

Return of the Markets

Serving our clients and industry sectors with resolute commitment and inspired creativity

HJ Sims had a very busy 2024 with 44 financings totaling \$1.8 Billion, double our par-volume from 2023. The firm also provided financial advisory services to approximately two dozen clients. In support of our growth, HJ Sims is very proud to have added the following team members in 2024:

- **Akshai Patel**, Executive Vice President, Investment Banking, Education, AZ
- **John Solarczyk**, Executive Vice President, Investment Banking, Education, CA
- **Kat Dymond**, Director, Events and Sponsorships, Marketing, MD
- **Jess Ward**, Assistant Vice President, Investment Banking, Education, CA
- **Justice Onyeugo**, Analyst, Senior Living, TX
- **Chance Bootstaylor**, Analyst, Senior Living, MD
- **James Deleray**, Analyst, Education, TX

HJ Sims continues to invest in enhancing the distribution of our financings and is excited to welcome 14 new team members who have joined us in Florida and New Jersey who serve our private wealth and middle market clients. Our strategic reinvestment in our distribution supports our robust pipeline of financings.

Transitions

Introduction at the HJ Sims 2025 Late Winter Conference. Bill Sims welcomed everyone to the HJ Sims 2025 Winter Conference with the following opening comments, highlighting the firm's 90th anniversary and his leadership transition.

In 2025, we are celebrating our 90th anniversary. HJ Sims was founded by my father in 1935 in an office first located just off of Wall Street in Manhattan. Since our inception, the Company has grown from that single office with only a few employees, to 17 registered offices and other locations and 130 employees. 2025 will also mark other changes at HJ Sims. After joining the Company in 1973 to work with my father, I have stepped back from a leadership position and transitioned my responsibilities to Aaron Rulnick, Jason Diamond, and my daughter Elizabeth Sims, also known as Izzy. Aaron continues to lead our investment banking team, Jason is responsible for operations of the Company, and Izzy is responsible for the Company's sales and trading of securities. Izzy first joined the Company in 2013 to work with me and now represents the third generation of our family's leadership of HJ Sims. Jeff Sands will also step back from investment banking later this year but will continue to manage the investments of HJ Sims Investments and act as general counsel for the firm. Our Company is blessed with many other great leaders, many of whom you will be hearing from on this morning's panel. The future is bright for HJ Sims and I am fortunate to leave it in such good hands.



William Sims
Managing Principal

\$1.8 Billion

2024 HJ Sims Total Par Amount of Financings

2024 financings by the numbers

65 projects
 28 states
 4 start-ups
 22 acquisitions
 26 expansions & repositioning
 20 advisory engagements
 12 refinancings

		Taxable Rates	Tax-Free Rates					
Maturity	Year End	GNMA Taxable	FHA Tax-Exempt	A	BBB	BB	Refinancing & Expansion	Start-Up
5 yr.	2023	N/A	3.30%	4.00%	4.40%	5.00%	5.30-5.50%	6.30-6.50%
	2024	N/A	3.68%	3.35%	3.90%	4.40%	4.80-5.00%	5.75-5.90%
10 yr.	2023	N/A	3.45%	4.30%	4.70%	5.30%	5.60-5.90%	6.60-6.80%
	2024	N/A	3.95%	3.65%	4.15%	4.60%	5.00-5.20%	5.90-6.20%
20 yr.	2023	N/A	4.41%	5.10%	5.55%	6.15%	6.40-6.60%	7.40-7.60%
	2024	N/A	4.69%	4.55%	4.85%	5.30%	5.75-6.00%	6.50-6.75%
30 yr.	2023	6.05%	4.80%	5.30%	5.70%	6.30%	6.65-6.90%	7.55-7.80%
	2022	5.35%	5.00%	4.75%	5.05%	5.50%	6.00% - 6.20%	6.75-7.00%

Source: Bloomberg

The GNMA rates are from a major market participant GNMA trading desk as obtained on Monday mornings. HJS does crosscheck this rate from time to time against other major market participants. The 30yr GNMA is taxable refi plus 10 bps. The FHA Tax Exempt rates are from a MMD Scale for FHA-insured tax-exempt deals as of the previous Friday.

Methodology for calculating A through BB+ rates: HJS applies the appropriate spreads of each category vs. the daily published MMD municipal bond scale. The MMD municipal bond scale, which is the benchmark for the pricing of municipal bonds, represents a consensus scale for AAA bonds as provided to Thomson Reuters by multiple street traders. It is published by Municipal Market Data every day at 3:00 pm and is available on Bloomberg. The spreads are a reflection of HJS knowledge of secondary market trades and new issue scales. The rates are for a generic non-state specific CCRC and are HJS best estimation of what yield would be available in a 5, 10, 20- and 30-year maturity were a new issue to be priced. These rates are estimations, actual pricing can vary greatly depending upon the markets' perception of the issuer and the state of issuance. These rates would be for Fitch rated bonds since they represent the majority of HJS rated senior living bonds.

Bond rating descriptions:

Fitch <https://www.fitchratings.com/products/rating-definitions#rating-scales>







S&P <https://www.spglobal.com/ratings/en/about/intro-to-credit-ratings>

Moody's <https://www.moody.com/-/Ratings-&Assessments> tab

Refinancing & Expansion rates, as well as Start-Up rates are new issue rates. Senior Living new issue rates for borrowers in specialty states are 20-30 basis points lower in yield. The refinancing and expansion rates as well as the start-up rates are for NON-RATED transactions that carry no rating from Moody's, S&P, or Fitch and no application for a rating is contemplated. Calculations and methodology would be applied by the rating agency selected if that were to be pursued. The rates represents HJS opinion only based upon comparison to similar transactions. The rates for Refinancing & Expansion as well as the rates for Start-up are considered to be generically fair and reasonable as of posting. However, all are subject to change on a daily basis.

The material presented here is for informational purposes only and is not to be considered an offer to buy or sell any security. This report was prepared from sources believed to be reliable, but it is not guaranteed as to accuracy, and it is not a complete summary or statement of all available data. Information and opinions are current up to the date of publication and are subject to change without notice. The above senior living rates are derived from yield spreads provided by the Municipal Market Data Inc. (MMD). These rates are further developed based on HJ Sims observations of transactions that took place the previous week in the primary and secondary markets for senior housing securities. The rates are HJ Sims' best estimate of the yields available based on their ratings. We cannot guarantee these rates, as they are subject to general market conditions which includes but not limited to size and availability. The purpose of providing these rates is to offer a general overview of the senior housing securities market last week based on our experience and observations. All investments involve risk and may result in a loss of principal. Investors should carefully consider their own circumstances before making any investment decision. Testimonials may not be representative of the experience of other clients. Past performance is no guarantee of future results.

Clients Served - Senior Living

<p>Birchwood Healthcare Partners Acquisition</p>  <p>Midwest Mezzanine Loan \$1,860,000 January 2024</p>	<p>Assisted Living & Memory Care Community Refinancing</p>  <p>Southeast First Mortgage Loan \$13,750,000 February 2024</p>	<p>Edenwald Predevelopment Financing</p>  <p>Towson, MD Bank Loan \$17,000,000 February 2024</p>	<p>SRMBD Fund I Development</p>  <p>Multiple Locations Equity Investment \$3,045,000 March 2024</p>	<p>Laurel View Village Expansion</p>  <p>Davidsville, PA Taxable Construction Term Loan \$4,300,000 March 2024</p>	<p>Skilled Nursing Facility Acquisition</p>  <p>Southeast First Mortgage Loan \$2,600,000 April 2024</p>
<p>ThriveMore Expansion and Capital Improvements</p>  <p>Multiple Locations, NC Tax-Exempt Bank Loan \$102,000,000 May 2024</p>	<p>Covenant Village Expansion & Capital Improvements</p>  <p>Gastonia, NC Taxable Bank Loan \$39,101,000 July 2024</p>	<p>Phoebe Ministries Refinancing</p>  <p>Multiple Locations, PA Bank Loan \$16,018,000 August 2024</p>	<p>Landis Communities New Money</p>  <p>Lancaster, Pennsylvania Bank Placement of Tax-Exempt Bonds \$24,000,000 August 2024</p>	<p>Rolling Green Village Seed Capital</p>  <p>Greenville, SC Tax Exempt Pre-development Loan \$10,700,000 September 2024</p>	<p>Plymouth Harbor Predevelopment Capital</p>  <p>Sarasota, FL Bank Loan \$17,000,000 October 2024</p>
<p>LifeSpire of Virginia Expansion</p>  <p>Glen Allen, VA Fixed-Rate Bonds \$168,825,000 November 2024</p>	<p>Stonehill Communities Acquisition</p>  <p>Dubuque, IA Taxable Bank Loan \$4,315,000 November 2024</p>	<p>The James P3 Foundation Start-Up Rental Project</p>  <p>Irvine, CA Fixed-Rate Bonds \$473,030,000 November 2024</p>	<p>Lifespace Communities Refinancing & New Money</p>  <p>Mequon, WI Fixed-Rate, Tax-Exempt and Taxable Bonds \$128,940,000 Tax-Exempt \$20,285,000 Taxable December 2024</p>	<p>Cross Keys Village Expansion & Refinancing</p>  <p>New Oxford, PA Fixed-Rate Bonds \$108,490,000 December 2024</p>	<p>Greencroft Communities Acquisition</p>  <p>Savoy, IL Taxable Bank Loan \$15,000,000 December 2024</p>

2024 Senior Living Practice:

In 2024, our clients focused on adapting, prioritizing strengthened core operations and controlled growth. HJ Sims partnered with them to identify strategies that supported their expansion — whether through new campuses, additional locations, or strategic partnerships. Despite continued high interest rates and continued, albeit diminished workforce challenges, our HJ Sims worked with our clients to successfully navigate these conditions to achieve their growth objectives.

We anticipate these trends to continue in 2025. In our opinion, interest rates are unlikely to see a significant decline in the near future, while uncertainties surrounding the market, inflation, and construction costs persist due to policy changes introduced by the new administration.

With for-profit new developments struggling to access capital, we are seeing an increasing number of developers and for-profit providers either forming a non-profit entity or partnering with a non-profit to get their deals done. The tax-exempt markets often allow less equity and lower interest rates. In 2024, HJ Sims was the sole underwriter for the largest non-profit single-site rental start-up senior living community financed in the history with tax-exempt debt. This \$473 million complex financing structure is transformational for our sector. The unique structure will serve as a template for partnerships between non-profit borrowers and for-profit developers and operators, creating a new type of capitalization strategy for senior living communities. In 2025, HJ Sims has already brought two deals to the market with this structure, with several more in the pipeline.

Affiliations, Mergers, & Acquisition Highlights

In 2024, HJ Sims continued to support clients by providing strategic guidance on exploring, financing, and closing mergers, acquisitions, affiliations, and partnerships. Throughout the year, we have been engaged in approximately two dozen strategic advisory projects. HJ Sims brings extensive experience in divesting senior living assets. While some of these assets are distressed, we are increasingly seeing providers pursue divestitures for strategic reasons, such as increasing the number of independent living units by acquiring already-occupied independent living communities or to create a community foundation model from the net sale proceeds. On the acquisition side, we have represented numerous clients — whether for valuations, strategic positioning to enhance their chances of success, or securing financing for the acquisition, in all cases our clients leverage our

expertise to position themselves for a successful acquisition, disposition, or affiliation.

We have frequently been asked to provide board education as it relates to industry trends and affiliations. This is often the first step in helping boards either recognize that they need to partner to grow, or partner to survive and thrive into the future.

At HJ Sims, we see every engagement as more than just a transaction. No matter the nature of the strategic initiative, we prioritize our clients' mission and culture at every step. By combining this client-focused approach with comprehensive board education and engagement, we significantly enhance the potential for long-term success in our clients' strategic efforts.

Other Advisory Engagements

In 2024, HJ Sims worked on a wide variety of advisory engagements including swap advisory and investments of debt service reserve funds (through Guaranteed Investment Contracts). HJ Sims has expanded its client base by welcoming new clients seeking guidance on investor and bank relations during covenant violations and forbearance. Notably, many of these clients turned to HJ Sims for support with forbearance, restructuring, and investor relations assistance even though they had previously worked with other firms for their original debt placement.

2024 Education Practice















The charter school sector reversed a 3-year downward trend in volume, with publicly offered charter school bond volume increasing to \$4.3B, a 48% increase over the previous year. The number of transactions increased to 123, a 24% increase with an average transaction size of \$34.8MM. The HJ Sims Education Team responded accordingly, expanding to 8 professionals and completing 31 transactions for \$668MM, compared to 12 transactions for \$522MM in 2023. In addition to charter schools, The HJ Sims Education team financed several private schools including one private higher education transaction. Given HJ Sims continued expansion of our Private Wealth Management team, the education banking team was able to utilize this unique retail distribution platform to underwrite smaller schools, including start-up, predevelopment and bridge private placements.

The expanded education banking team serves a nationwide client basis with bankers located across the country. HJ Sims is poised for continued growth and an increased commitment to charter and private school financing needs despite several industry headwinds. This included demographic shifts and declining populations in many markets, continued labor shortages, increased credit impairments due, in part, to the expiration of emergency financial assistance (ESSR), and of course, the upheaval of the credit markets due to the municipal bond tax-exemption question and the potential elimination of the Federal Department of Education. Despite these headwinds, we expect another strong year with continued growth in 2025.

Clients Served - Education

<p>Florida Charter Educational Foundation Refinancing</p>  <p>Multiple Locations Tax-Exempt & Taxable Revenue Bonds</p> <p>\$31,025,000 April 2023</p>	<p>Lee County Community Charter School Construction & Expansion</p>  <p>Fort Myers, FL Tax-Exempt & Taxable Bonds</p> <p>\$11,845,000 February 2024</p>	<p>Athlos Academy of Jefferson Parish Lease Purchase</p>  <p>Terrytown, LA Tax-Exempt & Taxable Bonds</p> <p>\$32,115,000 February 2024</p>	<p>Prescott Valley Charter School Lease Purchase & Renovations</p>  <p>Prescott Valley, AZ Tax-Exempt Social Bonds</p> <p>\$11,710,000 February 2024</p>	<p>Ascent Classical Academy Charter Schools Acquisition, Construction, and Refinancing</p>  <p>Lone Tree, Windsor, Grand Junction & Brighton, Colorado Tax-Exempt and Taxable Bonds</p> <p>\$77,515,000 April 2024</p>
<p>Westside Neighborhood School Acquisition and Construction</p>  <p>Los Angeles, CA Tax-Exempt Bonds</p> <p>\$90,000,000 May 2024</p>	<p>Clackamas Middle College Acquisition & Improvements</p>  <p>Happy Valley, OR Tax-Exempt & Taxable Bonds</p> <p>\$32,115,000 May 2024</p>	<p>Brighten Academy Charter School Refinancing</p>  <p>Douglasville, GA Tax-Exempt & Taxable Bank Loans</p> <p>\$9,910,000 May 2024</p>	<p>Heart of Ohio Classical Academy Acquisition & Improvement</p>  <p>Columbus, OH Tax-Exempt & Taxable Bonds</p> <p>\$18,205,000 May 2024</p>	<p>Explore Public Schools Working Capital</p>  <p>Orange County, CA Private Placement</p> <p>\$750,000 June 2024</p>
<p>Wayne S.T.E.M. Academy Capital Improvements and Working Capital</p>  <p>Wayne County, NC Private Placement</p> <p>\$895,000 June 2024</p>	<p>Champion Schools Acquisition</p>  <p>Phoenix, AZ Tax-Exempt Bonds</p> <p>\$16,175,000 June 2024</p>	<p>Academy of Math & Science - Little Rock Refinancing & Construction</p>  <p>Little Rock, AR Fixed-Rate Bonds</p> <p>\$27,000,000 July 2024</p>	<p>Northwestern University Settlement Association Refinancing & NMTC Unwind</p>  <p>Chicago, IL Tax-Exempt Bonds</p> <p>\$8,850,000 August 2024</p>	<p>American Classical Academy Rutherford Acquisition & Predevelopment</p>  <p>La Vergne, TN Tax-Exempt & Taxable Bond Anticipation Notes</p> <p>\$13,980,000 August 2024</p>

Clients Served - Education - *continued*

<p>Vineyard Academy Acquisition and Capital Improvements</p>  <p>Brentwood, CA Fixed-Rate Bonds \$6,165,000 August 2024</p>	<p>Ivy Classical Academy Acquisition & Construction</p>  <p>Prattville, AL Tax-Exempt & Taxable Bonds \$16,875,000 August 2024</p>	<p>Hózhó Academy Predevelopment Bridge</p>  <p>Gallup, NM Sims Private Placement \$1,055,000 September 2024</p>	<p>The Huguen Center (Bob Hope School) Acquisition, Construction, & Capital Improvements</p>  <p>Pasadena and Port Arthur, TX Tax-Exempt Bonds PSF Guaranteed \$20,325,000 September 2024</p>	<p>La Scuola International School Construction Private School</p>  <p>San Francisco, CA Tax-Exempt Bonds \$34,845,000 October 2024</p>
<p>ReThink Forward Acquisition</p>  <p>Nashville, TN Tax-Exempt & Taxable Bonds & Subordinate Bonds \$81,365,000 October 2024</p>	<p>Leadership Prep School Acquisition & Construction</p>  <p>Frisco, TX Tax-Exempt Bonds PSF Guaranteed \$25,495,000 October 2024</p>	<p>Cornerstone Charter Academy Capital Improvements & Expansion</p>  <p>Greensboro, NC Tax-Exempt Bonds \$21,960,000 October 2024</p>	<p>Rider University Working Capital</p>  <p>Lawrence Township, NJ Taxable Bonds \$4,700,000 October 2024</p>	<p>Cincinnati Classical Academy Bridge</p>  <p>Cincinnati, OH Taxable Bonds \$1,500,000 June 2023</p>
<p>Divergent Management Group Working Capital & Improvements</p>  <p>AZ, NM, NV, & TX Sims Private Placement \$2,960,000 October 2024</p>	<p>Integrity Charter School Acquisition & Construction</p>  <p>National City, CA Tax-Exempt Bonds \$24,995,000 November 2024</p>	<p>Hayward Twin Oaks Montessori School Acquisition & Refunding</p>  <p>Castro Valley, CA Tax-Exempt & Taxable Bonds \$21,060,000 November 2024</p>	<p>John Hancock Charter School Acquisition & Refunding</p>  <p>Pleasant Grove, UT Tax-Exempt & Taxable Bonds \$29,435,000 December 2024</p>	



YEAR IN REVIEW **2024**

Sims Mortgage Funding, a subsidiary of HJ Sims, is a HUD-approved lender that finances senior and multifamily housing projects, nursing, assisted living and memory care facilities, and hospitals with FHA-insured mortgage loans.

It was a very good year for business development as we added the following new projects to our deal pipeline:

- Section 202/223(f) Refinance - Illinois
- Section 223(f) Affordable Housing Refinance – Pennsylvania and New York
- Section 242/223(f) Hospital Refinance - Guam
- Section 232/223(f) Bridge-to-HUD – Pennsylvania, California and Iowa
- Section 223(f) Age-Restricted Housing Refinance – Ohio

Our consulting successes led to higher leveraged, expanded opportunities for affordable housing clients – and future loan originations for Sims Mortgage Funding.

- **Phoebe Apartments** – 131 Unit Age-Restricted Community built in the early 1970s; had only 26 Section 8 Project-Based Vouchers
- Original Section 202 Direct Loan matured in January 2024
- Project in need of renovations, repairs and improvements to benefit residents

- SMF recommended pursuing Tenant Preservation Vouchers that led to the award of 96 Vouchers that added Section 8 rent subsidies and rent increases for the 26 in-place units
- Project is now primed to recapitalize to approximately \$10 million for use at the Project and the larger Phoebe organization.

Baptist Home – 100-unit former HUD Section 202 Project refinanced in 2006 and incorporated into an Obligated Group with a large continuing care retirement community (CCRC).

- The Sponsor is looking for ways to finance improvements/expansion to the Project and to generate working capital to promote additional affordable housing development.
- Project had a Section 8 HAP Contract at below-market rents.
- We identified a way to increase revenues through a Mark-Up-to-Market (MUTM) renewal; we prepared the proposal and obtained approval from HUD for higher rents.
- Project's debt capacity has doubled to approximately \$6 million, providing a capital platform for renovations/future development.

We look forward to translating 2024's business and consulting successes into loan closings in 2025 and beyond!



Highlights from the 2025 Late Winter Conference

Our team recently held the 22nd Annual HJ Sims Late Winter Conference in Ft. Worth, TX. This year's topic covered Financing Methods and Operating Strategies for Charter Schools and Senior Living. In addition to thought-provoking speakers, industry experts, and networking opportunities, conference attendees enjoyed various local Ft. Worth activities, such as a Texas Whiskey tour and tasting, a visit to the Stockyards and John Wayne Museum, a pickleball tournament and a round of golf at Cowboy Golf Course.



Reflections and Gratitude

Aaron Rulnick delivered the following remarks at the HJ Sims Late Winter Conference Opening Session after Bill Sims announced his planned transition away from a leadership role in 2025.

It is a privilege to recognize, honor, and thank Bill Sims at our annual Late Winter Conference as Bill steps back from his day-to-day responsibilities at HJ Sims.



I think the image above me is symbolic in many ways. This picture was taken in the summer of 1989 in Manhattan, the year the firm moved its headquarters from the Wall Street area to Westport, CT. Pictured with Bill, are Jon Banton, as well as Anthony Luzzi, who joined Sims in 1983 and later founded our affiliate, Sims Mortgage funding in 1985. Bill, Anthony, and Jon, were the core of the banking team back then, a team that also included one of my mentors, Rod Rolett, who has since retired from HJ Sims, and is in the audience here today as well. The picture represents an important moment in time for our history – a launching point to a new physical location of our firm, but more importantly, a launching point for the growth of the firm to what it is today, which is particularly fitting as we celebrate our 90th anniversary this year.

I first met Bill in late spring of 1997. I was finishing up graduate school and working at AAHSA (now LeadingAge). Bill was in Washington, DC for a meeting with Karen Adams at the AAHSA Development Corp. and mentioned to her that he was looking to hire a new associate. Karen knew that I was interested in an opportunity to work on the finance side of the senior living field after graduate school. Karen introduced me to Bill that day and he interviewed me on the spot. I remember Bill describing a situation where he made a decision that he knew was in the best interest of his client, even at the expense of the firm. While I don't remember the context of Bill's comment, his clarion belief that our clients' best interests always come first inspired me to join HJ Sims – his message still resonates with me over 27 years later. While unfortunately, that mantra is often the exception rather than the norm among firms in the financial services industry, Bill has demonstrated that you can grow a successful company by creating a culture grounded in principled, ethical decision making, and the singular focus on striving to do the right thing for both our clients and our employees. Bill's moral compass is exceptionally strong and serves as a guide for all of us at HJ Sims.

When you are a HJ Sims client or a HJ Sims employee, Bill cares about you like a member of Bill's family. Bill's emphasis on the importance of family is rooted in the firm's history and legacy. Bill's father, Herb, founded the company in 1935, with a \$10,000 loan from his own mother. When the Social Security Amendments of 1965 were passed into law, Herb quickly recognized how Medicare and Medicaid could become payment sources for hospitals and nursing homes to pay the debt service on bonds. Shortly thereafter, HJ Sims became the first investment banking firm to finance a nursing home with tax-exempt bonds.

The firm has experienced its greatest period of growth under Bill's leadership after he joined in 1973, and the firm is poised for future growth and success with Bill's daughter, Izzy, who joined HJ Sims in 2013, and now serves on the firm's executive leadership team. So it is no mystery why Bill has spent his career meeting the financing needs of senior living providers and now charter schools – they are sectors that focuses on serving people and their families, often when they are most vulnerable and in need.

Bill's daughter Izzy shares some personal thoughts:

"I never thought that I would work with my dad. The truth is we are close, and I didn't want to make us each crazy working together. It was only when the firm opened an Austin office that he asked me if I wanted to join. I thought about all of the work stories at the dinner table and site visits disguised as family vacations that I realized that this would be the best career decision ever. The common thread in those memories is of a man who always makes the right and responsible choice for his clients and employees, no matter what. And now I am lucky enough to work at a firm instilled with creativity, positivity and integrity, and it all starts with my dad."

Bill has perpetuated his father's entrepreneurial spirit by devoting his career to broadening access to capital for the benefit of senior living and charter school providers. In 1982, Bill worked with the Maryland legislature to broaden the authorization of the statewide issuing authority to allow the financings of life plan communities. His accomplishments also include being selected as the preferred banking partner by AAHA in 1987, and becoming a founding member of the AAHSA Development Corp.

In the early 1990s, Bill was approached by Standard & Poor's to help develop its criteria to rate senior living organizations which helped promote the credit worthiness of the senior living sector among other key sectors like hospitals and educational institutions. Under the new rating criteria, senior living providers earned greater acceptance among investors directly leading to a lower cost of capital. Bill also recognized early on how individual investors could benefit from investing directly in senior living communities. Bill has educated generations of individual investors on the benefits of earning tax free-income by purchasing tax-exempt bonds issued by senior living providers. As individual investors became more comfortable with investing in the sector and were looking for more yield, Bill helped create new products and investment opportunities, including the formation of HJ Sims' MatchCap program along with the architect of that program, Jeff Sands, in 1996, to fund the seed capital for a start-up life plan community.

And in 2002, HJ Sims participated in its first financing for a charter school. I remember when Bill returned from a site visit to a charter school, he remarked on how different and vibrant the school felt and observed how enthusiastic the students were to be there. Bill recognized early on the synergies that the charter school field brought to our firm, from both an opportunity to grow our banking team and core competencies, as well an opportunity to offer more sector diversification for our investors. Bill has been a strong advocate internally as we have significantly grown and invested in our education practice over the past few years.

Bill, along with our colleague, Jeff Sands, guided the expansion of HJ Sims' private placement platform to include not just seed capital, but bridge financing, subordinate debt, and preferred equity - key financing tools that have enabled our senior living and charter school clients to grow their missions, but have also enabled individual investors to grow their investment portfolios.

Bill is often called upon by organizations seeking his steady counsel stemming from his exceptional reputation, experience, and knowledge. Investors and the media also often seek out Bill's insight.

Bill has a unique historical perspective having witnessed and supported the tremendous growth of both the senior living and charter school sectors, even through the ups and downs of the financial markets, and the intense scrutiny that these sectors have often faced. When the media lambasted nursing homes during the initial spread of the coronavirus, Bill was vocal in their defense. When an article is published critical of charter schools, Bill is quick to expound on their benefits.

Among Bill's many admirable qualities is his humility – Bill prefers to be away from the spotlight, instead steering accolades to the many people who have benefited from his mentorship, and creating opportunities for others to grow and shine. I know he would rather be sitting down below among all of you instead of being up here on the stage. But his many accomplishments are too hard to hide. Bill was honored by Aging in America Inc. in 2005, by The Miriam Osborn Memorial Home Association in 2008, and was inducted into the Continuing Care Hall of Fame in 2021, all for his contributions to the senior living field.

Larry Minnix, the former CEO of LeadingAge sums it up well:

"Bill Sims is the perfect genetic blend of competence in financing, ethical standards, commitment to seniors, and his affability. He has made shelter available for countless older people, many of whom would not have a decent roof over their heads without his life-long hard work."

I would like to end my remarks with a quote from Bill's favorite philosopher, Jimmy Buffet. This quote well represents the ups and downs of the financial markets and the sectors we serve, but also sounds like sound advice that Bill himself would give.

"We got to roll with the punches, play all of our hunches, make the best of whatever comes your way. Forget that blind ambition, learn to trust your intuition - plowing straight ahead, come what may."

With my greatest respect and admiration, I ask that you all please join me now in expressing our collective gratitude and celebrating my mentor, Bill Sims. Thank you.

A30
WESTPORT NEWS, Friday, June 12, 1992

ShopTalk

Westport has many fine businesses—some small—all important in serving the needs of our community. This feature will help you get better acquainted with our local business people and the merchandise or services they offer.

Herbert J. Sims & Co., Inc.—Experts in high-yield, tax-free investments & financial services

Bobbi P. Markowitz
"We know more about municipal bonds than anyone in the state. We also believe that we are one of the best."
—William B. Sims

Herbert J. Sims and Co. is a family owned and operated investment firm which traces its origins to 1933 on Wall Street. Specializing in tax-free municipal bonds, Sims moved its headquarters from New York City to Westport in 1989 where the firm is now conveniently located at 321 Riverside Avenue.

William Sims, president of the firm founded by his father, describes the services which a staff of 25 highly qualified employees and officers extend to clients. "We buy, sell, trade, and invest in tax-free bonds. We evaluate and analyze our portfolio. Our research examines municipal bond credits, call provisions, puts and sinking funds. Our trading makes markets in bonds, and our service includes holdings and safe keeping. We provide a newsletter with updates, offer investment ideas, market strategies, and practical advice."

The highly reputed company maintains a special expertise in tax-free bonds, an expertise that spans well over a half a century.

Mr. Sims, who received his undergraduate education from Yale University and a postgraduate business degree from Stanford, explains the advantage of purchasing tax exempt bonds. "Obviously, what's great about these bonds, is that you don't pay taxes. Our philosophy is to try to maximize the return to any investor within the rating category that they feel comfortable in, be it insured or not."

Along with being a seller of general market tax-free investments, Sims is also the primary underwriters of their own, superior quality bonds. Meticulously researching and providing a detailed prospectus for every investment they underwrite, Sims specializes in bonds issued to finance long-term care facilities, hospitals, retirement centers, bridges, roads and many other worthy projects.

A recent issue which Sims underwrote is a nursing home project affiliated with the parent corporation of Norwalk Hospital. Bill Sims elaborates, "The nursing home is being built on the site of the former Honey Hill Elementary School and was financed with bonds offering tax-free yields as high as 8.70."

Another project in Fairfield is a health care facility

acquired by a non-profit corporation in Bridgeport known as 3000 Park with a tax-free yield of 9 percent. "We underwrite approximately one bond issue a month in addition to offering our customers a wide range of municipal bonds and bond funds all over the eastern half of the country. Since the firm began almost 60 years ago, we've managed three billion dollars worth of underwriting."

A long time resident, Bill Sims explains, "The wonderful thing about a tax-free bond with a good yield is that it pays consistent and gives a steady return throughout the years. A lot of our customers use tax-frees to finance their children's education, and plan for retirement they buy zero coupon tax-frees. These bonds do not pay any interest. Instead, the interest is in effect reinvested automatically and, at maturity, the customers receive a sizable lump sum payment."

Summarizing the discussion, Bill Sims adds, "We take investing very seriously. We've been around a long time and have thousands of customers, many of whom have been with us for decades."

Herbert J. Sims and Company is



William B. Sims, president of Herbert J. Sims and Co.
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Sims is open on Mondays through Fridays from 8:30 to 5:30. Call (203) 221-5000 for expert, tax-free bond information.



YEAR IN REVIEW 2024

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