

ZIEGLER INVESTMENT BANKING

SENIOR LIVING FINANCE Z-NEWS

FEATURED ARTICLE

THE 26TH ANNUAL ZIEGLER SENIOR LIVING FINANCE + STRATEGY CONFERENCE

Next week, Ziegler will be hosting its **26th Annual Ziegler Senior Living Finance + Strategy Conference**. We are excited to be gathering for the 26th year in a row for this impactful and high-caliber event. Attendees will have access to the latest best practices, case studies and industry research across 24 conference sessions. This is in addition to the high-quality networking and strategic meetings that take place across the three days of the conference. The purpose of this issue of *Z-News* is to highlight the educational sessions that will span the three days of the conference.

Consistent with previous years, following Wednesday morning activities such as golf, area tours, kayaking, fishing and other opportunities, attendees convene in the afternoon for a series of pre-conference educational sessions, which will cover a variety of topics from High-Performance Governance to Economic Updates to Finance 101.

- **Senior Living Finance & Risk Management 101:** Ziegler's own Tad Melton and Adam Garcia will lead this session along with CFO Kenda Laughy (Southminster, NC). This session is great for beginners or those needing a refresher on the elements of senior living finance.
- **Investment Management: Economic Update & Outlook:** The expert team of Kevin Carlson, Matthew O'Neil, and Craig Vanucci (Ziegler Capital Management) will provide economic updates and investment management insight for the rest of 2023 and predictions for market conditions in the year ahead.
- **Advancing DEIB Among Board & Executive Leadership:** Each year, a governance-related topic is weaved into the Wednesday afternoon sessions. This year, we are focusing on the important topic of DEIB and specifically, its release to the executive leadership teams and boards. This panel discussion will be led by Jane Mack (FSA), Steven Nash (Stoddard Baptist Home Foundation, DC) and Rob Liebreich (Goodwin Living).
- **Skilled Nursing-Downsize, Exit or Double-Down?** This is a very hot topic among not-for-profit providers today and we do a deep dive through three provider case studies.

Megan Barbour (Collington, MD), Michael McRae (St. Ann's Community, NY) and Jon-Paul Venoit (Masonicare, CT) will share about their organization's journey and strategic direction related to skilled care.

Thursday morning kicks off bright and early with welcome remarks from Ziegler's President & CEO, Dan Hermann and then shifts to the opening general session, entitled **The 2023 State of Senior Living and the Senior Living Capital Markets**. A slate of Ziegler team members will share the latest information on industry trends and the senior living capital markets.

Thursday late-morning sessions include topics such as New Campus Development, M&A activity, and Multi-Site Provider Trends.

- **System Trends: Insights From Chief Executives of Proactive Multi-Site Providers:** This annual CEO panel pulls together the latest trends and insights from some of the nation's leading multi-site executives. This year's lineup includes Luanne Fisher (Liberty Lutheran, PA), Mark King (Greencroft, IN) and Terry Rogers (Westminster Communities, FL).
- **A Focus on New Campus Development and Significant Expansions:** While new campus development activity has been down in recent years, there are still examples of successful new communities. This session will feature some of these along with providers who have undertaken sizeable expansion projects. This year's speakers include Stuart Jackson (Greystone), Steve Kramer (The Mayflower at Winter Park, FL), Janic Maloney (Sawgrass Partners) and Kirby Nickerson (Lutheran Services Carolinas, NC)
- **The Merger & Acquisition Marketplace:** This session is intended to highlight not-for-profit providers who recently grew through an acquisition of another community or who have made the difficult decision to sell. Stuart Hartman (Retirement Housing Foundation, CA) will discuss their journey towards the disposition of a number of their communities, and Joel Anderson (LifeStar Living, FL) will share their approach to growth via acquisition.

ZIEGLER

One North Wacker Drive | Suite 2000
Chicago, IL 60606

B.C. Ziegler and Company | Member SIPC & FINRA

CONTACT US

800 366 8899
askziegler@ziegler.com



CAPITAL :: INVESTMENTS :: ADVICE

- **Senior Living CFO Panel:** We pulled together a panel of four Chief Financial Officers from a combination of multi-site and single-site provider organizations to engage in a healthy discussion around some of today's hot topics for capital planning, financial operations and navigating the inflationary environment. The CFOs participating include Kim Hoppe (Brio Living Services, MI), Heath Leuck (Lakeview Village, KS), Andy McDonald (HumanGood, CA) and Kathi Rogers (Village on the Isle, FL).
- **Successful Models Geared Toward the Middle-Income & Affordable Market:** We are excited to focus attention on this important segment of the older adult population. Jon Fletcher (Presbyterian Homes & Services, MN) will talk about their development approach to target the middle-market senior, and Lizbeth Heyer (2Life Communities) will feature a community currently in-development that takes a unique, collaborative approach to bringing down the price point for housing in their market area.

Following the Thursday lunch break, which includes a special networking luncheon for board members, attendees will have the option to participate in additional breakout sessions. Those sessions are featured below.

- **System Sophistication Panel:** The Addition of Corporate Specialty Positions: How are some of the larger senior living organizations leveraging their scale to advance specialty positions of subject-matter experts that bring forth expertise needed in today's complex environment. This year's speakers will include Michael Connell (Transforming Age, WA), Doug Leidig (Asbury Communities, MD) and Eric Sholty (PRS, OR).
 - **Advancing Technology-Enabled & Innovative Workforce Solutions:** No senior living conference can be hosted without at least one session devoted to technology solutions. This session will specifically dive into tech-enabled workforce solutions. A panel of experts, including Cheryl Crooks (KARE), Lindsey Niemeier (TCARE), Mike Rosenbaum (Arena Analytics) and Sarah Thomas (AGETECH Capital) will delve into the vision for these technologies and what lies ahead for workforce-related innovations.
 - **The Homes & Community-Based Services Landscape:** Clearly there needs to be a discussion related to services provided to seniors in their home. Three providers will highlight their available services and offer advice for others considering this growth strategy. Presenters include Brett Anderson (Ecumen, MN), Roberto Muñoz (Parker Health Group, NJ) and Christopher Sintros (New England Deaconess Abundant Life, MA)
 - **Alternative Financing Strategies for NFP Senior Living Providers:** This session will be led by Ziegler banking team members who will delve into the less common, but available financing options for providers to consider. This will include options such as FHA/HUD, USDA loans and financings that reward providers for ESG initiatives on their campus.
 - **Growth Through Sponsorship Transition:** The final early-Thursday afternoon session will feature Brian Lawrence (FellowshipLIFE, NJ), Matt Mauthe (Illuminus, WI) and Ziegler Sponsorship Transition practice leaders Stephen Johnson and Marie Carlson. They will highlight recent affiliation examples and delve into process and growth strategy.
- The Thursday agenda closes with a series of late-afternoon breakout sessions.
- **Successful Campus Relocations:** Not-for-profit providers have actively been repositioning their campuses and modernizing to remain competitive. This session will highlight trends, case studies and best practices. Presenters this year include Philip Jean (Piper Shores, ME), Angela Rigsbee (Sharon Towers, NC) and Lisa Legeer (LifeSpire of Virginia, VA).
 - **Single-site Communities in the Spotlight: Sophistication Among Non-System Providers:** There are hundreds of strong, successful not-for-profit single-site communities in the U.S. This session will highlight data from these communities and will feature three progressive providers, Anita Holt (The Forest at Duke, NC), Dave Shenk (Tel Hai Retirement Community, PA), William Włodarczyk (Fox Run at Orchard Park, NY).
 - **Institutional Investor Panel:** This is a great session for CFOs, board members and others to learn about the fixed-rate marketplace and learning about the current mindset among institutional investors. Panelists will include Todd Emerson (Sit Investment), Margaret Johnson (Fitch Ratings), and Brian Pyhel (BlackRock) as well as several Ziegler team members.
 - **Senior Living Developments with University Ties:** There are several dozen retirement communities located in thriving college towns, with many of them having formal relationships between the two. This session will highlight two communities with development ties to a university. Presenters will include David Fulcher (Milwaukee Catholic Home, WI) and Adam Heffernan (Greenbrier).
 - **Senior Living Providers Leading the Way with Innovative, Value-Based Service Models:** This is the future of our healthcare and post-acute strategy and panelists will share their examples of how they are entering risk-bearing relationships to participate in value-based pay. Presenters will include Robert Kramer (Nexus Insights; National Investment Center for Seniors Housing & Care), Dan Krieger (Presbyterian Senior Living, PA), Jeff O'Berry (Curana Health) and Terry Spitznagel (United Church Homes, OH).

Thursday evening events include social networking hours and an all-attendee dinner. The educational events pick back up on Friday morning with a series of breakout sessions, followed by the closing general session.

Friday morning sessions include the latest and greatest from veteran architects in the space, a focus on the sales and marketing tactics and bank financing among others.

- **Marketing & Sales Approaches for Today's Environment:**

It is important to stay on top of consumer preferences and the best practices for generating leads and closing sales. This session will delve into these hot topics and will feature three industry veterans including Mike Brindley (Solutions Advisors Group), Tom Mann (Moorings Park, FL) and Dave Martino (Westminster Communities, FL).

- **Architects Panel: Innovation in Planning and Design:** Every

year, we hear the latest innovative design trends from the nation's leading architects. This year's panel includes Alejandro Giraldo (Perkins Eastman), Greg Huntman (Pi Architects) and Jennifer Sodo (EUA).

- **2023 Bank Financing Panel:** The bank lending environment has been disrupted in the past year by some high-profile bank failures as well as activity by the Fed. Panelists, including Wally Harriss (Seacoast Bank), Michael Mason (Old National) and Kevin McKeown (WSFS Bank), will discuss these topics from their bank perspective and forecasts for the months and year ahead.

- **Strategic Insights from Today's Chief Operations**

Professionals: New to the agenda this year is a panel of COOs from around the country to discuss key topics such as workforce pressures, skilled nursing strategy, growth, and key metrics to assess performance, among others. This year's COO panelists include James Bowersox (Life Enriching Communities, OH), Chris Ferreri (The Osborn, NY), Deidre Kinsey (Brazos Presbyterian Homes, TX).

The conference will close on Friday with **The Future of Senior Living**. This session is intentional to leave attendees with a forward-looking stance regarding the future of their organization. We are excited to feature two well-known and respected CEOs in this year's closing general session. Lynne Katzmann, CEO of Juniper Communities, will share perspective on her organization's growth and strategic positioning for the future as well as the general vision from within the for-profit sector of providers. Jerry Grant, CEO of Acts Retirement Communities, will share about the Acts growth journey and how their organization plans to grow, and plan for the future.

Many thanks to our more than 75 guest presenters and Ziegler associates who have worked to pull together the excellent content for this year's event. We look forward to seeing many of you next week. If you have any specific questions related to the upcoming conference, please reach out to the Ziegler representative in your region to learn more.

LISA McCRACKEN
DIRECTOR, SENIOR LIVING RESEARCH & DEVELOPMENT
lmccracken@ziegler.com

NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

AS OF SEPTEMBER 11, 2023

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Morningstar Senior Living (PA)	Fitch	BB Stable	Affirmed Rating Affirmed IDR*	9/6/23
Foulkeways at Gwynedd (PA)	S&P	BBB Positive	Affirmed Rating Revised Outlook	9/8/23
Active Retirement Community, Inc. dba Jefferson's Ferry (NY)	Fitch	BBB Stable	Review – No Action	9/8/23

Copyright © 2023, S&P Global Market Intelligence

Copyright © 2023 by Fitch Ratings, Inc., Fitch Ratings LTD. and its subsidiaries

* IDR – Issuer Default Rating

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

INTEREST RATES/YIELDS

WEEK ENDING SEPTEMBER 8, 2023

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	3.92%	3.88%	3.55%
Senior Living 30-Yr "A"	5.51%	5.47%	5.16%
Senior Living 30-Yr "BBB"	5.96%	5.92%	5.57%
Senior Living Unrated	6.76%	6.72%	6.37%
Senior Living New Campus	7.61%	7.57%	7.32%
SIFMA Muni Swap Index	3.41%	4.06%	2.91%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index [†]	6.13%	6.10%	2.19%

[†] Ziegler Senior Living Municipal Long Bond Index

Source: Bloomberg BVALS

MARKET REVIEW

MONEY MARKET RATES

	09/08	Last week
Prime Rate	8.50	8.50
Federal Funds (weekly average)	5.31	5.31
90 Day T-Bills	5.45	5.45
30-Day Commercial Paper (taxable)	5.30	5.28
Libor (30-day)	5.44	5.44
SOFR	5.31	5.31
7 Day Tax-Exempt VRDB	3.41	4.06
Daily Rate Average	2.62	3.88

COMPARATIVE YIELDS

TAXABLE REVENUE

	GOVT	A		MMD	NR*	BB	BBB	A	AAA
2 Year	4.95	5.95	1 Year	3.25	5.50	5.15	4.45	3.55	3.35
5 Year	4.37	5.72	5 Year	2.88	5.23	4.88	4.23	3.38	3.03
7 Year	4.33	5.83	7 Year	2.88	5.33	4.98	4.38	3.53	3.08
10 Year	4.24	6.04	10 Year	2.98	5.68	5.18	4.73	3.73	3.23
30 Year	4.34	6.69	30 Year	3.92	6.92	6.42	5.87	4.92	4.37

(* Representative of institutional sales)

TAX-EXEMPT MARKET INDICATORS

	THIS WEEK	LAST WEEK	CHANGE
Bond Buyer			
20 Bond Index	3.85	3.81	+0.04
11 Bond Index	3.75	3.71	+0.04
Revenue Bond Index	4.13	4.09	+0.04
30 Year MMD	3.92	3.88	+0.04
Weekly Tax-Exempt Volume (Bil)	6.32	2.41	+3.91
30 Day T/E Visible Supply (Bil)	8.25	7.92	+0.33
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	113.3	115.9	-2.60

Source: Bloomberg