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## **Cambridge Realty Capital provides \$90.6 million in HUD Sec. 232 loans**

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Cambridge Realty Capital Cos. closed \$90.6 million in HUD-insured Section 232 loans to refinance a portfolio of 10 intermediate and skilled care nursing facilities. The 10 HUD-insured loans were closed and funded simultaneously to accommodate the payoff of a single credit facility.

Loans for individual properties in the portfolio ranged in size between \$3.1 million and \$14.8 million. The 10-loan portfolio includes Southview Manor and Community Care Center, and the West Chicago Terr., Frankfort Terr., Crestwood Terr., Kankakee Terr., Bourbonnais Terr., Joliet Terr., The Terrace of Waukegan, and Sycamore Terr. of Quincy. Combined, the properties include 1,488 intermediate-care and 65 skilled-care beds. Terms for the fully-amortizing loans ranged between 27 and 35 years.

Cambridge chairman Jeffrey Davis said the first-mortgage loans were arranged for the owner, an Illinois limited liability company, utilizing HUD's Section 232/223(f) program. The loans were underwritten by Cambridge Realty Capital Ltd. of Illinois, the Cambridge subsidiary that underwrites HUD-insured loans for healthcare facilities.

"The ability to obtain HUD financing to close complex transactions of this kind sends an important message to multi-facility operators," he said. "The transaction is indicative of the role HUD 232 financing can play for multi-facility owners in the current capital-constrained environment," Davis said.

Cambridge worked closely with Catalyst/Cambridge Healthcare Finance's national originations manager, Hymie Barber. Catalyst/Cambridge's longstanding and successful relationship with Cambridge enabled Catalyst/Cambridge to facilitate the transaction from start to closing with aid and assistance from Cambridge at key and critical points in the transaction.

Moving forward, the Cambridge chairman anticipates that HUD will become an increasingly more attractive option for smaller and larger multi-facility owners alike as capital availability strains in the capital markets persist.

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 nations leading senior housing and healthcare debt and equity capital providers, with more than 300 closed transactions totaling more than \$2.75 billion since the mid-1990s.

Cambridge has consistently ranked among the country's top FHA-insured HUD lenders and offers conventional lending options, including permanent construction and interim loans on either a floating or variable rate basis. The company's growing debt / equity financing strategy includes direct property acquisitions, joint ventures, distressed debt acquisitions and sale/leasebacks.

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 also has created four separate processes for customer groups that are designed to build and enhance long-term relationship potential and speed the way loans are processed and closed. Programs include The Key To Capital™ for senior housing owners, The Navigator Experience™ for senior housing brokers and mortgage bankers, The Principal Lender Network™ for lenders who refer loans to Cambridge, and The Relationship Building Experience™ for various industry-related consultants, including lawyers and accountants.

The company has an affiliate office in Los Angeles, and correspondent relationships nationwide. The firm also has established key origination relationships and numerous Internet-based strategies.

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