HREI

Healthcare Real Estate Insights™

2017 Special Edition

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Resource Guide™

News, Insights and a Directory of Services from the Leaders in Healthcare Real Estate

Physicians Medical Plaza of Hendersonville, Tenn., part of the $796.6 million Starwood Property Trust MOB acquisition

Cover Story: What does the future hold for HRE?

PLUS: The top trends, the biggest deals, a directory of HRE professional services and more

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Leading Advisors to the Healthcare Real Estate Industry

HAMMOND HANLON CAMP LLC

The Elements of Capital and Strategy

Hammond Hanlon Camp LLC (H2C) is an independent investment banking and financial advisory firm, and one of the nation's leading advisors to the healthcare real estate industry. The professionals at **H2C** have executed more than $10 billion of real estate transactions during the past twenty years.

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HREI

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FEATURES

ORMC

Agilitas Property Development

HREI™

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On the cover: The two-story, 35,000 square foot Physicians Medical Plaza of Hendersonville, Tenn., was part of the $796.6 million Starwood Property Trust MOB acquisition (Photo courtesy of Agilitas Property Development)

Top gear for HRE

Fast pace continues for development and investment

Dear Reader:

When you're an automobile enthusiast like I am (my current project is a 1965 Plymouth Barracuda), you look for every opportunity to incorporate your passion into your daily life.

Such an opportunity presented itself last November, as **Healthcare Real Estate Insights**™ hosted its annual Editorial Advisory Board meeting at the Lane Motor Museum in Nashville, Tenn. One of the privileges of being the publisher is that I have the final say on where we'll meet. So by meeting at the Lane, amid about 150 exotic vehicles, I was able to combine my passions for healthcare real estate and cars.

Lest you think meeting at the Lane was merely some sort of gearhead boondoggle, I am pleased to report that it was highly productive. Several of our board members came away for the gathering saying things like "This was the best healthcare real estate meeting of any kind this year" and "This was the best HREI™ board meeting ever." The success of the meeting was primarily due to the high caliber of our board members. But I also like to think meeting in an interesting, unusual venue relaxes people and helps to get their creative juices flowing.

Darryl Freling checks out a Nissan GT-R Nismo race car prototype.

Keith Konkoli, Greg Venn, Andy Dow, Jud Jacobs and Mark Toothacre pose by a luxurious 1963 BMW 3200S.

But you can judge for yourself with the Cover Story on Page 12, "What does the future hold for healthcare real estate," which includes a comprehensive report on our board's insights into what's ahead for HRE development, financing and investment. This special edition of HREI™ also includes our popular annual directory of HRE professional services, a detailed look at recent development and investment activity, and more. (I had initially pushed for an automotive themed edition, but cooler heads prevailed. So even if the thought of muscle cars or exotic coupes doesn't tickle your fancy, you'll find plenty to interest you.)

Murray W. Wolf

Murray W. Wolf, Publisher

P.S. This HREI™ **Resource Guide**™ is also available at **HREIResourceGuide.com**. The website includes all of editorial content, as well as a searchable database of the directory listings. So whether you prefer a printed hard copy or the online version, we hope this 10th annual guide will be a valuable resource for you throughout 2017.

HREI

Healthcare Real Estate Insights™

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MORE HEALTHCARE REITs ARE BUYING HOSPITALS

The Advanced Diagnostics Hospital East (ADHE) in Houston was part of the recent MedEquities Realty Trust Inc. acquisition.
(Photo courtesy of ADHE)

Financially strapped providers are finding it more acceptable to sell their real estate

Healthcare real estate investment trusts (REITs) seem to be increasingly acquiring inpatient hospital buildings. A recent report from *Healthcare M&A News* says that eight deals involving 19 hospitals totaling about $1.5 billion were announced by REITs last year – although one large deal accounted for most of the total.

At least two REIT deals for hospitals have been announced so far this year. Global Medical REIT Inc. (NYSE: GMRE) paid $24.5 million for the Great Bend Regional Hospital building in Great Bend, Kan. And MedEquities Realty Trust Inc. (NYSE: MRT) acquired the Advanced Diagnostics Hospital East building in Houston for $12.5 million. Both deals were sale-leasebacks.

Many of the 2016 sales were by private equity firms that "wanted out," *Healthcare M&A News* says. To read the article, please visit Healthcare.LevinAssociates.com.

TOP HRE DEVELOPMENTS AND LEADERS RECOGNIZED

The winners of the fourth annual HREI™ Insights Awards™ were announced Dec. 3.

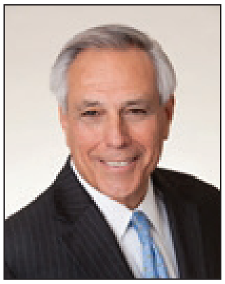
The nine awards honored excellence in healthcare real estate (HRE) development and executive leadership:

- Best New MOB (Less than 25,000 square feet), Five Star ER Pflugerville, Texas, Lockard.
- Best New MOBs and Other Outpatient Facilities (25,000 to 49,999 s.f.), Buck Creek Medical Plaza, Avon, Colo., NexCore
- Best New MOB (50,000 to 99,999 s.f.), Penn Medicine S. Chester County, West Grove, Pa., Anchor Health Properties
- Best New MOB (100,000 square feet or more), Hoag Health Center Irvine-Sand Canyon, Irvine, Calif., PMB
- Best Renovated or Repurposed Healthcare Facility, Clara Maass Medical Center MOBs, Belleville, N.J., Rendina
- Best New Hospital or Other Inpatient Facility, TriHealth Bethesda Butler Hospital, Hamilton, Ohio, Duke Realty
- Post-Acute & Senior Living Facilities Best New Ground-Up Development, Beach House Assisted Living and Memory Care, Naples, Fla., Prevarian Companies LP
- HRE Executive of the Year, Jason Signor, Caddis
- Lifetime Achievement Award, Tim Oliver, NexCore

For full coverage of the awards, please see "Insights Awards winners announced" in the January 2017 edition of **HREI**™.

ON THE RECORD

What provider trends are you seeing recently?



"A lot of the deals that I have been working on there's been what I call de-monetizations, where hospitals are actually exercising ROFOs (rights of first offer) and ROFRs (rights of first refusal)..."
Jeff Cooper, Managing Director, Healthcare Real Estate Capital

Do you think the shift to outpatient care is short-term or here to stay?

"The train has left the station in terms of modern outpatient efficient strategy for medicine. I think that that is demographically motivated, and I think that that is going to continue on for years to come."
James A. Schmid, chief investment officer, Anchor Health Properties

MOB SALES STILL STRONG DESPITE DIP

Average cap rate converged with office for the first time


+The Elements of Capital and Strategy
ATLANTA | CHICAGO | NEW YORK | SAN DIEGO

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3Q16

Medical Office Building Quarterly Update

Ventas Inc. (NYSE: VTR) Moves into Life Science Property Space Through Acquisition of Wexford Science & Technology Portfolio from Blackstone in $1.5 Billion Transaction

Introduction

Ventas Inc. (NYSE: VTR) recently completed its $1.5 billion acquisition of the Wexford Science & Technology ("Wexford") portfolio, from Blackstone Real Estate Partners VIII LP ("Blackstone"). The life science and medical property portfolio totals 25 buildings spanning over 4.5 million square feet. Blackstone's ownership of the properties was through its investment in BioMed Realty Trust, the parent company of Wexford.

Wexford is a leading life sciences real estate development company focused exclusively on partnering with universities, academic medical centers and research companies. The platform has grown from 900,000 square feet of space to 4,500,000 square feet of space in six years, a compounded annual growth rate ("CAGR") of 31 percent.

Ventas, with a $21 billion market capitalization and a projected $94.6 million cash net operating income for 2017, derives roughly 54 percent of its income from seniors' housing operations and triple-net properties. Medical office building income trails at just 19 percent. Life science and innovation centers now represent five percent. The Ventas acquisition of the Wexford portfolio marks a pivotal move for the company into the life science property space.

The Wexford portfolio included 25 buildings comprised of 23 operating properties and two development properties. Nine development sites principally contiguous to existing assets accompanied the purchase. The portfolio has a strong credit profile with 73 percent of the portfolio leased to credit tenants, of which 67 percent were universities with an average rating of Aa2, 26 percent were companies with market capitalizations in excess of $1 billion, and seven percent were other investment grade rated companies. In total, the tenants of the portfolio spend $4 billion, approximately 10 percent, of the $38 billion in university life science research spending in 2014. The average remaining lease term for the portfolio is 10 years with two percent fixed annual rent escalators. The highly specialized facilities occupied by life science and research institutions often have special equipment and are extremely capital intensive, which strengthens tenant commitment.

Ventas' prior acquisitions of Atria Senior Living ("Atria") and Lillibridge Healthcare Services ("Lillibridge"), may shed light into their plans for expanding the Wexford portfolio. Ventas' total investment through

Investor demand for medical office buildings (MOBs) remains strong, according to the newly released "Medical Office Building Quarterly Update" from the healthcare-focused strategic advisory and investment banking firm Hammond Hanlon Camp (H2C).

About $1.925 billion in sales were recorded during the third quarter (Q3), a 14 percent decrease from the prior quarter and a 16 percent decrease from the same time last year, H2C reported, citing data from Real Capital Analytics (RCA) Inc.

Perhaps even more interesting, during Q2 of 2016, the average MOB cap rate converged with the commercial office average for the first time since RCA began tracking the data in 2001.

The average MOB cap rate decreased 16 basis points from Q1 and 52 basis points from the same time last year to 6.3 percent. The trend continued into Q3, widening an additional 10 basis points from the prior quarter.

However, H2C noted, the average price per square foot (PSF) in the commercial office sector still exceeds the medical office properties average, at $264 PSF and $251 PSF, respectively.

"The sequential decline in cap rate year to date softens the stark decline in sales volume for the year to date in contrast to 2015, possibly indicating a more selective buyer pool for higher-quality assets," H2C stated in its report.

"As the broader commercial office asset class begins to slow after five years of robust cap rate compression, average MOB cap rates are now lower than commercial office despite a long history of trading wider than the commercial office average.

"This pricing trend suggests that MOBs have now emerged as a safer investment due to future demand and growth in the sector, supported by a rapidly growing aging population that will require exponentially more healthcare services, and precedent transactions by major medical providers in outpatient settings."

To download the complete report, please visit H2C.com.

MOB CONSTRUCTION ON THE RISE

An estimated 345 MOBs with 17 million square feet were delivered last year

By John B. Mugford

MOB developments in various stages of construction in 2016 included (clockwise from top) VA Kernersville Health Care Center in Kernersville, N.C.; the Orange Regional Medical Center (ORMC) Physicians Office Building in Middletown, N.Y., and California Pacific Medical Center MOB in San Francisco.

Images courtesy of Lendlease, ORMC and Pacific Medical Buildings

The construction of medical office buildings (MOBs) is in the midst of a strong upward trend, with 2017's final numbers likely to continue on this path.

According to data compiled by Arnold, Md.-based Revista, a healthcare real estate (HRE) research and data firm, a total of 345 MOBs with about 17 million square feet of space were expected to be delivered in 2016; the value of those projects was estimated at $7 billion, according to Revista's U.S. Construction Report for January 2017.

Those numbers, while expected to be very close to the actual figures, could change slightly as more year-end data is gathered, according to Mike Hargrave, principal and one of the founders of Revista.

The construction numbers for 2016 represent significant increases from the previous two years in which Revista compiled MOB construction data.

In 2014, $4.1 billion worth of projects with a total of 10.9 million square feet were delivered. In 2015, those figures rose to $6.6 billion worth of projects with a total of 15.3 million square feet of space.

As for this year, Revista projects that 444 MOBs worth $10.4 billion will be delivered. Those facilities would have a total of 25.7 million square feet.

According to Colliers International's 2017 Healthcare Marketplace report, the average value of new MOBs being developed is $15 million; the average size is 45,000 square feet.

It should be noted that, as we looked at MOB construction data, we found some differences in the numbers in various reports. Colliers International projected that about 22 million square feet of space was delivered in 2016. Marcus & Millichap's Research Services reports that, as a projection, about 7.5 million square feet was delivered.

The reason for the discrepancies is, perhaps, a difference in the way the data is gathered and the parameters used, such as the minimum size of the buildings used to calculate the total number of projects, square footage and dollar value.

Marcus & Millichap, it should be noted, uses data from CoStar as a starting point before evaluating that data and calculating its own figures. CoStar only reports projects that are 20,000 square feet or larger, according to Marcus & Millichap.

Revista uses a variety of sources to gather its data, including public filings, developer news and Google Alerts, as well as other sources, to build its database of projects, according to Mr. Hargrave, who notes that the firm includes in its data any MOB larger than 7,500 square feet.

It includes facilities such as outpatient cancer centers, on-campus outpatient pavilions, hospital-owned projects and others.

But no matter whose data you prefer, there is no denying that MOB construction is on the upswing. Industry executives say there are a number of reasons for that, despite the potential for uncertainty in the healthcare sector as a result of President Donald Trump's call for repealing, or at least drastically changing, the Patient Protection and Affordable Care Act (PPACA) of 2010.

Those include the fact that the U.S. population continues to age, which increases the demand for the delivery of healthcare services. According to the Colliers report, healthcare expenditures per capita topped $10,000 in 2016 and are projected to grow at an average of 5.8 percent through 2025.

At the same, according to numerous healthcare real estate (HRE) professionals with whom Healthcare Real Estate **Insights**™ has spoken, providers are preparing to receive decreases in insurance and reimbursement incomes in coming years while still feeling a need to expand their market shares. In order to improve their offerings and attract new customers, many health systems are looking to provide higher quality services in new, attractive facilities. Many are looking to do so in MOBs, where costs are not as high as in hospital settings.

While demand for services continues to rise, MOB vacancies continue to drop, reaching an all-time low of 7.4 percent nationally at the end of 2016, according to Colliers. Low vacancy rates in any real estate sector typically lead to more development.

In addition, despite the rise in MOB construction in recent years, Mr. Hargrave and his colleagues at Revista have determined that new construction has not kept up with the recent increase in the number of people gaining health insurance through the PPACA.

According to the U.S. Census Bureau, the number of people with insurance rose to 289.9 million in 2015 (the most recent year for which data is available) from 271.6 million in 2013, an increase of 6.7 percent. Yet, during that same time the country's MOB stock has grown just 1.9 percent, to a total of 1.33 billion square feet of MOB space in 2015 – or about 4.6 square feet of space per insured U.S. resident – from a total of 1.308 billion square feet in 2013, or 4.82 square feet per insured U.S. resident.

Developer/owner opportunities?

With MOB construction numbers on the rise, however, the question for healthcare development firms is whether the number of opportunities to build, own, manage and lease such projects is on the rise as well. Or are more and more health systems – because they continue to employ more physicians and subsequently take up more space in outpatient facilities – choosing to finance and own such buildings themselves?

It makes sense for health systems to engage with third-party firms to finance and develop MOBs for them when there will be considerable risk involved with filling up the space that will not be filled by the health system itself. But with some health systems often occupying more than half of a new building, there is less risk involved in filling the remaining space.

In addition, as many HRE professionals note, health systems are typically able to occupy their own projects for considerably less than the cost of leasing space, in large part because their cost of capital is often less than that of developers.

However, many HRE professionals also note there are many reasons why health systems should look at more than just rents versus occupancy rates when deciding how to finance new MOB projects. They say that investing the money that would be used to develop a new facility into other initiatives, such as new technology, equipment, service lines, hospitals, health systems or physician groups is likely to garner far better returns than owning MOBs.

There's also the notion that owning real estate, especially ancillary facilities, is a distraction for health systems, whose main focus should be on providing healthcare services.

While Revista does not currently have statistics determining how many new developments are developer or investor owned, as opposed to being health system owned, it does note that the country's real estate investment trusts (REITs) own about 9 percent to 10 percent of the current inventory of such facilities. About 15 percent are owned by developers/private equity, while the vast majority are owned by health systems, government or others.

In some instances, longtime, experienced healthcare development firms, especially more regional or local ones, are being hired to develop projects on a fee basis instead of as an owner.

Although some firms are willing to be awarded fee assignments in order to stay busy and develop relationships with providers, many entrepreneurial development firms prefer the higher risk and bigger potential returns of developing and owning MOBs instead of building them for someone else.

Thomas W. "Tommy" Tift III, president of Atlanta-based HealthAmerica Realty Group, says his market is seeing more and more health systems self-developing MOBs.

"As the health systems get bigger and acquire physician groups in certain markets, perhaps a suburb where they did not have a presence before, many of them look to build large, comprehensive outpatient centers offering lots of services in one location in order to gain market share and get a step ahead of competitors looking to enter that market," Mr. Tift says.

"But in many cases, especially here in Atlanta, construction costs have gotten to the point where it's too expensive for a developer to buy the land and pay for the construction of a building and be able to keep rents low enough for the health system tenants," he notes.

"For many health systems that plan to occupy most of a building, or 100 percent of a building, they're saying their occupancy costs can be quite a bit less than what they would pay in rent in a new building owned by a developer."

While that might certainly be the case in some markets, industry sources tell HREI™ that many of the country's larger, national development firms have strong pipelines of projects that they will own upon completion.

It depends on the market and system

The executive VP of development firm with a national footprint – Keith Konkoli of Duke Realty Corp. (NYSE: DRE) – says the question of who will own a new MOB varies from market to market and health system to health system. Some markets have a good mix of independent physician groups and hospital systems, giving developers more of a chance to own such projects.

"We're definitely seeing construction activity on the rise," Mr. Konkoli says.

"When it comes to having a developer versus a non-developer develop a project, it is still very dependent on the health system. Some systems will only use their own capital while others use a mix of developer and self-funding. In general I would say the balance is pretty even on developer owned versus system owned."

Richard Rendina, chairman and CEO of Jupiter, Fla.-based Rendina Healthcare Real Estate, notes that deal sizes and the square footage in new MOBs have increased in the past couple of years.

"Deal flow has been steady, as we've got 230,000 square feet under construction today, which is about our average, and we've got about 400,000 to 500,000 square feet in the pipeline, some of which, of course, have been in the pipeline for a while," he says.

"A good share, perhaps a majority, of the deals we're seeing are coming through our fee process, as we expect two or three of those in any given year."

Mr. Rendina notes that his firm has seen an "uptick in opportunities in just the past six months.

"However, it is clear that the vast majority of them are coming from the not-for-profit sector. We have also seen a rise in the interest level towards using a third-party developer from health systems that have traditionally self-developed.

"To this end, we have seen this in the form of a joint venture, co-ownership and straight fee-for-service type arrangements."

Philip J. "PJ" Camp, principal with New York-based Hammond Hanlon Camp LLC (H2C), says his firm is advising health systems on new, creative ownership structures for new outpatient projects.

"We're seeing a bit of a trend of joint ventures, with hospital systems, looking to bring in outside capital," he said during the **HREI**™ Editorial Advisory Board meeting in November in Nashville, Tenn. "Not necessarily to own an entire building or to develop an entire building, but to come into the development and own part of it."

Also speaking at the **HREI**™ Editorial Advisory Board meeting, Aole Ansari, executive general manager, Lendlease Healthcare Development, said: "I find this space both scary and attractive, because I come from a multifamily background where you're doing deals at 150 to 250 basis point spreads and to walk into a business where apparently it seems sane to do deals at 50 to 75 basis point spreads actually blows my mind. So I'm still trying to get myself around that part of it.

"But at the same time, it's pretty attractive, and for 2016 it's been a year of transition for Lendlease Healthcare ... We've educated our board on what this space is and what it needs to looks like.

"And so I just explain it to them that this is a space where spending is going to increase as a percentage of the GDP, and it's a space where there are a lot of people, baby boomers, and they're going to spend a lot on healthcare and somebody has to serve them," Mr. Ansari added.

"The pipeline's good moving forward, but I think it's getting harder to get deals executed," Mr. Konkoli said during the e **HREI**™ Editorial Advisory Board meeting. "I think there are really three different reasons why that is.

"There are a lot of leadership transitions at healthcare systems, and as a result strategy can change," Mr. Konkoli said.

"Regulatory: we're seeing a loosening of Certificate of Need in some states but in other states they're getting more and more diligent.

"And then there mergers and acquisitions, where you can get awarded a project and then an M&A is announced and it puts stuff on hold.

"But on the other hand, health systems have to put those folks somewhere and they're creating these centers of excellence to support the population health management.

"So, I think that bodes well for those of us who are in this space." ❑

MOB SALES DOWN, BUT JUST A BIT

2016 volume of $10.2 billion was within 1.1 percent of the record high

By John B. Mugford

They said it couldn't happen again – and it didn't. 2016 MOB sales failed to equal the record volume of 2015. But the market remains red hot and observers are optimistic.

When 2015 came to a close and all of the records for medical office building (MOB) sales had been shattered, healthcare real estate (HRE) professionals told **Healthcare Real Estate Insights**™ that even though they were predicting strong sales in 2016, the year ahead certainly could not top 2015.

After all, 2015 was considered a year in which a fortuitous mix of market conditions, including high demand from a wide variety of investors – including some who were new to the space – coupled with a strong supply, drove MOB sales volume above $10.2 billion, according to commercial real estate research firm Real Capital Analytics (RCA) Inc.

(Initially, we reported sales volume for 2015 was $9.98 billion, but RCA's sales data changed since then to total $10.27 billion as additional deals were discovered and added.)

As for 2016, the total sales volume was $10.15 billion, according to RCA, a drop of just 1.1 percent from the record-setting year of 2015.

Now, before we go any further, wee would like to provide an explanation concerning the data we are presenting.

Most HRE professionals tell us they believe MOB sales were down anywhere from 10 percent to 20 percent in 2016 compared to what they all agree was a record-setting year in 2015. Several firms, in fact, compile their own quarterly and year-end MOB sales statistics, and they often start with RCA's figures and cull out transactions they do not consider to have involved "true MOBs" included in RCA's data. Those might include health system administrative office buildings, research facilities or buildings with a large portion of non-clinical tenants.

However, since **HREI**™ has used RCA's data since the early 2000s, we feel that using the firm's 2016 data – even if total sales are somewhat overstated – provides a more meaningful historical comparison in terms of total volume changes from year to year, as RCA has used a consistent approach to how it has gathered its data.

As we look at the historical MOB sales data, 2016 saw the second-highest volume since RCA began compiling such statistics in 2001, when the total volume was $1.08 billion. The third best year for MOB sales, according to RCA, was 2014, meaning the sector is in the midst of an unprecedented run the likes of which have not been seen since 2005-08, before the onset of the Great Recession.

"Yes, 2016 was a great year when compared to the last five years," says John Smelter, senior director, Healthcare Real Estate Group with Marcus & Millichap. "But as I believed at the time, I'm sure 2015 was the pinnacle year for quite some time."

Even so, with available MOBs perhaps in even shorter supply to meet demand in 2016 than in 2015, year-over-year pricing rose in the past year, with the average capitalization (cap) rate, or the first year expected return, dropping from 6.8 percent in 2015 to a record low of 6.5 percent in 2016, according to RCA's data. (RCA's cap rate averages, it should be noted, do not include data from all deals.)

The price per square foot (PSF) in 2016 was right at about the average for the last three-period, coming in at $256. The PSF in 2014 was $230 and in 2015 it was $270.

As for the number of properties trading in 2016, 694 of them topped $5 million, according to RCA. That continued a current run of three straight years in which the number of properties changing hands topped 600, the only three years since 2001 when RCA began compiling MOB sales data in which that has happened. In 2014, 655 properties changed hands, and that number jumped to 767 properties in 2015.

It should be RCA lists property sales individually. If a 10-building portfolio trades hands, RCA lists each of those 10 properties in its data as single sale entries.

Why the slight drop off?

The MOB sales total of 2016 was bolstered by two of the largest deals in the sector's history.

One of those was an acquisition by Greenwich, Conn.-based Starwood Property Trust Inc. (NYSE: STWD), which paid $796.6 million for 35 MOB properties from New York-based North Star Realty Finance (NYSE: NRF), according to RCA's data,. The deal, for the most part, marked Starwood's entry into the MOB space, as the real estate investment trust (REIT) has long been focused on being a mortgage lender and servicer as well as a buyer of net-leased properties.

For NorthStar, the sale represented a disposition of a portion of its MOB portfolio, as it had gained ownership of the facilities in a $4 acquisition in 2014 of Irvine, Calif.-based Griffin-American

Healthcare REIT II (G-A REIT II). G-A REIT II's portfolio at the time comprised 145 MOBs, 91 senior housing properties, 45 skilled nursing facilities and 14 hospitals scattered across 31 states and the United Kingdom.

Many reports concerning the Starwood-NorthStar deal, it should be noted, indicate that Starwood paid $837.9 million for a portfolio of 38 MOBs. However, RCA's year-end data indicates that the transaction, which the research firm indicates closed in December 2016, was slightly smaller, perhaps because the acquisitions of one or more properties in the portfolio did not close by Dec. 31, 2016.

The other major deal of 2016 was one of the largest all-time sales, or monetizations, by a health system. In the deal, Milwaukee-based Physicians Realty Trust Inc. (NYSE: DOC) acquired 51 properties with 3.1 million square feet of space from Englewood, Colo.-based Catholic Health Initiatives (CHI). The price was $718.5 million, or $229 per square foot (PSF).

If one were to leave those two deals, which totaled more than $1.5 billion, out of the 2016 total volume, sales would have been about $8.5 billion. Although doing so is not necessarily fair – as the deals were part of the total volume in 2016 – that is part of the reason why HRE professionals say that 2016 was just not as active, sales-wise, as 2015, as those two large deals represented a large share of the total volume, but not the activity.

According to some of the HRE sector's seasoned veterans, the record-setting 2015 represented the aforementioned fortuitous mix of investor demand, coupled with a strong supply of MOB properties placed on the market, probably because owners saw an opportunity to sell while prices were at historic highs and interest rates remained low.

"Almost everyone with an opportunity to sell in 2015 decided to do so, resulting in an off-the-charts year," notes Mindy Berman, managing director and leader of the healthcare team Jones Lang LaSalle (NYSE: JLL). "While 2016 was still a very good year and demand from investors remained very strong, the supply just didn't match that of the year before." Had the supply matched that in 2015, she noted, sales likely would have as well.

E. Hunter Beebe, managing principal of West Palm Beach, Fla.-based Healthcare Real Estate Capital (HRE Capital), adds that while 2016 was indeed a good year, "there certainly was a slowdown in volume across the entire sector when compared to 2015. This could be attributed to a variety of variables – the election, lower development numbers from several years ago, investors with longer-term horizons holding their assets, a pullback from certain players, etc."

Among the investors pulling back were the non-traded real estate investment trusts (REITs), which faced heightened scrutiny and a slowdown in fundraising – and subsequently, investment activity – following an accounting scandal in 2014 at a non-traded REIT sponsored by New York-based American Realty Capital

Properties Inc. (ARCP). No non-traded HRE REITs were directly involved, but fundraising suffered nonetheless.

Now, however, a few of the non-traded, healthcare-focused REITs are increasing their acquisitions of late, according to several professionals involved in the MOB sector. So are the publicly traded REITs. Mr. Beebe also notes that some investors who aggressively pursued and acquired MOBs in secondary and tertiary markets in 2014-15, slowed their activity a bit in 2016.

More of the same in 2017?

A number of professionals involved in the MOB sector believe that 2017 will see sales figures similar to and perhaps slightly lower than 2016, especially if interest rates remain relatively low. However, if rates spike significantly, in the 50 to 100 basis points range – a possibility under Donald Trump's presidency – that could change things, professionals say.

"Looking into my crystal ball, we will have another very good year in 2017," predicts Mr. Smelter of Marcus & Millichap. "With the continued shortage of inventory and more new buyers entering the space, I do not think cap rates will rise much, even with the increases in interest rates, because of the continued, increased competition for MOBs."

Even though MOBs remain in strong demand from a wide variety of investors, including foreign capital and those new to the space, supply, while remaining strong in a historical sense, is still not likely to keep up with demand in the year or two ahead. And that restricted supply is likely to keep sales from breaking the record set in 2015.

Chris Bodnar, co-leader of the National Healthcare Capital Markets Group with CBRE Group Inc. (NYSE: CBG), adds that the future of the sector – as well as the MOB sales market – should remain strong, in large part because healthcare real estate (HRE), while not recession-proof, held up better than other

TOP 10 MOB PORTFOLIO SALES (2016)

Property Name/ Address/City, State	Year Built	Price (000s)	Square Feet	Price/ S.F.	Buyer/Seller/Broker
NorthStar Portfolio 35 properties 14 states	N/A	$796,600	2,024,668	$381	Buyer: Starwood Property Trust Seller: NorthStar Realty Finance Broker: N/A
Catholic Health Initiatives (CHI) Portfolio 51 properties 10 states	N/A	$718,500	3,132,263	$229	Buyer: Physicians Realty Trust Seller: Catholic Health Initiatives Broker: CBRE
First Hill Medical Pavilion 1124 Columbia St. Seattle (3 buildings)	1976/ 2015	$192,300	228,000	$844	Buyer: Heitman/NexCore Seller: Trammell Crow/Wash Mgmt. Broker: CBRE
Connecticut MOB Portfolio 26 buildings Hartford and New Haven, Conn.	N/A	$178,000 (est.)*	588,000	$303	Buyer: Healthcare Trust of America Seller: Casle Corp. Broker: N/A
O'Quinn and Baylor buildings Texas Medical Center Houston	1991, 2003	$173,367	673,395	N/A	Buyer: Texas Children's Hospital Seller: Baylor St. Luke's Broker: CBRE
Mission Viejo Portfolio St. Joseph Mission Hospital Mission Viejo, Calif.	N/A	$150,000	262,429	$572	Buyer: Healthcare Trust of America Seller: Innovation Institute LLC Broker: CBRE
Lake Shore Place 680 N. Lake Shore Drive Chicago	1923/ 1992	$109,500	493,064	$222	Buyer: TopMed Realty Seller: Golub & Co. Broker: HFF
Welltower Portfolio Eight properties Fla., Va., Ga., Tenn., Ohio	1992- 2007	$99,400	403,777	$246	Buyer: MB Real Estate Seller: Welltower Broker: JLL
Altera Portfolio Four properties Houston and El Paso, Texas	1970- 1984	$82,000	416,383	$197	Buyer: Healthcare Trust of America Seller: Altera Development Broker: N/A
Penn Medicine Cherry Hill 1865 N.J. Route 70 Cherry Hill, N.J.	2016	$81,770	155,308	$527	Buyer: LaSalle Investment Mgmt. Seller: Finmarc Management Broker: CBRE

Source: Most data provided by Real Capital Analytics Inc., except some information and additional details obtained by Healthcare Real Estate **Insights**™.
Disclaimer: This data is based on independent reports of properties and portfolios $5 million and greater. The data is believed to be accurate but is not guaranteed. Wolf Marketing & Media LLC, publisher of HREI™, is not responsible for its accuracy.
*Estimated price based on 2016 yearly average PSF of $253.

sectors during the last recession.

"We'll have a deal out to market for a very large physician group, a deal out to market for a health system, and then we will have a deal out to the market for a private equity group," Mr. Bodnar says. "Seeing that type of activity from a variety of sellers makes me excited about the prospects of this market."

Others note that health systems, while facing even more pressures and constraints on their capital, might start shifting to a more corporate-like strategy when it comes to occupying their real estate. Most corporations, real estate professionals note, lease the space they occupy rather than own it.

Mr. Beebe of HRE Capital adds that his firm is seeing a "noticeable uptick in discussions with healthcare systems about monetizations. While the signs are positive, it's still early to predict a significant volume of this activity. However, there is more noise in the system on this front today than there has been in the last six or seven years." ❑

TOP 10 MOB INVESTORS (2016)

Investor Name/ Corporate Headquarters	Buyer Type	Number of Properties	Total Square Feet	Total Investments
Physicians Realty Trust Milwaukee	Public REIT	82	4,467,159	$1.125 billion
Starwood Property Trust Greenwich, Conn.	Public REIT	33	2,024,668	$796.6 million
Healthcare Trust of America Scottsdale, Ariz.	Public REIT	44	2,024,642	$641 million
USAA Real Estate San Antonio	Investment Manager	6	792,033	$470 million
Hammes Partners Brookfield, Wis.	Equity Fund	11	704,234	$259 million
Healthcare Realty Trust Nashville, Tenn.	Public REIT	10	580,499	$238 million
MB Real Estate Chicago	Developer/Owner	19	824,802	$200 million
Heitman/NexCore Group Chicago/Denver	JV/ Private Equity	1	228,00	$192 million
Texas Children's Hospital Houston	Health System	2	794,000	$173.4 million*
HCP Inc. Irvine, Calif.	Public REIT	10	494,790	$173 million

Source: Most data provided by Real Capital Analytics Inc., except some information and additional details obtained by **Healthcare Real Estate Insights**™.
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*Estimated total based on 2016 yearly average PSF of $253.

WHAT DOES THE FUTURE HOLD FOR HEALTHCARE REAL ESTATE?

HREI Editorial Advisory Board ponders the possibilities, potential pitfalls

By John B. Mugford

The healthcare real estate (HRE) sector continues to race along, with the sale of medical office buildings (MOBs) remaining strong and the construction of new facilities accelerating during the past couple of years and, as forecasted, in the year ahead.

At Healthcare Real Estate **Insights**™, we pride ourselves on holding our annual Editorial Advisory Board receptions and meetings in somewhat quirky locations. We figure our board members have already seen the insides of more than enough corporate and hotel meeting rooms, so we try to liven things up by hosting our events in more stimulating spaces. Last year's HREI™ board meeting was no exception, as we gathered at Lane Motor Museum on the outskirts of downtown Nashville, Tenn.

But it was also perhaps fitting that we met in a space displaying historic race cars and other exotic automobiles, as the general consensus of the board seemed to be that the HRE sector will continue to race ahead in high gear.

Of course, the pace of HRE development, financing and investment is strongly tied to what's taking place in the healthcare sector itself. So board members acknowledged that there are some potential yellow flags looming. But, surrounded by checkered flag tablecloths and car memorabilia, most seemed to agree that demand will keep accelerating for outpatient space – their core product – as healthcare providers continue to seek ways to provide services to a growing, aging population in lower-cost settings.

Demand likely to continue in 2017

The HREI™ Editorial Advisory Board met in mid-November 2016, a week after Donald Trump was elected president, and the 25 or so board members in attendance generally predicted more good days ahead for the HRE sector, at least for the next year or more. Most of the concerns that the board members have about the sector are more tied to external factors, such as a potential economic downturn or black swan-type of events, rather than the health and long-term growth prospects for healthcare itself.

Granted, changes in regulations and a potential unraveling of the Patient Protection and Affordable Care Act (PPACA) by President Trump and the Republican majority in Congress could cause hiccups, or hesitations, along the way, board members noted, especially if the replacement law removes people from the ranks of the insured, which would require health systems and providers to make adjustments to the strategies they've embraced in recent years.

But for now, healthcare and HRE remain desirable industries.

"We are in a sector that is in demand," said Chris Bodnar, co-leader of the National Healthcare Capital Markets Group with CBRE Group Inc. (NYSE: CBG). "We're in a market right now where there is some certainty, and if you look backward to a time when there was a downturn in 2008 and 2009, healthcare performed much better than all of the other product types at that time. That creates continued interest in this sector."

Eric Fischer, managing director with Dallas-based Trammell Crow Co., which focuses on development, added: "I feel as though in the healthcare sector and in our world at Trammell Crow, we're really starting to realize some good times after coming out of a very deep and tough recession. And that's across all sectors, from multifamily, industrial, office; we're at levels of production that we've never seen in our careers. And that is the same for healthcare."

"For 2017 I really expect things to continue to carry on," said Erik Tellefson, managing director of Capital One Healthcare. "We'll see our industry shake out a bit. But, you know, I'm bullish on the MOB industry overall."

While other board members, most of whom work for investment banking firms, development companies, real estate investment trusts (REITs), and other firms that provide services to health systems and providers, see stability in the years ahead, there are those who expressed a bit more caution.

"If I look back to 2016, the biggest thing we're seeing is lots of new investors entering the space, which I think is generally good for all of us," Justin Hill, senior VP of business development with Toledo, Ohio-based Welltower (NYSE: HCN). "And that should carry over into 2017. But there is some uncertainty for the sector."

Aole Ansari and Jim Kornick

Erik Tellefson, Vince Cozzi and John Smelter

HREI™ photos

On the subject of capitalization (cap) rates, or the estimated first-year return on an investment, Mr. Hill said: "I believe that yields and cap rates might tick up slightly, but they're not going to go really, really high again, because you've got a lot of capital coming into this space, and there's really an overall lack of quality product to invest in to keep up with demand."

"I didn't think that cap rates and development yields could just keep going down forever, but they have done that," said Jud Jacobs, senior VP of development for Dallas-based Caddis.

"This is the first year that we thought they might be bottoming out or topping out in terms of the value. It seems that maybe we hit the bottom and people are starting to be a little bit more cautious on the low yield deals. But I'm real optimistic about 2017. Notwithstanding the big surprise in Washington. I think the fundamentals are still there for our business lines."

"As far as interest rates go, I've sat at this meeting for the last three years in a row and predicted rising cap rates and rising interest rates, I've been wrong every single time," said Devereaux "Dev" Gregg, senior VP of development with Madison, Wis.-based Erdman. "But I'm going to double down again and say I think I'm going to be right this time. I think rates and cap rates will go up a little bit, enough to make people at this table really frown and upset, I don't think so, but I gotta think we've hit the peak and got to have a little bit of movement back in 2017."

"I think for 2017, I'm going to be on the side that says that I think this bump we've had in interest rates will recede a little bit," said Mark Toothacre, president of San Diego-based Pacific Medical Buildings (PMB) LLC.

"And I kind of base that on the lack of inflation and the low level of global interest rates that I think put a lid on long-term rates, at least that's what I hope happens. And then consequently we're hoping the cap rates stay low and we can complete a big project that we're doing in San Francisco that we committed to a fairly low cost capital at the time, a year and half ago, that won't be delivered until 2018, before the market changes too much."

Several of the board members are real estate executives with major health systems, and although they say they continue to see strong demand for healthcare services, new regulations and falling reimbursement rates could cause headaches along the way.

"I've talked about having to navigate the white waters that are part of being in healthcare before," said Ross Caulum, senior director of corporate real estate at Scripps Health in San Diego. "In 2017, those whitewater rapids are going to increase from class three rapids or class four rapids to class five rapids. But I believe that we at Scripps will figure out how to get through it, as will other strong healthcare systems. Healthcare still has to be delivered regardless of what the people inside the Washington Beltway do or do not do."

Health systems are watchful

Mr. Caulum wasn't the only health system executive at the meeting to predict that, despite concerns that many health systems might be feeling some trepidation about what could happen under the Trump administration, large providers will continue to move forward on needed capital investments, be they for technology, equipment or facilities.

There are some professionals involved in the HRE sector who are concerned that health systems might postpone projects while waiting for new legislation from Washington to emerge, while others say many health systems have already committed to strategies that entail expanding their outpatient footprints and investing in technology and acquiring and hiring new physicians.

"I would characterize 2016 as probably the busiest year that I've had in the 21 years that I've worked with THR," said Jon Sullivan, VP of real estate operations with Arlington, Texas-based Texas Health Resources.

"We have about five million square feet of properties, and do a lot of leasing, a lot of construction management. We have a number of medical office buildings that we've built. They're in

John Smelter, Dan Klein and Peter Volas

Malcolm Sina, Darryl Freling and Richard Rendina

various phases, some of them just finishing up, and some of them just now starting. Our outpatient activity with our joint venture partners grew exponentially in 2016. It's been amazing. The other thing that's kind of interesting is not only are we building hospitals for ourselves, but we have other systems that we've joint ventured with that are building new greenfield hospitals that will be opening in 2017."

Peter Volas, senior director of real estate for Cleveland-based Cleveland Clinic, noted that the system will certainly be watching as events affecting healthcare unfold in the nation's capital. However, the system has too many initiatives, new affiliations and joint ventures underway to hold back now.

"As I think about 2017, it's full speed ahead for the Cleveland Clinic," Mr. Volas noted. "I just don't see anything changing. We can talk about the repeal of the Affordable Care Act, and if that happens we're going to have to self-correct just like every other health system is going to self-correct."

The health system, in fact, is currently focusing on what Mr. Volas referred to as four initiatives starting with the letter "C": consolidation, collaboration, care-affordability and capital.

"As for consolidation, we are still dealing with the integration of a health system (Akron General), and all of the implications of what that requires," Mr. Volas said. "It's much more difficult than you would think, what will all of the different systems and people to integrate. Of course, consolidation also includes acquiring physician practices, and, actually there seems to be more of a focus on primary care physicians than there are on specialists at this point in time."

He noted that collaboration entails forming affiliations with other hospital systems and a variety of provider types, as well as forming joint ventures with them.

"We're starting our third joint venture for a rehabilitation hospital with Select Medical and it's been very successful," he said. "We're in the process of completing a build to suit hospital as a joint venture with them. We are learning how to be a partner, whereas before, for us, we always looked to command and control. But for a number of reasons, we're no longer that way."

"Much of our effort is focused on providing quality care while taking costs out of our health system," he continued. "For 2017, we have an intense focus on protecting our margins. And when the revenues aren't there, the expenses have to come out, too.

"But my biggest concern is capacity. How are we going to do all this with the limited resources that we and all of the health systems are facing? And that's where a lot of the people in this room, the developers, the investment bankers, the consultants, come in and provide us with their expertise."

"There will be a pause as hospital systems are going to take a breath to figure out what the future may hold," said Phillip J. "PJ" Camp, principal with New York-based healthcare advisory firm Hammond Hanlon Camp (H2C) LLC.

"But we work with healthcare systems on a lot of different levels, not only on the real estate side but on the advisory side as well, and we see the same issues a lot … a lack of capital at the same time as feeling a need to defend market share and expand, to provide more efficient, more productive, more convenient locations for healthcare.

"The story we hear is that although they'd rather own it … they can't afford to own because they don't have enough capital to go around because they have very expansive plans to grow. Even some of the very wealthiest hospital systems in the country are considering and doing joint ventures, bringing in the developers, despite what may occur with the ACA."

"I think the large multispecialty groups, the large physician practices are going to continue to drive development projects, or to be the tenants in the projects," said Richard Rendina, chairman and CEO of Jupiter, Fla.-based Rendina Healthcare Real Estate. "And I think that is an important component to focus on in looking at a new development project and sizing it accordingly."

PJ Camp, John Winer and Greg Venn

Jon Sullivan, Dev Gregg and Ross Caulum

Development on the rise

As Mr. Fisher of Trammell Crow noted, development firms focused on the healthcare sector saw an uptick in opportunities in 2016 and were feeling optimistic heading into 2017. Many health systems are in need of new, technologically advanced outpatient facilities after a period in which new development had slowed, in part because of the Great Recession and in part because health systems were hesitant to commit to projects while they determined the impact of the PPACA.

As noted in the article “MOB construction on the rise” on Page 4, the data backs up the notion that MOB development is increasing, as a number of real estate research firms show increases in the square footage being delivered during the past three years.

Development is picking up, according to HRE professionals, because medical office buildings (MOBs) have been slowly but surely filling up, with most real estate data reports indicating that national vacancy rates have fallen to less than 10 percent.

“I would say that 2016, for us, was maybe a bit of a turning point from coming out of the recession,” said Mr. Toothacre of PMB. “We’ve been fortunate to get some really good-sized deals. From a number-of-projects perspective, our volume had been down, going all the way back to the recession, but we’re seeing a strong upturn.”

“The top of the funnel for lead generation is better than it’s ever been at PMB,” he added. “So, when I hear some of the discussion about whether healthcare development is going to go into a pause as a result of uncertainty concerning the Affordable Care Act, it certainly doesn’t seem like it to me, at least from the development standpoint.

“Our properties that we manage, and we manage about 3.5 million square feet, have continued to lease up, so we’re seeing good activity in terms of the performance fundamentals of our existing portfolio, and we’re also seeing a renewed entry of health systems and big groups and so forth into being aggressive and taking space.”

Dallas-based HRE developer and owner Caddis, like others, is seeing more development opportunities than it has in a long time, and from a variety of sources.

“Caddis had a terrific year in 2016,” Mr. Jacobs said. “We’ve been seeing more new looks at hospital-led opportunities from advisors and brokers working with hospitals more than I’ve seen in a long time. And that’s great because we’ve developed a number of new relationships.

“We just agreed to terms with a major academic medical center, and we’re working with one of the big for-profit systems on new

Chris Bodnar and Andy Dow

Eric Fischer and Mark Toothacre

deals. We just broke ground on our third building for (Houston-based) Memorial Hermann. One was an acquisition and two are developments."

Mr. Jacobs added that the company was in the process of joining with a "new and important" capital partner, and "we're all just thrilled about what this will mean for us moving forward."

Other developers expressed the same sentiment, that their firms were in the midst of strong periods as well.

"Erdman had its best year in 2016 since we went private again in 2012," Mr. Gregg added.

MOB sales stay strong, but ...

For the most part, MOB sales in 2016 nearly matched the total dollar volume in 2015, considered by many to be the all-time record setter. According to real estate research firm Real Capital Analytics (RCA) Inc., MOB sales approached $10 billion in 2016, just shy of 2015's total of nearly $10.2 billion.

However, John's Smelter's healthcare real estate group at Marcus & Millichap (NYSE: MM), which takes a different approach to analyzing the data, found that MOB sales in 2016 actually surpassed those in 2015. Doing its own research and eliminating sales that it determines are not true MOB transactions, Marcus & Millichap's figures show that MOB sales totaled $5.97 billion in 2016 compared to $5.87 billion in 2015.

"I think in 2017 that we will see a little bit of a slowdown because there's no way we can't see a little bit of a slowdown with the uncertainty we're experiencing, and uncertainty causes things to slow down," said Mr. Smelter, a senior director at Marcus & Millichap.

"And there's no way that I think that we can say that there isn't uncertainty. Will it be the same impact that we had in 2008, 2009, before the passage of the ACA? Who knows? I don't think so because we're still going to have healthcare."

But Mr. Smelter said he foresees interest rates rising, "maybe not at the pace that we saw in the four days after the election, but in conjunction with uncertainty, and the fact that we've already hit the top of the cycle, we'll see less velocity for MOB sales moving forward into 2017."

He added that there is a potential for a "disconnect" between buyers and sellers in the year ahead, what with sellers wanting the old pricing from the height of the market and buyers looking for lower prices.

"I don't want to be too negative, because I don't see, at the end of the day, 2017 being drastically far off from 2016," he said. "I think it's going to be a very minor correction."

The year ahead, he noted, will probably see higher interest rates and some inflation. "A number of things are going to happen under the new Trump administration that could cause some inflationary pressures, but I don't see it going up at a significant pace to really dramatically impact our industry. I think it will be slow moving, mostly if you look at the world economy."

Dan Klein, senior VP of investments with Milwaukee-based Physicians Realty Trust (NYSE: DOC), said the real estate investment trust (REIT), which was the largest investor in MOBs in 2016, is "bullish on 2017."

"We are going to watch carefully, along with everyone, what's going to happen with Trumpcare 1.0 and its impact on the markets," he said. "We'll watch even more closely what happens with interest rates, pricing and inflation, and see what happens there. That, to us, maybe has more of a meaningful impact than what happens with the Affordable Care Act."

Phillip Mahler, senior director with the healthcare team at Pittsburgh-based HFF Inc. (NYSE: HF), said the growth of the team at his firm is a reflection of how strong the MOB sales market is and the strong demand coming from investors to buy product.

Jim Kornick and Tommy Tift

Matt Nurkin and Keith Konkoli

"There's a lot of interest in this sector, and we at HFF are still in very much of a growth phase to respond to that," he said. "Like everyone else has been saying, the capital that's been coming into this space is very aggressive. The last three deals I've closed have been with capital that never invested in medical office, which is a blessing and a curse."

As for 2017, Mr. Mahler said he did not foresee cap rates changing much, especially for the highest quality, or Class A, facilities. Cap rates have been lingering at record low rates for a number of years, hovering between 6 percent and 7 percent. HRE professionals say transactions involving high-quality assets housing strong tenants, such as credit-rated tenants, often trade for less than 6 percent.

"I don't see cap rates changing on Class A product in 2017," Mr. Mahler said. "There might be some slippage in cap rates for Class B and C product. We are still seeing very aggressive cap rates for 'core' deals. So, we remain bullish for 2017."

Mr. Bodnar noted that the healthcare capital markets group at CBRE had its best year on record in 2016, when it sold properties for clients ranging from health systems to physician groups to REITs and developers.

"I don't know if we can replicate the amount of business we did in 2016 in 2017, when we were fortunate to work on some larger portfolio deals" he said. "At the same time, we are seeing more money being allocated to the space. We do have a number of listings coming out early in 2017 and it still runs the gamut of seller types, from a very large physician group, a health system, and then we will have a deal out to the market with a private equity group.

"Seeing that type of activity makes me excited about the prospects for this sector."

But he added, "I think we are going to be living with the new normal of interest rates and what that means. I think we've got probably about a 50 basis point swing from where we are today before we start seeing a pretty serious price impact to our sector."

While others see MOB sales and the overall economy perhaps entering the ninth inning, as many like to call the end of the current strong cycle, Mr. Camp,of H2C, says that the ninth inning might go out with quite a bang.

"There may be a rush actually to get more product out the door now that we see interest rates and cap rates probably inching up," he said. "Sellers may decide that's now the time to sell and before it gets any worse and they will try to sell their product. So, we might actually see a jump in MOB sales. After that, I think things are probably going to chill out a little bit."

Peter Volas and Justin Hill

Tommy Tift and James Schmid

Possible clouds on the horizon?

Most of the HREI™ Editorial Advisory Board members remain optimistic about the HRE sector, as they note that the country's aging population will continue to drive demand for healthcare services in less-expensive settings such as outpatient facilities. However, a number of the board members believe there are some potential pitfalls that could cause a bit of downturn in the sector.

Several expressed concern that the economy could weaken in the next year or two, adding that they believe the current bull market on Wall Street is in the "ninth inning." Others noted that rising interest rates and cap rates could have an impact on the sector.

They also note that pending regulations affecting health systems and providers could put a damper on the third-party ownership of MOBs, which is a major lifeblood of the HRE sector.

Those regulations and changes include the looming change in the way health systems must report leases under regulations to be enacted by the Financial Accounting Standards Board (FASB). As a result, health systems would have to report leases on their balance sheets, causing them to perhaps choose owning their outpatient space instead of leasing it from third-party owners.

Others added that if lawmakers indeed repeal the PPACA, which several believe is a flawed plan to begin with, there could be a reduction in the number of people with health insurance, thereby reducing revenue for health systems and reducing demand for new MOBs and other healthcare facilities. All of the talk about repealing the PPACA could also cause health systems to "pause" a bit in their planning for new facilities or initiatives, board members noted.

Mr. Rendina added that the looming "site neutral payment" legislation could have an impact on health systems and their development plans.

"We've already seen it affect some projects and had it not affect others," he said. "We had a cancer center project that was going to be off campus get moved to on campus just so it could be within 250 yards of the inpatient facility."

"Another thing that I think that is concerning is the coming shortage in physicians," Mr. Rendina continued. "The statistics show that over half of physicians out there today, if they were to do it over again, or to tell their children, they would tell them not to become physicians. That could pose a problem for all of us."

Jonathan L. "John" Winer, senior managing director and chief investment officer with White Plains, N.Y.-based Seavest Healthcare Properties, said that it seems "reasonable to believe that the health systems' uncertainty could cause them to pause in deploying capital and could also cause an increase in interest rates. The sooner we can defuse the uncertainty -- so the sooner the new administration gets to work and lays out an agenda that people can get behind – the better it will be for all of us in this business."

But Mr. Winer also added that he, too, believes the economy is "late in the game," the new presidential administration and Republican majority in Congress "can extend the game, can go into extra innings, if we can get some infrastructure spending going early."

Home healthcare, Mr. Winer noted, could also be a concern for the people and companies focused on developing and owning outpatient facilities.

"You can already see how much is being done to provide care in the home," he said. "In our sector, we have all benefitted from the hospitals pushing more services out of the hospital and into our buildings over a number of years, and that will undoubtedly continue. But we're also starting to see this new trend of services getting pushed out of our buildings and into the home. So I think we need to keep an eye on that."

Jim Kornick, a principal in the Washington, D.C., office of Avison Young, said that he foresees the first half of 2017 as "being much like the last couple of years" in HRE.

Jud Jacobs and Eric Fischer

Andy Dow and Michael Bennett

"However, beyond that I think the uncertainty will dampen a lot of health systems' decision making abilities," he said.

"This will especially be true for the hospital systems that are not in a booming metropolitan area on the East or West Coast that would like to grow but rather have to deal with financial security; they are the ones who are really going to have a hard time making decisions."

But then again … optimism

Despite the concerns, many on the board remain optimistic, noting that all industries and sectors go through downturns at times. Healthcare, however, will continue to grow and be an important part of the economy, they noted.

"I would expect that the kind of transactional volume that we have next year will be less," Mr. Kornick noted. "It goes back to the point about this being close to the end of this particular baseball game regardless of what happens in Washington. But I expect this business to do better because the best people in this business continue to get better, even though the market will be down a bit in the year ahead."

Mr. Hill of Welltower said he is confident that the sector will adjust to potential changes on the horizon.

"So, whether we're REITs who know how to invest capital wisely, or the developers who know how to build the right buildings, whatever it might be, there is cheaper, more efficient and more effective capital coming into our space, which I think is a positive for all of us," he said. "I think pricing was pretty aggressive this year in general, and that's because we've got this supply and demand curve that's a little bit out of whack with lots of new capital coming into the space."

Even with uncertainty facing the HRE sector, Greg Venn, president and CEO of Denver-based NexCore Group, said the smartest, most innovative firms can use it to their advantage.

"There's so much talk about uncertainty," he said. "But I like to look at uncertainty and say that it can also provide opportunities as well. I think there's no way to predict what's really going to happen because there are so many competing variables about what can happen. And while there are a bunch of things to worry about, I'm probably more optimistic than I've ever been about how to get through those things because of the people that are around us and around me and the capital partners that we've got, people who really do want to see us succeed." ❑

2017 HEALTHCARE & HEALTHCARE REAL ESTATE EVENTS

BOMA

Date	Event	Organization	Location	Website
Jan. 26	2017 Greater New York Healthcare Real Estate Summit	CapRate Events	New York City	CRE-events.com
Jan. 30-Feb.1	Annual Meeting	ASHA	Palm Springs	seniorshousing.org
Feb. 22	Hospitals & Medical Facilities Program	HCI/IFMA	Denver	www.squarefootage.net
Feb. 24	Hospitals & Medical Facilities Program	HCI/IFMA	Houston	www.squarefootage.net
March 7	Bisnow's Big South Healthcare Event	Bisnow	Houston	Bisnow.com
March 8	InterFace Healthcare Real Estate West	InterFace/France	Los Angeles	InterfaceConferenceGroup.com
March 8-10	Health Facilities Design & Development	IQPC	Sydney, Australia	Iqpc.com
Mar 12-15	ASHE PDC Summit	ASHE	Orlando	www.ashe.org
March 15	Northern California Healthcare Real Estate Summit	CapRate Events	San Francisco	CRE-Events.com
March 22-24	REIT Wise 2017	NAREIT	LaQuinta	nareit.com
March 22-24	Spring Investment Forum	NIC	San Diego	NIC.org
March 22-25	AMGA Annual Conference	AMGA	Grapevine, TX	AMGA.org
March 26-29	Congress on Healthcare Leadership	ACHE	Chicago	ACHE.org
April 4	Third Annual Northern California Healthcare Real Estate Summit	CapRate Events	San Francisco	capremedia.com
April 12	Hospitals and Medical Facilities Program	HCI/IFMA	Minneapolis	www.squarefootage.net
April 17-20	Becker's Hospital Review Annual Meeting	Becker's Hospital Review	Chicago	BeckersHospitalReview.com
April 25	Hospital and Medical Facilities Summit	HCI/IFMA	Chicago	SquareFootage.net
April 27-29	AIA Conference on Architecture 2017	AIA	Orlando	AIA.org
May 2-4	Spring Meeting	ULI	Seattle	ULI.org
May 10-12	MOB & Healthcare Facilities Conference	BOMA	Denver	BOMA.org
June 1	InterFace Healthcare Real Estate Carolinas	InterFace/France	Charlotte, N.C.	InterFaceConferenceGroup.com
June 6-8	REIT Week	NAREIT	New York City	NAREIT.com
June 7-8	Investment and M&A Opportunities in Healthcare	iiBIG	Nashville	iiBIG.com
June 25-28	ANI: The Healthcare Finance Conference	HFMA	Orlando	HFMA.org
June 28	North Texas Hospital, Outpatient Facilities & Medical Office Buildings Summit	CRDMI/IFMA	Dallas	SquareFootage.net
July 25	Greater St. Louis Hospital, Outpatient & MOBs Summit	CRDMI/IFMA	St. Louis	SquareFootage.net
June 25-28	ANI: The Healthcare Finance Conference	HFMA	Orlando	HFMA.org
July 27-29	Annual Leadership Summit	Health Forum/AHA	San Diego	AHA.org
Aug 6-9	Annual Conference and Technical Exhibition	ASHE	Indianapolis	ASHE.org
Sept. 18-20	Healthcare Facilities Symposium and Expo	JD Events	Austin	HCareFacilities.com
Sept. 24-27	SHSMD Connections 2017	SHSMD	Orlando	SHSMD.org
Sept. 26-28	Fall Conference	NIC	Chicago	NIC.org
September	InterFace Healthcare Real Estate Southwest	InterFace/France	TBD	InterfaceConferenceGroup.com
Oct. 8-11	Annual Conference	MGMA	Anaheim	MGMA.com
Oct. 10-12	CRE Converge	NAIOP	Chicago	NAIOP.org
Oct. 23-26	Fall Meeting and Urban Land Expo	ULI	Los Angeles	ULI.org
Nov. 11-14	Healthcare Design Conference	CHD & Vendome Group	Orlando	HealthcareDesignMagazine.com
November	InterFace Healthcare Real Estate Southeast	InterFace/France	TBD	InterfaceConferenceGroup.com
December	RealShare Healthcare Real Estate 2016	RealShare /ALM	TBD	RealShareConferences.com
early 2018	Medical Real Estate Investment Forum	Revista	TBD	RevistaMed.com

Disclaimer: All information verified as of Jan. 15, 2017. Please check with listed organizations for updates.

2017 HREI™ Resource Guide™

DIRECTORY

Acquisitions

Alliance Consolidated Group of Companies LLC
2201 Waukegan Road, #120
Bannockburn, IL 60015
847-393-4201
AllianceCGC.com

Anchor Health Properties
1300 N. Grant Ave., Suite 209, Wilmington, DE 19806
302-655-1010 • www.AnchorHealthProperties.com

A national, full-service healthcare real estate development, management and acquisitions firm focused exclusively on medical facilities. Anchor thinks outside the medical office box by taking a strategic approach to the navigation of the competitive healthcare marketplace and considering all angles, such as retail drivers, customer experience, branding and efficiency of the project. Offices based in Wilmington, DE; Charlottesville, VA; Nashville and Knoxville, TN; and Washington, DC.

American Healthcare Investors
18191 Von Karman Ave., Third Floor, Irvine, CA 92612
949-270-9200 • www.AHInvestors.com

American Healthcare Investors is an investment management firm that specializes in the acquisition and management of healthcare-related real estate, including medical office buildings, senior housing, skilled nursing and hospitals. The company has acquired approximately $5.5 billion of healthcare real estate since January 2012 and currently manages more than $8 billion worth of assets throughout the US and the UK on behalf of thousands of individual and institutional investors.

Atkins Companies
101 Old Short Hills Road, Suite PH1, West Orange, NJ 07052
973-325-7900 • www.AtkinsCompanies.com

The Atkins Companies is an industry-leading, award-winning, New Jersey-based real estate organization that most notably specializes in the development, acquisition and management of medical office properties throughout the northeast and beyond. Proud of the longevity of our family enterprise, we continue to cherish our strong relationships with health systems, hospitals and physician groups. For more information, visit www.atkinscompanies.com or contact Cory Atkins at (973) 325-7900.

Carter Validus Advisors II LLC
4890 W. Kennedy Blvd., Tampa, FL 33609
813-287-0101 • www.CarterValidus.com

Led by a team of real estate experts with transaction experience collectively totaling more than $38 billion, Carter Validus seeks to invest in healthcare & data center facilities on behalf of the non-traded REITs it sponsors. As of January 2017, Carter Validus had assembled a portfolio of approximately 9 million square feet of real estate in 29 states and has over 100 healthcare facilities under management. For more information: Alex Stacy (**astacy@cvreit.com**) | Jon Sajeski (**jsajeski@cvreit.com**)

HealthCap
5910 N. Central Expressway, Suite 1000, Dallas, TX 75206
214.953.1722 • www.HealthCap.com

HealthCap is a private equity firm with offices in Dallas, Phoenix and Charlotte specializing in creative growth capital and real estate solutions for the healthcare industry. Since 1996, HealthCap has sponsored more than $1.1 billion of healthcare sector investments located in 28 states. We provide strategic expertise and investment capital for the acquisition, disposition, and development of real estate as well as operating company buyouts and recapitalizations. Please visit **www.healthcap.com**.

Everest Medical Core Properties
7201 E Camelback Road, Scottsdale, AZ 85251
317-313-9525 • www.EverestMCP.com

Everest Medical Core Properties is an institutional real estate manager focusing on medical core real estate properties across the United States. Its mission is to provide high current and total returns to institutional and individual investors by acquiring high-quality medical office properties throughout the country. Everest offers over 100 years of combined Principal commercial real estate and finance experience.

Healthcare Realty Trust
3310 West End Ave., Suite 700, Nashville, TN 37203
615-269-8175 • www.HealthcareRealty.com

Healthcare Realty Trust is a real estate investment trust that integrates owning, managing, financing and developing properties associated with the delivery of outpatient healthcare services throughout the United States. The Company's portfolio of medical office and outpatient properties is diversified by geographic location, physician specialties and healthcare system affiliation. Healthcare Realty seeks to own and operate medical-related facilities that produce stable and growing rental income.

Flagship Healthcare Properties LLC
2701 Coltsgate Road, Suite 300, Charlotte, NC 28211
704-442-0222 • www.FlagshipHP.com

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HSA PrimeCare
100 S. Wacker Drive, Suite 950, Chicago, IL 60606
312-332-3555 • www.HSAPrimeCare.com

HSA PrimeCare partners with leading health care institutions in the nation to create development, project management, leasing, monetization, and property management real estate solutions that address the needs of today's patients while satisfying the financial goals of the health care provider. A leading developer and manager of medical facilities in the Midwest, HSA PrimeCare is responsible for a management portfolio of institutional health care properties of more than one million square feet.

Hammond Hanlon Camp LLC
623 Fifth Ave., 29th Floor, New York, NY 10022
212-257-4500 • www.H2C.com

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Keith Corporation (The)
5935 Carnegie Blvd., Suite 200, Charlotte, NC 28209
704-365-6000 • www.TheKeithCorp.com

The Keith Corporation is a full-service commercial real estate development firm headquartered in Charlotte, North Carolina with extensive experience in Healthcare and Medical Office development throughout the United States, Canada and Europe. In 2015, The Keith Corporation's Mauzy-Phillips Medical Center at Blue Ridge Regional Hospital in Spruce Pine, North Carolina was awarded the HREI Insights Award for Best New Medical Office in the 25k-50k SF Category.

REAL ESTATE SOLUTIONS FOR THE HEALTHCARE INDUSTRY

Lendlease Healthcare
1201 Demonbreun St., Suite 800, Nashville, TN 37203
800-452-8121 • www.Lendlease.com/HealthcareDevelopment

Lendlease is a national developer and owner of healthcare real estate. Led by seasoned professionals and based in Nashville, TN, Lendlease offers a full suite of market planning and development services to include leasing and physician recruiting. Our healthcare investments are supported by our parent company's substantial balance sheet and ample liquidity. We partner with our healthcare clients for all of their on and off-campus property needs from 15,000 sf outpatient facilities to campus solutions of 1,000,000+ sf.

Norvin Healthcare Properties
805 Third Ave., 18th Floor, New York, NY 10022
212-755-7552 • www.Norvin.com

Norvin is an investment firm dedicated to providing real estate solutions to the healthcare industry. We work with health systems, medical schools and physician groups. Transactions include acquisitions, joint ventures and monetizations of acute and post-acute hospitals, out-patient facilities, MOBs and administrative buildings. Established in 1998, Norvin serves as an investment manager for high net worth families and trusts. Please visit www.norvin.com or call Norm Livingston at 212-755-7552.

Lillibridge
353 N. Clark St., Suite 3300, Chicago, IL 60654
312-408-1370 • www.Lillibridge.com

EXCEPTIONAL VISION. EXCEPTIONAL PLACES OF CARE. Lillibridge is the leader in healthcare real estate - 32 states / 250+ markets. Our clients rely on us to see them through the complex challenges shaping healthcare delivery. Backed by the strength of Ventas, we provide Advisory, Acquisition, Property Management and Development services. In a rapidly-changing environment, choose your partners wisely. Contact Margie McHugh, SVP Advisory Services (312) 846-4564 or **mmchugh@lillibridge.com**.

Taking care of healthcare's needs, one piece at a time

Physicians Realty Trust
309 N. Water St., Suite 500, Milwaukee, WI 53202
414-367-6505 • www.DocREIT.com

Physicians Realty Trust (NYSE:DOC) is a self-managed healthcare real estate investment trust that acquires, owns and manages healthcare properties that are leased to physicians, hospitals and healthcare delivery systems and other healthcare providers. Our properties are typically on a campus with a hospital or strategically located and affiliated with a hospital or physician organization.

MBRE Healthcare
181 W. Madison, Suite 4700, Chicago, IL 60602
312-558-3877 • MBREHealthcare.com

As one of the largest private healthcare real estate investment firms, MBRE Healthcare provides comprehensive real estate solutions for hospitals, healthcare systems and physicians groups throughout the United States. MBRE specializes in a wide range of services to healthcare clients, including acquisitions + project financing, development + project management, leasing + property management, and consulting.

Pisula Development Company
10857 Kuykendahl Road, Suite 200, The Woodlands, TX 77382
713-870-6369 • www.PinecroftRealty.com

Over the past fourteen years, our company has steadily grown to become a regional, full service, healthcare real estate leader with business units specializing in acquisitions & development, property & asset management and commercial leasing. In collaboration with physicians, health systems and our investor clients, Pisula Development Company, has broken ground on or acquired 51 projects totaling over 2.3 million SF of commercial space.

NexCore Group
Denver | Chicago | Bethesda | Portland
Orlando | Laguna Niguel
303-244-0700 • www.NexCoreGroup.com

NexCore Group develops facilities for hospitals and health systems. We solve complex real estate challenges through innovative building solutions and creative financial structures. NexCore has the superior expertise to deliver quality environments and flexible spaces that help grow your business, lower expenses and mitigate risk. Each year over 2 million patients walk through our buildings, which have been designed to help providers facilitate the diagnosis, treatment and prevention of disease.

Strategic Healthcare Properties Nationwide℠

The Sanders Trust
1000 Urban Center Drive, Suite 675, Birmingham, AL 35242
205-298-0809 • www.SandersTrust.com

The Sanders Trust ("TST") specializes exclusively in the acquisition, development and management of strategic healthcare properties throughout the United States in partnership with leading health systems and physicians. TST's portfolio spans the full spectrum of healthcare real estate. The Birmingham-based firm was founded in 1989 by Rance Sanders and Hall of Fame quarterback, Bart Starr. TST has developed or acquired medical properties valued at more than $1 billion.

Search Commercial
14180 Dallas Parkway, Suite 300, Dallas, TX 75254
214-662-1800
SearchCommercial.com

Seavest Healthcare Properties LLC
707 Westchester Ave., White Plains, NY 10604
914-683-8474 • www.SeavestHCP.com

Seavest is an investment management firm dedicated to investing in medical office buildings and outpatient facilities. The firm acquires existing properties, provides equity to developers for new projects, and serves as an investment manager for institutional investors and high net worth families. Seavest made its first investments in the mid-1980s, and since 2001 has invested through dedicated investment funds. Please visit www.seavesthcp.com or call 914.683.8474.

Sina Companies
6861 Donald Ross Road, Palm Beach Gardens, FL 33418
561-627-8737 • www.SinaCompanies.com

Sina Companies is a full service real estate firm that specializes in the development and acquisition of healthcare facilities including outpatient, medical office, hospital, senior housing & rehab facilities. Sina executives have developed over 4 million SF of properties and acquired another 1.7 million SF in 20 states. As such, we can provide our clients with national experience and knowledge while providing the attention, responsiveness and flexibility of a small, nimble real estate partner.

Stage Equity Partners
5215 Old Orchard Road, Suite 160, Skokie, IL 60077
847-410-1076 • www.StageEquity.com

Stage Equity Partners LLC is a leading healthcare real estate investment company, specializing in medical office acquisitions throughout the country between $5 Million and $25 Million. Headquartered in Chicago, Stage seeks to grow its portfolio of high quality medical facilities located both on and off hospital campuses, and including both hospital and physician partners. Please visit www.stageequity.com for more information, and contact Brian Howard, President of Stage, at (847) 410-1076.

TopMed Realty LLC
500-506 S. Dixie Highway, Hallandale Beach, FL 33009
305-632-0737 • Email: Info@TopMedRealty.com

TopMed Realty is a full-service investment firm that acquires healthcare real estate properties, primarily medical office buildings (MOBs) in growing, high barrier-to-entry markets with strong demographics and affiliations with best-in-class medical tenants, hospital systems and academic/medical universities. Our objective is to generate superior risk-adjusted returns and stable cash flows for our investors by capitalizing on the positive demographic trends and other strong tailwinds benefitting MOBs.

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For information on advertising in HREI, please contact Murray W. Wolf of HREI at 952-746-4405 or MWolf@WolfMarketing.com.

Asset Management

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2701 Coltsgate Road, Suite 300, Charlotte, NC 28211
704-442-0222 • www.FlagshipHP.com

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NexCore Group
Denver | Chicago | Bethesda | Portland
Orlando | Laguna Niguel
303-244-0700 • www.NexCoreGroup.com

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707 Westchester Ave., White Plains, NY 10604
914-683-8474 • www.SeavestHCP.com

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Brokerage (Sales & Leasing)

Avison Young Healthcare Practice
Sean McDonnell, Norwalk, CT
203-614-1719 • www.AvisonYoung.com

The client-centric approach of Avison Young's national healthcare practice provides intelligent solutions for healthcare real estate sales, leasing and consulting clients. The nationally-recognized experts of our full-service healthcare group bring specialized expertise to our valued clients. Avison Young has rapidly grown to 2100 professionals in 75 offices.

CBRE U.S. Healthcare Capital Markets
Chris Bodnar: 303-628-1711, Chris.Bodnar@CBRE.com
Lee Asher: 404-504-5965, Lee.Asher@CBRE.com
www.CBRE.com/CM-Healthcare

CBRE U.S. Healthcare Capital Markets provides healthcare real estate investors with disposition, recapitalization, and debt & strategic finance strategies; advises healthcare providers with strategic consulting and capital planning; and assists health systems and physician groups in the developer selection process. CBRE Group Inc. (NYSE: CBG), a Fortune 500 and S&P 500 company, is the world's largest commercial real estate services and investment firm and is the leading provider of real estate services for the healthcare industry.

CBRE Southern California Healthcare Services Group
400 S. Hope St., Suite 2500, Los Angeles, CA 90071
213-613-3201

CBRE Healthcare Services Group covers five of Southern California's counties; Los Angeles, Orange, Ventura, San Bernardino and Riverside. The team focuses exclusively on healthcare real estate representing hospitals, medical groups, clinics and medical building owners. Real estate transactions include purchase and sale, leasing, ground leasing and real estate syndications. Additionally, the group provides portfolio analytics, site selection, lease administration and owned versus lease analysis.

Colliers International
601 Union St., Seattle, WA 98101
704-619-3931 • www.Colliers.com/En-US/HealthcareServices

Colliers International offers a highly specialized service line supported by a committed team across the full spectrum of real estate services: investment sales, brokerage, lease administration, property and project management, plus Colliers 360, our exclusive dashboard technology tool. This core group focuses on healthcare real estate, consistently delivering the best quality of technological and analytical solutions to support clients' strategic missions.

Cushman & Wakefield
www.CushmanWakefield.com

The Cushman & Wakefield Healthcare Practice has extensive expertise in serving healthcare clients across the continuum of healthcare, from urgent care to medical office buildings to senior housing. We provide healthcare organizations and owners/investors with strategic real estate services that address the unique nature of the industry, including portfolio optimization, ambulatory strategy, asset and transaction management, compliance, and acquisition and disposition.

Gatski Commercial Real Estate Services
4755 Dean Martin Drive
Las Vegas, NV 89103
702-221-8226
www.GatskiCommercial.com

Hammond Hanlon Camp LLC
623 Fifth Ave., 29th Floor, New York, NY 10022
212-257-4500 • www.H2C.com

Hammond Hanlon Camp LLC (H2C) is an independent investment banking and financial advisory firm, and one of the nation's leading advisors to the healthcare real estate industry. Uniquely qualified as a licensed broker/dealer, H2C is the nation's most experienced healthcare real estate advisor, providing industry-focused guidance regarding recapitalizations, raising debt and equity capital, refinancings and bond financings. The professionals at H2C have executed more than $10 billion of real estate transactions over the past 20 years. Call P.J. Camp at 212-257-4505 or at pcamp@h2c.com.

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HEALTHAMERICA REALTY GROUP

the medical real estate experts

HealthAmerica Realty Group LLC
3280 Howell Mill Road N.W., Suite 100, Atlanta, GA 30327
404-869-2670 • www.HealthAmRealty.com

HealthAmerica Realty Group is a full-service real estate firm dedicated solely to the healthcare industry, specializing in medical office buildings and clinic facilities. Headquartered in Atlanta, the firm has been servicing the needs of the medical real estate market throughout the Southeast for nearly twenty years. The experienced team of professionals offers healthcare clients expertise in medical facility acquisitions, landlord leasing representation, property management, investment sales and brokerage, asset management, development management and tenant representation.

National Healthcare Realty
50 S. Steele St., Suite 250
Denver, CO 80209
949-200-7756
www.NationalHealthcareRealty.com

Henry S. Miller Brokerage LLC
14001 Dallas Parkway, 11th Floor
Dallas, TX 75240
972-386-1475
www.HenrySMiller.com/RHarrell

HFF®

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One Victory Park, 2323 Victory Ave., Suite 1200, Dallas, TX 75219
214-265-0880 • www.HFFLP.com

Philip Mahler: (312) 528-3650, pmahler@hfflp.com
Evan Kovac: (858) 552-7690, ekovac@hfflp.com
Ben Appel: (484) 532-4200, bappel@hfflp.com
Anthony Frogameni: (407) 745-3900, afrogameni@hfflp.com
Colby Mueck: (713) 852-3500, cmueck@hfflp.com

HFF operates out of 24 offices and is a leading provider of commercial real estate and capital markets services to the global commercial real estate industry.

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Marcus & Millichap
750 Battery St., 5th Floor, San Francisco, CA 94111
415-963-3000 • www.MarcusMillichap.com

Marcus & Millichap leads the commercial real estate industry with more than 1,600 investment sales and financing professionals in over 80 offices throughout the U.S. and Canada. Our Healthcare Real Estate Group arranges the sale of investment properties on behalf of individuals, partnerships, major institutions, developers and hospital systems. We also provide financing, research and advisory services to most of the industry's leading institutional investors.

NAI Capital
11835 W. Olympic Blvd., #700e
Los Angeles, CA 90064
310-806-6141

RG Real Estate
P.O. Box 550912
Atlanta, GA 30355
404-694-0311
www.RG-RE.com

RJ King Associates Healthcare Real Estate
18907 Fishermans Bend Drive
Lutz, FL 33558
813-244-7532
www.RJKingAssociates.com

The Plaza Companies
9401 W. Thunderbird Road, Suite 200, Peoria, AZ 85381
623-972-1184 • www.ThePlazaCo.com

Plaza Companies, based in Peoria, Arizona, is an esteemed leader in the developing and managing of medical office and commercial office properties, technology and bioscience facilities, mixed-use properties and senior housing communities. Since its founding in 1982, this full-service, specialized real estate firm has established a proud portfolio stretching across the greater Phoenix area of more than 5.5 million square feet valued at more than $1 billion.

Construction

Bernards
555 First St., San Fernando, CA 91340
818-898-1521 • www.Bernards.com

Founded in 1974, Bernards is a nationally ranked, multidisciplinary commercial builder that brings an unyielding commitment to the safety and welfare of patients, hospital staff and visitors on every medical project. We're skilled in delivering complex healthcare and laboratory facilities on occupied campuses, with minimal disruption to the care-giving environment. Current and recent clients include Henry Mayo Newhall Memorial Hospital, White Memorial Medical Center, and Tehachapi Valley Health Care District.

Erdman
Atlanta | Dallas | Denver | DC | LA | Madison | Seattle
866-855-1001 • www.Erdman.com

At ERDMAN, we believe that the questions of new service offerings, population health, patient experience, new care models, and facilities are not separate, isolated challenges. We believe that by looking at these challenges through multiple perspectives simultaneously, we come up with more effective and efficient solutions. Through our Integrative Thinking, we take on the complex challenges of healthcare to help our clients build healthier communities.

Lendlease Healthcare
1201 Demonbreun St., Suite 800, Nashville, TN 37203
800-452-8121 • www.Lendlease.com/HealthcareDevelopment

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Design
(Architecture & Engineering)

ERDMAN

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HGA Architects and Engineers
420 N. 5th St., Suite 100
Minneapolis, MN 55401
612-758-4000
HGA.com

Image Manufacturing Group
5405 Buford Highway, Suite 270
Norcross, GA 30071
678-580-3281
www.ImgArchitectural.com

Development

Anchor Health Properties
1300 N. Grant Ave., Suite 209, Wilmington, DE 19806
302-655-1010 www.AnchorHealthProperties.com

A national, full-service healthcare real estate development, management and acquisitions firm focused exclusively on medical facilities. Anchor thinks outside the medical office box by taking a strategic approach to the navigation of the competitive healthcare marketplace and considering all angles, such as retail drivers, customer experience, branding and efficiency of the project. Offices based in Wilmington, DE; Charlottesville, VA; Nashville and Knoxville, TN; and Washington, DC.

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Cornerstone Companies Inc.
8902 N. Meridian St., Ste 205
Indianapolis, IN 46260
317-841-9900
www.CornerstoneCompaniesInc.com

Duke Realty
600 E. 96th St., Suite 100, Indianapolis, IN 46240
866-400-DUKE (3853) • www.DukeRealty.com/Healthcare

Duke Realty owns and operates approximately 141.8 million rentable square feet of industrial and medical office assets in 22 major U.S. metropolitan areas. With more than 25 years in the industry, Duke Realty's healthcare team offers proven experience in comprehensive planning, development, ownership, leasing, and facility management services in projects ranging from small medical office buildings to large ambulatory care centers with diagnostics, oncology and surgery services.

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Atlanta | Dallas | Denver | DC | LA | Madison | Seattle
866-855-1001 • www.Erdman.com

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100 S. Wacker Drive, Suite 950, Chicago, IL 60606
312-332-3555 • www.HSAPrimeCare.com

HSA PrimeCare partners with leading health care institutions in the nation to create development, project management, leasing, monetization, and property management real estate solutions that address the needs of today's patients while satisfying the financial goals of the health care provider. A leading developer and manager of medical facilities in the Midwest, HSA PrimeCare is responsible for a management portfolio of institutional health care properties of more than one million square feet.

Keith Corporation (The)
5935 Carnegie Blvd., Suite 200, Charlotte, NC 28209
704-365-6000 • www.TheKeithCorp.com

The Keith Corporation is a full-service commercial real estate development firm headquartered in Charlotte, North Carolina with extensive experience in Healthcare and Medical Office development throughout the United States, Canada and Europe. In 2015, The Keith Corporation's Mauzy-Phillips Medical Center at Blue Ridge Regional Hospital in Spruce Pine, North Carolina was awarded the HREI Insights Award for Best New Medical Office in the 25k-50k SF Category.

Lendlease Healthcare
1201 Demonbreun St., Suite 800, Nashville, TN 37203
800-452-8121 • www.Lendlease.com/HealthcareDevelopment

Lendlease is a national developer and owner of healthcare real estate. Led by seasoned professionals and based in Nashville, TN, Lendlease offers a full suite of market planning and development services to include leasing and physician recruiting. Our healthcare investments are supported by our parent company's substantial balance sheet and ample liquidity. We partner with our healthcare clients for all of their on and off-campus property needs from 15,000 sf outpatient facilities to campus solutions of 1,000,000+ sf.

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353 N. Clark St., Suite 3300, Chicago, IL 60654
312-408-1370 • www.Lillibridge.com

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NexCore Group
Denver | Chicago | Bethesda | Portland
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303-244-0700 • www.NexCoreGroup.com

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MedProperties Holdings LLC
2100 McKinney Ave., Suite 1450, Dallas, TX 75201
214-661-1000 • www.MedPropertiesLP.com

MedProperties is a private equity firm solely dedicated to investments in healthcare real estate. Through our discretionary funds, we invest directly, and in joint venture partnerships with qualified developers and owner operators, in medical office buildings, single tenant specialty facilities and senior housing projects.

Optimal Outcomes
435 5th Ave. N., Suite 200, St. Petersburg, FL 33701
727-895-8902 • www.Optimal-Outcomes.com

Optimal Outcomes does more than simply develop buildings. We design, develop, finance, own and manage a wide range of ambulatory facilities - all aimed at improving the delivery of healthcare rather than just maintaining the status quo. For over 20 years, Optimal has represented an integrated one-stop shop exclusively focused on progressive ambulatory facility solutions tailored to our clients' specific needs. Visit www.optimal-outcomes.com to learn more about what makes us different.

Medistar Corporation
7670 Woodway Drive, Suite 160, Houston, TX 77063
713-266-8990 • www.MedistarCorp.com

Medistar is a leading full-service medical real estate development company. For over 40 years, Medistar has focused on building strong physician partnerships and designing, developing and acquiring general, post-acute and surgical hospitals, ASCs, MOBs, assisted living, skilled nursing and related facilities. Our experienced team delivers innovative solutions for our clients and partners worldwide. Contact Paul McCleary at **pmccleary@MedistarCorp.com** for information on how Medistar can help you.

Pacific Medical Buildings / PMB
3394 Carmel Mountain Road, Suite 200, San Diego, CA 92121
858-794-1900 • www.PacificMedicalBuildings.com

PMB is a healthcare real estate development company for health systems, hospitals, medical groups and academic medical centers. We focus 100% of our business on the development of healthcare-related facilities including ambulatory care centers, MOBs, inpatient hospitals, post-acute hospitals, senior living and parking structures. With over 40 years of experience solely devoted to the healthcare real estate industry, PMB excels at providing customized solutions. www.pacificmedicalbuildings.com.

Navigant
30 S. Wacker Drive, Suite 3100, Chicago, IL 60606
312-583-6956 • www.Navigant.com

Navigant's Healthcare Real Estate team helps clients manage the financing, planning, design and construction of projects ranging from new hospitals to ambulatory care centers to healthcare villages. Our team provides comprehensive development, capital, program/project management, and advisory services. Through our unique integrated multi-disciplinary approach leveraging Navigant's deep strategy, operations, finance, facility planning and development expertise, we deliver real estate solutions.

Pisula Development Company
10857 Kuykendahl Road, Suite 200, The Woodlands, TX 77382
713-870-6369 • www.PinecroftRealty.com

Over the past fourteen years, our company has steadily grown to become a regional, full service, healthcare real estate leader with business units specializing in acquisitions & development, property & asset management and commercial leasing. In collaboration with physicians, health systems and our investor clients, Pisula Development Company, has broken ground on or acquired 51 projects totaling over 2.3 million SF of commercial space.

The Plaza Companies
9401 W. Thunderbird Road, Suite 200, Peoria, AZ 85381
623-972-1184 • www.ThePlazaCo.com

Plaza Companies, based in Peoria, Arizona, is an esteemed leader in the developing and managing of medical office and commercial office properties, technology and bioscience facilities, mixed-use properties and senior housing communities. Since its founding in 1982, this full-service, specialized real estate firm has established a proud portfolio stretching across the greater Phoenix area of more than 5.5 million square feet valued at more than $1 billion.

Read King Medical Development
5850 San Felipe, Suite 490
Houston, TX 77057
713-782-9000
www.ReadKingMD.com

Rendina Healthcare Real Estate
661 University Blvd., Suite 200, Jupiter, FL 33458
866-630-5055 • www.Rendina.com

Rendina is a national leader in healthcare real estate, providing a full-service platform that includes design, development, leasing, and property management. We have been a trusted partner to leading healthcare providers for 30 years, delivering proven solutions that have resulted in more than 7.4 million square feet of real estate throughout the country. Call us today to find out why five of the nation's ten largest healthcare systems have partnered with Rendina for their real estate needs.

Ryan Companies US Inc.
Multiple Locations Across the U.S.
612-492-4000
www.RyanCompanies.com

The Sanders Trust
1000 Urban Center Drive, Suite 675, Birmingham, AL 35242
205-298-0809 • www.SandersTrust.com

The Sanders Trust ("TST") specializes exclusively in the acquisition, development and management of strategic healthcare properties throughout the United States in partnership with leading health systems and physicians. TST's portfolio spans the full spectrum of healthcare real estate. The Birmingham-based firm was founded in 1989 by Rance Sanders and Hall of Fame quarterback, Bart Starr. TST has developed or acquired medical properties valued at more than $1 billion.

Seavest Healthcare Properties LLC
707 Westchester Ave., White Plains, NY 10604
914-683-8474 • www.SeavestHCP.com

Seavest is an investment management firm dedicated to investing in medical office buildings and outpatient facilities. The firm acquires existing properties, provides equity to developers for new projects, and serves as an investment manager for institutional investors and high net worth families. Seavest made its first investments in the mid-1980s, and since 2001 has invested through dedicated investment funds. Please visit www.seavesthcp.com or call 914.683.8474.

Sina Companies
6861 Donald Ross Road, Palm Beach Gardens, FL 33418
561-627-8737 • www.SinaCompanies.com

Sina Companies is a full service real estate firm that specializes in the development and acquisition of healthcare facilities including outpatient, medical office, hospital, senior housing & rehab facilities. Sina executives have developed over 4 million SF of properties and acquired another 1.7 million SF in 20 states. As such, we can provide our clients with national experience and knowledge while providing the attention, responsiveness and flexibility of a small, nimble real estate partner.

Westage Companies
200 Westage Business Center, Suite 120, Fishkill, NY 12524
845-897-3800 • Westage.com

Founded in 1978, Westage Companies is a leading provider of healthcare real estate development services in the Northeast. We provide complete development services to meet the complex needs of today's hospitals, healthcare systems, and physicians. Westage also offers asset management, property management, sales & acquisition, leasing, property evaluation, and owner's rep services to ensure the long term success of a project. Westage delivers creative solutions with flexible ownership approaches.

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Capital One Healthcare
77 W. Wacker Drive, Suite 1000, Chicago, IL 60661
312.739.4816 • www.CapitalOne.com/Healthcare

Capital One® Healthcare combines industry expertise with the capabilities of a top-10 U.S. bank. With $70 billion invested over the last 10 years and across a broad range of healthcare sectors, our team of specialists has the experience to support your company's growth. We're proud to have financed more than 6,000 senior housing, skilled nursing facilities, and medical properties across the U.S. For more information visit capitalone.com/healthcare or Erik.Tellefson@capitalone.com / 312.739.4816

CIT Healthcare Finance
Steve Reedy, Managing Director
Steve.Reedy@CIT.com
973-535-3787 (o) • 973-222-4338 (m) • www.CIT.com

CIT Healthcare Finance offers comprehensive lending solutions and banking services to companies across the healthcare industry. We specialize in cash-flow loans, asset-based lending, real estate financing, and working capital lines of credit. Through our client-focused and industry-centric model, we tailor our products and services to help our clients meet their capital needs. Founded in 1908, CIT is a financial holding company with more than $65 billion in assets. cit.com

First Citizens Bank
350 S. Beverly Drive, #150, Beverly Hills, CA 90212
310-712-4872 • www.FirstCitizens.com

The First Citizens Medical Industry Advantage. Founded in 1898, First Citizens Bank is one of the nation's strongest and most stable financial institutions, providing a broad range of banking services and financing at more than 560 locations in 18 states. Real estate financing up to 85% loan to value. Purchasing or buying into an existing practice. Practice refinancing. Equipment financing up to 100%. Leasehold improvements. Working capital.

Hammond Hanlon Camp LLC
623 Fifth Ave., 29th Floor, New York, NY 10022
212-257-4500 • www.H2C.com

Hammond Hanlon Camp LLC (H2C) is an independent investment banking and financial advisory firm, and one of the nation's leading advisors to the healthcare real estate industry. Uniquely qualified as a licensed broker/dealer, H2C is the nation's most experienced healthcare real estate advisor, providing industry-focused guidance regarding recapitalizations, raising debt and equity capital, refinancings and bond financings. The professionals at H2C have executed more than $10 billion of real estate transactions over the past 20 years. Call P.J. Camp at 212-257-4505 or at pcamp@h2c.com.

MedProperties Holdings LLC
2100 McKinney Ave., Suite 1450, Dallas, TX 75201
214-661-1000 • www.MedPropertiesLP.com

MedProperties is a private equity firm solely dedicated to investments in healthcare real estate. Through our discretionary funds, we invest directly, and in joint venture partnerships with qualified developers and owner operators, in medical office buildings, single tenant specialty facilities and senior housing projects.

MidCap Financial
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Bethesda, MD 20814
301-841-6484
www.MidCapFinancial.com

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Trammell Crow Company
2100 McKinney Ave., #800, Dallas, TX 75201
214-863-4101 • www.TrammellCrow.com

Trammell Crow Company (TCC) is one of the nation's leading developers and investors in commercial real estate. The Company has developed or acquired more than 2,600 buildings valued at more than $60 billion and over 565 million square feet. Over the last decade, TCC has developed over $3.5B of healthcare real estate, including MOBs, hospitals and outpatient facilities, totaling more than 15 MSF. We are consistently ranked as a leading healthcare developer by Modern Healthcare magazine.

William Blair & Company
222 W. Adams, Chicago, IL 60606
312-364-8885 • www.WilliamBlair.com

William Blair's Commercial Real Estate Finance Group is dedicated to structuring and sourcing private debt and equity for owners of healthcare real estate properties. Over the past 20 years, William Blair has structured and originated over 550 transactions for various commercial real estate properties. William Blair is an independent and employee owned global investment banking and asset management firm based in Chicago. Please contact Michael Kalt at 312.364.8040 or mkalt@williamblair.com

USAA Real Estate Company
9830 Colonnade Blvd., Suite 600, San Antonio, TX 78230
800-531-8182 • www.USRealCo.com

USAA Real Estate Company, with over $17 billion in assets under management, provides co-investment, acquisition, build-to-suit and development services for corporate and institutional investors and arranges commercial mortgage loans on behalf of affiliates. The portfolio consists of office, industrial/logistics, multi-family, retail and hotel properties. USAA Real Estate Company is a subsidiary of USAA, a leading financial services company, serving military families since 1922.

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VMG Health provides expert real estate appraisal and consulting services to healthcare facility owners, operators, managers, lenders, tenants, and advisors. The special nature of healthcare real estate properties requires an in-depth understanding of the business, financial, and legal environment in which our clients operate. With over 120 professionals located in Dallas, Denver and Nashville, VMG Health is exclusively focused in healthcare and performs 3,300+ valuations/appraisals each year.

Legal Services

Winstead PC
500 Winstead Building, 2728 N. Harwood St., Dallas, TX 75201
214-745-5400 • www.Winstead.com

Winstead's Healthcare Facilities Real Estate attorneys bring a blend of real estate excellence and healthcare industry acumen to each project. Our clients include hospital systems, physician groups, developers, operators, investors, and lenders of every type of medical facility. Our attorneys also represent senior and assisted living facilities and are well versed on the regulatory issues surrounding healthcare real estate projects. Visit **Winstead.com/HealthcareFacilitiesRealEstate**.

Other Professional Services

2017 BOMA International's MEDICAL OFFICE BUILDINGS + HEALTHCARE REAL ESTATE Conference
May 10–12, 2017 | Denver, Colorado

BOMA International
1101 15th St. N.W., Suite 800, Washington, DC 20005
202-326-6351 • www.MOB.BOMA.org

BOMA International's Medical Office Buildings + Healthcare Real Estate Conference is the largest and most comprehensive program available on healthcare real estate. This annual conference brings together hospital executives, healthcare REITs and real estate service providers, investors, lenders, facility managers, architects, consultants, and even physicians, to address emerging trends and issues in this sector. The conference program includes sessions devoted to emerging trends in healthcare and their impact on the industry. For more information please visit **mob.boma.org**

InterFace Healthcare Real Estate Conferences
3500 Piedmont Road, Suite 415, Atlanta, GA 30305
914-468-0818 • www.InterfaceConferenceGroup.com

Almost 6,000 healthcare and medical office real estate owners, investors, developers, lenders and operators, as well as hospital, healthcare system and physician group executives, have attended InterFace's 34 information and networking events over the past eight years. Unlike many events, InterFace conferences offer substantive education and information as well as high-level networking, deal-making and relationship building. To find out what InterFace Healthcare Real Estate conferences can do for you contact Richard Kelley at 914 468 0818 or **rkelley@francemediainc.com**

RealShare Conference Series/ALM
120 Broadway, 5th Floor, New York, NY 10271
212-457-9400 • www.RealShareConferences.com

This December will mark the 9th annual RealShare HEALTHCARE REAL ESTATE conference in Scottsdale, Arizona. Over 400 owners, investors, developers, hospital system executives, brokers, financiers, and more will gather for networking opportunities and forward-thinking panel discussions. For conference updates, including the agenda and featured speakers, visit: **www.realshareconferences.com**. For audience demographics, sponsorship rates and all additional questions, please contact the Conference Manager, Emily Lettieri, at **elettieri@alm.com** or (212) 457-7765.

Revista
1298 Bay Dale Drive, Suite 214, Arnold, MD 21012
443-949-8794 www.RevistaMed.com

Revista serves as a complete industry resource for healthcare and real estate organizations to obtain comprehensive, unbiased medical real estate industry-focused data, healthcare industry statistics, market reports and analysis; as well as by connecting professionals through high-level networking events. Revista's principals have decades of experience in healthcare real estate and also collaborate with an advisory board of the industry's top executives. For more information visit **RevistaMed.com**.

Wolf Marketing & Media
P.O. Box 1467, Minnetonka, MN 55345
952-960-1423 • www.WolfMarketing.com

If your healthcare real estate (HRE) firm needs public relations, advertising or other marketing services from a company that specializes in the HRE sector, look no further than Wolf Marketing & Media. As the publishers of **Healthcare Real Estate Insights**™, no one knows this sector better than we do. Our affiliated marketing communications team works with outside HRE developers, investors, REITs and other clients, combining our cutting-edge marketing expertise with our HRE knowledge and contacts to deliver marketing results no ordinary agency can match.

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Navigant
30 S. Wacker Drive, Suite 3100, Chicago, IL 60606
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Navigant's Healthcare Real Estate team helps clients manage the financing, planning, design and construction of projects ranging from new hospitals to ambulatory care centers to healthcare villages. Our team provides comprehensive development, capital, program/project management, and advisory services. Through our unique integrated multi-disciplinary approach leveraging Navigant's deep strategy, operations, finance, facility planning and development expertise, we deliver real estate solutions.

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Plaza Companies, based in Peoria, Arizona, is an esteemed leader in the developing and managing of medical office and commercial office properties, technology and bioscience facilities, mixed-use properties and senior housing communities. Since its founding in 1982, this full-service, specialized real estate firm has established a proud portfolio stretching across the greater Phoenix area of more than 5.5 million square feet valued at more than $1 billion.

Property Management

Atkins Companies
101 Old Short Hills Road, Suite PH1, West Orange, NJ 07052
973-325-7900 • www.AtkinsCompanies.com

The Atkins Companies is an industry-leading, award-winning, New Jersey-based real estate organization that most notably specializes in the development, acquisition and management of medical office properties throughout the northeast and beyond. Proud of the longevity of our family enterprise, we continue to cherish our strong relationships with health systems, hospitals and physician groups. For more information, visit www.atkinscompanies.com or contact Cory Atkins at (973) 325-7900.

Colliers International
601 Union St., Seattle, WA 98101
704-619-3931 • www.Colliers.com/En-US/HealthcareServices

Colliers International offers a highly specialized service line supported by a committed team across the full spectrum of real estate services: investment sales, brokerage, lease administration, property and project management, plus Colliers 360, our exclusive dashboard technology tool. This core group focuses on healthcare real estate, consistently delivering the best quality of technological and analytical solutions to support clients' strategic missions.

Flagship Healthcare Properties LLC
2701 Coltsgate Road, Suite 300, Charlotte, NC 28211
704-442-0222 • www.FlagshipHP.com

Flagship Healthcare Properties is dedicated to healthcare real estate. Flagship provides its hospital and physician partners with a broad range of resources and solutions including capital investment for acquisitions and development through its partnership with USAA Real Estate Co., as well as leasing, asset and property management services. Operating an integrated platform, Flagship has developed over 1.6 million square feet and currently manages more than 80 properties in the Southeastern US.

HEALTHAMERICA REALTY GROUP

the medical real estate experts

HealthAmerica Realty Group LLC
3280 Howell Mill Road N.W., Suite 100, Atlanta, GA 30327
404-869-2670 • www.HealthAmRealty.com

HealthAmerica Realty Group is a full-service real estate firm dedicated solely to the healthcare industry, specializing in medical office buildings and clinic facilities. Headquartered in Atlanta, the firm has been servicing the needs of the medical real estate market throughout the Southeast for nearly twenty years. The experienced team of professionals offers healthcare clients expertise in medical facility acquisitions, landlord leasing representation, property management, investment sales and brokerage, asset management, development management and tenant representation.

lendlease

Lendlease Healthcare
1201 Demonbreun St., Suite 800, Nashville, TN 37203
800-452-8121 • www.Lendlease.com/HealthcareDevelopment

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Keith Corporation (The)
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The Keith Corporation is a full-service commercial real estate development firm headquartered in Charlotte, North Carolina with extensive experience in Healthcare and Medical Office development throughout the United States, Canada and Europe. In 2015, The Keith Corporation's Mauzy-Phillips Medical Center at Blue Ridge Regional Hospital in Spruce Pine, North Carolina was awarded the HREI Insights Award for Best New Medical Office in the 25k-50k SF Category.

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Lighthouse Real Estate Services LLC
P.O. Box 550912
Atlanta, GA 30355
404-694-0311
www.LighthouseRESLLC.com

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DEVELOPMENT COMPANY

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10857 Kuykendahl Road, Suite 200, The Woodlands, TX 77382
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Real Estate Advisors & Consultants

Avison Young Healthcare Practice
Sean McDonnell, Norwalk, CT
203-614-1719 • www.AvisonYoung.com

The client-centric approach of Avison Young's national healthcare practice provides intelligent solutions for healthcare real estate sales, leasing and consulting clients. The nationally-recognized experts of our full-service healthcare group bring specialized expertise to our valued clients. Avison Young has rapidly grown to 2100 professionals in 75 offices.

CBRE U.S. Healthcare Capital Markets
Chris Bodnar: 303-628-1711, Chris.Bodnar@CBRE.com
Lee Asher: 404-504-5965, Lee.Asher@CBRE.com
www.CBRE.com/CM-Healthcare

CBRE U.S. Healthcare Capital Markets provides healthcare real estate investors with disposition, recapitalization, and debt & strategic finance strategies; advises healthcare providers with strategic consulting and capital planning; and assists health systems and physician groups in the developer selection process. CBRE Group Inc. (NYSE: CBG), a Fortune 500 and S&P 500 company, is the world's largest commercial real estate services and investment firm and is the leading provider of real estate services for the healthcare industry.

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601 Union St., Seattle, WA 98101
704-619-3931 • www.Colliers.com/En-US/HealthcareServices

Colliers International offers a highly specialized service line supported by a committed team across the full spectrum of real estate services: investment sales, brokerage, lease administration, property and project management, plus Colliers 360, our exclusive dashboard technology tool. This core group focuses on healthcare real estate, consistently delivering the best quality of technological and analytical solutions to support clients' strategic missions.

Ferraro Healthcare Advisory Group
21 Salem Lane
Evanston, IL 60203
312-339-9453
RFerraro@FerraroAdvisors.com

Hammond Hanlon Camp LLC
623 Fifth Ave., 29th Floor, New York, NY 10022
212-257-4500 • www.H2C.com

Hammond Hanlon Camp LLC (H2C) is an independent investment banking and financial advisory firm, and one of the nation's leading advisors to the healthcare real estate industry. Uniquely qualified as a licensed broker/dealer, H2C is the nation's most experienced healthcare real estate advisor, providing industry-focused guidance regarding recapitalizations, raising debt and equity capital, refinancings and bond financings. The professionals at H2C have executed more than $10 billion of real estate transactions over the past 20 years. Call P.J. Camp at 212-257-4505 or at pcamp@h2c.com.

Healthcare Real Estate Capital
1220 Elizabeth Ave., West Palm Beach, FL 33401
212-924-0628 • www.HRECap.com

Healthcare Real Estate Capital is an independent advisory firm solely focused on the healthcare real estate sector. Our services include asset and portfolio monetization / disposition, equity / debt capital raise, joint venture structuring, developer selection and other assignments. Our firm has implemented over $2 billion in transaction in the last several years on behalf of developers, investors and healthcare providers across the United States.

JLL
200 E. Randolph Drive, Chicago, IL 60601
312-782-5800 • www.US.JLL.com/Healthcare

JLL's Healthcare team's mission is to enhance the patient experience, improve clinical outcomes, and drive financial performance through real estate and facilities solutions. Our deep experience servicing the broad spectrum of inpatient and outpatient facilities in property management, project management, capital advisory, and transactions allow you to deliver real-time, actionable information to reduce costs and mitigate risk.

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