, 2025, and 2024, total conditional contributions receivable not recorded is $4,400,000 and $2,725,000, respectively. The conditional unrecorded receivables include a right of release dependent on available funding or satisfactory progress.

Note 8. Loans Receivable

Capital Impact Partners is a development finance organization and, in that capacity, originates higher risk development loans in the following primary market sectors: affordable housing, education, health care and community development. The loans originated by Capital Impact Partners are secured and unsecured and often go to borrowers who may otherwise be unable to obtain conventional credit.

Note 8. Loans Receivable (Continued)

Capital Impact Partners' loan portfolio is diversified in terms of sector. The following is the distribution of loans outstanding on December 31:

	2025	%	2024	%
By Sector:				
Education	$ 93,717,903	17	$ 91,293,599	24
Health care	102,181,046	18	104,556,355	23
Affordable housing	271,174,399	49	286,155,049	43
Community development	89,959,836	16	75,332,085	10
Total – Capital Impact Partners	557,033,184	100	557,337,088	100
Detroit Neighborhoods Fund, LLC	18,247,198		15,938,096	
	$ 575,280,382		$ 573,275,184	

Real estate loans are used to finance the development of affordable housing projects and to provide term financing for the operation of affordable housing projects once they have been completed. Loans that are made to finance development are usually short-term and are repaid from either a construction or permanent loan. Term loans take the form of mortgages and are repaid from the operations of the real estate cooperative. Interest rates range from 3.00% to 9.14% and maturities from December 1, 2024, to July 1, 2053. Loans with 2024 maturity dates are under internal review to extend their maturity.

The commercial lending portfolio is diverse. Loans range from lines of credit to term loans. Loans are typically secured by general business assets (e.g., real estate, inventory, receivables, fixed assets and leasehold interests). Loan underwriting decisions are made based on the analysis of markets, management, and cash flow potential; and not primarily based on collateral coverage. These loans are expected to be repaid from cash flows generated by the borrower's operating activities. Interest rates range from 1.00% to 9.32% and maturities from December 20, 2025, to December 1, 2045. Loans with 2025 maturity dates are under internal review to extend their maturity.

Subsidiaries:

Detroit Neighborhoods Fund, LLC ("DNF, LLC"): DNF, LLC was formed during 2014 under the laws of the state of Delaware. Capital Impact Partners is the sole member and manager of DNF, LLC. DNF, LLC was formed specifically for the purpose of providing financing for mixed-use and multi-family rental housing and healthy foods retail in underserved areas in Detroit, Michigan. As manager, Capital Impact Partners identifies, originates, closes and services the loans. For this role, Capital Impact Partners receives an annual loan servicing fee of 200 basis points of the average daily outstanding principal balance of each end borrower loan. The lenders have committed to lend an aggregate of $30 million to the fund. The lenders in the fund are Capital Impact Partners, with a $10 million commitment and J.P. Morgan Chase Community Development Corporation, with a $20 million commitment. All loans from each investor are evidenced by individual promissory notes from each lender to DNF, LLC. The loans are with sole recourse to DNF, LLC and include no obligation for repayment on the part of Capital Impact Partners. Interest rates range from 5.0% to 5.25% and maturities from March 1, 2026, to June 27, 2029.

Refer to Note 14. Notes Payable - Subsidiaries, for further details on subsidiary loans receivables.

Note 9. Credit Quality

Loan origination and risk management: Capital Impact Partners has certain lending policies and procedures in place that are designed to maximize loan income within an acceptable level of risk. Management reviews and approves these policies and procedures on a regular basis. A reporting system supplements the review process by

Note 9. Credit Quality (Continued)

providing management with frequent reports related to loan production, loan quality, concentration of credit, loan delinquencies and non-performing and potential problem loans. Diversification in the loan portfolio is a means of managing risk associated with fluctuations in economic conditions.

Capital Impact Partners' lending is focused on owner-occupied commercial real estate in its primary sectors, which include:

- Education
- Health care
- Affordable housing
- Community development

Commercial real estate loans are viewed primarily as cash flow loans and secondarily as loans secured by real estate. Commercial real estate lending typically involves higher loan principal amounts, and the repayment of these loans is generally largely dependent on the successful operation of the property securing the loan or the business conducted on the property securing the loan. Commercial real estate loans may be more adversely affected by conditions in the real estate markets or in the general economy. Capital Impact Partners mitigates this risk by focusing on owner-occupied commercial real estate transactions in its sectors of education and health care. Management monitors and evaluates commercial real estate loans based on collateral, geography and risk grade criteria.

Once it is determined that the borrower's management possesses sound ethics and solid business acumen, Capital Impact Partners' management examines current and projected cash flows to determine the ability of the borrower to repay their obligations as agreed. Loans are primarily made based on the identified cash flows of the borrower and secondarily on the underlying collateral provided by the borrower. The cash flows of borrowers, however, may not be as expected and the collateral securing these loans may fluctuate in value. Most loans are secured by the assets being financed or other business assets such as accounts receivable or inventory and may incorporate a personal guarantee to attempt to reduce the risk of loss. Some short-term loans may be made on an unsecured basis.

Age analysis of past due loans: The following tables represent an aging of loans by sector as of December 31, 2025, and 2024. The tables present the principal amount outstanding on the loans that may be past due for principal and/or interest payments contractually due:

December 31, 2025	30 - 59 Days Past Due	60 - 89 Days Past Due	90 days and Still Accruing	Non-accrual	Total Past Due	Current	Total Loans
Education	$ -	$ -	$ -	$ -	$ -	$ 93,717,903	$ 93,717,903
Health care	-	-	-	-	-	102,181,046	102,181,046
Affordable housing	-	13,223,714	21,896,642	7,493,343	42,613,699	228,560,700	271,174,399
Community development and other	-	-	-	7,486,521	7,486,521	82,473,315	89,959,836
	$ -	$ 13,223,714	$ 21,896,642	$ 14,979,864	$ 50,100,220	$ 506,932,964	$ 557,033,184

December 31, 2024	30 - 59 Days Past Due	60 - 89 Days Past Due	90 days and Still Accruing	Non-accrual	Total Past Due	Current	Total Loans
Education	$ -	$ -	$ -	$ -	$ -	$ 91,293,599	$ 91,293,599
Health care	-	-	-	1,758,923	1,758,923	102,797,432	104,556,355
Affordable housing	10,576,953	-	5,973,462	1,036,187	17,586,602	268,568,447	286,155,049
Community development and other	3,485,437	-	3,645,600	4,599,115	11,730,152	63,601,933	75,332,085
	$ 14,062,390	$ -	$ 9,619,062	$ 7,394,225	$ 31,075,677	$ 526,261,411	$ 557,337,088

Note 9. Credit Quality (Continued)

Credit quality indicators: Capital Impact Partners assigns internal credit classifications at the inception of each loan. These ratings are reviewed by an independent third party on a semi-annual basis as well as periodic internal reviews based on Capital Impact Partners' credit guidelines and when loans are renewed. Quarterly reviews are required if the borrower fails to meet contractual expectations or other performance degradation that would warrant increased monitoring. If a loan is in default for a period of 90 days or more or when the contractual collection of principal or interest is in doubt, the loan is placed on nonaccrual status, and the credit quality would be downgraded to substandard or doubtful. The following definitions summarize the basis for each classification.

Above Average: These borrowers have a clear ability to service debt from the primary repayment source, strong working capital position, acceptable leverage ratios, and stable operating trends. These borrowers must have current and regularly received financial information in the file, follow all financial covenants with no material delays in meeting reporting covenants and be properly documented. Additionally, they have stable and experienced management, profitable operations for the past three years, sufficient cash flow to service debt, and if there is reliance on fund raising, it is minimal and history has proven it is a reliable source of income.

Pass: These borrowers have a clear ability to service debt from the primary repayment source and a history of strong financial performance. These loans may have a short-term or situational weakness that is expected to resolve within 24 months; examples include major construction or rehabilitation, business expansion to additional sites or services, large loan for borrower or lender and change in a key member of management. These borrowers must have current and regularly received financial information in the file, follow loan covenants, and be properly documented.

Watch: These borrowers are generally acceptable risks but show some signs of weakness in cash flow or financial strength or have short or unstable earnings history. The borrower may be unable to achieve projected operations and/or may have covenant violations. These loans are performing as agreed and may be characterized by uncertain industry outlook, cyclical or highly competitive, greater sensitivity to market forces and business cycles, full collateral coverage, insufficient current financial information or outdated loan officer review to determine repayment ability, or weak management.

Special Mention: These loans are currently protected but are potentially weak. These loans constitute an undue and unwarranted credit risk but not to the point of justifying a classification of substandard. The credit risk may be relatively minor yet constitutes an unwarranted risk considering the circumstances surrounding a specific loan. These loans may be characterized by a downward trend in sales profit levels and margins, cash flow strained to meet debt repayment schedule, non-compliance with covenants, high leverage and weak liquidity, weak industry conditions or collateral impairment.

Substandard: These loans are inadequately protected by the current net worth and repayment capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness or weaknesses that will jeopardize the liquidation of the debt. They are characterized by the distinct possibility that Capital Impact Partners will sustain some loss if the deficiencies are not corrected.

Doubtful: These loans have all the weaknesses of substandard loans with the added characteristic that the weaknesses make collection or liquidation in full, based on currently existing facts, conditions, and values, highly questionable and improbable. The possibility of loss is extremely high, but because of certain important, and reasonably specific, pending factors which may work to the advantage and strengthening of the loan, a charge-off is deferred until its more exact status may be determined. Pending factors include proposed merger, acquisition, or liquidation procedures, capital injection, perfecting liens on additional collateral and refinancing plans.

Note 9. Credit Quality (Continued)

The following tables summarize the loan portfolio by sector and the internally assigned credit quality ratings for those categories on December 31, 2025, and 2024:

December 31, 2025	Above Average	Pass	Watch	Special Mention	Substandard	Doubtful	Total
Education	$ 1,498,975	$ 14,169,927	$ 60,070,992	$ 17,816,479	$ 161,530	$ -	$ 93,717,903
Health Care	-	15,489,544	79,445,225	3,540,014	3,706,263	-	102,181,046
Affordable Housing	572,987	6,499,012	157,181,126	59,252,610	44,117,310	3,551,354	271,174,399
Community Development & Other	-	3,801,934	38,660,336	36,400,433	8,048,482	3,048,651	89,959,836
	$ 2,071,962	$ 39,960,417	$ 335,357,679	$ 117,009,536	$ 56,033,585	$ 6,600,005	$ 557,033,184

December 31, 2024	Above Average	Pass	Watch	Special Mention	Substandard	Doubtful	Total
Education	$ 1,525,532	$ 33,034,076	$ 50,381,010	$ 6,352,981	$ -	$ -	$ 91,293,599
Health Care	-	19,452,725	72,331,881	12,771,749	-	-	104,556,355
Affordable Housing	599,191	21,004,013	193,547,334	35,282,410	34,154,268	1,567,833	286,155,049
Community Development & Other	-	14,447,772	44,128,808	9,076,462	4,630,392	3,048,651	75,332,085
	$ 2,124,723	$ 87,938,586	$ 360,389,033	$ 63,483,602	$ 38,784,660	$ 4,616,484	$ 557,337,088

Allowance for credit losses: The allowance for credit losses as a percentage of loans outstanding as of December 31, 2025, and 2024, was 3.9% and 3.0%, respectively.

Capital Impact Partners performs a migration analysis of Capital Impact Partners' loan risk ratings and loan loss ratios in determining the allowance for credit loss calculation.

The following tables summarize the allowance for credit losses as of and for the years ended December 31, 2025, and 2024, by sector and the amount of loans evaluated individually or collectively for impairment by sector:

December 31, 2025	Education	Health Care	Affordable Housing	Community Development	Total
Allowance for credit losses:					
Beginning balance	$ 1,357,423	$ 1,771,874	$ 10,792,348	$ 2,993,232	$ 16,914,877
Charge-offs	-	-	-	(1,895,673)	(1,895,673)
Recoveries	-	-	-	-	-
Provisions	785,777	630,883	2,544,024	2,962,757	6,923,441
	$ 2,143,200	$ 2,402,757	$ 13,336,372	$ 4,060,316	$ 21,942,645
Ending balance of allowance for credit losses:					
Individually evaluated for impairment	$ -	$ -	$ -	$ -	$ -
Collectively evaluated for impairment	2,143,200	2,402,757	13,336,372	4,060,316	21,942,645
	$ 2,143,200	$ 2,402,757	$ 13,336,372	$ 4,060,316	$ 21,942,645
Loan ending balances:					
Individually evaluated for impairment	$ -	$ -	$ 499,892	$ -	$ 499,892
Collectively evaluated for impairment	93,717,903	102,181,046	270,664,784	89,959,835	556,523,568
	$ 93,717,903	$ 102,181,046	$ 271,164,676	$ 89,959,835	$ 557,033,184

Note 9. Credit Quality (Continued)

December 31, 2024	Education	Health Care	Affordable Housing	Community Development	Total
Allowance for credit losses:					
Beginning balance	$ 1,148,157	$ 1,408,749	$ 7,920,485	$ 2,096,039	$ 12,573,430
Charge-offs	-	-	-	(5,880,553)	(5,880,553)
Recoveries	-	-	-	95,569	95,569
Provisions	209,266	363,125	2,871,863	6,682,177	10,126,431
	$ 1,357,423	$ 1,771,874	$ 10,792,348	$ 2,993,232	$ 16,914,877
Ending balance of allowance for credit losses:					
Individually evaluated for impairment	$ -	$ -	$ -	$ -	$ -
Collectively evaluated for impairment	1,357,423	1,771,874	10,792,348	2,993,232	16,914,877
	$ 1,357,423	$ 1,771,874	$ 10,792,348	$ 2,993,232	$ 16,914,877
Loan ending balances:					
Individually evaluated for impairment	$ -	$ 1,857,936	$ 532,679	$ 3,645,600	$ 6,036,215
Collectively evaluated for impairment	91,293,599	102,698,419	285,622,370	71,686,485	551,300,873
	$ 91,293,599	$ 104,556,355	$ 286,155,049	$ 75,332,085	$ 557,337,088

Subsidiaries with loans, DNF, LLC: These funds are structured so that if there are losses at the fund, they pass through to each of the lenders that funded the loans in the fund, first on a junior/subordinated debt level and then at the senior debt level. Therefore, in the event of a loss that exceeds Capital Impact Partners' junior portion of the loan, the applicable senior lender will absorb the remainder of the loss. Capital Impact Partners is not required to make up any payment shortages from borrowers due to other lenders participating. Additionally, certain funds (i.e., DNF, LLC) are required to maintain certain amounts of cash in the fund (until maturity) that will serve as an additional reserve to the senior lenders' position.

The structured fund documents do not account for the establishment of an allowance in the pricing of the ultimate loans to the borrowers and fees charged. The legal documents address how losses will be absorbed through the "waterfall" language in each fund. Typically, it is the junior lenders that take the first loss if there is no cash reserve or other enhancement that can absorb some portion of non-payment or charge off. The remainder of the loss is absorbed by the senior lender(s). Capital Impact Partners underwrites, services and manages all loans funded from these structured funds and therefore performs initial and ongoing routine evaluations of the performance of each loan's borrower and its ability to repay. Capital Impact Partners will evaluate each of the loans within these funds, individually, to determine allowance for loan loss levels. There was no allowance recorded as of December 31, 2025, and 2024.

Note 10. Other Assets

Included in other assets as of December 31, 2025, and 2024, are the following:

Capital Impact Partners issues recoverable grants to assist grant recipients with initial costs needed to close property acquisitions. Capital Impact Partners awarded 2 recoverable grants, totaling $1,554,983 in 2025 and 2 recoverable grants totaling $625,000 in 2024. Grants are to be repaid to Capital Impact Partners as part of the property loan closing.

$1,468,629 and $1,383,381 within Other Assets for the years ended December 31, 2025, and 2024, respectively, represents Prepaid Assets and Security Deposits on leased property for Capital Impact Partners offices.

Goodwill was recorded as part of ASM's acquisition of all the interests in RPS pursuant to the Purchase Agreement, net of FMV of assets/equity acquired. The goodwill fair value is evaluated for impairment annually. As of December 31, 2025, and 2024, goodwill recorded was $10,570.

Note 10. Other Assets (Continued)

Furniture, equipment and leasehold improvements at December 31, 2025, and 2024, were comprised as follows:

	2025	2024
Furniture, equipment and software	$ 1,529,785	$ 1,503,785
Leasehold improvements	1,932,763	1,932,763
	3,462,548	3,436,548
Less accumulated depreciation and amortization	(2,857,211)	(2,401,740)
	$ 605,337	$ 1,034,808

Note 11. Leases

Capital Impact Partners has operating leases for five corporate offices. Leases have remaining lease terms of 4 months to 6 years, some of which include options to extend the leases for up to 5 years. The components of lease expense were as follows:

	2025	2024
Operating lease cost - fixed	$ 1,419,390	$ 1,404,669
Operating lease cost - variable	121,698	150,418
	$ 1,541,088	$ 1,555,087
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 2,656,136	$ 1,542,639
Weighted average remaining lease term		
Operating leases	6 years	8 years
Weighted average discount rate		
Operating leases	4.35%	3.49%
Right of use assets	$ 2,736,250	$ 8,425,267

Because Capital Impact Partners generally does not have access to the rate implicit in the lease, the incremental borrowing rate is utilized as the discount rate.

Maturities of lease liabilities were as follows:

Years ending December 31:	
2026	$ 1,924,685
2027	403,219
2028	416,931
2029	352,333
2030	349,773
Thereafter	777,817
Total lease payments	4,224,758
Less imputed interest	(386,904)
	$ 3,837,854

Undiscounted maturities of lease liabilities as of December 31, 2024 was $12,461,538.

Note 11. Leases (Continued)

Capital Impact Partners signed a 15-year lease agreement for its Arlington, Virginia offices on October 19, 2016. The lease commitment period is from December 1, 2017, through November 30, 2032. The lease agreement provides for annual escalations on base rent and there is a 5-year renewal option after the initial 15-year lease term.

In September 2019, Capital Impact Partners entered a new $2 million operating lease to secure additional space for the Arlington, Virginia office. The lease is for 13 years and ends November 30, 2032.

On April 30, 2025, Capital Impact Partners terminated both Arlington office leases, effective April 30, 2026, and agreed to pay a $2,160,170 termination fee. 50% or $1,080,085 was paid with the Termination Notice and the remaining 50% is to be paid prior to the Effective Lease Termination date**.**

In February 2025, Capital Impact Partners secured additional space in the New York office through a lease amendment. The lease extension is 5 years and ends May 31, 2033.

Capital Impact Partners also leases office space in Detroit, Michigan and Oakland, California. There is office space in Austin, Texas, secured with a one-year lease agreement.

Lease incentives are amortized using the straight-line method over the respective lease term and are presented in Consolidated Statements of Activities and Changes in Net Assets as part of lease expense.

Note 12. Refundable Advance Liability

Capital Impact Partners reports a refundable advance liability for funds received from conditional contributions from various grantors. These contributions remain classified as a refundable advance until the agreed upon conditions or barriers are met. The refundable advance liability balance was $8,453,815 and $8,336,547 as of December 31, 2025, and 2024, respectively.

Note 13. Notes and Bond Payable, Revolving Lines of Credit, Subordinated Debt and Investor Notes

Notes and bond payable, revolving lines of credit, Investor Notes and subordinated debt as of December 31, 2025, and 2024, consist of the following:

	Commitment	Available Undrawn	December 31, 2025	December 31, 2024	Interest Rate Range / Average Rate	Maturity Date Range
Revolving lines of credit	$ 165,000,000	$ 121,000,000	$ 20,000,000	$ 83,000,000	5.51%-5.70%	August 2026 - September 2027
Unsecured - fixed rate	51,500,000	-	46,500,000	64,289,530	1.00% - 4.75%	December 2026 - August 2030
Investor Notes	405,408,000	-	405,408,000	380,296,000	1.20% - 6.00%	January 2026 - December 2040
Subordinated debt	14,500,000	-	14,500,000	14,500,000	2.00% - 3.00%	August 2026 - October 2035
Federal Home Loan Bank borrowing	179,880,252	155,880,252	24,000,000	24,000,000	4.24%	June 2027 - December 2029
Bond payable	132,750,000	-	132,750,000	10,000,000	4.66%-5.71%	October 2034 - August 2035
	949,038,252	276,880,252	643,158,000	576,085,530		
Investor Notes issuance cost	-	-	(3,899,342)	(3,166,501)	1.20% - 6.00%	
CIP Bond issuance cost	-	-	(2,037,980)			
	$ 949,038,252	$ 276,880,252	$ 637,220,678	$ 572,919,029		

Capital Impact Partners has certain debt agreements that contain both operational and financial covenants requiring Capital Impact Partners to maintain minimum cash and cash equivalents balances and certain financial ratios.

Investor Notes: In 2025, Capital Impact Partners offered Investor Notes, continuous from its 2020 offering, for up to $300,000,000. The Investor Notes are offered through registered broker dealers and are available for purchase in book-entry form, which means they may be purchased electronically through the investor's brokerage account and settled through the DTC. The Investor Notes were issued in increments of $1,000 or more and pay interest at

Note 13. Notes and Bond Payable, Revolving Lines of Credit, Subordinated Debt and Investor Notes (Continued)

various fixed interest rate. Investor Notes may be purchased for various terms ranging from 6 months up to 20 years.

US Bank has been designated as the trustee to the indenture governing the Investor Notes and serves as a paying agent for the Investor Notes. The Investor Notes are senior to the subordinated loans. On December 31, 2025, and 2024, the Investor Note holders held $405,408,000 and $380,296,000, respectively, of the total Investor Notes payable balance. Interest rates range between 1.00% and 6.00%. Aggregate annual maturities of Investor Notes over each of the next five years and thereafter, as of December 31, 2025, are as follows:

Years ending December 31:	
2026	$ 73,899,000
2027	75,529,000
2028	97,912,000
2029	53,625,000
2030	60,192,000
Thereafter	44,251,000
	$ 405,408,000

FHLB borrowing: As a member bank, Capital Impact Partners may request advances from FHLBank Atlanta. As of December 31, 2025, the outstanding balance was $24,000,000 secured by Mortgage-Backed Securities in the amount of $27,596,393. As of December 31, 2024, the outstanding balance was $24,000,000 secured by Mortgage-Backed Securities in the amount of $27,613,025.

US Bank Bond Payable: During 2024**,** US Bank purchased a $5,000,000 bond from Capital Impact Partners. The bond offering is up to $10,000,000. Proceeds are used as capital to make loans in the state of California and seeks to provide financing to support impact in three key areas: wealth creation for borrowers, growth in developers and their projects financed by Capital Impact Partners, and community development where Capital Impact Partners operates. As of December 31, 2025, and 2024, the bonds payable balance was $10,000,000 and $5,000,000, respectively.

In July 2025, Capital Impact Partners issued $122,750,000 in unsecured Taxable Bonds, Series 2025-1, ($54,000,000, 5.335% term bonds due August 1, 2030, $68,750,000, 5.999% term bonds due August 1, 2035). The net proceeds from the offering of the Bonds, after payment of the Underwriters' commission and expenses related to the offering, were used to repay existing borrowings from JPMorgan Chase Bank, N.A., and notes from its Impact Investment Note program. The Bonds were issued at a discount of $891,078, and Capital Impact Partners incurred debt issuance costs of $1,146,902. Capital Impact Partners will repay the bonds and debt service through cash flow from interest and principal payments on its loan portfolio, supplemented by fee revenue, investment income and some grant support.

Note 13. Notes and Bond Payable, Revolving Lines of Credit, Subordinated Debt and Investor Notes (Continued)

The balance of the bonds payable by Capital Impact Partners was as follows as of December 31:

Securities Offered: Taxable Bonds, Series 2025-1	2025	2024
5-year Term Bond, 5.335% per annum, semiannual payments, maturity due August 1, 2030, Price 100.00%, CUSIP 140192AA3, Issue Date: 7/30/2025. Accrued interest as of December 31, 2025, was $1,208,378. There was no accrued interest as of December 31, 2024. The bonds are rated A+ by S&P Global Ratings.	$54,000,000	$0
10-year Term Bond, 5.999% per annum, semiannual payments, maturity due August 1, 2035, Price 100.00%, CUSIP 140192AB1, Issue Date: 7/30/2025. Accrued interest as of December 31, 2025, was $1,729,920. There was no accrued interest as of December 31, 2024. The bonds are rated A+ by S&P Global Ratings.	$68,750,000	$0
Total Bonds Payable	$122,750,000	$0

Aggregate annual maturities of Capital Impact Partners' borrowings over each of the next five years and thereafter, as of December 31, 2025, are as follows:

Years ending December 31:	
2026	$ 82,399,000
2027	118,279,000
2028	109,162,000
2029	82,375,000
2030	115,442,000
Thereafter	135,501,000
	$ 643,158,000

U.S. GAAP requires interest expense and contribution revenue to be reported in connection with loans of cash to not-for-profit organizations that are interest free or that have below-market interest rates. The contribution is recognized at the time the loan is made and amortized using the effective interest method. The accretion increases interest expense and notes payable.

Note 14. Notes Payable – Subsidiaries

The notes payable under DNF, LLC are with sole recourse to DNF, LLC and include no obligation for repayment on the part of Capital Impact Partners.

Subsidiary	Lender	Commitment	December 31, 2025	December 31, 2024	Interest Rate	Final Maturity Date	Payment Details
DNF, LLC	JPMorgan Chase	$ -	$18,836,641	$19,120,355	2.00%	June 2029	Monthly interest, with consecutive quarterly principal payments beginning in June 2024

Note 14. Notes Payable – Subsidiaries (Continued)

Aggregate annual maturities of subsidiary borrowings over each of the next five years and thereafter, as of December 31, 2025, are as follows:

	Subsidiaries
Years ending December 31:	
2026	$ 2,121,091
2027	2,402,796
2028	232,169
2029	14,080,585
	$18,836,641

Note 15. Net Assets with Donor Restrictions

Donor restricted net assets are those net assets whose use by Capital Impact Partners is limited by the donors for a special purpose or restricted to be used in a later period. On December 31, 2025, and 2024, donor restricted net assets consisted of the following:

Purpose	2025	2024
Educational Program	$ 17,843,526	$ 17,440,260
Entrepreneur and Developer Program	955,468	2,472,048
Housing Program	17,111,086	15,916,685
National Program	6,526,324	9,802,106
Various	263,043	163,464
	$ 42,699,447	$ 45,794,563

Note 16. Fees

Material revenue streams are reported separately on the Consolidated Statements of Activities and Changes in Net Assets. Revenue is either recognized at a point in time or over a period of time.

Revenue recognized at a point in time includes NMTC suballocation Fees, fund management fees, unused fee income and portfolio amendment / modification fees, organization fees and advisory fees. Revenue recognized over a period includes asset management fees and guarantee fees.

Note 16. Fees (Continued)

Fees – recognized at point in time	2025	2024
NMTC suballocation fees	$ 1,875,000	$ 1,077,126
Unused fee income	-	6,110
Fund management fees	51,203	87,007
Portfolio amendment / modification fees	179,382	91,500
Administrative fees	97,701	54,249
Organization fee income	-	267,058
Advisory fee income	106,565	275,915
MS Bond Syndication Fee	320,432	-
	2,630,283	1,858,965
Fees – recognized over time		
Guarantee fees	1,488	2,975
	1,488	2,975
	$ 2,631,771	$ 1,861,940

Note 17. Related Party Transactions

NCB and NCB Financial Savings Bank (NCB, FSB): Capital Impact Partners and its subsidiaries maintain cash accounts with NCB, FSB. Balances totaled $31,163,111 and $30,907,254 as of December 31, 2025, and 2024, respectively.

In the normal course of business, Capital Impact Partners, NCB and NCB, FSB will sell and purchase loan participations from each other. Capital Impact Partners' balance was $13,157,411 and $13,600,332 as of December 31, 2025, and 2024, respectively.

ROC USA, LLC: ROC USA Capital is a wholly owned subsidiary of ROC USA, LLC (see Note 1). Capital Impact Partners appoints two of the eleven directors of the Board of Directors. Capital Impact Partners has purchased loan participations from ROC USA Capital in the ordinary course of business. The balance for the purchased loan participation from ROC USA Capital as of December 31, 2025, and 2024, was $8,535,873 and $6,563,171, respectively. Capital Impact Partners services these loans; however, per an agreement between Capital Impact Partners and ROC USA, LLC, Capital Impact Partners does not earn a servicing fee.

CSFP: In December 2011, Capital Impact Partners purchased a $500,000 participation in a $3,500,000 investment made by CSFP, in which Capital Impact Partners is a 20% partner. Capital Impact Partners appoints one of the five managers on CSFP's Board of Managers.

Develop Detroit: In 2018, Capital Impact Partners entered into an agreement to invest $500,000 in Develop Detroit, a nonprofit developer in Detroit, Michigan. The balance recorded as of December 31, 2025, and 2024, was $341,815 and $359,476, respectively. A member of Capital Impact Partners executive management is a board member of the Housing Partnership Network, in which Develop Detroit is a lending affiliate within the Housing Partner Network.

Workforce Affordable Housing Fund I, LLC: In July 2019, Capital Impact Partners became a 96% non-controlling member in the Investment in WAHF. The NHP Foundation is the 4% controlling member. A member of Capital Impact Partners executive management team is a trustee of The NHP Foundation. The balance recorded as of December 31, 2025, and 2024, was $16,970,108 and $19,227,386, respectively.

CDC: In the normal course of business, Capital Impact Partners and CDC share labor, as outlined in a shared services agreement established in 2024. Capital Impact Partners utilized a portion of CDC labor and is recorded

Note 17. Related Party Transactions (Continued)

as Inter-company management fee in the Consolidated Statements of Activities and Changes in Net Assets. For the year ended December 31, 2025, and 2024, activity totaled $188,640 and $318,918, respectively. CDC utilized a portion of Capital Impact Partners labor and is recorded as Inter-company fee income in the Consolidated Statements of Activities and Changes in Net Assets. For the year ended December 31, 2025, and 2024, activity totaled $3,986,147 and $3,742,764, respectively.

During 2025, Capital Impact Partners issued bridge loans to CDC to cover disbursements. As of December 31, 2025, and 2024, Capital Impact Partners intercompany loans receivable totaled $51,800,000 and $16,800,000, respectively.

Capital Impact Partners and CDC cross guarantee most of the other party's debt, and co-borrowers on the remaining obligations enabling each organization to benefit from the combined financial strength of both organizations.

ASM: In the normal course of business, Capital Impact Partners and ASM share labor and rent, as outlined in a shared services agreement established in 2024. ASM utilized a portion of Capital Impact Partners labor which is recorded as Inter-company management fee in the Consolidated Statements of Activities and Changes in Net Assets. For the year ended December 31, 2025, and 2024, activity totaled $1,428,585 and $1,830,258 respectively, which is eliminated upon consolidation.

In May 2024, through Momentus Securities, ASM entered a ten-year, $1.6 million lease with Capital Impact Partners for its New York office space. The lease ends on May 31, 2033. The corresponding right of use asset and lease liability is eliminated upon consolidation.

Other: In the normal course of business, members of the Capital Impact Partners Board of Directors may be related to cooperatives receiving or eligible to receive loans. Capital Impact Partners has conflict of interest policies, which require, among other things, that a board member be disassociated from decisions that pose a conflict of interest, or the appearance of a conflict of interest.

Loans to applicants who are affiliated with a member of Capital Impact Partners are subject to the same eligibility and credit criteria, as well as the same loan terms and conditions, as all other loan requests. Any new loan made to an organization related to a member of the Board is reported to the Finance and Risk Committee at the next regular meeting. An analysis of the activity during the years ended December 31, 2025, and 2024, for the aggregate amount of these loans is as follows:

Balance, December 31, 2023	$ 13,121,989
Net changes	859,015
Balance, December 31, 2024	13,981,004
Net changes	(3,709,197)
Balance, December 31, 2025	$ 10,271,807

Note 18. New Markets Tax Credit Program

During 2005, Capital Impact Partners implemented its NMTC program and has 25 and 28 limited liability companies ("LLCs") that are CDEs, through December 31, 2025, and 2024, respectively.

The LLCs were formed to obtain qualified equity investments from investors and make qualified investments in Qualified Active Low-Income Community Businesses ("QALICB") in accordance with the terms of the NMTC program pursuant to Section 45D of the Internal Revenue Code. Investors made capital contributions of approximately $50,000,000 and $28,723,350 to these LLCs during 2025 and 2024, respectively, in anticipation of receiving new markets tax credits of approximately $19,500,000 and $11,202,107 in 2025 and 2024, respectively.

Note 18. New Markets Tax Credit Program (Continued)

Capital Impact Partners serves as the managing member of these LLCs, contributed nominal capital and has financial interests in the NMTC entities noted below.

During 2025, four of the NMTC entities reached their seven-year transaction period and were completely dissolved. In connection with the dissolution of these entities, Capital Impact Partners incurred a loss of $6,688, which is reflected in the Consolidated Statements of Activities and Changes in Net Assets for the year ended December 31, 2025.

During 2024, six NMTC entities reached their seven-year transaction period and completely dissolved.

Capital Impact Partners serves as the managing member of the following LLCs which include LLCs with Chase NMTC entities below:

Impact CDE 64 LLC	Impact CDE 81 LLC
Impact CDE 69 LLC	Impact CDE 82 LLC
Impact CDE 70 LLC	Impact CDE 83 LLC
Impact CDE 71 LLC	Impact CDE 84 LLC
Impact CDE 72 LLC	Impact CDE 85 LLC
Impact CDE 73 LLC	Impact CDE 86 LLC
Impact CDE 74 LLC	Impact CDE 87 LLC
Impact CDE 75 LLC	Impact CDE 88 LLC
Impact CDE 76 LLC	Impact CDE 89 LLC
Impact CDE 77 LLC	Impact CDE 90 LLC
Impact CDE 78 LLC	Impact CDE 92 LLC
Impact CDE 79 LLC	Impact CDE 93 LLC
Impact CDE 80 LLC	

At December 31, 2025, and 2024, Capital Impact Partners had a .01% interest in each of the above entities.

The total amount of the investment is as follows:

	2025	2024
Capital Impact Partners New Markets Tax Credit Entities	$ 20,452	$ 27,731

The following is a summary of the audited financial information of these companies as of and for the years ended December 31, 2025, and 2024:

	2025	2024
Total assets	$ 211,013,358	$ 209,113,589
Total liabilities	629,699	499,828
Members' capital	210,383,660	208,613,761
Total revenue	3,823,968	4,117,460
Total expenses	2,240,156	2,364,864
Net income	1,583,811	1,752,596

Note 18. New Markets Tax Credit Program (Continued)

Under the agreements with the LLCs, Capital Impact Partners earns fees for its initial services including investor syndication, LLC organization, loan origination, and NMTC sub-allocation. Capital Impact Partners also earns continuing fees for loan service. As explained in Note 16 material revenue streams recognized at a point in time or recognized over time are reported separately in the Consolidated Statements of Activities and Changes in Net Assets. During the years ended December 31, 2025, and 2024, Capital Impact Partners earned $1,028,501 and $1,120,036, respectively, of servicing fees from these LLCs. In addition, Capital Impact Partners reflected accounts receivable of $456,841and $440,980, as of December 31, 2025, and 2024, respectively.

In most of the agreements with the LLCs, Capital Impact Partners could be responsible for reimbursing the LLCs in the event of recapture and/or loss of the tax credits for failure to comply with Section 45D of the Internal Revenue Code as a result of errors made by Capital Impact Partners in its role as Managing Member. In most cases, the amount of reimbursement is limited to fees received or a multiple thereof. Capital Impact Partners has retained qualified consultants and implemented control systems to minimize the potential of any such recapture. Management believes the likelihood of recapture is remote and no liabilities have been recorded as of December 31, 2025, and 2024.

To date, Capital Impact Partners has been awarded twelve NMTC allocations, totaling $877,000,000.

Note 19. Commitments and Contingencies

Capital Impact Partners is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers or business partners. These financial instruments include commitments to extend credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit risk more than the amount recognized in the balance sheet. The contract or notional amounts of these instruments reflect the extent of Capital Impact Partners' involvement in these classes of financial instruments. Capital Impact Partners' exposure to credit loss, in the event of nonperformance by the other party, is represented by the contractual or notional amount of those instruments. Capital Impact Partners uses the same credit policies in making commitments and conditional obligations as they do for on-balance sheet instruments.

In the normal course of business, Capital Impact Partners makes commitments to extend term loans and lines of credit, which are not reflected in the accompanying financial statements. The commitments to extend credit are agreements to lend to a customer if there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being completely drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Capital Impact Partners evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by Capital Impact Partners upon extension of credit, is based on management's credit evaluation of the borrower. On December 31, 2025, and 2024, these outstanding commitments totaled $54,645,092 and $89,196,384, respectively.

Credit exposure related to these commitments is evaluated utilizing the same criteria as the allowance for loan loss for its loans receivable. Financial exposure related to these commitments is reported as liability for unfunded commitments on the Consolidated Statements of Financial Position and unfunded commitment expense on the Consolidated Statements of Activities and Changes in Net Assets, respectively. The liability for unfunded commitments is reclassified as a component of loans receivable, net of allowance for loan loss as the commitments convert to performing loans receivable on the Consolidated Statements of Financial Position. On December 31, 2025, and 2024, these outstanding commitments totaled $2,487,354 and $2,596,742, respectively.

Note 20. Employee Benefits

Capital Impact Partners' employees participate in the non-contributory defined contribution retirement plan and the 401(k) plan. Under the non-contributory defined contribution retirement plan, Capital Impact Partners contributes 6% of a participant's annual salary is included in the plan. Total expenses for the retirement plan for the years ended

Note 20. Employee Benefits (Continued)

December 31, 2025, and 2024, were $1,200,830 and $1,113,147, respectively. The employee thrift plan is organized under IRS Code Section 401(k) and Capital Impact Partners contributes up to 6% of each participant's annual salary. Contributions and expenses were $1,181,600 and $1,099,684 for 2025 and 2024, respectively. Employee benefits are included in salaries and benefits on the Statements of Functional Expenses.

Note 21. Fair Value

Fair value measurements: Capital Impact Partners uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. In accordance with accounting guidance, the fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for Capital Impact Partners' various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, fair value estimates may not be realized in an immediate settlement of the instrument.

If there has been a significant decrease in the volume and the level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions. A three-level hierarchy exists for fair value measurements based upon the inputs to the valuation of an asset or liability. The classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

Level 1: Valuation is based on quoted prices in active markets for identical assets or liabilities.

Level 2: Valuation is determined from observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.

Level 3: Valuation is derived from model-based and other techniques in which one significant input is unobservable in the market, and which may be based on Capital Impact Partners' own estimates about assumptions that a market participant would use to value the asset or liability.

Note 21. Fair Value (Continued)

Fair value on a recurring basis: The table below presents the financial assets and liabilities measured at fair value on a recurring basis:

	December 31, 2025	Level 1	Level 2	Level 3
Assets:				
Money market fund	$ 4,367,304	$ 4,367,304	$ -	$ -
Marketable equity securities	570,528	570,528	-	-
Real estate investment trust	2,004,656	-	-	2,004,656
Other investments	286,230	-	-	286,230
Mortgage backed securities	36,916,905	-	36,916,905	-
U.S. Small Business Administration loans	10,545,545	-	10,545,545	-
Confirmation of Originator Fees	406,550	-	406,550	-
	$ 55,097,718	$ 4,937,832	$ 47,869,000	$ 2,290,886

	December 31, 2024	Level 1	Level 2	Level 3
Assets:				
Money market fund	$ 3,042,609	$ 3,042,609	$ -	$ -
Marketable equity securities	577,897	577,897	-	-
Real estate investment trust	2,079,981	-	-	2,079,981
Other investments	286,672	-	-	286,672
Mortgage backed securities	34,029,460	-	34,029,460	-
U.S. Small Business Administration loans	3,112,569	-	3,112,569	-
Confirmation of Originator Fees	113,872	-	113,872	-
	$ 43,243,060	$ 3,620,506	$ 37,255,901	$ 2,366,653

The following is a description of the valuation methodologies used for instruments measured at fair value. These valuation methodologies were applied to all of Capital Impact Partners' financial assets that are carried at fair value on a recurring basis.

Marketable equity securities: The fair value of these securities is the market value based on quoted market prices, or market prices provided by recognized broker dealers. Therefore, these assets are classified as Level 1.

Real estate investment trust ("REIT"): The fair value of the REIT is based upon a dividend yield capitalization method of establishing fair value developed by the REIT and communicated to its investors. It reflects the nature of REIT's business and measures REIT's ability to produce cash flow to pay dividends. Under the dividend yield capitalization methodology, the expected dividends for the upcoming 12 months are projected, imputing a dividend payout ratio of 90%. This imputed forward-looking dividend is then capitalized at the Dow Jones Corporate Financials Index yield – a composite of 32, long-term bond issuances from established, creditworthy financial institutions. Fair value is derived by capitalizing the projected dividend per share at this market yield and is also supported by the REIT's net asset valuation ("NAV") under the rational that, the REIT is, at a minimum, worth the liquidation value of its assets. Therefore, these assets are classified as Level 3 and use Level 3 inputs to fair value.

Mortgage Backed and U.S. Treasury Securities: These securities receive interest income based on their stated interest rates and are classified as Level 2 instruments, as there are no quoted market prices in active markets for identical assets. Fair value is determined by using models and other valuation methodologies, which are corroborated by market data.

Note 21. Fair Value (Continued)

Other investments: The fair value of other investments is generally based upon the ending capital value evidenced by the issuers' K-1 or audited financial statements. In some instances, equity method is used as most closely approximating fair value. Therefore, these assets are classified as Level 3.

U.S. Small Business Administration loans and Confirmation of Originator Fees: U.S. Small Business Administration loans ("SBA Loans") and Confirmation of Originator Fees ("COOFs") are classified within Level 2 of the fair value hierarchy because they are valued using inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities.

There was no change in the valuation techniques used to measure fair value of investments in the years ended December 31, 2025, and 2024. There were no transfers into or out of Level 3 during the years ended December 31, 2025, and 2024.

Changes in Level 3 assets and liabilities measured at fair value on a recurring basis are summarized as follows:

	2025	2024
Beginning balance at January 1	$ 2,366,653	$ 2,399,784
Total net gains included in change in net assets	28,609	(33,131)
Purchases	-	-
Sales	(104,376)	-
Ending balance at December 31	$ 2,290,886	$ 2,366,653

Fair value on a nonrecurring basis: Certain financial instruments and liabilities are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment). The table below presents the assets measured at fair value on a nonrecurring basis:

	December 31, 2025	Level 1	Level 2	Level 3
Assets:				
Impaired loans, net of specific reserves	$ 499,892	$ -	$ -	$ 499,892

	December 31, 2024	Level 1	Level 2	Level 3
Assets:				
Impaired loans, net of specific reserves	$ 6,036,215	$ -	$ -	$ 6,036,215

Impaired Loans Net of Specific Reserves, which are measured for impairment using the loan's observable market price or the fair value of the collateral for collateral-dependent loans. Appraised and reported values may be discounted based on management's historical knowledge, changes in market conditions from the time of valuation, and/or management's expertise and knowledge of the client and client's business. Based on this information, impaired loans, net of specific reserves, are valued using Level 3 inputs. The valuation allowance for impaired loans is included in the allowance for loan losses in the Consolidated Statements of Financial Position.

Note 22. Noncontrolling Interest in Consolidated Subsidiaries

Capital Impact Partners presents the noncontrolling interest in CIIF, its consolidated subsidiary, as a separate line item within net assets in the Consolidated Statements of Financial Position as of December 31, 2025, and 2024.

CIIF began operations on December 13, 2017. CIIF II began operations on December 28, 2018, and merged into CIIF on January 1, 2020. A 10% equity contribution of $3,763,007 by Capital Impact Partners increased its managing member ownership to 30% from 20% and reduced Annaly's non-managing member ownership to 70% from 80%. As of December 31, 2025, Capital Impact Partners decreased its manager membership ownership from 87% to 0%. CIIF dissolved in 2025.

A summary of the 2025 and 2024 activity follows:

		CIIF	
	CIP	Annaly	Total
Balance, December 31, 2023	$ 8,963,274	$ 20,572,345	$ 29,535,619
Net income	392,936	547,328	940,264
Distributions	(535,913)	(19,838,560)	(20,374,473)
Balance, December 31, 2024	8,820,297	1,281,113	10,101,410
Net income	345,625	20,352	365,977
Distributions	(9,165,922)	(1,301,465)	(10,467,387)
Balance, December 31, 2025	$ -	$ -	$ -

Distributions of $0 and $6,802 were payable from CIIF to Annaly as of December 31, 2025, and 2024, respectively.

Note 23. Subsequent Events

Capital Impact Partners has evaluated its subsequent events (events occurring after December 31, 2025) through March 27, 2026, which represents the date the financial statements were issued.

Capital Impact Partners and Subsidiaries

Supplementary Information

Capital Impact Partners and Subsidiaries

Consolidating Statement of Financial Position
December 31, 2025

	Capital Impact Partners	Detroit Neighborhoods Fund, LLC	FPIF, LLC	Community Investment Impact Fund , LLC	Alliance Securities Manager LLC	Momentus Fund 1 GP LLC (formerly Equitable Prosperity Fund 1 GP LLC)	Eliminations	Total
Assets								
Cash and cash equivalents – unrestricted	$ 86,734,151	$ 841,940	$ -	$ -	$ 12,174,619	$ -	$ -	$ 99,750,710
Cash and cash equivalents – restricted	27,793,934	512,167	-	-	-	-	-	28,306,101
Accounts and interest receivable	17,388,695	327,507	-	-	484,248	-	(2,313,600)	15,886,850
Investments	68,901,435	-	-	-	11,226,223	-	(20,048,185)	60,079,473
Mortgage backed securities	36,916,905	-	-	-	-	-	-	36,916,905
Loans receivable	557,033,184	-	-	-	-	-	-	557,033,184
Less: allow ance for credit losses	(21,942,645)	-	-	-	-	-	-	(21,942,645)
Loans receivable, net	535,090,539	-	-	-	-	-	-	535,090,539
Loans receivable – subsidiaries	-	27,665,519	-	-	-	-	(9,418,321)	18,247,198
Loans receivable - intercompany	51,800,000	-	-	-	-	-	-	51,800,000
Other real estate ow ned	658,497	-	-	-	-	-	-	658,497
Other assets	3,335,085	-	-	-	304,434	-	-	3,639,519
Right of use assets	2,736,250	-	-	-	1,224,152	-	(1,224,152)	2,736,250
Total assets	$ 831,355,491	$ 29,347,133	$ -	$ -	$ 25,413,676	$ -	$ (33,004,258)	$ 853,112,042
Liabilities and Net Assets								
Liabilities:								
Accounts payable and accrued expenses	$ 9,961,809	$ 227,960	$ -	$ -	$ 4,141,339	$ -	$ (2,313,600)	$ 12,017,508
Refundable advance liability	8,453,815	-	-	-	-	-	-	8,453,815
Due to subsidiaries	-	-	-	-	-	-	-	-
Revolving lines of credit	20,000,000	-	-	-	-	-	-	20,000,000
Notes payable	46,500,000	-	-	-	-	-	-	46,500,000
Investor Notes, net	401,508,658	-	-	-	-	-	-	401,508,658
Subordinated debt	14,500,000	-	-	-	-	-	-	14,500,000
Federal Home Loan Bank borrow ing	24,000,000	-	-	-	-	-	-	24,000,000
Bond loan payable, net	130,712,020	-	-	-	-	-	-	130,712,020
Notes payable – subsidiaries	-	28,254,962	-	-	-	-	(9,418,321)	18,836,641
Liability for CECL - loan commitments	2,487,354	-	-	-	-	-	-	2,487,354
Lease liabilities	3,837,854	-	-	-	1,224,152	-	(1,224,152)	3,837,854
Total liabilities	661,961,510	28,482,922	-	-	5,365,491	-	(12,956,073)	682,853,850
Net assets:								
Without donor restrictions	126,694,534	864,211	-	-	20,048,185	-	(20,048,185)	127,558,745
Noncontrolling interest in a consolidated subsidiary	-	-	-	-	-	-	-	-
Total without donor restrictions	126,694,534	864,211	-	-	20,048,185	-	(20,048,185)	127,558,745
With donor restrictions	42,699,447	-	-	-	-	-	-	42,699,447
Total net assets	169,393,981	864,211	-	-	20,048,185	-	(20,048,185)	170,258,192
Total liabilities and net assets	$ 831,355,491	$ 29,347,133	$ -	$ -	$ 25,413,676	$ -	$ (33,004,258)	$ 853,112,042

See Independent Auditor's Report

Capital Impact Partners and Subsidiaries

Supplementary Information

Capital Impact Partners and Subsidiaries

Consolidating Statement of Activities
Year Ended December 31, 2025

	Capital Impact Partners	Detroit Neighborhoods Fund, LLC	FPIF, LLC	Community Investment Impact Fund , LLC	Alliance Securities Manager LLC	Momentus Fund 1 GP LLC (formerly Equitable Prosperity Fund 1 GP LLC)	Eliminations	Total
Changes in net assets without donor restrictions:								
Financial activity:								
Financial income:								
Interest income on loans	$ 39,683,966	$ 1,406,689	$ -	$ 113,615	$ 534,110	$ -	$ (384,277)	$ 41,354,103
Loan fees	423,610	446	-	-	-	-	-	424,056
Investment income, net	7,749,840	40,371	1,514	32,521	646,951	-	(345,624)	8,125,573
Gain on equity method investments	292,799	-	-	-	-	1,044,720	429,420	1,766,939
Loss on NMTC unw ind	(6,688)	-	-	-	-	-	-	(6,688)
Gain on sale of securities	-	-	-	-	1,467,908	-	-	1,467,908
Total financial income	48,143,527	1,447,506	1,514	146,136	2,648,969	1,044,720	(300,481)	53,131,891
Financial expense:								
Interest expense	30,037,679	768,538	-	-	1,068,221	-	(432,095)	31,442,343
Provision for credit losses	6,814,053	-	-	-	-	-	-	6,814,053
Total financial expense	36,851,732	768,538	-	-	1,068,221	-	(432,095)	38,256,396
Net financial income	11,291,795	678,968	1,514	146,136	1,580,748	1,044,720	131,614	14,875,495
Revenue and support:								
Loan servicing fees	2,023,668	-	-	-	-	-	(547,970)	1,475,698
Fees	2,121,210	-	-	-	572,514	-	(61,953)	2,631,771
Asset management fees from investments	-	-	-	-	2,186,023	-	-	2,186,023
Contract revenue	501,866	-	-	-	-	-	-	501,866
Contributions	160,000	-	-	-	979,035	-	(979,035)	160,000
Inter-company fee income	5,408,584	-	-	-	-	-	(1,422,437)	3,986,147
Other income	675,885	-	1	247,836	1,668	-	-	925,390
Net assets released from donor restrictions	22,154,106	-	-	-	-	-	-	22,154,106
Total revenue and support	33,045,319	-	1	247,836	3,739,240	-	(3,011,395)	34,021,001
Expenses:								
Innovative community lending program	21,004,894	557,022	345,632	26,414	-	-	(562,105)	21,371,857
Technical assistance	11,476,909	-	-	-	-	-	-	11,476,909
Total program expenses	32,481,803	557,022	345,632	26,414	-	-	(562,105)	32,848,766
Support expenses:								
Management and general	14,221,380	8,111	-	1,581	6,794,129	-	(2,401,473)	18,623,728
Fundraising	3,157,509	-	-	-	-	-	-	3,157,509
Total expenses	49,860,692	565,133	345,632	27,995	6,794,129	-	(2,963,578)	54,630,003
Change in net assets without donor restrictions before noncontrolling and controlling interest activities	(5,523,578)	113,835	(344,117)	365,977	(1,474,141)	1,044,720	83,797	(5,733,507)
Noncontrolling interest – distributions	-	-	-	(10,467,387)	-	-	9,165,921	(1,301,466)
Controlling interest - capital contributions	-	-	-	-	13,333,333	-	(13,333,333)	-
Change in net assets without donor restrictions	(5,523,578)	113,835	(344,117)	(10,101,410)	11,859,192	1,044,720	(4,083,615)	(7,034,973)
Change in net assets with donor restrictions:								
Investment income, net	579,132	-	-	-	-	-	-	579,132
Grant revenue	18,479,860	-	-	-	-	-	-	18,479,860
Net assets released from donor restrictions	(22,154,106)	-	-	-	-	-	-	(22,154,106)
Change in net assets with donor restrictions	(3,095,114)	-	-	-	-	-	-	(3,095,114)
Change in net assets	(8,618,692)	113,835	(344,117)	(10,101,410)	11,859,192	1,044,720	(4,083,615)	(10,130,087)
Net assets, beginning	178,012,674	750,376	344,117	10,101,410	8,188,993	(1,044,720)	(15,964,571)	180,388,279
Net assets, ending	$ 169,393,981	$ 864,211	$ -	$ -	$ 20,048,185	$ -	$ (20,048,185)	$ 170,258,192

See Independent Auditor's Report

Capital Impact Partners and Subsidiaries

Supplementary Information

Capital Impact Partners and Subsidiaries

Consolidating Statement of Financial Position
December 31, 2024

	Capital Impact Partners	Detroit Neighborhoods Fund, LLC	FPIF, LLC	Community Investment Impact Fund , LLC	Alliance Securities Manager LLC	Momentus Fund 1 GP LLC (formerly Equitable Prosperity Fund 1 GP LLC)	Eliminations	Total
Assets								
Cash and cash equivalents – unrestricted	$ 85,393,257	$ 3,396,054	$ 367,815	$ 4,932,805	$ 5,953,096	$ -	$ -	$ 100,043,027
Cash and cash equivalents – restricted	26,369,118	478,038	-	-	-	-	-	26,847,156
Accounts and interest receivable	10,824,980	240,464	-	56,266	1,119,534	-	(1,433,032)	10,808,212
Investments	61,033,951	-	-	-	3,334,151	(1,044,720)	(15,964,571)	47,358,811
Mortgage backed securities	34,029,460	-	-	-	-	-	-	34,029,460
Loans receivable	557,337,088	-	-	-	-	-	-	557,337,088
Less: allowance for credit losses	(16,914,877)	-	-	-	-	-	-	(16,914,877)
Loans receivable, net	540,422,211	-	-	-	-	-	-	540,422,211
Loans receivable – subsidiaries	-	25,498,274	-	5,568,600	-	-	(15,128,778)	15,938,096
Loans receivable - intercompany	16,800,000	-	-	-	-	-	-	16,800,000
Other real estate owned	658,498	-	-	-	-	-	-	658,498
Other assets	2,781,649	-	-	-	272,110	-	-	3,053,759
Right of use assets	8,425,267	-	-	-	1,368,841	-	(1,368,841)	8,425,267
Total assets	$ 786,738,391	$ 29,612,830	$ 367,815	$ 10,557,671	$ 12,047,732	$ (1,044,720)	$ (33,895,222)	$ 804,384,497
Liabilities and Net Assets								
Liabilities:								
Accounts payable and accrued expenses	$ 8,483,175	$ 181,921	$ 23,698	$ 456,261	$ 2,489,898	$ -	$ (1,433,032)	$ 10,201,921
Refundable advance liability	8,336,547	-	-	-	-	-	-	8,336,547
Due to subsidiaries	5,568,600	-	-	-	-	-	(5,568,600)	-
Revolving lines of credit	83,000,000	-	-	-	-	-	-	83,000,000
Notes payable	64,289,530	-	-	-	-	-	-	64,289,530
Investor Notes, net	377,129,499	-	-	-	-	-	-	377,129,499
Subordinated debt	14,500,000	-	-	-	-	-	-	14,500,000
Federal Home Loan Bank borrowing	24,000,000	-	-	-	-	-	-	24,000,000
Bond loan payable	10,000,000	-	-	-	-	-	-	10,000,000
Notes payable – subsidiaries	-	28,680,533	-	-	-	-	(9,560,178)	19,120,355
Liability for CECL - loan commitments	2,596,742	-	-	-	-	-	-	2,596,742
Lease liabilities	10,821,624	-	-	-	1,368,841	-	(1,368,841)	10,821,624
Total liabilities	608,725,717	28,862,454	23,698	456,261	3,858,739	-	(17,930,651)	623,996,218
Net assets:								
Without donor restrictions	132,218,111	750,376	344,117	-	8,188,993	(1,044,720)	(7,144,274)	133,312,603
Noncontrolling interest in a consolidated subsidiary	-	-	-	10,101,410	-	-	(8,820,297)	1,281,113
Total without donor restrictions	132,218,111	750,376	344,117	10,101,410	8,188,993	(1,044,720)	(15,964,571)	134,593,716
With donor restrictions	45,794,563	-	-	-	-	-	-	45,794,563
Total net assets	178,012,674	750,376	344,117	10,101,410	8,188,993	(1,044,720)	(15,964,571)	180,388,279
Total liabilities and net assets	$ 786,738,391	$ 29,612,830	$ 367,815	$ 10,557,671	$ 12,047,732	$ (1,044,720)	$ (33,895,222)	$ 804,384,497

See Independent Auditor's Report

Capital Impact Partners and Subsidiaries

Supplementary Information

Capital Impact Partners and Subsidiaries

Consolidating Statement of Activities
Year Ended December 31, 2024

	Capital Impact Partners	Detroit Neighborhoods Fund, LLC	FPIF, LLC	Community Investment Impact Fund , LLC	Alliance Securities Manager LLC	Momentus Fund 1 GP LLC (formerly Equitable Prosperity Fund 1 GP LLC)	Eliminations	Total
Changes in net assets without donor restrictions:								
Financial activity:								
Financial income:								
Interest income on loans	$ 36,154,935	$ 1,307,732	$ 280,250	$ 1,112,393	$ 329,521	$ -	$ (426,378)	$ 38,758,453
Loan fees	569,969	-	-	-	-	-	-	569,969
Investment income, net	2,885,729	122,597	7,664	54,310	388,119	-	(392,937)	3,065,482
Loss on equity method investments	(1,202,295)	-	-	-	-	(721,205)	2,866,406	942,906
Gain on NMTC unwind	6,977	-	-	-	-	-	-	6,977
Gain on sale of securities	-	-	-	-	1,041,401	-	-	1,041,401
Total financial income	38,415,315	1,430,329	287,914	1,166,703	1,759,041	(721,205)	2,047,091	44,385,188
Financial expense:								
Interest expense	25,865,404	797,445	188,062	-	659,042	-	(426,378)	27,083,575
Provision for credit losses	9,805,409	-	-	-	-	-	-	9,805,409
Total financial expense	35,670,813	797,445	188,062	-	659,042	-	(426,378)	36,888,984
Net financial income	2,744,502	632,884	99,852	1,166,703	1,099,999	(721,205)	2,473,469	7,496,204
Revenue and support:								
Loan servicing fees	2,277,061	-	-	-	-	-	(540,054)	1,737,007
Fees	1,774,599	-	-	-	330,165	-	(242,824)	1,861,940
Asset management fees from investments	-	-	-	-	3,014,780	-	-	3,014,780
Contract revenue	635,780	-	-	-	-	-	-	635,780
Contributions	45,155,925	-	-	-	-	-	-	45,155,925
Inter-company fee income	5,568,003	-	-	-	-	-	(1,825,239)	3,742,764
Other income	55,778	-	-	36,141	-	-	-	91,919
Net assets released from donor restrictions	17,876,926	-	-	-	-	-	-	17,876,926
Total revenue and support	73,344,072	-	-	36,141	3,344,945	-	(2,608,117)	74,117,041
Expenses:								
Innovative community lending program	17,873,475	523,091	91,093	214,437	-	-	(782,878)	17,919,218
Technical assistance	11,086,702	-	-	-	-	-	-	11,086,702
Total program expenses	28,960,177	523,091	91,093	214,437	-	-	(782,878)	29,005,920
Support expenses:								
Management and general	17,307,766	10,429	-	48,142	6,590,764	(620)	(1,825,238)	22,131,243
Fundraising	2,963,966	-	-	-	-	-	-	2,963,966
Total expenses	49,231,909	533,520	91,093	262,579	6,590,764	(620)	(2,608,116)	54,101,129
Change in net assets without donor restrictions before noncontrolling and controlling interest activities	26,856,665	99,364	8,759	940,265	(2,145,820)	(720,585)	2,473,468	27,512,116
Noncontrolling interest – distributions	-	-	-	(20,374,474)	-	-	535,914	(19,838,560)
Controlling interest - capital contributions	-	-	-	-	(3,333,333)	-	3,333,333	-
Change in net assets without donor restrictions	26,856,665	99,364	8,759	(19,434,209)	(5,479,153)	(720,585)	6,342,715	7,673,556
Change in net assets with donor restrictions:								
Investment income, net	683,517	-	-	-	-	-	-	683,517
Grant revenue	17,666,645	-	-	-	-	-	-	17,666,645
Net assets released from donor restrictions	(17,876,926)	-	-	-	-	-	-	(17,876,926)
Change in net assets with donor restrictions	473,236	-	-	-	-	-	-	473,236
Change in net assets	27,329,901	99,364	8,759	(19,434,209)	(5,479,153)	(720,585)	6,342,715	8,146,792
Net assets, beginning	150,682,773	651,012	335,358	29,535,619	13,668,146	(324,135)	(22,307,286)	172,241,487
Net assets, ending	$ 178,012,674	$ 750,376	$ 344,117	$ 10,101,410	$ 8,188,993	$ (1,044,720)	$ (15,964,571)	$ 180,388,279

See Independent Auditor's Report