

NEWMARK

Global Healthcare Services

TEAM OVERVIEW & CAPABILITIES





Fischer Laser Eye Center
Willmar, MN

Newmark's Global Healthcare Services (GHS) team is a national specialty practice group specializing in every phase of acquiring, financing, developing and monetizing healthcare real estate.

Utilizing a consultative, strategic minded approach and leveraging our national resources and global reach, we assist hospitals, health systems and physician groups in effectively managing their healthcare real estate operations and portfolios, creating and executing long- and short-term strategic plans that deliver reduced occupancy costs, access to capital, increased efficiency and utilization, and ultimately maximizing value.

Our team comprises real estate transaction and consulting professionals with more than 145 years of combined experience serving hospitals, health systems and medical office building owners throughout the U.S. and across the globe. Our advisors understand the impact of the challenges that arise through hospital affiliation strategies, healthcare reform, demand for healthcare assets in the capital markets and constantly evolving regulatory issues. We have the expertise to advise providers through these complicated changes, compliance and regulatory issues, capital requirements and real estate strategies.



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As one of the largest and most experienced healthcare real estate teams in the country, GHS advises healthcare providers seeking to maximize value on assets and implement longterm business strategies.

The healthcare environment continues to be fluid and dynamic. We remain ahead of the game, providing comprehensive services to hospitals, health systems and physician groups across the United States.

OUR PLATFORM

300+	~\$40B	400+
health system and provider clients	transaction volume in past 5 years	healthcare transactions per year

OUR SERVICES



Provider
Monetizations



Portfolio
Optimization



Ambulatory
Strategy



Technology
Solutions



Transaction
Services



Capital
Planning



Healthcare Real Estate
Regulatory Compliance



Valuation and Advisory
Services



Mergers and
Acquisitions



Provider Monetizations

GHS advises providers in effectively managing their real estate operations and portfolios and identifies capital solutions. We work with health systems and physician practice groups to structure and execute monetization strategies of non-strategic assets, providing our clients with access to capital which allows them to focus on their goals of expanding and improving the quality of care. Healthcare provider monetization services include identifying cost-saving strategies through real estate operations, reviewing financing options, and quantifying the impact of real estate projects or transactions on financial statements.

Portfolio Optimization

There is constant pressure on providers to reduce costs, as reimbursements are shrinking. Developing a portfolio strategy with critical stakeholders will position the real estate footprint for achieving the success of the provider's long-term strategy. We work with clients to develop a strategy that will identify opportunities for providers to reduce costs, unlock capital, leverage owned versus leased real estate and the cost thereof, and increase patient access. A portfolio roadmap is developed to outline how consolidations, relocations, expansions, monetizations and the right-sizing of locations benefit the provider financially and operationally.

Ambulatory Strategy

The increased focus on establishing care in an outpatient setting has put pressure on providers to develop a comprehensive ambulatory strategy. Our team takes a data-driven approach to evaluating all critical location factors that are important for a successful location. Accessing the right patients in the right market can be identified through evaluating population characteristics, claims origin data, current patient distribution, competitor landscape and market economics. We collaborate with clients utilizing our technology solutions to develop ambulatory strategies for the different service lines the provider is expanding or realigning outpatient locations.

Technology Solutions

Our team utilizes a proprietary healthcare data and analytics platform built on business intelligence and geographic information systems that enable our team to aggregate and analyze critical data sets relative to making healthcare real estate decisions. We developed analytical applications that support our portfolio analytics, ambulatory strategy and execution services that analyzes various data sources including lease administration, population characteristics and healthcare demand, provider landscape and real estate economics. These tools are used as part of our integrated services to empower the organization to develop actionable insights and support strategic plans.

Transaction Services: Tenant Representation, Developer & Site Selection

GHS' extensive tenant representation experience includes advising providers in a variety of space types, such as a single-doctor outpatient clinic to on-campus leases including hundreds of thousands of SF in a single leveraged transaction. GHS also has experience transacting with developers nationally on all healthcare types. With unmatched access to national and international capital and knowledge of relevant financial structures, our team runs a structured and strategic competitive investment banking process. Our team also has a location intelligence platform that integrates critical location attributes to overlay with provider real estate portfolios to evaluate the alignment of assets in the market.

Capital Planning | Strategic Options Assessment

As health systems consider their real estate portfolios and development pipelines in the context of their capital budgets, there very often is a desire to explore the financing and monetization options available in the market today. GHS' Strategic Options Assessment is an initial body of work which evaluates the owned and leased properties and development projects, analyzes all relevant transaction structures, and assesses the financial statement and credit metric implications of each structure. The study culminates in a report with a forward real estate and financing strategy, specific recommendations and a roadmap for the transaction execution phase.

Healthcare Real Estate Regulatory Compliance

More than 50% of the Office of Inspector General's investigations begin with real estate, and we are experienced in navigating Safe Harbor, Stark and Anti-Kickback statutes. Our dedicated healthcare compliance experts specialize in regulatory issues affecting hospitals, health systems and physician practices, helping clients establish a process for determining fair market value, and for creating playbooks, checklists and training.

Valuation and Advisory Services

Our Valuation Advisory team provides valuation and advisory services through addressing the market's demand for accurate and comprehensive commercial property information. Structured around high-quality data, state-of-the-art technology and proprietary systems, our professionals excel in analyzing and interpreting timely market information for clients. We provide these financial and portfolio analyses to health systems and hospitals to provide effective cost reduction strategies and capital solutions.

Mergers and Acquisitions

GHS can provide tactical M&A consulting for hospitals, health systems and provider groups. Whether looking to expand in new markets or access capital and resources, GHS can advise on M&A strategies. Through state-of-the-art technology and data, GHS can advise on the buy and sell side, identify monetization opportunities, and provide portfolio integration and optimization structures.

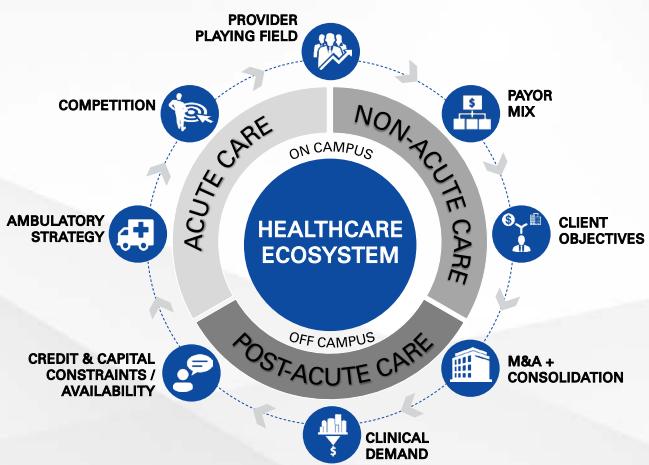
SERVICE SPOTLIGHT:

Healthcare 360

Newmark's GHS team assists providers in the development of a real estate strategy which can be utilized as a road map for future real estate decisions.

Our unique advisory to healthcare real estate takes a 360-degree approach to evaluating and analyzing data and concepts. The healthcare ecosystem consists of interconnected facilities with various acuity levels of services located within on-campus or off-campus settings. Data, objectives and strategies are unique for each facility and real estate decisions have an impact on the entire provider footprint and investor strategy.

Newmark's Global Healthcare Services' goal is to navigate the obstacles and challenges through data and analytics by aligning the real estate portfolio with the provider's or investor's long-term goals and objectives.



RELEVANT HEALTHCARE EXPERIENCE



Lake Health Beachwood Medical Center

Sale & Advisory Services

SF: 69,800

Sales Price: \$58,250,000



Genesis Healthcare System

Portfolio Lease Renegotiation

SF: 310,000

Savings: \$8,000,000



Belpre Cancer Center

Sale & Advisory Services

SF: 77,367

Sales Price: \$79,887,705



Confidential Health System

Non-Recourse Construction Financing

SF: 88,000

Total Proceeds: \$22,000,000

Ascension St. Vincent's

St. Vincent's Healthcare

Portfolio Lease Renegotiation

SF: 106,000

Savings: \$15,000,000



Indiana University Health

IU Health

Portfolio Lease Renegotiation

SF: 350,000

Savings: 20% increase in capital infusion

SSMHealth

SSM Health

Developer Selection

SF: 66,525

Yield on Cost: Below 6%



Urology of Virginia Portfolio

Sale & Advisory Services

SF: 86,377

Sales Price: \$38,400,000



Global Nephrology Solutions
Portfolio Disposition
Arizona & Florida

SF: 160,854
Sales Price: \$64,900,000

Global Nephrology Solutions (GNS) is one of the nation's leading physician-led nephrology organizations, with over 360 providers and 800 employees, supporting nephrologists who provide care across 10 states. GHS worked with multiple physician groups on a strategic real estate transaction involving 15 dialysis and medical office facilities in Arizona and Florida. After multiple phases, including the sale of existing assets and future development projects, the successful transaction will position GNS to grow more cohesively as they move ahead with future development projects backed by institutional capital gained from the monetization.



Jefferson City Medical Group
Portfolio Disposition
Jefferson City, MO

SF: 184,181
Sales Price: \$56,108,485

The Jefferson City Medical Group (JCMG) portfolio transaction involved the sale of JCMG's campus to a private equity backed real estate investor. The process was unusual in that it involved four different ownership entities across two different properties and included unfinished space in one of the buildings. GHS worked with the real estate owners and the medical practice to find common ground to sign a new long term lease based off historical occupancy costs and current market terms. The portfolio sold at a 6.18% cap rate. In Central Missouri, this transaction was one of the largest sales of real estate owned by an independent medical group to take place in recent years.



Ogden Clinic Portfolio
Portfolio Disposition
Ogden, UT

SF: 105,592
Sales Price: \$42,750,000

Ogden Clinic, a dominant, independent physician group that has the capacity to serve patient needs all along the healthcare continuum, occupies a four-property, recently constructed portfolio comprising 105,592 rentable SF. GHS led a controlled marketing process, which garnered the interest of 15 reputable, potential buyers in the first round of bidding. After a candid discussion with 60 physician owners, the partnership voted to accept an offer which represented a 6.12% cap rate and a \$5 million premium over the seller's pricing expectations.

ABOUT NEWMARK

At Newmark, we don't just adapt to what our partners need— we adapt to what the future demands.

Since 1929, we've faced forward, predicting change and pioneering ideas. Almost a century later, the same strategic sense and audacious thinking still guide our approach. Today our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies.

Tapping into smart tech and smarter people, Newmark brings ingenuity to every exchange and transparency to every relationship.

We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

ABOUT GLOBAL HEALTHCARE SERVICES

Newmark's GHS team is one of the largest and most experienced healthcare real estate teams in the country, advising healthcare clients seeking to maximize value on assets and implement long-term business strategies.

The GHS team provides clients with a single-source solution for every phase of acquiring, financing, developing and monetizing healthcare real estate. The team comprises real estate transaction and consulting professionals with more than 145 combined years of experience serving hospitals, health systems and medical office building owners throughout the U.S. and across the globe.

For more information:

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