

Ziegler education session February 11, 2021

Ziegler is an investment bank focusing on non-profit senior living. The Ziegler LinkAge funds are essentially a venture capital fund, focusing on the senior living and care sector (rare). Over 2000 companies were identified for funding, which were then screened and vetted, with 28 being chosen for investment (down to 23) of \$60 Million. The Fund II is currently nearing the end of the investing stage and will soon enter the return stage. Net IRR (internal rate of return) is 7%, projected to return 11-22%. All invested capital is returned then 80% goes to investors and 20% to the general partners. Each investor committed to units of \$250,000 (FFA has 1) which are sent when called. A third fund will be launched this year. Investing in the Ziegler LinkAge Fund II has provided FFA an opportunity to use the larger portion of our resources to invest directly into development of creative solutions in the Aging Services sector.

Ziegler is in the unique position of being connected with many senior living communities and service providers as well as companies that are developing products for their use, so often relied on by other investors for their expertise. They focus on healthcare IT, healthcare services, workforce solutions and social determinants of health.

There are several trends that Lisa described. The impact of Covid-19 varied widely across communities. Diversity, Equity, Inclusion (DEI) awareness has focused attention on inequities and consequences of Covid-19 for staff and residents. The Pandemic brought the need for technology solutions into sharp relief, and the field will not go back to where it was. There is a need for interoperability solutions (K-4 Connect is addressing). Remote monitoring (RPM) may be replaced by Virtual Care which can be applied in various settings. Previously the top issue was workforce solutions, and that will continue as the population of those 75+ grows and Boomers have fewer family members to be caregivers, as has awareness of the consequences of isolation. Technology solutions are being explored to bring the arts and interpersonal interaction into the homes of those who can use the devices. There is increased interest in aging in place, which puts pressure on SNF and residential communities. New models must emerge.