

ZIEGLER INVESTMENT BANKING

SENIOR LIVING FINANCE Z-NEWS

FEATURED ARTICLE

SNAPSHOT! SENIOR LIVING STATS AND MORE

Life Plan Communities: AVERAGE ANNUAL CHANGE IN IL MONTHLY FEES

2015 change:	3.16%	2020 change:	3.26%
2016 change:	3.09%	2021 change:	2.98%
2017 change:	3.12%	2022 change:	4.70%
2018 change:	3.17%	2023 change:	6.24%
2019 change:	3.14%	2024 projected change:	5.03%

Source: Ziegler CFO HotlineSM (September, 2023)

CPI CHANGES

Medical Care Cost of Living Increases:		
2010 increase: 3.4%	2015 increase: 2.6%	2020 increase: 2.8%
2011 increase: 3.5%	2016 increase: 2.6%	2021 increase: 2.2%
2012 increase: 3.2%	2017 increase: 2.3%	2022 increase: 2.7%
2013 increase: 2.5%	2018 increase: 2.0%	2023 increase: 3.2%
2014 increase: 2.4%	2019 increase: 2.6%	
CPI Increase (All Items): For 2023: 3.4%		

Source: Bureau of Labor Statistics (www.bls.gov) (December, 2023)

STAFFING

Annual U.S. Unemployment Rates* For:		
2010: 9.6%	2015: 5.0%	2020: 6.7%**
2011: 8.5%	2016: 4.7%	2021: 3.9%
2012: 7.8%	2017: 4.1%	2022: 3.5%
2013: 6.7%	2018: 3.9%	2023: 3.7%***
2014: 5.6%	2019: 3.5%	

*Year-end totals as of 12/31

** Increase attributed to COVID-19

***The unemployment statistic represents one data point in the overall labor picture. For more in-depth details on the latest unemployment figures, [click here](#).

Source: Bureau of Labor Statistics (www.bls.gov) (December, 2023)

LIFE PLAN COMMUNITY AVERAGE FTEs per RESIDENT

In Assisted Living/ Memory Care: 0.40	In Memory Care: 0.50	In Skilled Nursing: 0.76
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Source: *The State of Seniors Housing 2023*; Table 11.3. ASHA, ARGENTUM, LEADINGAGE, NCAL, NIC 2023

TOTAL NUMBER OF Life Plan Communities (LPCs)

2010 Year-end	1,924
2011 Year-end	1,930
2012 Year-end	1,935
2013 Year-end	1,944
2014 Year-end	1,946
2015 Year-end	1,954
2016 Year-end	1,963
2017 Year-end	1,955
2018 Year-end	1,957
2019 Year-end	1,950
2020 Year-end	1,938
2021 Year-end	1,936
2022 Year-end	1,918
2023 Year-end	1,911

Note: The decrease in the overall LPC count is attributed to a number of factors. The predominant driver has been communities who have removed a level of care (generally either SN or the dropping of IL when only a small number of units existed as part of a larger healthcare campus). There have been a small number of LPC closures. These trends in combination with slowdown in new LPC development has resulted in the decline in the full-continuum campuses.

Source: Ziegler National CCRC Listing

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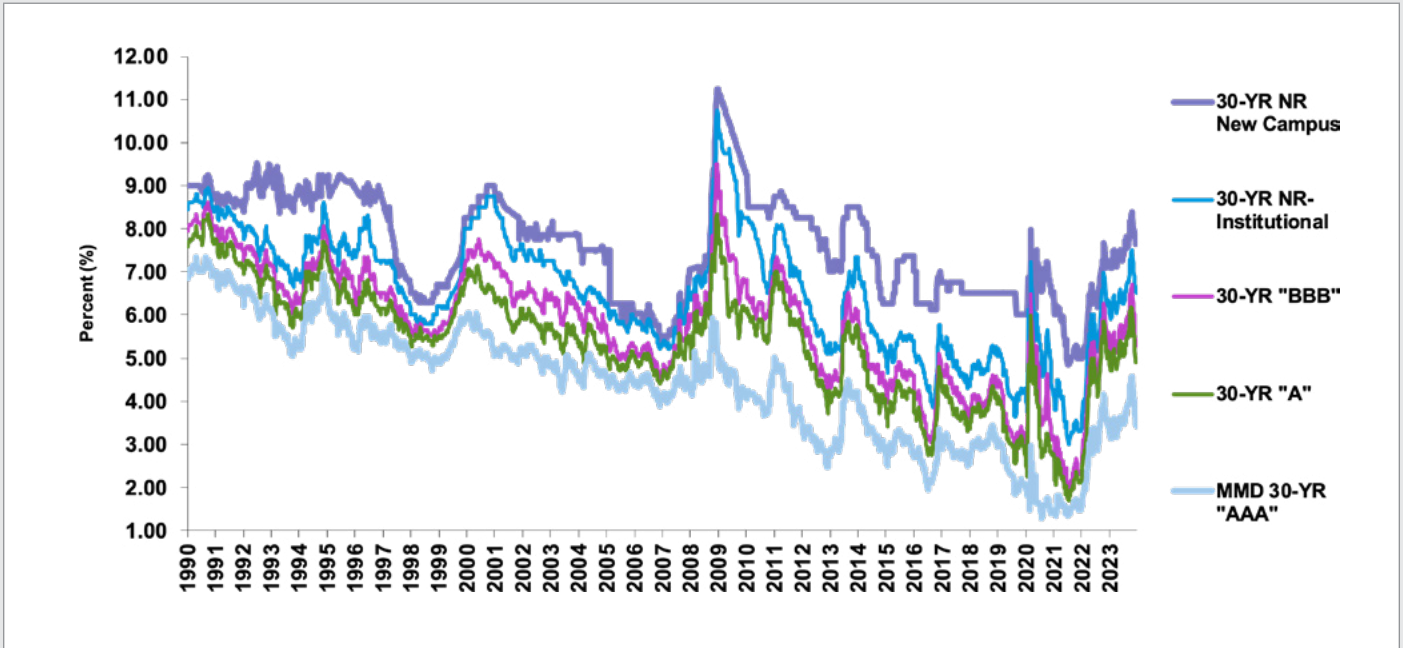
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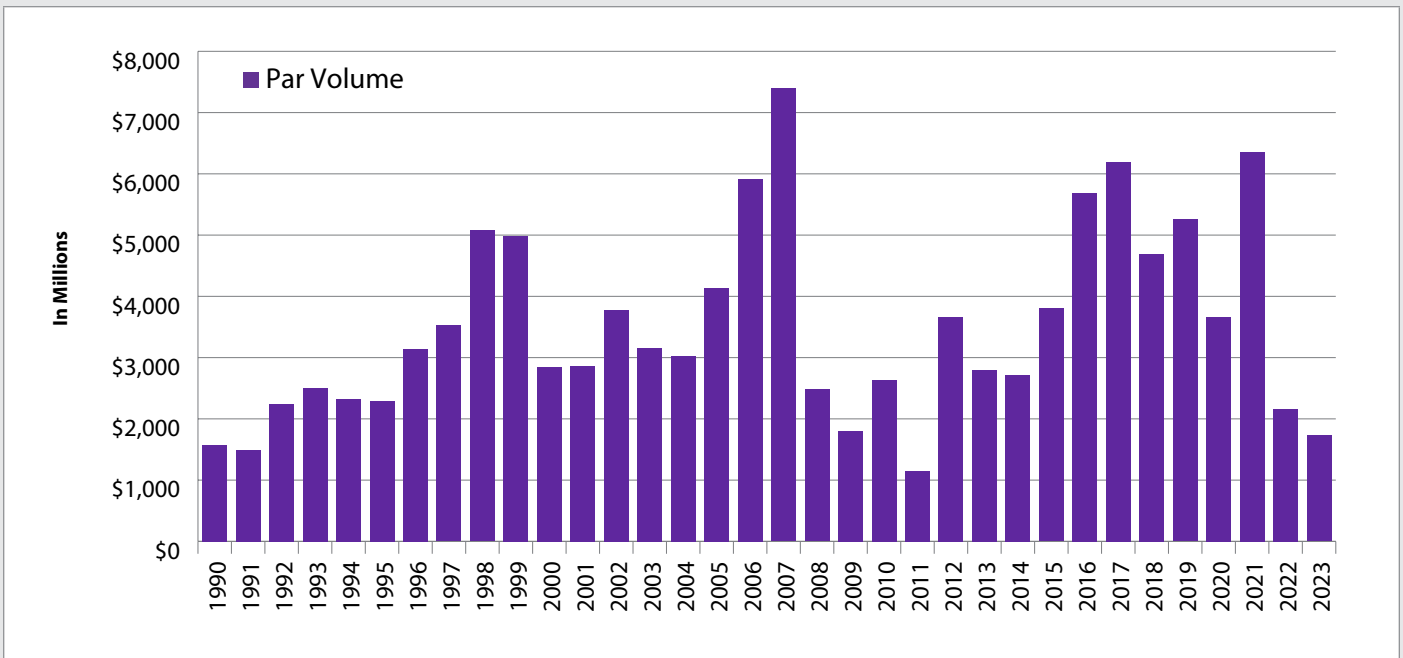
CAPITAL :: INVESTMENTS :: ADVICE

SENIOR LIVING TAX-EXEMPT INTEREST RATES



Source: Bloomberg and Refinitiv Municipal Market Monitor as of 12/31/23

NOT-FOR-PROFIT SENIOR LIVING VOLUME 1990–2023



Source: Refinitiv Data as of 12/31/23

**Top Lead Managing Underwriters
Senior Living Finance Issues
2023**

Rank	Underwriter	# of Issues	\$ Millions
1	Ziegler	11	1,118.2
2	Piper Sandler & Co.	1	159.7
3	Odeon Capital Group	4	127.4
4	Herbert J. Sims & Co.	2	117.1
5	D A Davidson	1	97.5
6	Raymond James	1	47.9
7	PNC Capital Markets	1	26.9
8	Robert W. Baird & Co.	1	20.3
9	FMSbonds Inc.	1	8.0
10	Stern Brothers & Co.	1	5.8

**Top Lead Managing Underwriters
Senior Living Finance Issues
2015–2023**

Rank	Underwriter	# of Issues	\$ Millions
1	Ziegler	308	18,803.9
2	Herbert J. Sims & Co.	74	4,852.9
3	Piper Sandler & Co.	66	3,262.1
4	Truist Securities	41	1,920.4
5	KeyBanc Capital Markets	16	1,554.8
6	RBC Capital Markets	24	1,498.4
7	Bank of America Merrill Lynch	8	1,118.2
8	Colliers Securities	38	798.1
9	Odeon Capital Group	34	707.6
10	Hilltop Securities	3	530.8

**Top Lead Managing Underwriters
Senior Living Finance Issues
2010–2023**

Rank	Underwriter	# of Issues	\$ Millions
1	Ziegler	420	24,339.1
2	Herbert J. Sims & Co.	109	6,201.8
3	Piper Sandler & Co.	100	3,934.4
4	Truist Securities	73	3,228.8
5	KeyBanc Capital Markets	49	2,884.7
6	RBC Capital Markets	24	1,743.1
7	Bank of America Merrill Lynch	11	1,314.5
8	Colliers Securities	73	1,135.1
9	Odeon Capital Group	78	789.5
10	Northland Securities	11	771.7

**Top Lead Managing Underwriters
Senior Living Finance Issues
2000–2023**

Rank	Underwriter	# of Issues	\$ Millions
1	Ziegler	757	37,368.3
2	Herbert J. Sims & Co	228	10,654.3
3	KeyBanc Capital Markets	149	5,985.6
4	Piper Sandler & Co.	195	5,809.3
5	Truist Securities	141	5,321.6
6	RBC Capital Markets	141	2,372.8
7	Colliers Securities	62	1,773.8
8	UBS Securities	34	1,728.4
9	Wachovia	133	1,436.4
10	Bank of America Merrill Lynch	11	1,314.5

Based on full credit given to senior manager of lead-managed underwriting principal volume for senior living transactions completed nationally. Rankings and amounts through Refinitiv Data as of 12/31/23. Note: For-profit bond financings are excluded.

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NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

AS OF JANUARY 26, 2024

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Smith Crossing (IL)	Fitch	BBB- Stable	Affirmed Rating Affirmed IDR*	1/25/24
NewBridge on the Charles (MA)	Fitch	BB+ Stable	Affirmed Rating Affirmed IDR*	1/26/24

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* 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 JANUARY 26, 2024

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	3.61%	3.57%	3.67%
Senior Living 30-Yr "A"	5.04%	5.00%	5.25%
Senior Living 30-Yr "BBB"	5.44%	5.40%	5.68%
Senior Living Unrated	6.64%	6.60%	6.57%
Senior Living New Campus	8.04%	8.00%	7.61%
SIFMA Muni Swap Index	4.55%	2.57%	3.35%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index [†]	6.03%	6.04%	2.43%

[†] Ziegler Senior Living Municipal Long Bond Index

Source: Bloomberg BVALS

FEATURED FINANCINGS
BEACONHILL

 AT *Eastgate*
BEACON HILL AT EASTGATE
 Grand Rapids, Michigan

 Bank Placement
 New Money

\$6,000,000

December, 2023


WILLOW VALLEY
 COMMUNITIES

WILLOW VALLEY COMMUNITIES
 Willow Street, Pennsylvania

 Taxable Line of Credit & Term Loan
 New Money

\$35,000,000

December, 2023

MARKET REVIEW

MONEY MARKET RATES

	01/26	Last week
Prime Rate	8.50	8.50
Federal Funds (weekly average)	5.31	5.31
90 Day T-Bills	5.35	5.36
30-Day Commercial Paper (taxable)	5.32	5.33
Libor (30-day)	5.45	5.45
SOFR	5.32	5.31
7 Day Tax-Exempt VRDB	4.55	2.57
Daily Rate Average	4.40	1.85

COMPARATIVE YIELDS

TAXABLE REVENUE

	GOVT	A		MMD	NR*	BB	BBB	A	AAA
2 Year	4.29	4.79	1 Year	2.99	5.24	4.89	3.99	3.19	3.09
5 Year	3.99	4.84	5 Year	2.43	4.78	4.43	3.58	2.78	2.58
7 Year	4.06	5.21	7 Year	2.44	4.89	4.54	3.69	2.89	2.64
10 Year	4.11	5.56	10 Year	2.46	5.11	4.66	3.81	3.01	2.66
30 Year	4.37	6.27	30 Year	3.61	6.51	6.01	5.11	4.31	3.96

(* Representative of institutional sales)

TAX-EXEMPT MARKET INDICATORS

	THIS WEEK	LAST WEEK	CHANGE
Bond Buyer			
20 Bond Index	3.43	3.39	+0.04
11 Bond Index	3.33	3.29	+0.04
Revenue Bond Index	3.71	3.67	+0.04
30 Year MMD	3.61	3.57	+0.04
Weekly Tax-Exempt Volume (Bil)	6.22	4.93	+1.29
30 Day T/E Visible Supply (Bil)	4.52	9.06	-4.54
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	98.6	100.2	-1.60

Source: Bloomberg