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HFF completes sale of two-property medical office portfolio

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460 Hartford - Vernon, CT

Hartford, CT Holliday Fenoglio Fowler, L.P. (HFF) completed the sale of a two-property portfolio that includes 460 Hartford, a 36,000 s/f, multi-specialty outpatient facility, and 8 Keynote, a 22,500 s/f home health service facility. Both properties are fully leased to Eastern Connecticut Health Network (ECHN), a wholly-owned subsidiary of Prospect Medical Holdings, and are in the Hartford-area community of Vernon.

The HFF team represented the seller, Bellevue Street Capital LLC. Global Medical REIT Inc. purchased the assets. The sale price was not disclosed. This sale was part of a larger transaction consisting of an eight-property portfolio of hospital-occupied medical office buildings. 460 Hartford was redeveloped in 1999 and is home to DaVita Dialysis, the second largest dialysis provider in the area. 8 Keynote houses the operations for the ECHN's home health care. The Prospect Eastern Connecticut Health Network is a two-hospital, 242-bed, for-profit health system with campuses within a 10-mile radius of the portfolio.

The HFF team representing the seller included managing directors Ben Appel and Evan Kovac, director Andrew Milne, senior director Bryan Rosenberg, senior managing director Dana Brome and associate Ron Ott.

“In all of its markets, Prospect Medical Holdings owns hospitals that service a very important patient service area,” Appel said. “For that reason, combined with their expertise in delivering healthcare, Prospect’s hospitals typically control dominant market share. These types of transactions in which a hospital monetizes owned real estate naturally attract a lot of high-quality, institutional healthcare real estate capital.”

“This transaction would not be possible without Prospect Medical Holdings’ long-term commitment and continued reinvestment in the ECHN health network into the communities it serves” said Alan Lagunov, a principal with Bellevue.

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