

Emerging Trends in Health Care Real Estate:

What Every Real Estate Professional Should Know

Andrew Dick



Certificate of Need Reform

Health Law **Diagnosis**

Monitoring the Pulse of Health Care and Life Sciences

Everything Old is New Again: Connecticut Revamps Certificate of Need (CON) Program under Department of Public Health

By Conor Duffy & Michael Lisitano on May 19, 2026

POSTED IN ACADEMIC MEDICAL CENTERS, AMBULATORY SURGICAL CENTERS (ASC), GOVERNMENT ENFORCEMENT, HEALTHCARE TECHNOLOGY, HOSPITALS AND HEALTH SYSTEMS, LEGISLATION, PHYSICIANS AND ALLIED HEALTH PROFESSIONALS, PRIVATE EQUITY

On May 2, 2026, the Connecticut Legislature approved the overhaul of the state's Certificate of Need (CON) program as part of its appropriations bill for the fiscal year ending June 30, 2027, [Public Act No. 26-68](#) ("the Act").

The Act significantly revises all aspects of the CON program and process, including most notably by eliminating the independent Office of Health Strategy (OHS) that had overseen CONs since 2018, and returning oversight for CON largely to the State Department of Public Health (DPH). The Act is the culmination of years of debate over the CON process, and the Governor is expected to sign the Act in the near future.

Various sections of the Act take effect October 1, 2026, with the new CON process fully taking effect July 1, 2027. Below is a summary of the major elements of the new CON process and how they differ from the current process.

Source: [Health Law Diagnosis](#)

Certificate of Need Reform

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North Carolina's CON meltdown: 6 notes

North Carolina's certificate-of-need law has become one of the most contested healthcare policy fights in the state, playing out simultaneously in the legislature, the courts and the state budget. Here's where things stand.

- 1. The law covers a lot of ground.** North Carolina's CON program [requires](#) state approval before a provider can build new health facilities, substantially expand services, add beds, or purchase certain major medical equipment. North Carolina is one of roughly three dozen states that still have a CON program on the books.
- 2. A full repeal has been stuck in the House for over a year.** State Senate Bill 370 and companion House Bill 455 [would](#) wipe out CON requirements statewide. Senate Bill 370 passed the Senate 31-17 in April 2025 and has remained stuck in the House Rules Committee since.
- 3. An interim carve-out already lets some ASCs skip CON.** Since Nov. 1, 2023, ASCs located in counties with populations over 125,000 [no longer](#) require CON approval, a change that has already spurred new facility development in high-demand regions like the Research Triangle and Charlotte.
- 4. This summer's budget added a narrower, targeted repeal.** State Senate Bill 257, the 2026 Appropriations Act, includes a provision [repealing](#) CON review for inpatient rehabilitation services, facilities and beds starting Oct. 1, 2026. Gov. Josh Stein signed the \$34 billion budget in July.
- 5. A six-year court battle just hit a setback for repeal advocates.** New Bern ophthalmologist Jay Singleton has been [challenging](#) CON's constitutionality since 2020. A bipartisan three-judge trial court panel upheld the law's constitutionality in December 2025, rejecting his challenge. Justices denied Singleton's request to bypass the Court of Appeals in June 2026, meaning the case must work through the intermediate appellate court before it can head back to the Supreme Court.
- 6. A new investigation puts a number on the CON gridlock: More than 1,100 beds stuck in appeals.** *Carolina Public Press'* "Battling for Beds" series found that since 2020, DHHS has approved more than 1,100 acute care beds that [remain undeveloped](#) because competitors challenged the approvals — with 12 of 14 approved projects appealed in 2025 and 6 of 8 in 2026 so far

Source: Becker's ASC Review

Certificate of Need Reform

Tennessee legislature continues its piece-by-piece unwinding of hospital certificate of need law

BY ADAM FRIEDMAN - APRIL 21, 2026 5:01 AM



Regulation of Private Equity and REIT Transactions

News and blog

Steward Health Care's bankruptcy: one year later

May 6, 2025



One year following Steward Health's bankruptcy, hospitals, patients, and workers are still facing risks and challenges

May 6, 2025 marks the one year anniversary of Steward Health Care's historic Chapter 11 bankruptcy filing. In the initial aftermath of the filing, policymakers and elected officials found themselves scrambling to preserve access to care for thousands of patients as Steward tried to locate buyers for its struggling hospitals. While the majority of Steward's hospitals have transitioned to new owners and have remained open, five hospitals have closed since last May, resulting in the layoffs of approximately 2,400 workers and the loss of critical healthcare services for communities across Massachusetts, Florida, and Ohio.^[1]

Author

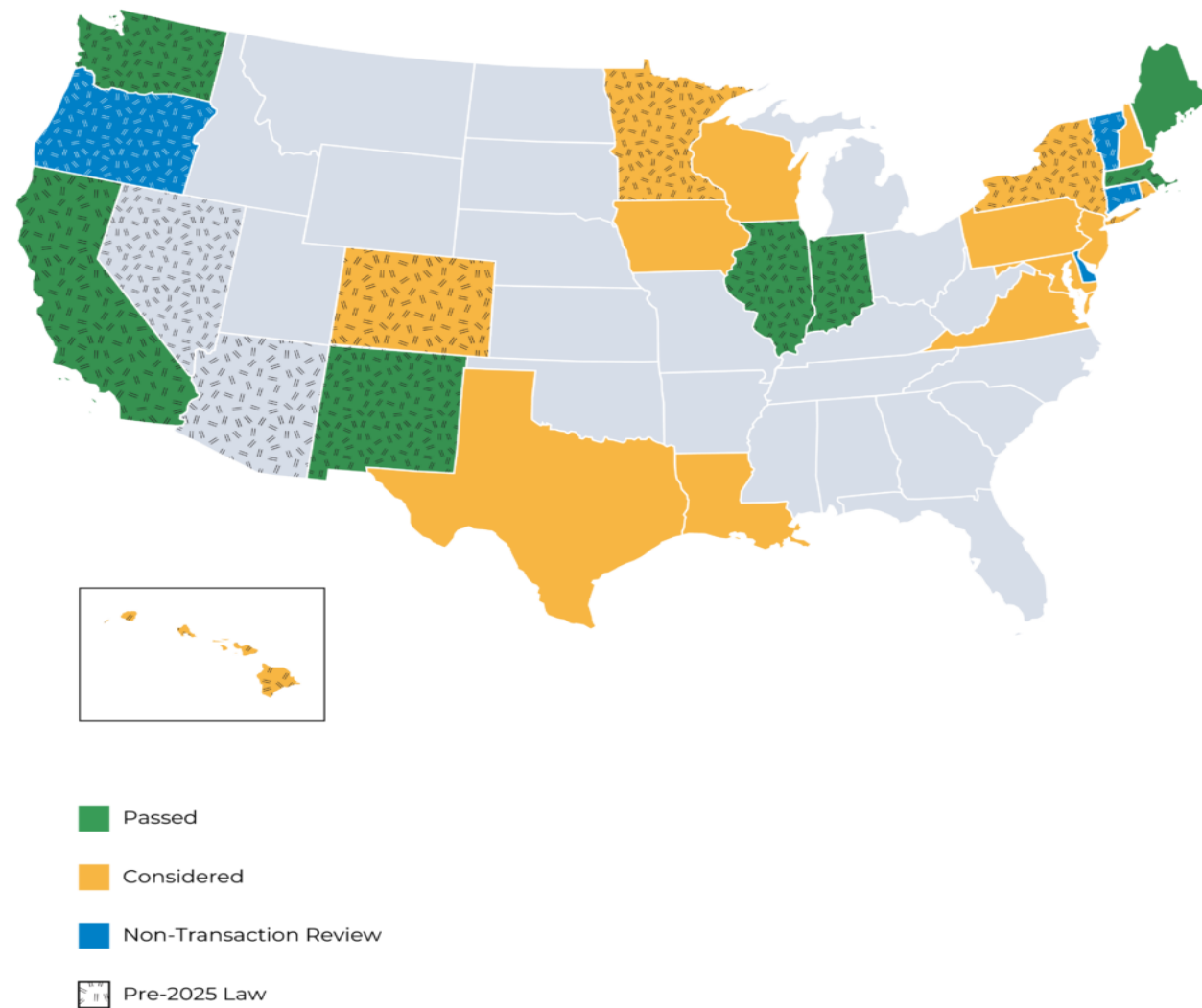
Mary Bugbee

Healthcare

News and Blog

Source: [Private Equity Stakeholder Project](#)

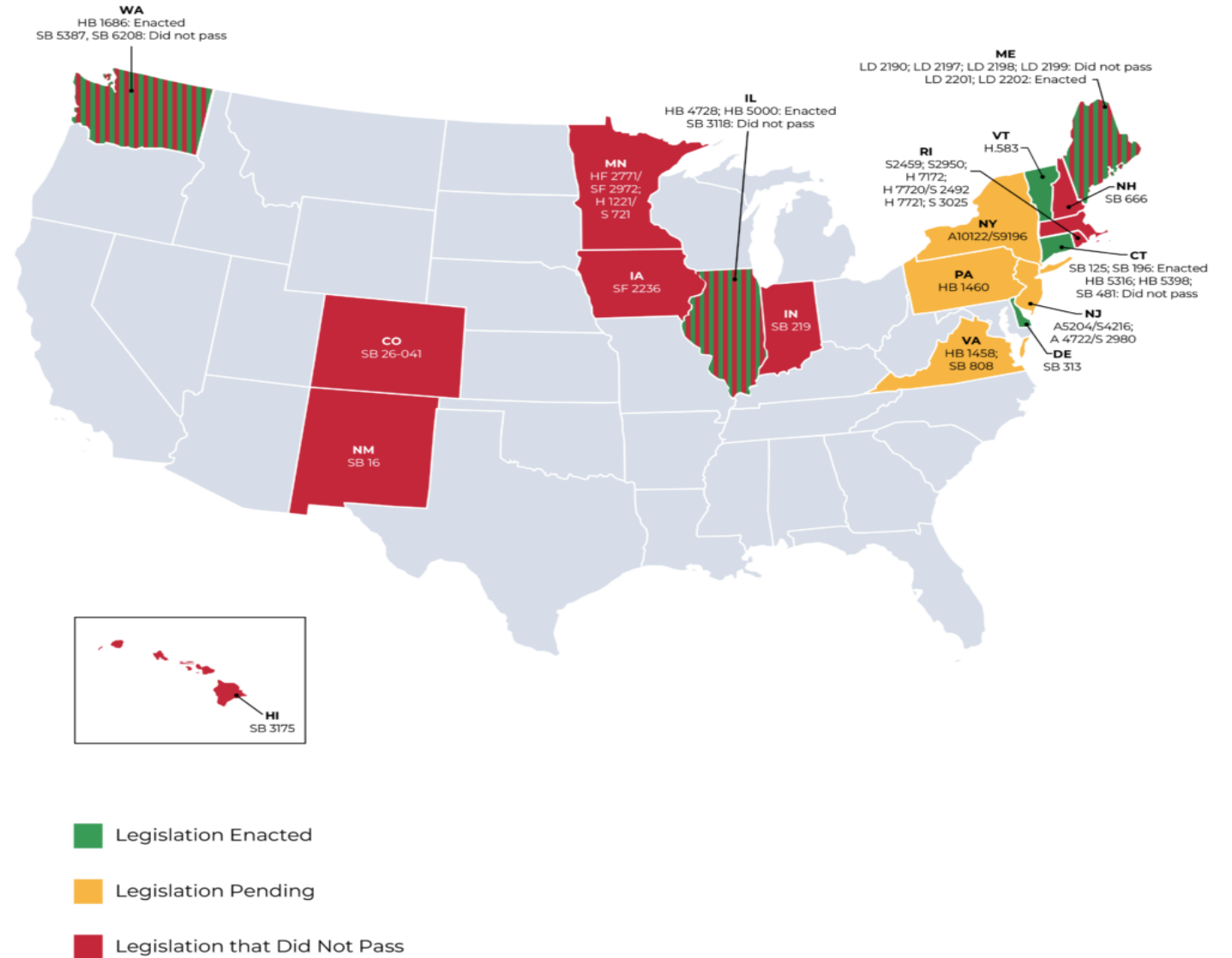
Regulation of Private Equity and REIT Transactions



Source: Private Equity Stakeholder Project

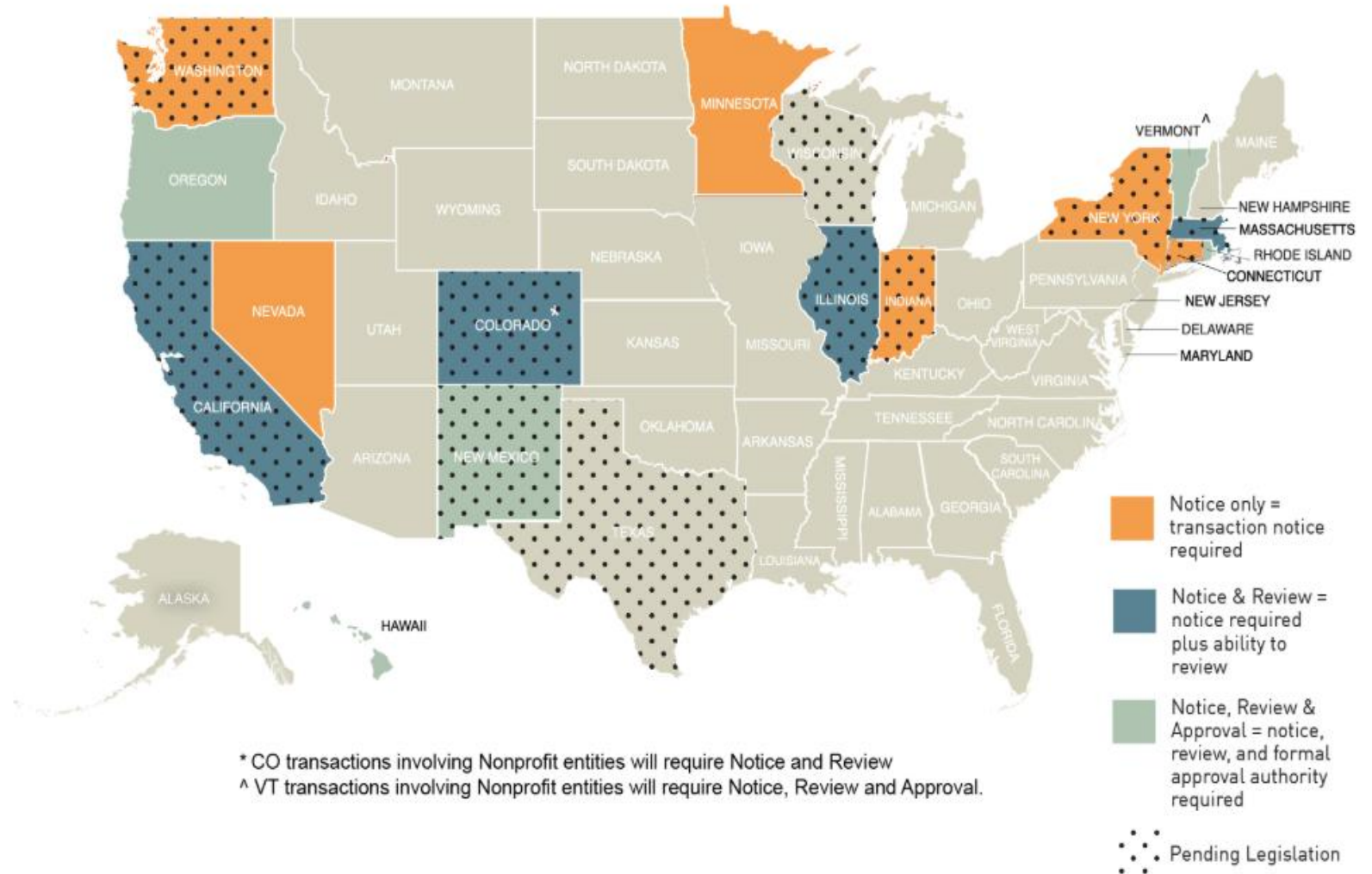
Regulation of Private Equity and REIT Transactions

2026 Legislation by Status



Source: Private Equity Stakeholder Project

Regulation of Private Equity and REIT Transactions



Source: Hall Render

Impact of the One Big Beautiful Bill

Analysis highlights impact of proposed Medicaid cuts on patients and hospitals

🕒 Jun 16, 2025 - 03:07 PM



The AHA June 16 released a fact sheet with analysis on the impact to rural patients and hospitals from proposed Medicaid cuts by Congress. The analysis found that key Medicaid provisions in the One Big Beautiful Bill Act (H.R. 1) would result in a \$50.4 billion reduction in federal Medicaid spending on rural hospitals over 10 years and 1.8 million individuals in rural communities losing their Medicaid coverage by 2034. The analysis also details the 10-year rural hospital financial impact and coverage loss by state.

“The Medicaid cuts in the One Big Beautiful Bill Act would devastate rural hospitals across the country,” said AHA President and CEO Rick Pollack. “Many rural hospitals would be forced to choose between maintaining services, keeping staff and possibly closing their doors. Patients would be forced to travel hours for basic or emergency care, and communities would suffer.”

Source: [American Hospital Association](#)

Non-Profit to For-Profit Shift

Home > Forefront > Research and Discoveries

Nonprofit hospitals spend billions on management consultants with no clear effect

May 4, 2026

Written By
Grace Niewijk

Topics

Research and Discoveries >

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Source: UChicagoMedicine

Own vs Lease Analysis

Update on Health System Medical Outpatient Building Buybacks

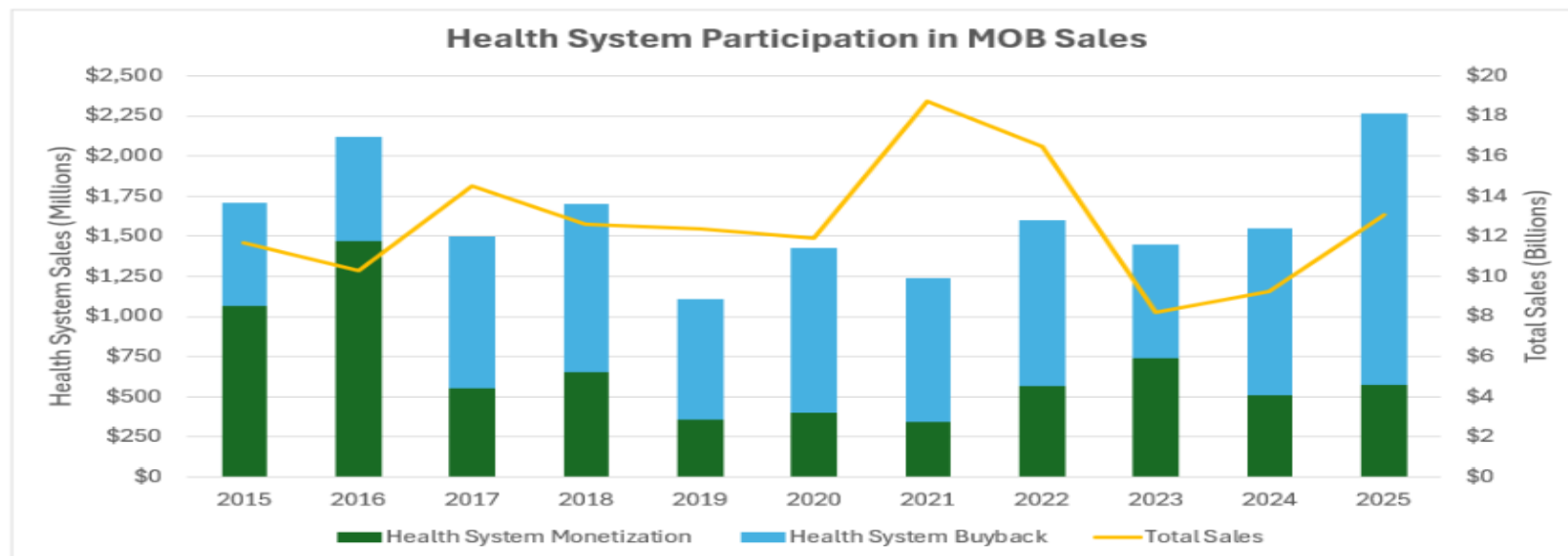
MARCH 27, 2026 BY MINDY BERMAN

TOPICS: MERGERS/ACQUISITIONS, POLICY/LEGISLATION, REAL ESTATE FINANCING/CAPITAL MARKETS, TRANSACTIONS

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Source: RevistaMed

Health systems have been one of the most active participants in the medical properties investment sales market in the last 3 years, accounting for 17% of all sales activity as either the buyer or seller. In 2025 alone, health systems bought \$1.7 billion of their leased properties – a record year – making up 13% of all sales. According to RevistaMed, this buyback phenomenon is comprised of 82 individual properties acquired by 58 systems. Nearly half of the buyback volume – 45% – was owned by the 3 largest public REIT owners of outpatient medical. While a good portion of the sales to health systems were triggered by planned dispositions with tenant rights of first refusal to purchase, many health

Source: [RevistaMed](#)

Philanthropy to Fund New Projects

Providence announces \$1.1 billion pledge from Phil and Penny Knight



By **Amelia Templeton** (OPB)
Sept. 15, 2026 11 a.m.

The donation will fund a new women's hospital and cardiovascular care.



Concept drawing of the new hospital tower dedicated to women's health that will be built on the Providence St. Vincent campus in Washington County. The hospital will be made with a \$1.1 billion pledge from Nike founder Phil Knight and his wife Penny Knight.

Courtesy of Providence St. Vincent

Source: Oregon Public Broadcasting

Philanthropy to Fund New Projects

\$300 million Sanford gift ranks as fifth biggest charitable donation of the year

BY SOUTH DAKOTA SEARCHLIGHT STAFF - DECEMBER 16, 2025 11:33 AM



 An architect's rendering of the future Sanford Black Hills Medical Center campus along U.S. Highway 16 in southwest Rapid City, adjacent to Black Hills Orthopedic and Spine Center. (Courtesy of Sanford Health)

Source: South Dakota Searchlight

Philanthropy to Fund New Projects

October 1, 2026

EvergreenHealth receives \$100M gift for new patient tower

- *The gift comes from the estate of Dean Weidner, founder of Weidner Apartment Homes.*

By [LISA LANNIGAN](#)
Editor

EvergreenHealth has received a \$100 million gift from the late Dean Weidner, the largest philanthropic donation in the community-owned hospital system's history.

The gift will allow EvergreenHealth to begin planning a new patient-care tower on its Kirkland campus, intended to increase capacity and expand access to health care as the community grows.



Photo via EvergreenHealth [\[enlarge\]](#)

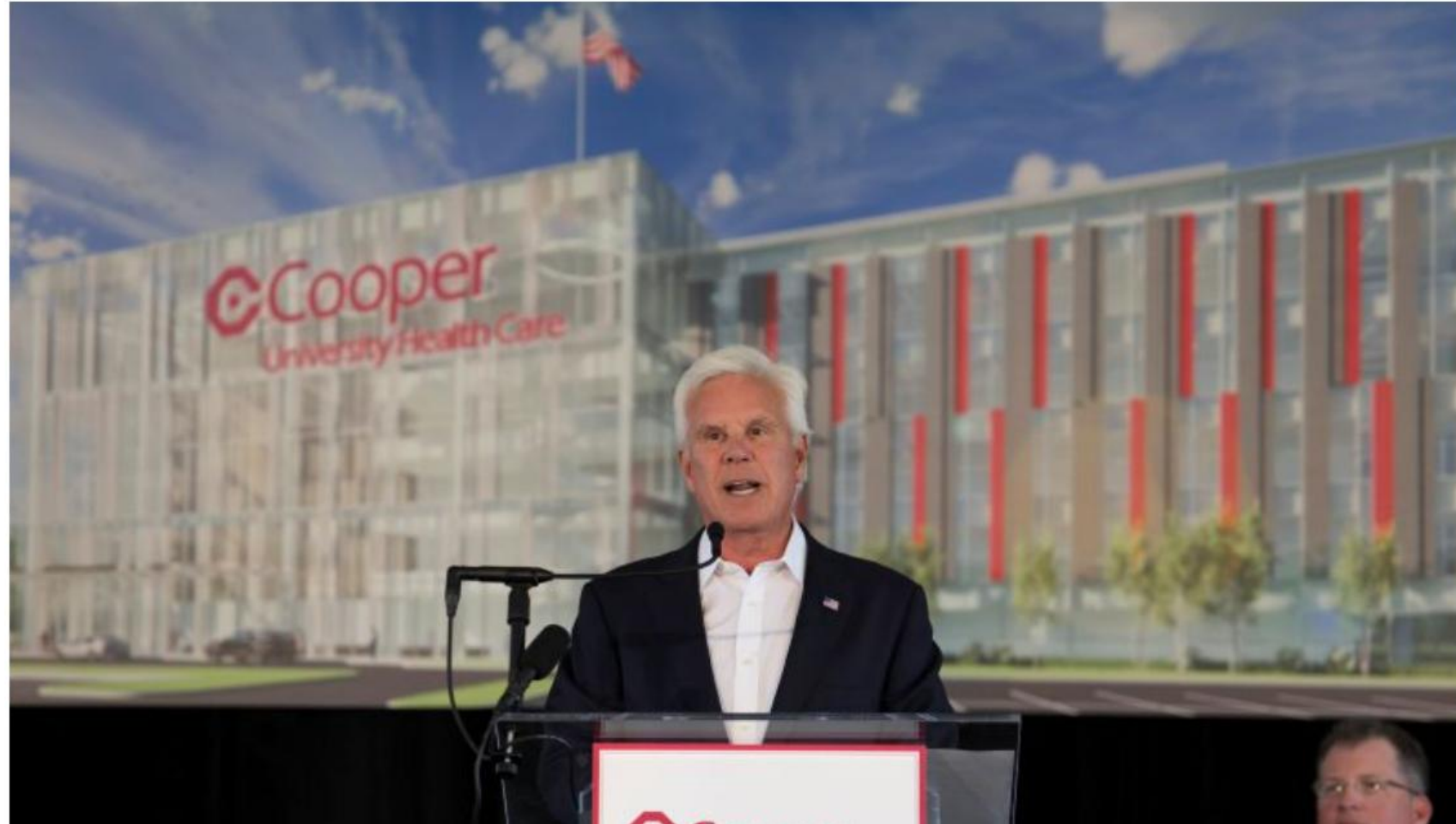
The combination of philanthropic contributions and voter-approved funding will support plans to build a new patient-care tower.

Source: Daily Journal of Commerce

Philanthropy to Fund New Projects

George Norcross donates \$100 million to Cooper Health, its largest-ever gift, as system continues ambitious expansion

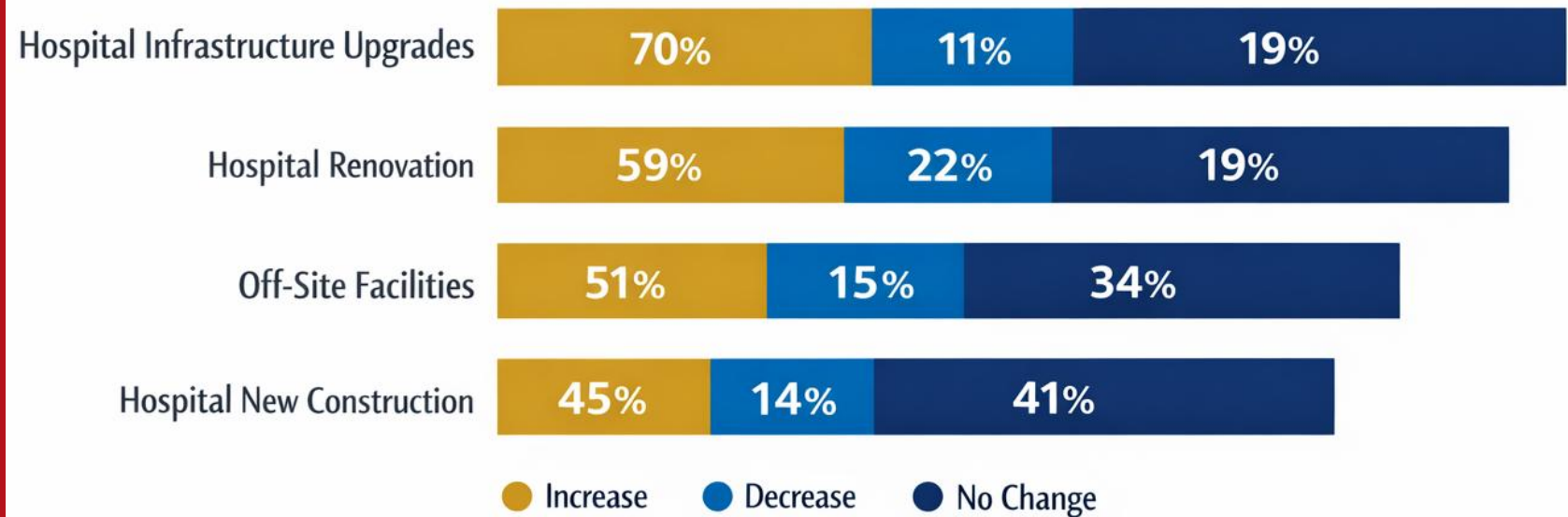
Jul 29, 2026 | Featured, Health Care



Source: [RealEstateNJ](#)

Hospitals Aren't Dead

Share of Respondents Reporting Increase, Decrease, or No Change



Source: Health Facilities Management

Hospitals Aren't Dead

Sarasota Memorial approves land purchase for Manatee County campus

By [Thad Randazzo](#)

Published: Sep. 23, 2026 at 1:26 PM EDT



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SARASOTA, Fla. ([WWSB](#)) - Sarasota Memorial Health Care System's governing board approved a nearly \$60 million plan to buy about 120 acres near State Road 64 and Interstate 75 in Manatee County, land the health system says could eventually support a medical campus.

The Sarasota County Public Hospital Board approved the proposed purchase Tuesday, Sept. 22, according to the health organization.



Sarasota Memorial Health Care System's governing board approved a nearly \$60 million plan to buy about 120 acres near State Road 64 and Interstate 75 in Manatee County, land the health system says could eventually support a medical campus. (Sarasota Memorial Health Care System)

Source: Mysuncoast.com – ABC 7

Hospitals Aren't Dead

North Carolina children's hospital takes leap forward with \$90M land deal



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Conceptual rendering of the N.C. Children's hospital in Apex.
NC CHILDREN'S HOSPITAL

Source: Triangle Business Journal

Destination Hospital Campus



Aerial looking west

© Skidmore, Owings & Merrill

Real Estate as a Source of Revenue

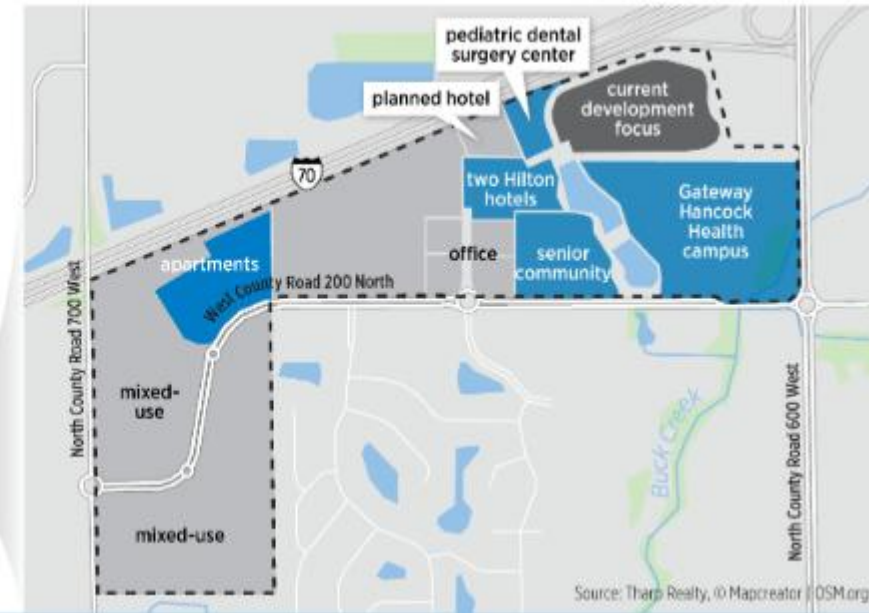
Early progress

Hancock Health is the master developer behind plans for Hancock Gateway Park, now underway in the Mount Comfort corridor, south of Interstate 70.

--- Hancock Gateway Park

■ open or under construction

■ planned



Source: InsideIndianaBusiness ; Context Design

HALL RENDER | Learn more at hallrender.com

Michaels in the News: Tampa General taps into workforce housing, childcare needs

Workforce Housing



Source: Michaels

Hospital- Sponsored Senior Living

SSM Health to build \$42M senior living facility in Fond du Lac



Rendering of SSM Health senior living in Fond du Lac.



By **Aaron Holbrook**
July 22, 2026

Source: Insight on Business

Healthcare Medical and Innovation Districts

The Pearl Launches in Charlotte as a Blueprint for Health Care Transformation

06.02.2025 ATRIUM HEALTH NEWS



The Queen City's crown jewel creates a catalyst for economic growth and innovation in Charlotte and beyond

Source: AtriumHealth

Adaptive Reuse

From Hospital to Homes

The Master Plan for the revival of Los Angeles County General Hospital into a residential community has been revealed.

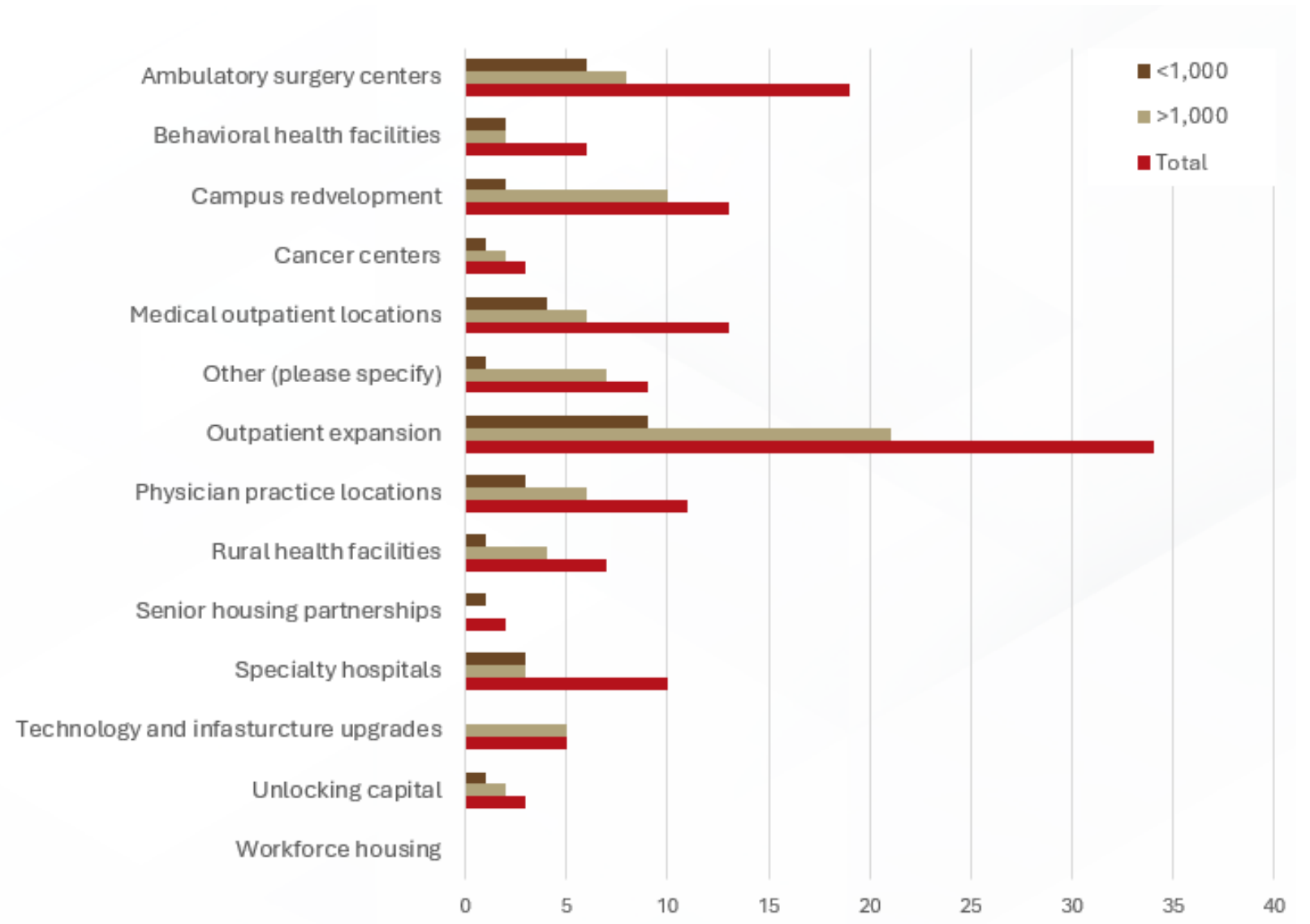
BY HOWARD FINE

JUNE 1, 2026



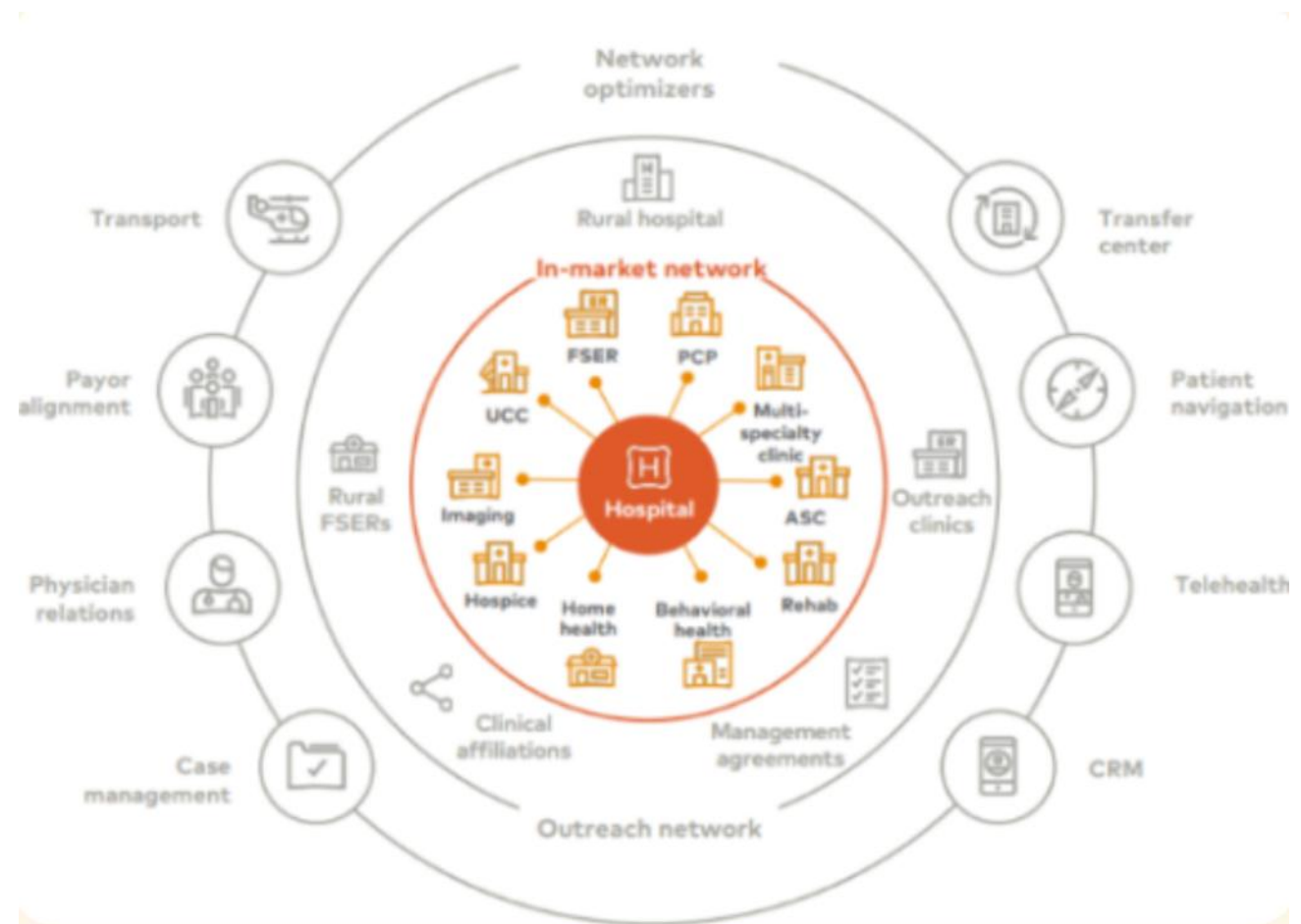
Rendering: The master plan for the reuse of L.A. County General Hospital campus in Boyle Heights. (Rendering c/o Rios)

Top Health System Real Estate Priorities for 2027



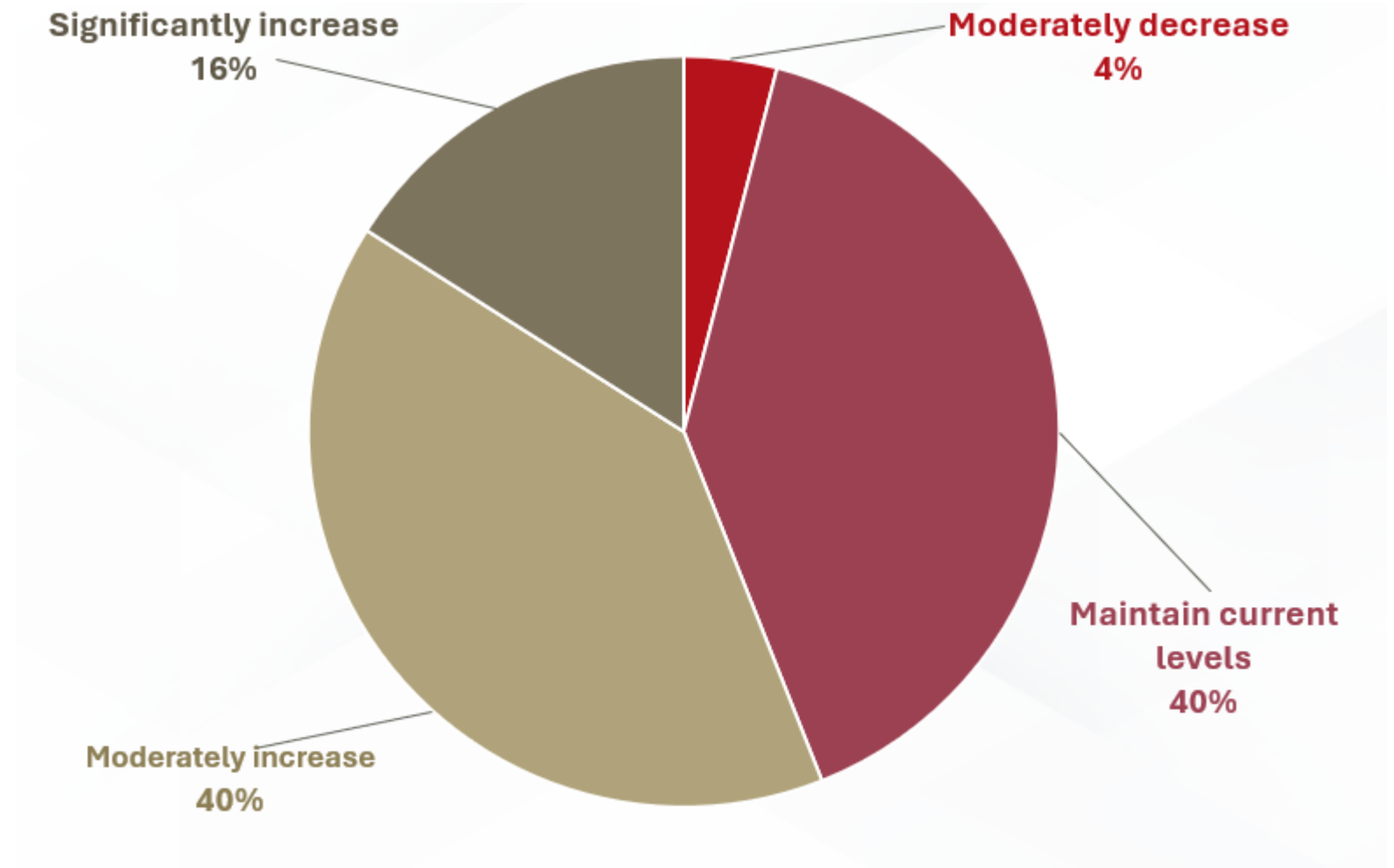
Source: Hall Render

Successful Real Estate Strategies



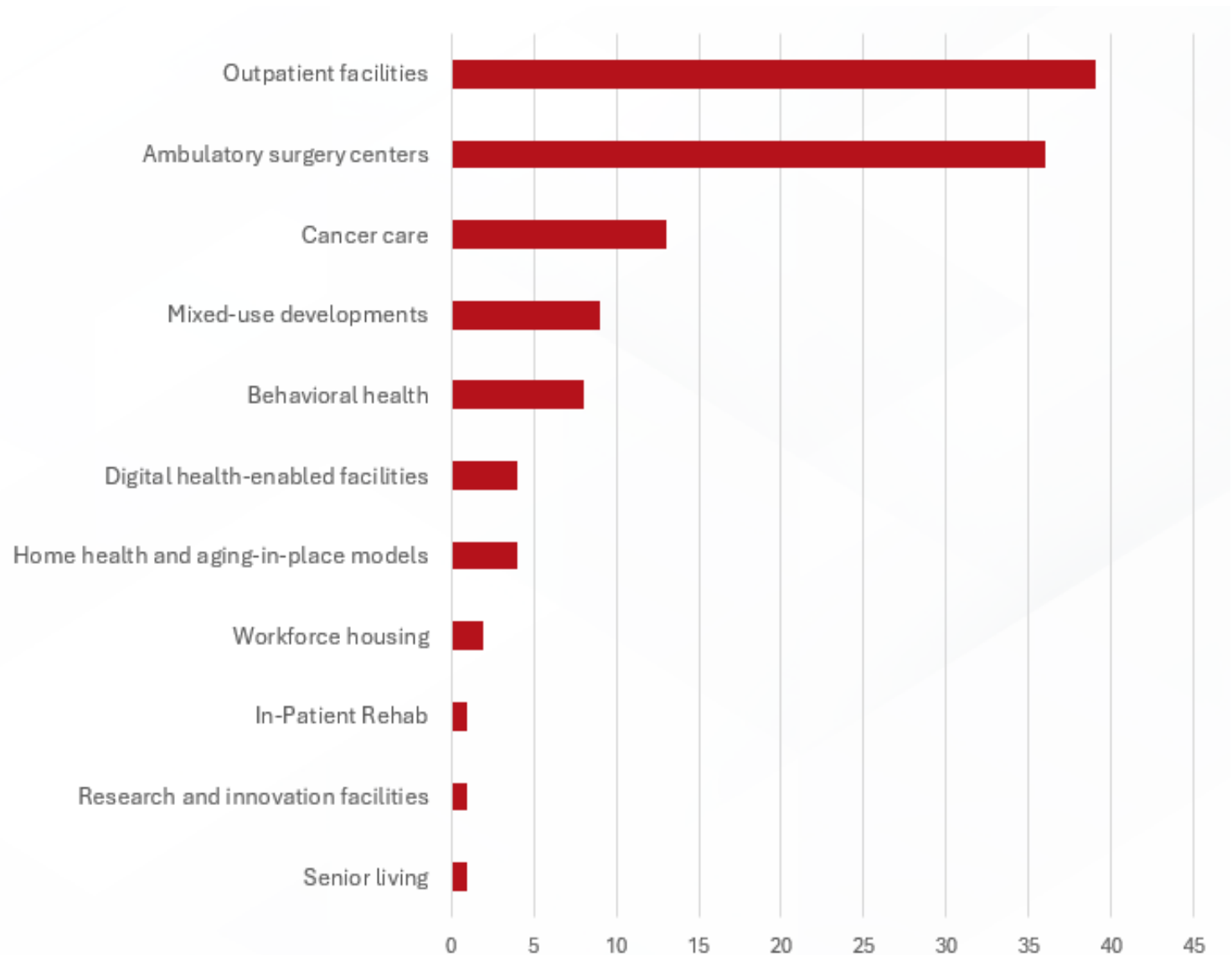
Source: Hospitology; HCA Healthcare

Anticipated Health System Capital Spending for 2027



Source: Hall Render

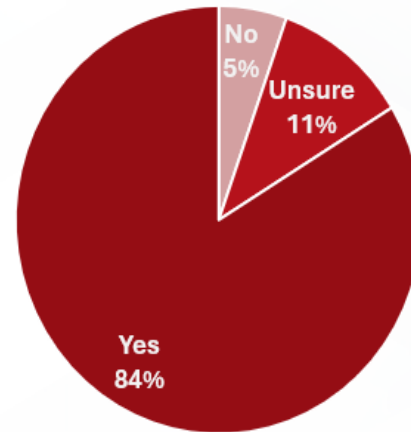
Health System Growth Opportunities for 2027



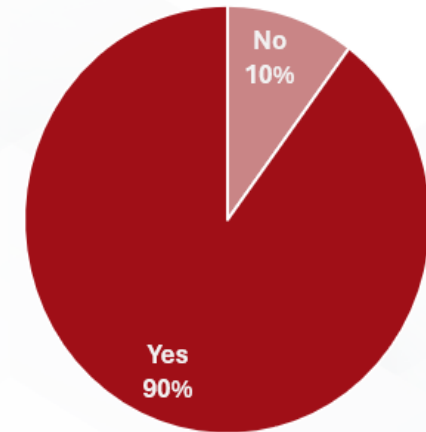
Source: Hall Render

Health System Growth Opportunities for 2027

If you work for a provider entity, are you considering acquiring land for future expansion during the next 24 months?

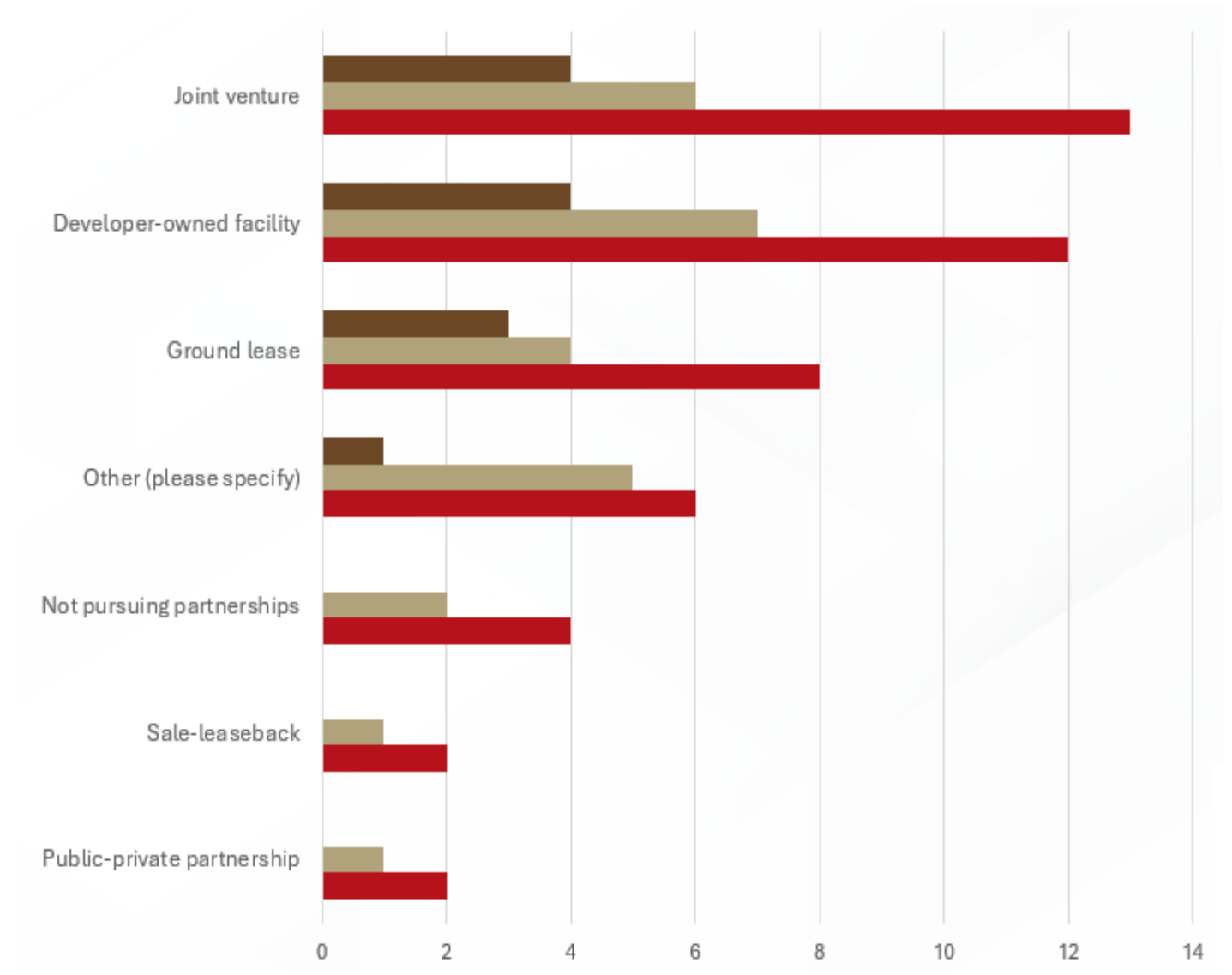


Has your organization partnered with developers or investors on a health care real estate project within the past three years?



Source: Hall Render

The Most Attractive Development Models



Source: Hall Render

Continuing the Conversation

Contact Andrew Dick at Hall Render

