

# ZIEGLER INVESTMENT BANKING

## SENIOR LIVING FINANCE Z-NEWS

### FEATURED ARTICLE

# THE 2024 ZIEGLER LEADINGAGE NATIONAL SENIOR LIVING CFO WORKSHOP

Last week, roughly 250 finance professionals from the not-for-profit senior living & care sector convened in Austin for the **26th Annual Ziegler LeadingAge National Senior Living CFO Workshop**. This annual conference is devoted to topics of importance to the CFOs, VPs of Finance, and other related positions within senior living. A steering committee of more than 20 CFOs representing both single-site and multi-site organizations throughout the country provided input on hot topics and how to focus the agenda to be the most meaningful to attendees. This year's agenda featured over 30 guest speakers, in addition to the contributions of Ziegler team members throughout the various sessions.

This year's workshop provided attendees with the opportunity to participate in two pre-conference sessions prior to the Wednesday-evening welcome reception. In support of Ziegler's commitment to diversity, equity, and inclusion, this year's workshop featured the **Women in Senior Living Finance** session which consisted of an insightful and lively panel discussion followed by a group networking activity. Additionally, those interested in a financing primer or a refresher on the basics of senior living financing attended the annual **Senior Living Finance & Risk Management 101**.

The conference kicked off Thursday morning with two general sessions for all attendees. **A Focus on Finance in 2024** featured Ziegler team members highlighting some key industry trends, as well as a deep dive into the financial markets, the lending environment, borrower credit movement and economic commentary related to the sector. Attendees heard about industry headwinds, tailwinds, and forecasts for the remainder of the year. Following the opening finance session, attendees heard from LeadingAge's Dee Pekruhn, Director, Life Plan Communities Services and Policy, who provided **A 2024 Update from Washington**, covering a wide range of important regulatory and policy updates coming out of our nation's capital.

The remainder of the day offered a series of meaningful breakout sessions for attendees. These sessions were comprised of industry specialists and senior living providers highlighting case studies, best practices, and the latest research. The session, **Getting It**

**Right-Setting Monthly Fees: Options for Maximum Revenue Generation** gave insight into how organizations approach entrance fees to generate revenue within their organizations successfully. In **Organizational Growth: What is the Cost of Doing Nothing?** attendees heard from providers on the importance of scale for long-term sustainability and success. Finally, in **Navigating the Escalating Property Insurance Marketplace**, attendees heard from industry experts as to what is driving property insurance costs, and what options are available to organizations in this difficult insurance marketplace.

Thursday concluded with the CFO Discussion Forums. These popular networking discussions were held separately for single-site providers and multi-site providers. The format followed a facilitated discussion time among attendees, guided through topics submitted by conference registrants.

The closing general session, **Nursing 301 – Reducing Capacity, Effective Strategies for Nursing Care Today and Finding Alternative Forms of Care**, aligned with the current trends we are seeing in skilled nursing with for-profits entering the space, while many not-for-profits are exiting. We were excited to feature Bob Stillman, CFO of Ohio Living, and Eliza Gozar, Senior Vice President, Investments, Sabra Health Care REIT, to share perspectives and strategies as it related to the skilled nursing sector.

We enjoyed seeing all the registrants in Austin and look forward to next year! If you have any questions about the 2024 LeadingAge Ziegler Senior Living CFO Workshop, or future CFO gatherings, we encourage you to connect with the Ziegler representative in your region.

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**NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS**

AS OF APRIL 26, 2024

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Christian Horizons (IL)	Fitch	C	Downgraded Rating Downgraded IDR*	4/18/24
El Castillo Retirement Residences (NM)	Fitch	BB+ Stable	Affirmed Rating Affirmed IDR*	4/18/24
Moravian Manor, Inc. (PA)	Fitch	BB+ Stable	Affirmed Rating Affirmed IDR*	4/18/24
John Knox Village (MO)	Fitch	BB+ Stable	Assigned Rating Affirmed Rating Affirmed IDR*	4/19/24
Miami Jewish Health System (FL)	Fitch	BB+ Negative	Affirmed Rating Affirmed IDR*	4/22/24
Riverview Retirement Community (WA)	Fitch	BBB- Stable	Affirmed Rating Affirmed IDR*	4/22/24

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\* IDR – Issuer Default Rating

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**INTEREST RATES/YIELDS**

WEEK ENDING APRIL 26, 2024

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	3.96%	3.90%	3.75%
Senior Living 30-Yr “A”	5.05%	4.99%	5.23%
Senior Living 30-Yr “BBB”	5.45%	5.39%	5.63%
Senior Living Unrated	6.70%	6.64%	6.64%
Senior Living New Campus	8.25%	8.19%	7.80%
SIFMA Muni Swap Index	3.77%	4.35%	3.51%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index <sup>†</sup>	5.89%	5.87%	1.94%

<sup>†</sup> Ziegler Senior Living Municipal Long Bond Index

Source: Bloomberg BVALS

**FEATURED FINANCING**

**JOHN KNOX VILLAGE**  
 Lee's Summit, Missouri

 The Industrial Development Authority of the  
 City of Lee's Summit, Missouri,  
 Senior Living Facilities Revenue Bonds,  
 Series 2024

**\$44,290,000**

April, 2024

## MARKET REVIEW

## MONEY MARKET RATES

	04/26	Last week
Prime Rate	8.50	8.50
Federal Funds (weekly average)	5.31	5.31
90 Day T-Bills	5.41	5.40
30-Day Commercial Paper (taxable)	5.32	5.32
Libor (30-day)	5.43	5.43
SOFR	5.31	5.31
7 Day Tax-Exempt VRDB	3.77	4.35
Daily Rate Average	3.17	3.94

## COMPARATIVE YIELDS

TAXABLE REVENUE									
	GOVT	A		MMD	NR*	BB	BBB	A	AAA
2 Year	4.99	5.49	1 Year	3.45	5.55	5.15	4.10	3.70	3.55
5 Year	4.72	5.42	5 Year	2.85	5.05	4.65	3.60	3.25	3.00
7 Year	4.72	5.57	7 Year	2.79	5.09	4.64	3.69	3.24	2.99
10 Year	4.70	5.70	10 Year	2.81	5.21	4.71	3.81	3.36	3.01
30 Year	4.81	6.31	30 Year	3.96	6.71	5.96	5.31	4.71	4.26

(\* Representative of institutional sales)

## TAX-EXEMPT MARKET INDICATORS

Bond Buyer	THIS WEEK	LAST WEEK	CHANGE
20 Bond Index	4.07	3.79	+0.28
11 Bond Index	3.97	3.69	+0.28
Revenue Bond Index	4.36	4.08	+0.28
30 Year MMD	3.96	3.90	+0.06
Weekly Tax-Exempt Volume (Bil)	5.52	5.40	+0.12
30 Day T/E Visible Supply (Bil)	8.02	8.10	-0.08
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	97.9	98.3	-0.40

Source: Bloomberg