Ziegler

**CASE STUDY | PEAPACK-GLADSTONE, NEW JERSEY**

# COPPERWOOD SENIOR LIVING

*Reimagining a Corporate Campus for the Next Generation of Senior Living*



| $84.705M | 96 | ADAPTIVE REUSE |
|---|---|---|
| Tax-exempt bond financing | Assisted living & memory care residences | Former Pfizer corporate campus |

## Reimagining a Corporate Campus

Across the country, two real estate trends are creating new opportunities. Senior housing & care faces the need for significant new inventory to serve a rapidly growing older population, while communities are looking for new ways to reposition large corporate properties that no longer serve the purposes for which they were originally built.

In Peapack-Gladstone, New Jersey, those opportunities converged.

CopperWood Senior Living is part of the transformation of the former Pfizer corporate campus into a mixed-use senior living campus through a combination of adaptive reuse and new construction. The broader redevelopment is planned to include independent living, assisted living and memory care, a Del Webb active adult community, age-restricted affordable housing and a small extended-stay component intended in part to accommodate family members visiting residents on campus.

The opportunity was compelling: reimagine an existing corporate campus to help meet the growing need for senior housing while building upon the infrastructure and investment already in place.

Bringing that vision forward required a thoughtful, coordinated approach. Over several years, the development team worked to acquire the property, evaluate its existing assets, and develop a new vision for the campus. This included subdividing the original office-zoned parcel into separate parcels for each proposed use and securing the necessary entitlements to accommodate a range of senior living uses. The team also collaborated with local and state partners, assembled complementary expertise, and developed financing strategies tailored to the individual components of the development.

CopperWood offers a closer look at how the right property, partnerships and capital strategy can turn adaptive reuse into a viable path for senior living development.

## A New Opportunity for an Existing Campus

For years, the Peapack-Gladstone property served as a major corporate campus, most recently for Pfizer. When the property became available, it presented a unique redevelopment opportunity: a substantial, well-maintained campus in an established and highly desirable area of New Jersey, with extensive infrastructure already in place.

Its location added to that opportunity. The campus sits within an affluent, established community approximately 50 miles west of New York City and less than a mile from downtown Peapack-Gladstone. Existing walking paths throughout the property also offered the potential to connect the redevelopment with the Borough's broader trail network and surrounding community.

At the same time, the demographics of Peapack-Gladstone and its surrounding communities pointed to a natural potential use for the property. The area has an older, affluent population, while the continued aging of the U.S. population is driving the need for additional senior housing options nationally.

The project's subsequent market analysis reinforced that opportunity. Existing rental senior living communities in the market generally reported high occupancy, and some of the highest average rental rates nationwide, while relatively little new inventory had been added in recent years. Feasibility work identified approximately 4,700 adults age 85 and older within the relevant market area and calculated an assisted living and memory care penetration rate of approximately 5.6, which is below the industry average of around 10%.

The property itself further strengthened the case. The former corporate campus already contained many of the elements a large-scale development would otherwise need to create: roads, utilities, parking, substantial mechanical infrastructure and buildings capable of supporting a new use.

> *"When we looked at this two years ago, we thought, this is just a phenomenal opportunity. It's a campus that's been architecturally superior from when it was designed and built into this day."*
>
> **— Anthony Melillo, Board Chair, Peapack Senior Living**

Together, the location, demographics, market demand and existing infrastructure created a compelling opportunity to reposition the property for senior living.

## Why This Campus?

### *Not every vacant corporate campus is a candidate for senior living.*

The development team saw characteristics at Peapack-Gladstone that distinguished the property from a typical obsolete office asset.

The campus had been designed and maintained to support a major corporate operation. Internal roads and extensive utility infrastructure were already in place. Existing water, gas and sewer capacity could support redevelopment, and portions of the site already benefited from outside agency approvals.

The buildings themselves were another important consideration. The development team viewed the original campus as architecturally strong and capable of supporting a new use without extensive intervention to foundations, roofs, façades and other major structural components.

Perhaps most importantly, the property had continued to receive investment. More than $20 million had reportedly been invested in the campus shortly before its acquisition, including significant building systems that could potentially be retained.

Those characteristics changed the development equation.

Rather than looking only at the value of the former office buildings, the team could consider the value embedded throughout the property: buildings, systems, roads, utilities, parking and infrastructure that would otherwise require significant time and capital to recreate.

## Creating a Campus Within a Campus

Repositioning the former Pfizer property required more than changing what happened inside its buildings. The development team also had to rethink how the larger corporate campus itself was organized.

As part of the rezoning and entitlement process, the original property was divided into separate tax parcels corresponding to the different uses planned across the site. Each component can therefore maintain its own ownership, financing and mortgage while participating in a larger property association responsible for shared elements such as access and maintenance.

The existing inner campus forms the heart of the redevelopment. Three buildings will be converted into a 66-unit assisted living and 30-unit memory care community, while other existing buildings will accommodate independent living. The two senior living components will be physically connected and operated by Distinctive Living, a Freehold, New Jersey-based senior living operator and the fourth-largest senior living operator in the state. With a national portfolio spanning independent living, assisted living, and memory care, Distinctive Living brings extensive operational experience to the redevelopment.

Outside the original campus loop, areas previously used for corporate parking are being redeveloped into a Del Webb active adult community featuring for-sale homes for adults ages 55 and older, with anticipated prices ranging from $800,000 to $1.5 million. Additional components include age-restricted affordable housing and an approximately 11-unit extended-stay property envisioned in part as accommodations for family members visiting residents across the campus.

Other pieces of the former corporate infrastructure will remain part of the new environment as well, including existing open space and a solar field that provides electricity to the campus.

The result is not simply the conversion of several office buildings into senior housing. The former single-purpose corporate campus is being reorganized into distinct but connected uses, each capable of standing on its own while contributing to a larger environment centered around older adults.




*Campus Redevelopment Plan*

## Laying the Groundwork

Long before construction begins, successful adaptive reuse requires a clear understanding of both the existing asset and its future use. For CopperWood, the years leading up to construction gave the development team the opportunity to thoughtfully plan how the former corporate campus could be repositioned for senior living.

When the development team first began exploring the property in 2024, they saw the potential to give the former corporate campus an entirely new purpose. Over the next two years, the team worked through the acquisition while simultaneously advancing a broader vision for the campus—evaluating the existing buildings and infrastructure, refining the senior living concept, collaborating with local and state agencies, navigating land-use and zoning considerations, and developing financing strategies tailored to the different components of the redevelopment.

That early planning also allowed the team to design around the property's existing strengths. Infrastructure and prior approvals could be leveraged, while the site plan was intentionally structured to avoid environmentally sensitive areas and the additional permitting that could accompany them.

For the assisted living and memory care component, the process also included approval from the New Jersey Department of Health. Receipt of the project's Certificate of Need marked another important milestone, positioning this portion of the development to move into its next phase.

The value of that preparation becomes particularly apparent as construction begins. Senior housing construction timelines have lengthened in recent years, with NIC estimating an average construction cycle of approximately 29 months from groundbreaking to opening. In contrast, the CopperWood development team anticipates completing construction in approximately half that time, benefiting from the substantial infrastructure and structural components already in place.

Rather than starting from the ground up, the team can focus much of the construction effort on transforming what is already there for its new purpose.

## Reuse What Works

Rather than approaching the former corporate campus with the assumption that everything needed to change, the development team spent considerable time determining what could be retained, what needed to be modified and how the existing property could support senior living operations.

### *The answer was: quite a lot.*

Copper roofs and foundations can largely remain. Exterior walls and much of the existing window system are being retained. Existing elevators can largely stay in place, and relatively little structural intervention is expected to the existing slabs.

> *"We were very intentional with how we approached the renovation here to make sure that as little structural work was done as possible."*
>
> **— Chris Hoard, President, Distinctive Development**

Two subterranean levels already provide more than 400 parking spaces that can serve residents and staff.

Perhaps most important is what sits behind the walls. The property contains robust central mechanical and plumbing infrastructure, much of which can be reused and redistributed for the property's new purpose.

As a result, a significant portion of the redevelopment can focus on interior renovation, creating residences, common areas and senior living spaces within the existing structural framework, rather than reconstructing the fundamental building envelope and infrastructure.

That has implications beyond cost and time. By limiting work on foundations, roofs, façades and other major structural components, the team can also reduce some of the construction risk associated with more extensive structural modifications.

The lesson is not that existing buildings are inherently easier or less expensive to develop. Instead, CopperWood demonstrates the importance of understanding exactly what is being inherited.

In some adaptive-reuse opportunities, the existing building may be the liability.

At CopperWood, much of the existing infrastructure became part of the value proposition.

# From Corporate Campus to Senior Living Community

*Preserving an existing building is one challenge. Making that building feel like home is another.*

The development and operating teams were intentional about ensuring that the adaptive-reuse strategy did not dictate the resident experience. Existing spaces were evaluated not simply on whether they could be converted, but on how they could support operational flow, resident engagement, aging in place and interaction with family members.

Plans include an indoor pool, duckpin bowling, an interactive game room, continuing education and performing arts spaces, pickleball courts and walking trails. Internal connections and covered exterior walkways are intended to make movement throughout the campus possible throughout New Jersey's changing seasons.

Family engagement was also an intentional part of the planning. Rather than thinking of amenities solely as resident programming spaces, the team considered how the campus could create places where residents and their families could spend meaningful time together and continue creating shared experiences.

> *"We were very intentional about ensuring that our residents in assisted living and memory care had not only the services, but also the amenities and the experiences that will allow them to continue to age in place."*
>
> **— Chris Hoard, President, Distinctive Development**

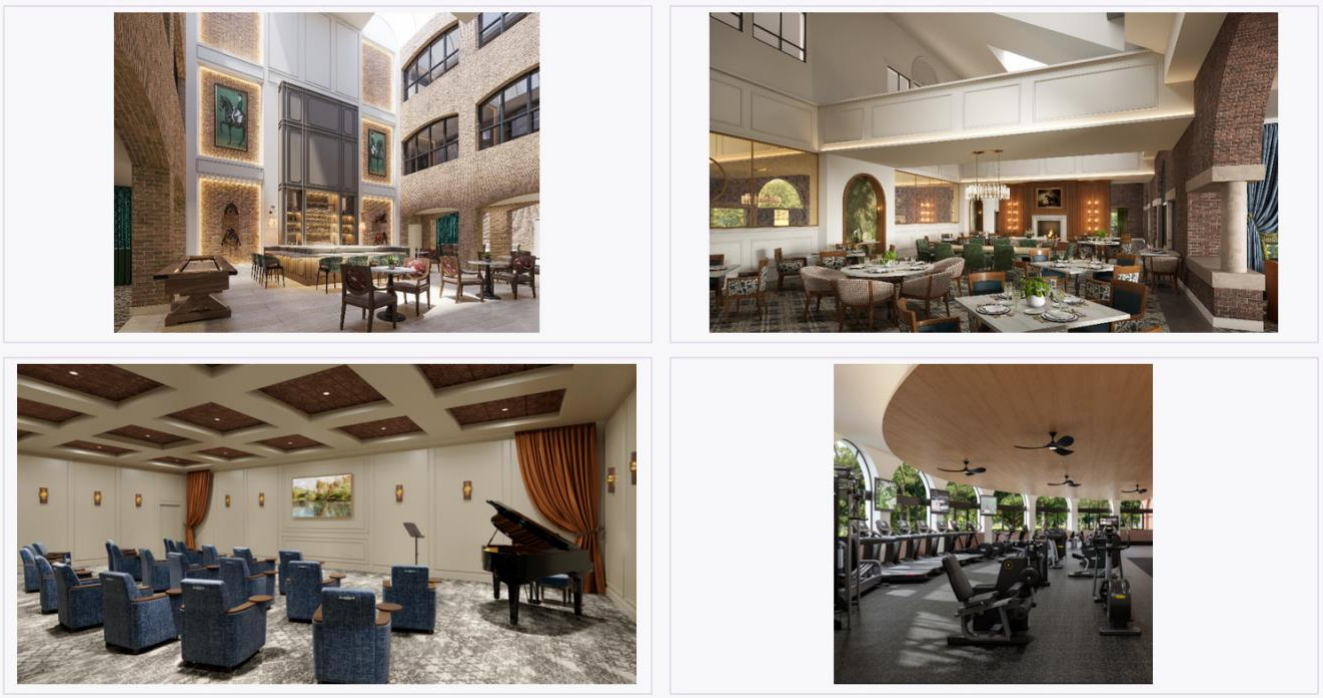
Within the existing buildings, interior spaces are being reimagined to create comfortable, welcoming residences that feel like home. The design balances the character of the original campus with the functionality and amenities expected in a modern senior living community.



*Conceptual rendering: Assisted living apartment*

Connectivity does not mean the individual care settings depend on one another operationally. The assisted living and memory care community will have its own kitchen, salon, therapy space, laundry and other infrastructure necessary to operate independently.

At the same time, residents will have access to additional amenities within the connected independent living community, including expanded dining, fitness, pool and recreation spaces. Distinctive Living will operate the senior living components, helping create continuity across independent living, assisted living and memory care even though the underlying ownership and financial structures remain separate.



*Conceptual renderings: CopperWood amenity spaces*

That connectivity extends beyond the buildings themselves. Downtown Peapack-Gladstone sits less than a mile from the property, while trails and other connections are intended to better integrate the campus with its surroundings.

The goal is not simply to fit senior housing into former corporate buildings, it is to transform a campus once designed for work into a community centered on the community that will call it home.

## Getting the Community to Say Yes

### *Physical feasibility alone was not enough to make CopperWood possible.*

The proposed use represented a significant departure from the property's history, requiring the Borough of Peapack-Gladstone to reconsider what the former corporate campus could become.

The process benefited from longstanding local relationships. The development team included local expertise with approximately 15 years of development experience in Peapack-Gladstone and an established understanding of both the community and its real estate needs.

Working collaboratively with municipal leaders, the team helped establish a new Senior Living Campus zoning district designed specifically to facilitate redevelopment of the former Pfizer property.

### *But the project also needed to create value for the community.*

Redevelopment could return a major property to productive use and maintain an important contributor to the local tax base. Senior housing and age-restricted development could accommodate additional residential density with substantially less impact on the local school system than traditional family housing.

The plans also preserve open space and incorporate passive amenities and walking trails, including connections extending toward downtown. As part of the rezoning requirements, the development includes an affordable housing component, while six residences within assisted living and memory care (four assisted living and two memory care) will be designated for lower-income residents.

The rezoning ultimately received unanimous approval.

CopperWood demonstrates that successful adaptive reuse can depend as much on aligning the interests of the developer and municipality as it does on finding the right building.

The development team was not simply asking the community to accept a different use or greater density. The redevelopment offered a different set of benefits in return: preservation of the tax base, limited school impact, open space, community connectivity and new housing options designed around the needs of an aging population.

## Bringing Together the Expertise

CopperWood brought together a team with complementary experience across local development, large-scale redevelopment and senior living operations.

Melillo Equities brought longstanding development experience in Peapack-Gladstone and a deep familiarity with the local market and community. Pointsfive contributed experience developing large-scale and mixed-use projects throughout the Northeast and Mid-Atlantic, while Distinctive Living brought senior living development and operating expertise, both nationally and within New Jersey.

The partnership also built on existing relationships. Melillo Equities and Pointsfive had known and worked alongside one another for more than 20 years, providing an established foundation as the vision for the former Pfizer campus began to take shape. Distinctive Living added the specialized senior living perspective needed to translate that broader redevelopment vision into a community designed to support independent living, assisted living and memory care.

Together, the team combined local knowledge, large-scale development experience and senior living expertise, with each bringing a different perspective to the planning and execution of the project.

## Financing the Assisted Living & Memory Care Campus




With the broader campus plan in place, the assisted living and memory care component required a financing approach that reflected both the adaptive reuse of the existing buildings and the needs of a new senior living community.

In August 2026, Ziegler closed $84.705 million in tax-exempt bond financing for the 96-residence assisted living and memory care development. The financing provides the capital to transform three existing campus buildings into 66 assisted living and 30 memory care residences and support the project through construction, lease-up and stabilization.

The structure also reflects the way the broader redevelopment was planned. As part of the entitlement process, the former corporate campus was divided into separate parcels, allowing its various components to maintain distinct ownership and financing while remaining connected as part of the larger campus.

This flexibility was particularly important at CopperWood. While the assisted living and memory care component was structured under nonprofit ownership and financed with tax-exempt bonds through Ziegler, other portions of the redevelopment are being financed separately. The independent living component, for example, is expected to utilize historic tax credits and conventional financing under a separate ownership structure.

For the assisted living and memory care project, the financing was also designed with resources to support the community as it moves from construction through opening and occupancy. Funded interest, working capital, operating reserves and additional liquidity provide support during the development and fill-up period, while subordinate sponsor capital remains invested in the project and is subject to performance requirements before repayment.

> *"What stands out about CopperWood is how the development team identified the value already embedded in the property and built the project around those strengths. The financing for the assisted living and memory care component was structured to complement that approach and support the project through construction and stabilization."*
>
> **— Robert Gall, Managing Director, Ziegler**

The result is a capital structure tailored specifically to the assisted living and memory care development, while providing the flexibility for it to remain part of a much broader vision for the former corporate campus.

## Managing Risk Rather Than Avoiding It

*Adaptive reuse offers potential advantages, but it does not eliminate development risk.*

CopperWood's approach was instead to identify those risks and structure protections around both the physical redevelopment and the financing.

On the construction side, retaining foundations, roofs, façades and major systems limits the amount of structural intervention required and reduces some of the uncertainty associated with major building modifications.

On the financing side, the assisted living and memory care capital structure includes multiple layers of protection through construction, lease-up and stabilization. These include construction contingencies, funded interest, working capital, operating reserves and liquidity support. Approximately $7.6 million was identified in financing materials as cash and reserves available to provide additional protection during construction and fill-up.

The development and sponsorship team also retains subordinate capital in the project. Repayment is tied to project performance, with occupancy, debt-service coverage and liquidity requirements that must be achieved before subordinate payments can be made.

The structure helps keep cash within the project during the period when it may be needed most.

Together, these measures complement the advantages of the adaptive reuse approach while providing additional financial flexibility through construction, lease-up and stabilization.

# Key Takeaways from CopperWood

Several factors came together to support the redevelopment of the former Pfizer campus and the assisted living and memory care component at the center of the CopperWood project. From the strength of the surrounding market to the infrastructure already in place, the project highlights the range of considerations that can shape a large-scale adaptive reuse opportunity.

### A strong market supported the opportunity

CopperWood's senior living vision was supported by the demographics and demand characteristics of Peapack-Gladstone and the surrounding communities. An aging, affluent population, high occupancy among existing senior living communities and limited recent additions to supply provided a strong market foundation for the project.

### The opportunity extended beyond the buildings

The value of the existing campus went well beyond its square footage. Roads, utilities, sewer capacity, parking, mechanical systems, foundations and other infrastructure were already in place, representing significant investment that could be incorporated into the redevelopment.

The scale of the property also allowed the team to look beyond individual buildings and consider how the broader campus, including its infrastructure, open space and connectivity, could support multiple complementary uses.

### Early planning helped position the project for construction.

The years leading up to construction provided time to evaluate the existing property, advance the senior living vision, work through acquisition and entitlements, collaborate with local and state agencies and develop financing strategies for the different components of the campus.

With that groundwork in place, the adaptive reuse component enters construction with substantial structural and infrastructure elements already available for its new use.

### Existing assets were balanced with a new resident experience.

The development team identified the elements of the former corporate campus that could be preserved while redesigning the space around senior living operations and the resident experience.

Existing structures and systems could be retained, while new residences, amenities and gathering spaces were planned around aging in place, resident engagement and family interaction.

### Municipal collaboration helped shape the broader redevelopment.

The Borough's establishment of a new zoning framework allowed the property to transition from a single-purpose corporate campus to a mix of age-focused uses.

The redevelopment also incorporated priorities important to the surrounding community, including maintaining the property as a contributor to the tax base, limiting impact on local schools, preserving open space, creating community connections and expanding housing options for an aging population.

### Complementary expertise came together around the project.

CopperWood brought together local knowledge, large-scale development experience, senior living operations and specialized financing expertise. Those capabilities supported different aspects of the redevelopment, from municipal collaboration and campus planning to the design, operation and financing of the senior living components.

### The broader campus allows for tailored financing structures.

The redevelopment was organized into separate parcels, allowing its various components to maintain distinct ownership and financing structures while remaining part of the larger campus.

For the assisted living and memory care component, that structure supported nonprofit ownership and Ziegler's $84.705 million tax-exempt bond financing. Other portions of the campus, including independent living, are separately owned and financed based on the characteristics of those uses.

## Looking at Existing Real Estate Differently

The senior housing supply challenge will not be solved through adaptive reuse alone. Many existing properties will not have the location, infrastructure, physical characteristics or economics required to make conversion feasible.

*But CopperWood demonstrates why those opportunities are worth examining.*

A former corporate campus offered something a vacant parcel could not: roads were already built. Utilities were already there. Hundreds of parking spaces already existed. Buildings and major mechanical systems had already been constructed and maintained. And the property was already part of the fabric of its community.

*Unlocking that value still required years of work.*

It required recognizing a market need, understanding what could be preserved, reorganizing a single corporate property into multiple complementary uses, creating a new zoning framework, designing an entirely different resident experience, assembling partners with complementary expertise and building capital structures around the realities of each component.

That combination is what transformed an obsolete corporate use into an opportunity for senior living.

> *"Ziegler has enjoyed being a part of this process with PSL, Melillo Equities, Pointsfive and the Distinctive Living and Development teams. It's great to see new life coming into this historic corporate campus, especially at a time in our industry when few new construction projects are breaking ground. The ability to bring a large-scale senior living campus that will appeal to many different residents and price points will be a great addition to the local area and the senior living industry as a whole. It would be great to see more adaptive reuse projects take this approach across the country to help meet a portion of the coming senior housing demand. We are proud to be a partner with PSL, Peapack Partners, and Distinctive Living as they advance their mission and serve their residents."*
>
> **— Eric Johnson, Managing Director, Ziegler**

CopperWood demonstrates how well-positioned existing real estate, supported by strong market fundamentals and the right development and financing structure, can create new opportunities for senior housing.

*This client's experience may not be representative of the experience of other clients, nor is it indicative of future performance or success.*