INTERMIX
PRESENTED BY
The Spring 2022 Lookbook
SIGN UP NOW

BUSINESS

N.E. Phila. office/warehouse complex emerges from loan tangle

Tech giant Iga Blue hold large investment fund promises Cancéo Enterprises used money from overseas investors seeking U.S. visas to lend money to a hospice business in a sprawling Northeast Philadelphia office and warehouse complex.

The 1.2-million-square-foot building at 2801 Island Ave. near Northeast Philadelphia Airport is home to a sprawling office and warehouse complex. (Tom Gralish / Staff Photographer)

By By Jacob Adelman, Inquirer Staff Writer
Published June 16, 2022

Nine years ago, New York-based investment fund promoter Cancéo Enterprises used money from overseas investors seeking U.S. visas to lend money to a hospice business in a sprawling Northeast Philadelphia office and warehouse complex.

Six years later, Cancéo took over the property while Home Care Hospice's operator Knight Medicare Fund discharged that eventually got him a 17-year prison term.

Now, Cancéo, which has joined with Philadelphia Industrial Development Corp. for at least two dozen loans for job-creating businesses – may be closing the book on the troubled transaction.

The 63,000-square-foot building at 2801 Island Ave., near Northeast Philadelphia Airport, has been sold to the Philadelphia-based investment group Iron Stone Strategic Capital Partners, and John Grady, president of PIDC, which helped administer the loan.

Search for
1. BEST BEGINNER LOWER TOPS WALLET CHARGER
2. BALANCE JOBS FOR WOMEN
3. WHY I TRIED JUST A TOWEL
4. BRYSON PRESTON TRADE RUMORS
5. JAMES HARDEN CHARLOTTE HORNETS
Yahoo! Search

"Cancéo Enterprises ... took a dead or loss of foreclosure so collapsed against a loan that defaulted financially," Grady wrote in an e-mail Wednesday. "They worked with PIDC and PIDC worked with Iron Stone and it is Iron Stone, who will lease a portion of it to the Center for Autism."

Proceeds from the sale of the property were used to repay the $2.5 million immigrant investor loan and a $1.2 million loan from the Pennsylvania Industrial Development Authority, Grady said.

The state loan also administered by the PIDC, which has cooperated with Cancéo on loans for the Navy Yard, Conwood Corp., and the University City Science Center, among other projects.

Cancéo executive vice president Christine Chen was traveling Thursday and was not available for comment.

Sponsored by Yahoo!
Eric Dixon plays big as Villanova advances by beating Ohio Bobcats, 71-65, to NCAA Tournament
WATCH NOW

The company's troubles with Home Care Hospice are the latest in curbs to fights for the federal immigrant investor program known as EB-5, under which foreign investors have provided billions in overbage for investments of at least $900,000 that could lift a visa, Grady said.

Concerns have been raised that the program could be used by terrorist or criminal groups to gain legal entry into the United States. In a March report, meanwhile, the inspector general for the Department of Homeland Security wrote that a former official assisted in drive fraudulent in his handling of loan applications.

Legislation introduced this month in the Senate Judiciary Committee would implement background checks for loan recipients and disauthorize companies with lending inaccuracy with projects if they were connected to fraudulent activities.

It is unclear whether any of those provisions would have stopped Home Care Hospice's owner, Matthew Kolodiuk, who was sentenced to prison and ordered to pay more than $30 million in damages and restitution in May 2014 over the health care fraud scheme.

Search for
1. BEST BEGINNER LOWER TOPS WALLET CHARGER
2. WHY I TRIED JUST A TOWEL
3. BEST NFL REGULAR TOPS
4. TOP 5 BRYSON HOMES
5. WHY I TRIED JUST A TOWEL
Yahoo! Search

Kolodiuk was found guilty of bilking Medicare out of $16.2 million by overstating patients' ailments so they would be eligible for hospice services that Home Care Hospice for services never performed, according to the U.S. Attorney's Office.

When Home Care Hospice came under the agency's scrutiny, Kolodiuk began laying off staff to patients were discharged, bringing his staffing levels below the quota for the immigrant visa loan, according to court filings.

That led him to lie about employee head count to PIDC.

Cancéo took the company's property in September 2015, a month before Kolodiuk's conviction.

The Center for Autism, which has operated a treatment facility at the site since 2016, is currently the building's sole tenant, according to Neil Morris, which helped broker the property's recent sale to Iron Stone.

City records put the sale, which closed on May 16, at $1.55 million. The building's tax company contended its likelihood is $3.8M for $1.8 million, city records show.

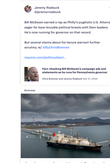
jacob@inquirer.com
215-854-2[illegible]@phillyinc.com

Published June 16, 2016

By: By Jacob Adelman, Inquirer Staff Writer

Latest Headlines
Online owner Vance Crowe gets roughed up by his hackers
Eagles plans to rest top-paid Fletcher Cox, backing from Fletcher coaches and Nick Sirianni
Everything you need to know about the Philadelphia Flower Show
A 6-year-old presumed the weekend is a puppet in deep dressings this month, Philly celebrate
Sandy Bechtel says she's proud of Penn State athletics' capital projects, team successes
Business

Christie's plans to auction a Warhol for $200 million
The Warhol in question is one of a constant series of his paintings of Marilyn, seen as a different colored background.
Jackie Terrio, Bloomberg 3 hours ago
Business

The Fed will hike its interest rate further and faster if necessary, chair says
Jerome Powell said the Federal Reserve would be open to raising interest rates more than the usual 0.25 percentage point at a time, push rates into "restrictive" territory that would slow economic growth.
Christopher Rugaber, The Associated Press 3 hours ago
Philly Tips

How to find a job in Philly
Looking for work? Our weekly roundup of job leads, tips and some resources that can help.
Maria Rangel 7 hours ago
Healthcare

Looking for Evanshel to prevent COVID? It's been hard to find, and now has gotten even harder
Evanshel Pediatrics in North Kensington spent its holiday in hopes of COVID treatments. Gaining permission to write desperately needed oral Paxlovid pivots capping the effort.
Harriet Ryan, Chelsea Ross Gordon Nov 17, 2022
Jeremy Roebuck
@jeremyroebuck
Bill McGinnes earned a rap on Philly's graphitists. U.S. Attorney Jennie Wan's office wants to prosecute him for tagging the Liberty Bell twice, now running for governor on that record.
But several claims about his tenure warrant further scrutiny, as @MyCityNewspaper
inquirer.com/politics/elect...
Pam Ulatowska Bill McGinnes's campaign sets out statements by the two City Republican governor
Olivia Bronson and Jenny Rubano Nov 17, 2022
Business

'Another year of crazy hiccups': Russia and China pose new threats to global supply chain
Global financial services and the chasm of Russian sanctions are the latest challenges for Temple Lindsey Marshall from Sector Europe.
Sarah J. Lynch, Washington Post Nov 17, 2022
Business

An Appalachian town was told a Bitcoin mine would bring an economic boom. It got noise pollution and an eyesore.
Cryptocurrency mining companies are exploiting new locations across Appalachia, despite the toll they exponentially increase on power, fuel, water, noise/disturbance and emissions, see an influx of miners.
Kevin Williams, Washington Post Nov 16, 2022
Business

Why brands like Burger King missed the mark during Women's History Month, say experts
This year, Universal Music Group, Burger King and Ben & Jerry's were criticized for trying to celebrate Women's History Month by digitally supporting
Nia Tero, Washington Post Nov 16, 2022
Inquirer Video

Inquirer LIVE Bracket Watch
Inquirer LIVE: The Tribute Edition
Inquirer LIVE: Finding ...
Technology

Bill Gates backs a carbon-capture start-up that uses dirt cheap material
Heirloom Carbon, which has received seed grants to reach net-zero emissions in Pennsylvania, recently secured the sought-for steps to offset their ongoing pollutions.
Akshat Rathi, Bloomberg Nov 16, 2022
Business

Philly oil refineries among top importers of Russian crude
Nearly 70% of Russian crude oil imports to the U.S. last year were to refineries in the greater Philadelphia
Andrew Maykuth Nov 16, 2022
Energy

Ukraine war ups pressure for U.S. oil, industry faces hurdles
President Joe Biden's move to ban oil from Russia over its invasion of Ukraine was met with calls to boost U.S. production to ease the pain of record gasoline prices.
Matthew Brown and Dave Skolnick Nov. 14, 2022
Health & Fitness

How Big Pharma profited from the pandemic | Opinion
Big Pharma spokesmen viewed the very for the Pharmaceutical Forum to discuss vaccine manufacturing and distribution of Covid, Big Pharma's Doug Firm also raised prices on other products.
David Koffman, The Philadelphia Nov 14, 2022
Coronavirus

Moderna seeks FDA authorization for 4th dose of COVID-19 shot
Pfizer and Moderna have asked the Food and Drug Administration to authorize a second booster dose of their COVID vaccines for people ages 50 and up.
Julia Rifas, The Associated Press Apr 19, 2022
J.R. Gamboaga
@JRGamboaga
"I'm going to try to help people," he said on his left. "In the joy of others he was seen." @PhilaSpanish @TheAdelphia
#Ukrainian#Russian#war inquirer.com/news/philadelp...
A Russian grad decided he had to help Ukrainian refugees — and headed to Poland
Jeff Gammage Mar 22, 2022
Opinion

2022 Ford Maverick: You can almost have it all
Ford's new compact pickup truck offers a comfortable ride and decent fuel economy, but it's not the best choice for those who want both. Here's a list of things well
Scott Gruber | Consumer Nov 16, 2021
Healthcare