

110 Dublin Road, Dover, Ohio



Client
Local Developer

Location
Union Hospital
110 Dublin Road
Dover, Ohio

Real Estate Type
Medical Office

Square Footage
22,064

Services
Investment Sales, Seller
Representation

PROJECT OVERVIEW

Cushman & Wakefield | CRESCO represented the seller in the sale of a medical office building located at 110 Dublin Road in Dover, Ohio. The building was originally constructed to be local area medical center, Union Hospital, and in 2018 the space, and its 20-year NNN lease, was absorbed by the Cleveland Clinic health system. A long-term, triple-net lease with an institutional investment quality tenant now positioned the building as a high demand investment property.

THE CHALLENGE

With a strong market for high-income, low risk assets, the client wanted to maximize the value of their investment. Average cap rates for single tenant, medical office buildings typically sell in the range of 6.5% - 9% – but our team was confident we could exceed market expectations with this particular asset, so the mark was set at below 6.0% cap rate, with a cash buyer on a quick close.

THE SOLUTION

In an effort to broaden the exposure of the property as much as possible, our team engaged in a national digital campaign that was designed to attract the ideal buyer. Keeping the scope highly targeted we narrowed the prospects to outside investors in major markets that would qualify for a 1031 Exchange transaction. The campaign highlighted the premium value of the Cleveland Clinic tenant, while also promoting the significant strengths of the property and its location.

RESULTS ACHIEVED

Within months the client received 10-12 offers. Although most would have been successful transactions, we advised the client to continue be patient and wait for offer that would exceed their goals. Not long after the client received a cash offer from a California investor. The offer came in at above asking price, with a very short close – and a 5.21% cap rate, totaling \$6,750,000.