

5 Centura Health buildings sold for \$41M

Denver Business Journal

January 5, 2012

A White Plains, N.Y.-based real estate investment firm bought five Centura Health medical office buildings in Denver and Littleton for \$41.25 million.

The portfolio purchased by Seavest Healthcare Properties and Fleisher Smyth Brokaw (FSB), a Denver-based real estate owner and property manager, includes three medical office buildings on Centura's Porter Adventist Hospital campus at 2525 S. Downing St. in Denver and two medical office buildings at its Littleton Adventist Hospital campus, 7700 S. Broadway in Littleton, for a total of 317,026 square feet.

"The Centura portfolio is an excellent opportunity for Seavest to build on its strategy of owning medical office properties on well-performing hospital campuses for leading healthcare systems," Jonathan L. Winer, executive vice president of Seavest, said in a release. "We plan to implement significant capital improvements in both the aesthetics and building systems that will enhance the value of the properties and provide for a better tenant and patient experience."

The buildings were acquired by a partnership of Seavest's investment fund, Seavest Properties III, and an affiliate of FSB. FSB will also serve as the property manager and leasing agent.

"This acquisition is an ideal fit for FSB's long-term medical office investment strategy," Michelle Brokaw, CEO of FSB, said in a release. "We expect to improve operations and ensure that these facilities continue to serve the residents of Denver and Littleton and the surrounding communities at the highest level."

The addresses of the buildings in the portfolio:

- Porter Medical Plaza 2535 S. Downing St., Denver, 76,098
- Harvard Park East MOB 950 E. Harvard Ave., Denver, 80,543
- Harvard Park West MOB 850 E. Harvard Ave., Denver, 70,394
- Arapahoe Medical Park Plaza 7720 S. Broadway, Littleton, 63,331
- Arapahoe Medical Park Plaza II 7750 S. Broadway, Littleton, 26,660

"We believe this is the perfect time to transfer these important assets to an organization with proven capabilities in the ownership of on-campus medical office buildings," Randy Haffner, CEO of Centura Health's Porter Hospital, said in the release. "The sale enables Centura to dedicate further resources to

deliver on our mission of providing quality, accessible and affordable care for the people in our communities.”

More than 100 tenants, including hospital clinical services and independent physician groups, are housed in the five buildings. They were 88 percent occupied. The two hospitals occupy a total of 28 percent.

Chris Bodnar and Lee Asher with the CBRE Inc. Healthcare Capital Markets Group represented Centura Health in the transaction.