

WEEKLY HEALTH CARE REAL ESTATE BRIEFING: RITE AID BANKRUPTCY COULD IMPACT OVER 300 LEASES | CEDARS SINAI OPENS MEXICO CITY OFFICE | DELOITTE'S GLOBAL REAL ESTATE OUTLOOK SURVEY

1. Rite Aid has **filed** for bankruptcy protection under Chapter 11 of the bankruptcy code. In connection with the filing, Rite Aid plans to reject over 300 leases as the debt-ridden company looks to downsize its "sub-optimal" brick-and-mortar footprint. Closing underperforming locations is a crucial part of the company's restructuring plan.
2. Deloitte **released** its Global Real Estate Outlook Survey. In 2024, real estate firms are expecting lower revenue, increases in the cost of capital and greater difficulties finding capital for projects.
3. Kaufman Hall **released** its Q3 Health Care M&A Report. M&A transaction activity has surged over the last quarter, surpassing pre-pandemic levels, although the average transaction size is down compared to previous quarters. Over one-third of the transactions reported during the quarter were driven by financial distress of one of the parties to the transaction.
4. Hall Render's health care real estate service line is recruiting a senior real estate paralegal and a mid-to-senior level real estate associate attorney. If you have an interest in either opportunity, please reach out to **Joel Swider** or **Andrew Dick**.
5. Lee Asher and Jordan Selbiger, two well-known health care real estate brokers, recently joined Colliers to build out its health care investment sales platform.
6. Newmark's Chris Witcher **released** a timeline for renewing or relocating medical office space. The guide is for medical office users that occupy 5,000 sq. ft. or less. It can often take 33 to 49 weeks for a provider to determine whether to renew an existing lease or relocate to a new space.
7. Cedars Sinai **opened** a Mexico City office to connect patients who live in Mexico with Cedars-Sinai providers in cardiology, oncology, neurology and other specialty areas. Consultants in the office will work with patients and families to schedule in-person and telehealth consultations with Cedars-Sinai providers.
8. PruittHealth **plans to invest** \$385M to renovate and expand an independent living and skilled nursing facility in Raleigh, NC. The renovation plans include adding new units, renovating existing units and adding amenities for residents.
9. Two major health care providers **have decided** not to pursue rehab hospital projects in the Portland, Oregon metro area citing delays in the Certificate of Need (CON) process and tactics by competitors.
10. New York **recently amended** its CON law to require a health equity assessment as part of any new CON application. The purpose of the health equity assessment is to ensure that new health care projects are distributed more evenly across communities of all types and not just in affluent communities.

For more information on real estate matters, please contact:

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- Your primary Hall Render contact.

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