

Ty Cobb Physician Center

MPA of Georgia, Developer

PHYSICIAN OPPORTUNITY



TY COBB REGIONAL MEDICAL CENTER Medical Office Building

The 1st ancillary project in conjunction with the new Ty Cobb Regional Medical Center will be a new medical office building – **Ty Cobb Physician Center (“TCPCMOB”)**. TCPCMOB is designed into and is a part of the hospital building with the intent to enhance patient convenience and physician productivity.

Project Location

The new TCPCMOB is located on the campus of the new Ty Cobb Regional Medical Center (“TCRMC”), Lavonia, Georgia.

Ownership Structure

A new and separate entity will be formed as a Georgia limited liability company (“TCPCMOB LLC”). NGTC Physicians will have the option to buy units in the new, LLC. MPA of Georgia will serve as developer and partner with Physicians in this project.

Project Description

“TCPHCMOB” features a 2-story structure located on top of the ground floor of TCRMC. The hospital cafeteria is located on the ground floor fostering quick and easy food service to patients, their physicians and staff.

- 32,097 gross square feet (“GSF”)
- 28,764 rentable square feet (“RSF”)
- 27,876 usable square feet (“USF”)

Estimated Project Costs

- **\$4,730,767** construction cost
- **\$3,058,207** shell construction cost
- **\$1,672,560** TI design and construction cost
- **\$1,218,906** soft cost

\$5,949,673 (estimated) development cost



Target Rental Rate & Leasing

\$19.30/USF (estimated) plus operating expenses

Physicians can lease individual or shared medical office space to deliver services.

Target Bank Financing Structure

- 85% taxable loan
- 5- or 10-year balloon loan with 25-year amortization
- 7.5% interest rate

Investment Summary

The “TCPHCMOB” forecasts a first year 9.6 percent cash on cash return, and a 10-year 23.8% internal rate of return. The project will also utilize accelerated depreciation yielding an attractive tax shield projected to cover cash returns up to 8 years.

Target Completion

The Ty Cobb Physician Center will open simultaneously with the opening of TCRMC in the of Spring 2012.



Milestone Schedule

- Construction duration: 7 to 8 months
- New LLC formation: January 2011
- Secure Financing: March 2011
- Close Ownership Offering: March 2011
- Close Loan: April 2011
- Start Construction: Spring 2011
- Secure tenant letters of intent to lease: Spring 2011

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