

Kessler Hospital sold

CHA buys Kessler for \$2.6M, will re-brand and renovate Kessler Medical Arts Complex

By Gabe Donio, Gazette Staff Writer

HAMMONTON—On October 19, Community Healthcare Associates, LLC (CHA) of Bloomfield purchased the former William B. Kessler Memorial Hospital on the White Horse Pike (Route 30). According to CHA Managing Partner E. Stephen Kirby, the purchase price for the Kessler property was \$2.6 million, which includes the hospital building and land, the parking lot on Central Avenue and the White Horse Pike, and an adjacent house and property on Central Avenue with frontage on Hammonton Lake. William B. Kessler Memorial Hospital closed its doors in March of 2009 after providing medical care to the greater Hammonton area for nearly 50 years. The property will now become a tax ratable after nearly five decades of tax-exempt status.

The former hospital building encompasses approximately 95,000 square feet, within which CHA said it plans to offer to multi-specialty physician practices, medical support service providers and non-acute inpatient facilities. CHA plans to renovate the facility in order to create new jobs in the region, and to reopen the building as the Kessler Medical Arts Complex. While current plans do not call for the facility to reopen as a hospital, CHA plans to once again deliver community healthcare services to residents of Hammonton and the greater Atlantic County region at the former hospital site.

“We are proud to carry on the strong tradition of the William B. Kessler Memorial Hospital, in providing access to healthcare services and creating jobs in South Jersey. We are honored to partner with the community to reopen ‘Hammonton’s Hospital,’ attract new tenants, and apply our ‘medical arts complex’ model that has proven successful in protecting the long-term vitality of underperforming healthcare facilities in New Jersey,” Kirby said.

CHA works to revitalize closed medical facilities to preserve and create jobs and protect vital healthcare services in communities throughout New Jersey. With expertise in hospital management, real estate redevelopment, and financial operations, CHA is able to handle every facet of the redevelopment process at major medical facilities.

A representative of the former Kessler Memorial Hospital, which emerged from bankruptcy in 2009 and never sought bankruptcy protection again after emerging from bankruptcy, said the majority of the funds from the sale would go to secured creditors.

In 2008, CHA engineered the \$22 million renovation and repositioning of the former Barnert Hospital in Paterson, New Jersey, transforming it into a modern 21st century medical arts complex offering a wide range of services and patient care facilities. Now known as The Barnert Medical Arts Complex, the property currently

boasts an occupancy rate of approximately 90 percent. Their tenants include several physician offices, outpatient surgery, women's and family services, medical support services and other services.

"Our team is excited about the opportunity to remake this facility, and we are confident we can place the new Kessler Medical Arts Complex on firm financial footing, to provide long-term care for the residents of Hammonton and Atlantic County. After our successful transformation of the Barnert facility in Paterson, we are prepared to revitalize Kessler and bring it back into the fold as a taxpayer for Hammonton and Atlantic County, creating jobs, and providing high quality healthcare-related services," CHA Managing Partner Bill Colgan said.

According to a release issued by the company, CHA has a diverse leadership team with managing principals experienced in hospital management, real estate development, and business operations. The Managing Partners include Michael C. Nudo, Jeffrey S. Moll, E. Stephen Kirby, and Bill Colgan. With their combined, extensive network of healthcare and real estate expertise, CHA remakes acute care hospitals into medical arts complexes catering to a variety of needs for patients and medical practitioners.