

\$117 Million 20-Property Healthcare Portfolio Sale Arranged by Marcus & Millichap

CHICAGO--(BUSINESS WIRE)-- Marcus & Millichap (NYSE: MMI), a leading commercial real estate investment services firm with offices throughout the United States and Canada, announced the sale of a 224,150-square-foot medical office building portfolio comprised of 20 radiation oncology centers located in Fla., Calif., Nev., W. Va. and Ky. The sales price for the healthcare real estate portfolio is just over \$117 million.

Gino Lollo and Scott Niedergang, both associate vice presidents in Marcus & Millichap's Downtown Chicago office and members of the firm's Healthcare Real Estate Group, represented the seller, a group of physicians affiliated with the tenant. Lollo and Niedergang also represented the buyer, a private non-traded REIT with a focus on healthcare. The net-leased tenant is 21st Century Oncology, which executed a new master lease prior to close of the transaction.

"Our sole focus and specialization on healthcare real estate investment sales have added value to the seller and helped them capitalize on historically aggressive prices currently being paid for assets like the ones in this portfolio," says Lollo. "We were able to match an active, assertive institutional healthcare buyer with a seller who had built a valuable, high quality portfolio over a number of years," Lollo continues. "The seller has achieved a competitive price and the buyer has attained a dominant healthcare tenant occupying high-quality sites strategically located in key markets."

"One of the driving forces behind this disposition was the continued improvement and strength of the tenant's credit as the transaction progressed," says Niedergang. "Motivating factors for the buyer also included 21st Century Oncology's status as the largest provider of integrated cancer care services in the country combined with the portfolio's strong real estate fundamentals. The acquisition offers long term stable cash flow with rental growth throughout the lease term."

Marcus & Millichap's brokers of record are:

- Kirk Felici, first vice president and regional manager, Fla.
- Kevin Boeve, regional manager, Calif.
- Perry White, vice president investments, Nev.
- Brenton Baskin, regional manager, W. Va.
- Aaron Johnson, vice president investment, Ky.

"Interest in medical office investment has expanded significantly as the asset class has moved into a mainstream classification," says Alan L. Pontius, national director, Commercial

Property Groups, Marcus & Millichap. “Over the past several years a broadening base of investors have poured into the sector. Rather than being viewed as a niche specialty within the landscape of real estate investment, medical office is highly sought after by investors attracted to favorable demographic trends and a property type recognized for stable returns and lower risk characteristics.”

21st Century Oncology provides cancer care services; it is the largest radiation oncology provider with the largest groups of urologists in the U.S. The physician-led company is headquartered in Fort Myers Fla. and operates 181 treatment centers, including 145 centers located in 16 U.S. states and 36 centers in Latin America.

About Marcus & Millichap (NYSE: MMI)

With nearly 1,500 investment professionals located throughout the United States and Canada, Marcus & Millichap is a leading specialist in commercial real estate investment sales, financing, research and advisory services. Founded in 1971, the firm closed over 7,600 transactions in 2014 with a value of approximately \$33.1 billion. The company has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry’s most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. To learn more, please visit: www.MarcusMillichap.com

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