

Commercial
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Magazine



WOMEN
IN POWER

SPECIAL EDITION
PAST
WOMEN
IN POWER

Raised in a town with a population of 20,000, just outside Muscatine on the Mississippi River in east Iowa, Ann Atkinson set off to spread her wings in the Phoenix market and hasn't looked back since. /// Atkinson has truly grown up in the industry, beginning with a few months of office and industrial research, then she quickly moved into the office investment brokerage specialty and discovered her passion there. She has held roles at JDM Partners as their Real Estate Investment Specialist in 2010 and now at Healthcare Trust of America (NYSE: HTA) as their Director of Acquisitions. /// Much like her success, the Phoenix market is looking toward bigger and better things, too. /// "There's no question our growth continues to outpace the nation," Atkinson says. She also notes that Greater Phoenix grew nearly 30 percent during the decade of 2000-2010, which is triple the national growth. This market

is expected to grow more than 46 percent to 6.3 million people in the next 20 years. /// Yet, there are some key points that are enabling this market to become more competitive with others, such as Texas. These include leadership that is focused on a desirable tax and regulatory environment and balanced budget, a cost of labor that is one of the lowest in the nation, and substantial education improvements in having the No. 1 charter school in the country. /// "We need to keep strengthening our private sector to provide great jobs, and retain these bright, young workers!" Atkinson says. /// "While I love Phoenix, I have been fortunate to travel the country and become familiar with many markets," she says. HTA's 15 million-SF portfolio spans 28 states from New York to Florida to Hawaii. /// So, what is HTA's strategy for achieving growth in the medical office building, or MOB sector? Ann and the rest of the investment team follow a strict process set by its investment committee; targeting properties located on the campuses of or aligned with leading hospitals and selectively buy great MOBs in strong locations within top markets, containing ideal tenants and long-term patient demand. /// Take HTA's activity in Boston, for instance: It's a dynamic market with strong growth, top universities and an unemployment rate of only 3.7 percent. Since 2012, HTA has invested \$250 million in Boston, expanding its portfolio there to \$364 million, HTA's largest market by invested dollars. This is notable as HTA owns core critical real estate concentrated with four of the leading health systems in the area: Boston University, Boston Medical

Center, Steward Healthcare, and Tufts Medical Center. /// And, health care is clearly not going to be stagnate. Since Atkinson joined HTA three years ago, the medical office sector has received increased interest from institutional investors. For a long time, core office buildings traded at a significant premium to core MOBs. In the last three years, yields for core MOBs have compressed by over 150 basis points in some markets. Today, the MOB world is in the early stages of consolidation, according to Atkinson. /// On the topic of the Affordable Care Act, she says it's taking hold. "The population continues to age and health care delivery is being pushed to more cost-efficient and integrated outpatient settings," Atkinson says. "Hospitals are transitioning their business models to capture gains, and physician groups are consolidating into larger practices to lower their overhead costs and invest in new technology. As a result, the demand for core critical MOBs and outpatient space is continuing to be on the rise." /// Atkinson is always looking ahead to the future – both for the industry and her own. Different from other sectors, medical office has extremely high barriers to entry and does not go through boom/bust waves to the extent seen by other real estate asset classes. /// "The heavy trends of consolidation will drive the types and locations of MOBs to be developed," she says. "Excluding freestanding single-tenant facilities, I expect the majority of construction volume to occur in major markets with strong anchors, such as health systems and large physician groups." Atkinson also expects many of the health providers that will contribute to the development volume to strategically select capital partners to fund and operate the real estate, allowing the health provider to allocate their cash to their core business. /// With U.S. health care real estate being valued at an estimated \$1 trillion and MOBs accounting for 40 percent, less than 15 percent is owned by public REITs. "We are on the front end of the institutionalization of health care real estate ownership," she says. "We are just getting started and HTA is in a great position to continue to capitalize on that." /// When she's not busy participating in more than \$1.2 billion of MOB acquisitions (since 2012), Atkinson enjoys being actively involved with GenNext, an exclusive national organization focused on the core issues of education,

"I basically grew up in the industry as I got into office/medical investment real estate at 18 years of age."

- ANN ATKINSON, DIRECTOR OF ACQUISITIONS, HEALTHCARE TRUST OF AMERICA

Ann
ATKINSON

economic growth and global security. GenNext also operates a foundation and a PAC (political action committee) through which it confronts challenges relating to GenNext's core issues facing future generations. Atkinson sits on the GenNext Arizona Board of Directors. /// Regarding her relationship with her husband, she says they are adventurous and like to stay active, yet nothing beats a casual evening with intellectual conversation, good food/wine, and great company. The couple also enjoys reading and staying current on world events. /// "We are pretty happy with the simple things; we're at a wonderful point in life where we are building our careers and laying a solid foundation so we can provide a secure future for our family, and be in a position to do something big." /// One item left on her bucket list, however, is to try extreme aerobatics. Just this past August, Atkinson flew in a 1942 Boeing PT-17 Stearmans with in-flight aerobatics so she's inspired to take the controls now. /// As for her personal goals, the 30-year-old believes in the importance of having a plan and hers consists of a future in investment real estate. That said, she notes "the way to make God laugh is to show him your plan!" Atkinson says, "My plan is to buy right, leverage conservatively and build a portfolio with great risk-adjusted yields for my investors. I am excited to keep working hard and look forward to seeing where this fun career path leads!" ■

"ANN HAS A KEEN SENSE OF A DEAL, A FOCUSED EXECUTION STYLE & AN ENDEARING RELATIONAL PERSONALITY. SMART, EAGER, LOYAL & TRUSTWORTHY ARE WORDS THAT HAVE ANN'S NAME WRITTEN ALL OVER IT."

— MEL SHULTZ, JDM PARTNERS

"I'VE KNOWN ANN FOR YEARS, & IT'S BEEN A GREAT PLEASURE TO WATCH HER ASTONISHING PROFESSIONAL & PERSONAL GROWTH. ANN IS THE CONSUMMATE REAL ESTATE PROFESSIONAL: DISCIPLINED, ANALYTICAL, KNOWLEDGEABLE, INQUISITIVE & THOUGHTFUL. HER FOCUS & WORK ETHIC IS LEGENDARY — SHE IS A LEADER & WELL-RESPECTED BY HER PEERS, PARTNERS & ASSOCIATES."

— SCOTT KNAUER, PIVOTAL GROUP, INC.

Who had a big influence on you in the beginning of your career?

I HAVE BEEN FORTUNATE TO LEARN FROM MANY GREAT MENTORS. MY FAVORITE LESSONS ON THINKING BIG AND HOW TO TREAT PEOPLE COME FROM THE THREE PRINCIPALS OF JDM PARTNERS.

What's one obstacle you've encountered and have overcome?

STARTING SO YOUNG (AT 18) FEELS LIKE GROWING UP IN THE INDUSTRY IN SOME RESPECTS. THAT SAID, IT IS PRETTY AWESOME TO HAVE 12 YEARS OF DEDICATED EXPERIENCE IN OFFICE/MEDICAL INVESTMENT REAL ESTATE AS A 30-YEAR OLD!

How do you balance your career with your personal life?

INTEGRATION!

If you hadn't gone into real estate, what career would you have had?

A DETECTIVE. I LOVE SOLVING PROBLEMS AND FIGURING THINGS OUT.

Top 3 Tips for Young Professionals:

- 1.) THE PAIN OF DISCIPLINE IS MUCH BETTER THAN THE PAIN OF REGRET!
- 2.) LISTEN. ASK GREAT QUESTIONS, AND DON'T BE INTIMIDATED BY ANYONE.
- 3.) DISCOVER THE PEACE OF MIND THAT COMES FROM LIVING DEBT FREE!

