



FOR IMMEDIATE RELEASE

Christine McCarty
312 596 1617
cmccarty@ziegler.com

**ZIEGLER CLOSES \$72.646 MILLION
HUMANGOOD NATIONAL OBLIGATED GROUP FINANCING**

CHICAGO, IL – May 24, 2018 – Ziegler, a specialty investment bank, is pleased to announce the successful closing of the \$72,646,000 Series 2018 fixed-rate financing for the HumanGood National Obligated Group. Ziegler has a long-standing relationship with the HumanGood organization dating back to 2000.

HumanGood is a holding company that serves as the corporate parent to HumanGood NorCal (formerly American Baptist Homes of the West) and HumanGood SoCal (formerly be.group/Southern California Presbyterian Homes). ABHOW and be.group affiliated in 2016 to form the seventh largest senior living not-for-profit system in the country and the largest affordable housing provider in California, all of which rebranded under the HumanGood name in 2017.

This transaction will join The Terraces of Phoenix (HumanGood Arizona) and Judson Park (HumanGood Washington), both subsidiaries of HumanGood, into one obligated group, with the two communities co-obligated for the 2018 Bonds. The new entity will be known as the HumanGood National Obligated Group, reflecting the fact that these two communities are outside of California, HumanGood's largest market. The National Obligated Group may in the future include other non-California operations. In connection with forming the National Obligated Group, the Borrower will refinance two outstanding tax-exempt bank placements, one at each community, and will refinance a portion of subordinate debt owed to HumanGood NorCal.

The financing consists of two tax-exempt, fixed-rate bond issues, a tax-exempt variable rate bank placement, and a taxable variable rate bank placement. The aggregate \$72,646,000 of bonds plus equity contributed toward the financing will be used to: (i) refund the HumanGood Arizona Series 2015 Bonds; (ii) refund the HumanGood Washington Series 2012 Bonds; (iii) fund debt service

reserve funds for the two fixed-rate issues; (iv) refinance \$20,000,000 in subordinate intercompany loans; (v) finance the termination of HumanGood Washington's existing interest rate swap related to the Series 2012 Bonds; and (vi) pay costs of issuance.

The two fixed-rate bonds will be issued through the Washington State Housing Finance Commission and The Industrial Development Authority of the City of Glendale, Arizona, respectively, to refinance the existing debt at HumanGood Washington and a portion of existing debt at HumanGood Arizona. The two variable rate bank placements will be purchased by one lending institution, Washington Federal Bank, with a tax-exempt series being issued through the Industrial Development Authority of the City of Glendale to refinance the balance of the HumanGood Arizona debt, and a taxable series being issued directly by the Borrower to repay the aforementioned subordinate debt. The new capital structure will be comprised of roughly 50% variable rate and 50% fixed-rate indebtedness, partially hedged by an interest rate cap purchased in 2015.

“It has been exciting to see the HumanGood organization coalesce under the new brand, and move through the integration of predecessor companies and financings,” commented [Mary Muñoz](#), Senior Managing Director in Ziegler's senior living finance practice. “This transaction is a big step toward combining similar credits in less regulated, non-California markets, in order to simplify the corporate structure and streamline financial reporting. These actions will allow for cost savings and for more team energy to be directed toward HumanGood's larger goals of reimagining the retirement community and fostering innovation in the senior living industry.”

“This financing had a lot of moving parts with two different issuing authorities, the desire to come under a common master trust indenture in advance of the bond closing, swap termination, mixture of fixed rate bond and bank placements and other aspects. Ziegler's deep experience with the issuers, the financing team and with our organization served us well. We are pleased with the pricing results and with the broad distribution achieved for the bonds,” added Pamela Claassen, CFO of HumanGood.

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 Statements ([The Terraces of Phoenix](#) & [Judson Park](#)) located on the Electronic Municipal Market Access system's Document Archives ([The Terraces of Phoenix](#) & [Judson Park](#)).

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

About Ziegler:

Ziegler is a privately held investment bank, capital markets and proprietary investments firm. Specializing in the healthcare, senior living and education sectors, as well as general municipal and structured finance, enables Ziegler to generate a positive impact on the clients and 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 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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