



£450,000,000 property and healthcare
joint venture between General Practice
Group and Merrill Lynch Property Fund



LCF ROTHSCHILD
GROUP

LCF Edmond de Rothschild advised
General Practice Group on this
significant property and healthcare joint
venture

General Practice Group, a UK company owned by its management and Caledonia Investments plc, has formed an important joint venture with Merrill Lynch Property Fund to invest in and develop doctors' surgeries and medical centres in the UK.



GPG is contributing 134 surgeries and medical centres to the joint venture, either income producing or in the course of construction, together with a pipeline of further properties.

"The UK primary care sector is undergoing significant change with increased private sector investment. The importance of primary care services is recognised as core to the NHS plan, and core to these services are the provision and renovation of doctors' premises, leading to a substantial improvement in their ability to provide high quality patient care." Richard Kelvin Hughes, founder of GPG.

GPG was established in 1994 and is now one of the leading developers and managers of primary healthcare facilities in the UK, recognised for the high quality both of its centres and the management services it provides to doctors' practices.

GPG and LCF Edmond de Rothschild identified Merrill Lynch Property Fund as partners for GPG from a range of city institutions engaged in property fund management, as well as property companies and selected private equity firms. While it is widely recognised that the primary healthcare sector is a growth area for investment, with defensive income characteristics, it has received relatively little attention from mainstream property funds to date.

“All emerging markets tend to have price inefficiencies which represent investment opportunities. The key is to work with the best and GPG’s 10 year track record speaks for itself.”

Merrill Lynch Property Fund



GPG and Merrill Lynch Property Fund have committed to grow the joint venture to a value of about £450 million in the next few years. An active development and construction programme will be undertaken and funded by Merrill Lynch Property Fund, with GPG providing a pipeline of development opportunities and the project management expertise.

LCF Edmond de Rothschild advised GPG on the selection of Merrill Lynch Property Fund and on the terms of the joint venture.
