

FEATURED ARTICLE

RESIDENT MONTHLY FEE INCREASES HIT HISTORIC HIGHS

In the fall of each year, Ziegler launches a *CFO Hotline*SM poll focused on resident monthly fee increases. This survey has been conducted annually for nearly 10 years. Given the escalating costs and inflationary pressures, the decision was made to re-survey CFOs regarding this topic and assess current industry trends regarding the percentage of increases given to residents. Not surprisingly, the survey results showed greater increases than what was reported six months ago. The information below summarizes some of the key findings from this most recent poll.

Exactly 230 not-for-profit senior living CFOs and financial professionals from around the country responded to the survey, with 62% representing single-site organizations and 38% with multi-site organizations. This summary report provides data received from the current survey and also details the historical comparison of fee increases from previous years. Note that the current survey contained questions about Independent Living units only.

The table below details Independent Living monthly fee increases in recent years. For 2022, the median percentage increase in monthly fees, 4.00%, is up from previous years. In previous years, the median increase had been a consistent 3.00%. Increases were the greatest among providers in the western region of the country.

STATISTIC	2022	2021	2020	2019	2018
Minimum	0.00%	0.00%	0.00%	0.00%	0.00%
1 st Quartile	3.50%	2.71%	2.90%	3.00%	3.00%
Median	4.00%	3.00%	3.00%	3.00%	3.00%
3 rd Quartile	5.00%	3.75%	3.90%	3.80%	3.50%
Maximum	12.00%	12.00%	10.00%	6.88%	6.00%
Average	4.43%	2.98%	3.26%	3.14%	3.17%

Readers are encouraged to access the [full report](#) to review additional details and findings from the survey. Ziegler will continue to monitor the increases in expenses for providers and how organizations are covering those costs, whether through operational efficiencies and other measures or via subsequent increases in resident monthly fees and entrance fees.

If you have additional questions regarding this report or other *CFO Hotline*SM topics, we encourage you to connect with the Ziegler representative in your region.

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NOT-FOR-PROFIT SENIOR LIVING RATINGS ACTIONS

AS OF MARCH 22, 2022

ORGANIZATION	RATING AGENCY	RATING/ OUTLOOK	TYPE OF ACTION	DATE
Springpoint at Lewes (DE)	Fitch	BBB- Stable	Affirmed Rating Affirmed IDR*	3/18/22
Frasier Meadows Manor (CO)	Fitch	BBB- Stable	Upgraded Rating Upgraded IDR*	3/22/22

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* IDR – Issuer Default Rating (FitchRatings)

Any non-Ziegler sources referenced in this Z-News are believed to be reliable but cannot be guaranteed.

INTEREST RATES/YIELDS

WEEK ENDING MARCH 18, 2022

	CURRENT	LAST WEEK	52-WK AVG
30-Yr MMD	2.33%	2.23%	1.62%
Senior Living 30-Yr "A"	3.35%	3.25%	2.21%
Senior Living 30-Yr "BBB"	3.95%	3.85%	2.51%
Senior Living Unrated	4.85%	4.75%	3.60%
Senior Living New Campus	5.60%	5.50%	5.25%
SIFMA Muni Swap Index	0.37%	0.24%	0.07%
	CURRENT	WEEKLY AVERAGE	SPREAD TO MMD
ZSLMLB Index [†]	4.23%	4.23%	1.87%

[†] Ziegler Senior Living Municipal Long Bond Index

Source: Bloomberg BVALS

FEATURED FINANCING


MEADOWLARK HILLS
Manhattan, Kansas

Health Care Facilities,
Revenue Bonds,
Series 2022

\$22,840,000
March, 2022

MARKET REVIEW

MONEY MARKET RATES

	3/18	LAST WEEK
Prime Rate	3.50	3.25
Federal Funds (weekly average)	0.32	0.07
90 Day T-Bills	0.38	0.37
30-Day Commercial Paper (taxable)	0.35	0.30
Libor (30-day)	0.44	0.39
7 Day Tax-Exempt VRDB	0.37	0.24
Daily Rate Average	0.20	0.09

COMPARATIVE YIELDS

TAXABLE REVENUE										
	GOVT	A		MMD	NR*	BB	BBB	A	AAA	
2 Year	1.93	2.63	1 Year	1.16	3.01	2.56	2.11	1.56	1.31	
5 Year	2.14	3.09	5 Year	1.65	3.60	3.15	2.75	2.15	1.85	
7 Year	2.17	3.47	7 Year	1.78	3.78	3.43	2.98	2.43	2.03	
10 Year	2.15	3.75	10 Year	1.93	4.13	3.68	3.28	2.78	2.23	
30 Year	2.42	4.52	30 Year	2.33	4.73	4.28	3.88	3.33	2.78	

(* Representative of institutional sales)

TAX-EXEMPT MARKET INDICATORS

	THIS WEEK	LAST WEEK	CHANGE
Bond Buyer			
20 Bond Index	2.53	2.33	+0.20
11 Bond Index	2.43	2.23	+0.20
Revenue Bond Index	2.81	2.61	+0.20
30 Year MMD	2.33	2.23	+0.10
Weekly Tax-Exempt Volume (Bil)	4.39	8.92	-4.53
30 Day T/E Visible Supply (Bil)	11.13	8.74	+2.39
30 year "A" Rated Hospitals as a % of 30 Year Treasuries	137.6	141.1	-3.50