

# CASE STUDY

## ALG SENIOR

\$2,200,000 | Start-Up/Development | Reidsville, NC | November 12, 2020



FINANCED RIGHT®

## HJ SIMS PROVIDES MEZZANINE LOAN FOR ALG SENIOR



### PARTNERED RIGHT®

Based out of Hickory, North Carolina, ALG Senior (“ALG”) is a best-in-class senior living owner, operator and developer, operating more than 150 independent living, assisted living and memory care communities in eight states, with more than 12,500 beds under its management. ALG is the largest provider of senior housing services in the southeastern United States and is ranked by Argentum as the sixth largest memory care provider, eighth largest assisted living provider, and ninth largest senior living operator in the United States.

### EXECUTED RIGHT®

Through an affiliate of HJ Sims, Sims sold securities through its Private Client Group to fund the mezzanine loan. Sims structured its loan to meet the return thresholds of its investors, while meeting the requirements of the senior construction lender and providing attractive returns to ALG.

### STRUCTURED RIGHT®

HJ Sims (“Sims”) was approached by ALG to provide a mezzanine loan to fund the development of a 58-unit independent living and memory care community in Reidsville, North Carolina (the “Community”). ALG sought additional leverage to supplement construction financing obtained for the project, allowing ALG flexibility to preserve capital to pursue additional growth plans.

### ALG Senior At A Glance

Partnered Right®	Structured Right®	Executed Right®	Financed Right®
<ul style="list-style-type: none"><li>» ALG is a best-in-class senior living owner, operator, and developer.</li><li>» ALG owns and operates more than 150 independent living, assisted living and memory care facilities in eight states, with more than 12,500 beds under its management.</li></ul>	<ul style="list-style-type: none"><li>» HJ Sims was approached by ALG to provide mezzanine financing to fund the development of an independent and assisted living community in Reidsville, NC.</li><li>» ALG sought additional leverage to supplement construction financing obtained for the project, allowing ALG flexibility to preserve capital to pursue additional growth plans.</li></ul>	<ul style="list-style-type: none"><li>» Through an affiliate of HJ Sims, Sims issued securities to fund the mezzanine loan.</li><li>» HJ Sims structured its loan to meet the needs of its investors, while meeting the requirement of the senior lender and providing attractive returns to ALG.</li></ul>	<ul style="list-style-type: none"><li>» The customized financing structure helps ALG with both its short and long-term financing needs.</li><li>» The loan marks HJ Sims’ ninth financing with ALG Senior and its Principal.</li></ul>

### FINANCED RIGHT®

---

The customized financing structure helps ALG with both its short and long-term financing needs. With additional leverage, ALG is able to (a) preserve capital for future growth and support of its portfolio, and (b) avoid diluting its ownership in the Community from taking on additional equity partners. The loan marks Sims' ninth financing with ALG Senior and its Principal.

HJ Sims excels in providing customized debt and equity capital for senior living providers utilizing a variety of direct financing solutions including equity, preferred equity, mezzanine debt, and high leverage first mortgage loans, tailored to meet the unique financing needs of valued partners like ALG.

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

**Jeff Sands**

203.418.9002

jsands@hjsims.com

**Curtis King**

512.519.5003

cking@hjsims.com

**hjsims.com**

*HJ Sims is a member of FINRA, SIPC and is not affiliated with ALG Senior. Testimonials may not be representative of the experience of other clients and are not indicative of future performance or success.*