



# CAMBRIDGE

*Senior Housing & Healthcare Capital*

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## PRESS RELEASE

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### CAMBRIDGE CLIENTS THRIVE IN AN INCREASINGLY COMPETITIVE AND UNCERTAIN INDUSTRY

Between 1999 and 2008, Medicare and Medicaid-based nursing facilities had a dismal closure rate. According to data obtained by the American Association for Long Term Care Insurance, "11 percent of stand-alone nursing homes (1,776) and almost half (1,126) of all hospital-based nursing homes in the country shut their doors. Together, they represented a loss of 16 percent of all Medicare/Medicaid-certified nursing homes and nearly 97,000 — or more than 5 percent — of nursing home beds." (<http://www.aaltci.org/news/long-term-care-insurance-news/nursing-home-closures-hit>)

Things haven't improved much since 2008. Nursing homes continue to close down across the US each week, including one in Florida in October of 2017. It was the same facility that saw 12 residents die after Hurricane Irma hit. The aftermath of the hurricane and the subsequent facility closure led to the displacement of more than 140 patients.

Fortunately, hurricane-related nursing home closures are rare, since catastrophic hurricanes are rare. The 2017 hurricane season was an anomaly that would have been hard to predict, and its impact is still reverberating in the communities it affected. However, the bigger threat to the long-term viability of nursing homes is the state of the Medicare and Medicaid system, according to Cambridge Realty Capital Companies Chairman Jeffrey Davis. "It is one of several risk factors facing operators of nursing home facilities," Davis notes. "Some risks, like interest rates, can be controlled." Others, like Medicare and Medicaid for skilled nursing facilities, can only be mitigated through savvy business practice, staying informed, keeping a pulse on the political climate and a maintaining and ongoing commitment to residents and patients.

With so many nursing facilities coming to an untimely demise, what is it about Cambridge's operators that make them successful? "It comes down to working with a lender with an intimate and thorough understanding of the senior housing and nursing care industry that can only be gained through decades of experience," Davis emphasizes. Not only does Cambridge the company have more than three decades of industry experience behind it, it also has the combined experience of more than 15 staff members, some of whom have been with the company since its earliest years. This experience puts Cambridge in an elite class of financial providers

"We constantly analyze the market. We familiarize ourselves with the rules and regulations in all fifty states. We have a staff with a wide cross section of skill sets. We work harder, but more importantly, we work smarter," Davis affirms. "All of this makes us better able to identify the risk factors, both controlled and uncontrolled, and then devise risk-mitigation strategies that fit both the borrower's needs and budget and also meet the lender's requirements."

Fortunately, Cambridge's clients have access to a diverse selection of loan products. For many of them, the best solution is a HUD Lean loan, a product Cambridge has come to specialize in. However, Cambridge also recognizes that even the government-insured HUD loan isn't the answer for everyone. By

identifying and analyzing risk factors and then helping clients find the ideal funding solution, whether via HUD, a conventional loan, or sale/leaseback, Cambridge helps to lay down a path for operational success.

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*<sup>™</sup>, 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](http://www.cambridgecap.com), and Cambridge can be reached at (312) 357-1601 or via e-mail to [info@cambridgecap.com](mailto: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](http://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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