



# CAMBRIDGE

Realty Capital Companies

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## PRESS RELEASE

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### HUD'S QUEUE IS DEAD!

The long wait is over.

Those who remember the long queues that awaited senior housing/healthcare borrowers hoping to refinance real estate property with HUD Section 232 financing will be pleased to learn the infamous queue no longer exists, says Cambridge Realty Capital Companies Chairman Jeffrey A. Davis.

"Going back only 24 to 36 months ago, it could take a year or more to have a HUD application picked up by an underwriter. And as many as 300 applicants would be waiting in line.

"Today, on average, there may be 10 applicants awaiting their turn and the average time it takes for an underwriter to lay eyes on the application is about one month or less," he noted.

Cambridge has consistently ranked among the nation's leading FHA-approved HUD Section 232 lenders. Over the past 20 years the company has closed more than \$4.6 billion in senior care loans.

Davis says FHA-insured HUD Lean loans have remained popular with borrowers because these fully-amortized, up to 35-year term loans offer up to 80 percent loan-to-value for a refinanced HUD mortgage - and up to 85 percent loan-to-value when funding a not-for-profit business. The loans are fully assumable and non-recourse, which means the borrower has no personal liability for the debt.

An important advantage over conventional financing is that HUD borrowers are not required to refinance and make a balloon payment after five years, as most conventional loans require. So HUD borrowers can take advantage of today's low rates and not worry about having to refinance five years later when interest rates may be much higher than they are today.

Also important for borrowers to realize is that, in certain situations HUD is more flexible today than in the past. "The agency understands the realities of doing business in the current economic climate and might favorably consider situations it most likely would have passed on in the past," Davis said.

For example, a late loan payment due to slow Medicaid payments from the state might be excusable. Or HUD might more readily work with the owner whose situation requires the repositioning of a property in the marketplace, or calls for improvements that will temporarily disrupt cash flow, he added.

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](http://www.cambridgecap.com), and Cambridge can be reached at [\(312\) 357-1601](tel:3123571601) 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), 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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