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Tryko Partners acquires 100-bed Spaulding Nursing and Therapy Center - \$4 million program to update the North End property

April 21, 2017 - Front Section

Boston, MA The acquisition of Spaulding Nursing and Therapy Center expands Tryko Partners, LLC's Massachusetts skilled nursing portfolio to 10 properties, and marks the private equity investment firm's entry into the city proper. Under the guidance of Marquis Health Services, Tryko's healthcare affiliate, a \$4 million program to update the iconic North End property and enhance its patient programs will launch immediately.

Tryko purchased the 100-bed skilled nursing facility from Spaulding Rehabilitation Network, part of the Partners HealthCare system. Spaulding will continue to manage the property through late this year, at which time operation will transition to Marquis Health Services. "Marquis has an impressive track record of making investments in their facilities and scores well on publicly reported quality measures," said David Storto, president of the Spaulding Rehabilitation Network. "Marquis is also committed to understanding the needs of their local communities and helping to make a positive impact."

Located at 70 Fulton St., Spaulding Nursing and Therapy Center has forged strong neighborhood ties since opening in 1983. Tryko became involved following discussions about the operation consolidating into to another Spaulding facility in the city's Brighton neighborhood.

"We recognized the opportunity to grow our regional presence while at the same time preserving this valuable asset for local residents," said Tryko Partners' Uri Kahanow, director of acquisitions. "Spaulding Nursing and Therapy Center is a great fit for us, offering proximity to quality healthcare institutions and a dense population. We look forward to working closely with Partners HealthCare and the City of Boston to uphold and enhance this North End gem."

According to Norman Rokeach, chief executive officer for Marquis Health Services, the acquisition will enable his team to grow its existing collaborative relationships. Several of the company's properties already maintain Accountable Care Organization (ACO) partnerships with Partners' Mass General and Brigham and Women's hospitals and, separately, Beth Israel Deaconess Healthcare Organization, Steward Healthcare Network, UMass Memorial Healthcare, South Shore Health System and Atrius Health.

"We look forward to working closely with the many Boston-based health systems," Rokeach said. "The incredibly deep medical community here provides a great opportunity for us to develop

specialty programs geared to their needs.”

For example, Marquis will introduce cardio-pulmonary and stroke recovery programs with the intent to strengthen clinical outcomes for both short- and long-term skilled nursing patients. The Spaulding Nursing and Therapy Center facility, itself, will be enhanced with a new rehab gym featuring a smart car to help clients simulate activities of daily living during the recovery process. Common areas and patient rooms – which include a significant number of private suites – will be completely updated as well.

“We will stage the renovation work in a way that avoids disruption to our long-term residents,” Rokeach said. “As at all Marquis properties, our approach at Spaulding Nursing and Therapy Center will focus on providing excellent care and superior customer service. We anticipate that our quality, hands-on support will be well received by patients and their families.”

Despite the complexities in structuring the purchase with the staged operational transition, the Tryko Partners team successfully closed the sale within 45 days of entering into contract, according to Chad Buchanan, Tryko Partners’ chief investment officer. M&T Bank provided acquisition financing.

“The M&T team has been a steadfast partner in our other business lines for some time, but this is our first healthcare project with them,” Buchanan said. “From the moment we put this facility under LOI and through closing, Blair Ridder, Christian Montgomery and their group made financing this acquisition a top priority. The various transactional, operational and local nuances were significant, but they made it look easy.”

For Brick, N.J.-based Tryko Partners and Marquis Health Services, the acquisition marks the firm’s continued expansion. Marquis Health Services currently operates 17 facilities totaling more than 2,000 beds. The company is recognized as a leading provider for long-term care and rehabilitation services in the Northeast and Mid-Atlantic regions.