

A white, rectangular sign with a green and blue logo on the left. The logo consists of a green square with a white cross inside, and a blue square with a white cross inside. To the right of the logo, the text reads "Lakewood Hospital" in a large, bold, black font, and "a Cleveland Clinic hospital" in a smaller, black font below it. The sign is mounted on a dark grey, curved base.

 **Lakewood Hospital**
a Cleveland Clinic hospital

A large, multi-story brick building with a curved facade. The building has several windows and a prominent entrance with a portico supported by columns. There are trees in front of the building, some with bare branches and some with green leaves. The sky is blue with some light clouds.

Lakewood Health Center
Overview of Real Estate Elements in the Letter of Intent
City Council Committee of the Whole
March 30th, 2015

Dru Siley
Director of Planning & Development

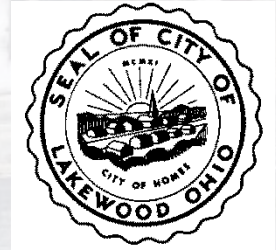


Detroit Avenue

Belle Avenue

Marlowe Avenue

Click



Overview of Real Estate Components in the LOI

LOI = NON-BINDING
(brings the parties to the table to negotiate)

To negotiate a real estate deal begin with two key elements:

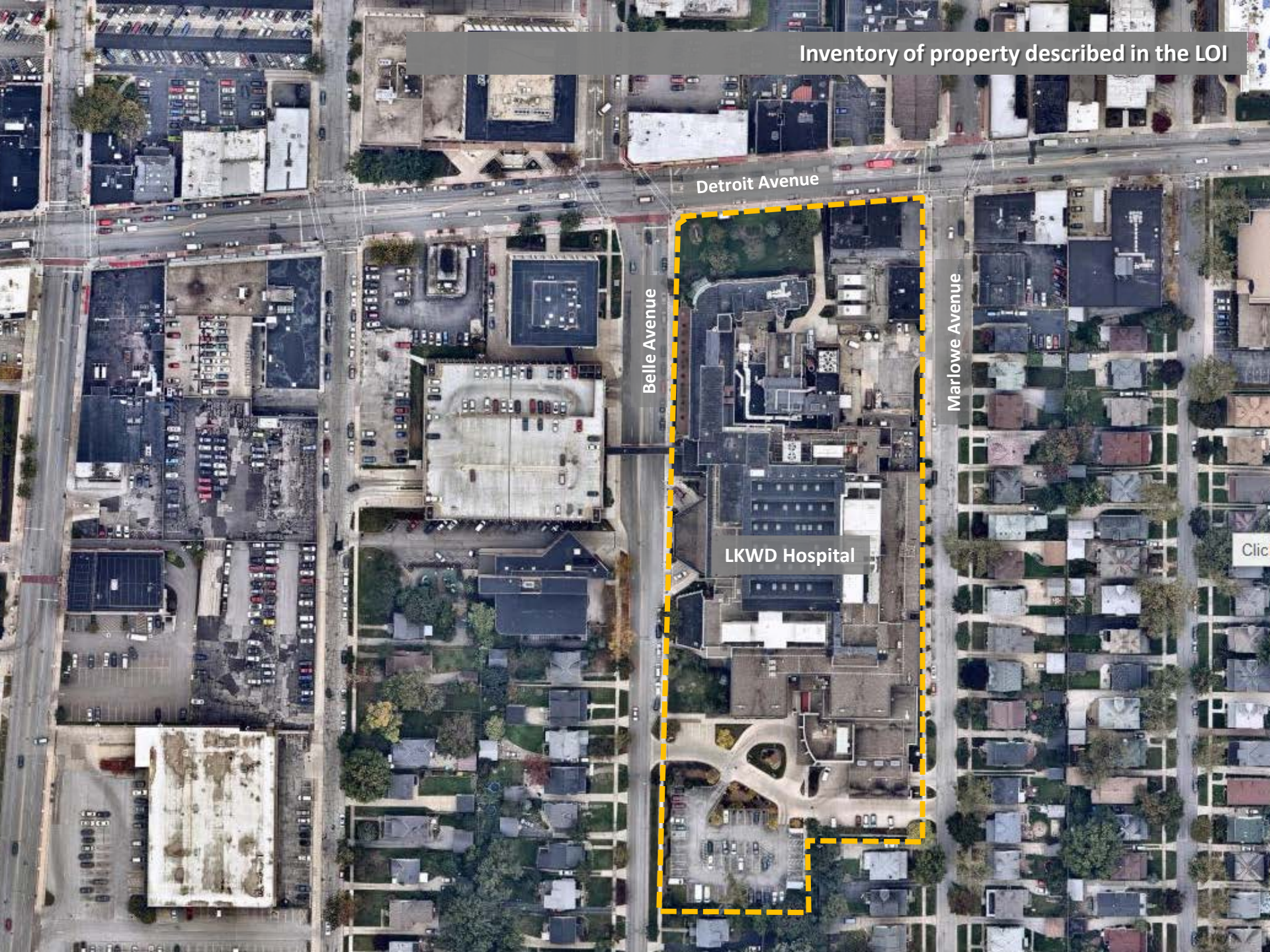
1. Understand what is being offered: (Tonight's presentation)

- Inventory of real property described in the LOI
- Evaluating the condition of facilities offered in LOI
- Understanding the proposed ***concept*** for Family Health Center bldg.
- Future development possibilities for real estate offered in LOI

2. Understand what we want: (Future discussions)

- Understanding the proposed investment
- Physical presence of health care facilities – development outcome
- Reserve as many future opportunities as possible for Lakewood

Inventory of property described in the LOI



Detroit Avenue

Belle Avenue

Marlowe Avenue

LKWD Hospital

Clic

Inventory of property described in the LOI

Professional Office Building
14601 Detroit Avenue
75,000 sf/7 floors
Built 1974

P.O.B.

South Parking Garage
1422 Belle Avenue
600 parking spaces
Built 1968
Top floor + Sky way added 1974

South
Parking
Garage

Community Health Center
1450 Belle Avenue
25,000 sf/3 floors
Built 1990

Community
Health
Center

Residential Properties
9 single-family homes
1451 St. Charles 1458 Belle
1257 St. Charles 1462 Belle
1461 St. Charles 1466 Belle
1471 St. Charles 1476 Belle
1477 St. Charles

1451

1457

1461

1471

1477

1458

1462

1466

1476

Detroit Avenue

Belle Avenue

Marlowe Avenue

LKWD Hospital

Clie

Facility Assessment & BOV (14601 Detroit, 1422 Belle, 1450 Belle)

Allegro Realty Advisors –

Scope of Services:

1. Review of Physical Conditions

Property conditions assessments

- ✓ deferred maintenance issues
- ✓ electrical and structural quality
- ✓ other attributes relating to infrastructure
- ✓ assess factors as suitability for the current market demand
- ✓ level of obsolescence
- ✓ level of current maintenance
- ✓ anticipated future maintenance requirements.

2. Broker Opinion of Value

Develop a professional opinion of fair market value of the Subject Properties.

- ✓ Provide estimate of the realistic market value of the property
- ✓ provide current, near-term market and sub-market conditions
- ✓ likely user/investor perceptions of strengths and weaknesses
- ✓ competitive properties on the market and recent transactions

3. Value Modeling

Develop financial models to understand potential values based on future scenarios related to the changes on hospital site

- ✓ status quo models, which is critical to set a baseline to compare future scenarios.
- ✓ future models will be utilized to develop 5- and 10-year value projections.
- ✓ For accuracy, the following factors become inputs for modelling and subsequent valuations:

Operating Expenses: taxes, insurance, common area maintenance

Rent Roll: Matrix of existing tenants and corresponding lease expiration dates

Capital Expenditures: Statement of anticipated improvements required



14601 Detroit – Professional Office Building



1450 Belle – Community Health Center

Structural Assessment for South Parking Structure (1422 Belle)

Makovich & Pusti Architects, Inc. + Barber & Hoffman Engineers

Scope of Services:

Develop feasibility study with two outcome options

1. Maintain Parking Garage and repair deteriorated structure
2. Remove Parking Garage

Scope will include:

- ✓ Review existing documentation and construction repair history
- ✓ Field survey of existing conditions (structural, architectural, electrical, etc.)
- ✓ Statements of probable project costs (2) for each option
- ✓ Preliminary project schedules one for each option
- ✓ Option narrative with logistics notes

MAKOVICH & PUSTI
ARCHITECTS, INC.



1422 Belle— South Parking Garage

Inspections of single-family homes

1451 St. Charles	1458 Belle
1257 St. Charles	1462 Belle
1461 St. Charles	1466 Belle
1471 St. Charles	1476 Belle
1477 St. Charles	

City of Lakewood

Divisions of Housing and Building & Community Development

Scope of Evaluation:

Comprehensive Interior and Exterior Inspections

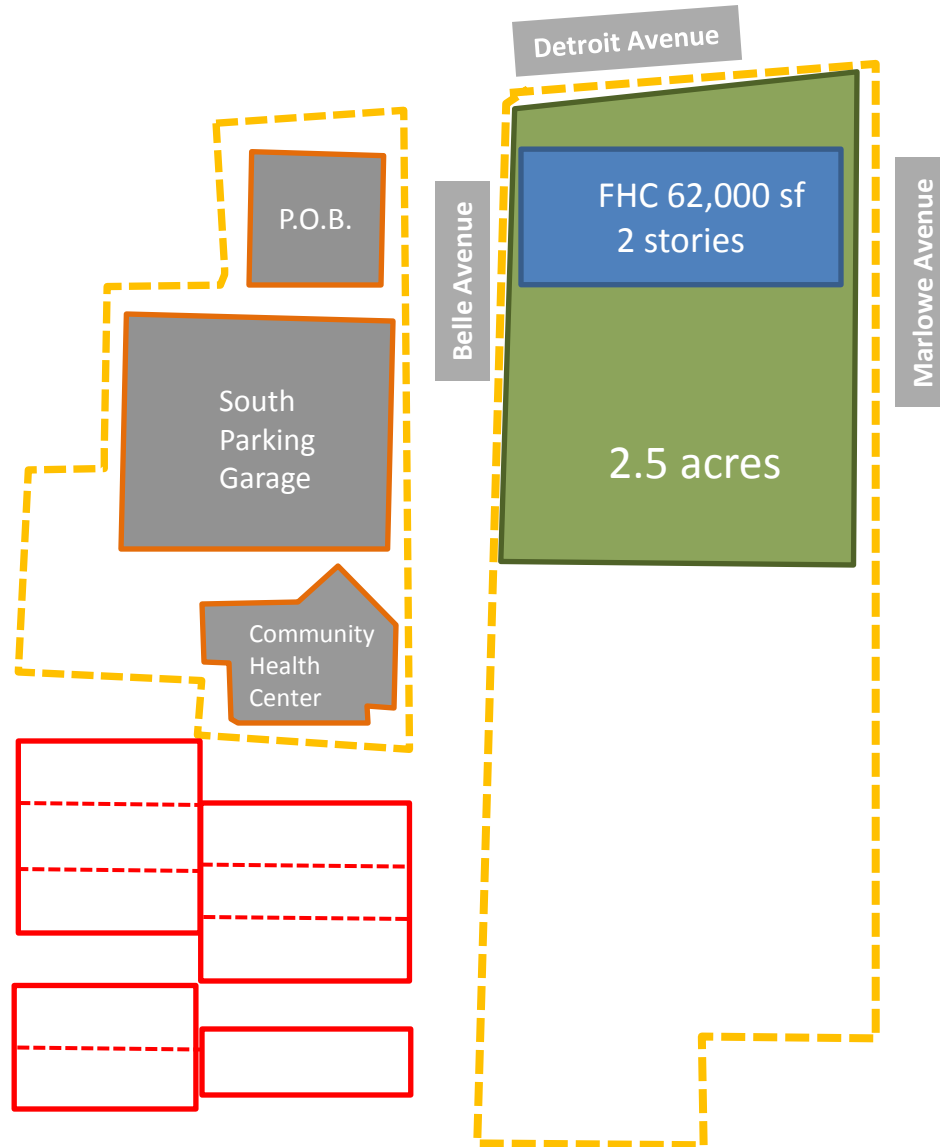
- ✓ Point of sale inspection to determine code violations

Determination of market potential

- ✓ Evaluate potential for sale with current amenities and condition
- ✓ Review potential opportunity of City sponsored rehab



Understanding the proposed concept for Family Health Center Building



Understanding the proposed concept for Family Health Center Building



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

1451

1457

1461

1471

1477

1458

1462

1466

1476

Clic

Understanding the proposed concept for Family Health Center Building



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

5.7 Acres

1451

1457

1461

1471

1477

1458

1462

1466

1476

Understanding the proposed concept for Family Health Center Building



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

2.5 acres

1451

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1461

1471

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FHC Development Concept in LOI

Understanding the proposed concept for Family Health Center Building



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

FHC 62,000 sf
2 stories

2.5 acres

Development Site
3.2 acres approx.

1451

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1471

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1458

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1476

FHC Development Concept in LOI

Understanding the proposed concept for Family Health Center Building



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

FHC 62,000 sf
2 stories

2.5 acres

Development Site
3.2 acres approx.

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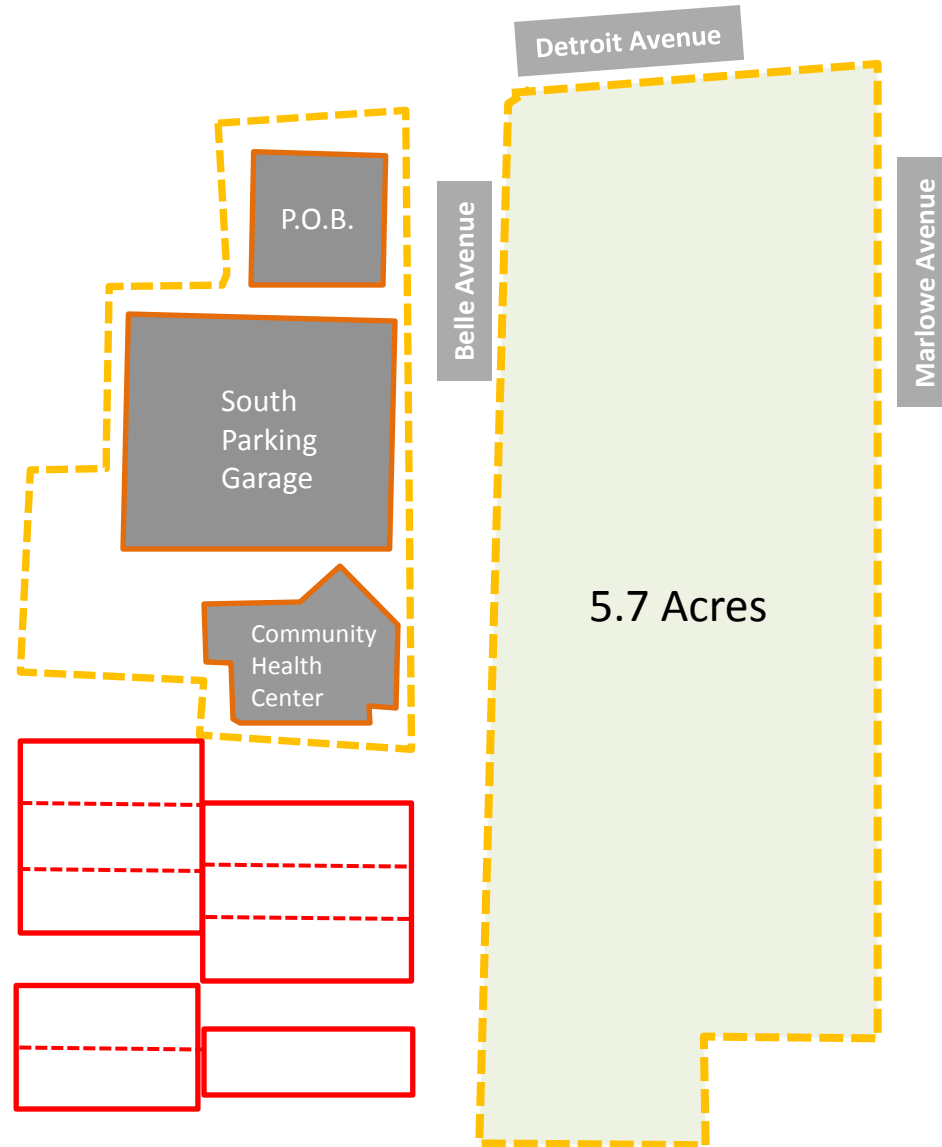
1462

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FHC Development Concept in LOI

Development possibilities for real estate described in the LOI



Development possibilities for real estate described in the LOI



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

5.7 Acres

1451

1457

1461

1471

1477

1458

1462

1466

1476

Development possibilities for real estate described in the LOI



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

FHC
62,000 sf
3 stories

2.0 acres

Development Site
3.7 acres approx.

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FHC Concept- Potential Alternative

Development possibilities for real estate described in the LOI



Detroit Avenue

Belle Avenue

Marlowe Avenue

P.O.B.

South
Parking
Garage

Community
Health
Center

FHC
62,000 sf
3 stories

2.0 acres

Development Site
3.7 acres approx.

1451

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FHC Concept- Potential Alternative

Development possibilities for real estate described in the LOI



Detroit Avenue

Belle Avenue

Marlowe Avenue

FHC
62,000 sf
3 stories

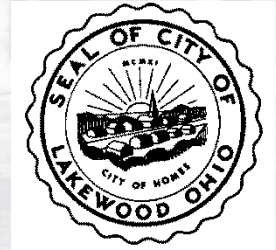
2.0 acres

Community
Health
Center

Development Site
5.7 acres approx.

- 1451
- 1457
- 1461
- 1471
- 1477
- 1458
- 1462
- 1466
- 1476

FHC Concept- Potential Alternative



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South
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Community
Health
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1451

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1471

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Click