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## **Grubb & Ellis Healthcare REIT II, Inc. acquires four properties**

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Grubb & Ellis Healthcare REIT II, Inc. has acquired four properties comprised of five medical office buildings; four of the buildings are located in Arkansas, the fifth in New Jersey. The \$44 million purchase closed on May 26th.

Totaling 179,000 s/f, each of the medical office buildings are located on the campus of, or fully leased to, a leading regional medical center.

The individual properties included in the transaction are:

- \* Jersey City Medical Office Building - Jersey City, N.J.;
- \* Medical Park Place I & II - Benton, Ark.;
- \* Home Health Medical Complex - Benton, Ark.
- \* Bryant Medical Office Building - Bryant, Ark.

"This five building transaction is the first of a two phase acquisition of a portfolio of eight medical office buildings," said Danny Prosky, president and chief operating officer. "Once we have concluded the second phase, Grubb & Ellis Healthcare REIT II's portfolio of clinical medical buildings will have expanded to include regional portfolios in Greater New York and central Arkansas, and we will have acquired our first property in the state of Washington."

Built in 2010, Jersey City Medical Office Building is a five-story, 100 percent leased, 68,000-square-foot Class A facility on the campus of Jersey City Medical Center, a 332-bed community hospital with full inpatient and outpatient services. The medical center lies just across the Hudson River from Manhattan and leases 50 percent of the medical office building, which has no significant lease rollover until 2020.

Medical Park Place I & II is a four-story, two-tower medical office complex totaling approximately 79,000 square feet on the campus of Saline Memorial Hospital in Benton, an affluent suburb of Little Rock. Built in 1992 and 1999, the medical office buildings are connected to each other and the hospital via sky bridges. Saline Memorial Hospital is a full-service, 167-bed acute care facility that has served the region for more than 50 years.

Home Health Medical Complex, a two-story medical office building totaling approximately 10,000 square feet, also located on the campus of Saline Memorial Hospital, which also leases the entire building under a triple net lease agreement that expires in 2024.

Built in 1993 and fully renovated in 2006, Bryant Medical Office Building is a high-quality, single-story medical office building comprised of approximately 22,000 square feet of rentable space at 23157 Interstate 30 in Bryant.. The building is located roughly 10 miles southwest of downtown Little Rock and nine miles northeast of Saline Memorial Hospital, which leases 86 percent of the facility via two leases that expire in 2024 and 2025.

The four medical office buildings were acquired from an unaffiliated third party represented by Jeffrey H. Cooper and Philip B. Mahler of Savills, LLC. Grubb & Ellis Healthcare REIT II financed the acquisition using cash proceeds from its offering, \$31.1 million in borrowings under its line of credit with Bank of America, N.A., and \$5 million in borrowings from Keybank, N.A.

As of May 20, 2011, Grubb & Ellis Healthcare REIT II has sold approximately 25,608,950 shares of its common stock, excluding the shares issued under its distribution reinvestment plan, for approximately \$255,509,000 through its initial public offering, which began at the end of the third quarter of 2009.

To date, the REIT has made 21 geographically diverse acquisitions comprised of 48 buildings valued at approximately \$336 million, based on purchase price in the aggregate.

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