



Rolett and Himel of Hebert J. Sims & Co. underwrite \$296.395m bond for CCRC

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Herbert J. Sims & Co., Inc. underwrote a \$296.395 million bond issue to fund the development and construction of The Amsterdam at Harborside, a start-up life care community. The Amsterdam will consist of 226 independent living apartments, 32 assisted living units, 18 units of special needs assisted living and 56 skilled nursing beds to be built on 8.9-acre site. Rod Rolett, executive VP, and Chad Himel, senior VP, of Hebert J. Sims & Co. were the underwriters.

The Amsterdam is an affiliate of Amsterdam Nursing Home Corporation, Inc. The Amsterdam will be their first CCRC.

Sims became involved with The Amsterdam in 2004, when Sims provided a \$14 million MatchCap seed capital financing which, together with a \$3 million investment from Amsterdam Continuing Care Health System, Inc., the sole member of The Amsterdam, and a \$16.2 million land loan, arranged by Sims and provided by HSH Nordbank, funded the acquisition of the project site and initial development and marketing efforts. Further pre-construction capital was provided by a \$4 million seed capital investment by Sunrise Senior Living Investments, Inc., a \$250,000 seed capital investment by Greystone and a \$20 million land loan, arranged by Sims, which refinanced the initial \$16.2 million land loan from HSH Nordbank. In total, \$41.25 million of pre-construction capital was raised to acquire the project site and fund development and marketing costs through the pre-construction phase of development.

The financing for The Amsterdam presented a number of challenges for Sims. The financing structure included \$176.395 million of non-rated tax-exempt bonds - one of the largest non-rated bond issues for a CCRC development. The final bond structure included \$95.1 million of tax-exempt variable rate bonds and \$24.9 million of taxable variable rate bonds, both secured by a letter of credit from LaSalle Bank, \$167.895 million of non-rated, tax-exempt fixed rate maturities up to 35 years and \$8.5 million of non-rated, tax-exempt adjustable rate bonds.

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