GLOBAL HEALTHCARE SERVICES

Newmark Knight Frank

Q3 2019 HEALTHCARE CAPITAL MARKETS

INVESTMENT INTELLIGENCE

While Q3'19 saw a decrease in transaction volume as compared to Q2'19, which has occurred over the previous 5 years, 2019 volume is still anticipated to hit the estimated target of $10B if Q4'19 tracks its 5-year average. While REIT and private investors decreased their acquisition volume, institutional and equity fund investors more than doubled from $213 million to $480 million. The number of properties that have transacted in 2019 is already 100 more than 2018 total volume, and the dollar per square foot is right at the average for the last five years at $273 PSF. Cap rates are 6.7% for 2019, as Q3'19 returned to the average of Q1'19 at 6.8%.

NOTABLE Q3'19 TOP BUYERS

Service Properties Trust (NYSE: SVC)

Acquired 70 properties with an average price of $0.9M.

Platform Ventures

Acquired 8 properties with an average price of $3.1M.

ANTICIPATED Q4'19 PORTFOLIO SALES

LifePoint Health & Medical Properties Trust, Inc.

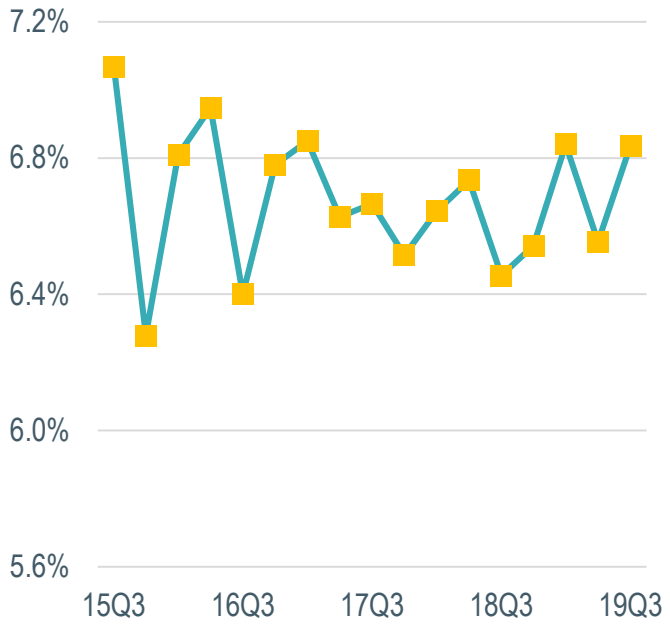
$700M portfolio consisting of 10 acute care hospitals in 6 states.

Landmark Healthcare Facilities

14-asset MOB portfolio across 8 states with reported pricing up to $750M.

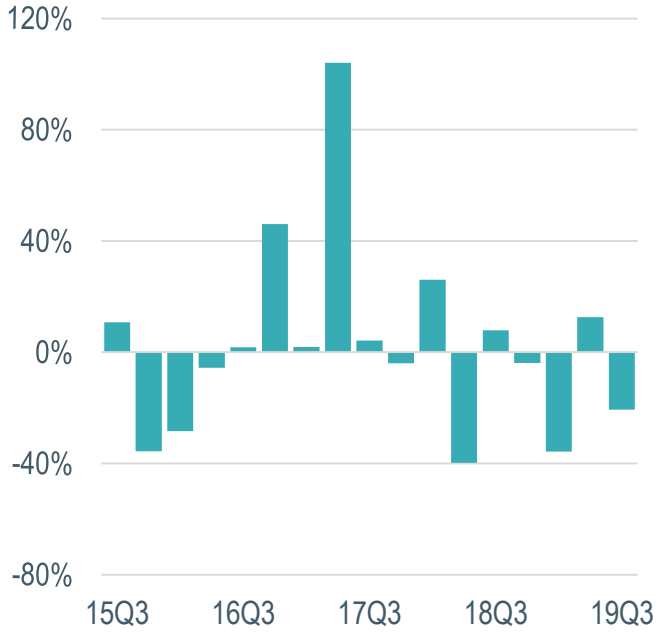
Source: Real Capital Analytics

AVERAGE CAP RATE



CHANGE IN SALES

MEDICAL OFFICE Y/Y



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ABOUT NEWMARK KNIGHT FRANK

Newmark Knight Frank ("NKF"), operated by Newmark Group, Inc. ("Newmark Group") (NASDAQ: NMRK), is one of the world's leading and most trusted commercial real estate advisory firms, offering a complete suite of services and products for both owners and occupiers. Together with London-based partner Knight Frank and independently-owned offices, NKF's 16,000 professionals operate from approximately 430 offices on six continents. NKF's investor/owner services and products include investment sales, agency leasing, property management, valuation and advisory, diligence, underwriting, government-sponsored enterprise lending, loan servicing, debt and structured finance and loan sales. Occupier services and products include tenant representation, real estate management technology systems, workplace and occupancy strategy, global corporate services consulting, project management, lease administration and facilities management.

ABOUT GLOBAL HEALTHCARE SERVICES

Newmark Knight Frank's Global Healthcare Services team is one of the largest and most experienced healthcare real estate teams in the country, advising healthcare clients seeking to maximize value on assets and implement long-term business strategies. The Global Healthcare Services team provides clients with a single-source solution for every phase of acquiring, financing, developing, and disposing healthcare real estate. The team comprises real estate transaction and consulting professionals with more than 25 years of experience serving hospitals, health systems, and medical office building owners throughout the U.S. and across the globe.

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