

CASE STUDY | HEALTHCARE

KINGWOOD MEDICAL ARTS

ACQUISITION, LANDLORD LEASING, PROPERTY MANAGEMENT AND DISPOSITION

Kingwood, Texas



OPPORTUNITY

Origin, with its operating partner Transwestern, acquired the property out of bankruptcy in 2012.

SOLUTION

- At time of takeover - signed anchor tenant for a 10 year term and extended term of an existing tenant for a 5 year term.
- Transwestern negotiated leases that boosted occupancy from 52.5 percent at acquisition to 90 percent at the time of sale.

RESULTS

- 87 percent leased November 2015 (36,604 sf new leasing in 90,000 SF building).
- Extended Hospital term to 12 years to expiration (extended 40 months).
- The value of the property rose 62 percent during the hold period and generated a 25.4 percent internal rate of return.