



CAMBRIDGE

Senior Housing & Healthcare Capital

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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HURRICANE HARVEY DISPLACES THOUSANDS OF VULNERABLE TEXAS SENIORS

The days following Hurricane Harvey were surreal, with shock shielding many Texans, for a few days at least, from the nightmares that would come after. It is estimated that some 30,000 people in Houston alone were rendered homeless after the storm.

While this is devastating for everyone affected, there is a special kind of uncertainty reserved for frail, vulnerable and low income seniors living in one of the 135-plus senior facilities that was damaged or destroyed by the storm. The roof of one senior housing complex in Rockport collapsed, resulting in a number of injuries. Seniors in a nursing home in Dickinson were left stranded when water swept into the facility. Disturbing photos of the incident show elderly residents, several in wheelchairs, sitting waist-deep in flood waters before finally being rescued by the National Guard via helicopter.

The Houston Housing Authority (HHA) scrambled to figure out how to temporarily house thousands of residents of its 25 affordable housing developments, all of which received moderate to extensive damage. A significant number of these displaced people are seniors. The bigger question on many people's minds is whether these low-income citizens will have a place to go back to and how long it will take for public housing units to be restored to livable again. Concerned Texans point to public housing that was damaged or destroyed in New Orleans after Hurricane Katrina, some of which was never rebuilt. Thousands of affordable housing units disappeared in New Orleans simply disappeared. Low-income Texans and affordable housing advocates cannot help but wonder whether the same thing might happen in Texas, particularly in urban areas like Houston.

In spite of horror of the storm and the confusion and sadness that followed, not every Hurricane Harvey story is a sad one. After ensuring the residents in its Houston area senior facilities were safe and cared for in the face of the storm, Capital Senior Living threw open the doors of its other Texas facilities, approximately 32 in total, and offered to shelter seniors from other facilities displaced by the hurricane. "As a Texas-based company, we need to do our part and help our neighbors," said Lawrence Cohen, Chief Executive Officer of Capital Senior Living.

It is the kind of community and generosity that Cambridge Realty Capital Companies Chairman Jeffrey Davis finds heartwarming. "This is the kind of spirit that demonstrates a commitment to the senior population that goes beyond operating a business."

As for questions of rebuilding and repairing damaged facilities, only time will tell how hurricane-displaced seniors in Texas will fare and what, if any, impact the disaster will have on interest rates, notes Davis. As of its July meeting, the Fed indicated that it did not see a hike in interest rates before the end of 2017. When Hurricane Harvey hit, it fueled speculation that the Fed may change its collective mind.

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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Contact:

Evan Williams

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

Fax: (312) 357-1611

E-Mail: ew@cambridgecap.com