



October 7, 2013

Federal Housing Finance Agency  
Multifamily Housing Policy  
400 7<sup>th</sup> Street, S.W., Room 9-261  
Washington, DC 20024

Submitted via email to [multifamilypolicyissues@fhfa.gov](mailto:multifamilypolicyissues@fhfa.gov)

Dear Sir/Madam:

We appreciate the opportunity to comment on the Federal Housing Finance Agency's (FHFA) proposal on "Options for Reducing Fannie Mae's and Freddie Mac's Multifamily Business in 2014." Capital Senior Living (the "Company") is one of the nation's largest operators of residential communities for senior adults. The Company's operating strategy is to provide value to residents by providing quality senior living services at reasonable prices. The Company's communities emphasize a continuum of care, which integrates independent living, assisted living and home care services, to provide residents the opportunity to age in place. As of June 30, 2013, the Company operated 104 senior living communities in geographically concentrated regions with an aggregate resident capacity of approximately 14,000 residents. We take great pride in our Company's recurring achievement of annual resident satisfaction scores of 95% or better. The Company currently operates communities with approximately \$500 million of debt provided by Fannie Mae or Freddie Mac (the "Agencies").

We are aware that you will receive many technical comments on the specifics of the FHFA's proposal from numerous industry experts. These responses will provide you with the facts about the senior living industry's demographic demand growth driven by an aging population and very limited new supply. We will not reiterate those statistics. Rather, we would like to emphasize the important role that the Agencies play in providing prudent and reliable financing for our senior living communities so our more than 5,500 associates can provide quality services and care to enrich the lives of our senior residents at affordable prices.

The Agencies are the only consistent source of permanent financing for the senior living industry and this financing has performed particularly well. It is our understanding that there is a zero default rate in the Agencies' senior housing portfolio. As the number of

seniors' households grow over the next decades, it is imperative that Agencies' loans remain available to provide reliable and consistent liquidity to the senior living industry so that the industry can keep up with senior living demand and continue to provide quality and affordable housing and care to the nation's growing population of senior citizens.

Sincerely,

A handwritten signature in cursive script that reads "Lawrence A. Cohen". The signature is written in dark ink and is positioned above the printed name.

Lawrence A. Cohen  
Chief Executive Officer