

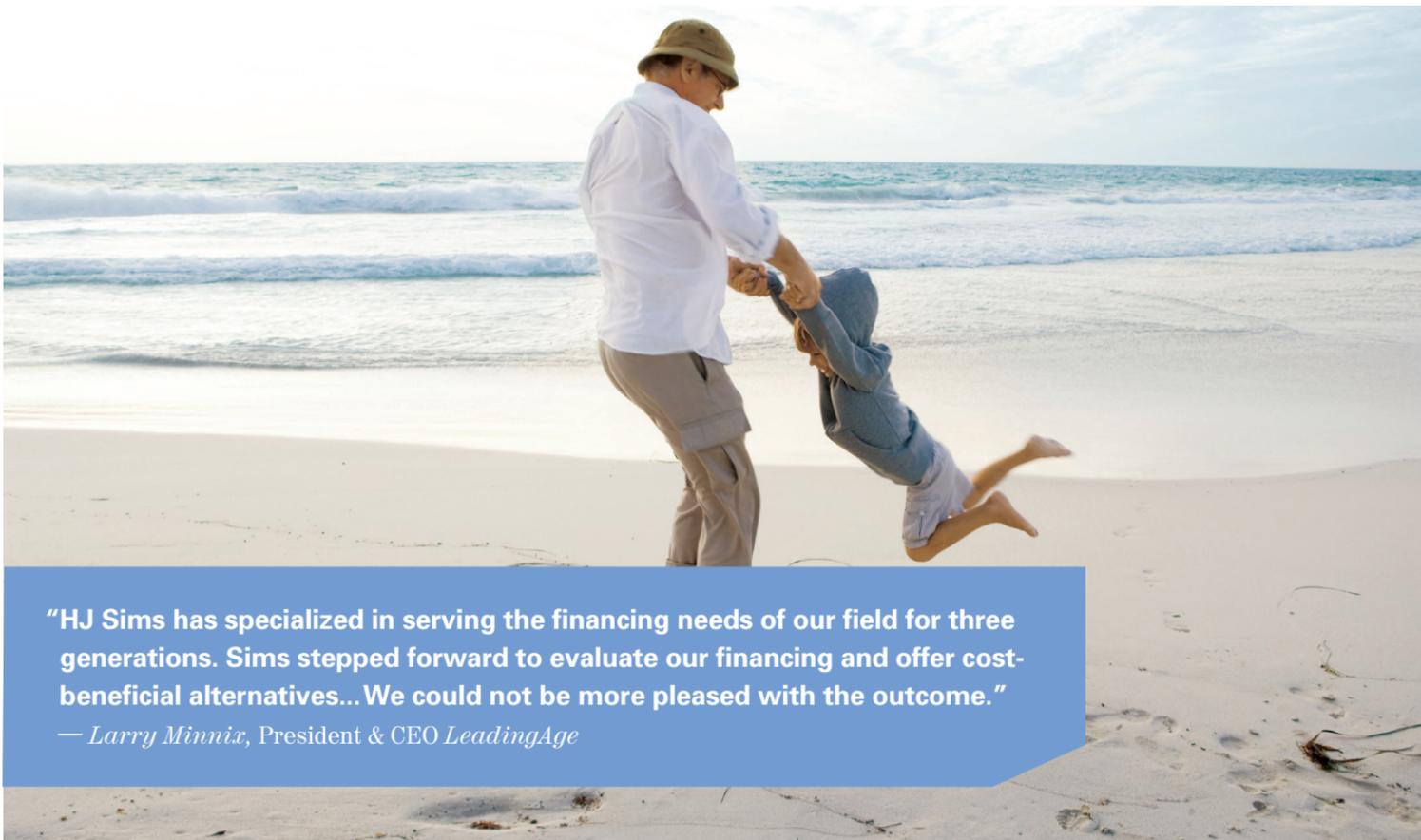


**HJ
SIMS**

INVESTMENT BANKING



FINANCED RIGHT®



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

— Larry Minnix, President & CEO LeadingAge

Since 1965, HJ Sims has provided financial advisory services for senior living communities across the U.S. We deliver the right expertise, the right strategies, and the right solutions to meet your needs.

In the financial and senior living markets, the only constant is change. That's why you want a trusted advisor you can count on for objective advice — in your best interest — uninfluenced by transaction goals.

Our relationships with clients, both senior living management and boards, go far beyond structuring and underwriting specific financing transactions. Working

together, we evaluate and implement growth opportunities, strategic capital and organizational planning, repositioning strategies, and debt and asset management.

As a result, HJ Sims consistently ranks among the statistical leaders in terms of both number of issues and total par amount — over \$17 billion in senior living financing.



Working with Sims on the \$250 million Sinai Residences of Boca Raton project—from inception through closing—has been a total pleasure. Their financial acumen, counsel, leadership, innovation, availability, and professionalism allowed our project to be successfully financed. You could not ask for a better financial development partner.”

— Mel Lowell, Chief Operating Officer, Jewish Federation of South Palm Beach County



We don't just complete the financing and move on. We help our clients every step of the way—by customizing solutions to fit their needs—before, during, and after the transaction.

By getting involved in your project early on, HJ Sims contributes to the planning and development stages, as needed. Because we understand your business and your need for future flexibility, we integrate seamlessly with you and your development team. Some of the specific ways we've helped clients include:

- Financing a \$457 million bond issue for a start-up retirement community, the largest issue of its kind.
- Funding 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-investing with Benchmark Management on five portfolio acquisitions totaling over \$2 billion.
- Providing financing for the office headquarters of LeadingAge, formerly AAHSA.

Our team of investment banking professionals offers the right knowledge and the right experience.

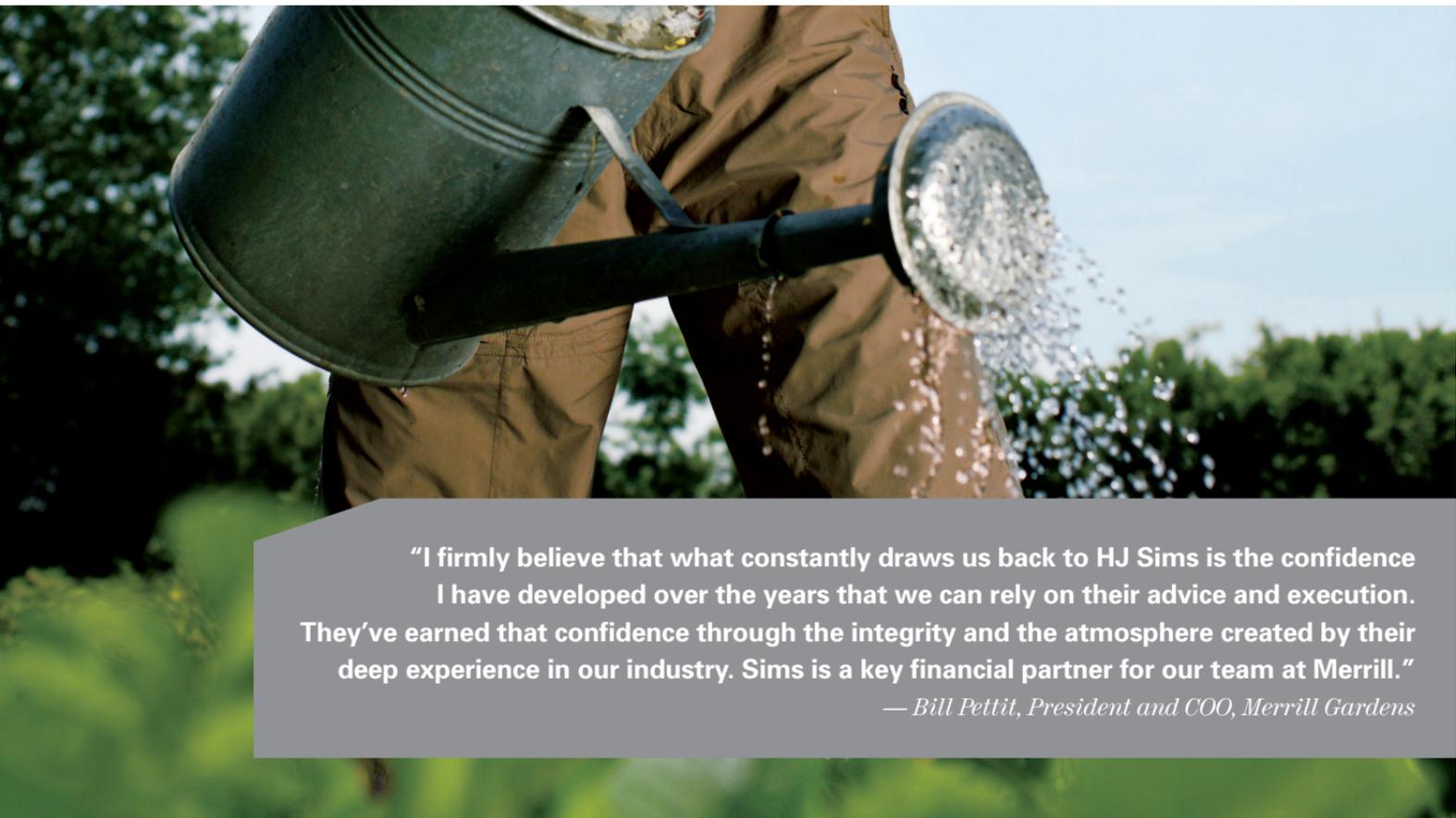
The HJ Sims team includes professionals with a wealth of experience in the commercial banking and financial sectors.

Many of our bankers have served on the advisory boards of numerous senior living-related organizations, including several of the largest senior living companies throughout the U.S. In addition, Sims bankers have been long-time participants on the Financial Advisory Panel

of CARF-CCAC, the senior living accreditation organization, as well as the Interest Subsidy and Loan Guaranty Program of the U.S. Department of Health and Human Services.

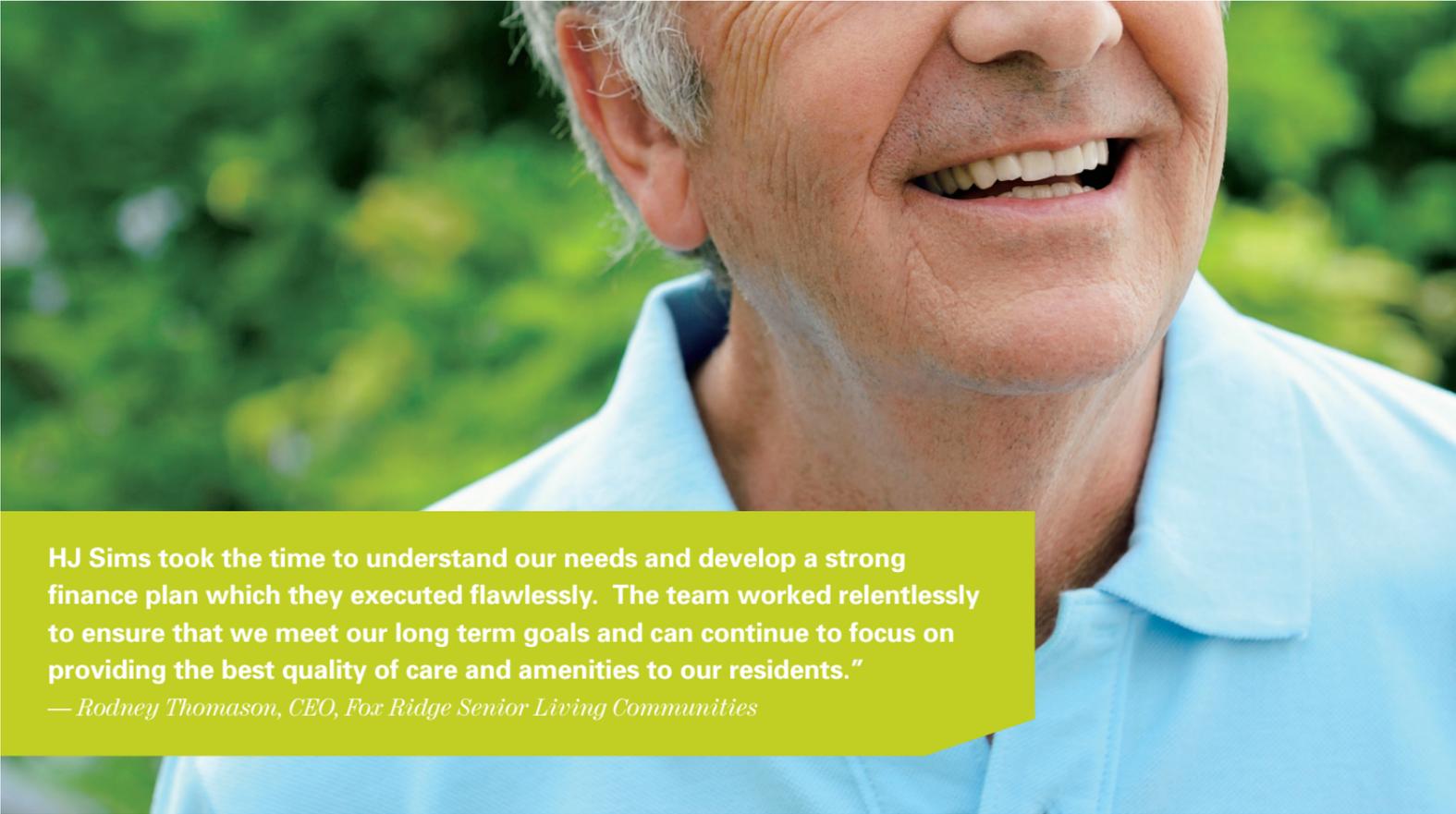
This depth of knowledge, experience, and understanding provides us with keen insights into the ever-changing senior living industry.





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

— Bill Pettit, President and COO, Merrill Gardens



HJ Sims took the time to understand our needs and develop a strong finance plan which they executed flawlessly. The team worked relentlessly to ensure that we meet our long term goals and can continue to focus on providing the best quality of care and amenities to our residents."

— Rodney Thomason, CEO, Fox Ridge Senior Living Communities



The senior living industry is experiencing unprecedented growth, changes, and opportunities. Our expertise helps clients make the most of their potential.

Our size and culture enable us to be nimble and creative, especially when it comes to financing structures. That means we tailor solutions and strategies to help you maintain your independence and financial viability.

Other firms may focus on a universal approach such as consolidation or affiliation with another organization as a first option, but to HJ Sims, doing what's right for you is our priority.



The strength of our retail and institutional distribution capabilities can make the difference for the success of your offering.

Our powerful retail and institutional sales force has extensive experience in distributing public offerings and private placements of senior living securities. What's more, our retail investor capacity is incredibly strong.

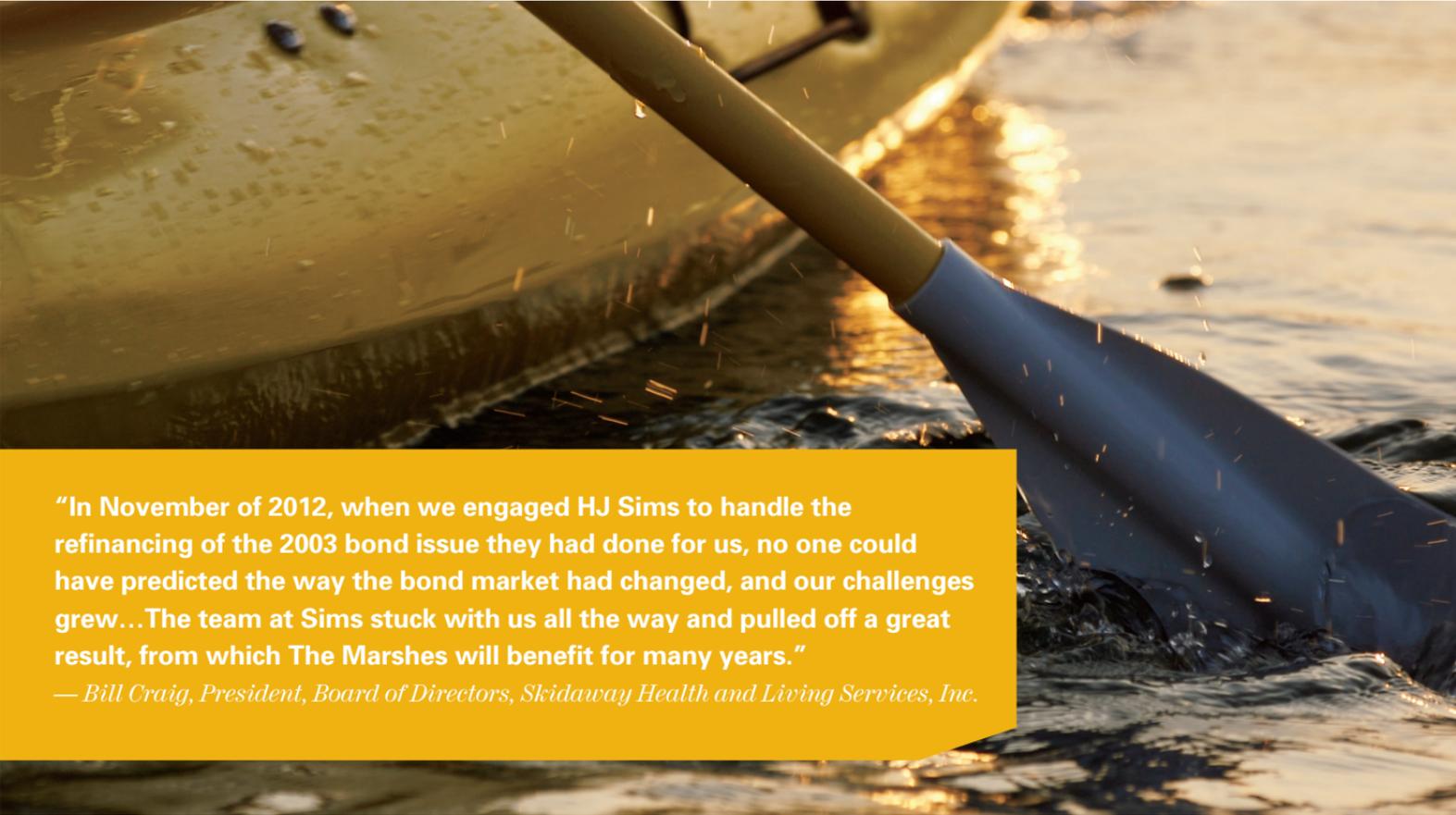
For example, HJ Sims recently completed a \$250 million financing

for the Sinai Residences of Boca Raton in which \$76 million non-rated municipal bonds were sold through our retail distribution network. These unique advantages often result in lower capital costs for your financing, whether your securities are rated or non-rated.

A close-up photograph of a person's hands holding a small, clear plastic compass. The person is wearing a blue and white patterned shirt. The background is a soft, out-of-focus green, suggesting an outdoor setting. The compass is held in the palm of the right hand, with the left hand supporting it from underneath. The compass face is visible, showing cardinal directions and a needle.

“We have now completed our second successful bond offering with HJ Sims. The team brought the financial discipline, market analysis, and senior living expertise to allow us to financially position and grow our organization and remain competitive. Our Board of Trustees and I could not have been more pleased with the outcome.”

— Morris S. Funk, Chief Executive Officer, Lions Gate



"In November of 2012, when we engaged HJ Sims to handle the refinancing of the 2003 bond issue they had done for us, no one could have predicted the way the bond market had changed, and our challenges grew...The team at Sims stuck with us all the way and pulled off a great result, from which The Marshes will benefit for many years."

— Bill Craig, President, Board of Directors, Skidaway Health and Living Services, Inc.



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.

Direct Purchases and Loans

Over time, HJ Sims has developed strong relationships with a wide range of lenders, including commercial banks. This enables us to offer clients the best possible terms on the most attractive form of direct purchases or loans, such as draw-down features.

Preferred Equity

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

FHA Loans

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

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 assisted them in developing their credit criteria.

Seed Money

Providing much-needed development advice and funding to senior living clients, in a variety of forms, is a unique feature of HJ Sims as a full service investment banker.

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.

Advising

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.

Mergers & Acquisitions

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

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, 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.

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.

Make the right choice.

HJ Sims offers advisory services and senior living financing solutions based on 50 years of expertise. Add to that our built-in access to clients specifically seeking senior living investments, and HJ Sims is ready to help you get your project done right.

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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**“HJ Sims has been involved
with our organization for
multiple financings and is a high
integrity partner with a strong
understanding of our mission
and purpose!”**

*— Geary Milliken, Chief Executive
Officer, Carroll Lutheran Village*



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