



FOR IMMEDIATE RELEASE

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**ZIEGLER PRICES FINANCING
FOR THE UNITED METHODIST RETIREMENT HOMES**

CHICAGO, IL – FEBRUARY 21, 2024 – Ziegler is pleased to announce the successful pricing of The United Methodist Retirement Homes \$67,180,000 Series 2024A and 2024B Bonds (together the “Series 2024 Bonds”).

The United Methodist Retirement Homes (“UMRH”) is a North Carolina nonprofit corporation that traces its origins back to 1945 and currently owns and operates three Life Plan Communities located in North Carolina: Croasdaile Village Retirement Community located in Durham; Wesley Pines Retirement Community located in Lumberton and Cypress Glen Retirement Community located in Greenville. In total, the three UMRH Life Plan Communities operate a total of 690 independent living units, 28 memory care units, 112 assisted living units and 194 skilled nursing units, which ranks UMRH as the 3rd largest nonprofit senior living operator in North Carolina and the 88th largest in the United States according to the 2023 LeadingAge Ziegler 200. Since 2000, UMRH has been managed by Life Care Services, the 3rd largest operator of senior living communities in the nation.

UMRH, with the assistance of LCS Development as developer, is carrying out an expansion to the Cypress Glen Retirement Community, consisting of 57 new independent living apartments with underbuilding parking; improvements to community amenities and administrative areas (new auditorium, new dining facility with outdoor dining, a woodworking shop, upgrades to the central kitchen, remodel and improvement of office and administrative areas); and improvements to the site (construction of a flood control levee, new entry with guardhouse and signage, new independent living courtyard, new maintenance shed and additional parking). Since beginning pre-sales in June 2023, UMRH has successfully pre-sold 53 of the 57 (93%) new independent living units with a 10% deposit.

The Series 2024 Bonds consist of two primary tranches of BBB Fitch rated public fixed rate bonds issued through the North Carolina Medical Care Commission. Proceeds of the Series 2024 Bonds along with approximately \$20 million of equity, will be used to, (1) finance the costs of the Cypress Glen Project, (2) fund a portion of interest during construction and fill-up and (4) pay certain expenses incurred in connection with the issuance of the Series 2024 Bonds. The individual components of the Series 2024 Bonds are outlined further below:

- *Series 2024A Long-Term Bonds (\$53,905,000)*: represents the long-term portion of the financing with a final maturity in 2054 using a wrapped debt service structure, resulting in a weighted average maturity of 25.3 years and a blended average yield to maturity of 4.95%.
- *Series 2024B Tax Exempt Mandatory Paydown SecuritiesSM (\$13,275,000)*: represents the short-term portion of the financing that will be repaid with initial entrance fees from the new Cypress Glen independent living units. Series 2024B Bonds were structured with two sub-series of bonds based upon expected redemption, resulting in a weighted average maturity of 2.0 years with coupons ranging from 3.75% to 4.25% (blended average yield to maturity of 3.97%).

“Ziegler is grateful for its long-standing relationship with UMRH. UMRH has grown into one of the largest and financially strongest nonprofit senior living operators in the Mid-Atlantic region. The financing was incredibly well received by the market which is a testament to management’s ability to operate three superb campuses. The expansion at Cypress Glen will provide existing residents with enhanced community space and will enable the community to offer its services to more seniors moving forward,” stated, Tommy Brewer, Managing Director, in Ziegler’s Senior Living Finance Practice.

Ziegler is the nation’s leading underwriter of financings for not-for-profit senior living providers. Ziegler offers creative, tailored solutions to its senior living clientele, including investment banking, financial risk management, merger and acquisition services, seed capital, FHA/HUD, capital and strategic planning, as well as senior living research, education, and communication.

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