

ZIEGLER INVESTMENT BANKING

SENIOR LIVING FINANCE Z-NEWS

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FEATURED ARTICLE

ZIEGLER'S RECOMMENDED READING LIST: Q2 2025

Once a quarter, we feature an issue of **Z-News** that is devoted to recommended reading. These lists include newly released research reports, hot-topic white papers or noteworthy articles that have meaningful information for the senior living & care sector. The list of reading materials below range in topics from technology-related thought leadership to ancillary services lines to the state of not-for-profits, among others. As always, we welcome feedback on potential future publications or articles to share with our readers.

5 Ways Senior Living Communities Can Set the Gold Standard for Home- and Community-Based Services (*Aaniiie, May 15, 2025*). Home- and community-based services (HCBS) remain a significant and growing component of senior care in the US, with approximately 4.5 million chronically ill or elderly individuals receiving assistance through these programs. With nearly 90% of older adults expressing a desire to age in place, and federal and state funding increasingly shifting away from institutional care, the demand for personal support delivered at home is accelerating. This shift presents an excellent opportunity for senior living communities (SLCs) to adapt, innovate, and grow their business. While traditional residential models remain vital, SLCs can look to expand their impact – and their revenue – by offering HCBS to both existing residents and seniors in their surrounding community. In doing so, they can position themselves as comprehensive senior support hubs – expanding community outreach, building a broader client base, creating added value, and supporting a better quality of life for seniors.

CCRC Performance 1Q 2025: A Deep Dive into Entrance Fee vs. Rental CCRC Trends (*NIC-National Investment Center for Seniors Housing & Care*). The analysis examines broader occupancy trends, year-over-year changes in inventory, and same-store asking rent growth – by care segment – within 571 entrance fee Continuing Care Retirement Communities (CCRCs) and 488 rental CCRCs in the 99 NIC MAP Primary and Secondary Markets based on data through the first quarter of 2025.

State of Nonprofits 2025 What Funders Need to Know (*CEP-The Center for Effective Philanthropy*). This year, leaders describe operating in an environment that has only grown more complex. Nonprofits are facing new pressures that test their ability to work effectively, such as actions taken by the new presidential administration and future economic uncertainty. A number of foundations have responded by issuing public statements, increasing payout levels, and offering additional support. These actions reflect a growing recognition of the need to support nonprofits as they navigate an increasingly unpredictable context, one that will likely continue to evolve in the months ahead. In our 2025 State of Nonprofits report, we aim to elevate the perspectives of nonprofit leaders and provide a clearer understanding of the pressures they are facing. Our goal is to inform both institutional and individual funders about how they can more effectively support and strengthen the nonprofit sector. 2025.

The Value of Assisted Living for America (*Argentum, 2025*). The need for investment in our nation's long-term care infrastructure is long overdue, with a rapidly aging population and the number of Americans needing long-term care projected to explode in the coming years...Federal data shows that someone turning age 65 today has a 70% chance of needing some type of long-term care in their lifetime, 50% will need more extensive care in a skilled nursing facility or assisted living community, and 20% will need it for five years or more...The bottom

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line is that assisted living offers significantly lower costs, improved quality of life, better health outcomes, and reduced health care costs for public programs like Medicare, Medicaid, and veterans' care. As policymakers seek to respond to the nation's long-term care challenges, they should enact policies that help Americans choose the right-level of care for their needs, promote cost-effective policies and programs, and support the workforce, investment, and development needs to care for our rapidly aging population.

Strengthening the Value Proposition: Why Social Engagement Tech Matters (*LeadingAge, May 19, 2025*).

One of the most powerful value propositions of senior housing is the promise of social experience. For many older adults, moving into a senior living community isn't just about receiving care, the food, or a wellness center with a pool; it's about opportunities to strengthen their social circles—maintaining long-standing relationships and building new ones. For senior living providers, resident social engagement, often aided by technology, in a supporting or leading role, presents a wide range of opportunities to enhance community satisfaction (among both residents and staff). Based on what I've seen and heard from LeadingAge members and technology partners, a dual-layered technology strategy—that is, one that improves how communities communicate what's happening, and one that elevates the experience once residents are engaged—is critical to success.

What should NFP boards know about cybersecurity? (*Grant Thornton Advisors, 2024*). Many board members might be unfamiliar with the technical realm of cybersecurity. Yet, it's increasingly essential that boards help ensure cybersecurity in their organizations. "It's important for not-for-profits to truly understand that they are under threat," said Grant Thornton Risk Advisory Partner Scott Peyton. "It's not a matter of 'if,' it's a matter of 'when' you're going to have a breach," Peyton said. Many not-for-profits have limited staff, technology and other resources devoted to cybersecurity. They have come to rely on third-party providers for much of their technology and cybersecurity infrastructure. However, organizations often have personal and financial information from donors, volunteers, alumni and other stakeholders. "That information is very attractive to a threat actor," Peyton said. "Not-for-profits need to approach cybersecurity with a realization that they absolutely are in the crosshairs of threat actors."

2025 Nonprofit Salaries & Staffing Trends (*2025 Careers In Nonprofits, pnp Staffing Group*). To remain successful, nonprofits will need to focus on key areas such as employee compensation, which remains a driving factor in talent retention. Flexibility in job roles, duties, providing seamless recruitment and onboarding experience for new hires will also be critical in 2025. For existing staff, nonprofits must emphasize teamwork, invest in innovative training and mentorship programs, and ensure transparent, open communication throughout the organization. Cultivating a positive work culture that supports growth and development.

If you have any questions about this newsletter or related topics, we encourage you to reach out to the Ziegler representative in your region.

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NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

AS OF JUNE 9, 2025

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
The Highlands at Wyomissing (PA)	Fitch	BBB Stable	Affirmed Rating Affirmed IDR*	5/29/25
The Pines at Davidson (NC)	Fitch	BBB+ Stable	Affirmed Rating Affirmed IDR*	5/29/25
Terwillinger Plaza (OR)	Fitch	BB+ Stable	Affirmed Rating Affirmed IDR*	5/30/25
HumanGood California Obligated Group (CA)	Fitch	A Stable	Assigned Rating Affirmed Rating Affirmed IDR*	6/5/2025
HumanGood NorCal (CA)	Fitch	A Stable	Affirmed Rating Affirmed IDR*	6/5/2025
Immanuel Obligated Group (NE)	Fitch	AA Stable	Affirmed Rating Affirmed IDR*	6/5/2025
Wesley Woods Newnan-Peachtree City (GA)	Fitch	BB Stable	Affirmed Rating Affirmed IDR*	6/6/2025
Lutheran Social Ministries at Crane's Mill (NJ)	Fitch	BBB Stable	Affirmed Rating Affirmed IDR*	6/9/25

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* IDR – Issuer Default Rating (FitchRatings)

*Any non-Ziegler sources referenced in this Z-News are believed to be reliable but cannot be guaranteed.

INTEREST RATES/YIELDS

WEEK ENDING JUNE 6, 2025

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	4.56%	4.52%	3.91%
Senior Living 30-Yr "A"	5.37%	5.33%	4.76%
Senior Living 30-Yr "BBB"	5.72%	5.68%	5.08%
Senior Living Unrated	6.87%	6.83%	6.22%
Senior Living New Campus	7.57%	7.53%	7.54%
SIFMA Muni Swap Index	1.68%	1.97%	3.06%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index [†]	5.74%	5.73%	1.18%

[†] Ziegler Senior Living Municipal Long Bond Index

Source: Bloomberg BVALS

FEATURED FINANCING



IMMANUEL LIVING AT BUFFALO HILL Kalispell, Montana

City of Kalispell, Montana
Revenue and Refunding Bonds
Series 2025

\$50,880,000

May, 2025

MARKET REVIEW

MONEY MARKET RATES

	06/06	Last week
Prime Rate	7.50	7.50
Federal Funds (weekly average)	4.31	4.31
90 Day T-Bills	4.33	4.33
30-Day Commercial Paper (taxable)	4.34	4.33
SOFR (30-day)	4.30	4.31
SOFR	4.29	4.33
7 Day Tax-Exempt VRDB	1.68	1.97
Daily Rate Average	2.24	2.14

COMPARATIVE YIELDS

TAXABLE REVENUE

	GOVT	A		MMD	NR*	BB	BBB	A	AA
2 Year	3.92	4.42	1 Year	2.72	4.67	3.97	3.42	3.02	2.77
5 Year	3.99	4.59	5 Year	2.79	4.79	4.09	3.54	3.19	2.89
7 Year	4.18	4.93	7 Year	2.97	5.02	4.32	3.77	3.47	3.12
10 Year	4.39	5.39	10 Year	3.34	5.44	4.79	4.19	3.89	3.54
30 Year	4.87	6.27	30 Year	4.56	6.86	6.16	5.61	5.31	4.86

(* Representative of institutional sales)

TAX-EXEMPT MARKET INDICATORS

	THIS WEEK	LAST WEEK	CHANGE
Bond Buyer			
20 Bond Index	5.27	5.25	+0.02
11 Bond Index	5.17	5.15	+0.02
Revenue Bond Index	5.56	5.54	+0.02
30 Year MMD	4.56	4.52	+0.04
Weekly Tax-Exempt Volume (Bil)	13.76	2.71	+11.05
30 Day T/E Visible Supply (Bil)	15.02	21.98	-6.96
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	109.0	107.3	+1.70

Source: Bloomberg