

27 OCT 2025

Fitch Rates RiverWoods at Exeter, NH's 2024 Revs 'A-'; Affirms IDR; Outlook Negative

Fitch Ratings - New York - 27 Oct 2025: Fitch Ratings has affirmed RiverWoods at Exeter, NH's Issuer Default Rating (IDR) and rating on the approximately \$39.6 million of New Hampshire Health and Education Facilities Authority (HEFA) tax-exempt revenue bonds, series 2024 (Riverwoods Exeter Project).

The Rating Outlook is Negative.

The affirmation of the 'A-' ratings is supported by RiverWoods at Exeter's strong revenue defensibility as a life plan community (LPC) with a national draw, strong market position and high independent living unit (ILU) occupancy. Despite the sector's inflationary and staffing headwinds, RiverWoods at Exeter's operating performance remains adequate for a Type A contract LPC.

The Negative Rating Outlook reflects uncertainty surrounding the timing and ultimate magnitude of a likely sizable debt issuance to finance RiverWoods at Exeter's anticipated health center repositioning project, which is expected to be a two-phase initiative. The first phase of the project aims to centralize the continuum of care services - assisted living (AL), memory care (MC) and skilled nursing facility (SNF) - into a single healthcare building. Upon completion of the newly constructed health center and transition of healthcare residents to it, the existing three campuses' health center footprints are expected to be reconfigured into 75 additional ILUs and common space in the latter phase of the capital project. RiverWoods at Exeter is yet to pursue presales on the additional ILUs, but Fitch believes the LPC's strong demand profile will allow for successful and timely fill of these units.

RiverWoods at Exeter projects approximately \$108 million and \$60 million of debt for phase one and phase two of the project, respectively. While cost savings and increased efficiency are expected in the long run, the additional debt associated with this project pressures RiverWoods at Exeter's forecast cash to adjusted debt in Fitch's five-year forward look. Fitch anticipates that the additional revenues and cash flow from the new ILUs will allow for balance sheet recovery to levels that remain consistent with the 'A-' rating, factoring in the additional debt for the health center project. However, final project details, including the project timeline, are not yet clear.

The centralized healthcare project has also been delayed from an anticipated early fall 2025 start to a revised timeline targeting late 2026 due to an ongoing lawsuit filed by a group of nearby residents. The group, which includes a small number of RiverWoods residents, opposes the project over its "massive" scale and alleged noncompliance with local zoning laws. The group filed the lawsuit in August 2025 after the town Zoning Board declined to hear their appeal, seeking a court order to compel the Zoning Board to hear the appeal and to prevent the LPC from moving forward with construction. The

RiverWoods Group has stated publicly that it remains confident in the approvals granted by the town of Exeter.

SECURITY

The bonds are secured by a pledge of gross revenue of the RiverWoods at Exeter and a first mortgage lien.

KEY RATING DRIVERS

Revenue Defensibility - 'a'

Excellent Market Position

RiverWoods at Exeter's strong revenue defensibility is supported by demand for its ILUs, with ILU occupancy averaging 97.1% over the last five years. A waitlist with nearly 500 members further highlights the strong demand. Prospective residents on the waitlist put down a 10% deposit on the type of unit they are interested in, which indicates a strong commitment to moving in once a unit becomes available. Census levels within RiverWoods at Exeter's AL and SNF units, which averaged 77.1% and 81.6%, respectively, in fiscal 2025, are in line with sector medians which have been rebuilding since the pandemic.

RiverWoods at Exeter is located in Rockingham County, which has favorable demographics with population growth and median incomes above New Hampshire state figures. RiverWoods at Exeter also has a national draw, with about 32% of ILU residents coming from outside the state in the last fiscal year. This geographic diversity in the resident population insulates RiverWoods at Exeter from changes in the local market and further supports the strong revenue defensibility. Overall, resident wealth and income levels are consistent with unit pricing, and RiverWoods at Exeter has consistently raised rates.

Although RiverWoods at Exeter is a single-site LPC, it is an obligated group (OG) within the RiverWoods Group. This allows RiverWoods at Exeter to benefit from economies of scale that are tantamount to those of a multi-campus system.

Operating Risk - 'bbb'

Solid Operations, Large Capital Project Planned

Fitch's midrange operating risk assessment is based on RiverWoods at Exeter's operating performance over the last five fiscal years, which is consistent with Fitch's expectations for a Type A lifecare contract provider. The community has historically maintained an adequate operating performance with an operating ratio and NOMA that averaged 98.7% and 17.9%, respectively, over the last five fiscal years. This includes an operating ratio of 89% in fiscal 2025, which is buoyed by \$5.4 million in Employee Retention Credit (ERC) receivables.

Fitch treats ERCs as "other operating revenue," but notes that the credits are one-time in nature. Fitch

expects this level of performance to continue driven by strong ILU demand, good cost management, a track record of regular rate increases, and improved operating performance in the ALU and skilled nursing areas.

RiverWoods at Exeter anticipates a debt issuance in late 2026 along with the start of construction for the health center repositioning project. As currently configured, all three levels of care are provided within The Boulders, The Ridge and The Woods campuses. Phase one of the project will reposition the continuum of care in a more contemporary building in order to realize greater operational efficiencies, and phase two will convert the vacated rooms from each of the three campuses into ILUs (75 units total). Phase one and phase two are estimated to cost \$108 million and \$60 million, respectively.

Approximately \$59 million in initial entrance fees is expected to be collected from the new ILUs, of which RiverWoods at Exeter expects to apply approximately \$47 million toward debt repayment. Pro forma capital-related metrics remain consistent with the midrange assessment even after considering the additional debt associated with the anticipated health center repositioning project.

Capex averaged a solid 128.2% of depreciation over the last five years, consistent with the midrange assessment. RiverWoods at Exeter is refreshing its 15-year-old Boulders campus main building in three phases, beginning in fiscal 2026. Phase one is expected to finish in early 2026 before the second phase begins. The project aims to modernize the building, with exterior painting, new common-area carpeting, refreshed interiors with paint and wallpaper, upgraded furniture, and select structural changes. A similar renovation project was completed at the Ridge campus in 2023.

Financial Profile - 'bbb'

Greater Leverage in Financial Profile

In the context of its strong revenue defensibility and midrange operating risk assessments, Fitch assesses RiverWoods at Exeter's financial profile at 'bbb' reflecting the high likelihood of an additional \$168 million of debt being issued for its health center repositioning project in the late 2026. As of fiscal YE 2025, RiverWoods at Exeter had \$93.2 million of unrestricted cash and investments, representing cash to adjusted debt of 219%. Fitch views the tentative capital project as accretive and positive in terms of cash flow generation, but expects cash to adjusted debt to remain within the midrange financial profile assessment for several years.

RiverWoods at Exeter had 777 days cash on hand as of fiscal 25, which is neutral to Fitch's assessment of its financial profile.

Sizable transfers of cash and investments to Riverwoods Group, the parent, has in the past been a credit concern and has affected Riverwoods at Exeter's financial profile. Updated in 2024, the asset transfer methodology is now contingent upon continued re-occupancy of ILUs for all three of its market rate LPCs, including RiverWoods at Exeter. The yearly system development fee is based on a percentage of entrance fees, so a transfer need not take place if there are no move-ins to the RiverWoods at Exeter community. Fitch believes this more transparent system development fee is not expected to materially impact RiverWoods at Exeter's financial profile assessment.

Asymmetric Additional Risk Considerations

No asymmetric risks informed the rating assessment outcomes.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

-- Moving forward on a project debt issuance such that cash to adjusted debt is expected to stabilize below 100%;

-- A sustained deterioration in MADS coverage below 1.2x;

-- Financial performance weakening with the operating ratio stabilizing at above 105% or a sustained decline in

NOMA below 11%.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

-- Positive rating action unlikely pending completion of the capital projects.

PROFILE

Located in Exeter, New Hampshire, RiverWoods at Exeter is a type-A continuing care retirement community with 393 IL units, 71 AL units and 8 SNFs, along with 70 nursing beds with an AL license across three campuses: The Woods, The Ridge, and The Boulders. Total operating revenue was \$52.8 million in fiscal 2025.

The RiverWoods Group is the parent company and sole member of RiverWoods Exeter. Other subsidiaries of the parent include Birch Hill (dba Riverwoods Manchester) and RiverWoods Durham (Durham). Analysis is based solely on RiverWoods at Exeter. However, Fitch monitors activity between the parent and its subsidiaries.

Sources of Information

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from DIVER by Solve.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG Considerations

RiverWoods at Exeter (NH) has an ESG Relevance Score of '4' for Group Structure due to asset transfers to the parent, which has a negative impact on the credit profile, and is relevant to the rating[s] in

conjunction with other factors.

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

Fitch Ratings Analysts

Koorosh Nabatian

Analyst
Primary Rating Analyst
+1 212 612 7740
Fitch Ratings, Inc. Hearst Tower 300 W. 57th Street New York, NY 10019

Gary Sokolow

Director
Secondary Rating Analyst
+1 212 908 9186

Margaret Johnson, CFA

Senior Director
Committee Chairperson
+1 212 908 0545



Media Contacts

Cristina Bermudez







New York
+1 212 612 7892
cristina.bermudez@thefitchgroup.com

Rating Actions

ENTITY/DEBT	RATING	RECOVERY	PRIOR	
RiverWoods at Exeter (NH)	LT IDR	A- 	Affirmed	A- 

ENTITY/DEBT	RATING	RECOVERY	PRIOR
<ul style="list-style-type: none"> RiverWoods at Exeter (NH) LT /General Revenues/ 1 LT 	A- 	Affirmed	A- 

RATINGS KEY OUTLOOK WATCH

POSITIVE		
NEGATIVE		
EVOLVING		
STABLE		

Applicable Criteria

[U.S. Public Finance Not-For-Profit Life Plan Community Rating Criteria \(pub.21 Feb 2025\) \(including rating assumption sensitivity\)](#)

[U.S. Public Sector, Revenue-Supported Entities Rating Criteria \(pub.10 Jan 2025\) \(including rating assumption sensitivity\)](#)

Applicable Models

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Portfolio Analysis Model (PAM), v2.0.1 [\(1\)](#)

Additional Disclosures

[Solicitation Status](#)

Endorsement Status

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. ESMA and the FCA are required to publish historical default rates in a central repository in accordance with Articles 11(2) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 and The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 respectively.

Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts

of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Fitch also provides information on best-case rating upgrade scenarios and worst-case rating downgrade scenarios (defined as the 99th percentile of rating transitions, measured in each direction) for international credit ratings, based on historical performance. A simple average across asset classes presents best-case upgrades of 4 notches and worst-case downgrades of 8 notches at the 99th percentile. For more details on sector-specific best- and worst-case scenario credit ratings, please see [Best- and Worst-Case Measures](#) under the Rating Performance page on Fitch's website.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001. Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

dv01, a Fitch Solutions company, and an affiliate of Fitch Ratings, may from time to time serve as loan data agent on certain structured finance transactions rated by Fitch Ratings.

Copyright © 2025 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.

Endorsement policy

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.