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MedProperties Realty Advisors acquires two-building MOB portfolio near Philadelphia

The medical office buildings in Oaks, Pa., are 91 percent leased by a strong, diverse tenant mix that includes Axia Women's Health, Temple University Health System and Alliance Health

OAKS, Pa., and DALLAS, Oct. 31, 2018 –

MedProperties Realty Advisors LLC is pleased to announce its newest investment: the Oaks Medical Office Building (MOB) portfolio in the Philadelphia suburb of Oaks.

MedProperties, a national healthcare real estate private equity firm headquartered in Dallas, closed on the acquisition of two adjacent, three-story MOB's at 400 and 450 Cresson Blvd. in Oaks in late September. The buildings total 72,171 square feet.

This is the third acquisition in MedProperties' 3rd discretionary fund, MedProperties Fund III, LP. The firm launched the fund in April of this year with the acquisition of the 102,000 square foot, two-building Shady Grove MOB portfolio in Rockville, Md, followed by the acquisition of the 58,000 square foot Paradise Valley Medical Center in Phoenix, Ariz. The Oaks MOB acquisition also represents the firm's further expansion of its portfolio into the Northeast region of the United States.

MedProperties Managing Principal Darryl Freling

noted, "The Oaks MOB portfolio is an attractive, value-add opportunity because of its favorable purchase price, immediate cash flow potential, additional leasing income, ideal location and strong tenant base.

"In addition, this acquisition largely mirrors the successful strategy we employed with our first two funds, which includes (in addition to investments in ground-up development) investing in high-quality properties that provide immediate cash flow and value-added opportunities. We are working on filling the property's 9 percent vacancy, and will be implementing tenant and capital improvements that we expect will result in excellent appreciation of the property."

MedProperties Director of Acquisitions Jon Foulger said the two MOB's are 91 percent leased and have strong tenancy.

"Axia Women's Health, which offers patients comprehensive care in obstetrics, gynecology, fertility, maternal-fetal medicine and women's imaging services, is the anchor tenant and occupies 34 percent of the properties. The buildings also are leased by well-known, highly respected credit tenants including Temple University Health System, Quest Diagnostics, Oaks Radiology and Alliance Health, as well as a diverse mix of other healthcare services such as dermatology, dentistry, urgent care and optometry.



MedProperties Realty Advisors has acquired two adjacent medical office buildings (MOBs) of 36,150 and 36,021 square feet in Oaks, Pa., a suburb of Philadelphia. The firm's officials say the MOB's are 91 percent leased by a strong, diverse tenant mix, including a number of credit tenants.

Please click on the image to link to a high-resolution version.

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“There are also additional leasing opportunities with highly marketable space in the buildings that should provide incremental income. Current tenants have expressed strong interest in leasing the remaining available space, including a 4,188 square foot space that will soon be vacated by the prior owner.”

Mr. Foulger said the firm’s new acquisition is in an ideal location.

“The medical office buildings are highly visible and easily accessible from U.S. Route 422 and are close to the thriving, affluent King of Prussia and Valley Forge communities,” he says. “The area boasts numerous amenities and a highly educated and skilled workforce.”

Senior debt for the acquisition is provided by Capital One, with additional debt available for future tenant improvements, leasing commissions and capital improvements.

About MedProperties Realty Advisors

MedProperties Realty Advisors LLC is a Dallas-based healthcare real estate private equity firm that invests on a direct and an indirect basis (through joint venture relationships) in the development of new, value-add, and stabilized healthcare real estate, including multitenant medical office buildings and single-tenant, specialty healthcare facilities throughout the U.S. MedProperties invests through its discretionary funds, and through stand-alone investment vehicles. MedProperties is dedicated solely to investments in healthcare real estate. For further information on MedProperties, please visit www.medpropertieslp.com.

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