

ZIEGLER INVESTMENT BANKING

SENIOR LIVING FINANCE Z-NEWS

FEATURED ARTICLE

THE LARGEST NOT-FOR-PROFIT SINGLE-SITE PROVIDERS

Ziegler and LeadingAge recently released the 15th Edition of the LeadingAge Ziegler 200 report. In addition to ranking the largest not-for-profit multi-site senior living providers, the report also shares results of a survey of the largest 150 not-for-profit single-site senior living organizations. The list is relatively unchanged from previous years with Charlestown Community (MD) and John Knox Village (MO) holding the top two spots. Five of the 150 largest single-sites each have more than 1,000 units on their campus. The largest 25 not-for-profit single-sites is detailed below.

2018 Rank	CAMPUS	CITY	STATE	SUMMARY OF MARKET RATE UNITS (AS OF 12/31/17)			
				TOTAL	ILU	ALU	NCB
1	Charlestown Community, Inc.	Catonsville	MD	1,815	1,484	125	206
2	John Knox Village	Lee's Summit	MO	1,606	996	180	430
3	The Mennonite Village	Albany	OR	1,048	298	131	619
4	Henry Ford Village	Dearborn	MI	1,041	856	96	89
5	The Hebrew Home at Riverdale	Riverdale	NY	1,004	134	0	870
6	Panorama	Lacey	WA	979	786	38	155
7	John Knox Village of Florida, Inc.	Pompano Beach	FL	970	712	64	194
8	Cross Keys Village - The Brethren Home Community	New Oxford	PA	890	497	123	270
9	Westminster Canterbury Richmond	Richmond	VA	828	504	166	158
10	St. John's Homes & Meadows	Rochester	NY	814	339	0	475
11	Brethren Village	Lititz	PA	810	529	141	140
12	Mennonite Home Communities	Lancaster	PA	798	460	150	188
13	Friendship Village of Tempe	Tempe	AZ	794	575	91	128
14	Menorah Park Center for Senior Living	Cleveland	OH	790	200	230	360
15	Charles E. Smith Life Communities	Rockville	MD	783	149	78	556
16	Glencroft Senior Living	Glendale	AZ	776	470	99	207
17	Lakeview Village, Inc.	Lenexa	KS	747	549	26	172
18	Indiana Masonic Home	Franklin	IN	702	120	317	265
19	Atlantic Shores Cooperative Association, Inc.	Virginia Beach,	VA	694	576	68	50
20	Tel Hai Retirement Community	Honey Brook	PA	665	439	87	139
21	John Knox Village of Central Florida	Orange City	FL	654	455	49	150
22	The Beattitudes Campus	Phoenix	AZ	652	459	121	72
23	LindenGrove Communities	Brookfield	WI	650	0	189	461
24	Army Residence Community	San Antonio	TX	637	468	78	91
25	Miami Jewish Health	Miami	FL	637	99	100	438

The largest 150 providers range in size from 1,815 market-rate units to nearly 300 market-rate units. Similar to the population of the multi-site rankings, the largest proportion of single-site providers is based in Pennsylvania, with 19 of the 150 within the state. That is followed by Florida (17 providers), North Carolina (14 providers) and Virginia (11 providers).

The full survey of single-site providers also gathered feedback on home and community-based services as well as technology adoption. To access the 2018 LeadingAge Ziegler 200 report and the single-site survey results (located in Chapter 6), please [click here](#) for the full report.

If you have any questions about the content of this issue of **Z-News** or other related items, please contact the Ziegler banker in your region.

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CAPITAL :: INVESTMENTS :: ADVICE

NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

DECEMBER 1 - 7, 2018

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Presbyterian Homes Obligated Group (IL)	Fitch	A- Stable	Affirmed Rating	12/4/18
Frasier Meadows (CO)	Fitch	BB+ Stable	Affirmed Rating	12/4/18
Horizon House (WA)	Fitch	BBB+ Stable	Affirmed Rating	12/5/18

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INTEREST RATES/YIELDS

(AS OF DECEMBER 7, 2018)

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	3.08%	3.24%	3.02%
Senior Living 30-Yr "A"	4.08%	4.14%	3.82%
Senior Living 30-Yr "BBB"	4.33%	4.39%	4.06%
Senior Living Unrated	5.18%	5.09%	4.81%
Senior Living New Campus	6.50%	6.50%	6.50%
SIFMA Muni Swap Index	1.65%	1.69%	1.40%

	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
*ZSLMLB Index	4.91%	4.92%	1.78%

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

FEATURED FINANCINGS


CONCORDIA LUTHERAN MINISTRIES
 Cabot, Pennsylvania
 Beaver County Industrial Development Authority, Variable Rate Demand Revenue Bonds, Series 2018A
\$14,210,000

Akron, Bath and Copley Joint Township Hospital District, Ohio, Variable Rate Demand Revenue Bonds, Series 2018B
\$15,740,000



FLEET LANDING
 Atlantic Beach, Florida

City of Atlantic Beach, Florida, Health Care Facilities Revenue Bonds, Series 2018

\$24,660,000



LEGACY POINTE AT UCF
 Orlando, Florida

Seminole County Industrial Development Authority, Revenue Bond Anticipation Notes, Series 2018A
\$2,685,000

Seminole County Industrial Development Authority, Taxable Revenue Bond Anticipation Notes, Series 2018B
\$315,000



WESTMINSTER CANTERBURY RICHMOND
 Richmond, Virginia

Economic Development Authority of Henrico County, Virginia, Residential Care Facility Revenue and Refunding Bonds, Series 2018

\$40,065,000

MARKET COMMENTARY

FROM A CAPITAL MARKETS PERSPECTIVE

The S&P 500 dropped nearly 5% last week, erasing the strong gains it saw the week prior. Stocks have been unable to maintain consistent direction since the S&P 500 hit a record high on September 20th. Since then, the market has seen three steep declines followed by three partial or full recoveries, and now sits 10% below its high in September. Overall, the index is nearly 2% below its year-end 2017 level.

The U.S. economy generated 155,000 new jobs in November, falling short of economists' expectations. New jobs aside, Friday's labor market report was solid, stating unemployment still sits near a 50-year low of 3.70%, while wages climbed at an annual rate of 3.10%. Crude oil prices recovered some of their recent losses as the OPEC consortium and Russia agreed to reduce their production targets. Sentiment over U.S. and China trade disputes shifted following talks between the two countries at the G20 Summit. Initial optimism over a 90-day truce in tariff increases gave way to pessimism as it became apparent that the sides remained far apart.

The yield curve for the U.S. Treasury bond market showed evidence of inverting for the first time in more than a decade, when the yield of the 5-Year Note dropped below the yields for the 2- and 3-Year Notes on Tuesday. Investors tend to fear instances where shorter-term debt is yielding more than longer-term debt, as yield curve inversions typically precede recessions, and is a manifestation of the market signaling to keep money short. Although yield curve inversion typically precedes recessions, over the last seven recessions, it has taken an average of 20 months between the first inversion of the curve and the start of a recession.

ADAM J. BUCHANAN
SENIOR VICE PRESIDENT

See pages 4-5 for current market rates

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

MARKET REVIEW

MONEY MARKET RATES

	12/07/18	1 WEEK AGO	1 MONTH AGO	1 YEAR AGO
Prime Rate	5.25	5.25	5.25	4.25
Federal Funds (weekly average)	2.19	2.18	2.18	1.16
90 Day T-Bills	2.39	2.35	2.35	1.27
30-Day Commercial Paper (taxable)	2.30	2.27	2.29	1.30
Libor (30-day)	2.38	2.34	2.31	1.43
7 Day Tax-Exempt VRDB	1.65	1.69	1.62	1.00
Daily Rate Average	1.60	1.72	1.59	0.88

COMPARATIVE YIELDS

TAXABLE REVENUE

	GOVT	A		MMD	NR**	NR*	BB	BBB	A	AAA
1 Year	2.68	3.13	1 Year	1.87	3.37	3.22	3.12	2.57	2.32	2.07
5 Year	2.71	3.56	5 Year	2.03	3.73	3.53	3.43	2.98	2.73	2.38
7 Year	2.78	3.83	7 Year	2.17	4.07	3.92	3.72	3.27	3.02	2.62
10 Year	2.87	4.12	10 Year	2.37	4.47	4.37	4.12	3.62	3.37	2.82
30 Year	3.16	4.81	30 Year	3.08	5.18	5.08	4.83	4.33	4.08	3.53

(* 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	4.12	4.22	-.10	4.37	3.44
11 Bond Index	3.63	3.73	-.10	3.85	2.94
Revenue Bond Index	4.58	4.68	-.10	4.88	2.92
30 Year MMD	3.08	3.24	-.16	3.44	2.56
Weekly Tax-Exempt Volume (Bil)	8.03	4.92	+3.11	11.11	0.71
30 Day T/E Visible Supply (Bil)	8.92	10.40	-1.48	14.29	0.63
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	129.11	125.45	+3.66	129.11%	111.81%

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)		
12/07/18	1.65	5.25	2.19	2.39	2.30	2.38	4.08	-	3.55
11/30/18	1.69	5.25	2.18	2.35	2.27	2.34	4.14	-	3.69
11/23/18	1.69	5.25	2.18	2.39	2.25	2.31	4.18	-	3.73
11/16/18	1.66	5.25	2.18	2.36	2.34	2.31	4.25	-	3.80
11/09/18	1.62	5.25	2.18	2.35	2.29	2.31	4.34	-	3.89
11/02/18	1.61	5.25	2.18	2.25	2.25	2.31	3.83	-	3.38
10/26/18	1.60	5.25	2.17	2.32	2.23	2.29	4.24	-	3.79
10/19/18	1.57	5.25	2.17	2.26	2.27	2.28	4.30	-	3.85
10/12/18	1.53	5.25	2.16	2.21	2.24	2.27	4.26	-	3.86
10/05/18	1.53	5.25	2.16	2.21	2.21	2.28	4.11	-	3.76
09/28/18	1.56	5.25	1.97	2.19	2.13	2.24	4.01	-	3.66
09/21/18	1.48	5.00	1.91	2.12	2.10	2.21	4.03	-	3.68
09/07/18	1.49	5.00	1.91	2.13	2.04	2.12	3.86	-	3.51
08/03/18	1.29	5.00	1.90	2.00	1.94	2.08	3.80	-	3.50
07/06/18	1.19	5.00	1.90	1.91	1.96	2.09	3.67	-	3.37
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

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