



ZIEGLER INVESTMENT BANKING

THE 2021 STATE OF NFP SENIOR LIVING & CARE

March 2, 2021 | CHHSM VIRTUAL ANNUAL GATHERING

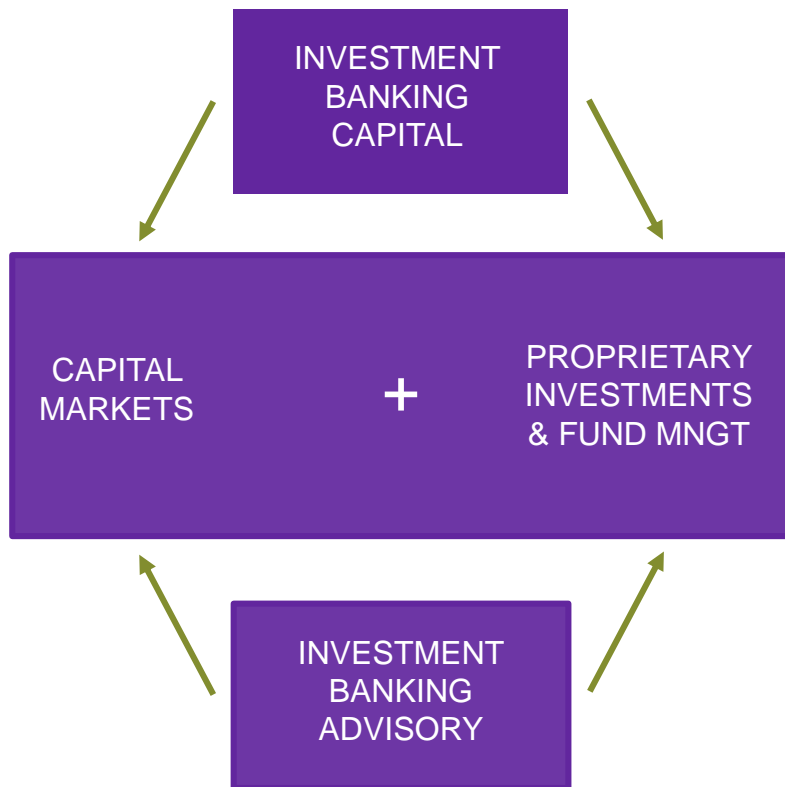
PRESENTED BY

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ABOUT ZIEGLER

ZIEGLER is a privately held, national boutique 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 us to generate a positive impact on the communities we serve.



INVESTMENT BANKING

Strategic advisory, financing and capital planning solutions in healthcare, senior living and educational sectors as well as general municipal and structured finance

CAPITAL MARKETS

Active participant in municipal sales and trading including public, tax-exempt, taxable, private placement and preferred trading markets

PROPRIETARY INVESTMENTS & FUND MNGT

Providing opportunities for investors in senior living, healthcare services & technology solutions

ZIEGLER SENIOR LIVING FINANCE PRACTICE



Dan Hermann Senior President & CEO, Head of Investment Banking Chicago, IL



Brandon Powell Managing Director Richmond, VA



Aaron Schroeder Director Milwaukee, WI



Patrick Moran Analyst Chicago, IL



Rich Scanlon Senior Managing Director St. Petersburg, FL



Amy Castleberry Managing Director Chicago, IL



Tyler Simons Senior Vice President Scottsdale, AZ



John Evans Analyst Chicago, IL



Tom Meyers Senior Managing Director Chicago, IL



Sarkis Garabedian Managing Director Seattle, WA



Genia Weeks Senior Vice President Richmond, VA



Mary Muñoz Senior Managing Director Scottsdale, AZ



Mark Landreville Managing Director Minneapolis, MN



Mackenzie Welch Vice President West Hartford, CT



Will Carney Managing Director Chicago, IL



Chad Himel Director West Hartford, CT



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Jennifer Lavelle Director Chicago, IL



Jason Choi Vice President Chicago, IL



SENIOR LIVING RESEARCH & DEVELOPMENT

Lisa McCracken Director Research & Development Chicago, IL



Tommy Brewer Managing Director Richmond, VA



Terry Herndon Director Chicago, IL



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Cathy Owen Vice President Senior Living Research Chicago, IL



Keith Robertson Managing Director West Hartford, CT



Daren Bell Director Seattle, WA



Adam Vanucci Associate Scottsdale, AZ



Susan McDonough Catholic Elder Care & Post Acute Specialist Chicago, IL



Tad Melton Managing Director Richmond, VA



Adam Garcia Director Richmond, VA



Caroline Robertson Analyst Chicago, IL

ZIEGLER SENIOR LIVING BOND FINANCINGS (2020)

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 <p>Sunnyside Presbyterian Homes Harrisonburg, Virginia New Money/Refunding Fixed-Rate JANUARY 2020 \$28,295,000</p>	 <p>The Woodlands at Furman Greenville, South Carolina New Money Fixed Rate JANUARY 2020 \$18,695,000</p>	 <p>Welcome to the neighborhood. Rose Villa Portland, Oregon New Money Fixed-Rate JUNE 2020 \$77,845,000</p>	 <p>Where Loving-Kindness Lives Acts Retirement-Life Communities Pennsylvania & Florida New Money / Refunding Fixed-Rate JUNE 2020 \$199,405,000</p>	 <p>McLean Simsbury, Connecticut Fixed Rate / New Money JULY 2020 \$64,845,000</p>	 <p>Tampa Life Plan Village Tampa, Florida Acquisition JULY 2020 \$69,965,000</p>	 <p>Pennybyrn at Maryfield High Point, North Carolina Fixed Rate / Expansion AUGUST 2020 \$47,840,000</p>
 <p>Stevenson Oaks (Methodist Retirement Communities) Fort Worth, Texas New Campus AUGUST 2020 \$131,405,000</p>	 <p>United Methodist Retirement Communities Obligated Group-Porter Hills Presbyterian Village Grand Rapids, Michigan Fixed Rate / Refunding SEPTEMBER 2020 \$47,145,000</p>	 <p>Heritage Community of Kalamazoo Kalamazoo, Michigan Fixed Rate / Expansion SEPTEMBER 2020 \$47,850,000</p>	 <p>Ohio Living Communities Westerville, Ohio Fixed Rate / Expansion SEPTEMBER 2020 \$27,885,000</p>	 <p>The Presbyterian Homes Cary, North Carolina Fixed Rate / Expansion SEPTEMBER 2020 \$96,035,000</p>	 <p>Lakeside at Waterman Village Mount Dora, Florida Fixed Rate / Expansion SEPTEMBER 2020 \$126,340,000</p>	 <p>Rockwood Retirement Communities Spokane, Washington Fixed Rate / Expansion SEPTEMBER 2020 \$81,355,000</p>
 <p>Covenant Living Communities and Services Skokie, Illinois Fixed Rate New Money / Expansion OCTOBER 2020 \$243,810,000</p>	 <p>The Mayflower Retirement Community Winter Park, Florida Fixed Rate / Expansion OCTOBER 2020 \$60,135,000</p>	 <p>Presbyterian Village North Dallas, Texas Fixed Rate / Expansion OCTOBER 2020 \$45,065,000</p>	 <p>Westminster Canterbury Richmond Richmond, Virginia Fixed Rate New Money/Refunding OCTOBER 2020 \$47,340,000</p>	 <p>The Wesley Communities Columbus, Ohio Fixed Rate New Money/Refunding NOVEMBER 2020 \$69,535,000</p>	 <p>Royal Oaks (Inspirata Pointe) Sun City, Arizona Fixed Rate / Expansion DECEMBER 2020 \$90,770,000</p>	 <p>Forefront Living Plano Dallas, Texas Bond Anticipation Notes DECEMBER 2020 \$20,575,000</p>

ZIEGLER SENIOR LIVING BANK & OTHER TRANSACTIONS (2020)

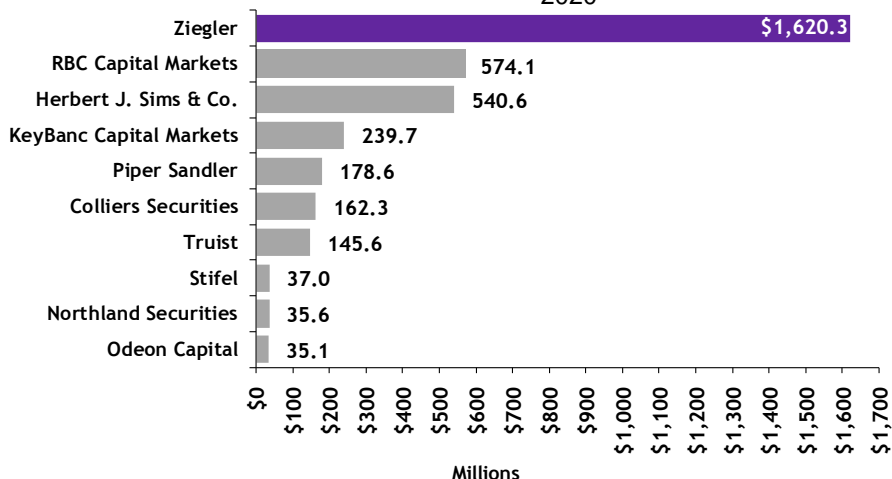
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 <p>Sunnyside Presbyterian Homes Hamdenburg, Virginia Bank Direct Purchase / Refunding JANUARY 2020 \$8,231,459</p>	 <p>The Woodlands at Furman Greenville, South Carolina New Money Bank Direct Purchase JANUARY 2020 \$17,000,000</p>	 <p>Integrace, Inc. (an Affiliate of Act Retirement Life Communities) Oidensburg, Maryland Fixed Rate New Money/Refunding FEBRUARY 2020 \$99,305,000</p>	 <p>MOSAIC REAL ESTATE, LLC Lancaster, Pennsylvania New Money / Taxable Term Loan FEBRUARY 2020 \$12,000,000</p>	 <p>Well-Spring Retirement Community Greensboro, North Carolina New Money / Bank Direct Purchase MARCH 2020 \$22,410,000</p>	 <p>Woodlands Retirement Community (Foster Foundation) Huntington, West Virginia Bank Direct Purchase / New Money / Refunding MAY 2020 \$20,737,000</p>	 <p>Fraser Meadows Manor Boulder, Colorado Bank Direct Purchase & Taxable Term Loan Refunding JULY 2020 \$50,000,000</p>	 <p>Pleasant View Retirement Communities Marshall, Pennsylvania Bank Direct Purchase / New Money / Refunding JUNE 2020 \$53,030,779</p>
 <p>The Village at Germantown Germantown, Tennessee Bank Direct Purchase Taxable Term Loan / Refunding JUNE 2020 \$45,195,000</p>	 <p>WESTMINSTER AN AUSTIN ORIGINAL Westminster Austin, Texas Bank Direct Purchase / New Money / Refunding JUNE 2020 \$110,875,000</p>	 <p>Brethren Hillcrest Homes La Verne, California Bank Direct Purchase New Money / Refunding JULY 2020 \$42,610,000</p>	 <p>Warm Hearth Village Blacksburg, Virginia Taxable Term Loan / New Money / Refunding JULY 2020 \$17,990,000</p>	 <p>Life Care Ponte Vedra dba Vicar's Landing Ponte Vedra Beach, Florida Bank Direct Purchase / New Money JULY 2020 \$20,000,000</p>	 <p>Michigan Christian Home d/b/a Beacon Hill at Eastgate Grand Rapids, Michigan Bank Direct Purchase / New Money JULY 2020 \$22,550,000</p>	 <p>Magnolia Manor Americus, Georgia Bank Direct Purchase New Money / Refunding AUGUST 2020 \$45,000,000</p>	 <p>The Presbyterian Homes Cary, North Carolina Bank Direct Purchase New Money OCTOBER 2020 \$80,000,000</p>
 <p>Eastmont Living Lincoln, Nebraska Bank Direct Purchase / New Money / Refunding SEPTEMBER 2020 \$15,300,000</p>	 <p>Cypress Cove at HealthPark Florida Fort Myers, Florida Bank Direct Purchase & Taxable Term Loan New Money / Refunding OCTOBER 2020 \$107,720,000</p>	 <p>HumanGood California Obligated Group Pleasanton, California Bank Direct Purchase / Refunding OCTOBER, 2020 \$80,245,000</p>	 <p>HumanGood California Obligated Group Pleasanton, California Taxable Term Loan New Money / Refunding OCTOBER, 2020 \$33,755,000</p>	 <p>HumanGood California Obligated Group Pleasanton, California Line of Credit / New Money OCTOBER, 2020 \$11,000,000</p>	 <p>Presbyterian Village North Dallas, Texas Bank Direct Purchase New Money NOVEMBER 2020 \$32,000,000</p>	 <p>Homewood Retirement Centers Homewood Pennsylvania Obligated Group Willamport, Maryland Bank Direct Purchase New Money / Refunding DECEMBER 2020 \$146,718,252</p>	 <p>Homewood Retirement Centers Homewood Pennsylvania Obligated Group Willamport, Maryland Bank Direct Purchase New Money / Refunding DECEMBER 2020 \$22,405,267</p>
 <p>Cedar Crest, Inc. Jewett, Wisconsin Line of Credit New Money / Renewal DECEMBER 2020 \$15,555,000</p>	 <p>Parkview Christian Retirement Community Portland, Oregon Bank Direct Purchase / Refunding DECEMBER 2020 \$5,707,000</p>	 <p>Parkview Christian Retirement Community Portland, Oregon Taxable Term Loan, New Money / Refunding DECEMBER 2020 \$993,000</p>	 <p>Marquette Indianapolis, Indiana Bank Direct Purchase / Refunding DECEMBER 2020 \$26,074,620</p>	 <p>Royal Oaks Life Care Community San City, Arizona Construction Loan DECEMBER 2020 \$46,000,000</p>			

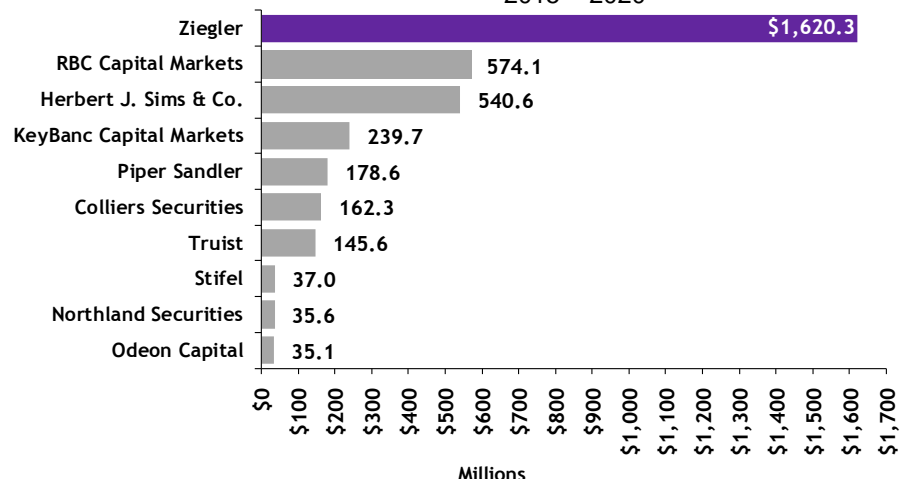
Source: Ziegler Investment Banking,
as of 12/16/20

ZIEGLER: DECADES OF MARKET LEADERSHIP

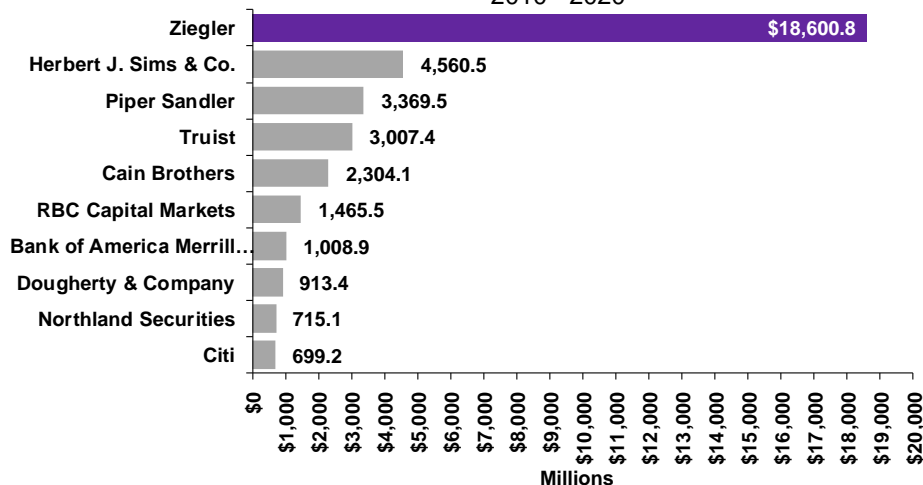
Top Lead Managing Underwriters
Senior Living Finance Issues
2020



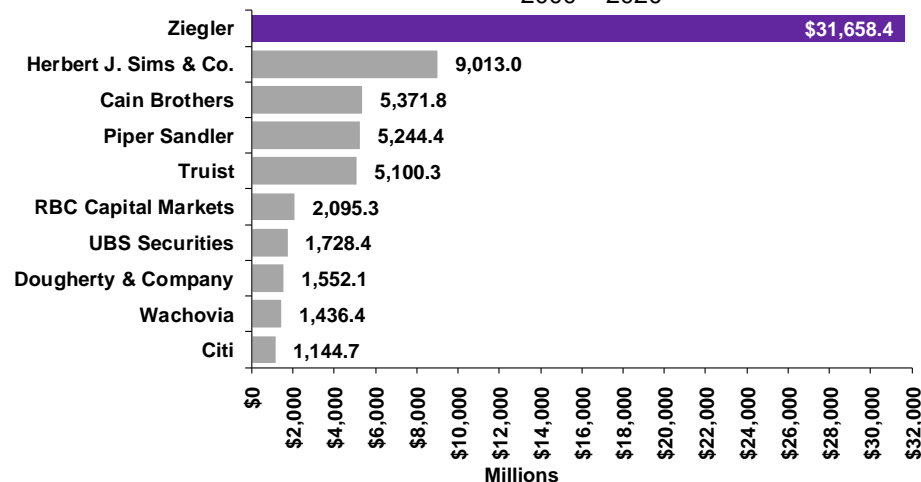
Top Lead Managing Underwriters
Senior Living Finance Issues
2015 - 2020



Top Lead Managing Underwriters
Senior Living Finance Issues
2010 - 2020



Top Lead Managing Underwriters
Senior Living Finance Issues
2000 - 2020



Note: Ranking totals include: Senior Living not-for-profit tax-exempt bond financings, and 142(d)/145(d) rental (not-for-profit and for-profit tax-exempt) bonds financings.

Based on full credit given to senior manager of lead-managed underwriting principal volume for senior living transactions completed nationally. Rankings and amounts through Refinitiv data as of 12/31/20

ZIEGLER'S SENIOR LIVING RESEARCH, EDUCATION & THOUGHT LEADERSHIP

- Education
 - Annual host 12+ conferences a year
 - Regular COVID-19 updates throughout 2020
 - Annual Ziegler Senior Living Finance + Strategy Conference
 - LeadingAge Ziegler National Senior Living CFO Workshop
 - Ziegler National Senior Living Investor Workshop SeriesSM
 - ZLF Fund Symposium
- External research
 - LeadingAge Ziegler 200
 - CARF Financial Ratios and Trends Publication (*Baker Tilly, CARF*)
 - Resident Contract Study
 - Statewide CCRC Reports
- Industry communication
 - **Z-News**
 - White papers
 - Ziegler CFO HotlineSM
- Internal information and research
 - Ziegler CCRC National Listing & Profile
 - Client-requested research
 - Client education sessions
- Secondary Market Investor Research
 - Surveillance updates on current credits
 - Supports active secondary trading
- Investor Market Research
 - ZieglerResearch.com
- Databases
 - Industry Trends (*e.g. CCaH, Rental CCRCs*)
 - All Senior Living Financings
 - All New Communities (*start-up CCRCs*) since 1990


HIGHLIGHTS & OBSERVATIONS FROM THE PAST YEAR

KEY THEMES

- COVID-19: Significant variation of impact across providers
 - Life Plan Communities have performed the best among various community types
- Our workforce...our heroes
- Complexity of our business continues to increase
- Sector bifurcation: Stronger vs. Weaker
- A pressured Skilled Nursing Environment
- Escalation of sponsorship transition activity
- Technology...the silver lining of COVID-19?
- Record low cost of capital for not-for-profit borrowers

LIFE PLAN COMMUNITIES/CCRCs: PERFORMANCE DURING COVID-19

VOLUME 32 | ISSUE 12



THE SeniorCare Investor
Inside the World of Senior Care Mergers, Acquisitions and Finance Since 1948

DECEMBER 2020

In This Issue

Values and M&A activity were very strong across the seniors housing and care spectrum in 2019 and into the first quarter of 2020, but that did not mean there weren't problems facing the industry. Labor, affordability, lagging census, all of these issues were only exacerbated by the pandemic, and recovery will be harder, and longer, than many think.

See article at right


CCRCs In The Pandemic

How often is the "death of the CCRC" announced? And how often has the sector survived, and even thrived? Some thought CCRCs would see hard times during and following the pandemic, with few people being able to stomach those higher entrance fees and monthly costs. But the data do not show that for now. And the entrance fee communities are outperforming all other property types.

See article at right

Skilled Nursing Acquisitions.....Page 7
Seniors Housing Acquisitions.....Page 13
Bank Financings.....Page 20
Agency Financings.....Page 25
Bond Financings.....Page 26
People On The Move.....Page 27

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After 2020...What's In Store For 2021?

The Pre-Pandemic Problems The Industry Faced Aren't Going Away

As much as many of us would like to, we won't be forgetting the 2020 senior care M&A market any time soon. Brokers and lenders, buyers and sellers, all we heard from them was how exceedingly difficult it was to get deals across the finish line. And no matter how painful, those were the lucky ones that at least closed.

Funding delays were the main culprit, in addition to the hurdles from getting third-party approvals, conducting site visits, dealing with significant operational duress, and overcoming the numerous unknowns facing the industry in the next several years. Those will range from impacts on demand, the stubbornly slow census recovery, increased regulation and oversight, and how long these increased expenses (PPE, labor) will last, to name a few. Doesn't this just put in perspective all of the "problems" that senior care faced at the end of 2019?

continued on page 2

CCRCs In The Pandemic

Unlike The Great Recession, A Much Better Outcome

Just like in the skilled nursing industry, every 10 years or so there seems to be a movement that predicts the end of the CCRC market (or LPC for the not-for-profits). They claim that CCRCs are a dying breed, an old-style model, and no one wants to put down \$300,000 and up to \$1 million and more for an entrance fee. The reality, however, is that plenty of people want to. But, of course, no one "wants" to move into skilled nursing, while a CCRC is the ultimate mix of want, lifestyle and future need.

The people who move into CCRCs are planners and looking at the long term. And long term it is, since the average length of stay surpasses anything else in seniors housing. It is not the 18 to 36 months you find in assisted living (and we may be generous on the long end). It has been eight to 12 years, although that may decrease as people moving into the independent living units (the entry point) are getting older and, we

continued on page 16

- Highest occupancy, specifically NFP EF communities
- Staff turnover generally lower than other facility/community types
- Strong housing market in most markets

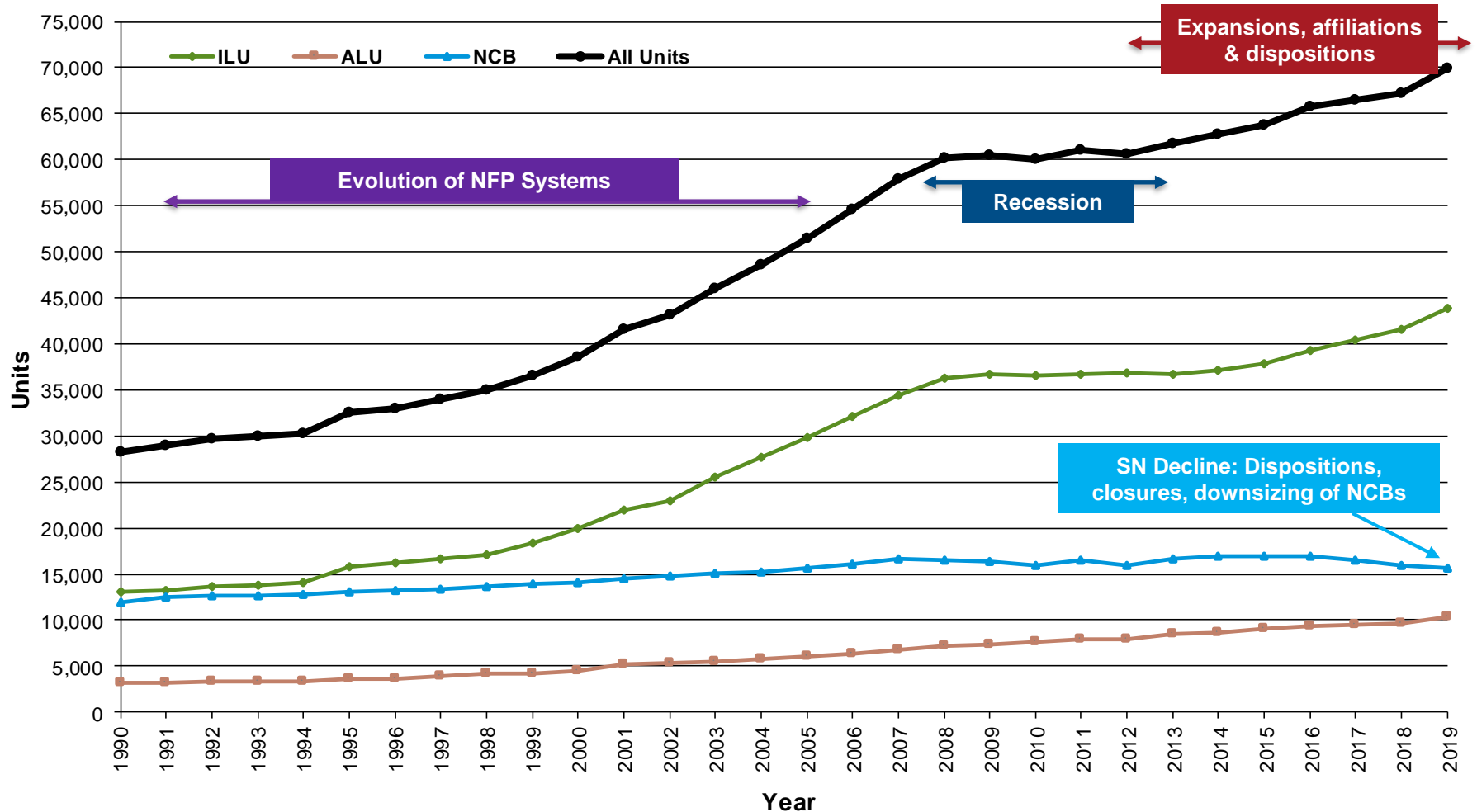
NFP SECTOR GROWTH OBSERVATIONS

- Pre-COVID-19, not-for-profit (NFP) senior living growth was **picking up** in select markets; some projects put on hold, others moving forward; variation across clients and regions
- **For-profit growth of new locations** continues to be high; might slow a bit with COVID-19, but will not stop. Private sector money remains plentiful.
- **NFP growth through affiliation and acquisition** has surpassed growth through new development; will accelerate with COVID-19 pressures
- NFPs are **actively reinvesting** in existing campuses
- Expansion of the continuum with **home and community-based services (HCBS)** platforms (joint ventures common); interest accelerated with COVID-19

2020 LeadingAge Ziegler 200

Growth: Growth of Largest 10 Systems, Combined Unit Mix

FROM 1990 (Excludes Trinity Health Senior Communities, Ascension Senior Living, Benedictine Health System)



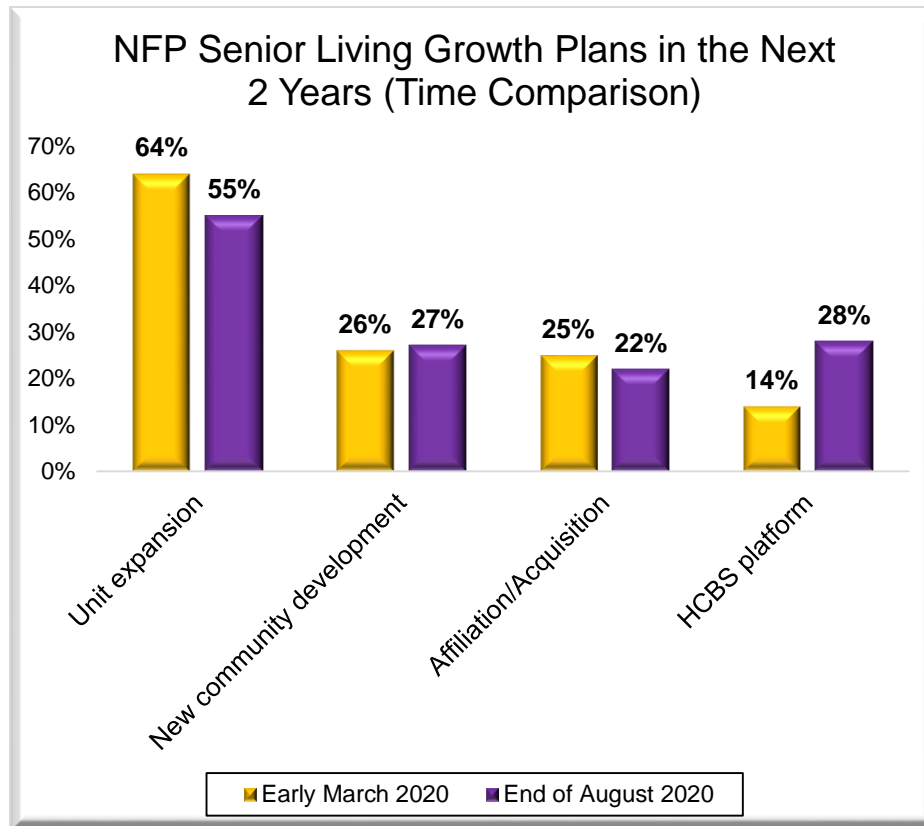
2020 LEADINGAGE ZIEGLER 200

ORGANIZATIONS THAT ARE CHHSM MEMBERS

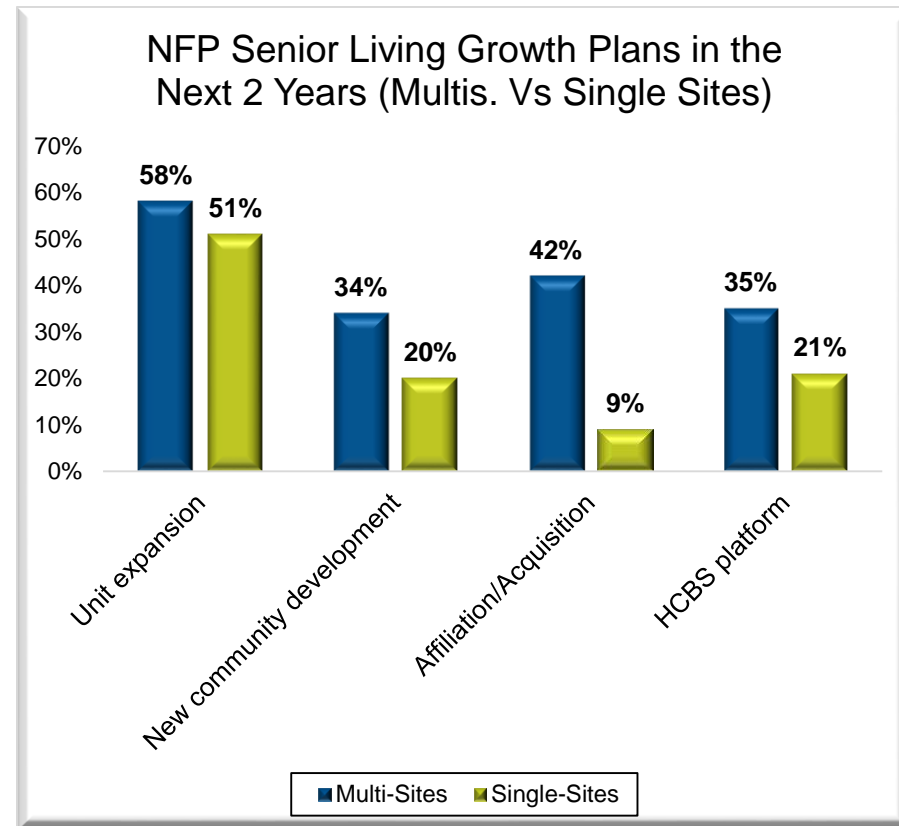
2020 Rank	2019 Rank	System Name	State	Units (as of 12/31/19)				Communities (as of 12/31/19)				
				Total	ILU	ALU	NCB	Total	LPC	IL	AL	NH
12	10	Retirement Housing Foundation	CA	4,098	2,646	841	611	18	9	8	1	0
34	36	Homewood Retirement Centers Inc.	MD	1,873	1,134	288	451	5	5	0	0	0
51	57	United Church Homes, Inc.	OH	1,491	448	273	770	11	5	2	0	4
72	72	Phoebe Ministries	PA	1,163	370	259	534	4	4	0	0	0
92	91	United Church Homes and Services	NC	953	535	90	328	3	3	0	0	0
102	108	St. Andrew's Resources for Seniors System	MO	877	379	208	290	6	1	2	1	2
124	128	United Church of Christ Homes	PA	766	267	124	375	6	0	2	0	4
128	132	Benevolent Corporation Cedar Community	WI	746	409	227	110	8	0	3	4	1
167	175	EHM Senior Solutions	MI	529	112	70	347	8	1	3	2	2

THE NFP GROWTH MINDSET

- Notable growth mindset heading into COVID-19
- With exception of expansion projects, multi-sites more aggressive in their growth plans



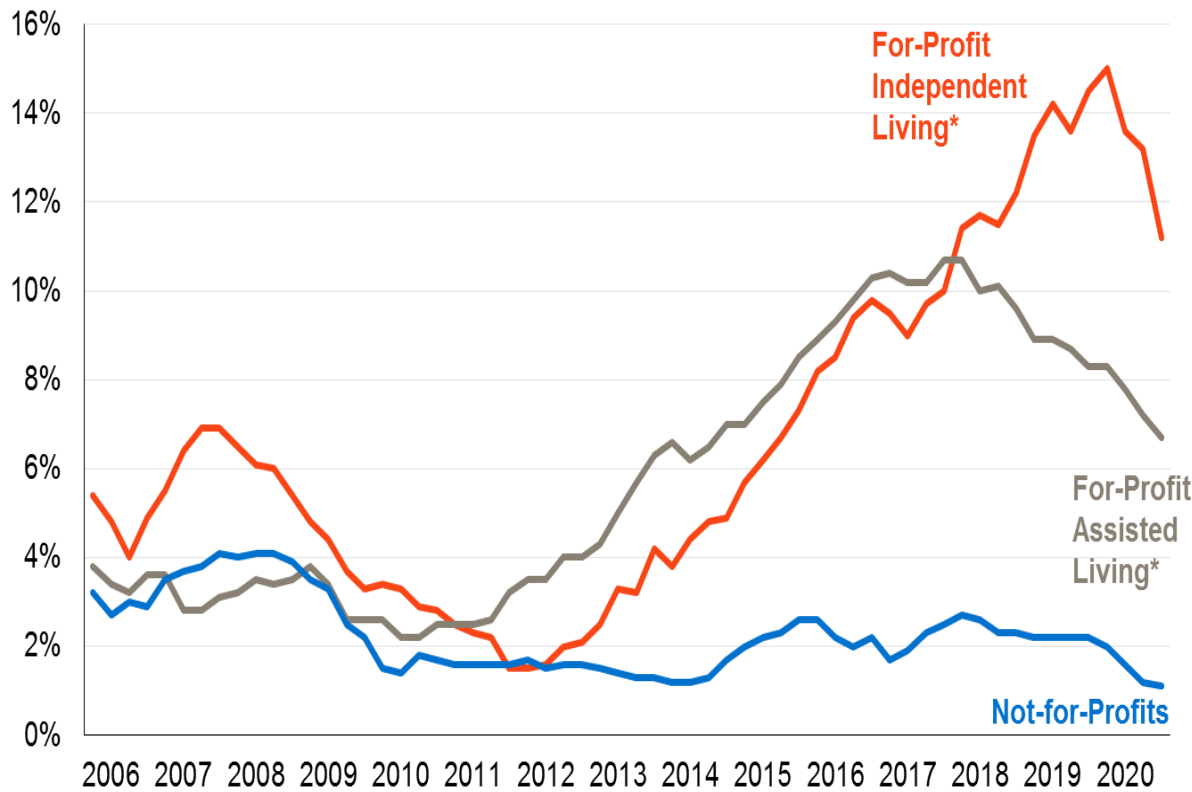
Source: Ziegler CFO HotlineSM, March & August 2020



Source: Ziegler CFO HotlineSM, August 2020

GROWTH FROM THE PRIVATE SECTOR

Construction vs. Inventory; MAP31
Seniors Housing | 4Q05 – 3Q20

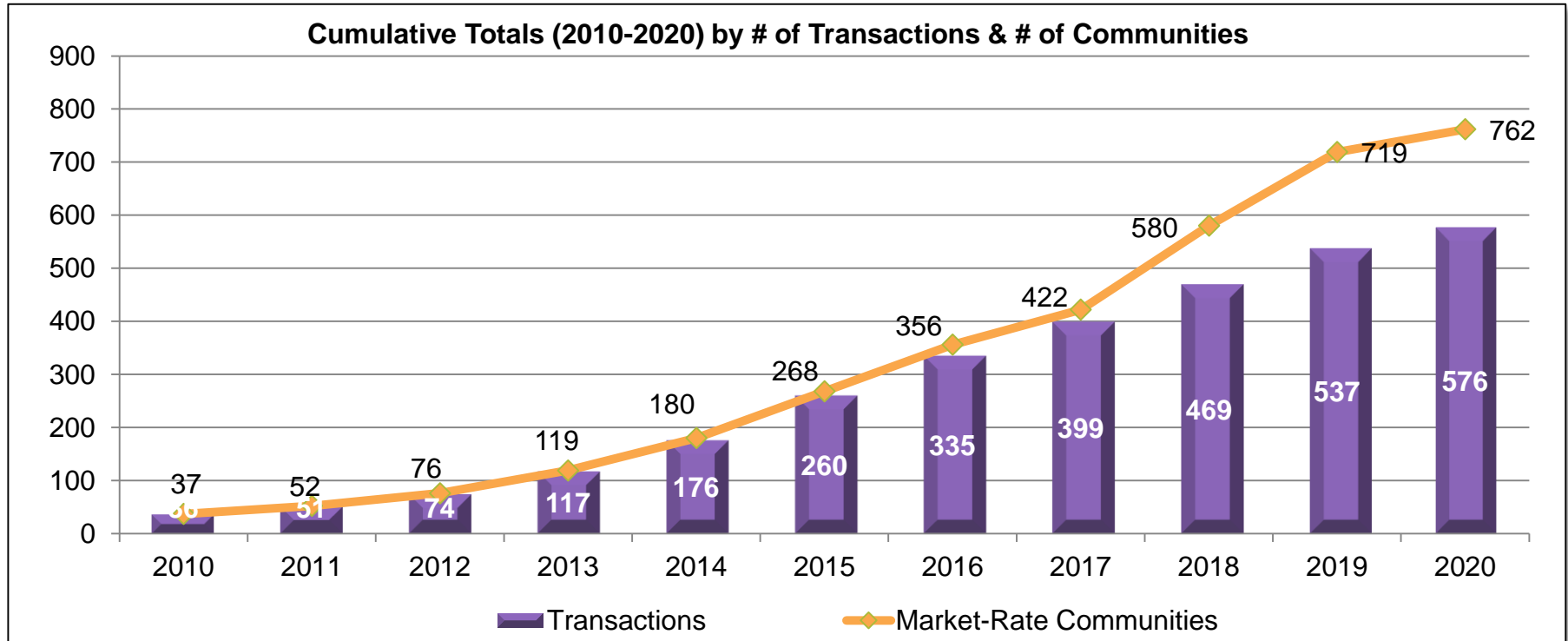


* Excludes CCRCs

- Even with a slowdown due to COVID-19, FP owners and operators remain bullish on the sector
- Most growth in the form of IL/AL/MC; rental communities
- Overall decline in nursing homes

SECTOR CONSOLIDATION & DISPOSITIONS

- Roughly 55% have been dispositions to the for-profit sector
- Increase in closures in recent years (10% of total)

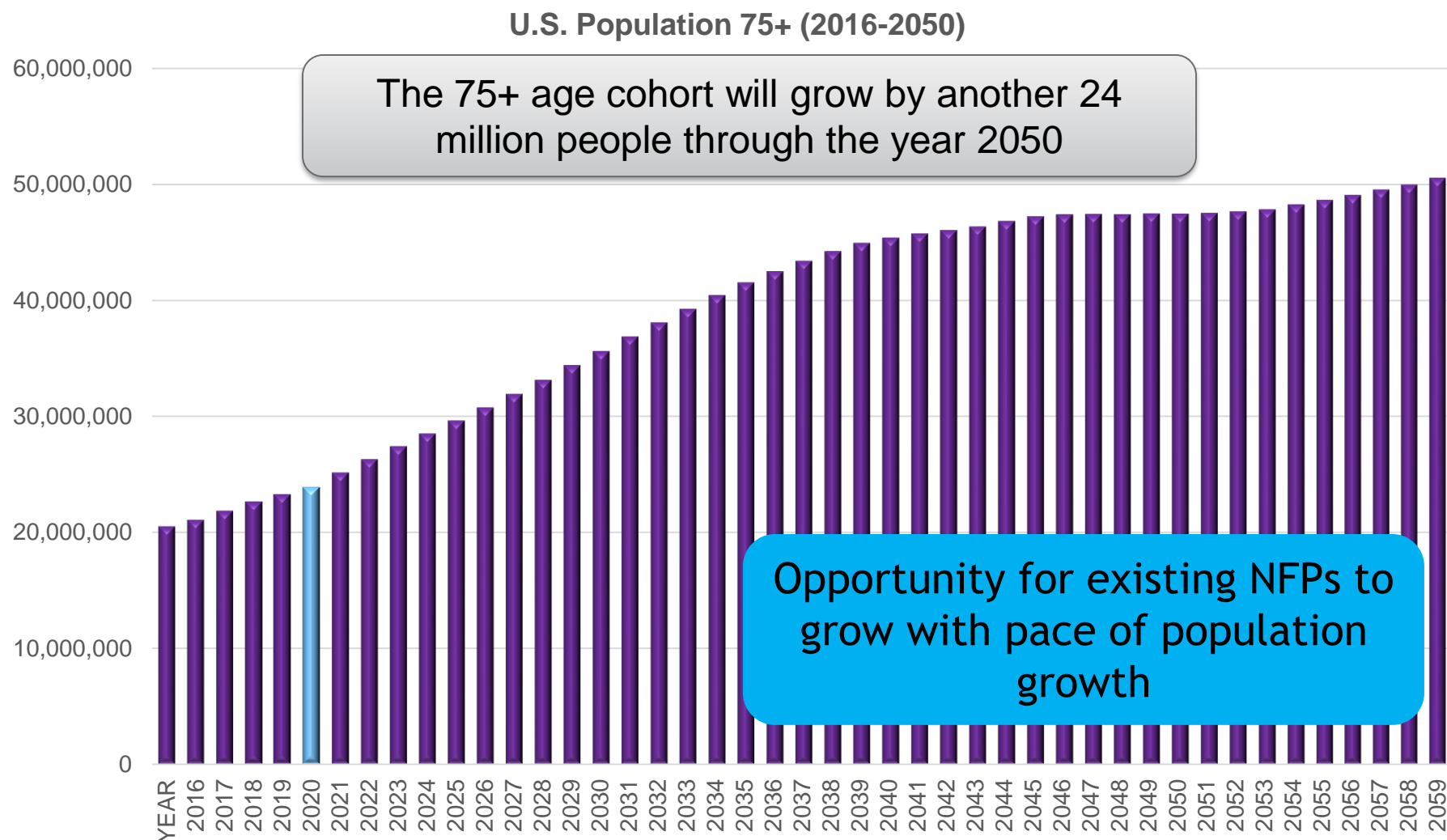


In process



OUTLOOK FOR 2021: WHAT DOES A POST-COVID ERA LOOK LIKE?

DEMOGRAPHICS: THE TREND THAT HAS NOT CHANGED

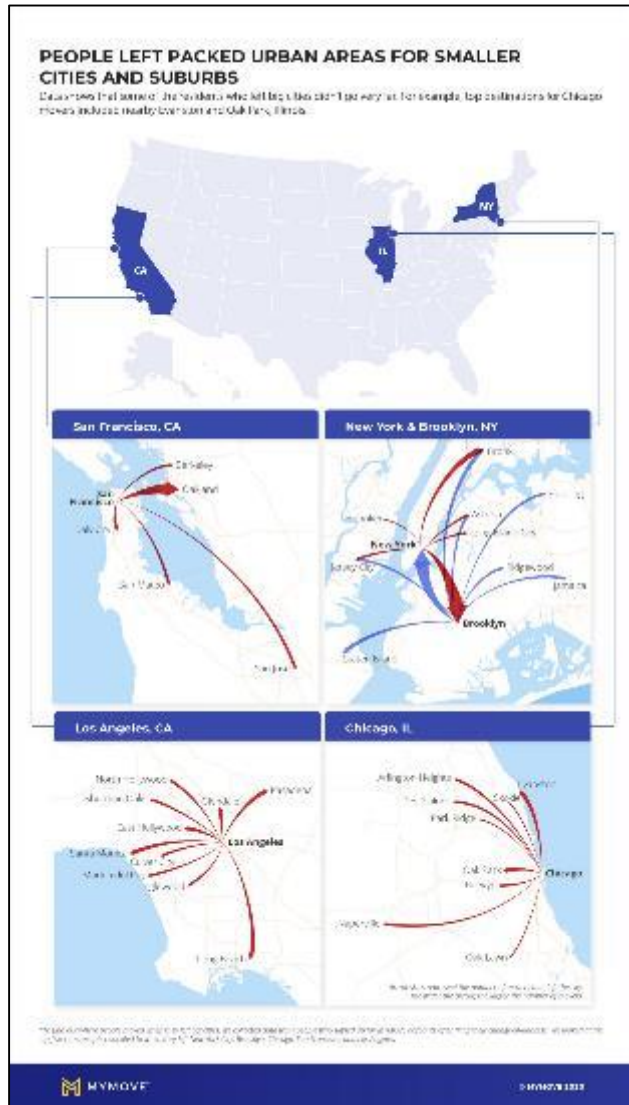


Source: U.S. Census Bureau, data released September 2018

YOUR FUTURE RESIDENT

- Pent up demand?
 - Demand on caregivers
- As residents have put-off moving into a community, similar patterns will emerge as seen during last recession:
 - Incoming residents will be more frail, older
 - Length of stay will be reduced
 - Turnover will be greater
- Higher demand for transparent communication, enhanced safety measures and clinical capabilities
- Skilled area will be most pressured, but still in demand
 - Caregiving ratio (aging caregivers; Boomers without children; divorced Boomers)
 - Chronic health statistics among Boomers

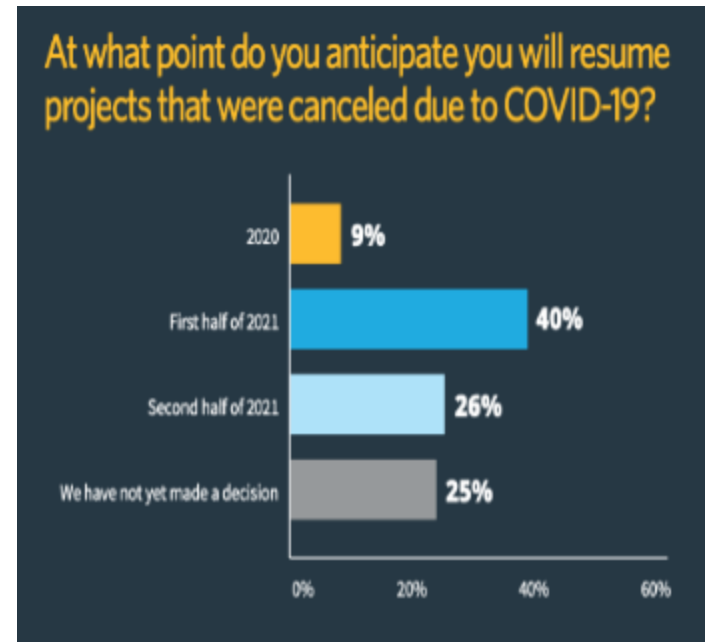
POPULATION MIGRATION IN THE U.S.



- Nearly 16 million people have moved during the pandemic
- Urban density has turned into a negative
- Outmigration from many of the country's most expensive cities
- A number of temporary housing moves have become permanent
- Low-income, homeless in urban and rural areas less likely to have these options

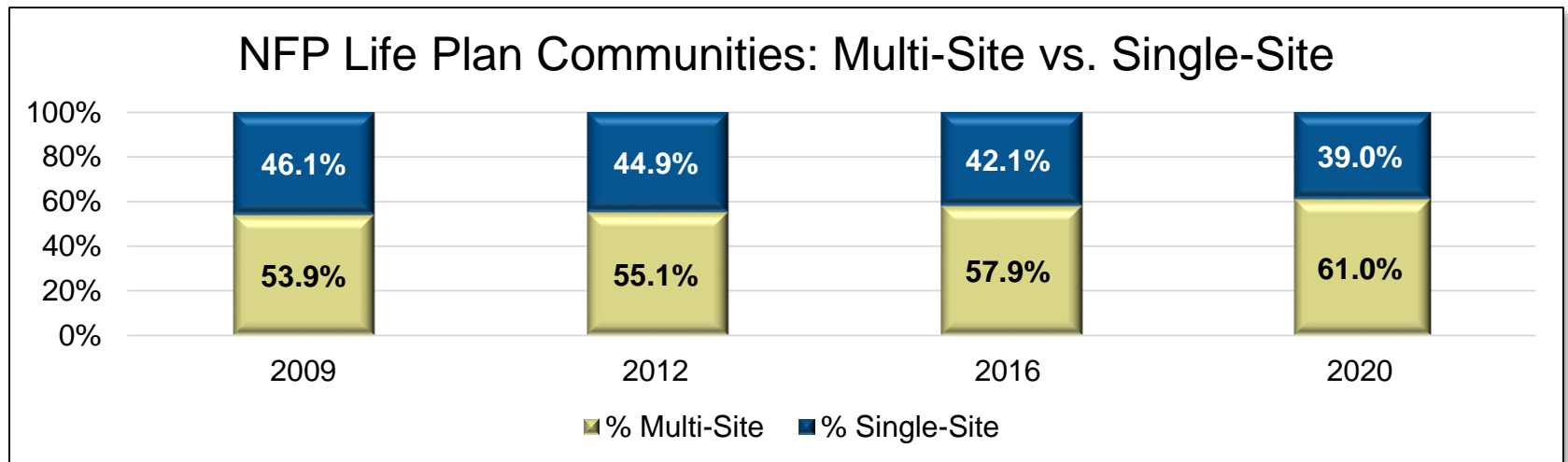
GROWTH FROM THE PRIVATE SECTOR

- Investors remain bullish on the sector, particularly with IL/AL/MC communities
- Funds are already being pooled to acquire distressed properties coming out of COVID-19



CONSOLIDATION & DISPOSITIONS

- Growing complexities of operating in the senior living & care environment will drive ongoing consolidation
- Financial pressures
- C-Suite retirements; leadership burnout
- Inability to be competitive on the workforce front
- Will vary regionally and across markets
- Strategic mergers and affiliations will continue



2021 OUTLOOK FOR LIFE PLAN COMMUNITIES: STABLE

“What to watch”-

- Operating costs remain pressured
- Residential real estate remains healthy
- M&A activity on the rise
- Capital investment to meet new market demands

FitchRatings

U.S. Public Finance
Healthcare
U.S.A.

Fitch Ratings 2021 Outlook: U.S. Not-For-Profit Life Plan Communities

Fitch's Sector Outlook: Stable

Fitch Ratings expects the general operating environment for not-for-profit life plan communities (LPCs) to remain stable in 2021. While the coronavirus pandemic has created uncertainty in the sector, the key drivers of fundamental credit quality — favorable demographic trends, healthy residential real estate markets and good access to the capital markets — that have benefited the sector in recent years are expected to be sustained. As a result, independent living unit (ILU) occupancy will likely remain stable, driving a stable sector financial profile. Operationally, the coronavirus pandemic could continue to create cost pressures and capital investments will likely remain heavy, as LPCs adjust their amenities and services to meet new market demands. However, the slowdown in hospitality-related industries appears to have alleviated some of this pressure by freeing up a high-quality labor pool to fill staff vacancies. Fitch also expects mergers and acquisitions (M&As) and system consolidation activity to remain higher.

Rating Outlook: Stable

Fitch also maintains its stable rating outlook for its portfolio of LPCs in 2021. Median ILU occupancy remains above 90% for Fitch-rated communities, which, combined with steady increases in monthly service fees and healthy real estate markets, should continue to support solid operating performance and strong liquidity positions.

The stable rating outlook indicates that the majority of ratings in 2021 are expected to be affirmations with a Stable Rating Outlook. Consistent with prior years, Fitch expects rating upgrades to be the result of material strengthening financial profiles. Most rating downgrades will likely result from increased leverage for large expansions or repositioning projects.

Rating Distribution

Given the relatively high leverage in the sector, a majority of Fitch's ratings in the sector remain in either the 'BBB' (50% of ratings) or 'BB' rating category (24%). The number of 'BB' category ratings was at 38 as of Dec. 1, 2020, an increase from 19 in 2015, which reflected new borrowers added to Fitch's rated portfolio, not more ratings being downgraded. Approximately 82% of ratings in the portfolio have a Stable Rating Outlook, 3% have a Positive Rating Outlook and 14% have a Negative Rating Outlook/Watch. Twenty ratings have been downgraded, and no credits have been upgraded year-to-date.

What to Watch

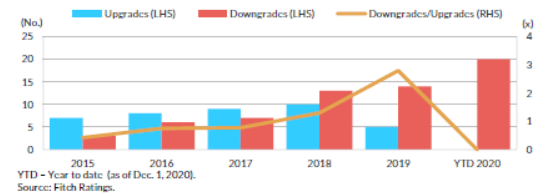
- Residential real estate market supports strong demand.
- Coronavirus pandemic continues to pressure operating costs.
- Mergers and acquisition and system consolidation on the rise.
- Capital investments will be re-evaluated to meet new market demands.

Margaret Johnson, CFA, Director — Sector Lead, Senior Living

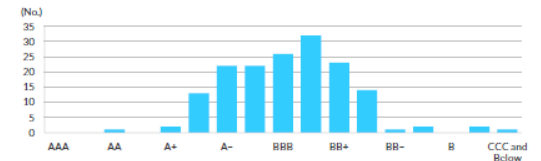


"Fitch Ratings expects the general operating environment for not-for-profit life plan communities (LPCs) to remain stable for 2021. While the coronavirus pandemic has created uncertainty in the sector, the key drivers of fundamental credit quality— favorable demographic trends, healthy residential real estate markets and good access to the capital markets — that have benefited the sector in recent years are expected to be sustained."

LPCs — Rating Changes



LPCs — Rating Distribution (As of Dec. 1, 2020)

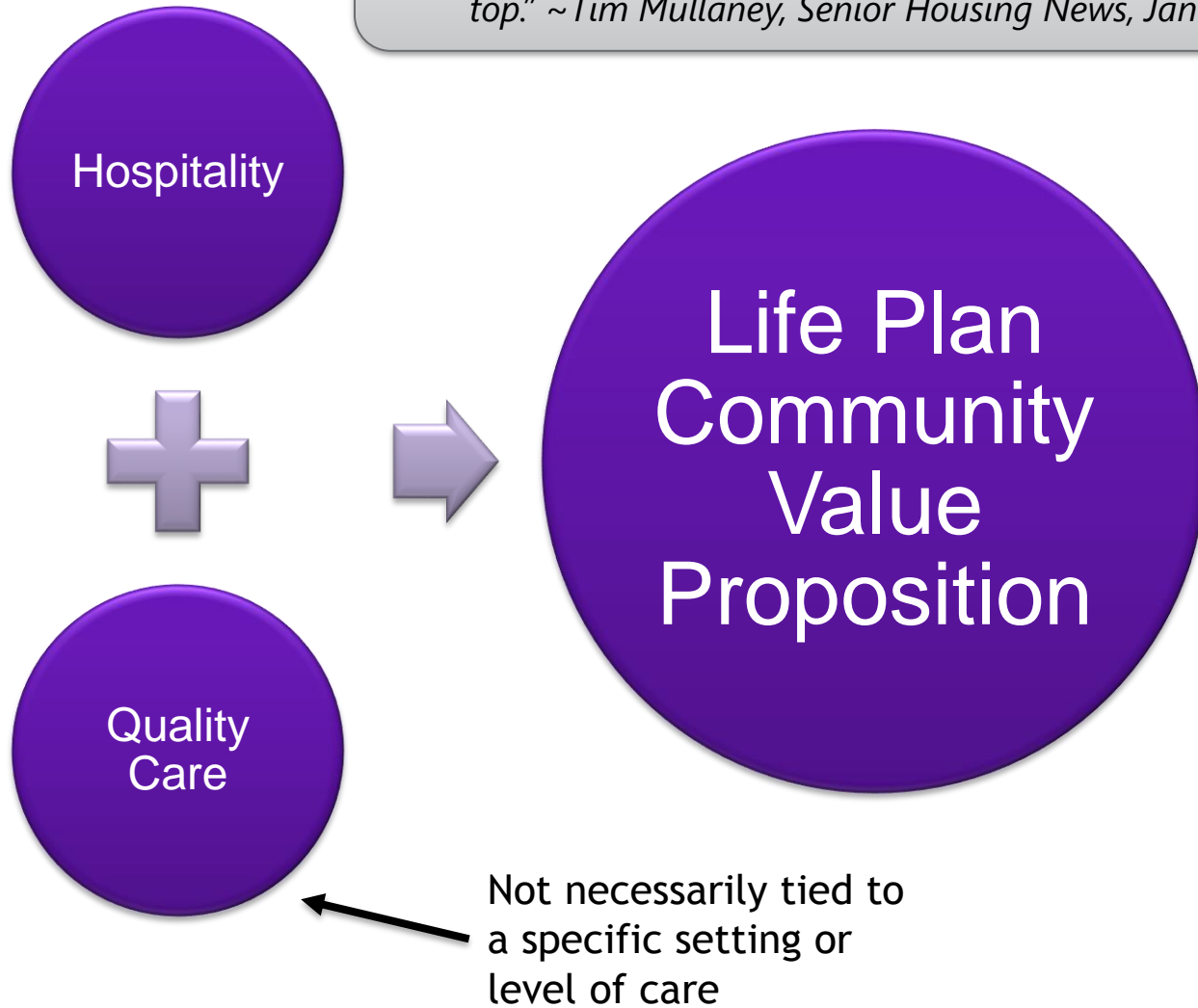


Outlook | December 9, 2020

fitchratings.com/outlooks 1

THE VALUE PROPOSITION

"Protecting the well-being of this population must form the foundation of everything from building design to daily operations, with hospitality-whether extravagant or more bare-bones- layered on top." ~Tim Mullaney, Senior Housing News, January 2, 2021



TECHNOLOGY ACCELERATED

- The need to invest in and adopt technology has only increased during COVID-19 pandemic



ZIEGLER LINK•AGE FUNDS



TECHNOLOGY – TELEHEALTH IN 2021

- Telehealth expansion: telemedicine will not be used in isolation
- Screen-mediated virtual appointments is not sufficient to advance in post-COVID world
- Other technologies will be needed to augment telehealth
 - Wearables
 - Remote patient monitoring
 - Artificial intelligence
- *“The future state of telemedicine is a world in which care delivered by phone or video will become predictive and personalized, rather than reactive.”*

GROWTH OF HCBS PLATFORMS

- COVID-19 has stimulated increased interest to grow HCBS platforms
- About 50% of NFPs have some type of HCBS platform (fairly steady across the years)
- Common area for joint ventures

Home Care

Home Health

Hospice

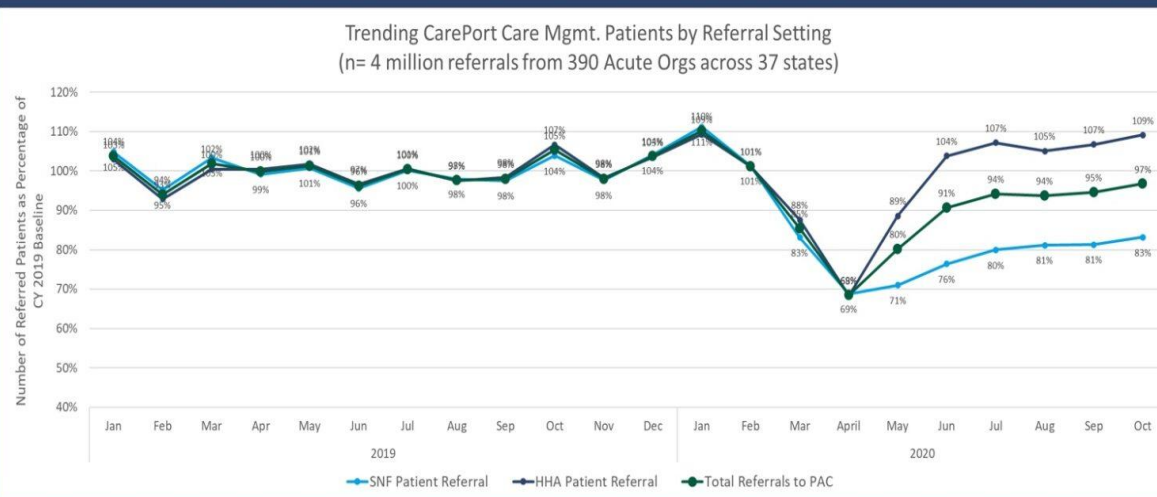
PACE

CCaH

Concierge

Companion
Services

UPDATE: PAC Referral Volume Returns for Home Health but Not Skilled Nursing



ADDITIONAL OBSERVATIONS

- Choice (when, where, how) will become the new normal
 - Activities, dining, procurement of services
 - Design (for residents and staff)
 - Staffing (flexible shifts; alternative models)
- On-demand economy has a role in the senior living & care sector
- Robust wellness models that focus on prevention will help define the model moving forward
 - Bringing healthcare to the senior (specialists, primary care)
 - Future residents will likely be older, more frail

ADDITIONAL OBSERVATIONS (CONT.)

- Virtual sales & marketing approaches are here to stay
- Social isolation can have dramatic negative consequences
- Technology has a role in nearly everything
- Capital forecast:
 - Predicted that borrowing rates will remain very attractive in 2021, particularly for strong credits
 - May see the return of advanced refundings with new administration

CLOSING REMARKS

ZIEGLER ONGOING RESOURCES

<https://www.ziegler.com/covid-19/>



- Summary documents on the CARES Act (PPP updates, Main Street lending program)
- Links to key sources of information
- Webinars that Ziegler has hosted for various audiences re: COVID-19
- Z-News updates

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ZIEGLER INVESTMENT BANKING
SENIOR LIVING FINANCE Z-NEWS

Page 1 | Week of December 14, 2020

FEATURED ARTICLE

SENIOR LIVING TECHNOLOGIES: ADOPTION & INNOVATION DURING COVID-19 AND THE YEAR AHEAD

During the first week of December, Ziegler and LinkAge hosted the 3rd Annual Ziegler LinkAge Funds Symposium. More than 300 individuals participated in virtual sessions that focused on the latest trends related to technology solutions and innovations in the senior living and care sector. Subject-matters experts spoke on topics such as the growing telehealth field, leveraging technology for workforce challenges, and remote monitoring among others.

The symposium closed with a facilitated panel discussion entitled, "Advancing Innovation & Technology Adoption: COVID-19 As A Catalyst?" Much of the accelerated rate of adoption this past year, which many have called a silver-lining to the COVID-19 pandemic, has been around speed of adoption and putting solutions in place that have assisted with navigating the pandemic. What in the past may have been more of a choice to adopt a particular technology or platform, quickly became a necessary implementation.

KEY THEMES FOR 2020

There are several key areas where adoption increased and where COVID-19 exposed vulnerabilities in the sector that can be addressed through technology solutions. A number of these key trends are outlined below.

- **Consumer Acceptance:** Without a doubt, the number of older adults utilizing technologies during the COVID-19 pandemic has increased from prior years to the pandemic's onset. This includes the use of tablet devices to talk with family members that were unable to visit in-person, to telehealth appointments with medical specialists, to ordering groceries online and having them delivered to their front door. Additionally, adoption of technologies by staff in the workplace has increased as well.
- **A Telehealth Revolution:** It is difficult to envision a future healthcare system without telehealth playing a prominent role in the delivery model. The government's support for expanded telehealth reimbursement early on in the pandemic helped to quickly accelerate the use of a wide variety of telehealth options. It is widely agreed upon that telehealth solutions are here to stay.
- **Dangers of Social Isolation:** We have known for years that social isolation is a threat to mental, emotional and physical health, especially among the elderly. The COVID-19 pandemic has exposed this vulnerability even greater. Resident engagement and family member communication solutions have played a central role during the pandemic in trying to minimize social isolation and the mental and physical decline that often follows.
- **Remote Monitoring/Virtual Care:** There is no doubt this overlaps somewhat with telehealth, but the intent is to think more along the lines of prevention and wellness. As many seniors have been in quarantine or living with restrictions around movement outside of their apartment or cottage, the ability to monitor a resident's physical and mental health by staff has been more limited. There may not have been the daily check-in at dinner or conversations in the hallway. Many providers adopted technologies that allowed them to securely monitor movement within the apartments, perhaps for compliance with a medication regimen or even mental wellness check-ups.
- **Workforce Solutions:** If there is a solid tech-enabled solution out there to support the senior living & care workforce, I can assure you that people are exploring

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2021 ZIEGLER LEADINGAGE NATIONAL SENIOR LIVING CFO WORKSHOP

SAVE THE DATES

APRIL 21 - 23, 2021

JW MARRIOTT NEW ORLEANS

614 Canal Street | New Orleans, LA 70130

FOR ADDITIONAL INFORMATION, CONTACT:

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The 22nd Annual Ziegler LeadingAge National Senior Living CFO Workshop will begin Wednesday (3:30-5:00 p.m.) with a pre-conference education session for CFOs new to senior living, a light reception fare, and then dinner on your own in downtown New Orleans. Thursday will be a full day of education sessions with a networking dinner to follow; then education and a workshop wrap-up on Friday.

CFO Workshop will be
virtual in 2021



2021 ZIEGLER SENIOR LIVING FINANCE + STRATEGY CONFERENCE

You are invited to the industry's leading conference, focusing on cutting-edge finance and strategic positioning trends affecting today's senior living providers. Ziegler's conference is designed for CEOs, CFOs, key board members and institutional investors, credit enhancers, rating agency representatives, and industry professionals.

SAVE THE DATES

OCTOBER 6-8, 2021

JW MARRIOTT STARR PASS HOTEL & SPA

3800 W. Starr Pass Boulevard | Tucson, AZ 85745

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Set amidst flowering cactus & framed against the majestic McDowell Mountains, the Arizona destination is surrounded by adventures. Enjoy stunning views blended with intriguing Native American culture as you take advantage of the indulgent lifestyle amenities.

Planning for an in-person gathering
for Finance + Strategy Conference

QUESTIONS?

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Founded in 1902, Ziegler specializes in the healthcare, senior living and educational sectors as well as general municipal finance