

Top U.S. Converter Montecito Enters Medical Properties Market with Major Multi-Property MOB Acquisition

Florida-based Montecito Property Company, LLC today announced acquisition of a 14- building medical property portfolio by its affiliate company Montecito Medical Investment Realty, LLC, and venture partner Buchanan Street Partners. The partners acquired the prize portfolio from Florida-based Greenfield Group.

JACKSONVILLE, FL and NEWPORT BEACH, CA – April 14 (SEND2PRESS NEWSWIRE) – Montecito Medical Investment Realty, LLC, the medical property acquisition affiliate of Montecito Property Company, LLC, in a joint venture with Buchanan Street Partners of Newport Beach, CA has acquired a 14-building, 583,912 square foot medical office portfolio in a deal which closed on Monday. Montecito acquired the portfolio from the Florida-based Greenfield Group. The properties, which are on campus and adjacent to hospital complexes, are located in Florida, Virginia, Arizona and Indiana.



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**(Photo Caption: Aventura Medical Plaza is part of a 14-property portfolio acquired this week by a joint venture between Montecito Medical Investment Realty LLC, a subsidiary of Montecito Investment Company and Buchanan Street Partners.)*

"The Greenfield acquisition is part of a strategic expansion we've been planning for some time," said Montecito CEO Chip Conk. He and a team of key

partners head Montecito Medical Investment Realty and Montecito Property Company, the nation's fastest growing and second largest condo conversion company. MPC reported sales of well over \$1 billion in 2005.

"The Montecito family of companies can bring a tremendous level of experience, flexibility and financial resource to any aspect of commercial real estate. We have developed a very high level of competence and effectiveness in strategic acquisitions" Conk said.

Interest in medical office properties is accelerating Conk acknowledged. "Even so, I think we have the edge," he explained. "Montecito has established financial resources which will allow Montecito Medical Investment Realty to move rapidly through transactions to closing."

The company is resource-rich and nimble, qualities which should prove attractive to sellers in the competitive market and to potential venture partners.

"We are serious about this market," said Montecito Medical's V.P. of Finance James P. Josephson. Josephson was Vice President of the Real Estate Finance & Servicing Group at Lennar Partners, Inc., in Miami before joining Montecito Medical. "Ours is a long-view strategy, he stated. "We will be in key markets throughout North America acquiring well-located, cash-flow stable properties with strong growth potential."

"Once the full portfolio is acquired, we plan to strategically dispose select elements over a four-year period," Josephson explained. "Our aim is to maximize a risk-adjusted return on invested capital for all our equity partners."

"Every piece of infrastructure is in place to put Montecito Medical Investment Realty at the top of the list for any hospital executive or medical building owner who wants or needs to monetize one of their properties and utilize that freed up capital more dynamically." Josephson continued, "We can make that happen."

The MOB portfolio represents the first joint venture equity investment between Montecito and Buchanan Street Partners, a real estate investment bank that invests equity with operating partners through a series of fully-discretionary equity funds.

"We are excited about our new partnership with Montecito Medical Investment Realty and are very bullish on the prospects for healthcare real estate," notes Buchanan's Chief Investment Officer and Managing Partner, Timothy J. Ballard. "The aging of the U.S. population and outsourcing trends in healthcare present a strong case for rental growth and value appreciation in well located medical office buildings. The concentration of this portfolio in South Florida, which is emblematic of this national demographic shift and which offers high barriers to entry, was particularly appealing to Buchanan Street Partners."

About Buchanan Street Partners:

Buchanan Street Partners is a leading real estate investment bank that provides real estate capital for owners and developers. Founded in 1999, Buchanan Street Partners has offices in Newport Beach, Los Angeles, San Francisco, Atlanta and Chicago, and has closed more than \$10 billion in real estate transactions since its inception. Buchanan Street Partners makes principal equity investments for real estate in a discretionary capacity, arranges debt and structured finance, is an investment manager to institutional and private investors, offers investment sale brokerage services, and has a specialty in self-storage finance.

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