

Milford Regional Health Complex

100 & 200 Commerce Drive, Northbridge, Massachusetts



FOR SALE:

Two Medical Office Buildings
38,401 Rentable Square Feet



Investment Summary



BY THE NUMBERS



38,401
RENTABLE
SQUARE FEET



13.0
YEARS WALT



92%
OCCUPANCY



83%
HEALTH SYSTEM
OCCUPANCY

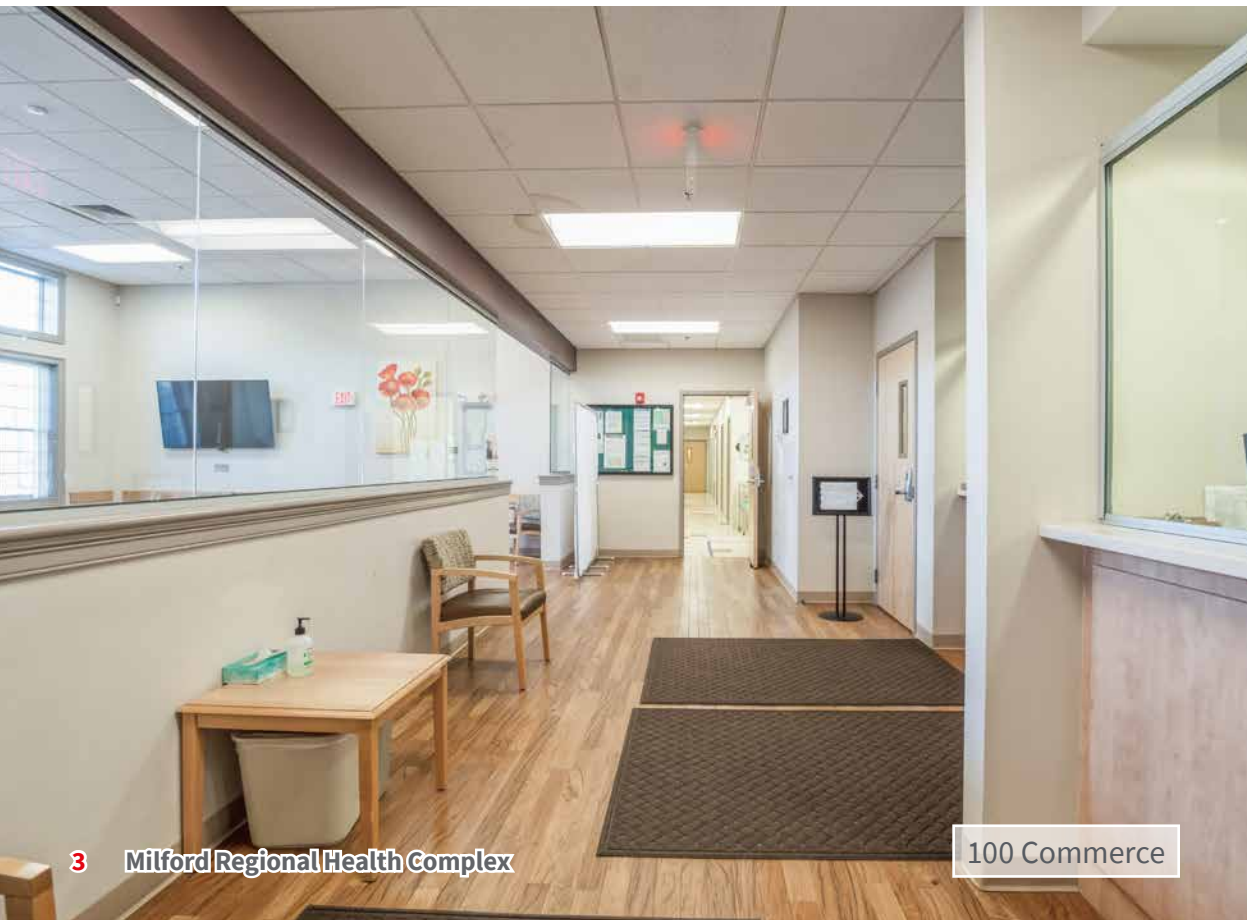
EXECUTIVE SUMMARY

JLL is pleased to offer for sale a 100 percent fee simple interest in Milford Regional Health Complex in Northbridge, Massachusetts (the “Property” or “Buildings”). The Property is located in the expanding Worcester metropolitan statistical area (“MSA”) that has benefited from the rapid growth of the city of Boston less than one hour away.

The Property consists of two buildings that total 38,401 rentable square feet. 100 Commerce Drive was constructed at the request of Milford Regional Medical Center (“MRMC”) in 2014 and 200 Commerce Drive was added in 2016 to accommodate MRMC’s need for additional space. The Buildings are among the most recently constructed in the submarket and the exceptional quality insulates the Buildings from competition. MRMC directly occupies or guaranties 83 percent of the rentable area under three leases with 13.8 years of WALT remaining. The remaining nine percent of occupied area is leased to Interscope, Inc. under a new, seven year lease.

The recently constructed Buildings are of the highest quality in the submarket and feature desirable health system tenancy and critical medical uses. The Property is available fee simple and free and clear of any mortgage debt.

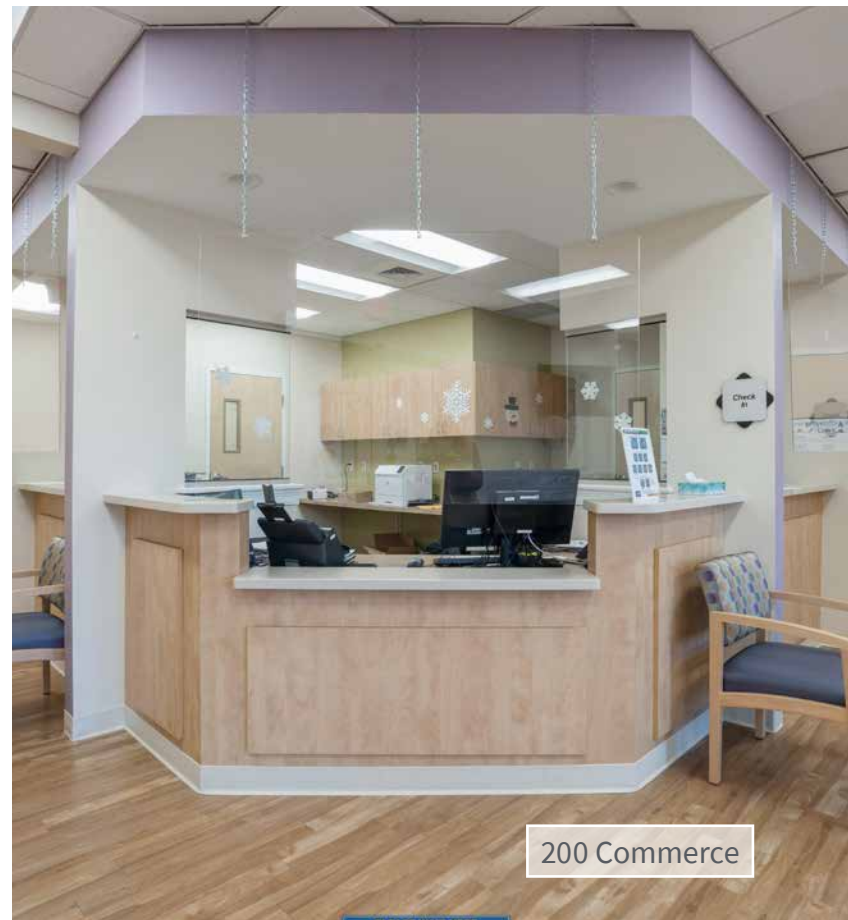




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Milford Regional Health Complex

100 Commerce



200 Commerce

INVESTMENT HIGHLIGHTS

STRONG OCCUPANCY WITH UPSIDE POTENTIAL

- » 92% occupancy with 13-year WALT provides a rare lease-up opportunity without rollover risk
- » 83% health system occupancy from MRMC with 13.8 years of WALT

PURPOSE BUILT ASSET WITH SYNERGISTIC SPECIALTIES AND SERVICES

- » Constructed in 2014 and 2016 at the request of MRMC with no alternatives in the submarket
- » Critical uses drive inpatient demand to MRMC's main hospital including urgent care, X-ray and lab services
- » Complementary specialties on site with family medicine, OB/GYN, occupational health, rehabilitation and sports medicine

RESILIENT AND WELL-PERFORMING TENANTS

- » Milford Regional Medical Center, Inc. (S&P BB+) is a non-profit health system anchored by Milford Regional Medical Center, a 149-bed teaching hospital located 6 miles from the Property
- » MRMC maintains various partnerships with Partners Healthcare, Dana-Farber, and UMass Memorial Health Care, helping drive strong hospital net patient service revenue growth of 10.9 percent over the last six years to \$263 million today.
- » Interscope, Inc. is a medical device company with Phase III approval from the United States Food and Drug Administration ("FDA") for its novel EndoRotor® System

EXCEPTIONAL HEALTHCARE DEMAND DRIVERS IN THE LOCAL MARKET

- » Strong local demographics with an average household income of \$125,000 and a population of over 51,000 within 5 miles
- » Northbridge population growth rate projected at 0.7% annually from 2020 to 2025
- » The share of the population 55 years and older is expected to grow from 30.9% to 33.0%, a desirable demographic shift for the healthcare industry



PROPERTY OVERVIEW

Milford Regional Health Complex consists of two buildings that total 38,401 rentable square feet located 30 minutes from Worcester and less than an hour from Boston. Easily accessible via Massachusetts Route 122, the Property sits only six miles west of Milford Regional Medical Center. Constructed in 2014 at the request of Milford Regional Medical Center, 100 Commerce Drive is a 23,656 rentable square foot medical office building that contains an urgent care, x-ray and laboratory. 200 Commerce Drive is a 14,745 rentable square foot building located adjacent to 100 Commerce Drive and was constructed in 2016 to accommodate Milford Regional Medical Center's need for additional primary care space. The Property's location in a demographically desirable location within Milford Regional Medical Center's patient service area led Milford Regional Medical Center to request the site be developed for their use. As sites for primary care, these build to suit medical facilities and the employed physician group are a critical part of MRMC's outpatient strategy by growing revenue through referrals to the hospital.

SERVICES ON SITE



URGENT
CARE



X-RAY



LABORATORY



COMMUNITY
EDUCATION CENTER

SPECIALTIES ON SITE



FAMILY
MEDICINE



OB/GYN



OCCUPATIONAL
HEALTH



REHABILITATION &
SPORTS MEDICINE



MARKET OVERVIEW

The Property is situated ideally between Worcester, Boston and Providence with 4.8 million jobs within an hours drive. Growth in the Boston metro has caused businesses and individuals to seek more affordable alternatives and Worcester has benefited from the expansion with nearly 1 million residents today. The economy has a strong base, anchored by academic and medical institutions. With 10 colleges and universities and over 35,000 students, employers have a well educated and talented workforce to tap into. Over 60 biotech companies and five hospitals call the area home and generate nearly \$160MM in NIH funding annually.



CONTACT INFORMATION

Please contact any of the following JLL representatives with questions

ANTHONY SARDO

Director

O: +1 617 531 4198

M: +1 978 337 9980

anthony.sardo@am.jll.com

BRANNAN KNOTT

Senior Director

O: +1 617 316 6508

M: +1 443 983 6039

brannan.knott@am.jll.com

DREW PERRY

Associate

O: +1 617 531 4179

M: +1 518 937 6940

drew.perry@am.jll.com



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