FEATURED ARTICLE

ZIEGLER'S RECOMMENDED READING LIST: MID-YEAR 2026

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 and webinars that have meaningful information for the senior living & care sector. This quarter's recommended reading explores the opportunities and challenges shaping senior living as demand continues to accelerate. Highlights include new research on the sector's investment momentum, construction costs, strategic planning, and the implications of limited new supply. Additional resources examine workforce and risk management, sales and marketing benchmarks, and lessons learned from a successful Life Plan Community presales turnaround. Together, these reports offer practical insights for leaders navigating growth, capital planning, operational resilience, and evolving market dynamics.

Senior living outperforms other real estate sectors for seventh quarter in a row: Senior housing is continuing its investment performance momentum, outperforming other sectors on the National Council of Real Estate Investment Fiduciaries Property Index. Senior housing posted a 3.9% total return in the second quarter, bringing the year-to-date returns to 8%. Overall, senior housing outperformed the border NCREIF property Index's total return by 1.3%, marking the seventh consecutive quarter of index outperformance, according to a Friday blog post by National Investment Center for Seniors Housing & Care Senior Principal Caroline Clapp. (McKnight's Senior Living. *Senior living outperformed all NCREIF property types in 2025, and momentum continues*. Kimberly Bonvissuto. 2.4.2026)

2026 Senior Living Construction Costs | Issue 3: As the construction industry moves through the second half of 2026, market activity remains uneven, with strong demand from utilities, infrastructure and data center projects continuing to drive a significant share of new construction starts. While overall spending has softened in some sectors, owners and developers are becoming more active in project planning and feasibility efforts as they evaluate opportunities in an evolving economic landscape. Contractors remain optimistic about long-term growth, but elevated interest rates, tariff-related material cost increases, labor constraints and ongoing geopolitical uncertainty continue to influence project timing and pricing. Although cost escalation remains relatively manageable, growing backlogs and continued demand from high-growth sectors are creating localized pricing pressures across the market. (*2026 Senior Living Construction Costs | Issue 3*. Amy Burk, The Weitz Company. 8.4.2026.)

2026 Senior Living Outlook: Rising to Meet the Growth Gap: EPIC's report explores the forces reshaping senior living as demand accelerates and new development remains historically low. The report examines four key areas — workforce, mergers and acquisitions, construction, and technology — and offers practical insights into balancing growth opportunities with effective risk management. It also highlights how evolving insurance market conditions may create opportunities to reinvest savings into strategic priorities such as staffing, technology, and capital improvements. (*Senior Living Outlook: 2026 Aging Services Insurance & Risk Landscape*. EPIC Senior Living. 2026.)

Webinar: A Story of Hope When Reputation Doesn't Translate Into Presales Success: For many Life Plan Communities, a strong reputation, high occupancy and a long wait list feel like the ultimate indicators of future expansion success. Horizon House in Seattle believed the same thing — until its expansion presales stalled well short of its financing goal. In this interview-style webinar, Horizon House's CEO Erica Thrash-Sall shared the exciting story behind the launch of her 33-story, 202-residence West Tower expansion, including the challenges she faced when traditional sales and marketing strategies stopped working. This is the story of her leadership actions when presales completely stalled at 30% and the financing target was just months away. Erica was joined by Love & Company Senior Vice President of Client Experience Amy Brodie, who Horizon House brought in to help diagnose the issues and, critically, help Erica's team generate an unheard of 30 sales in the *last 2.5 months* — thereby hitting the financing goal timeline that once seemed out of reach. At the heart of this story is the paradox that the reputation and word of mouth that so effectively keep communities full do not automatically translate to strong expansion sales. Even market leaders need refreshed branding, clear action plans and the insights of experienced partners. This session described these valuable lessons and more for leaders and marketing teams preparing for expansion or who are in the midst of the presales process. (Love & Company. Webinar aired June 29, 2026.)

2026 Senior Living Sales & Marketing Benchmark Report: Inquiry volume is shifting. AI is reshaping discovery. Families are researching earlier. And independent living is outperforming the rest of the market. The 2026 Aline Annual Benchmark Report gives you the data behind these shifts so you can make smarter decisions about pipeline strategy, staffing, follow-up, and conversion in the year ahead.

Home Prices Increased in 80% of Metro Areas in Second Quarter of 2026: Home prices rose in 80% of metro markets during the second quarter of 2026, according to the National Association of REALTORS®' latest quarterly report. This is up from 71% in the first quarter. Five percent of metro areas recorded double-digit price gains, unchanged from last quarter. The report provides the real estate ecosystem—including agents, buyers and sellers — with quarterly metro-area data on median home prices and housing affordability. (*Home Prices Increased in 80% of Metro Areas in Second Quarter of 2026*. NAR Media Communications. 8.4.2026.)

Why Every Senior Living Community Needs a Risk Management Committee: Senior living communities operate in an increasingly complex risk environment. Resident safety, regulatory compliance, workforce stability, cybersecurity, financial pressures and reputational risk intersect in ways that can challenge even the most experienced operators. One adverse event — such as a serious fall, a medication error, an infection outbreak or an emergency response failure — can significantly affect resident well-being, staff morale and organizational stability. To proactively manage those challenges, senior living leaders need more than policies and incident reporting. They need a structured, enterprise-wide risk-oversight approach. (*Why Every Senior Living Community Needs a Risk Management Committee*. McKnight's Senior Living. Rhonda DeMeno, RN, BS, MPM, CPHRM. 7.12.2026.)

Proactive Decisions about Expanding Services: Service expansion has become one of the most important strategic conversations in senior living and post-acute care. As resident expectations shift, acuity rises, and market pressures intensify, providers are being asked to do more with the campuses they already own. In many cases, the opportunity is not to build new, but to rethink what already exists. Underused spaces, outdated layouts, and legacy service models can often be repositioned to support new care lines, stronger resident experiences, and better long-term performance. The challenge is knowing which opportunities are worth pursuing. That requires a disciplined look at market realities, resident needs, operational readiness, and the physical environment itself. (*Proactive Decisions about Expanding Services*. Jon Rynish, Mike Edwin, and Julie Heiberger. 6.18.2026.)

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

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NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

AS OF JULY 31, 2026

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Correction from last week: Friends Homes (NC)	Fitch	***BBB-*** Stable	Affirmed Rating Affirmed IDR*	7/23/26
Plymouth Place (IL)	Fitch	BB+ Stable	Affirmed Rating Affirmed IDR*	7/28/26

** IDR – Issuer Default Rating*

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

FEATURED FINANCING

VICAR'S LANDING

Live Exceptionally!

LIFE CARE ET
(VICAR'S LANDING)
Jacksonville, Florida

Bond Anticipation Notes

$4,000,000

July, 2026

INTEREST RATES/YIELDS

WEEK ENDING JULY 31, 2026

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	4.49%	4.53%	4.31%
Senior Living 30-Yr "A"	5.14%	5.18%	5.15%
Senior Living 30-Yr "BBB"	5.34%	5.38%	5.41%
Senior Living Unrated	5.84%	5.88%	6.02%
Senior Living New Campus	6.99%	7.03%	7.01%
SIFMA Muni Swap Index	2.55%	2.55%	2.46%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index†	5.54%	5.51%	1.04%

† Ziegler Senior Living Municipal Long Bond Index
Source: Bloomberg BVALS

MARKET REVIEW

MONEY MARKET RATES

	07/31	Last week
Prime Rate	6.75	6.75
Federal Funds (weekly average)	3.64	3.64
90 Day T-Bills	3.76	3.88
30-Day Commercial Paper (taxable)	3.69	3.68
SOFR (30-day)	3.62	3.61
SOFR	3.65	3.64
7 Day Tax-Exempt VRDB	2.16	2.55
Daily Rate Average	2.80	2.79

COMPARATIVE YIELDS

TAXABLE REVENUE

	GOVT	A
2 Year	4.24	4.74
5 Year	4.38	4.98
7 Year	4.52	5.27
10 Year	4.67	5.67
30 Year	5.21	6.61

	MMD	NR*	BB	BBB	A	AA
1 Year	2.53	4.48	3.78	3.23	2.83	2.58
5 Year	2.91	5.01	4.31	3.76	3.36	3.11
7 Year	3.09	5.14	4.44	3.89	3.59	3.24
10 Year	3.35	5.45	4.80	4.20	3.90	3.55
30 Year	4.49	6.79	6.09	5.54	5.24	4.79

(Representative of institutional sales)*

TAX-EXEMPT MARKET INDICATORS

Bond Buyer	THIS WEEK	LAST WEEK	CHANGE
20 Bond Index	4.71	4.81	-0.10
11 Bond Index	4.61	4.71	-0.10
Revenue Bond Index	5.00	5.10	-0.10
30 Year MMD	4.49	4.53	-0.04
Weekly Tax-Exempt Volume (Bil)	6.70	8.94	-2.24
30 Day T/E Visible Supply (Bil)	16.41	8.95	+7.46
30 year “A” Rated Hospitals as a % of 30 Year Treasuries	100.5	100.2	+0.30

Source: Bloomberg