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MedProperties Realty Advisors LLC acquires PAM Inpatient Rehab Facility (IRF) in Fargo, N.D.

Situated in a growing market, the 57,000-square-foot, 42-bed hospital is the only stand-alone IRF in the state, serving all of North Dakota as well as Minnesota and South Dakota

FARGO, N.D., and DALLAS, Jan. 20, 2021 – MedProperties Fund III has acquired the 42-bed, 57,000-square-foot PAM Inpatient Rehab Facility in Fargo.

[MedProperties Realty Advisors LLC](#), a Dallas-based healthcare real estate private equity firm, closed on the transaction Dec. 29.

The Fargo facility is 100 percent leased on an absolute net basis for 18 years to Camp Hill, Penn.-based Post Acute Medical (PAM), an experienced operator of inpatient rehab facilities. This is MedProperties' third transaction involving a PAM property.



PAM Inpatient Rehab Facility in Fargo, N.D. is expected to meet the growing need for rehabilitation services in North Dakota and neighboring Minnesota and South Dakota.

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

“This property is strategic for the tenant and will be a reliable source of cash flows for our investors,” says MedProperties Managing Principal Darryl Freling. “It is the only inpatient rehab facility in the state, so it draws from a broad market that includes all of North Dakota as well as portions of Minnesota and South Dakota.”

He adds, “The rehab facility is in an ideal location within the Fargo Metropolitan Statistical Area. It’s a thriving market that serves as the economic hub of North Dakota, as well as parts of neighboring states.”

Jon Foulger, MedProperties' Director of Acquisitions, said the company decided to move ahead with the investment based on its due diligence and an independent feasibility study conducted for the fund by the healthcare transaction advisory firm VMG Health.

“Our research found that the market was under-served and that there was significant demand for more inpatient rehabilitation facilities, which is being fueled by the growing, aging Baby Boomer population,” Mr. Foulger says.

“We also believed this project would be successful because of PAM’s involvement,” he continues. “PAM took over operation of the facility last fall from a provider that had struggled to operate it, and quickly increased the patient census. We also have had positive experiences working with PAM in the past and are confident in their operational and industry expertise.”

PAM is a specialty healthcare company focused on providing quality care for both medically complex and rehabilitation patients. PAM also applies the latest technological advances in the development and application of treatment for slow- or non-healing wounds, which can include Hyperbaric Oxygen Therapy treatment for tissue issues related to diabetes and vascular disorders. These comprehensive courses of wound treatments are administered on both an inpatient and outpatient basis. The Fargo PAM facility includes highly specialized equipment and spaces, including a zero-gravity treadmill and multiple rehabilitation gyms among others. It is the only facility within a 180-mile radius that has a "Bioness Vector Gait & Safety System" for patients recovering from stroke, amputations, orthopedic, brain and spinal cord injuries, increasing its competitive advantage.

The PAM rehab facility is part of MedProperties' third discretionary fund, MedProperties Fund III LP. The firm launched the fund in 2018 with the acquisition of a two-building portfolio in Maryland, followed by acquisitions in Arizona, Pennsylvania, Tennessee, Ohio, West Virginia, Nevada, Florida and Indiana.

Debt for the transaction was provided for by Siemens Financial.

The transaction was arranged by P.J. Camp, Principal, and Mathew Tarpley, Vice President, of H2C (Hammond Hanlon Camp LLC).

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.