

Rendina Cos. Inc: Building More Than Facilities

By Alan Dorich
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Rendina Cos. Inc. designs, develops, finances and leases medical office real estate.

Although some of its competitors may view it as a simple task, the process of creating a healthcare facility is not as easy as it looks, Todd H. Varney says. “The reality is, there’s a lot more to it than building buildings and putting doctors in it,” he says. “You have to design the buildings to a different standard and form strong partnerships with the physicians and/or the hospital.”

Varney is the executive vice president of Rendina Cos. Inc., a Jupiter, Fla.-based firm that specializes in the design, development, financing and leasing of medical office real estate. Founder Bruce Rendina started the company 20 years ago, because he wanted to provide physicians with the opportunity to participate as both tenants and owners.

At the time, Rendina had many friends who were physicians, Varney says. “They had a need for medical space, [and] he came up with a unique offering where he could provide physicians with a Class-A office building, and allow them to participate in the ownership of the building without taking on the any of the development risks,” Varney explains.

The company that was born from friendships has grown into a national firm with a national headquarters in Jupiter and a western region headquarters in La Jolla, Calif., as well as regional offices throughout the country. Rendina Cos. also manages more than 5 million square feet of healthcare and other properties in the United States through its affiliate, Paramount Real Estate Services.

When developing projects, Rendina Cos. looks for ways to help its clients’ practices “from the beginning to the end,” Varney says. For instance, in a cardiologist’s office, the company will implement designs that differ than those for an orthopedic surgeon. Each

specialty has a unique functionality. “We’re healthcare experts more than [we are] real estate developers,” he says.

Sadly, founder Bruce Rendina passed away last year, but his family continues to own and successfully run the company. His son, Richard M. Rendina, is chairman and CEO. In addition, “We have the same, experienced staff intact that was working under Bruce,” Varney says.

Delivering Greatness

Varney joined Rendina Cos. in April 1993, after graduating from the University of Miami with a degree in finance. He says that he has savored the company’s “close” culture, which its family ownership has nurtured.

“We’re all very close, both professionally and socially,” Varney says. “[Additionally,] I believe in our ability to deliver great buildings and great solutions.”

Rendina Cos. concentrates on forming close relationships with its clients. “As you develop with [health] systems and hospitals, you want to get repeat business and foster long-term relationships,” he says.

Today, 90 percent of the company’s business is earned through word-of-mouth referrals, he adds. By staying focused, “The doctors and clients become the best salesforce for your company,” Varney says.

Rendina Cos. also distinguishes itself through the expertise of its management team, which holds extensive experience in healthcare facility marketing and physician recruitment. Varney notes that its senior executives average at least 11 years with the company and 18 years in the industry.

“Our main focus has always been on medical real estate development,” he says. “This is our core business and we pride ourselves on being experts in the industry.”

Key People

Members of its leadership team include Executive Vice President Lawrence B. Juran, who has 25 years with Rendina Cos. Juran has been responsible for the development, construction and leasing of more than a million square feet of space at the company.

Varney also names Vice Chairman David Strachan, who has 30 years of industry experience. Previously, Strachan was the president and CEO of Universal Medical Buildings. He also served as the vice president and division partner of Koll Co. in Phoenix, where he was responsible for \$70 million in construction volume annually.

“I consider him the most knowledgeable individual in the healthcare real estate industry nationally,” Varney raves. “[He] understands how to deliver a product to a client that will exceed their expectations.”

Flexible Work

A unique 2007 project for Rendina Cos. was Mat-Su Regional Medical Center, a 62,000-square-foot facility at Valley Hospital in Anchorage, Alaska. According to the company, Valley Hospital Association and Triad Hospitals had joined together to build a 152,000-square-foot hospital, but needed a third partner to help them recruit and retain area physicians.

The two went to Rendina Cos. to design a medical office building that would enhance their campus. Today, “The new facility features ancillary services that have improved the quality of care in the community, while also increasing service lines for the hospital, including an ambulatory surgery center and a cancer treatment center with a linear accelerator,” Rendina Cos. says.

Rendina Cos. developed the building under its Equity Participation Program and shared the majority of the ownership with the tenants. The facility was 100 percent leased prior to completion by some of the area’s leading physicians.

Varney adds that the center also features orthopedics, cardiology and cancer treatment centers. “It just shows our flexibility,” he says, noting that the project required Rendina Cos. to adapt to a market with a unique climate. “[We were] able to develop a very successful solution.”

In addition to medical real estate development, Rendina Cos. has also developed more than 1.5 million square feet of mixed-use, professional and multi-unit residential space throughout the country.