2017 HEALTHCARE REAL ESTATE SURVEY

PERSPECTIVES FROM DEVELOPERS, LEASING AGENTS, INVESTORS, LENDERS, BROKERS, REAL ESTATE MANAGERS AND OTHERS IN FINANCE

CONFIRMATION

As we’ve seen in previous studies, a strong majority believe the shift toward convenience and outpatient care will not only continue but accelerate with more Medical Office Building activity.

TREND CONTINUES

- 81% SEE OUTPATIENT CARE ACCELERATING
- 71% SEE ACQUISITIONS ACCELERATING
- 70% EXPECT INCREASING ACTIVITY IN MEDICAL OFFICE BUILDING

CHALLENGES FOR FINANCE/DEVELOPMENT

1. WORKING WITH PROVIDER PROCESSES AND SCHEDULES
2. GETTING GOOD ROI WITH LIMITED SUPPLY AND HIGH CONSTRUCTION COSTS
3. FINDING QUALITY REAL ESTATE AND VALUABLE ASSETS

3/4 BELIEVE RADICAL LEGISLATIVE CHANGES ARE NEEDED TO KEEP HEALTHCARE FINANCIALLY VIABLE

FINANCING TRENDS UNCHANGED

Most participants prefer DEBT AND CASH FINANCING.

- Bank Debt: 37%
- Cash: 30%
- Credit: 13%
- Lease: 10%
- Securities: 10%

Capitalization rates are seen as REMAINING STEADY.

- Increasing: 22%
- Stable: 53%
- Decreasing: 25%

TO LEARN MORE, WATCH OUR VIDEO AND LISTEN TO OUR PODCAST

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