



# METRO MEDICAL PLAZAS

## VARIOUS LOCATIONS

### Customer's Needs:

*The hospital group needed additional capital for construction of the new hospital.*

### Our Solution:

#### Economics

- Sale/lease back of five facilities
- Improved hospital cash position
- Facilitated the debt and equity placement

#### Performance

- Hospital maintained long-term control of real estate
- Professionally managed property

#### Project Value

*\$13 million*



### Overview:

The Metro Health Plazas consist of five buildings, representing 83,549 square feet, located in and around the greater Grand Rapids community. The Plazas are leased by Metro Health Hospital for their physician medical offices. The Plazas are a key factor to Metro Health Hospital's overall success, as the individual medical practices within the Plazas refer patients to the main hospital for treatment.

### Financial Solution:

Before Metro Health could begin construction of its new replacement hospital and campus, it needed to enhance its balance sheet and its liquidity. As co-developer of Metro Health's replacement campus, The Granger Group offered the hospital a financial solution — both a sale/leaseback transaction and an opportunity to introduce the hospital to the philanthropic leaders of West Michigan. The Granger Group purchased Metro Health's outpatient facilities for \$13 million, providing the hospital with an immediate cash infusion. The transaction was then structured through both a long-term lease and financing, granting Metro a future option to purchase and maintain long-term strategic control over the facilities and properties. The opportunity to invest in the outpatient clinics was then presented to the philanthropic leaders. This offering provided the individuals with a solid investment opportunity and offered Metro Health a chance to build a relationship with the investors.

