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## **Manley of Healthcare Real Estate Advisors speaks to Maine Primary Care Association; Reduce risk, max value**

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Managers who want to reduce risk and get the greatest value out of their real estate must start the process early, define needs and goals, and use all the power of alternatives, Marisa Manley, president of Healthcare Real Estate Advisors (HCREA) said recently in a speech to the Maine Primary Care Association (MPCA).

Facility managers must manage the process, not just "look for space," Manley told the attendees. Allowing sufficient time to complete the project is the first step in managing, she said. For a standard clinic of up to 100,000 s/f in an existing structure, managers should allow 18-24 months to get the job completed right. For a more ambitious project, a 60 month time schedule may be required.

Managers should also avoid hidden costs related to operating expenses, taxes, landlord services, and exit obligations, Manley said. They have to take advantage of micro-markets. And they must maintain flexibility throughout the process.

Manley stressed the importance of creating a detailed project plan and schedule anticipating needed resources and estimating the cost of each phase. She stressed the importance of establishing firm criteria for site selection including size, location, price range, and whether the property is to be leased or purchased.

Community health center managers should not fall in love with a location and should actively negotiate on multiple locations simultaneously, Manley said. Managers need to look carefully at the trade-offs between image and price, access and time, and wanted location vs. needed location when assessing potential sites, Manley advised.

"Astute facility managers know that using an integrated process reduces risk and maximizes value," Manley told the assembled MPCA members. "By using an integrated process model, managers can keep all aspects of the process under control, provide transparency to staff, board, and agencies, and gain greater access to funding."

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