

The Congress Companies

Bundling Value, Building Relationships

Produced by Chuck McKenna & Written by Camila Osorno

Paul and Peter Nicholson started their entrepreneurial journey as general contractors in Salem, Mass., in 1954, thus beginning a legacy of quality construction based in integrity, hard work, openness and passionate service to meet shared goals. Peter's son, Bill Nicholson, has since taken over the family business, which includes affiliated companies Congress Construction Corp., PCE Management, PCE Properties, and a number of special purpose real estate entities. As the CEO Bill has grown the Congress Companies (Congress) into one of the most virile construction and development groups in New England and the Mid-Atlantic.

Congress is a second-generation, family-owned company that has a deeply engrained reputation for integrity, hard work, and passionate service to clients, who receive comprehensive, fully integrated planning, design, and construction management services that exceed expectations. The company's highly seasoned professionals strive to provide structures that act as tools for clients to meet their business and operational goals.

As Bill explains, "We are a general construction company and we do construction, design-build, turnkey construction, development and leasebacks." The company



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Rockport Mortgage has enjoyed a multi-year relationship with Congress Construction and has provided both HUD FHA insured and conventional financing for a number of successful projects for Congress' own account and for their customers.

RMC, a privately owned commercial lender located north of Boston, finances multifamily and healthcare properties. Ranked as Top 10 national HUD lender, RMC has a reputation for reliability, stability and trust - attributes that have solidified the company's relationships with clients nationwide.

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operates from a main office in Peabody, Mass., just north of Boston, and maintains a satellite office in Lake Success, N.Y. "Our business is focused mainly between Boston and Atlantic City, N.J., but we also perform work outside of New England, New York and New Jersey for highly valued repeat clients," asserts Bill.

The company specializes in construction within the skilled nursing, assisted living, senior living communities and

multi-family sector. Congress emphasizes the construction management and design-build delivery model to focus on providing the best value to clients through extensive pre-construction work, including assistance with the financing community, site selection, permitting, design, project phasing, subcontractor procurement and cost/quality/safety control, among other aspects.

"We work to identify and solve issues with our clients so they know exactly what they're getting – the upsides, the downsides, the life-cycle costs, and initial costs across the board. It has been important for us to focus on that degree of service because we are not a bid shop, we are a value-added shop," explains Bill. Congress's emphasis on true value engineering in the earliest stages of a project has helped to establish a reliable and loyal client base.

Creating Solutions to Weather the Storm

Congress has been around through hundreds of development projects and knows that innovation and flexibility is the key to long-term success. In response to recent credit crunch, the firm has developed a line of services that helps to organize all aspects of a project's development for the client. "We work with the client to package all necessary services," states Bill. "We don't limit our services to construction and design, but we also work with lenders on financing so the customer can manage it all under one roof. We feel that organizing these services into one seamless package helps us to optimize their mortgage and maximize value."

In addition to assisting with lenders, Congress offers leaseback options, which has become preferable for certain well-qualified clients. "All the financing vehicles have become more conservative and it's really that aspect of the market that is our biggest challenge," says Bill. "In a sense it's also why our clients find value in our services. Particularly in the healthcare sector, our clients will pursue HUD 232 [Housing and Urban Development]-insured loans and we help them organize their HUD packages with the architect and lender to create financeable projects, and that value added is important."

One of the firm's most recently "bundled" packages was for a regular client who expanded its healthcare operation into Milwaukee, Wis. The Bel Air Health Care Center was arranged to include a multi-phase renovation of both the interior and exterior, totaling over \$18 million and 102,000 square feet. The turnkey project is now in its third phase of renovations, and the Congress Companies are committed to providing everything from design,



Bill Nicholson, CEO, The Congress Companies

construction and furnishing to financing and a leaseback for the client. Upon completion, the center will have a brand new 30,000-square foot dedicated rehabilitation wing with 50 single-bed rooms and an oversized rehab gym. The bundle also included HUD-insured financing.

Congress also recently completed a project in Frelinghuysen, N.J., the Forest Manor Healthcare Center. Congress was initially contacted by the building's sellers to help turn around the facility, as it had been troubled with both construction and development issues. The firm purchased the building and added a single-story building totaling over 55,000 square feet that houses 120 beds, including 24 beds dedicated to Alzheimer's patients. According to its website, Forest Manor is now recognized as one of the premier skilled nursing facilities in the country thanks to the tireless work put in by Congress's employees.

Buoyancy in Business

The popularity of the leaseback option is one of the many new aspects to the business that has strengthened Congress' relationships with some of its well-qualified regular clients. However, Bill maintains that the company

has no plans to focus solely on its leasing aspect. "Sometimes the client may not want to own the asset, so we will lease it back to them, but only if it's the right property and the right client. We don't want to be solely in the leasing business, so the decision to purchase is always predicated upon whether or not the particulars of each individual project work for us and for our client."

Bill sees positive trends occurring in the industry. "We're seeing an intense level of competition, which has produced this environment wherein companies are trying to outperform one another. We are seeing highly skilled companies doing phenomenal work and we are definitely enjoying that aspect," he says. He explains that increased competition only forces his company to once again adapt and innovate.

"Also, in response to reimbursement in the skilled nursing industry, customers are shifting to renovations instead of new construction. These projects are tougher, particularly in healthcare, since we need to keep operations intact and safe during construction," he explains. "But markets always change and we will be able to adapt accordingly."

Even as markets shift Congress is eager to celebrate its 60-year anniversary. In honor of the company's dedication and hard work ethic, Congress is excited to launch its Anniversary Case Study and Digital Brochure, which will be part of its aggressive marketing plan in 2012.



"It is a whole lot of legacy, and we're proud of it," says Bill. "The company really is very customer-focused, right from the receptionist to the laborers and the supers. It's a lesson that my father and uncle taught me: It's all about the client. And it works."

The company's loyal mindset, combined with a value-added approach to construction and development, has enabled Congress Building Corp. to gain its notable six decades of experience. Through a commitment to

proactive construction management of complete building solutions, the Congress Companies has built a reputation with the strength to reach a full-century. •

For inquires, please contact: **THE CONGRESS COMPANIES**
Kenneth E. Denny – Director of Business Development
 (978) 535-6700 | kdenny@congressconstruction.com
www.congresscompanies.com