



CAMBRIDGE

Senior Housing & Healthcare Capital

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PRESS RELEASE

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FED CHAIRMAN ADDRESSES LAWMAKERS ON POLICY GOALS

The U.S. economy may have a couple of targets pinned on its back, but at least the nation's Central Bank isn't giving up on the U.S. recovery just yet.

Tightening financial conditions and uncertainty over China are bothersome, and stock investors clearly have the jitters. But at her recent semi-annual appearance before U.S. lawmakers, Fed Chair Janet Yellen said that chances the Fed will reverse the rate tightening cycle it began in December are slim.

In prepared remarks, she acknowledged that a series of global problems have grown worse since the Fed raised interest rates from near zero in December. These developments, if they prove persistent, could weigh on the outlook for economic activity and the labor market in the U.S., she admitted.

"But I think we want to be careful not to jump to a premature conclusion about what's in store for the U.S. economy. I don't think it is going to be necessary to cut rates," she said.

The Fed Chair said she expected continued U.S. growth that will allow the Fed to pursue its plan of gradual rate hikes. But she emphasized the process is not on automatic pilot, and said the markets will need to stabilize more before we see any additional rate hikes this year.

Cambridge Realty Capital Companies Chairman Jeffrey A. Davis says the message for senior housing/healthcare borrowers is as clear as it's going to get. The Fed remains committed to returning interest rates to more normal levels but will keep a close eye on inflation and other economic indications.

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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