



FOR IMMEDIATE RELEASE

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## **ZIEGLER CLOSES FINANCING FOR LUTHERCARE**

**CHICAGO, IL – February 7, 2025** – Ziegler is pleased to announce the successful closing of Luthercare’s \$31,520,000 Series 2025A and 2025B Bonds (together the “Series 2025 Bonds”).

Luthercare is a Pennsylvania not-for-profit corporation incorporated in 1949 and affiliated with the Lower Susquehanna Synod of the Evangelical Lutheran Church in America. Luthercare currently operates two communities in Lancaster County, Pennsylvania (Luther Acres and St. John’s Herr Estate) that collectively include 678 units. Luther Acres is located on 55 acres in Lititz and operates 357 independent living units, 70 personal care units and 86 skilled nursing beds. St. John’s Herr Estate is located on 48 acres in Columbia and operates 125 independent living units and 40 personal care units. Residents of St. John’s Herr Estate have priority access to the skilled nursing beds at Luther Acres, which is approximately 18 miles away. In addition to the senior living communities, Luthercare also operates two early childhood learning centers and is a 50% partner in a joint venture offering home care services. Luthercare previously owned Spang Crest, a 123-bed skilled nursing facility in Lebanon County, PA that was sold in December 2024 with the assistance of the Ziegler Seniors Housing and Care team.

The Series 2025 Bonds consist of two tranches of BBB+ Fitch rated public fixed rate bonds issued through the Lancaster Municipal Authority. Proceeds of the Series 2025 Bonds along with other funds, will be used to, (1) refund Luthercare’s Series 2016 and 2019 Direct Bank Bonds, (2) pay-off Luthercare’s Line of Credit and (3) pay certain expenses incurred in connection with the issuance of the Series 2025 Bonds. The individual components of the Series 2025 Bonds are outlined further below:

- *Series 2025A Tax-Exempt Bonds (\$29,790,000)*: represents the tax-exempt portion of the financing with a final maturity in 30 years, resulting in a weighted average maturity of 20 years and a blended average yield to maturity of 4.75%.
- *Series 2025B Federally Taxable Bonds (\$1,730,000)*: represents the taxable portion of the financing that was issued to pay-off Luthercare’s Line of Credit. The Series 2025B Bonds have a final maturity on December 1, 2026 and were sold at a taxable interest rate of 5.75%, which is significantly lower than the current variable rate on the Line of Credit.

Ziegler Managing Director, Amy Castleberry, CFA, stated, “We are pleased to have worked alongside the Luthercare team to accomplish this financing. Our Ziegler Senior Living Banking team was able to coordinate with the Ziegler Seniors Housing and Care team to structure, price and close on the refinancing transaction soon after the sale of the nursing facility. The new debt structure reduces Luthercare’s long-term annual debt service by more than half, freeing significant cash flow and opening up possibilities for the organization’s vision. We value our long-standing relationship with Luthercare and are proud to have played a role in advancing the organization’s mission through this financing.”

Marissa Picchini, President and CEO of Luthercare added, “This refinancing represents a pivotal moment for Luthercare, significantly strengthening our financial foundation and enabling us to better serve our residents and communities. The reduction in our annual debt service is substantial, freeing up crucial resources that will directly support our mission and strategic vision. This accomplishment wouldn’t have been possible without the expertise and collaborative partnership of the Ziegler team, and we deeply value their long-standing commitment to Luthercare. With this renewed financial flexibility, we are excited to explore new opportunities and continue to enhance the lives of those we serve.

Ziegler is the nation’s leading underwriter of financings 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](http://www.ziegler.com).

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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](http://www.ziegler.com).

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