



**DOMINION HEALTHCARE
REALTY, LLC**

Relationship Driven Real Estate Solutions®



HISTORICAL CASE STUDY



Building Bridges

"...It's all about optimizing opportunities – not at the expense of, but for the benefit of each other."

*Geoff Crabtree – Senior Vice President
Methodist Healthcare System
San Antonio, TX*



Project Services & Results

- ✓ Creating Physician Ownership Opportunities
- ✓ Expanded Relationship with Methodist
- ✓ Strategic Leasing & Management Plans
- ✓ Strategic Facility & Master Planning
- ✓ Financial Analysis / Capital Planning
- ✓ Operations Assessment



GATEWAY MEDICAL CENTER

In late Summer 2007, Methodist Healthcare System of San Antonio, Texas (Methodist) notified the principals of Dominion Healthcare Realty, LLC that Methodist intended to exercise its First Right of Offer to purchase a 67,026 square foot medical office building called the "South Texas Cardiovascular Center" (STCVC). The STCVC building has been re-named as Gateway Medical Center. It is connected via sky-bridge to Methodist's 800-bed tertiary care hospital located in the South Texas Medical Center. Methodist expressed its desire to place the building under contract and then assign this contract to the principals of Dominion Healthcare Realty, LLC.

Methodist had three other main objectives: (a) to prevent competing forces from gaining access to the building, (b) to preserve the property's long-standing service of providing office space to physicians on staff at Methodist Hospital, and (c) to align its interests with a developer/owner that would protect these interests moving forward.

The principals of Dominion Healthcare Realty, LLC immediately set to work with Methodist to negotiate a letter of intent addressing Methodist's requirements. With this signed letter of intent, Methodist entered into a sales contract to purchase the Gateway Medical Center and then assigned its contract rights to a Dominion affiliate. The Gateway Medical Center transaction was closed in early November 2007.

After closing, the principals of Dominion Healthcare Realty, LLC implemented a professional plan for managing and leasing the Gateway Medical Center. Additionally, the principals of Dominion Healthcare Realty, LLC initiated design work to add a new 128,000 square foot medical office building with associated parking garage to the project. The principals of Dominion Healthcare Realty, LLC have sold their partnership interests in this project, and the foregoing is intended as a reference to the proposed plans for the project. The proposal plans are in the hands of the now-current ownership group.

