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THE WALL STREET JOURNAL.

New Jersey Complex, Once Owned by a Drug Giant, Becomes a Home for Many

Developer's bold plan aims to revive former Sanofi property as a life-sciences campus with a village-like layout



The New Jersey Center of Excellence complex in Bridgewater, N.J., where some office buildings will be replaced with shops, restaurants and other amenities. *PHOTO: ADVANCE REALTY*

By **KEIKO MORRIS**

March 4, 2017 7:00 a.m. ET

A 110-acre research-and-development complex in Bridgewater seemed poised a few years ago to join the growing ranks of suburban New Jersey office campuses left for dead as companies consolidated and moved to big cities.

But a joint venture of investors is breathing life into the property.

Advance Realty LLC and its partner, CrossHarbor Capital Partners LLC, bought the property in 2013 from pharmaceutical giant [Sanofi](#) with a bold plan to create a life-sciences campus for firms in the pharmaceutical, biotechnology and medical-device sectors. The complex's village-like layout includes spaces for restaurants, shops and apartments.

The bet is paying off. The joint venture has leased more than 80% of the complex's 800,000 square feet of research space among eight buildings, drawing large tenants as well as midsize firms and startups.

Companies in recent years have been moving from suburban office campuses to big cities as they seek out younger and more urban-minded workers. But some suburban campuses are getting second acts as landlords purchase the properties at low prices and lure companies with amenities and pedestrian-friendly, urban-suburban settings.



The New Jersey Center of Excellence was anchored by large leases for the lab space, which were the most modern buildings on the Bridgewater campus, said a real-estate executive. *PHOTO: ADVANCE REALTY*

At the Bridgewater complex, Nestlé Health Science, a subsidiary of global packaged-foods giant [Nestlé SA](#), invested \$70 million to build out an 180,000 square-foot technology center.

Avantor Performance Materials LLC, a global supplier of life-sciences materials needed for laboratory processes and advanced-technology operations, is close to completing an almost 27,000-square-foot lease deal.

The township has rezoned a portion of the complex so the developers can replace about 400,000 square feet of obsolete office buildings with 400 apartments and about 275,000 square feet for shops, restaurants, a supermarket and a wellness center, said Peter Coccoziello, chief executive of Advance Realty. The partners are looking to complete financing for the more than \$100 million project and expect to begin construction in the fall.

“The amount of infrastructure that was here was just too good to be true,” said Mr. Coccoziello, looking back at what attracted his company to the site. “If I did this right, we were going to attract a lot of users.”

Called the New Jersey Center of Excellence, the Bridgewater project is one of several examples of how developers are tackling the challenge of resuscitating larger, older corporate campuses once popular with big tenants across industries. A new health and medical-sciences campus with a medical school will anchor the former F. Hoffmann-La Roche campus in Nutley and Clifton. The old 194-acre Alcatel-Lucent campus in Hanover also has been redeveloped with modern office space.

Several years ago, the region was still shaking off the recession. Other pharmaceutical giants were selling off and vacating suburban locations, often after mergers made operations in New Jersey redundant. Some moved jobs to other life-science hot spots such the Boston area. Sanofi maintains its U.S. headquarters at another site in Bridgewater, where some research-and-development operations are housed.

But in the past few years, New Jersey’s life-sciences industry has stabilized, with foreign investment and foreign companies establishing product-development operations in the state because of its qualified labor force, said Tom Sullivan, senior vice president of the life-sciences group of real-estate-services firm [CBRE Group Inc.](#)

In the case of Sanofi’s Bridgewater research campus, the company moved its drug discovery and early development research to Boston, to create a hub around Genzyme, a drugmaker Sanofi had acquired in 2011.

Township officials realized it was unlikely a single tenant would take over the entire campus, said Bridgewater Mayor Dan Hayes. Before the joint venture bought the property, the township rezoned the land for several tenants.

The campus was anchored by large leases for the laboratory space, which were the most modern buildings on the campus, including a building built in 2002, said Bob Ryan, a senior vice

president at real-estate-services firm JLL and part of the team that sold the building to Advance and is leasing the property.

The big anchors enabled Advance to lease space to several smaller and midsize companies looking for limited laboratory space that is expensive for smaller firms to build out.

“If a tenant can find equal quality lab space in two different environments, they are going to gravitate to the one with a nice environment and with a lot of amenities,” Mr. Ryan said.