

TABITHA GRAND ISLAND

MAY 2021

CLIENT PROFILE

Tabitha Grand Island (“TGI”) is a Nebraska nonprofit corporation that was established in 2019 for the purposes of constructing and operating Tabitha at Prairie Commons, a new senior living community (the “Project” or the “Community”) consisting of 81 independent living apartments, an assisted living center consisting of 20 assisted living units and 20 memory care units, and a 36-bed nursing facility. Tabitha is the sponsor of the Project and the sole corporate member of TGI.

HIGHLIGHTS & THE ZIEGLER DIFFERENCE

The financing is comprised of a \$33,950,000 direct bank placement, a \$12,000,000 subordinate note direct placement, and a \$2,033,546 TIF loan.

Ziegler was engaged by Tabitha in late 2019 and originally kicked off the financing with a plan of accessing the public fixed rate market to finance the Project. When COVID-19 hit the industry and shut down the capital markets in March 2020, the Ziegler team restructured the plan of finance, ultimately determining to move forward with a bank financing supplemented by subordinate debt and equity to meet loan-to-value requirements.

To obtain financing, Ziegler initiated a competitive bank solicitation search in December 2020. Ultimately, Pinnacle Bank (“Pinnacle”) was selected as the financing partner to provide the senior loan. Pinnacle is providing \$23,950,000 of taxable debt, structured as a draw down loan with a 10-year term and a fixed interest rate of 3.45 percent for the first seven years. This debt is convertible to tax-exempt upon the availability of bank qualification. Pinnacle is also providing \$10,000,000 of tax-exempt bank qualified debt, structured as a draw down loan with a



\$47,983,546

Grand Island, Nebraska

Direct Bank Placement | Subordinate Note Direct Placement | TIF Loan
(Tabitha Grand Island Project)

10-year term and a fixed interest rate of 2.93 percent for the first seven years. Both loans are structured with monthly interest-only payments for the first 30 months.

Ziegler and TGI partnered with Mission Investment Fund of the Evangelical Lutheran Church in America (“MIF”) to provide a subordinated loan of \$12,000,000, structured as a draw down loan with a seven-year term and a fixed interest rate of 4.5 percent with monthly interest-only payments for the first 30 months.

As the result of escalating material costs, additional funds were needed beyond the senior and subordinate series of bonds. The Community Redevelopment Authority of the City of Grand Island, Nebraska, will issue for the benefit of TGI a tax increment revenue note. Pinnacle stepped up as lender for the issuance of a taxable loan agreement (the “TIF Loan”) which is anticipated to close on November 1, 2022.

This is the first transaction Ziegler has completed for Tabitha.

This client’s experience may not be representative of the experience of other clients, nor is it indicative of future performance or success.

For further information on the outstanding bonds for this issuer, please visit the Electronic Municipal Market Access system at <http://emma.msrb.org/>.



“We are grateful for the collaboration of so many brilliant and committed partners and thrilled to finally get this project underway. While the pandemic was a distraction and caused a year-long delay, we stayed the course with a fervor for finding a way to get this accomplished. Filling gaps to serve the needs of seniors, in the communities we are invited to serve, is Tabitha’s calling. Ziegler was instrumental in securing partners and coordinating a complex financing for Tabitha to ensure we delivered on our commitment to filling this need in Grand Island and the surrounding areas.”

– Christie Hinrichs, President & CEO

“COVID-19 disrupted our original plans and complicated financial aspects of Tabitha’s significant \$50M project. However, Ziegler helped provide creative solutions that ultimately produced better than expected results.”

– Brian Shanks, CFO

ZIEGLER

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