



[FOR IMMEDIATE RELEASE]

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ZIEGLER CLOSES \$110,875,000 FINANCING FOR WESTMINSTER

CHICAGO, IL – MONDAY, JUNE 22 – Ziegler, a national boutique investment bank, is pleased to announce the successful closing of \$110,875,000 Series 2020 Bank Bonds for [Westminster](#). The Series 2020 Bank Bonds include a \$63,875,000 Series 2020A long-term component with a 30-year amortization and a \$47,000,000 Series 2020B short-term loan that will be retired with initial entrance fees from the Project (detailed below). Westminster will use the proceeds of the Series 2020 Bank Bonds as follows:

- Finance the costs of the Project
- Fund capitalized interest thru March 2023
- Refinance the outstanding line of credit
- Pay costs of issuance

Westminster is a non-member Texas not-for-profit corporation organized on September 6, 1973 for the purpose of owning and operating a retirement community known as Westminster (the "Facility"). The Facility is a Type A continuing care retirement community (CCRC) located on approximately 9.3 acres in west central Austin and is comprised of 327 independent living units, 22 assisted living units, 30 memory support units, 55 skilled nursing beds, and related common areas and amenities. Westminster has retained Life Care Services (LCS) to manage the Facility since 1981. LCS also provides development services for Westminster's Project, which consists of the following:

- (i) New 5-story building containing 43 independent living apartments, 38 memory care units, 36 assisted living units, and additional dining, parking and amenity areas;
- (ii) New 5-story tower containing a wellness node with a fitness center, PT/OT space, salon, clinic, 15 spaces of underground parking and 18 independent living apartments; and
- (iii) Renovation of the Windsor Building dining room, lobby, 2nd floor therapy space, 3rd floor assisted living units, memory care units, and conversion of existing fitness and craft room to pool locker rooms.

To obtain financing, Ziegler initiated a bank solicitation search in December 2019 and was able to obtain attractive bank commitment terms from multiple providers. At the time, Westminster's



preferred plan of finance was to only use bank capital for the \$47 million Series 2020B short-term debt to be retired with entrance fees. However, one bank, Truist, offered a commitment to finance the entire project (short-term and long-term debt). While Westminster appreciated Truist's offer, after careful consideration, Westminster elected to not accept their proposal and selected a financing commitment from their existing relationship bank under the hybrid approach (bank loan for short-term debt with long-term fixed rate bonds). The primary reason being the low fixed interest rate environment at the time.

In mid-March with the onset of the COVID-19 pandemic, the Ziegler investment banking team, communicated the significant increase to fixed interest rates and that Westminster may wish to reconsider the 100% bank financing scenario with Truist. Westminster (Management and Board) agreed resulting in Ziegler contacting Truist to inquire if they would honor their original term sheet from January. Truist responded favorably only making minor adjustments to their original term sheet. The primary terms of the Series 2020 Bonds with Truist are as follows:

- 12-year commitment period with 30 year amortization
- Tax-exempt interest rate of 79% * 1-month LIBOR + 1.46%
- To mitigate interest rate risk, Westminster implemented a forward starting swap on the Series 2020A Bonds at 2.324% for the period (June 1, 2022 to June 1, 2032)
- Financial covenants and security features are consistent with the existing Master Trust Indenture that was completed in 2016 with one exception
 - Additional debt is limited to \$3 million until the short-term debt (Series 2020B Bonds) are retired

Westminster is rated "BBB" with a stable outlook by Fitch.

Charles Borst, Executive Director, Westminster stated, "Brandon Powell, and the Ziegler team's approach to paving Westminster's path toward financing our project, has been incredible. Their tireless efforts, creativity and unwavering advocacy allowed us to obtain an optimal plan for financing and for us to contemplate a bright future for Westminster. We are excited about the improvements and growth the Carlisle expansion project will bring to our community and to the value of the residency for the seniors we serve."



[Brandon Powell](#), Managing Director, Ziegler adds, “I am proud that the entire team reacted quickly and we were able to provide a financing solution at an attractive cost of capital in the midst of the COVID-19 pandemic.”

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.

About Ziegler:

Ziegler is a privately held, national boutique investment bank, capital markets and proprietary investments firm. It has a unique focus on healthcare, senior living and education sectors, as well as general municipal and structured finance. Headquartered in Chicago with regional and branch offices throughout the U.S., Ziegler provides its clients with capital raising, strategic advisory services, fixed income sales, underwriting and trading as well as Ziegler Credit, Surveillance and Analytics. To learn more, visit www.ziegler.com.

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