

CASE STUDY

BSL INVESTORS FUND II, LLC

\$2,785,000 | January 2018 | Multiple Locations



FINANCED RIGHT®

BENCHMARK SENIOR LIVING AND HJ SIMS PARTNER AGAIN



PARTNERED RIGHT

HJ Sims committed to funding \$12 million to purchase Class A Interests in a new investment partnership, BSL Investors Fund II, LLC (“BSL II”) with long-time partner Benchmark Senior Living, LLC (“Benchmark”). BSL II was formed to develop and acquire senior housing communities located in the Boston to Washington, D.C. corridor. At the time of the first capital call, BSL II had plans for initial investments in four senior housing properties and has identified nine other senior housing communities as future investments. Sims successfully raised \$2.785 million through the issuance of bonds to meet BSL II’s first capital call.

STRUCTURED RIGHT

There were a number of challenges associated with this financing:

- » Providing the flexibility to change the size and timing of Sims’ investments as needed by the Fund;
- » Having the capital ready when capital calls are made and closing on the investment simultaneously with BSL II’s other investors;
- » Communicating to investors the inherent risks of a mixed-use fund, specifically delayed returns and ongoing capital needs.

EXECUTED RIGHT

Benchmark V, LLC (the “Sims Issuer”), was formed to issue a series of bonds to meet the funding needs of BSL II. Sims successfully sold \$2.785 million of bonds to high-net-worth investors through its Private Client Group to fund the initial capital call for the fund. It is anticipated that five additional series of bonds will be issued over the next three years to fund future capital calls to meet the BSL II’s investment objectives.

Benchmark V At A Glance

Partnered Right	Structured Right	Executed Right	Financed Right®
» Benchmark and Sims have partnered together previously on eight different investments, including two funds.	» Sims created a structure that allows for the flexibility to meet future capital needs of Benchmark as capital calls are made.	» Sims successfully placed \$2,785,000 of taxable bonds with Sims high-net-worth investors to fund capital calls in connection with its \$12.0 million equity investment in the fund.	» Successfully tackling complicated transactions is an example of Sims using its extensive investor base to help senior housing providers obtain flexible financing with an experienced, trustworthy partner.

FINANCED RIGHT®

Sims was able to efficiently underwrite and implement an attractive structure that met the capital requirements of Benchmark and its affiliates. Sims' extensive investor base and industry expertise resulted in another creative solution to help senior housing providers finance new developments.

Sims excels in providing customized financing that allow a valued partner such as Benchmark to focus on what it does best – develop, own and operate senior living communities.

**For more detailed information
on how Benchmark V was
Financed Right® by HJ Sims,
please call or email:**

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