

Westminster at LakeRidge

Lake Ridge, Virginia

Client Profile: Westminster at Lake Ridge opened in January, 1993 as a continuing care retirement community with the sponsorship of the Ingleside Presbyterian Retirement Community. Westminster is owned by Westminster Presbyterian Retirement Community, Inc., a non-profit organization providing dedicated service to seniors of all religious faiths. Westminster's property comprises 62 acres with tall trees and is ideally located 20 miles south of Washington D.C. The Community consists of 235 Independent living units, 40 assisted living units, 60 skilled nursing beds, a wellness center, community center, and an indoor pool.

Project Overview: In 1996, Westminster management borrowed \$42,195,000 through a tax-exempt, non-rated, fixed rate bond offering to construct a 66,910 square foot addition to its facilities as well as refinance certain existing debt. Market conditions at the time of the 1996 financing resulted in a relatively high interest on these bonds. In 2006, Westminster initiated a refunding of its 1996 bonds (primarily for interest cost savings) and hired Wye River Group to serve as financial advisor for the refunding issue.

Financing Overview: The 2006 refunding bonds were structured as non-rated fixed rate bonds with a 30 year maturity. Due to the cash flow needs of the community, Wye River Group was able to work with Westminster's underwriter to structure its bond issue so that the majority of the debt service savings were fully realized within three years of the refunding issue. Westminster was able to save a total of \$3.6 million upfront (years 1-3) as well as \$66,000 annually over the remaining term of the bonds.



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Current Refunding

\$44,830,000 Fixed Rate Bonds

Wye River Group's services to Westminster over the course of its financing included:

- The delivery of a feasibility assessment for the proposed refunding bond issue
- The development and distribution of a Request for Proposals to qualified investment banking firms to underwrite its financing
- The evaluation of financing proposals and the recommendation of an investment banking firm specializing in non-rated fixed rate bonds for CCRCs
- Support of the selected underwriting firm in the development of bond investor presentations and related discussions
- The negotiation of key terms and structure of the refunding bonds to control costs and maximize debt service savings

Professional Staff

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