



FOR IMMEDIATE RELEASE

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Ziegler Closes \$146,400,000 Financing for Covenant Living Communities and Services

CHICAGO, IL – APRIL 21, 2025 — Ziegler, a specialty investment bank, is pleased to announce the successful closing of Covenant Living Communities and Services (CLCS) \$146,400,000 Series 2025A Tax-Exempt Bonds. The Bonds were issued through the Colorado Health Facilities Authority.

CLCS is an Illinois based not-for-profit corporation established in 1986 to operate a multi-site system of life plan communities on behalf of the Board of Benevolence of The Evangelical Covenant Church. Headquartered in Skokie, CLCS manages communities across multiple states and is the nation's 7th largest not-for-profit provider of senior living services based upon the 2024 LeadingAge Ziegler 200 (LZ 200) ranking. The organization currently operates 20 communities in 11 states with over 5,900 total units, including communities inside and outside of the Obligated Group.

The proceeds of the Series 2025A Bonds will be used to fund approximately \$85 million of new money project costs as well as to currently refund various series of outstanding debt. The projects include incremental independent living units at its Great Lakes Campus in Grand Rapids, Michigan, the repositioning of its assisted living and memory care program at the Turlock, California campus, completion funds for a project at the Northbrook, Illinois campus as well as various other renovations and enhancements at other locations throughout its system. The refinancing portion of the issue was to refund the outstanding CLCS Series 2015A Bonds as well as the outstanding Three Crowns Park Series 2013 and 2017 Bonds. Although Three Crowns Park is not a member of CLCS Obligated Group, CLCS elected to absorb Three Crowns Park's debt so that it could be refinanced with lower rates using the credit strength of the CLCS Obligated Group. All three refinancings were highly effective from an economic perspective and resulted in material debt service savings for CLCS.

The Series 2025A Bonds are rated “A-” (Stable Outlook) by Fitch Ratings. Investor reception to the issue was very strong, despite volatility and market uncertainty at the time of pricing. Based on market conditions, Ziegler recommended that CLCS accelerate the pricing of the Bonds by a week, and priced the issue on March 25, 2025, rather than in the subsequent week. This proved to be a fortuitous decision in advance of the tremendous unanticipated market volatility created by United States’ government’s international tariff program.

Jeannie Justie, Chief Financial Officer at CLCS commented, “With this financing, Covenant Living was able to fund important residential living and healthcare repositioning projects, refinance our 2015 bonds, and strategically refinance debt for Three Crowns Park (one of our affiliations) to generate savings that will positively benefit the organization. I am grateful for the partnership with the Ziegler team and the expertise they brought to us in this process, especially the guidance about timing of pricing in the current environment.”

Tom Meyers, Senior Managing Director, Ziegler Senior Living Finance added, “Covenant and Ziegler have been strategic partners for over thirty years. It is a great honor for us to continue to serve an organization that is so focused on operational excellence in the care of seniors through a faith based, not-for-profit environment. Ziegler was very pleased to have been able to execute sharp pricing for Covenant on a timely basis which shielded them from the tariff induced turmoil in the capital markets.”

Ziegler is the nation’s leading underwriter 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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