

April 24, 2008, Issue #13

Why is Healthcare Real Estate such a hot topic?

The Healthcare Real Estate industry has outperformed the commercial real estate industry average for the past eight years. The current U.S. economic and demographic trends are driving the upward demand for medical services and hence the increasing demand for healthcare property.

Why?? Four Reasons—More of the population is aging. Every 10.9 seconds another American turns 60. The first baby boomers will turn 65 in 2011 beginning the swell of the senior population. People are living longer. The average life expectancy was 47.3 in 1900. In 2000 it was 76.9. By 2010, the census bureau projects that there will be 6.1 million people over the age of 85, an increase of 43 percent since 2000. Medical technology is improving at a rate that provides new and better healthcare services to support the aging. Lastly, there is never a down year for Healthcare space. Whether there is a recession or not, the demand for Healthcare services continues.

In Atlanta, our healthcare growth mirrors that of the national trends. One of our very own CREW Members, Christine Gorham, experiences this daily managing leasing and property management for Northside Hospital. She shared with us some statistics to illustrate the strong growth trend for Northside Hospital.

On June 27, 1970, Northside Hospital opened its doors with 250 beds, a 24-hour emergency department, 80 physicians and more than 400 other professionals. Today, it represents a 537-bed, not-for-profit, full-service community hospital with more than 1,800 physicians (the largest medical staff in the Southeast) and 5,000 employees. 430,000 patients visit Northside Hospital annually and Northside Hospital delivers more babies than any other

hospital in the United States (more than 18,000 deliveries annually). In addition, specialists at Northside Hospital perform more surgeries than at any other hospital in Georgia, approximately 30,000 a year.

The growing demand for medical services has kept the healthcare construction industry booming. Ongoing healthcare construction put in place in 2007, including hospitals as well as outpatient medical buildings, was valued at \$37 billion, an increase of 29% from 2005, according to the U.S. census bureau data. Some 29.3 billion of new construction and \$11.2 billion in renovation are in the planning stages. By decade's end, construction could reach \$60.1 billion, according to FMI Corp., a management consulting and investment banking firm.

For this reason, CREW has engaged several experts in this field to talk to you in a panel discussion format at the May 1st luncheon. Christine will facilitate the discussion which will include "Healthcare Lingo, How to Talk the Talk" including such terms as Stark laws, J.C.A.H.O, C.O.N., Indigent Care, Senate Bill 433, etc. In addition, the speakers will explain how and where the growth physically occurs and the nuances that are involved in order to successfully address this degree of development... "it is unlike any other industry out there" says Christine. Don't miss it!!



Christine Gorham, CCIM
Northside Hospital, Leasing & Property Mgmt.

New Contact Info

Please note that Tonya Creekmore has moved to General Growth Properties. She can be reached at: tonya.creekmore@ggp.com and work: 770-541-6599, cell: 404-229-5426 or fax: 678-460-1210.

2008 Capital Campaign Update

We have reached or exceeded our goals for Chapter Sponsorships and Event Sponsorships. We are currently at 71% of our member pledge goal of \$50,000. We need to raise \$15,000 more in the member pledge category to reach our goal. Please consider donating, if you have not already contributed. Contact Capital Campaign Managers Leslie Burke at 770-395-6588 or leslieatlanta@msn.com, Mary Jim Evans at 404-222-9100 x 229 or mje@legacyproperty.com or Marsha Bomar at 770-813-0882 or marsha@streetsmarts.us.

Thanks to the following members for their personal pledges to support the Capital Campaign

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Monthly Luncheon Thursday, May 1, 2008

****CLICK HERE TO REGISTER****

Healthcare Properties: Rx for Success

Registration: 11:30 a.m.

Program: 12:00-1:30 p.m.

103 West, 103 W. Paces Ferry Road, Atlanta GA

\$45.00 CREW Members, \$65.00 Guests

*Reservations not cancelled by NOON, Tuesday, April 29, 2008, will be charged.

Behind the Scenes

Members Only Event, Wednesday, May 28th

"Two Years Later: The Georgia Aquarium's Economic Impact"

Location: Georgia Aquarium; Time: TBD

On-line registration for this event will begin 4/28/08

CREW Membership Directories

Available at our May 1st luncheon.

Past Luncheon Programs

All program handouts/powerpoint presentations/speaker bios are posted on the website after each luncheon. These can be found http://www.crewatlanta.org/programs_past.php

CREW Scholarships

CREW Network takes pride in announcing its career outreach agenda designed to interest young women in joining this rewarding career. We are accepting online applications for scholarships. For more detailed information please visit www.crewcareerzone.org.