



**Greysteel**

# **VERNON MEDICAL ARTS**

357 HARTFORD TURNPIKE, VERNON, CT 06066

# PROPERTY TOUR & OFFER PROCESS

**Property Visitation:** Prospective purchasers will be afforded the opportunity to visit the Property during prescheduled tours. Tours will include access to a representative sample of units as well as common areas. To not disturb the Property's ongoing operations, visitation requires advance notice and scheduling.

**Available Tour Dates:** Tours will be scheduled on a limited basis as both units are operated as medical offices. Please contact **Chuck Rich** at 203.404.4088 or crich@greysteel.com for more information.

**Offer Submission:** Offers should be submitted in the form of a non-binding Letter of Intent to **Chuck Rich** at 203.404.4088 or crich@greysteel.com. Terms and conditions of Purchasers' offer should at the minimum include:

- Offer price
- Earnest money deposit
- Due diligence and closing period
- Description of Purchaser qualifications and proof of funds

## DEAL TEAM

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*Visual Design Specialist*

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*Transaction Manager*

**Keeley Byer**  
*Director of Transaction Research*



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# SUMMARY

INVESTMENT SUMMARY	
Deal Type:	Investment
Price:	\$1,484,032
NOI:	\$115,013
CAP Rate:	7.75%
Price/SF:	\$162.19
WALT:	5.04 Years
Rentable Square Feet:	9,150
Year Built/ Renovated:	1984
Lot Size:	1.15 Acres
Parking:	~25
Parking Ratio:	2.75 / 1,000 SF
Zoning:	COMMERCIAL
5 Mile Pop:	111,919
5 Mile AHHI:	\$121,340
VPD*:	117,905

*\*VPD includes Hartford Turnpike and I-84*

LEASE ABSTRACT		
	Unit 1	Unit 2
Tenant	Starling Physicians	Integrated Dermatology*
Guarantor	Starling/ VillageMD	Corporate
Suite	1st Floor	2nd Floor
Premises	4418 SF	4732 SF
Minimum Rent	\$101,936	\$102,434
Rent PSF	\$23.07	\$21.65
Operating History	48 Years	49 Years
Lease Expiration	10/31/2029	10/31/2029
Lease Term Remaining	5.04 Years	5.04 Years
Renewal Options	2 x 5	NONE
Rent Increases	2.5% annual	2.5% annual
Lease Type	Modified Gross	Modified Gross
Use	Pediatrics	Dermatology
Property Taxes	Shared	Shared
Insurance	Landlord Responsibility	Landlord Responsibility
Common Area	Shared	Shared
Utilities	Shared	Shared
Repairs and Maintenance	Shared	Shared
HVAC	Landlord Responsibility	Landlord Responsibility
Roof & Structure	Landlord Responsibility	Landlord Responsibility
Right of First Refusal	NO	NO

*\* Lease contains early termination clause with 360-Day notice period. Inquire with Broker for more details.*

# INVESTMENT HIGHLIGHTS

## WELCOME TO THE VERNON MEDICAL ARTS BUILDING, LOCATED IN VERNON CONNECTICUT

### MEDICAL OFFICE

Both Doctor owners operated out of the building for over 30 years before selling their practices to larger corporate operators making them an integral part of the local community. Healthcare tenants add a strong recession and Amazon resistance to this investment.

### CORPORATE GUARANTORS

- **Starling Physicians** – Operates 29 medical offices throughout CT with 200+ Doctors and countless support staff. In 2023, Starling was acquired by VillageMD, a subsidiary of Walgreens.
- **Integrated Dermatology Group** – IDG is the Country's largest independent owner/operator of dermatology practices and operates in **over 25 States**. Their proprietary technology is used in over **1,800 clinics nationwide**.

### RECENT LEASE SIGNINGS

IDG recently exercised their five-year renewal. Starling recently signed a new lease extension which saw the **removal** of an early termination clause. This lease also features an additional two five-year renewals.

### RENTAL INCREASES

Both leases feature **2.5% annual rent increases** to help offset inflation.

### LOCATION

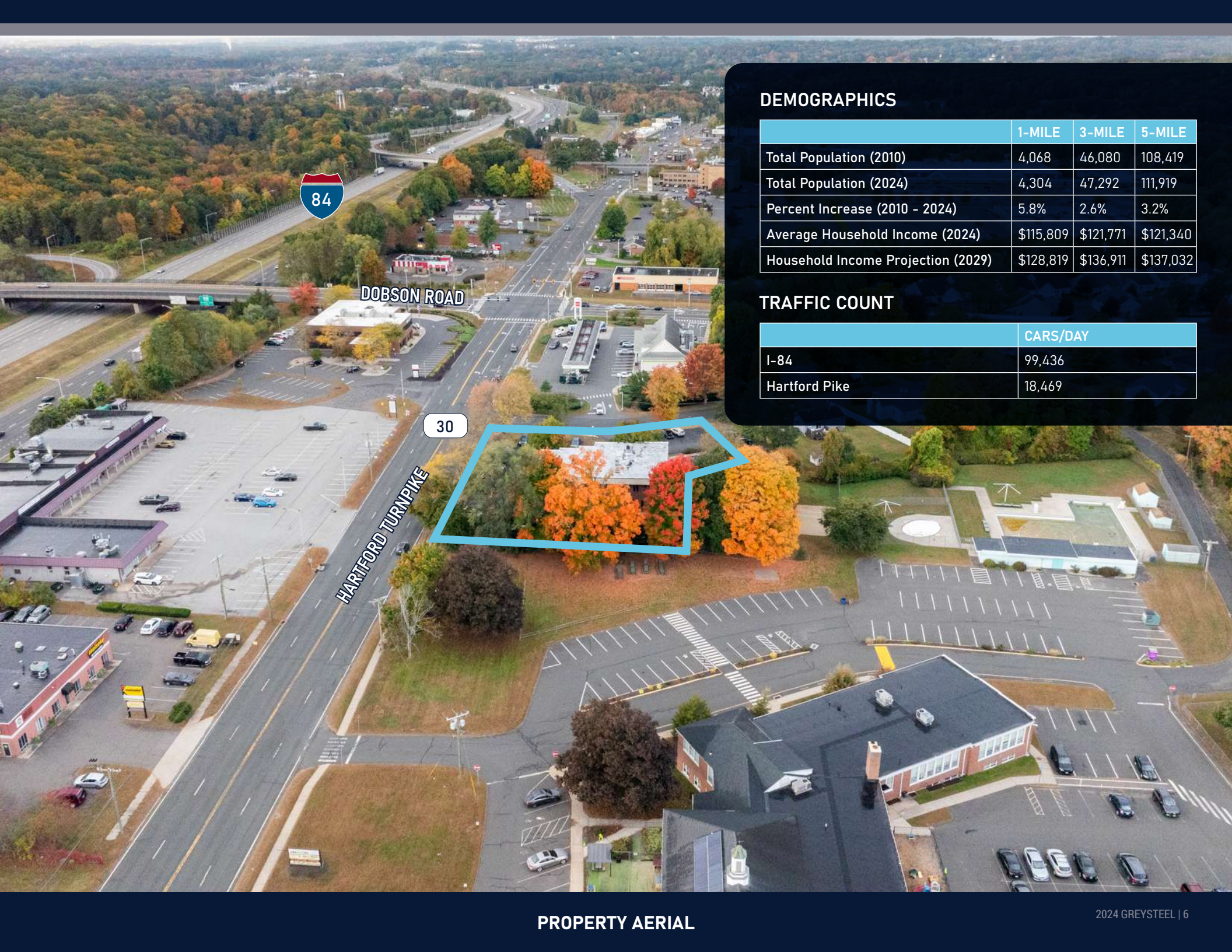
Vernon Medical Arts sits directly on Hartford Turnpike which sees over 18,000 vehicles passing daily. The location has over 100,000 people living within five miles which makes this an ideal site for a Pediatric office and medical specialist.

### ACCESS

The property has direct access to Interstate 84 with an exit less than one-mile away. I-84 provides access to Hartford (11 miles), New Haven (48 miles), Providence (62 miles), and Boston (90 miles).

### PROPERTY CONDITION

Ownership has operated on-site since construction and has actively managed the property the entire time. No deferred maintenance is known at this time.



DOBSON ROAD

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HARTFORD TURNPIKE

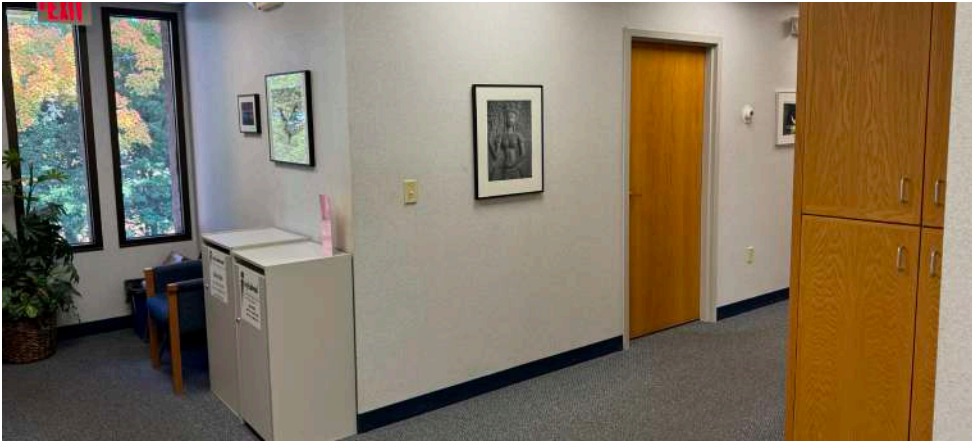
### DEMOGRAPHICS

	1-MILE	3-MILE	5-MILE
Total Population (2010)	4,068	46,080	108,419
Total Population (2024)	4,304	47,292	111,919
Percent Increase (2010 - 2024)	5.8%	2.6%	3.2%
Average Household Income (2024)	\$115,809	\$121,771	\$121,340
Household Income Projection (2029)	\$128,819	\$136,911	\$137,032

### TRAFFIC COUNT

	CARS/DAY
I-84	99,436
Hartford Pike	18,469

# INTERIOR COLLAGE



# TENANT OVERVIEW

INTEGRATED  
DERMATOLOGY

Boca Raton, FL-based Integrated Dermatology is the largest independent dermatology practice in the United States. Founded in 2004, Integrated Dermatology is family owned and operated with practices in over 25 states across the country—from metropolitan city centers to rural areas—and is now the largest independent dermatology practice in the country. Integrated Dermatology reviews hundreds of practices each year and only purchases the most successful. This enables its dermatologists to remain true partners who practice with complete autonomy, providing career opportunities for dermatologists seeking to join an established practice. Integrated

Dermatology's goal is to empower our physician partners to optimize the value of their practice while retaining their autonomy, resulting in a fulfilling career with control and ability to offer great patient care. Integrated Dermatology offers unparalleled support for every aspect of the back-office operations of dermatology practices, from accounting to payroll to human resources, and everything in between. This enables its partner and associate dermatologists to focus on high-quality patient care while relieving them of the time and stress that can accompany dealing with the administrative burden of running a practice.





# TENANT OVERVIEW



Starling Physicians is one of the largest physician-owned multispecialty groups in Connecticut. Starling Physicians is proud of its renowned medical providers, wide range of services, coordinated approach to care, and strong focus on building enduring relationships with our patients. Starling Physicians is unique in its size, scope, and philosophy, encompassing 50+ primary care physicians to keep you healthy, treat illness, and coordinate care; 140+ specialists who are experts across the medical spectrum; dedicated and friendly staff who go above and beyond to deliver a better healthcare experience; and convenient onsite services including diagnostic imaging, laboratory services, physical therapy, infusion centers, and dialysis access care. Starling Physicians is part of Summit Health, a leading multispecialty provider in the tri-state area, and is connected under their parent company VillageMD.

Medical professionals practicing at the Starling Physicians – Vernon location, include 357 Judy Huang–Bulger, MD, FAAP; Jerome E. Lahman, MD, FAAP; Elizabeth Martin, MD, CCLC, FAAP; Jonathan R. Reidel, MD, FAAP; Susan Washburn, MD; and Erika Maria Reinhard, APRN.



VillageMD, through its operating companies Village Medical, Summit Health, CityMD and Starling Physicians, is a leading, national provider of value-based primary care, multispecialty care, and urgent care services throughout neighborhoods in the U.S. VillageMD partners with physicians to provide the tools, technology, operations, staffing support and industry relationships to deliver high-quality clinical care and better patient outcomes, while reducing the total cost of care. Additionally, many of its Village Medical at Walgreens practices are located alongside Walgreens pharmacies, delivering on the promise of more equitable patient access to healthcare





## 2: REGIONAL OVERVIEW

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# MARKET OVERVIEW

## HARTFORD, CT MSA

Home to more than 1.1 million residents, the Hartford-East Hartford-Middletown, CT MSA simply known as Greater Hartford, is the most populated metro in Connecticut and is the economic, political, and cultural center of the state. Located equidistant between New York City and Boston, the City of Hartford is the state capital and is the fourth most populated city in Connecticut with more than 121,000 residents. Greater Hartford is situated in the Connecticut River Valley, bordering Massachusetts, but is the one area of Connecticut that is not dependent on an out-of-state metropolitan area, such as Boston or New York. The metro's population boasts a well-educated workforce, with over 42% of the population holding a bachelor's degree or higher—approximately 6% higher than the national average. The region's higher education attainment has afforded residents a comfortable lifestyle, resulting in a median household income of \$92,200, which is 17% higher than the U.S. median household income of \$79,050.

Greater Hartford's workforce is largely a product of the region's economy, with approximately 42% of workers employed in the Education and Health Services, Financial Activities, and Professional and Business Services sectors. These sectors are major players in the metropolitan economy, with many big-name corporations such as Aetna, Cigna, Hartford Hospital, St. Francis Hospital, The Hartford, and Travelers operating in the area. While those sectors tend to dominate Hartford's workforce, the state's economy is tremendously diverse and is home to numerous other companies involved in a myriad of business operations, including Collins Aerospace, ESPN, Eversource Energy, General Dynamics, Medtronic, Pfizer, Pratt & Whitney, and Sikorsky Aircraft Corp.

When the Hartford population is not working, residents are able to experience the vibrant music and arts scene that defines the region's culture. Greater

Hartford provides its residents with countless entertainment destinations that involve music and the arts, such as Bushnell Center for the Performing Arts, one of the largest indoor performing arts venues in the area. In addition, the Connecticut Convention Center holds several conventions and exhibits throughout the year at its 205,000 SF facility. The region is also home to multiple museums, such as the American Clock & Watch Museum, the Connecticut Historical Society, and the New Britain Museum of American Art. While the culture of the region is predominantly centered on music and arts, Greater Hartford still has a diverse entertainment base, with the area being home to multiple minor league professional sports teams, such as the Hartford Wolf Pack (AHL) and the Hartford Yard Goats AA baseball team.

The XL Center, a 16,000+ seat downtown arena and Connecticut's premier destination for sports & entertainment, is home to the Hartford Wolf Pack, 11-time National Champion UConn Women's Basketball team, and the 4-time National Champion UConn Men's Basketball team. The XL Center entertains millions of visitors annually with a variety of concerts, sporting events, family shows, and trade shows throughout the season. In addition to University of Connecticut basketball, sports fans enjoy exciting collegiate sports from any of the region's numerous colleges and universities, such as Central Connecticut State University, and University of Hartford, among many others. While the presence of these institutions affords residents multiple options for entertainment, it illustrates the region's commitment to quality higher education. Moreover, Greater Hartford houses several teaching hospitals, such as the Connecticut Children's Medical Center and Hartford Hospital. Not only do these hospitals solidify the area's education commitment, but they also demonstrate the driving force that the healthcare sector has on the region's economy.

SOURCE: US BUREAU OF LABOR AND STATISTICS AS OF JULY 2024

### MAJOR GROWTH SECTORS



MINING, LOGGING, CONSTRUCTION  
(8.8%)

LEISURE & HOSPITALITY  
(3.2%)

EDUCATION & HEALTH SERVICES  
(3.2%)



1.7%

EMPLOYMENT GROWTH  
(Y-0-Y)



584,300

TOTAL NON-FARM  
EMPLOYMENT



3.5%

UNEMPLOYMENT  
RATE

# LOCAL OVERVIEW

## TOLLAND COUNTY, CT

Home to approximately 153,000 people, Tolland County, CT is situated on the northern border of the state, just northeast of Hartford, the state capital. An integral part of the Hartford, CT MSA, Tolland County consists of 13 different towns covering an area of 417 square miles that are a mix of urban and rural communities. With the Willimantic River and Hop River running through the county, the region is a natural environment for outdoor activities, including hiking, fishing, kayaking, and more. Home to the University of Connecticut, the 9th ranked public university by Wall Street Journal, the county hosts over 32,000 students every year, providing an economic impact of \$2.6 billion, as well as 13,681 jobs in the county, and \$7.8 billion and 46,647 jobs statewide. Manufacturing and technology are also significant economic drivers for the region, with companies such as TTM Technologies, Gerber Technology, Nerac, and Columbia Manufacturing producing consumer goods and aerospace components. Tolland County is an attractive place to live, work, and visit, with diversity in its economy, culture, and landscapes.

## TOWN OF VERNON, CT

Home to approximately 31,000 residents, the Town of Vernon, CT is a residential community encompassing 19 square miles situated in the northeast part of Connecticut, approximately 15 minutes northeast of Hartford. Vernon is situated along Interstate 84 with four interchanges within the Town's borders providing convenient access to all areas of Connecticut, Massachusetts, New York, and Bradley International Airport, which is approximately 30 minutes from Vernon. The Town continues to pursue economic development while facing the task of addressing the redevelopment of older mill properties. Planned investments in infrastructure, clean water management and public safety will have a positive effect locally and will factor into further economic recovery and stability of the region. The local economic base serves the region as a commercial, governmental, legal, and medical center. The Town's educational system consists of five elementary schools, one middle school and one high school that includes a regional Vo-Ag on its campus.



**STOP & SHOP (0.3 MILES)**



Largest retail employer in Vernon, CT with more than 250 team members

**HARTFORD HEALTHCARE - MANCHESTER (2.2 MILES)**



Connecticut's most comprehensive health care network; provides healthcare to people living east of Hartford with a facility specializing in advanced cancer services

**WALMART (3.0 MILES)**



One of the largest retail employers in Tolland County, CT with team members at several Supercenter, Sam's Club, and Neighborhood Market locations

**ROCKVILLE GENERAL HOSPITAL (3.2 MILES)**



Part of Eastern Connecticut Health Network; acute-care community hospital and the largest healthcare provider in town with nearly 400 medical professionals and support staff

**GERBER GARMENT TECHNOLOGIES (4.0 MILES)**



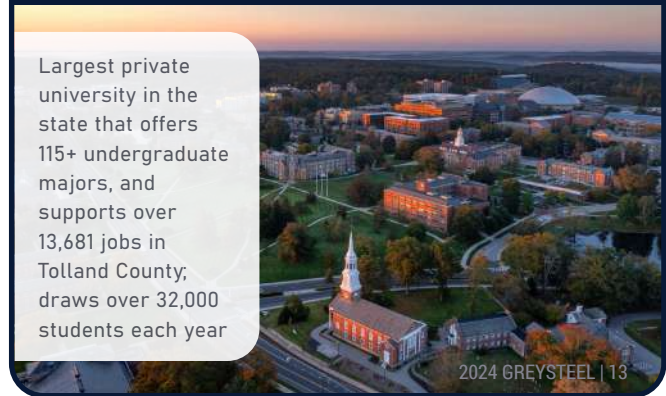
International fabric manufacturer and solutions provider that serves fashion and furniture clients throughout the United States and beyond; largest private employer in Tolland, CT with nearly 300 employees

**WOODLAKE AT TOLLAND (4.8 MILES)**

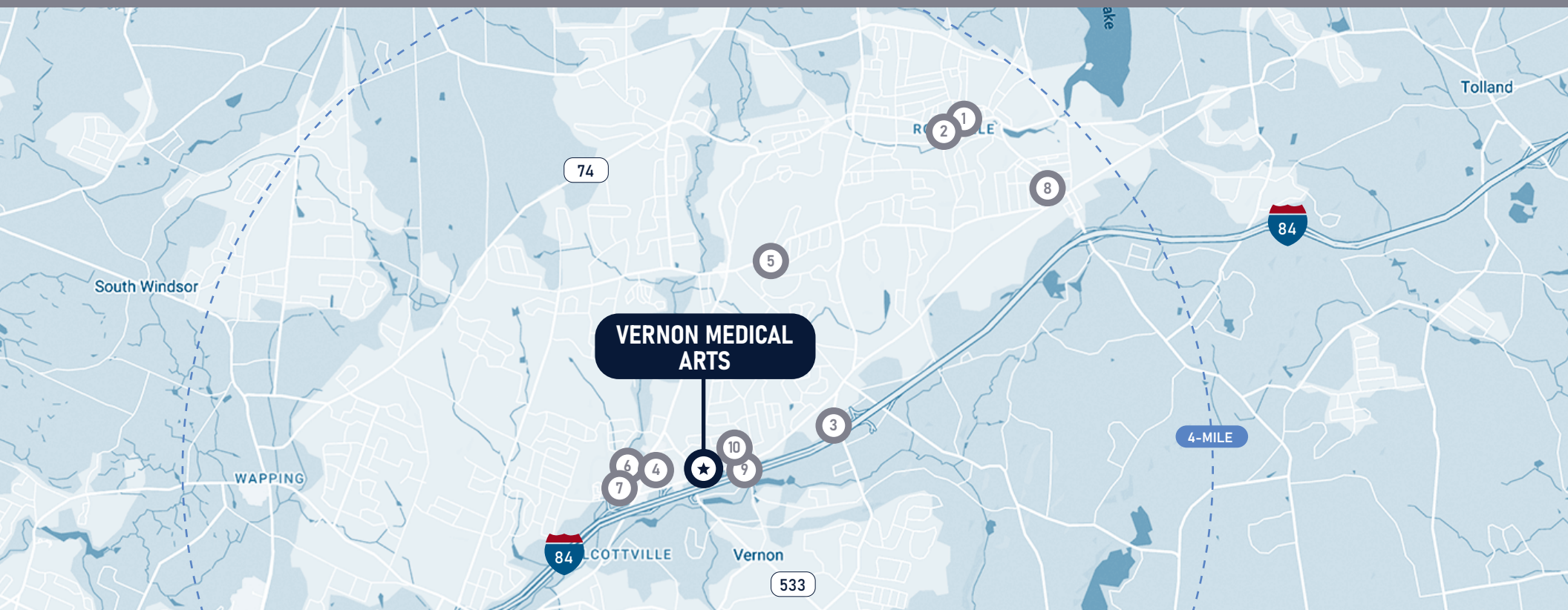


Nursing home and rehabilitation center partnered with Manchester Memorial Hospital offering short term-rehabilitation and long-term nursing care for senior residents; employs over 260 professionals on staff

**UNIVERSITY OF CONNECTICUT (11.0 MILES)**



Largest private university in the state that offers 115+ undergraduate majors, and supports over 13,681 jobs in Tolland County; draws over 32,000 students each year



### MAJOR EMPLOYERS MAP

#### MAJOR EMPLOYERS: TOWN OF VERNON, CT

	COMPANY	NO. EMPLOYEES	INDUSTRY	ADDRESS
1	Town of Vernon	834	Government	14 Park Place, Vernon, CT 06066
2	Rockville General Hospital	389	Healthcare	31 Union Street, Vernon, CT 06066
3	Visiting Nurse and Health Services	326	Healthcare	8 Keynote Drive, Vernon, CT 06066
4	Stop & Shop	252	Retail	10 Pitkin Road, Vernon, CT 06066
5	Vernon Rehabilitation and Healthcare Center	186	Healthcare	180 Regan Road, Vernon, CT 06066
6	ShopRite	169	Retail	35 Talcottville Road, Vernon, CT 06066
7	T. J. Maxx & Home Goods	168	Retail	35 Talcottville Road, Vernon, CT 06066
8	Fox Hill Nursing and Rehabilitation	157	Healthcare	1253 Hartford Turnpike, Vernon, CT 06066
9	State of Connecticut	150	Government	428 Hartford Turnpike, Vernon, CT 06066
10	Rein's Delicatessen	132	Retail	435 Hartford Turnpike, Vernon, CT 06066

Source: Town of Vernon, CT 2023 ACFR



THE OLD TALCOTT MILL APARTMENTS

HILLCREST APARTMENTS

TJ-maxx  
HomeGoods®  
ShopRite®

DUNKIN'



STOP&SHOP



Firestone  
since 1926 COMPLETE AUTO CARE™



KeyBank

DOBSON ROAD

Cumberland  
FARMS

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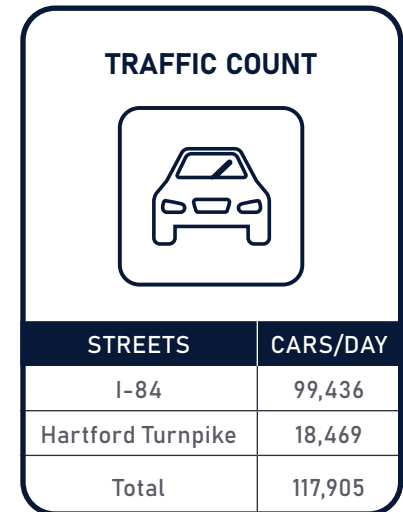
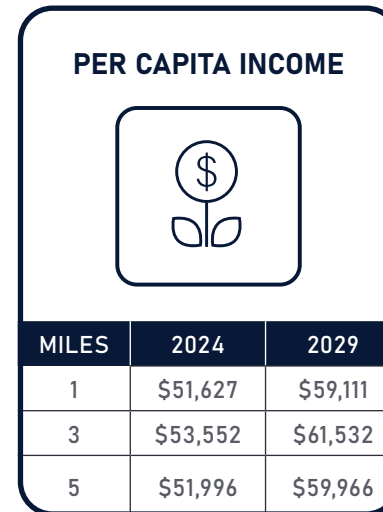
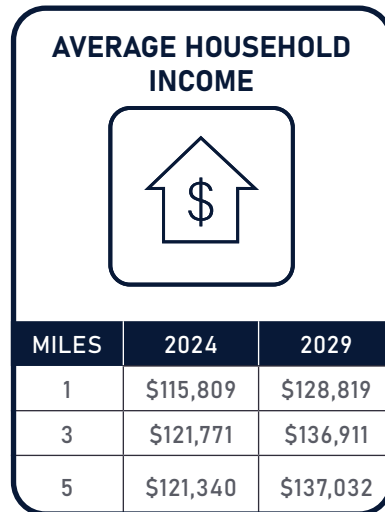
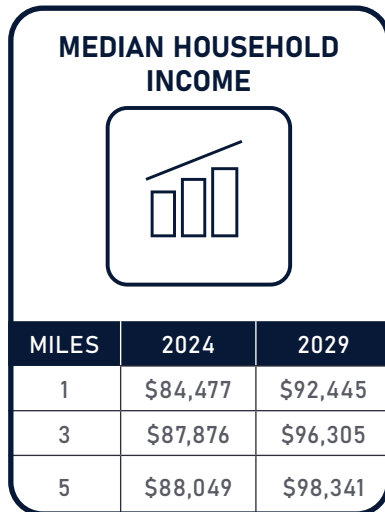
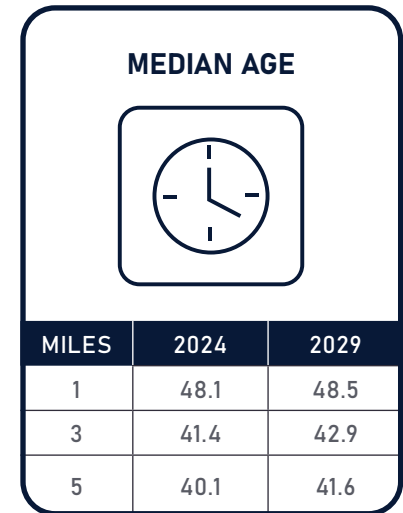
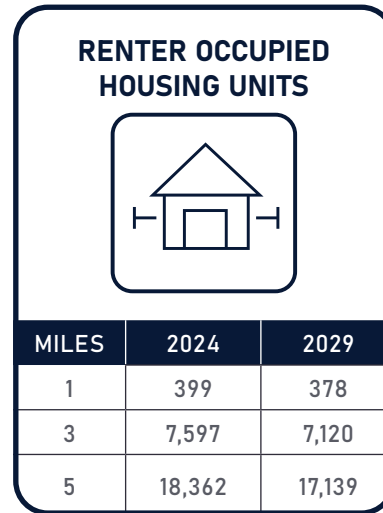
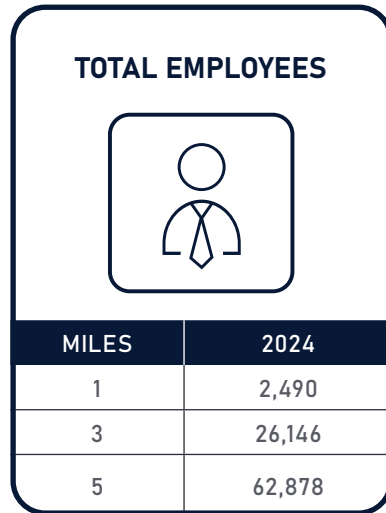
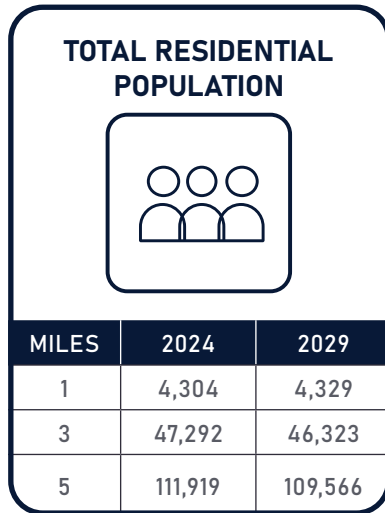
HARTFORD TURNPIKE



VERNON MEDICAL ARTS



# DEMOGRAPHIC & INCOME PROFILE REPORT







# 3: FINANCIAL ANALYSIS

CASH FLOW

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# CASH FLOW

Profit and Loss						
Income	2021	2022	2023	Marketing	PSF	
Gross Income	\$196,368	\$196,368	\$196,368	\$204,370	\$22.34	Lease Rent
Expense Reimbursement	\$0	\$0	\$0	\$4,039	\$0.44	Difference in RE Taxes Owed
<b>Total Income</b>	<b>\$196,368</b>	<b>\$196,368</b>	<b>\$196,368</b>	<b>\$208,409</b>	<b>\$22.78</b>	
Expenses				\$/SF		
Management	\$0	\$0	\$0	\$6,131	\$0.67	3% of Rent Roll
Insurance	\$9,418	\$6,960	\$7,140	\$7,428	\$0.81	Current Actual
Repairs*	\$42,641	\$8,727	\$13,811	\$11,832	\$1.29	AVG of '22 & '23 Increased 5%
Lawn Care / Snow**	\$0	\$19,134	\$11,399	\$16,030	\$1.75	AVG of '22 & '23 Increased 5%
Janitorial	\$0	\$525	\$525	\$525	\$0.06	Tenants pay for cleaning.
Utilities	\$8,400	\$7,159	\$7,953	\$7,934	\$0.87	AVG of '22 & '23 Increased 5%
Taxes	\$27,741	\$28,929	\$28,929	\$30,402	\$3.32	7/1/24-6/30/25
Trash	\$0	\$8,777	\$8,777	\$8,454	\$0.92	Contract (\$704.54/ Month)
Misc.	\$2,853	\$5,148	\$4,381	\$4,660	\$0.51	Pest Control (\$139.32/ month), Security, and Elevator.
<b>Total Expenses</b>	<b>\$91,053</b>	<b>\$85,359</b>	<b>\$82,916</b>	<b>\$93,396</b>	<b>\$10.21</b>	
<b>Net Operating Income</b>	<b>\$105,315</b>	<b>\$111,009</b>	<b>\$113,452</b>	<b>\$115,013</b>	<b>\$12.57</b>	

\* 2021 Repairs is inclusive of Lawn Care/Snow and any other miscellaneous expense.

\* 2023 Repairs includes \$4,661 in repairs and service to HVAC

\*\* 2022 Snow season required additional plows

# Greysteel

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CT LICENSE NO: RES.0830184

Broker of Record | Mark Bittenbender | REB.0795251 |

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This Market Positioning Analysis ("Analysis") is solely for the use of the owner. While the information contained in this Analysis has been compiled from sources we believe to be reliable, neither Greysteel nor its representatives make any representations or warranties as to the accuracy or completeness of the information contained in this Analysis. All financial information and projections are provided for reference only and are based on assumptions relating to the general economy, market conditions and other factors beyond our control. Owner is encouraged to conduct an independent due diligence investigation, prepare independent financial projections, and consult with their legal, tax and other professional advisors before making an investment decision. Greysteel does not have authority to legally bind the owner and no contract or agreement providing for any transaction shall be deemed to exist unless and until a final definitive contract has been executed and delivered by owner.

All references to acreage, square footage, distance, and other measurements are approximations and must be independently verified.