

# Property Week

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# US health giant treats itself to Mayfair office

■ Cleveland Clinic has exchanged contracts to buy long leasehold of trophy asset 33 Grosvenor Place for £

BY HANNAH BRENTON

An upmarket American healthcare group that counts former Italian prime minister Silvio Berlusconi and US chat show host Oprah Winfrey among its clients has made its first major investment in the UK.

Cleveland Clinic is understood to have exchanged contracts to buy the long leasehold of Mayfair trophy building 33 Grosvenor Place from Perella Weinberg Partners for a price thought to be around £250m.

The Ohio-based clinic, ranked the fifth best hospital in the US last year, is still weighing up options for the building. It could change the use from offices to a healthcare or medical research facility, or keep the offices for administration space.

Cleveland is understood to have not yet approached

freeholder the Grosvenor Estate, which would have to consent to any conversion.

The purchase comes at a time when the NHS faces a ballooning deficit and private sector health providers are eyeing UK opportunities.

In the US, the group's main campus in Cleveland, Ohio, comprises 44 buildings on 167 acres, while it also has facilities in Nevada and Florida. Internationally, it runs a 4.4m sq ft private hospital in Abu Dhabi in a joint venture with development company Mubadala, as well as 28,000 sq ft of offices in downtown Toronto.

The off-market deal with US investor Perella for 33 Grosvenor Place comes less than two years after the long leasehold was last sold.

Perella bought the 192,000 sq ft building for around

£204m in June last year from US insurer WR Hambrecht & Co.

US oil company Hess has a lease for the building until June 2016 but has subleased a portion of floors.

A Cleveland Clinic spokesman said: "Cleveland Clinic is pleased to be investing in 33 Grosvenor Place and is continuing to explore its opportunities. At present, we don't have final plans yet for the building and will be reviewing the options and will be working with neighbours and local stakeholders including the Grosvenor Estate, and Westminster City Council."

Cushman & Wakefield advised Cleveland Clinic but declined to comment. Perella did not request for comment.

## Looking for the legends

We are seeking nominations for a new *Property Week Hall of Fame*, sponsored by James Andrew International, to celebrate the legends of property.

Every year we will induct one legend - but to start things off with a bang, we will be inducting three of the industry's biggest players at next year's Property Awards.

For details on how to nominate a property legend see: [www.awards.PropertyWeek.co.uk](http://www.awards.PropertyWeek.co.uk)



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