



CAMBRIDGE

Senior Housing & Healthcare Capital

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PRESS RELEASE

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CAMBRIDGE NOT A ONE-TRICK PONY, CHAIRMAN SAYS

In a decade marred by over-building and credit woes the management team at Cambridge Realty Capital Companies made a critical strategic move.

"We decided to focus our energies exclusively on the senior care industry," Chairman Jeffrey A. Davis explains.

Cambridge was founded in 1983 and during the decade of the 1980s financed commercial real estate transactions of all kinds. Andy Erkes joined the company in 1985 and added his extensive experience in working with government funding programs to the company's corporate skill set, initially concentrating on funding multifamily apartment buildings.

Mr. Davis says the management team's decision to make a course-correction in the mid-1990s turned out exceedingly well. Cambridge today is one of the nation's leading senior housing/healthcare lenders, closing more than 450 conventional and HUD 232 loans totaling more than \$4.5 billion. The company has consistently ranked among the leading FHA-approved lenders in the country.

"Because of the success we've had underwriting these loans some tend to think of Cambridge as strictly a debt financing company. But we're not a one-trick pony.

"More accurately, we should be viewed as a merchant banking firm that is able to offer owners both debt and equity funding strategies," he said.

He points out that during the 1980s the company participated as a principal in the ownership and development of both office and industrial buildings.

"We were involved in joint ventures or partnerships with experienced owner/operators or builder/developers, and were totally focused on creating the right capital structure for these transactions. This experience proved invaluable when the focus changed and our business model shifted to exclusively accommodate the senior housing/healthcare segment in the 1990s.

Mr. Davis says Cambridge Investment and Finance Co., LLC, was created to explore investment opportunities in the senior housing/healthcare area. Initial efforts targeted underperforming properties with turnaround potential.

With a joint venture partner in 2002 Cambridge purchased a 197-unit independent and assisted living community in Memphis, Tenn. The property had been repossessed by its institutional owner when the developer filed for bankruptcy. Following restoration and a return to profitability Cambridge sold its interests in the property to its joint venture partner in 2004.

Since then, the Cambridge Investment and Finance subsidiary has gone on to acquire 16 properties with a current combined value of \$100 million, Mr. Davis said.

"This experience has given us a far greater understanding and awareness of ownership issues. Senior housing/healthcare property owners shouldn't hesitate to call on us for assistance whatever their capital needs might be," he said.

Privately owned since its founding in 1983 as a real estate investment banker specializing in commercial real estate properties, Cambridge today has three distinctive business units: FHA-insured HUD loans, conventional financing, and investments and acquisitions. The company is one of the nation's leading senior housing and healthcare debt and equity capital providers, with more than 400 closed senior housing transactions totaling more than \$4.5 billion since the early 1990's, when the firm began its specialization in providing senior housing capital.

Cambridge has consistently ranked among the country's top five FHA-insured HUD lenders (now HUD Lean) over the last 15 years and offers an array of conventional lending options, including permanent construction and interim loans on either a floating or variable rate basis. The company's principal investment strategy includes direct property acquisitions, joint ventures and sale/leasebacks. The company has acquired 16 facilities totaling approximately \$60 million.

Cambridge is the creator of *The Signature Experience*™, a four-step process designed to transform the traditional lender/borrower relationship and identify "ideal" capital solutions for worthy projects. The company has a national origination office in Los Angeles, and numerous correspondent and brokerage relationships nationwide.

Cambridge publishes the bi-monthly Capital Wisdom(R) electronic newsletter, which delivers company news and feature stories via e-mail to corporate friends and clients as well as monthly updates of other relevant news and breaking trends. Additional information is available on the Cambridge website, www.cambridgecap.com, and Cambridge can be reached at (312) 357-1601 or via e-mail to info@cambridgecap.com. The firm also has embraced social media and networking via Twitter at <http://twitter.com/cambridgecap>, via Facebook at <http://www.facebook.com/cambridgecap>, via blog at www.cambridgecap.com/blog and via LinkedIn at <http://www.linkedin.com/companies/454232>, where information on the firm and its employees can be found.

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