

About CAMcare Health Corporation

CAMcare Health Corporation operates throughout Camden City, New Jersey. CAMcare has provided comprehensive primary care and dental services to the underserved since 1978. The number of users at the center continues to rise and is expected to increase by 35 percent over the next 5 years. CAMcare operates out of one central office and four satellite sites.

Why Consider a Capital Project?

A 2002 study completed by the New Jersey Primary Health Care Association indicated that there were over 96 thousand medically underserved people in Camden County. CAMcare served nearly 30 percent of this population and wished to reach out to the other 70 percent. The health center's central facility, opened in 1986, occupied 13,636 square feet, and additional space was required in order to increase capacity. The new facility would expand services and consolidate the administrative operations for the health center. By locating administrative functions together, the health center expected to achieve measurable savings by increasing efficiencies.

Plans for Improvement

The proposed state-of-the-art facility, located one and a half blocks from the current site, would improve CAMcare in the following ways:

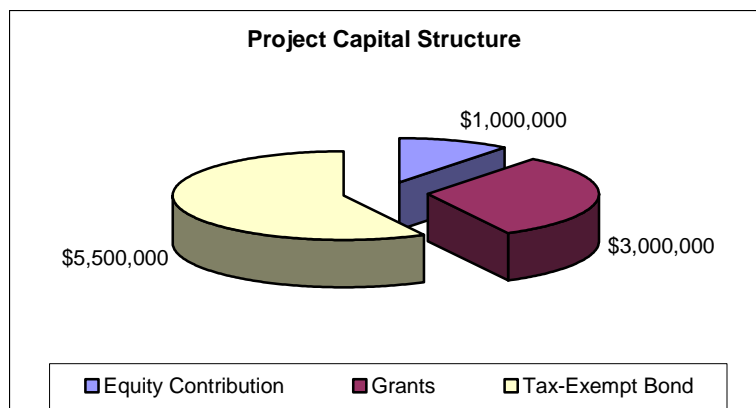
- Consolidate the organization's clinical departments and executive offices
- Allow the development of the proposed Health Gallery Educational and Exhibit Center at the new facility to increase health education in the Camden area
- Nearly triple the health center's current space at 38 thousand square feet
- Increase the service delivery by over 100 percent
- Provide opportunities for growth and development of its existing services, as well as bring on new services.

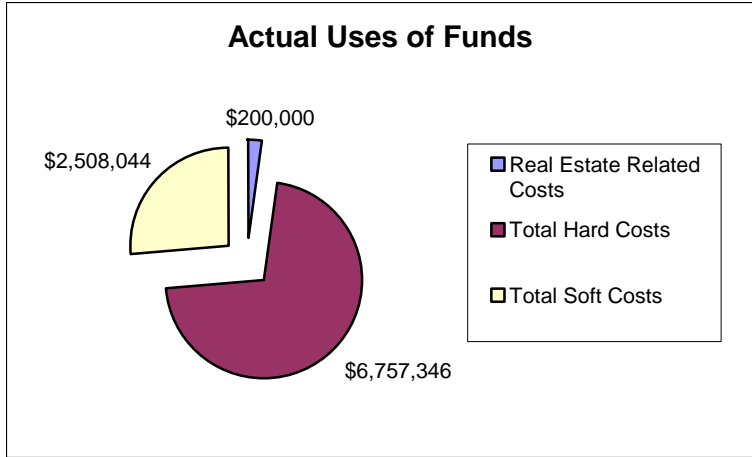
How did Capital Link Help?

Capital Link determined that CAMcare's favorable financial performance would allow the health center obtain a high amount of debt financing. Capital Link also prepared a financial forecast and suggested that CAMcare reassess its space needs and refine its budget. Finally, Capital Link helped the health center draw up a Request for Proposal for soliciting conventional loans. Two lenders competed for the bid.

Sources and Uses of Funds

Prior to requesting assistance from Capital Link, the health center had already secured \$3 million in grant funding and applied for \$600 thousand in federal money to expand services, of which \$150 thousand could be used toward capital development. In addition to these funds, Capital Link helped CAMcare to obtain a tax-exempt bond of \$5.5 million to support the





balance of the \$9.5 million in funding that the health center obtained, as well as a guarantee from the Bureau of Primary Healthcare to secure the loan. The loan accounted for approximately 58 percent of total capital funds, equity for about eleven percent, and grants for about 32 percent of the total.

Total hard costs required the greatest capital outlay, representing about 71 percent of total funding. Total soft costs consumed about 27 percent of the total project funds. Final costs of almost \$10 million exceed expected costs of about \$9 million.