



Provider Profile

Áegis Assisted Living
Redmond, Washington

Regarded as a trendsetter in senior housing and the assisted living industry, Áegis Assisted Living provides progressive, individualized assisted care in 20 locations across five major western markets, including Seattle, Washington; Las Vegas, Nevada; and Los Angeles, San Francisco and San Diego, California.

The company is also considered to be one of the nation's leaders in innovative programs for residents with Alzheimer's disease, and recently opened its first community dedicated to supporting Asian cultures.

Long Relationship with GE Healthcare Financial Services Assists Áegis Assisted Living

With the construction loan on its Las Vegas Alzheimer-care property maturing – and the current lender willing to extend the loan only under stringent terms – Áegis Assisted Living was facing a financial dilemma.

“It would have been very difficult for us to extend the original loan, because the lender wanted significant principal reductions, among other things,” says Áegis CFO Joe Lin. “So it was important to us to find a lender who was willing to offer us a new loan.”

Complicating the situation was the fact that Áegis faced a tight timeframe, and the property posed a level of risk that many lenders would find troublesome. The 53-unit Alzheimer care living facility was just 70 percent occupied – and located in a highly competitive Las Vegas market still suffering from a rash of overbuilding in the 1990s.

To get the help it needed, Áegis turned to GE Healthcare Financial Services, with whom it had a long-standing relationship. GE Healthcare Financial Services had conducted over a dozen transactions with Áegis over the years, from bond enhancements and conventional mortgage financing, to a mezzanine debt facility that helped the company leverage its own equity.

Capitalizing on a Commitment

“We did not even consider other lenders because GE expressed interest early on, and we knew they could get it done,” Lin says.

Despite the time constraints, GE Healthcare Financial Services worked closely with Áegis to provide a \$17 million first-mortgage loan that refinanced the Las Vegas property as well as a newly opened 82-unit Áegis facility in California.

“We did not even consider other lenders because GE Healthcare Financial Services expressed interest early on, and we knew they could get it done.”

*Joe Lin, CFO
Áegis Assisted Living*



“GE Healthcare Financial Services has supported our industry through good times and lean times. Whether the market is strong or challenging, they make good loans because of their excellent underwriting, their understanding of the borrower and their understanding of the market.”

*Joe Lin, CFO
Aegis Assisted Living*

“Financing options could have been very limited for an organization in Áegis’s circumstances,” says GE Healthcare Financial Services Vice President and Senior Housing Team Leader Curt Schaller, who helped Áegis secure the loan. “But we had a long-standing relationship with them and felt that they had a

high-quality management team with an excellent track record.”

Superior Industry Knowledge

“Our contacts at GE are very knowledgeable about our industry,” Lin says. “They are dedicated to the healthcare industry, have their own research team and pretty much know everyone in the business.”

“I think that helps them understand who the good borrowers and operators are, and it takes the guesswork out of wondering which borrowers are credit-worthy or have the right business plan,” he adds.

GE Healthcare Financial Services drew on extensive market knowledge and past experience with Áegis to accurately assess the risks involved.

Both of Áegis’ facilities were high quality and in unique situations. The new California property, for example, was 25 percent occupied when financing talks began, but pre-leasing was up to 50 percent – a good indicator the market was accepting the property. And while the local market hampered lease-up rates at the Las Vegas facility, occupancy was growing consistently. “Our industry knowledge gives us a better understanding of risk that lets us be active when other lenders are on the sidelines,” Schaller says.

Ongoing Market Support

Having a relationship with a lender committed to the healthcare business has helped Áegis grow into the market leader it is today. “Whether the market is strong or challenging, GE Healthcare Financial Services makes good loans because they understand their borrowers and understand the business,” Lin says. “Borrowers want to know their lenders are going to be active even in tough business conditions.”



*Joe Lin, CFO
Aegis Assisted Living*

For more information on how we can help you successfully meet your business objectives, contact us at 1-800-598-6201 or visit us at www.GEHealthcare.com.



GE Healthcare Financial Services

GE Healthcare Financial Services
500 West Monroe
Chicago, IL 60661

800-598-6201
312-441-7705
Fax 312-441-7770

www.GEHealthcare.com