

Hospital site sale doubles developer's money in two years



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Melbourne developer Hamton has doubled its money on a private hospital site it acquired two years ago from Healthscope, after selling it to Centuria Healthcare for \$20 million.

Hamton, led by Paul Hameister, [paid \\$9.9 million for the former Cotham Private Hospital in Kew in the city's eastern suburbs](#) with plans to undertake a residential project.



The Cotham Road hospital in Melbourne's Kew has been acquired by Centuria Healthcare.

In the interim, while development plans were lodged with the local council, it was leased to hospital group Epworth Healthcare on a three-year term.

However, despite securing a permit for a four-level luxury apartment development last year with plans to launch the project this year, the unsolicited offer presented by Centuria Healthcare was "too compelling to refuse", [Mr Hameister](#) said.

Centuria Healthcare, which has about \$1 billion of assets under management as part of the ASX-listed Centuria Capital platform, will develop a \$64 million short-stay private hospital on the site to be leased to a

The proposed new hospital will offer four operating theatres and a procedure room, 30 beds, radiology, an infusion clinic and 90 basement car parking spaces. Services to be provided by the 42 doctors in the joint venture will include ear, nose and throat (ENT), vascular, plastics, general surgery, urology, gastroenterology, anaesthetics, oncology, and radiology.

Centuria will retain ownership of the hospital on completion.

Capital pours in

There has been a flood of institutional capital into the specialist healthcare property space, [where yields have fallen below 6 per cent](#) on the sector's favourable fundamentals. Fund managers [Home Consortium](#) and [Real Asset Management \(RAM\)](#) are lining up healthcare property trust IPOs.

Centuria Healthcare managing director Andrew Hemming said the Melbourne hospital project was central to its strategy to partner with top-tier operators backed by secure lease covenants.

"This is a transformative project that can change the landscape of the healthcare sector and we are pleased to be the real estate partner of this forward-thinking project," he said.

Dr Andrew Wilson, Medibank Group executive for healthcare and strategy, said its investment was aimed at supporting its doctor partners to deliver a "short-stay model of care that is already widely available at scale in other health systems internationally".

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