

Prestonsburg

KY

NEWMARK



## VETERANS AFFAIRS OUTPATIENT CLINIC - PRESTONSBURG, KY

236 N Highland Ave  
Prestonsburg, KY 41653



**VA** | U.S. Department  
of Veterans Affairs

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## INVESTMENT ADVISORS

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### **NEWMARK**

*Government Leased Capital Markets*  
3455 Peachtree Road NE, 18th & 19th Floors  
Atlanta, GA 30326  
t 770-552-2400  
<https://www.nmrk.com/>

#### **Davis Finney**

*Senior Managing Director*  
t 770-552-2447  
m 706-255-8610  
[davis.finney@nmrk.com](mailto:davis.finney@nmrk.com)

#### **Colt Neal**

*Senior Managing Director*  
t 404-806-2512  
m 770-503-4687  
[colt.neal@nmrk.com](mailto:colt.neal@nmrk.com)

#### **Will Baselj**

*Associate*  
t 404-926-1060  
m 770-878-0646  
[will.baselj@nmrk.com](mailto:will.baselj@nmrk.com)

# NEWMARK

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# EXECUTIVE SUMMARY

## Veterans Affairs Outpatient Clinic - Prestonsburg, KY

Opportunity to acquire a newly constructed  $\pm 16,800$  SF Veterans Affairs Outpatient Clinic in Prestonsburg, Kentucky with a 15-year lease. Services at the clinic include three primary care teams, women's health services, optometry, mental health counseling, telehealth, x-ray imaging, laboratory services, and a pharmacy. The new facility is twice the size of the previous clinic and is one of four outpatient clinics under the management of the Hershel "Woody" Williams VA Medical Center.

- 2026 Build to Suit Construction
- Specialized Medical Buildout
- New 15-year lease
- CPI Escalations



**SALE PRICE:**

**\$8,960,775**



**YEAR 1 NOI:**

**\$636,215**



**CAP RATE:**

**7.1%**



**BUILDING SIZE:**

**16,800 SF**

# PRESTONSBURG, KY VA OUTPATIENT CLINIC

## PROPERTY INFORMATION

Address	236 N Highland Ave Prestonsburg, KY 41653
Building Size	16,800 SF
Site Size	5 AC
Parking	100 surface spaces
Stories	1
Tenancy	Single

## FINANCIAL INFORMATION

Price	\$8,960,775
Cap Rate	7.1%
NOI	\$636,215
Lease Expiration	April 2041



**VA** U.S. Department  
of Veterans Affairs  
**VA** PRESTONSBURG  
OUTPATIENT CENTER

# LEASE OVERVIEW



**VA** | U.S. Department  
of Veterans Affairs

## TENANT OVERVIEW

The U.S. Department of Veterans Affairs (VA) is a Cabinet-level federal agency and one of the largest integrated healthcare systems in the United States, serving over 9 million enrolled veterans nationwide. The VA's mission is to provide essential healthcare, benefits, and services to the nation's 19 million veterans. Its operations are backed by the full faith and credit of the United States government, with an FY2025 mandatory funding of \$235 billion (up 21.6% from last year, already requesting \$441B of funding for 2026), ensuring long-term funding stability and bipartisan support.

Demand for VA healthcare is growing at an unprecedented pace, driven by demographic trends and legislative expansion. The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics (PACT) Act, signed into law in 2022, represents the largest expansion of VA healthcare and benefits in history. Since its passage, more than 1.2 million new veterans have enrolled in VA healthcare due to the addition of 20 presumptive conditions to its care, fueling demand for additional outpatient services and purpose-built facilities across the country. As the veteran population ages and new enrollees enter the system, Community-Based Outpatient Clinics (CBOCs) have become the cornerstone of the VA's delivery model, ensuring convenient access to high-quality care in community settings.

Historically, the VA has an exceptionally strong track record as a federal tenant, with one of the highest lease renewal rates in the market. Because its facilities are specialized and mission critical, the VA typically remains in place for decades, as relocation would be costly, disruptive, and counter to its mandate of providing consistent local access to care. With its federal credit backing, mission-critical purpose, and growing demand for specialized services, the Department of Veterans Affairs represents one of the most secure and stable tenants in the government's real estate market.

## LEASE SUMMARY

Tenant:	U.S. Department of Veterans Affairs
Lease SF:	16,800 SF
Shell Rent:	\$703,581
Operating Expense Rent:	\$141,645
Year 1 Rent:	\$845,225.94
Lease Commencement:	04/13/2026
Lease Expiration:	04/12/2041

# ABOUT THE AREA

## Prestonsburg, Kentucky

Prestonsburg is a historic, regionally significant city located in the heart of the Big Sandy Valley in Eastern Kentucky. As the commercial and cultural hub of the Floyd County region, Prestonsburg benefits from a stable economic base rooted in healthcare, professional services, and regional governance.

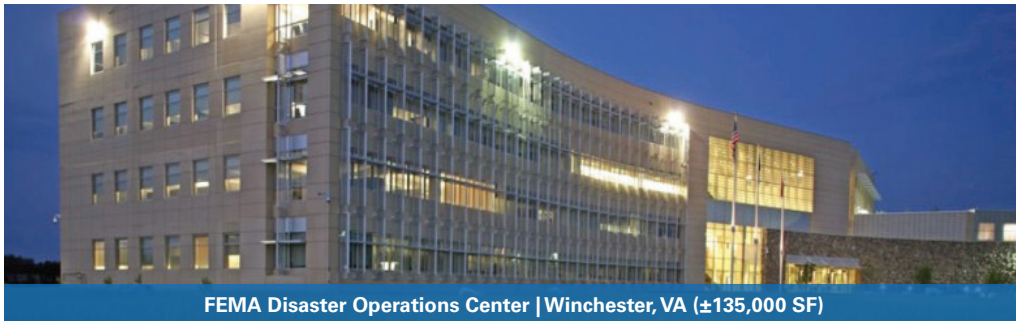
The city's role as a centralized service provider for the surrounding multi-county area supports a consistent demand for specialized government and medical services. Regional anchors in healthcare and education—headlined by major regional medical centers and Big Sandy Community & Technical College reinforce economic durability. These institutions highlight the long-term value of government-occupied facilities in the area, including the Prestonsburg VA Clinic, which serves a high density of veterans across the Appalachian highlands.

The quality of life in Prestonsburg is defined by its unique “Star City” charm and rugged natural beauty. The area offers premier access to outdoor recreation, including Jenny Wiley State Resort Park and Dewey Lake, alongside a vibrant cultural scene anchored by the Mountain Arts Center. These amenities, combined with a strong local heritage and a lower cost of living, contribute to a dedicated workforce and a deeply connected community.

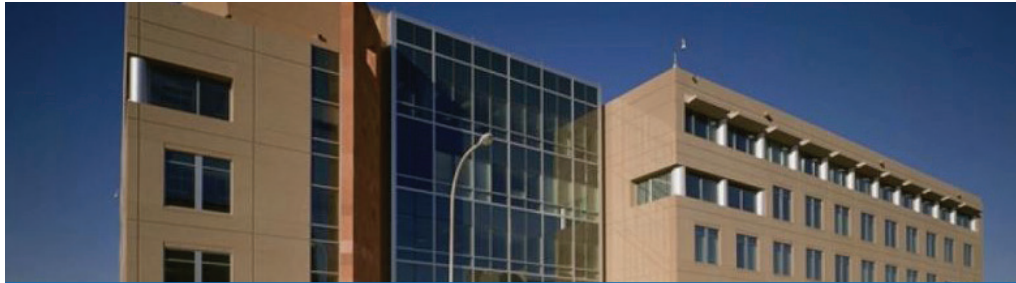
With convenient access to major transportation corridors, specifically the US-23 Country Music Highway and KY-114, Prestonsburg provides essential regional connectivity for patients, staff, and visitors traveling from across Eastern Kentucky. Its combination of accessibility, institutional stability, and recreational appeal makes it an ideal location for a long-term Veterans Affairs facility.



# SAMPLE TEAM CLOSINGS



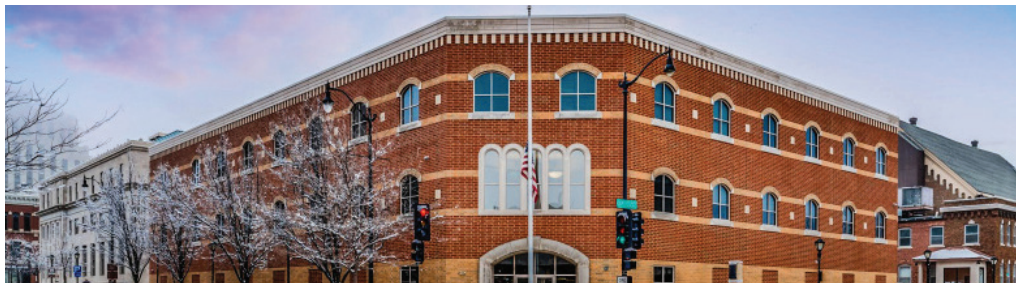
# SAMPLE TEAM CLOSINGS



SSA Mega Teleservice Center | Albuquerque, NM (±155,000 SF)



Government Contractor Facility | Peachtree City, GA (±163,000 SF)



U.S. Attorney's Office | Springfield, IL (±44,000 SF)



Western Passport Center | Tucson, AZ (±75,000 SF)



Tampa Air Force Medical Clinic | Tampa, FL (±45,000 SF)



Florida Department of Financial Services | Tallahassee, FL (±78,000 SF)

# GLOBAL REACH

## Newmark by The Numbers

*Newmark's company-owned offices and business partner as of January 30, 2025.*

**8,000+**  
PROFESSIONALS

**~170**  
OFFICE LOCATIONS

**\$2.8B+**  
ANNUAL REVENUES

## A Smarter, Seamless Platform

Newmark Group, Inc. (Nasdaq: NMRK), together with its subsidiaries ("Newmark"), is a world leader in commercial real estate, seamlessly powering every phase of the property life cycle.

Newmark enhances its services and products through innovative real estate technology solutions and data analytics designed to enable its clients to increase their efficiency and profits by optimizing their real estate portfolio.

## Integrated Services Platform

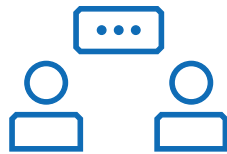
Our integrated platform gives clients a single source for all their real estate needs, with an emphasis on anticipating the future.



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Landlord  
Representation



Tenant  
Representation



Global Corporate  
Services



Project  
Management



Valuation &  
Advisory

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# GOVERNMENT LEASED CAPITAL MARKETS

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*Prepared by:*

**Davis Finney**

Senior Managing Director

t 770-552-2447

m 706-255-8610

davis.finney@nmrk.com

**Colt Neal**

Senior Managing Director

t 404-806-2512

m 770-503-4687

colt.neal@nmrk.com

**Will Baselj**

Associate

t 404-926-1060

m 770-878-0646

will.baselj@nmrk.com

**Si Pitstick**

Broker of Record – KY

Newmark Real Estate of Ohio, LLC

License#: 40608

si.pitstick@nmrk.com

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