



Medical Group Quickly Locates Unlisted Site and Builds Despite Major Challenges

1) Introduction

When National Dialysis Center (NDC) — a group that had been serving patients for decades — was stumped finding a site location in North Austin, TX, it called Practice Real Estate Group (PRG) Development to see if it could help. NDC turned to PRG Development because of a previous successful relationship.

Several years ago, NDC was ready to expand, but despite what many would consider an ideal institutional infrastructure to find successful locations for its expansion, it was coming up short in Southwest Austin. As a national healthcare company with hundreds of sites, it had a corporate broker, as well as an internal development team, to support that volume of real estate transactions.

Separately and around the same time NDC was looking to expand, PRG Development had located a plot of land in Southwest Austin where it saw a lot of activity — new medical office buildings were pre-leasing at high rates. PRG Development had purchased the land and ultimately used it to build an incredible center for NDC — in a location it had been unable to pinpoint on its own — and the new center started turning a profit upon opening.

2) Challenge

National Dialysis Center needed another location to serve their North Austin Patient base, and it needed a solution quickly. Its current PRG landlord was looking to redevelop his property and although he gave them an extension on the lease, time was running out.



3) Our Approach

While a finite end to the lease was a challenge, it was also an opportunity. NDC had been wanting an upgraded facility — a place where it could serve more patients and have more control over the leasing structure; it did not want to worry about another landlord's future plans.

Drawing on a wealth of experience and localized knowledge, PRG Development knew about a site in North Central Austin that was no longer on the market. It also knew the broker of the site, as well as the seller. So when it contacted the team that had previously listed the land, the deal moved quickly. The teams had already built relationships and trust and were excited to get to work to build something new for National Dialysis Center.

▶ **“The civil engineer on the team knew the city regulations in-depth and was able to use those regulations to keep the City from taking a third of the land.”**

4) Roadblocks

While the land was in the perfect place according to PRG's Market Analysis, it was not a perfect plot. There were 16 heritage trees on the one and a half acre site, along with a significant slope. An architect would need to design the building around the trees, and a civil engineer would need to factor in numerous retaining walls.

Then, while the building was being designed, the City decided to turn a right-of-way outside of the land into a thoroughfare through the land. The City's plans included taking a third of the land to expand the roadway.

5) Solution

Not only was PRG Development able to find NDC a site in an incredible location in the heart of their search area — without which it would not have been able to build — PRG Development's team of experts were able to solve the complex problems that arise with any development deal — in this case: protected trees, tricky topography, and a City that wanted to take the land.

The civil engineer on the team knew the city regulations in-depth and was able to use those regulations to keep the City from taking a third of the land. Throughout the process, NDC never had to manage different pieces or parts of the process itself — PRG Development made itself the point of contact and was accountable for the entire project.

6) Results

Ultimately, National Dialysis Center built a beautiful building on a valuable piece of land while avoiding all of the construction headaches and managing no one. It was able to focus on its offering — providing dialysis to patients — instead of on development.

Call us at (512) 761-7101 or send us an email at info@practicerealestategroup.com to explore your healthcare real estate needs.