



**GAZIT-GLOBE**

## **FOR IMMEDIATE RELEASE**

### **ProMed Announces the Acquisition of a Medical Office Condominium in Manhattan**

TEL-AVIV, ISRAEL; June 29, 2011 – Gazit-Globe (TASE: GLOB), one of the world's leading multinational real estate companies engaged in the acquisition, development and management of income-producing properties announces that its wholly owned subsidiary in North America, ProMed Properties ("ProMed"), which is engaged in the acquisition and management of medical office and research buildings throughout the U.S., announced today the acquisition of a fee interest in a medical office condominium located at 345 E. 37th Street in New York City for \$31 million.

The approximately 81,000 square foot medical office condominium comprises three floors of the 57-story Corinthian apartment building which contains over 860 residential condo units. Located along the strong 1<sup>st</sup> Avenue medical corridor, in the Murray Hill submarket, the property is just walking distance from NYU Langone Medical Center and Bellevue Hospital (totaling over 1,500 beds). In addition, Beth Israel Medical Center, the VA Medical Center, Cabrini Medical Center, New York Eye and Ear Infirmary and the Hospital for Joint Diseases are all located within a one mile radius of the property. This prime location also provides convenient access to Grand Central Terminal, Penn Station, Port Authority and the Midtown Tunnel.

Josh Friedman, President and CEO of ProMed, stated, "We are excited about this rare opportunity to acquire a critical mass of medical space in Manhattan which adds to our existing 442,000 square foot portfolio in the New York MSA. Purchasing the property below replacement cost combined with the lease-up potential provides an opportunity to create long-term value. The current occupancy of 82% is significantly below the Midtown office average. ProMed intends to renovate the common areas of the property in the immediate future to attract more best-in-class practice groups and leading hospital affiliations. This transaction fits into the ProMed investment strategy of selectively acquiring in markets with high barriers to entry and strong demographics, near top-rated medical universities and hospitals."

ProMed financed the acquisition with a new seven year, \$20 million loan at a fixed 4.59% interest rate and cash on hand.

#### **About ProMed Properties**

ProMed Properties is a wholly owned subsidiary of Gazit-Globe (TASE: GLOB). ProMed Properties is engaged in the acquisition and management of medical office and medical-research buildings in growing metropolitan areas of the United States. The company's primary investment objective is the creation of value through long-term maximization of cash flows and capital appreciation from its real estate investments. ProMed Properties owns and operates over one million square feet of medical office and medical-research buildings, and two multi-story parking garages. [www.promedproperties.com](http://www.promedproperties.com)

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### **About Gazit-Globe**

Gazit-Globe is one of the world's leading multinational real estate companies engaged in the acquisition, development and management of income-producing properties. The company focuses on necessity-driven real estate, primarily supermarket-anchored shopping centers in urban growth markets with high barriers to entry and attractive demographics. In addition, the company is active in the healthcare real estate sector, owning and operating medical office buildings and senior housing communities in North America. Gazit-Globe is listed on the Tel Aviv Stock Exchange (TASE: GLOB) and is included in the TA-25 and the Real-Estate 15 indices. As of March 31, 2011, the company had an equity market capitalization of about US\$2 billion. The Group operates in more than 20 countries, owns and manages over 660 properties with a gross leasable area of approximately 73 million square feet and has a consolidated total asset value of approximately US\$18 billion and a gross annualized income of approximately US\$1.75 billion. [www.gazit-globe.com](http://www.gazit-globe.com)

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