

# Healthpeak™ Announces Transactions Enhancing the Growth of its Three Core Businesses

IRVINE, Calif., Dec. 18, 2019 /PRNewswire/ -- Healthpeak Properties, Inc. (NYSE: PEAK) announced today multiple transactions to enhance the continued growth of its life science, senior housing and medical office businesses.

"We are pleased to announce several important transactions that will be funded primarily through our recent forward equity offering and senior housing joint venture proceeds," said Tom Herzog, Healthpeak's Chief Executive Officer. "Our portfolio repositioning included \$4.5 billion of non-core senior housing sales over the last few years in order to achieve our desired portfolio quality and mix. We are now able to focus on investing accretively in new, high-quality properties across all three of our core asset classes."

## ***Expanded Life Science Development Pipeline***

Healthpeak will commence construction on a \$164 million life science development and redevelopment project, The Boardwalk, located on Science Center Drive in the Torrey Pines life science cluster in San Diego.

The Boardwalk will be Healthpeak's flagship campus in the core life science market of San Diego. Totalling approximately 190,000 square feet, the campus will combine three adjacent Healthpeak holdings, activating two land sites through 105,000 square feet of ground-up development that will flank both sides of an existing 85,000 square foot property that will also be redeveloped. The Boardwalk will be a LEED-certified Class A cohesive campus with a first-class amenity package that includes a full-service restaurant, indoor/outdoor meeting areas and fitness space that take advantage of the San Diego climate. Construction at The Boardwalk is expected to commence in the first quarter of 2020 to accommodate occupancy as early as the second quarter of 2021. Upon stabilization, the campus is projected to generate an estimated yield on cost of 7%.

Healthpeak has additional development projects in South San Francisco and Boston in various stages of entitlement, based on the favorable market fundamentals in life science. We expect to commence one to two of these projects in 2020.

## ***Oakmont Senior Living ("Oakmont") Purchase Option Agreement***

Healthpeak and Oakmont entered into an agreement that provides Healthpeak the option to acquire up to 24 of Oakmont's senior housing development properties (the "Development Properties") when Oakmont elects to sell. The Development Properties are concentrated in California with a projected value of approximately \$1.3 billion in the aggregate. The acquisition options are expected to be offered in tranches between 2020 and 2023, including approximately \$200 million in the first half of 2020. Once offered, Healthpeak has the option to acquire each applicable tranche of the Development Properties based on a pre-determined pricing formula with projected year-one cash capitalization rates equal to 5.5%. At the closing of each Development Property acquisition, Healthpeak would enter into a highly incentivized management contract with Oakmont Management Group creating a strong alignment of interest. In addition, the acquisitions would be paid for in part with downREIT units.

## ***Expanding Medical Office Development Program with HCA Healthcare ("HCA")***

As part of Healthpeak's development program with HCA, Healthpeak and HCA have entered into an agreement on an additional development project. The 172,000 square foot six-story Class A medical office building will be located on the TriStar Centennial Medical Center Campus in Nashville, TN. The \$46 million development will expand the TriStar Centennial campus, which is HCA's second-largest campus in the United States. The project is 45% pre-leased and construction is expected to begin in mid-2020. We expect to announce additional developments to our program with HCA in 2020.

## **About Healthpeak Properties**

Healthpeak Properties, Inc. is a fully integrated real estate investment trust (REIT) and S&P 500 company. Healthpeak owns and develops high-quality real estate in the three private-pay healthcare asset classes of Life Science, Senior Housing and Medical Office, designed to provide stability through the inevitable industry cycles.

At Healthpeak, we pair our deep understanding of the healthcare real estate market with a strong vision for long-term growth. For more information regarding Healthpeak, visit [www.healthpeak.com](http://www.healthpeak.com).

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of federal securities laws and regulations. These forward-looking statements are identified by their use of terms and phrases such as "believe," "expect," "intend," "will," "project," "anticipate," "position," and other similar terms and phrases, including but not limited to references to assumptions and forecasts of development and redevelopment costs, development and redevelopment commencement and completion, potential acquisitions and future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited, to the risk that Healthpeak may not commence or complete any potential developments, redevelopments or acquisitions in a timely fashion or at all, that development or redevelopment costs may be materially higher than projected, that the actual cash capitalization rates or yields on costs will be materially lower than anticipated, and those risks and uncertainties associated with Healthpeak's business described in its Annual Report on Form 10-K for the fiscal year ended December 31, 2018, and its subsequent filings with the Securities and Exchange Commission. Although Healthpeak believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, Healthpeak can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of the date of this release, and Healthpeak undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in its expectations, except as required by law.

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