

TURNER  
IMPACT  
CAPITAL

## Turner Healthcare Facilities Fund

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*Innovative Infrastructure Solutions for Healthcare Providers*

*August 2024*

# Turner Impact Capital: An Unrivaled Perspective and Track Record

- Turner Impact Capital is a real estate investment firm with a simple mission – to create innovative and durable solutions to many of today’s social challenges by investing in community-enriching infrastructure in underserved communities. Founded in 2014, the firm has received nearly \$5 billion of investment potential in capital.
- The principals of Turner Impact are recognized as pioneers in impact investing with over 27 years of experience in America’s most densely populated, ethnically diverse communities often overlooked by conventional investors.
  - Turner Impact is led by its founding team, whose members collectively have experience in investing, financing, developing, and managing over \$14 billion of commercial real estate, including over 33,600 multifamily housing units, nearly 520,000 square feet of community-serving healthcare facilities, and over 95,000 public charter school seats throughout the U.S.
- Turner employs a holistic approach to impact investing, recognizing the interdependency between issues like healthcare, education, and housing. The principals of Turner recognize that social determinants are as important as genetics when it comes to social and healthcare outcomes.
- In an effort to address these daunting and interdependent challenges, Turner and its affiliates manage:

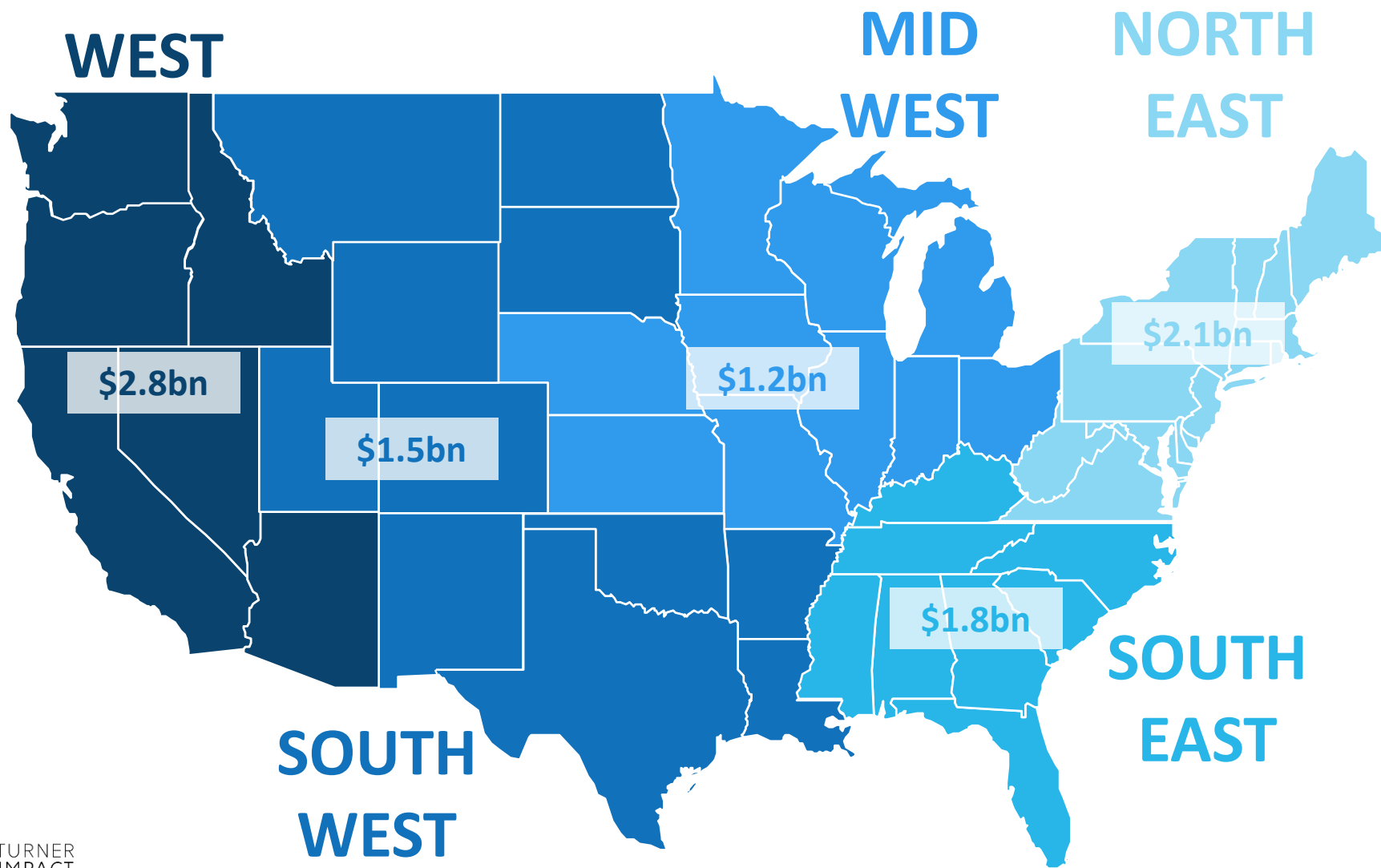
The **Turner-Agassi Education Facilities Funds**, which target the development of learning-friendly educational facilities for best-in-class public charter school operators throughout the U.S. To date, Turner-Agassi has developed / committed to develop 118 schools serving nearly 60,000 students.

The **Turner Multifamily Impact Funds**, which target the preservation and enrichment of workforce rental housing. The funds have acquired >10,900 units across the country and when fully invested, will own over \$1.7 billion of workforce housing in diverse, densely populated communities.

The **Turner Healthcare Facilities Funds**, which target the development of cost-effective, clinically efficient healthcare facilities for best-in-class healthcare providers focused on the delivery of healthcare to densely populated communities throughout the country.

## Established National Footprint

The THFF team has career-wide experience investing, financing, and developing over \$9 billion of real estate nationwide, positioning the team to support providers in every U.S. market.



*Note: Represents total project capitalization.*

# **I. Turner Healthcare Facilities Fund**

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## **Overview**

# Turner Healthcare Facilities Funds Overview

Established by Turner Impact Capital, the nation's largest real estate private equity firm dedicated exclusively to social impact, Turner's Healthcare Facilities Funds deliver customized real estate solutions to mission-driven healthcare providers while improving health outcomes and reducing health disparities for residents of underserved communities.

THFF is positioned to invest up to \$1 billion in community-serving healthcare infrastructure, having already made or committed to 34 investments serving over 117,000 low- and moderate-income patients since launching in 2017.

With a deep understanding of the healthcare marketplace, seasoned in-house development and construction teams, and ability to provide up to 100% of project capital, THFF provides a full suite of strategic real estate development and financing solutions tailored to healthcare providers' unique visions and needs.

## Solutions

- Scale delivery networks into new markets
- Deliver expanded capability or new models of care within existing service areas
- Replace obsolete facilities to enhance clinical programming
- Monetize existing owned real estate assets
- Provide flexible real estate expansion financing solutions

## Healthcare Partners

- Primary Care and Multispecialty Physician Groups
- Local, Regional, and National Medicare Advantage Networks
- Community Health Center Organizations
- PACE Operators
- Behavioral Health Networks
- Other High-Performing Providers

## Facility Types

- Primary Care/Urgent Care Centers
- PACE Centers
- FQHC / Community Health Centers
- Medicare Advantage Centers
- Transitional Care / Medical Respite Units
- Other Specialized Facilities

Note: Data as of December 31, 2022.

# Differentiated Value Proposition

With up to \$1 billion of financial capacity to deliver real estate solutions and deep healthcare expertise, THFF supports providers at every stage of growth, acting as a capital provider, developer, and long-term landlord committed to ensuring our providers' long-term success.

## Development Solutions

### Build-to-Suit Facilities



*THFF's experienced in-house real estate development and construction services teams manage every stage of the development process for ground-up or adaptive reuse facilities, delivering custom, state-of-the-art facilities on-time and on-budget.*

### Programmatic Rollouts



*With in-depth knowledge of all major U.S. markets and a deep understanding of the healthcare marketplace, THFF helps providers scale their footprints nationwide through simultaneous development of numerous custom facilities.*

## Financing Solutions

### Project Financing



*With extensive investment structuring and corporate finance experience, THFF offers a full suite of financing solutions, including providing up to 100% of project capital for development projects, bridging project financing gaps, and other competitive, flexible solutions.*

### Sale-Leaseback Transactions



*Through sale-leasebacks with long-term, triple-net leases, THFF offers providers a flexible way to monetize existing real estate assets and finance growth.*

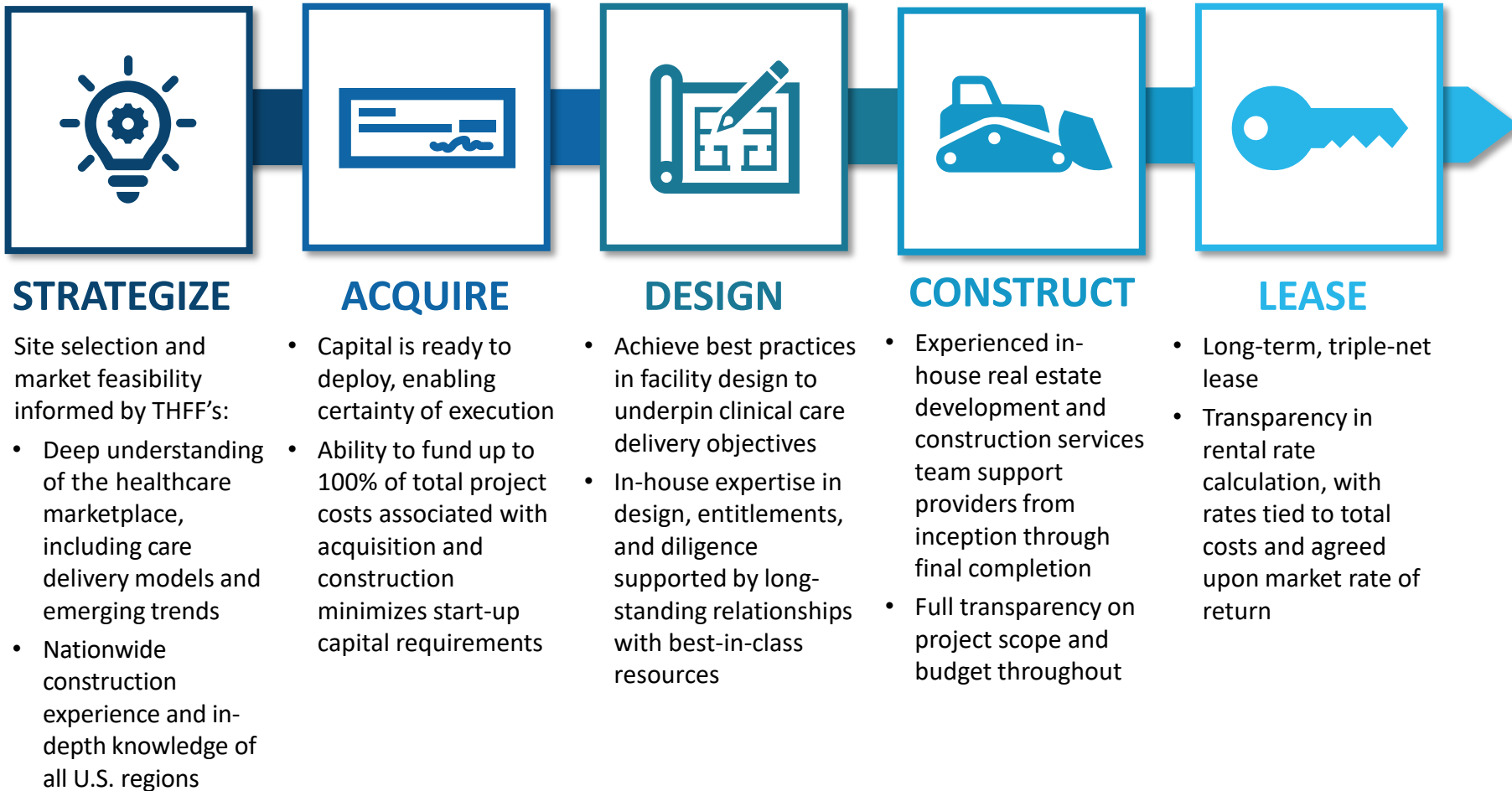
## **II. Turner Healthcare Facilities Fund**

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### **Build-to-Suit Value Proposition**

# Build-to-Suit Business Model Overview

THFF streamlines the often-complicated development process, delivering turnkey, state-of-the-art, environmentally responsible facilities customized to the unique needs of providers, patients, and the surrounding communities.





# Build-to-Suit Model Supports Providers' Long-Term Success



## Prime Location

- ✓ Build-to-suit facilities typically located at “Main & Main” intersections, providing greater visibility for patient enrollment growth
- ✓ Dedicated parking and patient pickup/drop-off areas improve operations as well as patient and staff satisfaction



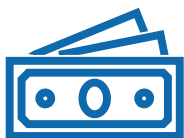
## Customized Layout

- ✓ Customized facility layouts enhance workflow, improve operational productivity and clinical outcomes, and allow for consistent branding across facilities



## Human Resources

- ✓ THFF manages all aspects of development process including site identification, entitlements, design, budgeting, and construction
- ✓ This allows providers to leverage THFF's human resources in support of their own



## Financial Resources

- ✓ THFF can provide up to 100% of required capital, preserving the healthcare provider's financial resources, avoiding the need to fund costs related to site selection, design and tenant improvements

# Sample Projects

## PACE / COMMUNITY HEALTH CENTERS



**Provider:** San Ysidro Health  
**Location:** San Diego, CA  
**Delivery Date:** 2020



**Provider:** Neighborhood Healthcare  
**Location:** Riverside, CA  
**Delivery Date:** 2021



**Provider:** WelbeHealth  
**Location:** Fresno, CA  
**Delivery Date:** 2020

## MEDICARE ADVANTAGE



**Provider:** Oak Street  
**Location:** Blue Island, IL  
**Acquisition Date:** 2019



**Provider:** ChenMed  
**Location:** Tampa, FL  
**Delivery Date:** 2018

## OTHER



**Provider:** New Freedom  
**Location:** Phoenix, AZ  
**Delivery Date:** 2021

# 1. Ground-Up Development of PACE and FQHC Facility (1/2)



## Summary Statistics

- **Facility Type:** Community Health Center / PACE Center
- **MSA:** San Diego-Chula Vista-Carlsbad, CA
- **Target Market:** Low-Income Senior (PACE) / Low-Income Patients of All Ages (FQHC)
- **Project Type:** Ground-Up Construction
- **Building / Lot Size:** 40,000 ft<sup>2</sup> / 3.5 acres
- **Property Acquisition:** Jan 2019
- **Construction:** Nov 2019 – Dec 2020
- **Facility Opening:** Dec 2020
- **Approx. Total Cost:** \$20mm / \$500 per ft<sup>2</sup>



## Project Description

THFF acquired a 3.5-acre parcel of land in El Cajon, California for the ground-up construction of a 40,000 square foot healthcare facility. The first floor was developed into a Program of All-Inclusive Care for the Elderly (“PACE”) facility, serving ~250 patients, and the second floor was developed into community health center delivering primary medical care, dental care, behavioral health and social services, serving ~9,250 patients.



## THFF Role

- Identified and acquired 3.5-acre land parcel
- Completed all property-level due diligence, entitlements, and a parcel feasibility study
- Met with city officials to confirm PACE + outpatient clinic as a permitted use zoned by-right and to gain city support for the project
- Secured Site Development Plan approval from the city
- Managed full design development process in conjunction with the client
- In-house Construction Services Team managed full construction process, including OSHPD 3 code compliance
- Provided regular budget and schedule updates for client
- Delivered approximately \$20mm ground-up facility on time and under budget



# 1. Ground-Up Development of PACE and FQHC Facility (2/2)

Raw Land Parcel (Demo)



Construction In Process



Completed Facility



## 2. Ground-Up Development of Primary Care Center (1/2)



### Summary Statistics

- **Facility Type:** Medicare Advantage Primary Care Center
- **MSA:** Tampa-St. Petersburg-Clearwater, FL
- **Target Market:** low-and-moderate income seniors with complex chronic conditions
- **Project Type:** Ground-Up Construction
- **Building / Lot Size:** 10,437 ft<sup>2</sup> / 1.3 acres
- **Property Acquisition:** Dec 2017
- **Construction:** Feb 2018 – Aug 2018
- **Facility Opening:** Aug 2018
- **Approx. Total Cost:** \$4.8mm / \$460 per ft<sup>2</sup>

### Project Description

THFF acquired a 1.3-acre parcel of land in North Tampa, Florida for the ground-up construction of a 10,437 square foot healthcare facility. It provides case management, diagnostics, imaging services, prescription services, translation services and transportation on site. Specialist services include primary care, acupuncture, behavioral health, endocrinology, ophthalmology, optometry, podiatry, radiology, rheumatology and others.

### THFF Role

- Identified site and negotiated Purchase and Sale Agreement with seller of property
- Completed all property-level due diligence, zoning & re-entitlements work and parcel feasibility studies
- Deployed local land use resources and garnered support from city and county officials
- Managed full design development process; developed prototype for a ground-up primary care facility in conjunction with client
- In-house Construction Services Team managed full construction process, including OSHPD 3 code compliance
- Provided regular budget and schedule updates for client
- Delivered approximately \$4.8mm ground-up facility on time and under budget





## 2. Ground-Up Development of Primary Care Center (2/2)

Raw Land Parcel (At Acquisition)



Construction In Process



Completed Facility



### 3. Adaptive Reuse of Transitional Care Center



#### Summary Statistics

- **Facility Type:** Transitional Care/Behavioral Care Center
- **MSA:** Phoenix-Mesa-Scottsdale, AZ
- **Target Market:** Formerly Incarcerated Individuals
- **Project Type:** Adaptive Reuse Construction
- **Building / Lot Size:** 142,978 ft<sup>2</sup> / 8.9 acres
- **Property Acquisition:** Dec 2020
- **Construction Completion:** Dec 2021
- **Approx. Total Cost:** \$18mm / \$123 per ft<sup>2</sup>

#### Project Description

THFF acquired an 8.9-acre property in Phoenix, Arizona for the adaptive reuse construction of a four-story, 142,978 square foot transitional care facility. The campus is expected to serve ~1,500 formerly incarcerated members' needs through a full continuum of transitional care, including case management by licensed therapists, board-certified psychiatrists, registered nurses, behavioral health technicians, and peer support personnel in a 30/60/90-day residential program. Members will receive behavioral health services in meeting areas that are licensed as treatment centers by the Arizona Department of Health Services and are required to live in the residential housing component located on the upper floors of the building.

#### THFF Role

- Identified and acquired 8.9-acre property
- Completed all property-level due diligence, entitlements, and a parcel feasibility study
- Met with city officials to confirm treatment center license as a permitted use zoned by-right and to gain city support for the project
- Secured Site Development Plan approval from the city
- Managed full design development process in conjunction with the client
- In-house Construction Services Team managed full construction process
- Provided regular budget and schedule updates for client
- Delivered approximately \$18mm facility on time

