



Leading the Financing and Development of Affordable Assisted Living Communities

CARDING GROUP PROFILE

WHAT IS AFFORDABLE ASSISTED LIVING?

“Affordable Assisted Living Communities leverage income restricted housing finance tools and Medicaid waiver subsidies to provide a complete assisted living experience to frail low-income seniors.”

In the absence of Affordable Assisted Living, many poor, frail senior citizens, who would benefit from assisted living services, are forced to place themselves into institutions (nursing homes or skilled nursing facilities), often resulting in one, a deterioration of their health and wellbeing, and two, an unnecessary Medicaid expense for the State. Without adequate resources or training, families with elderly loved ones, unable to afford market rate assisted living or costly home care, are faced with a similar dilemma – try to care for their parents or grandparents on their own, or place them in an inappropriate institutional setting.

CARDING GROUP, LLC

The Carding Group, LLC, is a partnership of experienced public finance firms who collaborate in the financial structuring, development, ownership and operations of Affordable Assisted Living Communities (“AALC”) around the country. The Carding Group, LLC, (“Carding”) partners with local real estate owners and developers, who are unfamiliar with the economic benefits, financing opportunities and operational requirements associated with Affordable Assisted Living Communities, to develop this underutilized and desperately needed asset class.

The underwriting, development and management of Affordable Assisted Living Communities requires professional service providers with specialized expertise. Carding works with many of the top assisted living operators around the country. These management companies are experts in the management of Medicaid and income restricted housing, and they have strong relationships with state officials who oversee compliance with Medicaid and housing regulations.

Carding has cultivated strong relationships with former agency leaders around the country who are understand, one, the role Affordable Assisted Living can play in the improved wellbeing of low-income seniors, two, the regulatory requirements needed to enable it, and are passionate about making Affordable Assisted Living widely available. Carding is currently assisting several state agencies as they develop or augment their AALC programs.

HISTORY

In 2012 Michael J. Best, Kevin Fiore, Bob Downing and Rob Downing joined forces to form Carding Group, LLC. These four principals have decades of experience in tax exempt bonds, tax credit equity and affordable housing development. The team began applying their collective skills to the creation of a new asset class – a hybrid of affordable housing and assisted living. Their first deals were in Illinois, Indiana and Arizona; today



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Carding affiliates are also owners of communities in the District of Columbia and New Jersey. We expect new developments to begin in Massachusetts and Pennsylvania in 2022 and 2023.

Carding seeks out, partners with, and educates, developers on the benefits and risks of AALC development and ownership. Carding then brings lenders and investors interested in the concept of AALC into the transaction. Further, Carding oversees, assists or manages the development, construction, lease-up and operational phases of the projects alongside their regional developer partners.

Carding has pioneered the model of creating 100% AALC through a combination of Low Income Housing Tax Credits and Tax-exempt Bond financing and has innovated other types of capital structures to these desperately needed communities. In close collaboration with its financing and developer partners, Carding has given frail low-income seniors who need assisted living services a choice about where and how they live their lives.

Today, along with its development partners, Carding assumes an ownership role in these AALC projects. To date Carding has completed the financing of over twenty-seven (27) affordable assisted living communities across the country; of these Carding is an owner of nine (9) communities in Arizona, Indiana, New Jersey and Washington, DC, making Carding one of the most experienced and successful participants in the Affordable Assisted Living industry, closing on over 3,500 units with \$247.7 million of tax credit equity and \$606 million tax-exempt bond financing relating to these communities since 2012.

TEAM

Michael J Best, Principal. Michael leads development efforts in Arizona, the District of Columbia, Indiana and Maryland.

In 2010 Michael formed Cardinal Court Capital, LLC, providing an array of project services to affordable housing developers and investors.

Michael's career in affordable housing began in 1983 with the National Housing Partnership (NHP) in Washington DC. His responsibilities focused on Equity Sales and Capital Formation. From 1988 to 1998 he served as Vice President for Lending Originations at The Patrician Mortgage Company. His responsibilities included all types of mortgage debt and tax-exempt financings, with an emphasis on affordable housing.

In 1998 Michael opened and managed SunAmerica-AIG's Bethesda, MD, office. While at SunAmerica, he originated over \$1 Billion in Tax Credit Equity, including nine assisted living projects.

Michael lives and works in Bethesda, MD, and received a Bachelor of Arts in Economics from DePauw University in 1979.

Kevin Fiore, Principal. Kevin leads development efforts in Arizona, the District of Columbia and New Jersey.



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Kevin Fiore founded CTF Capital to focus on housing for frail elderly and Veterans with disabilities by providing development and financial expertise to affordable housing developers, investors and lenders.

With over 25 years of financial and real estate related experience, Kevin began his career in public accounting with Arthur Andersen focusing on Fortune 50 consumer product and pharmaceutical clients. He then joined Cendant Corporation as an executive with financial and operational responsibilities within Cendant's Hospitality division (now Wyndham Worldwide).

Seeking more entrepreneurial opportunities, Kevin led the acquisition of a large New Jersey housing developer, as they transitioned out of bankruptcy and continued to develop affordable housing and commercial projects around the state.

Kevin then assumed Chief Operating Officer responsibilities for a national Low Income Housing Tax Credit (LIHTC) syndicator. There he was directly responsible for all aspects of the business including management of a portfolio of over 500 properties around the country, disposition of projects exiting their tax credit compliance period and oversight of the company's largest Tier 1 LIHTC investors.

Kevin lives and works in Scarsdale, NY, and graduated from the University of Virginia with a B.S. in Accounting.

Bob Downing, Principal. Bob leads new business development in Massachusetts, Ohio, Pennsylvania and Florida.

In 1978 Bob Downing started Downing & Company, a registered broker-dealer underwriting FHA-insured affordable and military housing projects. Downing & Company structured multi-family mortgage loans into investment grade, highly rated, tax-exempt municipal bonds and distributed them to the largest U.S. financial institutions. The Company funded over 50,000 units of affordable and workforce housing across the country using public debt and tax credit equity financing.

Reacting to the constraints of the Great Recession and recognizing the mismatch in supply and demand for state tax credits, Downing & Company worked to bring new buyers into the state credit market, and has placed over \$100 million of Massachusetts and New Jersey credits. Bob has financed close to one billion dollars in housing finance transactions, as well as specialized financings such as golf courses and retail malls.

Bob started his career at Loeb Rhoades-Hornblower, where he rose to Senior Managing Director. He was responsible for all fixed-income investment activities, a member of the Executive Committee, and served on the Board of Directors.

Bob is an active alumnus of Seton Hall Prep and Lehigh University, which awarded him its Distinguished Alumni Award in 2015. He lives in Plymouth, MA.



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Rob Downing.

After a career as a Navy pilot, Rob helped close \$177 million in multifamily acquisitions for GID Investment Advisers, a multi-family real estate pension fund advisor and developer. Before that he was a project manager with Fidelity Investments' private equity group. He was the long-time Chairman of the Municipal Housing Trust in Westford, MA. Rob is an alumnus of Babson College, Johns Hopkins University and Deerfield Academy. He recently moved from Massachusetts to Hendersonville, NC.

Kimberly Price.

For over 25 years Kimberly has worked in the commercial real estate industry, primarily supporting the financing, underwriting and closing of affordable multifamily housing communities. Her broad range of experience includes transactions utilizing 4% and 9% Low Income Housing Tax Credits, Tax-Exempt and Taxable Bonds, conventional financing, HUD lending programs, Section 8 Vouchers, the HOPE VI Program, and other capital sources. In Kimberly's role with the Carding Group, she closely collaborates with the developer partners, operators, architects, contractors, consultants, attorneys and staff at government agencies. She provides detailed pro formas, due diligence material and technical analysis to facilitate the successful development of these AALCs.

Kimberly graduated from the University of North Carolina at Greensboro with a B.S. in Finance and Economics, and lives and works in Gaithersburg, MD.