



MPA continue to be the leading provider of ‘one-stop’ advice for medical property in the UK. During 2011, we have undertaken value-creating projects for a range of clients, including:

Improving tenant covenant for managed exit

Aim: Property Fund looking at exiting a portfolio of healthcare investments to enable return of capital to shareholders over the short/medium term.

Issue: Investment value damaged by tenant covenant weakening due to high rent to turnover ratio.

Solution: MPA devised a strategy to reduce the rent and allow the tenant to recover, whilst improving the overall IRR to the Fund at a guaranteed exit.

Delivering better asset performance through restructuring

Aim: Investor looking at improving performance of healthcare investments and extending the investment term.

Issue: Limited expertise in the healthcare sector and no understanding of healthcare operator drivers.

Solution: MPA delivered a strategy to re-gear the lease to 20 years, simplify the lease terms, and provide Capex for premises improvements and dispose of part of the site for residential development. Enabled by understanding requirements of healthcare operators in this sub-sector. Improved performance through longevity of income, reduction in management time, higher asset value and net capital receipt.

Supporting in-house estates teams to deliver premises solutions

Aim: Provide strategy advice and implement estates business plans in preparation for the transfer of assets and the winding down of public health bodies.

Issue: Lack of expertise and resource to deliver estates business plans in the required timescales.

Solution: MPA seconded to augment and support in-house team, providing significant sector knowledge and delivery capacity and bring timescales forward to meet Department of Health requirements.

Converting Section 106 healthcare liability into value-enhancing solution.

Aim: Retailer client needed to realise significant value from peripheral uses to support major food-store development whilst satisfying strict S106 planning requirements.

Issue: S106 Healthcare contribution was by default a cash payment into the local health economy. The food-store location was ideal for re-housing local GP practices and transferring outpatient services from the local hospital to a community setting.



Solution: MPA identified part of site to accommodate a 4,000 sq.m. 'polyclinic', enhancing the previous 'business space' values by up to 25% and creating a secure, long term medical investment capable of pre-sale during the development process.

Reducing voids and increasing revenue and footfall

Aim: Retailer looking to fully utilise void space on ground and first floor of its estate due to diminished sales.

Issue: Most potential occupiers were commercial or potentially competitive which would be a disadvantage. Only short term commitments.

Solution: MPA introduced a range of healthcare operators who were happy to take longer commitments at competitive rents. The added bonus is that regular healthcare customer flow has increased overall footfall for the stores and boosted several business areas.

Providing independent, pragmatic property due diligence for major mixed-use portfolios

Aim: Efficient property due diligence is often hindered by varied stakeholder interests and differing analysis techniques, with property fundamentals often being overlooked.

Issue: Valuers with limited market experience and introducing agents with vested interests create often conflicting advice for investor, especially in a challenging market.

Solution: MPA coordinated valuation teams and asset managers on preparation of property business plans to provide accurate and practical solutions for portfolio appraisal.