

MedCraft Healthcare Real Estate Expands Across Arizona to Serve Rapidly Growing Southwest Market

Significant health system projects in Tucson, Yuma and Flagstaff in partnership with MedCraft provide greater facility optimization, physician alignment and patient access to care

Minneapolis, Minn. – June 2, 2021 – [MedCraft Healthcare Real Estate](#), a national leader in the development, financing, and management of ambulatory care and medical office buildings, has established an active and growing presence in Arizona and the southwest U.S. region with several prominent health system partnerships. [Tucson HealthCare \(TMC\)](#), [Yuma Regional Medical Center \(YRMC\)](#) and [Northern Arizona Healthcare \(NAH\)](#) all engaged MedCraft as their health care real estate partner to position themselves for future care delivery in the fourth fastest-growing state in the nation.

“Our experienced, multidisciplinary team of experts enables our clients to accelerate their growth and improve access to high quality and affordable care through highly effective health care facility strategies,” said Eric Carmichael, MedCraft principal.

TMC ASC Development and MOB Physician Investment Model Spur Rincon Campus Expansion

MedCraft’s real estate expertise was most recently demonstrated with the [May 2021 ground-breaking](#) of the Rincon Ambulatory Surgery Center (ASC) at TMC’s Rincon Campus, in partnership with contractor [Kraus-Anderson and architect Orcutt Winslow](#). The state-of-the-art, 4-operating room ASC will offer a convenient and affordable option for outpatient surgeries and procedures serving the fast-growing southeast region of Tucson. MedCraft also provided capital for the development of the new Rincon ASC and partnered with TMC on other initiatives to reposition and expand its services.

Prior to the ASC development, MedCraft acquired TMC’s adjacent [44,000-square-foot two-story medical office building \(MOB\)](#) and established an attractive co-investment real estate opportunity to recruit full-time physician tenants. The new investment model helped to grow TMC’s primary and specialty care practices to serve more patients while providing ongoing economic returns for clinicians.

“As a collaborative and fully aligned partner, MedCraft has provided unique solutions that align with TMC’s goals. From creative financing options, providing TMC and physicians with real estate investment opportunities in both facilities, and highly skilled facility planning expertise, they have helped us position the Rincon Campus for long-term growth,” said Richard Prevallet, Vice President Facilities & Construction, TMC.

Construction of the ASC is expected to be complete in the spring of 2022. It is part of an expansion plan for TMC that includes a new 60-bed hospital slated to open on the campus in 2023.

YRMC Multi-Site Development, Planning and Programming Foster Physician Alignment

[YRMC](#) turned to MedCraft as an experienced health care real estate partner to develop and manage two new projects for both its Yuma campus surgical specialty facility and its Foothills campus in a growing suburban market. YRMC required the aggregation and optimization of clinical practices in order to more effectively serve the community. MedCraft helped to develop a site and facility plan on land near the main campus to create a more integrated experience for patients, visitors and medical staff.

The company also provided expert facility planning and programming as part of the development process to create a new collaborative practice model with input from physicians and leadership across facilities that can flex according to volumes and growth. The new physician alignment strategy brought clinicians and YRMC together to ensure that all parties were in sync on the vision for long-term success.

“We have entrusted the MedCraft team as our partner in the development of two new medical office buildings for Yuma Regional Medical Center. Their planning and programming efforts have been first-class in bringing physicians and leadership together to define the future care models and connecting us with industry peers on lessons learned,” stated Trudie Milner, Chief Operating Officer, YRMC.

“Additionally, we have been able to leverage capital from [MedCraft](#) to ensure timely implementation of this growth and development strategy. We look to break ground on both projects this year.”

NAH Secures Strategic Land Acquisition for Future Hospital and Realizes Benefits with Asset Disposal and Lease Restructuring

[Northern Arizona Healthcare \(NAH\)](#), based in Flagstaff, has been engaged with MedCraft for the past five years as a strategic real estate advisor. MedCraft’s experts have advised NAH executive leadership team on key real estate and facility matters and were instrumental in accomplishing several strategic objectives.

Among NAH’s achievements, MedCraft helped to identify, assemble and secure a 180-acre greenfield site in a highly visible, strategic location for future expansion and relocation of the NAH Flagstaff campus. Due to the physical constraints with modernizing and expanding the existing hospital, MedCraft facilitated a confidential site search process that involved negotiating with multiple landowners to assemble sufficient acreage for NAH’s vision for a multi-use, health care village. NAH recently announced that it plans to invest \$750 million in the development of this campus. To further realize efficiencies, MedCraft also coordinated the sale of non-core real estate assets, consolidated multiple locations and negotiated lease agreements that supported several key program and administrative initiatives.

“Today’s healthcare environment demands innovative approaches to planning, developing and managing health care real estate. Our partnerships with healthcare providers in Arizona and across the U.S. are customized to meet their needs to provide excellent care and deliver long-term value,” stated MedCraft Vice President Tom Immen.