



FOR IMMEDIATE RELEASE

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ZIEGLER CLOSES \$27,500,000 FINANCING FOR THE LUTHERAN HOMES OF SOUTH CAROLINA

CHICAGO, IL – MAY 20, 2022 – Ziegler, a specialty investment bank, is pleased to announce the successful closing of The Lutheran Homes of South Carolina’s \$27,500,000 Series 2022A and 2022B Bonds.

The Lutheran Homes of South Carolina, Inc. (LHSC) is a South Carolina not-for-profit corporation that currently operates five life plan communities, three hospice offices and four non-medical in-home services agencies throughout South Carolina. LHSC operates a total of 1,077 units (409 independent living, 308 assisted living and 360 skilled nursing) ranking as the 83rd largest non-profit senior living operator in the U.S. according to the 2021 LeadingAge Ziegler 200.

The Series 2022A and 2022B Bonds are being directly purchased by First Horizon Bank (LHSC existing banking partner) with a 12-year commitment, covenants matching the master trust indenture and pricing of 82.5% of Term SOFR plus 1.32%, as outlined further below:

- Series 2022A Refunding Bond (\$11,552,894): refunding of the Series 2017 Direct Placement Bank Bond. The Series 2022A Bond extended the final maturity of the refunded debt to match the 12-year commitment term (6-year extension), which results in nearly \$1 million of annual cash flow savings over the next 6-years, which was important to LHSC coming out of the COVID-19 Pandemic. LHSC entered a fixed payor swap for the entire principal balance through maturity at an all-in rate of 3.663%.
- Series 2022B New Money Bond (\$15,947,106): new money to fund (1) 18 new independent living units at Heritage at Lowman, (2) 18 new independent living units and a 7,000 square foot dining and activity facility at Rose Crest and (3) interest expense during construction. The Series 2022B Bond is a draw-down loan and LHSC entered into a 12-month forward

starting swap that accretes to the entire principal balance at project conclusion and through final maturity at an all-in rate of 3.738%.

Tad Melton, Managing Director in Ziegler's Senior Living Finance Practice stated, "Ziegler was pleased to work with The Lutheran Homes of South Carolina once again. This financing serves many purposes, including refinancing some existing debt and otherwise primarily funding expansions at the Lowman Home and Rose Crest." Melton added, "During these uncertain times, the aging demographics of the United States are not reversing. LHSC is a forward-thinking organization that is continually growing its campuses in manners that are financially accretive and responsive to demand in the market."

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.

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.

Certain comments in this news release represent forward-looking statements made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. This client's experience may not be representative of the experience of other clients, nor is it indicative of future performance or success. The forward-looking statements are subject to a number of risks and uncertainties, in particular, the overall financial health of the securities industry, the strength of the healthcare sector of the U.S. economy and the municipal securities marketplace, the ability of the Company to underwrite and distribute securities, the market value of mutual fund portfolios and separate account portfolios advised

by the Company, the volume of sales by its retail brokers, the outcome of pending litigation, and the ability to attract and retain qualified employees.

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