



PRESS RELEASE

Merchants Capital Secures Bridge Financing for Assisted Living Portfolio in Ohio

CARMEL, Ind. (May 9, 2019) – Mortgage banking firm [Merchants Capital](#) has arranged nearly \$50 million in total financing for three assisted living communities in Ohio: The Ashford at Mt. Washington, The Ashford on Broad and The Ashford on Sturbridge.

Merchants Capital secured the bridge loans on behalf of [Wallick Communities](#), which develops affordable assisted living and memory care communities. The bridge financing allows the communities to continue leasing and reach the required time beyond construction completion in order to be eligible to be insured by the Federal Housing Administration (FHA).

“Our team closed these loans in less than 70 days from the day of engagement,” said Michael R. Dury, president of Merchants Capital and the portfolio’s leading originator. “We were able to simplify the process because of our unique ability to execute the bridge loan through our parent company, [Merchants Bank](#). During the bridge loan application process, we were able to advise them on structuring the takeout financing via FHA.”

The first community, [The Ashford at Mt. Washington](#), received \$13 million in financing over 24 months. The 108-unit community is located in Cincinnati, Ohio. [The Ashford on Broad](#) received \$16 million in bridge financing over 36 months. Comprised of 131 units, the community is located in Columbus, Ohio. The third and final community is [The Ashford on Sturbridge](#), which received \$20 million in financing over 42 months. The 124-unit community opened in early 2019 and is located in Hilliard, Ohio, a middle-class suburb of Columbus.

All three communities are designed to serve working- and middle-class seniors, offering rents at 15–30% below those in similar communities. In addition, by using Ohio’s Medicaid Waiver program, residents are allowed to stay once their financial resources have been exhausted.

“As baby boomers age and the costs of senior health care continue to rise, the need for affordable, well-maintained communities like these are becoming more and more critical,” said Tom Feusse, CEO of Wallick Communities. “Partnering with Merchants Capital on these projects was vital to our work and fulfilling our mission of Opening Doors to Homes, Opportunities and Hope to seniors across Ohio.”

Merchants Capital is a leading multifamily lender offering customized loan products for independent living, assisted living, memory care and skilled nursing projects. A variety of loan products are available

to accommodate construction, rehabilitation, acquisition and refinancing of healthcare properties throughout the country.

To learn more about Merchants Capital and its services, visit www.merchantscapital.com. Find Merchants Capital on [Facebook](#), [Twitter](#) and [LinkedIn](#).

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ABOUT MERCHANTS CAPITAL

Merchants Capital, formerly PR Mortgage & Investments (and RICHMAC Funding), is a multifamily, affordable, and healthcare lender offering a direct way to access fixed rate, long-term, non-recourse financing via its bank, Merchants Bank, all with a single point of contact. Merchants Capital strives to provide the best origination and service of its loan products with exceptional customer service, accuracy, creativity, speed and conformance to regulations. To learn more about Merchants Capital, visit www.merchantscapital.com.

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FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements which reflect current views of Merchants Bancorp and its subsidiary, Merchants Capital Corp., with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “might,” “should,” “could,” “predict,” “potential,” “believe,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “goal,” “target,” “outlook,” “aim,” “would,” “annualized” and “outlook,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. A number of important factors could cause our actual results to differ materially from those indicated in these forward-looking statements, including those factors identified in “Risk Factors” or “Management's Discussion and Analysis of Financial Condition and Results of Operations” in Merchants Bancorp’s Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and in its subsequent filings with the Securities and Exchange Commission. Any forward-looking statements presented herein are made only as of the date of this press release, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.