

PACIFIC MEDICAL BUILDINGS

FOR IMMEDIATE RELEASE

Media Contact: Barry Weinbaum, Director, Business Development, (858) 794-1900, bweinbaum@pmbllc.com

PMB to develop new MOB for Sutter Health

Pacific Medical Buildings has commenced construction on a \$27.5 million, 80,000 square foot medical office building to be connected to Sutter Health's new acute care hospital in Castro Valley

CASTRO VALLEY, Calif., Jan. 11, 2012 – Pacific Medical Buildings (PMB) is pleased to announce its construction of a \$27.5 million, four-story, 80,000 square foot medical office building (MOB) on Sutter Health's new Eden Medical Center campus at 20103 Lake Chabot Rd. in Castro Valley.

The new MOB will be PMB's second building on the hospital campus. The project is a joint venture with Ventas Inc., the Chicago-based real estate investment trust that acquired Nationwide Health Properties (NHP), which had a development pipeline agreement with PMB. PMB will develop, own and operate the MOB.

The MOB will be connected on all four floors to the \$320 million, 130-bed, 230,000 square foot acute care Eden Medical Center, which is now under construction.



Sutter Health's new acute care hospital and medical office building, Castro Valley, Calif.

Please click on the image to link to a high-resolution version.

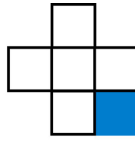
“We are very happy to be working with Sutter Health, which is a leader in the healthcare industry,” says Mark Toothacre, President of PMB. “This is an exciting development opportunity for us that will result in an important community asset for the residents of Castro Valley and the surrounding communities.”

“This project, including the new medical office building and acute care hospital, represents a significant commitment by Sutter Health to continue providing the highest quality medical care to our patients and community,” says Bob Mitsch, Vice President of Facility Planning & Development for Sutter Health. “We are very pleased to be working with Pacific Medical Buildings and the rest of the talented project team to build this landmark medical center.”

The MOB will be 100 percent leased and occupied by Eden Medical Center and the Sutter East Bay Medical Foundation. The facility will include an imaging center, urgent care center, medical offices and hospital administrative support services. Surface parking and an existing parking structure will provide 386 parking spaces.

PMB is contracting with design-build firm DPR Construction, which has hired Devenney Group Ltd. as the project architect for the MOB. DPR and NBBJ will design and construct the interior tenant improvements space. The MOB is expected to be completed in December 2012.

Hospital officials anticipate that the MOB will receive Leadership in Energy and Environmental Design[®] (LEED) Silver certification. LEED certification is an internationally recognized verification that a facility meets the green building, design, construction, operation and maintenance standards developed by the U.S. Green Building Council.



PACIFIC MEDICAL BUILDINGS

FOR IMMEDIATE RELEASE

Media Contact: Barry Weinbaum, Director, Business Development, (858) 794-1900, bweinbaum@pmbllc.com

The new Eden Medical Center will replace a 53-year-old hospital, which doesn't meet newer, more stringent earthquake regulations stipulated by California's Hospital Facilities Seismic Safety Act. This is the first comprehensive hospital rebuilding project in Alameda County that is financed without taxpayer support or public funds.

About Pacific Medical Buildings

Pacific Medical Buildings (PMB) specializes exclusively in the development and management of medical office buildings, outpatient facilities and parking structures for hospitals, medical groups and universities. For more than 40 years, PMB's executives have led the industry in the development and management of medical care buildings, with 77 healthcare facilities constructed to date throughout the Western United States. The firm currently owns and manages 44 facilities totaling approximately 3 million square feet with more than 7,000 structured parking stalls, and has eight projects under development that will total 750,000 square feet. The San Diego-based firm also has offices in Honolulu; Los Angeles; Phoenix; Nashville, Tenn.; Vancouver, Wash.; Portland, Ore.; Louisiana; and Nevada. For more information regarding PMB, please visit www.pacificmedicalbuildings.com.

About Sutter Health

Serving patients and their families in more than 100 Northern California cities and towns, Sutter Health doctors, not-for-profit hospitals and other health care service providers share resources and expertise to advance health care quality and access. The Sutter Health network includes many of California's top-performing, highest quality physician organizations as measured annually by the Integrated Healthcare Association. Sutter-affiliated hospitals are regional leaders in cardiac care, women's and children's services, cancer care, orthopedics and advanced patient safety technology.

Eden Medical Center is an award-winning, 271-bed, full-service medical center that is part of the Sutter Health network. Eden's Centers of Excellence include neurosciences, critical care, orthopedics, rehabilitation, breast imaging, birthing center, women's health, stroke care, adult psychiatry and cancer care. Eden is also the Regional Trauma Center for Southern Alameda County.

The Sutter East Bay Medical Foundation (SEBMF) has physician offices in Albany, Antioch, Berkeley, Brentwood, Castro Valley, Dublin, Oakland, Orinda and Richmond. SEBMF, also part of the Sutter Health network, supports five hospitalist programs at Alta Bates Summit Medical Center, Eden Medical Center, San Leandro Hospital and Sutter Delta Medical Center. SEBMF patients have access to more than 500 physicians in primary and specialty practices.

- 30 -