FOR IMMEDIATE RELEASE

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ZIEGLER CLOSES $30.2 MILLION REFINANCING OF RUSSELL MEDICAL CENTER

CHICAGO, IL – JANUARY 10, 2017 – Ziegler, a specialty investment bank, is pleased to announce the successful closing of the $30,178,500 refinancing of Russell Medical Center by Ziegler Financing Corporation (ZFC), the FHA-insured mortgage lending arm of Ziegler.

Russell Medical Center (RMC) is an 81-bed not-for-profit, acute care hospital located in Alexander City, Alabama. RMC offers a wide variety of services to the community including, but not limited to, birthing services, a cancer center, cardiology, cardio-pulmonary services, emergency department, ICU/step-down unit, oncology, pediatrics, pharmacy, physical therapy, a sleep center, surgical services, total fitness services, a women’s center, wound care and hyperbaric medicine. Russell Medical Center is the only provider of acute care services in Alexander City and currently captures approximately 45% of all inpatient services in its primary market area.

Russell Medical Center had approximately $30.1 million in outstanding tax-exempt bond debt with an average interest rate of 5.7%. ZFC’s extensive knowledge and experience with HUD programs available to healthcare systems created value for the borrower by recapitalizing the hospital and lowering RMC’s annual debt service costs by up to $575,000. The Section 242/223(f) mortgage loan has a 25-year term and resulted in a note rate of less than 4.0%.

“With this refinancing, we were able to significantly lower our debt service which will provide a solid foundation for RMC’s future growth in the ever-changing healthcare environment,” said Jim Peace, CEO of Russell Medical Center. “The Ziegler team did a great job helping us navigate the HUD process.”
“It has been a pleasure working with the Russell Medical Center organization and we were impressed with the broad array of services offered in a smaller market,” said Bill Mulligan, President of ZFC. “This refinancing represents the second hospital in Alabama ZFC has financed using the Section 242/223(f) program which was introduced a few years ago.”

Ziegler Financing Corporation’s dedicated team of FHA-insured financing professionals serves for-profit, not-for-profit and community-based organizations to deliver high-leveraged, low-cost, fixed-rate debt through FHA-insured financing programs. Our client’s financing needs are met by providing lower cost of capital to fund a range of development activities from deferred renovations to new constructions.

For more information about Ziegler and FHA specifically, please visit us at www.Ziegler.com/fha or contact Bill Mulligan (bmulligan@ziegler.com).

About Ziegler:
The Ziegler Companies, Inc., together with its affiliates (Ziegler), is a privately held, specialty investment bank with unique expertise in complex credit structures and advisory services. Nationally, Ziegler is ranked as one of the leading investment banking firms in its specialty sectors of healthcare, senior living, religion, and education, as well as general municipal and structured finance. Headquartered in Chicago, IL with regional and branch offices throughout the U.S., Ziegler provides its clients with capital raising, corporate finance, FHA/HUD, strategic advisory services and research. Ziegler serves institutional and individual investors through its wealth management and capital markets distribution channels.

Certain comments in this news release represent forward-looking statements made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. This client’s experience may not be representative of the experience of other clients, nor is it indicative of future performance or success. The forward-looking statements are subject to a number of risks and uncertainties, in particular, the overall financial health of the securities industry, the strength of the healthcare sector of the U.S. economy and the municipal securities marketplace, the ability of the Company to underwrite and distribute securities, the market value of mutual fund portfolios and separate account portfolios advised by the Company, the volume of sales by its retail brokers, the outcome of pending litigation, and the ability to attract and retain qualified employees.

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