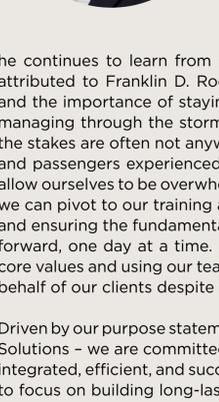


ANCHOR HEALTH PROPERTIES

GOOD MORNING!



At a conference I recently attended, I was fortunate to hear from Chesley "Sully" Sullenberger, the captain of US Airways Flight 1549, who is best known for his heroism in saving the 155 people aboard after both engines were disabled by a bird strike. Sully was quick to credit the years of training and experience that both he and his crew had experienced in allowing them to react calmly and safely within a mere 208 seconds from the moment of impact to landing in the Hudson River.

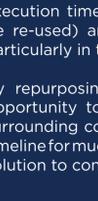
Listening to Sully's experiences and how he continues to learn from and reflect on them, I was reminded of the quote attributed to Franklin D. Roosevelt - "Smooth seas don't make a good sailor" and the importance of staying disciplined, relying on training and experience in managing through the storms and "bird strikes" that we encounter (admittedly the stakes are often not anywhere close to the same level that Sully and his crew and passengers experienced). When the unexpected occurs, we can choose to allow ourselves to be overwhelmed by the stress and magnitude of the moment or we can pivot to our training and experience - ensuring we execute on the basics and ensuring the fundamentals continue to provide a strong foundation to move forward, one day at a time. At Anchor, this means authentically embracing our core values and using our teams' and partners' collective knowledge to deliver on behalf of our clients despite the headwinds of current capital markets.

Driven by our purpose statement - Pursuing Better Healthcare through Real Estate Solutions - we are committed to making thoughtful decisions that encourage an integrated, efficient, and successful approach to healthcare facilities. We continue to focus on building long-lasting relationships, leveraging our clients' brand and expanding their market, maximizing value within our facilities and our tenants' space, increasing access to convenient and affordable healthcare services, and ultimately creating a better healthcare experience for patients.

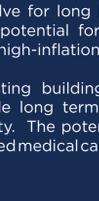
Captain Sully once said, "...to meet your goals in life ... you also need to take "authentic action" every day to achieve them. That means you have to knock on a door, or make a phone call, or do something concrete to get you closer to your goal." As you read through the updates below, the successful development project openings, closed investment transactions, and strengthened relationships with our tenants are a result of this entire team consistently taking daily steps toward our common purpose while embracing innovation and adapting to new paradigms in the face of this current market climate filled with ever-changing circumstances.

Yours truly,
Ben Ochs

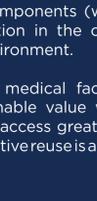
IN THIS ISSUE



Development



Investment



Management



Company News

DEVELOPMENT

Adaptive Reuse - Converting to Medical

By Matthew Pirollo, Vice President, Development

Development of new space can represent a significant expenditure, consuming resources which otherwise could be directed toward patient care. Oftentimes opportunities of existing real estate assets can be readily adapted to suit the needs for high-quality patient care environments. Whether an existing property will be fully repurposed or partially repurposed, identifying a creative and thoughtful approach has the potential to yield significant value.

A key part to the strategy prior to site selection and detailed planning is to understand the project drivers and how that will inform the redevelopment goals. One of the benefits to reusing older vacant buildings, such as malls, is the opportunity to provide a presence much closer to the patient base while providing more convenient access and ultimately better healthcare. Through Anchor's extensive experience and intensive due diligence process, we are keenly aware of the risk profile and navigating the necessary improvements to aging infrastructure.

We often see underutilized assets as another approach to explore when evaluating all development options. Particular advantages to adaptive reuse can include the reduction of site entitlement constraints, overall development execution timeline, solve for long lead components (when equipment can be re-used) and the potential for reduction in the overall project costs, particularly in today's high-inflationary environment.

By repurposing existing buildings into medical facilities, we have the opportunity to provide long term sustainable value while enhancing the surrounding community. The potential to access great sites and accelerate timeline for much needed medical care, adaptive reuse is a great redevelopment solution to consider.

RECENT DEVELOPMENT NEWS

Grand Opening Specialty Eye Center

Built to Suit Specialty Eye Center
5,000 SF | Maryville, TN

[\[Read More\]](#)



Construction Completed Greater Knoxville Ear Nose & Throat

Built to Suit Specialty ENT Center
13,267 SF | Knoxville, TN

[\[Read More\]](#)



Grand Opening Bayhealth Total Care

Emergency Department and Urgent Care Clinic
48,500 SF | Milton, DE

[\[Read More\]](#)



INVESTMENT

Executing on Off Market Transactions in Destabilized Markets

Elliott Sellers, CFA®, Senior Vice President, Investments and Partner

The challenges and opportunities presented by the current state of the market require a strategic and comprehensive approach focused on a long-term mindset of establishing relationships rather than focusing on short term transactional deals. Leveraging our collective knowledge, resources, and presence in target markets across the United States, Anchor's ability to execute on off market transactions leans on a combination of expertise, experience, a strong network, and access to capital.

With the vast majority of our acquisitions closed off market in the last couple of years, our collaborative investments team considers the following strategies when creating value and successfully aligning owners', sellers', and tenants' interests in an off market transaction:

Strong Relationships

Our team focuses on establishing a robust network with local industry contacts, including brokers, owners, construction managers, healthcare administration, and private providers. Developing these long-term relationships can result in gaining insights into potential off market transactions - whether that is a current construction project for forward takeout or private provider who is interested in selling their building.

Market Knowledge

Another important factor is to build an intimate understanding of the local market dynamics and the needs of healthcare providers in the area. This can involve conducting research on demographic trends, healthcare regulations, space available for lease, and zoning requirements as well as analyzing each property's market positioning, physical condition, and tenant mix.

Flexibility & Creativity

In destabilized markets, it is also important to have a flexible approach to deal-making. This can involve offering creative financing options, being open to alternative deal structures, and thinking "outside the medical office box."

Exploring opportunities for building scale in target markets, and strengthening relationships with local brokers, healthcare providers, and financial partners alike, our investments team is able to navigate complex deals and execute on off market transactions in any market environment.

RECENT INVESTMENT TRANSACTIONS

Florida



Sebastian Medical Suites

34,681 SF
Class A Outpatient MOB

Sebastian, Florida
Off-Market Transaction

[\[Read More\]](#)

Colorado



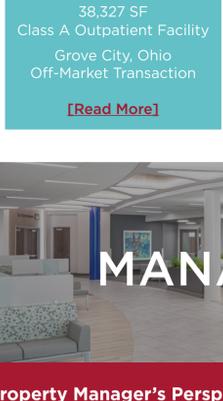
Renewal Medical Center

36,541 SF
Class A Outpatient MOB

Lone Tree, Colorado

[\[Read More\]](#)

Ohio



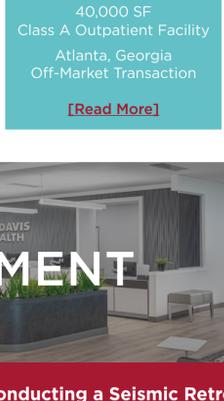
Grove City Medical Office Building

38,327 SF
Class A Outpatient Facility

Grove City, Ohio
Off-Market Transaction

[\[Read More\]](#)

Georgia



Lawrenceville Medical Office Building

40,000 SF
Class A Outpatient Facility

Atlanta, Georgia
Off-Market Transaction

[\[Read More\]](#)

MANAGEMENT

A Property Manager's Perspective on Conducting a Seismic Retrofit

By Jannel Guise, CPM®, Senior Property Manager

Working closely with leading healthcare systems and providers, we lend our expertise to create a clean and functional workplace and preserve asset value while enhancing the delivery of patient care. As such, I recently had the opportunity to collaborate with our tenancy and members of our internal property management and development teams on a significant seismic retrofit at the Chancellor Park Medical Complex in La Jolla, California.

The overall project included reinforcement of the steel structure in 120 locations across 200,000 square feet in order to exceed California's current seismic guidelines and regulations. Leveraging the collective knowledge and resources of our integrated platforms, I worked alongside Eric Clayton and Joe Hackney from our development team and Guthrie General, who served as our general contractor, to execute on this important upgrade.

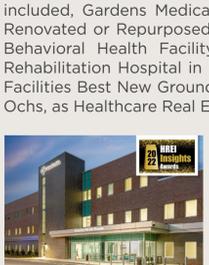
To ensure a smooth and efficient project, the team dedicated substantial time in the pre-construction phase. Using MultiVista as our project management database, we were able to remotely access floor plans, suite plans, and existing conditions of each site. Prior to construction in a specific area, the team reviewed the images of each suite together to see what was inside, such as millwork, duct work, sinks, furniture, etc., and then determined the most effective approach to completing the construction.

Additionally, extensive and consistent communication with the existing tenancy was crucial to the success of this project, including anticipated disruptions to operations, relocation plans (as necessary), and safety procedures to minimize potential inconveniences or risks. Prior to the commencement of the project, I created a tailored packet for each tenant that included a floor plan where the containment would be, what to expect during construction, my contact information, and how to coordinate with Boyer Moving to help prep and move their operations, as appropriate, during construction. We also conducted two walk-throughs with each tenant to address concerns - one before the project began to explain what we were doing and what to expect, and one after construction to ensure their space was put back together accurately. MultiVista for the win again!

The seismic retrofitting effort was a complex process, and as we initiate similar projects at our other facilities located in earthquake-prone areas, we now have a property management roadmap to follow while engaging our development team and external qualified professionals with expertise in seismic engineering and building codes to lead the way.

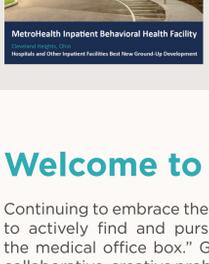
COMPANY NEWS

We launched our Youtube Channel!



Our Core Values

Who are we? Passion drives us, but it's our core values that guide us. Take a look at our core values video.

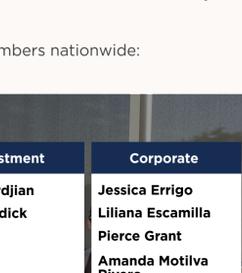


Look Back at 2022

2022 was a ground-breaking year. Take a look at some of our amazing accomplishments.

2023 HREI Insights Awards Finalists

We had several projects that were selected as finalists in the 10th Annual Healthcare Real Estate Insights (HREI) Awards program, the first and only comprehensive national awards program dedicated to recognizing the best in healthcare real estate.



Ben Ochs
Chief Executive Officer & Managing Partner
Healthcare Real Estate Executive of the Year

Recognized for innovation in development and team leadership, nominations included, Gardens Medical Pavilion in West Palm Beach, Florida in the Best Renovated or Repurposed Healthcare Facility category, MetroHealth Inpatient Behavioral Health Facility in Cleveland Heights, Ohio and TGH Inpatient Rehabilitation Hospital in Tampa, Florida in the Hospitals and Other Inpatient Facilities Best New Ground-Up Development category, and Anchor's CEO, Ben Ochs, as Healthcare Real Estate Executive of the Year.



Welcome to Our New Team Members!

Continuing to embrace the entrepreneurial spirit, we encourage our professionals to actively find and pursue innovative, holistic solutions - thinking "outside the medical office box." Guided by a mindset of challenging assumptions and collaborative, creative problem solving, we value the talents and ideas of everyone on our team, especially our new hires.

Please join us in welcoming our newest team members nationwide:

Management	Development	Investment	Corporate
Kayleen Brown	Alex Becker	Mark Kardjian	Jessica Errigo
Luis Espinoza	Will Foster	Noah Rudick	Liliana Escamilla
Tamirah Jackson	Lesley Yocum		Pierce Grant
Kaden Middleton			Amanda Motilva
Robert Oppedisano			Rivero
Margarita Semidey			Kameron Saalfrank
Victoria Silva			

I joined
the Anchor team!
#WeAreAHP

