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CBRE advises on \$1.7 billion portfolio recapitalization and debt financing of eight inpatient hospitals in Massachusetts

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Saint Elizabeth's Medical Center – Brighton, MA

Boston, MA CBRE advised on the equity recapitalization and debt financing of a \$1.7 billion portfolio consisting of eight inpatient general acute care hospitals located in Massachusetts. CBRE advised Medical Properties Trust, Inc. (MPT) to first source a new equity partner to recapitalize the assets, and then CBRE sourced the debt financing for the newly formed joint venture ownership entity.

MPT formed a joint venture with Macquarie Infrastructure Partners V, a private fund managed by Macquarie Asset Management (MAM), to form a partnership pursuant to which a MAM-controlled subsidiary has acquired a 50% interest in the portfolio of eight hospitals owned by MPT and operated by Steward Health Care System (Steward).

The hospitals include:

- Saint Elizabeth's Medical Center – Brighton, MA;
- Holy Family Hospital – Methuen - Methuen;
- Holy Family Hospital – Haverhill – Haverhill;
- Good Samaritan Medical Center - Brockton;
- Saint Anne's Hospital – Fall River;

Morton Hospital – Taunton;
Nashoba Valley Medical Center – Ayer; and
Carney Hospital - Dorchester.

CBRE brought together an international team of capital markets professionals for the execution of the deal. For the equity partner sourcing, Keith Harris of CBRE's operational real estate group based in London partnered with Lee Asher, Chris Bodnar, Ryan Lindsley, and Jordan Selbiger of CBRE's U.S. healthcare & life sciences capital markets group to advise MPT in the recapitalization of the assets. James Millon, a global institutional debt advisory specialist with CBRE based in New York, sourced the debt financing for the new joint venture between MPT and MAM.

“This was a rare opportunity for an investor to partner with MPT to recapitalize the largest acute care hospital portfolio to come to market,” said CBRE's Asher. “These are unique inpatient assets in critical healthcare markets in Massachusetts, and we believe the newly formed joint venture will successfully support Steward's hospital operations and mission to deliver the highest quality care to its patients.”

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