



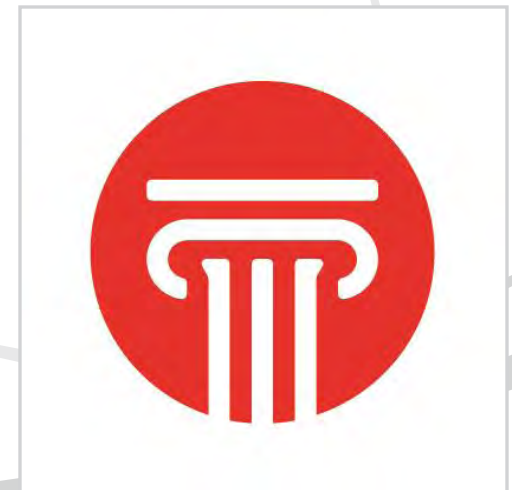
CAMBRIDGE

Senior Housing & Healthcare Capital

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Cambridge's Mission Statement



Combining our vast industry knowledge & capital markets expertise, we at Cambridge provide proven debt and equity financing solutions to senior housing owners and investors.



CAMBRIDGE

Senior Housing & Healthcare Capital

Cambridge Experience = Your Advantage



- Jeffrey A. Davis founded Cambridge in 1983.
 - **Cambridge has conducted over 620 financial transactions**
- Andrew Erkes, partner, joined the firm in 1984 - His expertise is HUD financing.
 - **Cambridge has closed almost 500 HUD loans**
- Since 1991 Cambridge has focused exclusively on senior housing. We have emerged during the last 20 years as one of the nation's preeminent debt and equity financing firms dedicated to senior housing and healthcare properties.

- **Nursing Homes**
- **Assisted Living**
- **Memory Care**
- **Independent Living**
- **Senior Apartments**



Cambridge History = Your Advantage



- Our HUD senior housing lending group has been among the top 5 HUD senior housing/healthcare lenders for the last 15 consecutive years.
- We have specialized groups in government lending (HUD 232 LEAN, HUD 242) and conventional financing programs.
- We are not a bank or an insurance company. We are privately owned. This allows us to constantly update our programs in a timely fashion and precludes getting bogged down in bureaucratic issues.
- Our ownership structure eliminates any Dodd-Frank requirements; hence, a much simpler form of doing business.



Cut the Red Tape



Cambridge has intentionally remained an entrepreneurial organization. With reduced overhead and smaller head count than many of our competitors, we pass along interest rate savings and fee savings to our clients.



Less RED TAPE = More savings passed directly on to you

Our Focus On You



- Long-term financial stability
- Growth and expansion
- Conventional financing
- Rehab and modernization

Cambridge is uniquely positioned to help you achieve your strategic goals:

- **FHA-Insured HUD loans:** Providing capital using HUD credit enhancement insurance.
- **Conventional Financing:** Facilitate conventional financing or Bridge Loans via our Signature Bridge Loan Program.
- **Investments and Acquisitions:** Senior housing principal acquisition, joint venture, debt, and creating operating leases for nursing home owner/operators.

Focused on Senior Housing



Since 1991

We Work With You



Throughout the last 30+ years one of the questions we've heard most often is:

“Who have you worked with in the past?”

- **We've completed over \$4.5 billion of all types of senior housing transactions, in 650 separate buildings, so not much surprises us.**
- **All types of owners and operators, both single facility owners and major, 100+ facility owners.**
- **All types of ownership structures: public, private, family structures and entrepreneurial.**

Focused on



You

We Work With You



Throughout the last 30+ years one of the questions we've hear most often is:

“Who have you worked with in the past?”

- **We know and like both small and large facilities. No deal is too big for us.**
- **We have tremendous ability to access capital, both debt and equity.**
- **We work in both major markets and other markets.**
- **We have purchased and/or financed facilities from 20 units up to several hundred units.**
- **Our systems and structures scale to any type of facility.**

Focused on



You

Cambridge Capital Programs



- Cambridge has three primary senior housing and healthcare debt and equity financing programs.
- We have funded and closed over 400 senior housing and healthcare financings totaling in excess of \$4.5 billion.
- The specifics of the senior housing transaction determine the Cambridge deal pricing and strategy.

HUD 232, HUD 232/223(f) and HUD 242

Single Facility & Multi-Facility Conventional Financing

Equity Financing, Joint Venture or Sale / Leasebacks

Senior Housing / Healthcare Capital HUD 232/223(f) LEAN Loan Program for Refinance or Acquisition



- LOAN AMOUNT:** \$3,000,000 to No Maximum
- PROPERTY TYPES:** Senior Housing / Long-Term Care
Nursing Homes - Skilled and Intermediate Care
Assisted Living Facilities
Board and Care Facilities
Personal Care Homes
- FOOTPRINT:** Nationwide
- CURRENT RATES:** Based upon current market rates
- TERM AND AMORTIZATION:** Up to 35 years
- TYPES OF LOANS:** Refinance without Rehabilitation
Refinance with Rehabilitation
Acquisition with Rehabilitation
Refinance existing FHA loan (223(a)(7))
Refinance with Expansion



HUD Deal Snapshot



Details:

- HUD 232/223(f)
- \$90,600,000
- 10 Facilities
- 1,488 Beds
- 65 Units

Client:

Granite Portfolio

Location:

Illinois

Challenges

- Short time under current ownership
- Facilities held special licensure and Medicaid rate structure
- Planned Medicaid rate increase would increase value of portfolio significantly

Cambridge Solution

- Pay off seller mortgage, refinancing 100% of all debt and capital improvement funds
- Underwrite Medicaid rate increase and higher valuation
- Non-recourse mortgages that never have to be refinanced

Client Outcome

- Sustainable, low-interest debt service for the portfolio with one lender
- Sold properties with an assumption of the HUD mortgage debt, creating a capital event

HUD Deal Snapshot



Details:

- HUD 232/223(f)
- \$4,000,000
- 1 Facility
- 55 Units

Client:

VIP Care Pavilion

Location:

Florida

Challenges

- Lack of HUD 232 LEAN Insurance requirements
- Physical plant/bathroom requirements – State of FL vs HUD 232 LEAN
- Account Receivable Payment Conflict

Cambridge Solution

- Obtained waiver for professional liability insurance requirement; saving the borrower significant costs
- Obtained waiver from ORCF for facilities' bathroom since setup conformed to State of FL requirements
- Introduced borrower to financial institution that would accommodate HUD 232

Client Outcome

- HUD loan was closed with a historic low rate

Senior Housing / Healthcare Capital

Conventional Financing

Refinance of Nursing Homes or Assisted Living Facilities



LOAN AMOUNT: \$5,000,000 or greater

PROPERTY TYPES: Nursing Homes – Skilled and Intermediate Care
Assisted Living Facilities
Independent Living Facilities

FOOTPRINT: Nationwide

CURRENT RATES: Current market rates

TERM: 3 Years to 10 Years

AMORTIZATION: 20 Years to 30 Years

TYPES OF LOANS: Refinance, Acquisition, Renovation or Expansion



Conventional Deal Snapshot



Details:

- Conventional Loan
- \$65,000,000
- 10 Facilities
- 914 Beds

Client:

Premier Healthcare

Location:

Ohio

Challenges

- Several of the facilities were facing immediate challenges:
 - One facility was on the special focus facility list and was not on the “facilities that improved list”
 - Two leasehold facilities were in transition to new tenant with no operating history to show for new tenant
- Borrower was desirous of construction capital to significantly improve two facilities
- Strict deadline for closing date; if not met, deal may not have closed

Cambridge Solution

- Introduced qualified lender to borrower and obtained term sheet for borrower that “made sense” and met borrower’s needs
- Structured in excess of \$10,000,000 of new capital improvement funds
- Guided borrower through loan process the entire time

Client Outcome

- Fulfilled borrower’s loan request
- Transaction closed by deadline

Conventional Deal Snapshot



Details:

- Conventional Loan
- \$10,300,000
- 4 Facilities
- 265 Beds
- 115 Units

Client:

Diakonos Portfolio

Location:

Oklahoma

Challenges

- Borrower had a short turnaround time since the acquisition of property
- Significant cash-out was requested by the borrower
- Conventional loan needed to be structured for future HUD takeout

Cambridge Solution

- Introduced qualified lender to borrower and obtained terms the borrowers requested
- Secured a financing solution that would answer both short-term and long-term financing needs
- Significant cash-out allowed client to continue to grow their business

Client Outcome

- Fulfillment of borrower's wish list
- Worked with both the conventional lender and in-house HUD team to ensure deal could take advantage of future HUD program

Senior Housing Healthcare Acquisitions



PURCHASE AMOUNT: \$2,500,000 to \$250,000,000

PROPERTY TYPES: Multi-Facility Portfolios Preferred
Congregate Apartments
Multi-Level Facilities
Assisted Living Facilities
Memory Care Facilities
Nursing Homes
Skilled and Intermediate Care

FOOTPRINT: Nationwide

HIGHLIGHTS: 100% Interest
Incentive management contract for AL, IL & ALZ
Operating leases available
Cambridge will purchase the facility and lease directly to operator
Ideal for operators looking to maximize working capital



We have tremendous ability to access capital, both debt and equity.



Acquisition Deal Snapshot



Details:

- Conventional Loan
- \$22,700,000
- 4 Facilities
- 303 Units
- 444 Beds

Client:

SunRidge Portfolio

Location:

El Paso, Texas

Cambridge Perceived Opportunity

- Pricing at \$75k per licensed unit was aligned with average values
- Cash-flowing properties would support debt service and obtain non-recourse first mortgage
- Upside occupancy potential to improve value and achieve high return on equity
- Ability to improve management intensity at properties by using more localized management

Cambridge Solution

- Cambridge planned Texas-centric management strategy with single regional manager based in El Paso.
- Management is provided by 12 Oaks Senior Living, an experienced management company that owns and manages properties throughout Texas













Client Outcome

- SunRidge is the largest senior housing provider in the El Paso market
- Performance has exceeded projections



YouTube

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What are “they” saying?



“If Cambridge is presenting their acquisition deal or loan, it’s like being introduced to the funding process by an old friend as opposed to someone off the street.

If Cambridge says the deal has merit, this means something to capital sources.”

~ Jerry Nudo, Partner; Marc Realty

“The company has enjoyed success because it is driven by a desire to close transactions and not just to earn a fee. Setting realistic expectations, building relationships and treating people fairly is what Cambridge is all about.”

~ Andrew Delman, Owner; National Preservation Housing Partners

“Cambridge’s principal owners and staff are exceptionally knowledgeable, professional and experienced and never did anything to make me doubt I would get a positive outcome. If anything, the company under-promised and over-delivered.”

~ Arnie Goldberg, SNF owner

“Cambridge thoroughly studied our situation and could see and trust our story. The company is one of the nation’s leading HUD 232 lenders and was able to arrange a bridge loan with GE Capital with the idea that this loan would be converted to permanent HUD Lean financing at a later date.”

~ Scott Pilgrim, CEO; Diakonos Group LLC

“It was a complex deal with a lot of moving parts, but Cambridge made it look easy. It was surprising how quickly the deal came together.”

~ Chris Hyldahl, Senior Managing Director, Founding Partner; Blueprint Real Estate Healthcare Advisors



www.cambridgecap.com



PulsePoints Blog: Offers timely information on all areas of senior housing finance!

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