

FOR IMMEDIATE RELEASE

MEDIA CONTACTS:

Alan P. Richman
President & CEO
InnoVative Capital
(610) 543-2490, Ext. 101
arichman@innovativecapital.com

INNOVATIVE CAPITAL ANNOUNCES ITS FIRST FHA 241 COMMITMENT FOR A SKILLED NURSING FACILITY IN NEW YORK

BROOKLYN, NY: (November 15, 2002) -- InnoVative Capital LLC is pleased to announce that the US Department of Housing and Urban Development (HUD) has issued a HUD 241 Mortgage Insurance Commitment for Shorefront Geriatric Center ("Shorefront"). The mortgage insurance commitment, in the amount of \$6.5 million, will be used to finance the renovation of Shorefront, a skilled nursing facility in Brooklyn, New York. The loan to Shorefront will be funded through a GNMA collateralized direct loan.

"In successfully receiving a commitment for this transaction we have further demonstrated the depth of our senior living finance practice" stated Alan Richman, President & CEO of InnoVative Capital.

InnoVative Capital, an FHA-licensed mortgage banking company and HUD-approved MAP Lender, specializes in constructing structured financing solutions utilizing the FHA Mortgage Insurance Programs and other financing strategies. InnoVative Capital provides cost effective and expedient access to the capital markets for real estate backed transactions, with specific emphasis on senior living facilities and acute care hospitals.

In its capacity as the MAP Lender, InnoVative Capital manages the FHA 232 Mortgage Insurance process between the skilled nursing facility and HUD while formulating funding sources through the use of taxable and tax-exempt bonds, GNMA collateralized direct loans, and commercial bank credit facilities. InnoVative Capital LLC has engagements with skilled nursing and assisted living facilities nationwide as well as Critical Access Hospitals, community hospitals; tertiary care urban providers, and health systems.

-END-