

## Certus Financial awarded by Turnaround Management Association with 2018 Chartered Turnaround of the Year!

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**Grand Rapids, Minnesota – November 1, 2017** Certus Financial is pleased to announce that it has successfully concluded the stabilization and sale of a 110-unit senior care facility located in Grand Rapids, Minnesota known as Manor House. Certus advised the Indenture Trustee on the facility. In recognition of the success with this project, Certus is honored to have received 2018 Chartered Turnaround of the Year by the Turnaround Management Association. Click on the following link for the [case study](#).

Manor House was under distress, with a several year track record of declining EBITDA due largely to decreased occupancy and expenses not being properly managed. The facility inevitably began to experience deferred maintenance as a result. In order to facilitate the turnaround, Certus negotiated a 12-month forbearance agreement with the debtor, allowing the time needed to stabilize operations and then transact the facility at a price acceptable for all parties.

The turnaround began with Certus assessing the long-term viability and near-term operational changes needed to improve cash flow. After interviewing staff, retention agreements were entered into with key employees. Operational oversight was then provided by Certus with a focus on increasing cash flow by marketing the quality of care being provided to improve census, ensure care plans are being billed appropriately, improving collections of receivables, and through cost containment. As well, a budget conscious capital improvement campaign intended to preserve the value of the assets was implemented. Within 12 months of beginning the turnaround, occupancy at Manor House was the highest it had been in years and the trailing 12-month adjusted EBITDA increased from \$225,000 to approximately \$700,000. The operational and capital improvements allowed the property to be sold at a level sufficient for secured creditors.

Overall, the process for Manor House was done so with effective communication with the secured creditors and interested parties, leading to the highest potential recovery in the timeline permitted, as well as providing long term stability for the employees and residents of Manor House.

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**Certus Financial** is a turnaround and financial services firm based in Minneapolis, Minnesota, practicing in health care, renewable energy and commercial real estate. We are relationship driven, endeavor to always exceed our client's expectations, and measure our success based on the results we deliver to every client. Establishing, loyalty, trust, and transparency with our clients is a top priority. Contact us today to discuss your project and let's get to work!

The Certus team that advised on this project was led by managing director William Haase and director Troy Cornick.

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