

FOR IMMEDIATE RELEASE

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ZIEGLER CLOSES \$54.045 MILLION CHANNING HOUSE FINANCING

CHICAGO, IL – MAY 9, 2017 – Ziegler, a specialty investment bank, is pleased to announce the successful closing of the \$54,045,000 tax-exempt, fixed-rate Series 2017 financing for Channing House. Channing House is a California not-for-profit 501(c)(3) corporation operating a continuing care retirement community (the Community) located on one acre in Palo Alto, California, approximately 25 miles south of San Francisco. The Community consists of 191 residential living units, 27 assisted living beds (in 24 rooms) and 26 skilled nursing beds.

Channing House will use the proceeds of the Series 2017 Bonds, together with other available funds to (i) advance refund all of the outstanding Series 2010 Bonds; (ii) fund a Bond Reserve Account for the Series 2017 Bonds; and (iii) pay certain costs of issuance of the Series 2017 Bonds including the insurance premium. The Series 2017 Bonds are insured by the State of California’s Cal-Mortgage bond insurance program and carry a rating of “AA-” from S&P.

The Series 2017 financing marks Ziegler’s third transaction with Channing House. Ziegler financed the original construction in 1964, and a follow-on financing in 1991. Ziegler is also working with Channing House on a second bond issue, expected in the summer of 2017, to fund various improvements at the community.

“Channing House has a great competitive position in the very attractive Silicon Valley market south of San Francisco. With campus refurbishments in the works and an additional debt issue this year, we are very happy to have been able to capture low interest rates on this issue to lower the future aggregate debt service for Channing House. The issue was well-received by the market based on both the solid market position and leadership team of Channing House, and bond insurance from the State of California’s Cal-Mortgage program,” commented [Mary Muñoz](#), Managing Director in

Ziegler's senior living practice. Mel Matsumoto, CEO of Channing House, noted "Channing House is proud of its 50+ years of service to the community. In order to continue to fulfill our mission in the coming 50 years, it is critical that we invest in ourselves as the needs and preferences of future residents continue to evolve. This financing helps us do just that."

Ziegler is one of the nation's leading underwriters of financing for not-for-profit senior living providers. Ziegler offers creative, tailored solutions to its senior living clientele, including investment banking, financial risk management, merger and acquisition services, investment management, seed capital, FHA/HUD, capital and strategic planning as well as senior living research, education, and communication.

For further information on the structure and use of this issue, please see the [Official Statement](#) located on the Electronic Municipal Market Access system's [Document Archive](#).

For more information about Ziegler, please visit us at www.Ziegler.com.

About Ziegler:

Ziegler is a privately held investment bank, capital markets, wealth management and proprietary investments firm, celebrating its 115th anniversary this year. Ziegler is ranked No. 1 in the country in healthcare/senior living underwriters by issuance and No. 4 by par amount (Thomson Reuters, 2016), and is ranked in the top 20 municipal underwriters in the country by volume (Bloomberg, 2016). Specializing in the healthcare, senior living, education and religion sectors, as well as general municipal and structured finance enables Ziegler to generate a positive impact on the communities it serves. Headquartered in Chicago with regional and branch offices throughout the United States, Ziegler provides its clients with capital raising, strategic advisory services, equity and fixed income sales & trading, wealth management and research. To learn more, visit www.ziegler.com.

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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