ZIEGLER CLOSES $75 MILLION SERIES 2018 BONDS FOR BROADMEAD, INC.

CHICAGO, IL – NOVEMBER 1, 2018 – Ziegler, a specialty investment bank, is pleased to announce the successful closing of the $75,555,000 Series 2018 financing for Broadmead, Inc. The Series 2018 tax-exempt bonds were issued through the Maryland Health and Higher Educational Facilities Authority. The Series 2018 Bonds are rated “BBB+” with a stable outlook from Fitch.

Broadmead, Inc. (the “Corporation”), is a not-for-profit, Maryland nonstock corporation, the sole member of which is Friends Care, Inc., also a not-for-profit, Maryland nonstock corporation. The Corporation owns and operates a life care community known as Broadmead, which is situated on 94 acres in Cockeysville, Maryland. Broadmead operates 249 single-story garden-style independent living residences together with a central building called the Broadmead Center. The Broadmead Center contains administrative offices, recreational facilities, 30 assisted living beds and a 70-bed skilled nursing facility of which 58 beds are in consistent operation.

The Series 2018 financing consisted of two series of bonds: The Series 2018A Bonds of $60,555,000 were issued as permanent debt and the Series 2018B Bonds of $15,000,000 were issued as temporary debt. Proceeds of the Series 2018 Bonds will be used to (i) currently refund the Corporation’s existing bank held indebtedness, (ii) finance costs of the 2018 Project, (iii) finance capitalized interest for 18 months, (iv) fund a debt service reserve fund for the Series 2018A&B Bonds, and (v) pay certain costs of issuance. The 2018 Project consists of the construction of fifty-two (52) new Hillside Home independent living units and the expansion and renovation of assisted living, healthcare, dining, recreational, and certain common areas. Construction of the 2018 Project is anticipated to start in late 2018. The new Hillside Homes are expected to be ready for occupancy in early 2020.
“We cannot say enough positive things about the professionalism and expertise with which Amy Castleberry and the Ziegler team led our financing and refinancing effort,” according to Broadmead CFO John Palkovitz. “They provided sound advice throughout our planning processes and achieved outstanding results in a quickly changing market. The Broadmead team is now looking forward to a multi-faceted construction project to both expand and reposition portions of our campus.”

Amy Castleberry, Director in Ziegler’s Senior Living Finance Practice stated “This financing marks a key step to achieving the vision of Broadmead’s board, residents and management team for the evolution of the community. Despite a choppy bond market in early October, Ziegler’s desk was able to place these bonds with an average yield of 3.99% and an average yield-to-maturity of 4.17%.”

Castleberry continued, “Investors clearly recognized Broadmead’s unique culture, strong balance sheet and demonstrated market demand for new units. Management did an exceptional job communicating the organization’s strategy and path forward to investors, earning a terrific outcome as a result.”

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.

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, seed capital, FHA/HUD, capital and strategic planning as well as senior living research, education, and communication.

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

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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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