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The Sanders Trust Partners with Harrison Street Real Estate Capital to Double Its Equity Commitment to Medical Real Estate

BIRMINGHAM, Ala.--(BUSINESS WIRE)--In a clear signal of its confidence and long-standing commitment to the medical real estate market, The Sanders Trust (TST), has entered into a \$250 million joint venture agreement with Harrison Street Real Estate Capital, LLC, a Chicago-based real estate private equity firm. This partnership will further expand TST's capital-raising capacity and its financing flexibility.

"TST brings a refined portfolio-management philosophy and a solid pipeline of new business opportunities, while Harrison Street Real Estate Capital brings its significant knowledge of the healthcare industry, capital market expertise and their long term approach to partnerships," said TST Senior Vice President Steve Hewett. "The two firms have joined forces because we have truly complementary business interests. Through our new joint venture, we are exceptionally well-positioned to compete with anybody in the business."

"The Sanders Trust has been a pioneer in the healthcare real estate market for over 22 years and while the healthcare real estate business is certainly a competitive one, the most important factors for strategic partners and investors center on superb client relationships and delivering an attractive cost of capital to our healthcare partners," said Hewett.

"This venture fits very well with our firm's focus on investing in medical office buildings and other healthcare related real estate, and we couldn't be more pleased with the partnership, given TST's track record and strong relationships with healthcare systems," said Harrison Street Senior Vice President Geoff Regnery.

The privately-held TST will use the additional capital to broaden the scope of its acquisitions, Hewett said, with plans to add an additional \$100 million to its portfolio this year. Acquiring and developing Medical Office Buildings (MOBs), Inpatient Rehabilitation Hospitals (IRFs), Long-Term Acute Care Hospitals (LTACs), and Ambulatory Surgery Centers (ASCs) will enhance the diversity of the firm's portfolio.

ABOUT THE SANDERS TRUST

With its headquarters in Birmingham, Ala., The Sanders Trust has been a recognized leader in the investment community for healthcare clients since its inception in 1989 and has developed or acquired more than 50 medical properties in 15 states, with more than \$500 million in value. The company's investment strategy has been affirmed by a recent article in *National Real Estate Investor Magazine*, which characterized healthcare real estate as the new "recession proof" property holding.

ABOUT HARRISON STREET REAL ESTATE CAPITAL

Harrison Street Real Estate Capital, LLC, is a real estate private equity firm founded in 2005 that manages over \$2.7 billion in Assets under Management (AUM) through private equity funds and public securities products. The private funds focus exclusively on the education, healthcare and storage segments of the U.S. real estate market. The firm, on behalf of Harrison Street Real Estate Partners I, II and III, currently owns approximately \$2.4 billion in real estate assets which includes over 15,800 student housing beds, 4,400 senior housing/assisted living units, over 61,700 self-storage units, 2,850 dry & wet boat storage and 920,000 square feet of medical office space.

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