

ZIEGLER INVESTMENT BANKING

SENIOR LIVING FINANCE Z-NEWS

FEATURED ARTICLE

ZIEGLER SENIOR LIVING FINANCE + STRATEGY CONFERENCE: HIGHLIGHTS (PART II)

In last week's *Z-News*, we gave a sneak peek into the **21st Annual Ziegler Senior Living Finance + Strategy Conference**. This year's conference, to be held next week in San Antonio Hill County, Texas, will host more than 650 attendees ranging from the country's leading senior living executives, business firms, banks, and investors. The "Conference: Highlights (Part I)" outlined the popular pre-con sessions to be held on Wednesday afternoon, as well as details of the Thursday morning agenda. This issue focuses on Thursday's afternoon breakout sessions.

Thursday early afternoon will kick off with a number of breakout sessions for attendees to choose from. Three multi-site providers will participate in the **System Sophistication** session that focuses this year on creating ancillary business lines such as pharmacy, third-party management and information technology services. Panelists will include Lisa Fichera (Phoebe Ministries), Terry Rogers (Christian Living Communities) and Bill DeYoung (Providence Life Services).

There are numerous single-site providers who are thriving and expanding in their local markets. In **Single-Site Communities in the Spotlight**, Mark Lenhard (Wesleyan Homes), David Lewis (Capital Manor) and Dan Rexroth (John Knox Village, MO) will each share case studies of recent campus initiatives, repositionings and expansions, all with the goal of solidifying their position in the marketplace.

A hot topic that is important to cover is **Technology-Enabled Senior Solutions**. Ziegler has invited Jeffrey Prough (Critical Signal Technologies) and Kevin Scalia (NetSmart) to present on technology platforms that advance resident care and organizational effectiveness. Attendees will walk away with key considerations for their own organizations as they consider moving to more technology-enabled platforms of care.

Two additional sessions in the mid-afternoon on Thursday focus on the rapidly changing post-acute environment and complex financial solutions for not-for-profit senior living organizations. Kristen Barlow (The Advisory Board), Will Saunders (AllyAlign) and Steven Wermuth (Strategic Healthcare) will participate in **Navigating the Highly Dynamic Post-Acute Environment** and will share insight about how to succeed in the changing healthcare and managed care environment. For those looking for a deeper dive into financial decision-making, **Comprehensive & Advanced Financial Solutions** will cover topics related to complex financing solutions. Speakers include Brent Edgerton (Kendal at Hanover), Brian Magnone and Frank Rossello (Retirement Housing Foundation).

Additional Thursday afternoon sessions will cover key themes such as:

- **Sponsorship Transitions.** Hear about two organizations who are growing through affiliations and mergers. Speakers include Bob Dahl (Augustana-Elim) and David Smeltzer (Heritage Ministries).
- **Successful Campus Repositionings.** This will be a great session that showcases organizations who have repositioned their campuses and undertaken significant community projects to position themselves for the future. Speakers include Mary Cordts (Bayview) and Robert Stillman (Ohio Living).
- **The Merger & Acquisition Marketplace for For-Profits and Not-for-Profits.** This session will provide guidance for organizations looking to grow through acquisition or who are considering disposing of a community. Speakers include Steve Ailey (Presbyterian Communities & Services) and Ziegler's own Dan Revie.
- **Focus on NOM: Best Practices to Improve the Bottom Line.** Always a conference favorite every year! Speakers include Daniel Grey (Continuum Development Services), Chad Sneed (Lutheran Senior Services) and Jack Broadus (Sunnyside Communities).
- **Bringing Forth Solutions for Workforce Recruitment & Retention.** Workforce challenges remain a hot topic for senior living providers. Speakers include Michael Rosenbaum (Arena), Safwan Shah (PayActiv) and Steve Haynes (OnShift).

The final conference issue of *Z-News* will highlight the robust sessions of the third day of the annual conference. We look forward to seeing clients, guests and friends of Ziegler next week in Texas!

For questions about this issue of *Z-News* or other related topics, please refer to the Ziegler banker in your region.

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NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

AUGUST 27 - SEPTEMBER 3, 2018

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
No Ratings to Report				

INTEREST RATES/YIELDS

(AS OF AUGUST 31, 2018)

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	3.03%	3.00%	2.88%
Senior Living 30-Yr "A"	3.83%	3.80%	3.68%
Senior Living 30-Yr "BBB"	4.03%	3.95%	3.94%
Senior Living Unrated	4.83%	4.70%	4.66%
Senior Living New Campus	6.50%	6.50%	6.51%
SIFMA Muni Swap Index	1.56%	1.58%	1.21%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
*ZSLMLB Index	4.70%	4.70%	1.68%

**Ziegler Senior Living Municipal Long Bond Index
Source: Ziegler Capital Markets*

FEATURED FINANCING



**PLEASANT VIEW
RETIREMENT COMMUNITY**
Manheim, Pennsylvania

West Cornwall Township
Municipal Authority
Healthcare Facilities Revenue Bonds
Series 2018

\$20,315,000

MARKET REVIEW

MONEY MARKET RATES

	8/31/18	1 WEEK AGO	1 MONTH AGO	1 YEAR AGO
Prime Rate	5.00	5.00	5.00	4.25
Federal Funds (weekly average)	1.91	1.91	1.90	1.14
90 Day T-Bills	2.09	2.09	2.00	0.99
30-Day Commercial Paper (taxable)	2.02	1.98	1.94	1.11
Libor (30-day)	2.07	2.06	2.08	1.23
7 Day Tax-Exempt VRDB	1.56	1.58	1.29	0.79
Daily Rate Average	1.53	1.50	1.36	078

COMPARATIVE YIELDS

TAXABLE REVENUE

	GOVT	A		MMD	NR**	NR*	BB	BBB	A	AAA
1 Year	2.45	2.90	1 Year	1.60	2.80	2.95	2.70	2.30	2.00	1.80
5 Year	2.73	3.58	5 Year	2.02	3.37	3.52	3.22	2.87	2.57	2.37
7 Year	2.81	3.86	7 Year	2.22	3.77	3.97	3.47	3.17	3.02	2.67
10 Year	2.86	4.11	10 Year	2.44	4.24	4.44	3.79	3.44	3.24	2.89
30 Year	3.02	4.62	30 Year	3.03	4.83	5.03	4.38	4.03	3.83	3.48

(* Representative of retail sales.); (** Representative of institutional sales.)

TAX-EXEMPT MARKET INDICATORS

	THIS WEEK	LAST WEEK	CHANGE	2018 HIGH	LOW
Bond Buyer					
20 Bond Index	3.96	3.94	+02	3.98	3.44
11 Bond Index	3.43	3.42	+01	3.46	2.94
Revenue Bond Index	4.47	4.44	+03	4.48	2.92
30 Year MMD	3.03	3.00	+03	3.14	2.56
Weekly Tax-Exempt Volume (Bil)	2.75	3.39	-.64	11.11	0.71
30 Day T/E Visible Supply (Bil)	4.17	5.38	-1.26	14.29	0.63
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	126.82	128.37	-1.55	128.37%	118.68%

INTEREST RATE COMPARISON

DATE	7-DAY T/E VRDB	PRIME RATE	FED FUNDS WEEKLY AVG.	13-WEEK T-BILL RATE	C.P.RATE TAXABLE	LIBOR (30-DAY)	30-YEAR T/E BONDS (A-AAA)		
08/31/18	1.56	5.00	1.91	2.09	2.02	2.07	3.83	-	3.48
08/24/18	1.58	5.00	1.91	2.09	1.98	2.06	3.80	-	3.45
08/17/18	1.57	5.00	1.90	2.03	1.94	2.06	3.76	-	3.46
08/10/18	1.45	5.00	1.90	2.04	1.98	2.06	3.82	-	3.52
08/03/18	1.29	5.00	1.90	2.00	1.94	2.08	3.80	-	3.50
07/27/18	0.94	5.00	1.90	1.99	1.92	2.07	3.75	-	3.45
07/20/18	0.94	5.00	1.90	1.98	1.96	2.08	3.66	-	3.36
07/13/18	1.01	5.00	1.90	1.96	1.97	2.07	3.66	-	3.36
07/06/18	1.19	5.00	1.90	1.91	1.96	2.09	3.67	-	3.37
06/29/18	1.51	5.00	1.92	1.90	2.00	2.09	3.69	-	3.39
06/22/18	1.50	5.00	1.90	1.91	1.95	2.09	3.70	-	3.40
06/15/18	1.33	5.00	1.74	1.93	1.97	2.08	3.76	-	3.46
06/01/18	1.06	4.75	1.69	1.91	1.86	1.98	3.62	-	3.32
05/04/18	1.61	4.75	1.68	1.83	1.85	1.92	3.80	-	3.50
04/06/18	1.60	4.75	1.68	1.71	1.82	1.89	3.78	-	3.48
03/02/18	1.09	4.50	1.38	1.63	1.65	1.67	3.82	-	3.52
02/02/18	1.08	4.50	1.39	1.48	1.49	1.57	3.73	-	3.43
01/05/18	1.47	4.50	1.41	1.40	1.50	1.55	3.36	-	3.06
12/01/17	0.97	4.25	1.13	1.26	1.18	1.37	3.59	-	3.29
11/03/17	0.92	4.25	1.14	1.17	1.13	1.24	3.65	-	3.30
10/06/17	0.92	4.25	1.16	1.04	1.10	1.23	3.73	-	3.43
09/01/17	0.79	4.25	1.14	0.99	1.11	1.23	3.60	-	3.30

Market and other data within this report derived from Bloomberg and other sources deemed to be reliable.