



CAMBRIDGE

Realty Capital Companies

125 SOUTH WACKER DRIVE | SUITE 1800 | CHICAGO, IL 60606 | M 312-357-1601 | F 312-357-1611
WWW.CAMBRIDGECAP.COM

PRESS RELEASE

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SMALLER BANKS MORE AGGRESSIVE LENDERS IN COMMERCIAL REAL ESTATE MARKETS, SURVEYS SHOW

According to PulsePoints blog post on the Cambridge Realty Capital Companies website, smaller banks were more aggressive lenders than larger banks last year, but larger institutions have apparently begun to loosen lending standards in an effort to make up for lost time in an improving economic climate.

"The Federal Reserve Board reports the loan books for the largest 25 financial institutions were generally stable last year, while the loan books for small banks grew by 4.8 percent. However, analysts believe smaller banks were more aggressive with commercial and industrial loans, which grew by 8 percent last year," said Cambridge Chairman Jeffrey A. Davis.

Cambridge is one of the nation's leading senior housing/healthcare lending specialists, offering borrowers FHA-insured HUD loans and loans from conventional sources. Davis says the apparent reasons for the disparity between large and smaller banks are the less stringent standards adopted by smaller banks, including lower loan pricing and the willingness of some small banks to accept weaker loan covenants.

Competition has been the driving force pushing small bank lenders. Now, Davis says, a survey from the U.S. Office of the Comptroller confirms that larger U.S. banks have begun to loosen their lending criteria as well.

"Larger financial institutions are taking this action because the country's positive economic outlook has made them more optimistic about being repaid in full on their loans. They are dealing with increased competition from smaller banks and other financial firms and are trying to offset losses in revenue from a decrease in refinancing activity," he said.

"The good news for senior housing/healthcare borrowers is that increased competition between lenders could positively impact borrowing costs in the months ahead," 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 nursing home, [assisted living](#) and healthcare debt and equity capital providers, with more than 400 closed 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 and joint ventures, sale/leasebacks, conventional and mezzanine debt financing, and the acquisition of distressed debt.

Cambridge is the creator of *The Signature Experience(TM)*, 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 e-PULSE!(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](tel:(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, via YouTube at <http://www.youtube.com/user/ePulseLive>, 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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Contact:

Evan Washington

Phone: [\(312\) 521-7610](tel:(312)521-7610)

Fax: (312) 357-1611

E-Mail: ew@cambridgecap.com