



ST. FRANCIS VETERINARY CENTER

392 KINGS HIGHWAY | WOOLWICH TOWNSHIP, NJ 08085

\$5,704,615

PRICE

390+

LOCATIONS

6.50%

CAP RATE

CORPORATE

GUARANTY

±8.50 YEARS

TERM REMAINING

OFFERING MEMORANDUM

CONTENTS

03 EXECUTIVE OVERVIEW

06 FINANCIAL OVERVIEW

08 TENANT OVERVIEW

10 AREA OVERVIEW

LISTED BY:

ANDREW EVANS

Senior Associate

D: (949) 662-2256

M: (925) 360-0277

E: andrew.evans@matthews.com

License No. 02055475 (CA)

RAHUL CHHAJED

AVP & Senior Director

D: (949) 432-4513

M: (818) 434-1106

E: rahul.chhajed@matthews.com

License No. 01986299 (CA)

MICHAEL MORENO

VP & Senior Director

D: (949) 432-4511

M: (818) 522-4497

E: michael.moreno@matthews.com

License No. 01982943 (CA)

RAY SMITH

Broker of Record

License No. 7868129 (NJ)





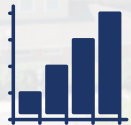
LIST PRICE

\$5,704,615



TOTAL NOI

\$370,800



CAP RATE

6.50%



GLA

±11,665 SF

PROPERTY HIGHLIGHTS

- **Strong Performance History** – Pathway Vet Alliance acquired the practice in 2019 because of the site’s strong, successful performance
- **Tenant Investment in Location** – Veterinary Clinics rarely relocate due to difficulty retaining the same patients in a new location, and high costs of moving
- **Very Passive Lease Structure** – This investment offers investors a potential investor a very passive “hands-off” investment
- **Inflation Protected Lease Structure** – Lease Features Annual Increases throughout base term and option periods
- **24/7 Hybrid Emergency and Referral Hospital** – This is a 24-Hour Veterinary Specialty Emergency Hospital giving their clients Overnight, Holiday, and Weekend Emergency Pet Care
- **Stable Long-Term Investment** – NNN lease with over 8 years remaining, makes this a very stable investment for local and national investors
- **32+ Year Operating History** – This hospital is a very well-established practice in this community and has built up a legacy during its 32+ year operating history

LOCATION HIGHLIGHTS

- **Strategically Located Hospital** – St. Francis Veterinary Center is located between every regional north-south and east-west highway, including major highway exits; providing for convenient and strategic access for patients from the surrounding counties
- **Fastest-Growing County in New Jersey & Highest-Density Population Zone** – The subject property is located in the fastest-growing county in New Jersey. The local average household income in the immediate trade area exceeds \$130,000 which is double the national average. This asset caters to over 300,000 residents within a 10-mile radius
- **Limited Competition Nearby** – This hospital is ideally located with zero other specialty & referral veterinary hospitals within 15-miles

TENANT HIGHLIGHTS

- **Pathway Vet Alliance (National Tenant)** – Pathway Vet Alliance operates over 390 animal hospitals across the country, and expands by acquiring existing veterinary practices that are already successful and established within the community
- **Private Equity Backing** – Private Equity investment in Pathway Vet Alliance by TSG Consumer Partners provides significant capital to expedite their expansion and acquisition of new hospitals across the country
- **Robust Industry Growth** – The global veterinary services market size is expected to reach \$142 Billion by 2025, with a CAGR of 5.6% during that period

Ryder
Ever better.[™]

DUNKIN' AMPLE
♥ **CVS** pharmacy STORAGE

SUNBELT Wawa
RENTALS

DOWNTOWN PHILADELPHIA

± 8 MILES AWAY



KINGSWAY REGIONAL
HIGH SCHOOL

± 1,783 STUDENTS

**SUBJECT
PROPERTY**

KINGS HIGHWAY

True Value®

Ron, Son

enterprise

verizon✓



Sweetsboro
Est. 2007
Pastry Shoppe

SUBJECT
PROPERTY

KINGS HIGHWAY



FINANCIAL OVERVIEW

SECTION
02



INVESTMENT SUMMARY

List Price	\$5,704,615
NOI	\$370,800
CAP Rate	6.50%
Price/SF	\$489.04
GLA	±11,665 SF
Year Built	1990/2018R

TENANT SUMMARY

Tenant Name	Pathway Vet Alliance
Type of Ownership	Fee Simple
Lease Type	NNN
Original Lease Term	10 Years
Lease Commencement Date	9/24/19
Lease Expiration Date	9/23/29
Term Remaining	8.50 Years
Increases	CPI Annual Increases
Options	Three (3), Five (5) Year Options

For Financing Information, Please Contact a
Matthews™ Capital Markets Agent:

Gregory Kavoklis
gregory.kavoklis@matthews.com

ANNUALIZED OPERATING DATA

LEASE YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE
9/24/2021 - 9/23/2022	\$30,900.00	\$370,800.00	6.50%



TENANT OVERVIEW

SECTION
03





WEBSITE

WWW.PATHWAYVETS.COM

LOCATIONS

±390 LOCATIONS

HEADQUARTERS

AUSTIN, TX

PATHWAY VET ALLIANCE

Founded in 2003 and headquartered in Austin, Texas, Pathway Vet Alliance has grown from a single veterinary practice to nearly 200 locations across the U.S. Pathway's mission is for its team members to be change agents for good, who support people doing what they love so, together, they can transform the veterinary industry and the world – for the better. Pathway has differentiated itself by focusing on the unique needs of each practice and partnering with the local team to implement their vision and work with their values. In 2018, Pathway acquired 55 new veterinary practices and grew by nearly 40 percent. In August 2018, Pathway was ranked No. 1,094 on Inc. magazine's 37th annual Inc. 5000, a ranking of the nation's fastest-growing private companies, and later in the year was recognized as the third fastest-growing private company in Austin with revenues in excess of \$10 million.

In August 2016, Pathway Partners Vet Holding LLC announced today that it has received an investment from funds managed by Morgan Stanley Global Private Equity. Founded by Dr. Jasen Trautwein and led by CEO Shawn McVey, Pathway is a leading veterinary hospital owner and operator. Pathway is partnering with MSPE to prepare for rapid expansion. Simultaneous with the MSPE transaction, the Company acquired multiple additional clinics through partnerships with leading veterinary practices and chains in the Northeast, the Mid-Atlantic region, and Southern California. The transaction has substantially increased the size and geographic footprint of the Company, with 35 clinics in 9 states across the country.



WOOLWICH TOWNSHIP, NJ

With a population of around 13,000 residents, Woolwich Township is a vibrant community in western Gloucester County, New Jersey. The town is known for its scenic farmland and vast open spaces, 3,000 acres of which have been preserved. The Woolwich Township prides itself on its high quality of life due to its great schools, low crime rate, and many community services. Due to its numerous farmlands, locals and visitors can enjoy fresh produce grown by local farms and visit small-batch wineries and distilleries. Notable local attractions include Locke Ave Park, Tranquility Trails, and Lake Narraticon. Locke Ave Park features lots of greenery and natural areas, 5 baseball and softball fields, 4 multi-use sports fields, walking paths, a playground, and many more. Tranquility Trails, which encompasses 140-acres of land, showcases hiking and birdwatching experiences. Lake Narraticon offers 20-acres of fishing, kayaking, and canoeing opportunities.

Conveniently located along the U.S. Route 322 and the New Jersey Turnpike, the town is a great place to be for people and businesses that want to take advantage of its strategic location near the business, educational, entertainment, and recreational opportunities Philadelphia has to offer as it is less than 30 miles away from the township. Overall, the Woolwich Township offers lots of wildlife, streams, open spaces, and agriculture amenities as well as big-city amenities.



POPULATION



HOUSEHOLDS



INCOME



	2021 ESTIMATE	2026 PROJECTION	2021 ESTIMATE	2026 PROJECTION	2021 AVG. HOUSEHOLD INCOME
3-MILE	16,538	17,163	5,260	5,433	\$171,419
7-MILE	72,028	73,405	25,019	25,415	\$145,877
10-MILE	315,000	316,350	118,662	119,257	\$99,409

**SUBJECT PROPERTY DEMOGRAPHICS*

PHILADELPHIA
±25 MILES

**SUBJECT
PROPERTY**



PHILADELPHIA, PA

Philadelphia is the largest city in Pennsylvania and the sixth-most populous U.S. city, with a 2019 census-estimated population of 1.579 million. Since 1854, the city has been coterminous with Philadelphia County, the most populous county in Pennsylvania and the urban core of the eighth-largest U.S. metropolitan statistical area. Philadelphia is also the economic and cultural anchor of the greater Delaware Valley, located along the lower Delaware and Schuylkill Rivers, within the Northeast megalopolis. The Delaware Valley's population of 7.1 million ranks it as the eighth-largest combined statistical area in the United States.

Philadelphia is the birthplace of the United States Marine Corps and is also the home of many U.S. firsts, including the first library (1731), hospital (1751), medical school (1765), national capital (1774), stock exchange (1790), zoo (1874), and business school (1881). Philadelphia contains 67 National Historic Landmarks and the World Heritage Site of Independence Hall. The city became a member of the Organization of World Heritage Cities in 2015, as the first World Heritage City in the United States. Although Philadelphia is rapidly undergoing gentrification, the city actively maintains mitigation strategies to minimize the displacement of homeowners in gentrifying neighborhoods.

#6 BEST PLACES TO LIVE IN PENNSYLVANIA

- *U.S. News & World Report, 2020-2021*

OVER 40 MILLION ANNUAL VISITORS

12 FORTUNE 500 COMPANIES



ECONOMY

The Philadelphia area's many universities and colleges make it a top study destination, as the city has evolved into an educational and economic hub. According to Fortune, the Philadelphia area had a cumulative revenue of \$418.2 billion in 2019. Philadelphia is the center of economic activity in Pennsylvania and is home to five Fortune 1000 companies: Comcast NBC Universal, Aramark, FMC, Urban Outfitters, and Carpenter Technology. Philadelphia has also emerged as an information technology and biotechnology hub. The biggest tech companies in the city include Comcast, Day & Zimmerman, Clarivate, Spectra, and many more. The Philadelphia skyline is expanding, with a market of almost 81,900 commercial properties, including several nationally prominent skyscrapers.

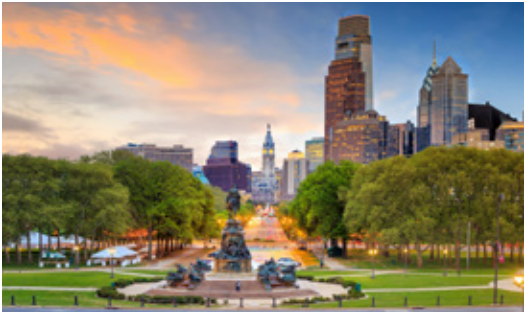
TOURISM

Tourism and hospitality are one of the largest industries in the region and important to the vitality of Greater Philadelphia. The growth of the industry depends on all types of visitors — leisure, business, and convention — traveling to Philadelphia. Philadelphia has more outdoor sculptures and murals than any other American city. Fairmount Park, when combined with the adjacent Wissahickon Valley Park in the same watershed, is one of the largest contiguous urban park areas in the United States. The city is known for its arts, culture, and colonial history which attracted 46 million tourists in 2019 who spent \$7.64 billion. The money visitors spend supports local businesses, creates jobs, and generates taxes, helping to build quality of life in Philadelphia.

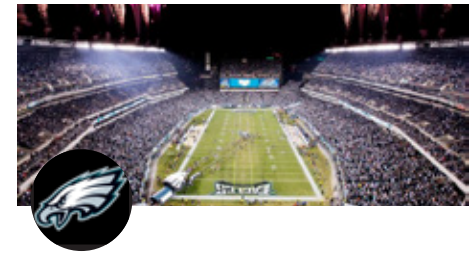


PHILADELPHIA SPORTS

Philadelphia is home to 6 professional sports teams. The Philadelphia Phillies of the MLB play at the Citizens Bank Park and have won 2 World Series championships. The Philadelphia Eagles of the NFL play at the Lincoln Financial Field and have won 4 Super Bowl championships. The Philadelphia 76ers of the NBA play at the Wells Fargo Center and have won 2 NBA championships. The Philadelphia Flyers of the NHL play at the Wells Fargo Center and have won 2 championships. The Philadelphia Union of the MLS play at the Subaru Park and won the team's first championship in 2020. Founded in 2018, the Philadelphia Wings of the NLL play at the Wells Fargo Center.



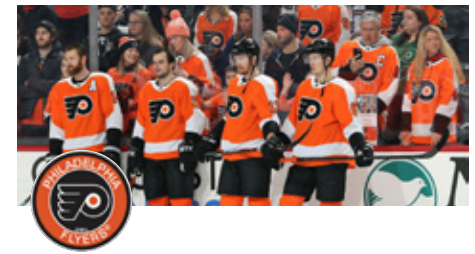
PHILADELPHIA PHILLIES
(Major League Baseball)



PHILADELPHIA EAGLES
(National Football League)



PHILADELPHIA 76ERS
(National Basketball Association)



PHILADELPHIA FLYERS
(National Hockey League)



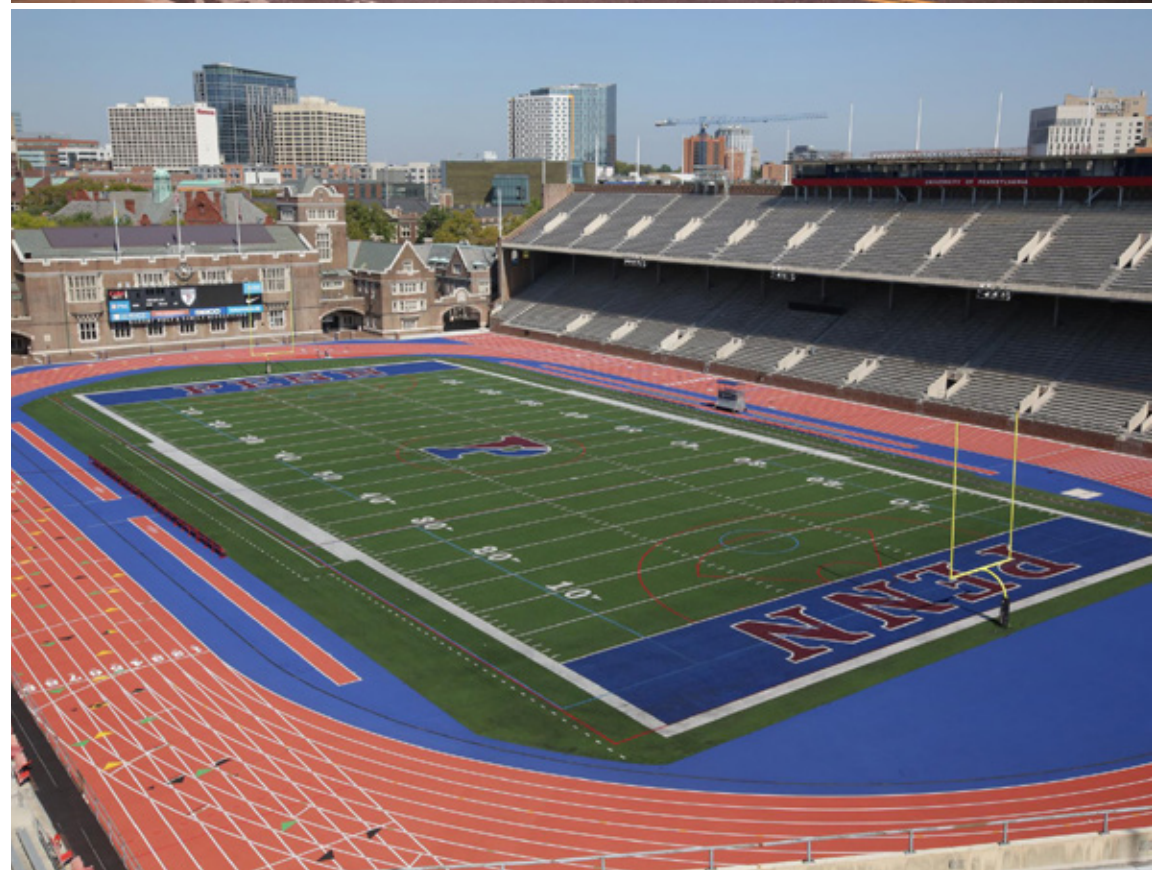
UNIVERSITY OF PENNSYLVANIA

The University of Pennsylvania, commonly known as Penn or UPenn, is a private Ivy League research university located along the Schuylkill River in Philadelphia. Founded by Benjamin Franklin, the university boasts 12 schools, offering some of the most top-rated undergraduate and graduate programs in the world. Popular schools include the School of Engineering and Applied Science, The Wharton School, and the School of Arts and Sciences. Currently, over 26,000 students attend the prestigious university. As one of the oldest colleges in the United States, UPenn generates an annual economic impact of over \$21.5 billion to the region and supports over 114,000 direct and indirect jobs.



QUICK FACTS

- \$42 million in daily economic activity in the city of Philadelphia
- #3 in Best Value Colleges in Pennsylvania (Smart Asset, 2021)
- #8 in National Universities (U.S. News & World Report, 2021)



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **St. Francis Veterinary Center** located at **392 Kings Highway, Woolwich Township, NJ 08085** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

ST. FRANCIS VETERINARY CENTER

392 KINGS HIGHWAY | WOOLWICH TOWNSHIP, NJ 08085

LISTED BY:

ANDREW EVANS

Senior Associate

D: (949) 662-2256

M: (925) 360-0277

E: andrew.evans@matthews.com

License No. **02055475 (CA)**

RAHUL CHHAJED

AVP & Director

D: (949) 432-4513

M: (818) 434-1106

E: rahul.chhajed@matthews.com

License No. **01986299 (CA)**

MICHAEL MORENO

VP & Director

D: (949) 432-4511

M: (818) 522-4497

E: michael.moreno@matthews.com

License No. **01982943 (CA)**

RAY SMITH

Broker of Record

License No. **7868129 (NJ)**