



CAMBRIDGE

Realty Capital Companies

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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NEW NATIONAL STUDY OF LONG-TERM CARE PROVIDERS CONFIRMS THE NATION'S CHANGING DEMOGRAPHICS FAVOR SENIOR HOUSING INDUSTRY

It took a while to produce, but the first-ever National Study of Long-Term Care Providers, a report compiled by the National Centers for Disease Control and Prevention (CDC) and the National Center for Health Statistics (HCHS), failed to produce any major surprises.

Based on data collected in 2012, the report was released in December 2013 after data from more than 55,000 regulated long-term care service providers was analyzed.

"The study confirms that the country's changing demographics remain favorable to the senior housing industry," said Cambridge Realty Capital Companies Chairman Jeffrey A. Davis.

Cambridge is one of the nation's leading senior housing/healthcare lenders, with more than \$4.6 billion in closed transactions. Davis says the study revealed that millions of Americans received long-term care services from a variety of providers in 2012.

A PulsePoints blog posted on the Cambridge website, www.cambridgecap.com, quoted the study and provided these details:

Long-term care services were provided by approximately 4,800 adult day care service centers, 3,700 hospices, 15,700 nursing homes, 12,200 home health agencies, and 22,200 assisted living and residential communities.

Due to the continued aging of the population, the number of people using home care services, nursing homes or assisted living facilities will increase from 15 million in 2000 to 27 million by 2050.

This projection is in line with other studies and reinforces the need for continued construction growth in the industry to satisfy increased demand for care services, Davis says

He says the report also notes that Medicaid and Medicare pay for a significant portion of long-term care services, followed by private, out-of-pocket payments by individuals and their families. This is a concern for many because of the financial strain these programs are under.

The HCHS reports there are roughly 1.47 million certified nursing home beds in the U.S. and that they have approximately 1.38 million residents. In other words, an occupancy rate of about 83 percent.

Residential care communities, which include assisted living and other residential properties where care is offered, have roughly 851,000 licensed beds with about 713,300 residents - an occupancy rate of about 84 percent.

Davis says occupancy at these levels would not appear to stress the need for new construction on an industry-wide basis. But the numbers are skewed by a combination of regional demographic factors, including the large number of smaller, aging properties in some regional markets.

Nursing home occupancy also has been impacted by the growing number of residents using these facilities for shorter term convalescence periods, he said.

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, and Cambridge can be reached at [\(312\) 357-1601](tel:3123571601) 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, 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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Contact:

Evan Washington

Phone: [\(312\) 521-7610](tel:3125217610)

Fax: (312) 357-1611

E-Mail: ew@cambridgecap.com