

Event Notice
June 22, 2021

Obligated Person:	Lifespace Communities, Inc. (“Lifespace”)
Events Reported:	1. Planned New Money Bond Issue 2. Planned Refunding of Series 2010S Bonds 3. Recent Developments

VOLUNTARY NOTICE IS HEREBY GIVEN to all holders of outstanding bonds secured by payments of Lifespace of the following:

Planned New Money Bond Issue

Lifespace intends to issue several series of fixed or variable rate, tax-exempt bonds to finance various new money project costs (collectively, the “*Series 2021 Bonds*”). Financing proceeds pertain to eight Lifespace campuses, four of which are located in Florida, one of which is located in Illinois, one of which is located in Kansas, one of which is located in Minnesota and one of which is located in Pennsylvania. The overall financing is estimated to entail approximately \$121 million in par amount of bonds (including proceeds to be utilized to refund the Series 2010S Bonds described below) and \$15 million in floating rate notes. It is currently estimated that the financing will close in the third quarter of 2021.

Planned Refunding of Series 2010 S Bonds

In conjunction with the planned issuance of the Series 2021 Bonds, Lifespace intends to use a portion of the proceeds of the Series 2021 Bonds to refund all Kansas Development Finance Authority Revenue Bonds (Lifespace Communities, Inc.), Series 2010S in the original and outstanding principal amount of \$25,685,000 (the “*Series 2010S Bonds*”). The Series 2010S Bonds are subject to optional redemption and payment prior to maturity at any time, on and after May 15, 2020, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date, without premium.

No offer of the Series 2021 Bonds is made by this notice, and nothing contained in this notice obligates Lifespace to issue the Series 2021 Bonds or refund and redeem the Series 2010S Bonds.



Recent Developments

Deerfield and Grand Lodge at the Preserve Transitions. Lifespace recently announced that Immanuel Communities (“Immanuel”), a nonprofit owner and operator of continuing care retirement communities, and Lifespace reached a mutual agreement to transfer ownership and management of Lifespace’s Deerfield and Grand Lodge (“Grand Lodge”) campuses to Immanuel. Deerfield and Grand Lodge are expected to be acquired by Immanuel in the third quarter of 2021 and prior to the planned issuance of the Series 2021 Bonds.

In conjunction with the sale of Deerfield and Grand Lodge, Lifespace anticipates that:

- (1) all outstanding Grand Lodge revenue bonds will be paid in full at the closing of that transaction.
- (2) all outstanding Deerfield revenue bonds held by Lifespace will be cancelled;
- (3) the outstanding Iowa Finance Authority Senior Living Facility Revenue Bonds (Deerfield Retirement Community, Inc.) Series 2014A (the “***Series 2014A Bonds***”) will be advance refunded and defeased to their first optional call date on November 15, 2024, at which time it is anticipated the Series 2014A Bonds will be called for redemption at par plus accrued and unpaid interest thereof; and
- (4) the outstanding Iowa Finance Authority Senior Living Facility Subordinate Revenue Bonds (Deerfield Retirement Community, Inc.) Series 2014B will be redeemed within approximately 30 days after the date of closing of the sale at a redemption price equal to the principal amount thereof plus accrued and unpaid interest thereon to the redemption date.

Acquisition. Lifespace has recently organized a wholly controlled Wisconsin limited liability company for the purpose of acquiring all of the assets associated with a continuing care retirement community located in Wisconsin (the “***Community***”). The Community consists of 159 independent living units, 36 assisted living units, 16 memory support units and 47 skilled nursing beds and associated social, cultural and living amenities. The closing of the acquisition of the Community is expected to occur by the end of June 2021. The Community will not be a Member of the Lifespace Obligated Group, and there are no current plans to add this community to the Lifespace Obligated Group.

Sincerely,

Nick Harshfield
Chief Financial Officer

