

P R E S S R E L E A S E

*Origin Contact: Michael Millar, Open Slate Communications
Mobile phone: 847-863-1037, mjmillar@openslatecommunications.com*

*Transwestern Contact: Shannon Bedinger, Transwestern
Phone: 713.272.1285, shannon.bedinger@transwestern.com*

Origin Investments Completes Sale of Kingwood Medical Arts Building in Houston; *Transwestern's Execution of Origin Vision Translates to 62 Percent Increase in Value*

CHICAGO (November 16, 2016)—Origin Investments, a Chicago-based real estate private equity firm, has sold Kingwood Medical Arts, a 90,000-square-foot medical office building in northeast suburban Houston. The building was acquired by a nationally recognized, multi-billion dollar healthcare REIT.

Transwestern's Eric Johnson, national director of Healthcare Advisory Services, and Scott Carter, vice president, represented Origin in the sale.

"The acquisition, management and disposition of Kingwood Medical Arts clearly demonstrates Origin's fundamental strategy to purchase well-located assets with fixable problems, create and enhance value for the asset, and exit the transformed asset," said Marc Turner, managing director of Investment Management, Origin Investments.

In 2012, Origin, with their Transwestern operating partner, acquired the defaulted note for the property from CIBC at a discount, and nine months later acquired the property through a bankruptcy trustee sale. Prior to the acquisition, Origin and Transwestern reinstated a 15,000-square-foot lease to a physician group that previously vacated the property due to a dispute with the original owner. This resulted in an immediate 15 percent increase in the occupancy of the property.

Once the property was acquired, the partnership retained Transwestern to provide leasing and management services. Carter and Brandy Bellow Spinks, vice president, executed new leases that increased occupancy from 52.5 percent at acquisition to 90 percent at the time of disposition. During that time, net operating income increased an average of 5.8 percent annually. The sale price represented a 62 percent increase in value. With the value created through the four-year hold, Origin generated a 25.4 percent internal rate of return and a 2.5 multiple in its investment.

"This was a great project from the very beginning," said Carter. "We worked closely with Origin from initial underwriting to final execution of the marketing plan to fulfill their investment objectives. All the hard work paid off, as the value we created aligned perfectly with the current appetite of the medical office building investment market."

Kingwood Medical Arts is located at 300 – 350 Kingwood Medical Drive in Kingwood, Texas, a 14,000-acre, master-planned community 25 miles northeast of Houston. The property is anchored by a 30,000-square-foot surgical center operated by a venture between Memorial Hermann Health System and United Surgical Partners. The property is adjacent to the HCA Kingwood Medical Center campus, which includes a 375-bed general acute care hospital.

Transwestern has been retained by the new ownership to continue providing leasing and management services.

About Origin Investments

Founded in 2007, Origin Investments is a real estate investment firm that acquires office and multifamily properties in eight fast-growing markets: Denver, Charlotte, Raleigh, Atlanta, Houston, Dallas, Austin and Chicago. With offices in Chicago, Denver, Charlotte and Dallas, Origin has more than a half-billion dollars in assets under management. The firm also offers its investment opportunities to accredited investors at origininvestments.com.

Origin is currently raising capital for its Fund III, a \$150 million fund for which it has already raised \$85 million in committed capital, including a \$10 million commitment from the firm's cofounders, David Scherer and Michael Episcopo. Origin's previous two funds are averaging a 25.4 percent net return to investors and have been ranked by Preqin as top quartile.

About Transwestern

Transwestern is a privately held real estate firm of collaborative entrepreneurs who deliver a higher level of personalized service – the Transwestern Experience. Specializing in Agency Leasing, Management, Tenant Advisory, Capital Markets, Research and Sustainability services, our fully integrated global enterprise adds value for investors, owners and occupiers of all commercial property types. We leverage market insights and operational expertise from members of the Transwestern family of companies specializing in development, real estate investment management and research. Based in Houston, Transwestern has 34 U.S. offices and assists clients through more than 180 offices in 37 countries as part of a strategic alliance with BNP Paribas Real Estate. Experience Extraordinary at transwestern.com and @Transwestern. For updates from the Houston office follow @TranswesternHOU.

#