



**HJ
SIMS**

INVESTMENT BANKING





"[HJ Sims] has specialized in serving the financing needs of [our] field for two generations. Sims stepped forward to evaluate our financing and offer cost-beneficial alternatives...We could not be more pleased with the outcome."

— Larry Minnix, *LeadingAge President & CEO*

For more than 40 years, HJ Sims' Investment Banking division
has specialized in structuring and underwriting senior living financings.
Today, we are a trusted advisor to senior living providers across the country.

Count on HJ Sims to always provide you with objective advice that is in your best interest, uninfluenced by transaction goals. We work closely with senior living management and boards beyond specific financing transactions to evaluate and implement growth opportunities,

strategic capital and organizational planning, repositioning strategies and debt and asset management. As a result, we consistently rank among the statistical leaders in terms of both number of issues and total par amount—over \$16 billion in senior living financing.



“Sims proved to be invaluable in arranging for prefinance funding and securing the most cost-effective capital in a very volatile, difficult market. Their guidance and expertise resulted in a successful outcome for our project...”

— James Davis, President & CEO, Amsterdam Nursing Home Corp.



We don't just complete the financing and move on. We are there for our clients every step of the way, customizing solutions to fit their needs both before and after the transaction.

The way we like to work is to become involved in a project early on in order to contribute to the planning and development as needed. We integrate seamlessly with your development team because we understand your business and your need for future flexibility. Some of the specific things we've done are:

- Financed a \$457 million bond issue for a start-up retirement community, the largest issue of its kind.
- Funded a 95% Loan-to-Cost Bridge Loan for a senior living community acquisition in just 17 days from the date of the signed commitment letter.
- Co-invested with Benchmark Management on five portfolio acquisitions of over \$2 billion.
- Provided financing for the office headquarters of LeadingAge, formerly AAHSA.

Our team of investment banking professionals consists of in-depth experts at financing senior projects.

Our team includes bankers who have served on numerous advisory boards of several of the largest senior living companies and the Interest Subsidy and Loan Guaranty Program of the U.S. Department of Health and Human Services. Our bankers have also been directors of

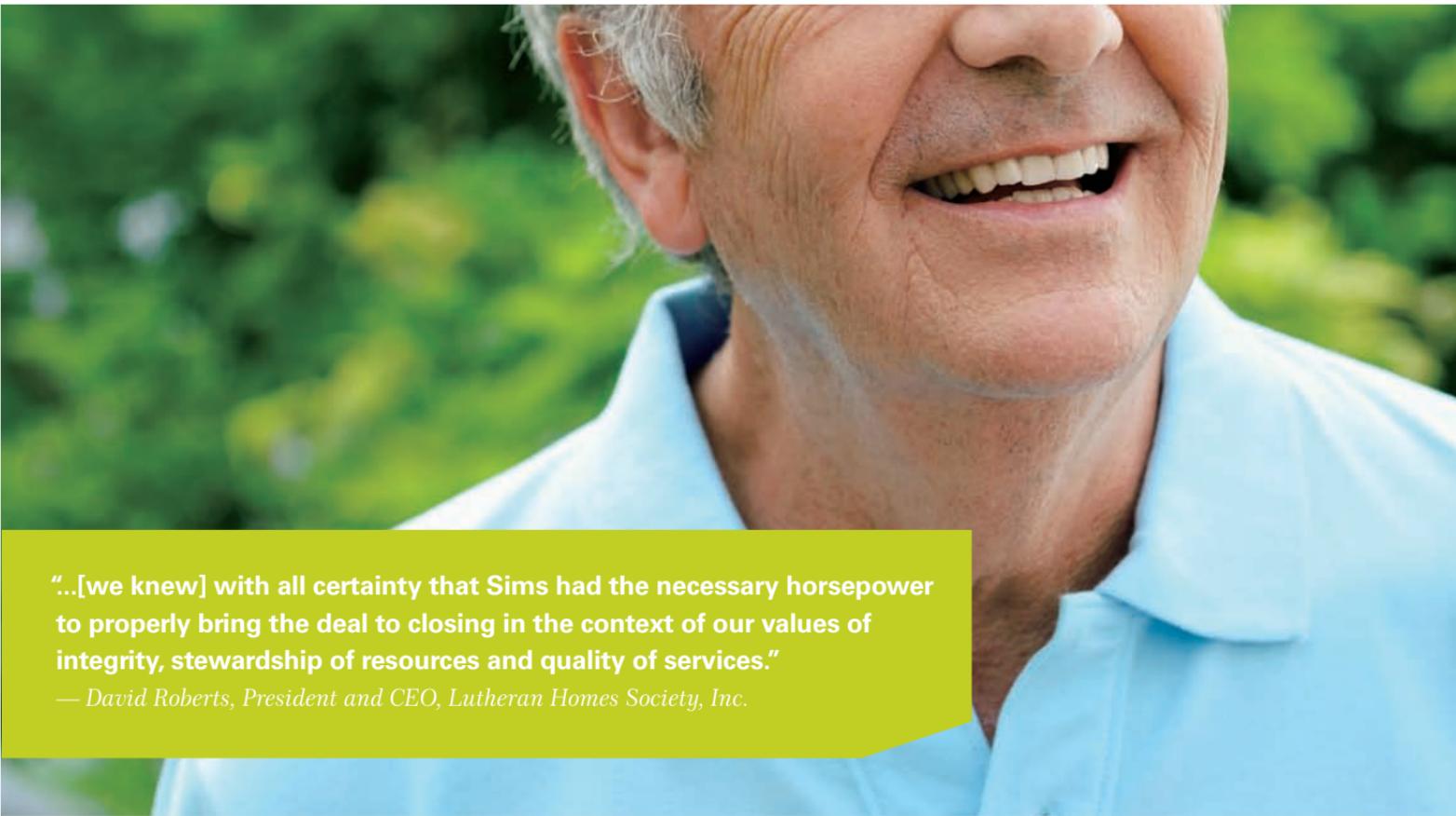
numerous nonprofit senior living boards and longtime participants on the Financial Advisory Panel of CARF-CCAC, the senior living accreditation organization. These personal experiences give us even deeper insights and understanding of the senior living industry.





"I firmly believe that what constantly draws us back to [HJ Sims] is the confidence that I have developed over the years that we can rely on their advice and execution. Their integrity and the atmosphere created by their deep experience in our industry has earned that confidence. They are a key financial partner for our team at Merrill."

— Bill Pettit, President and COO, Merrill Gardens



“...[we knew] with all certainty that Sims had the necessary horsepower to properly bring the deal to closing in the context of our values of integrity, stewardship of resources and quality of services.”

— David Roberts, President and CEO, Lutheran Homes Society, Inc.



In the financial and senior living markets, the only constant is change. That's why we're committed to creating financing structures that work best for you.

Our size and culture enable us to be nimble and creative. We work overtime with our clients to help maintain their independence and financial

viability. Other firms may focus on consolidation or affiliation with another organization as a first option, but not HJ Sims.

The depth of our retail distribution can make the difference for the success of your offering.

Whether your securities are AAA-rated or nonrated, HJ Sims can provide you financing through our unique and powerful retail and institutional sales force. Our highly motivated team has extensive experience

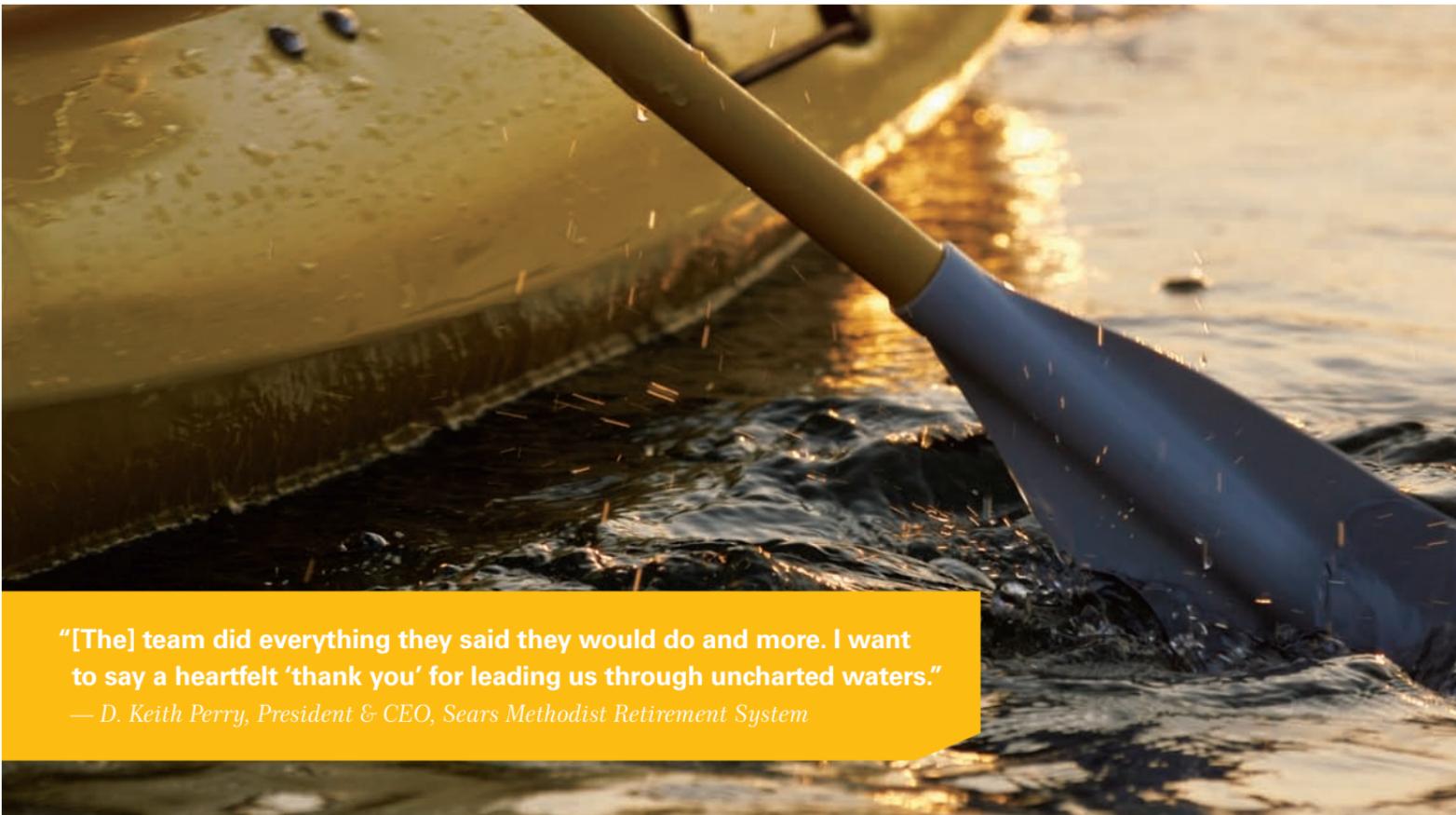
distributing public offerings and private placements of senior living securities. What's more, our retail investor capacity is greater than any other senior living investment banking firm. This results in lower capital costs for your financing.





"We have...returned to the Sims organization for assistance in four separate and very successful financing endeavors. Their guidance through each of these undertakings has proven to be invaluable."

— David Houle, EVP and CFO, Hebrew Health Care, Inc.



"[The] team did everything they said they would do and more. I want to say a heartfelt 'thank you' for leading us through uncharted waters."

— D. Keith Perry, President & CEO, Sears Methodist Retirement System



Our Services

Financing

Bonds

Our unrivaled experience in managing, underwriting, marketing and distributing bonds enables us to guide clients through the process with ease and without surprise.

Investment-Grade Ratings

We're proud to be leaders in obtaining investment-grade ratings for our clients. Our bankers and Director of Credit Analysis are in constant touch with the rating agencies and have assisted them in developing their credit criteria.

Credit Enhancement and Loans

The strong relationship that Sims has with a wide range of lenders assures the most attractive form of credit enhancement or loans with the best possible terms. These include loans and letters of credit provided by banks, surety bonds provided by insurance companies and FHA mortgage insurance through government financing programs.

Advising

Seed Money

Providing much-needed development funding to senior living clients is a unique feature of HJ Sims as a full service investment banker.

Equity

At HJ Sims, we're dedicated to providing access to the private equity market for our clients. Equity is available for expansion, acquisition and buyout of growth opportunities. We provide equity financing from private investors and equity funds on joint venture, preferred and co-investment bases.

Mezzanine and Subordinate Loan Financing

With subordinate financing, many of our clients appreciate increased leverage and lower recourse requirements. With lower recourse requirements, clients can deploy their resources to more projects more quickly, or monetize their equity in existing projects.

FHA Loans

Sims Mortgage Funding, Inc. has specialized in originating FHA-insured loans for healthcare, senior housing and multifamily projects since 1984.

Strategic Planning

HJ Sims assists senior living organizations to identify, define, evaluate and integrate key strategic plan elements and issues in response to changing market dynamics.

Capital Strategy

We assist in the capitalization and recapitalization of senior living communities, including senior debt, mezzanine and subordinate debt, equity, tax-exempt bonds, letters of credit placement, commercial loans, seed money and agency debt programs.

Primary and Secondary Market Distribution

Our retail and institutional trading ability helps you to evaluate and execute opportunities both in the primary and secondary markets. Our active participation creates more liquidity in your securities and results in lower rates and more flexible covenants for your borrowings.

Amendments, Waivers and Restructurings

Banks, bond funds and other lending institutions benefit from our strategic advice in helping them make decisions

regarding their senior living assets. Borrowers utilize us for debt analysis, restructuring plans and lender negotiations.

M&A

We help senior living buyers and sellers define goals, model transactions, negotiate deals, evaluate financing options and execute the transactions.

Derivatives

We consult with clients on all aspects of derivative and investment contracts.

Investment Management

HJ Sims' focus is to generate more income for our clients from their investment portfolios consistent with executives' individual financial goals as well as their organizations' financial objectives—including capital planning objective fulfillment, debt capacity maximization, operating margin enhancement and loan/bond covenant compliance. We offer an integrated approach to manage executives' and organizations' risks to maximize income.

With 40-plus years of expertise in structuring and underwriting senior living financing, and a built-in access to clients specifically seeking senior living investments, HJ Sims is ready to help you achieve your mission.

**Contact us today at 203-418-9001
or e-mail wsims@hjsims.com.**

Please visit our Web site, **hjsims.com**, for more information and for a listing of our Investment Banking locations and professionals.

Member of FINRA/SIPC

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"With your excellent reputation and length of time in the business, we would not hesitate to recommend [HJ Sims] to other long-term care providers looking for financing projects."

*— Pam Ditri, Executive Director,
Burcham Hills Retirement Center II*

