



CAMBRIDGE

Senior Housing & Healthcare Capital

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PRESS RELEASE

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THOROUGH UNDERSTANDING OF STATE REGULATIONS KEY TO BUILDING NEW SENIOR HOUSING FACILITIES, SAYS CAMBRIDGE FOUNDER

The Empire State is known to be one of the hardest markets to break into when it comes to new senior housing builds, although it is certainly not due to lack of need, particularly for low to moderate-income seniors. In 2016, the number of people waiting for affordable senior housing was estimated to be approximately 200,000. The average individual wait time is a disheartening seven years. Some have reported waits of up to ten years. According to advocacy groups like LiveOn NY, a non-profit group representing New York seniors and their caregivers, such waits are simply unacceptable.

Part of the problem is New York's reputation for being a state fraught with tight regulations and a vernacular that is quite distinctive from many other states, at least when it comes to building and development. "For one thing, New York doesn't have 'assisted living' facilities. In fact, it doesn't have a 'senior' facility category at all," says Cambridge Realty Capital Companies' founder and Chairman Jeffrey Davis. "In New York, such facilities are defined as 'adult homes,' a term that may apply to any person over the age of 18," he says.

"However, it's more than just ambiguous language that intimidates developers," Davis adds. "New York is also one of the most expensive states in which to acquire property, particularly in dense urban areas where land is scarce." The very scarcity of real estate is another barrier. The limited number of properties which are available aren't suitable for multi-unit housing. Add to this the myriad of other stringent regulations about who is legally able to operate certain types of senior housing and what types of companies can and cannot build such facilities, and it's no wonder that some developers throw up their hands in frustration and simply walk away from the table.

In spite of what may seem like mountains of red tape, Cambridge Chairman Davis contends, "We like New York, and so do our investors. We see strong markets, demand and compliance, with no overbuilding."

Wait times for seniors looking to get into affordable housing haven't changed much in the last 20 years. They certainly haven't improved, so with the baby boom bubble coming of age in the next few years, the prospect of wait lists getting shorter is bleak. Davis hopes that developers will recognize the growing need for senior housing in New York, particularly in its urban areas, and commit to negotiating the hurdles in order to fill the housing gap looming over the horizon.

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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