VETERANS AFFAIRS OUTPATIENT CLINIC – MILLINGTON, TN

4963 W Union Rd
Millington, TN 38053

VA | U.S. Department of Veterans Affairs

DISCLAIMER AND LIMITING CONDITIONS

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.

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INVESTMENT ADVISORS

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

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

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EXECUTIVE SUMMARY

Veterans Affairs Outpatient Clinic- Millington, TN

Opportunity to acquire a newly constructed +37,500 SF Veteran Affairs Outpatient Clinic firm leased through 2036. The Millington VA Outpatient Clinic is set to become the largest in the state of Tennessee and is expected to be completed in the second quarter of 2026. The facility will have six primary care teams and a range of other services, including audiology, physical therapy, and whole health coaching. There will be 50 exam rooms that can accommodate 75-100 veterans at a time. The clinic is expected to serve over 7,000 veterans and create over 200 jobs for the city. Millington is already the home to the Naval Support Activity Mid-South, which has over 7,500 military, civilian, and contract personnel assigned to work on base.

- 2026 construction
- 10 year firm lease upon completion
- Millington hosts one of the largest concentrations of military and civilian personnel in the region

SALE PRICE:
$17,040,000

YEAR 1 NOI:
$1,278,000

CAP RATE:
7.5%

BUILDING SIZE:
37,500 SF

MILLINGTON, TN
VA OUTPATIENT CLINIC

PROPERTY INFORMATION

Address	4963 W Union Rd Millington, TN 38053
Building Size	37,500 SF
Site Size	5 AC
Parking	202 parking spaces
Stories	1
Tenancy	Single
Est. Completion	Q2 2026

FINANCIAL INFORMATION

Price	$17,040,000
Cap Rate	7.5%
NOI	$1,278,000
Lease Expiration	10-year firm lease upon completion

VA | U.S. Department of Veterans Affairs

LEASE OVERVIEW

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 real estate market.

LEASE SUMMARY

Tenant:	U.S. Department of Veterans Affairs
Lease SF:	37,500 SF
Shell Rent:	$1,694,350
Parking Expense Rent:	$133,320
Year 1 Rent:	$1,827,670
Lease Term/Expiration:	10-year firm lease upon completion

ABOUT THE AREA

Millington, Tennessee

Millington, Tennessee, is a strategic federal hub located just north of Memphis in Shelby County. As the home of Naval Support Activity (NSA) Mid-South, the city hosts one of the largest concentrations of military and civilian personnel in the region. Millington has a 100-year history with the U.S. military (Navy). This federal presence anchors a stable local economy and provides a consistent, mission-critical demographic of veterans and active-duty service members.

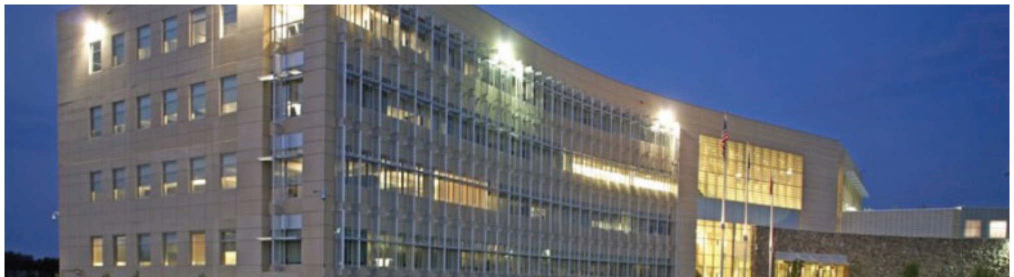
The area is defined by a high quality of life with a low cost of living, offering a blend of suburban stability and access to regional recreation like Meeman-Shelby Forest State Park. Connectivity is a key strength, with direct access to U.S. Highway 51 and the future I-69 corridor, ensuring easy transit for patients and staff throughout the Mid-South. City manager for Millington, Frankie Dakin, said “By being home to the world’s largest inland Naval base, our low taxes, safe neighborhoods, and now expanded care options, our mission is for Millington to be the #1 place in America for our veterans to retire.

The presence of the VA Outpatient Clinic underscores Millington’s importance as a regional center for veteran services. Combining a durable government-backed economy with steady population growth, Millington represents an ideal, low-risk environment for long-term government occupied facilities.

SAMPLE TEAM CLOSINGS

FBI Field Office | Dallas, TX (±230,000 SF)

Northrop Grumman | Aurora, CO (±104,000 SF)



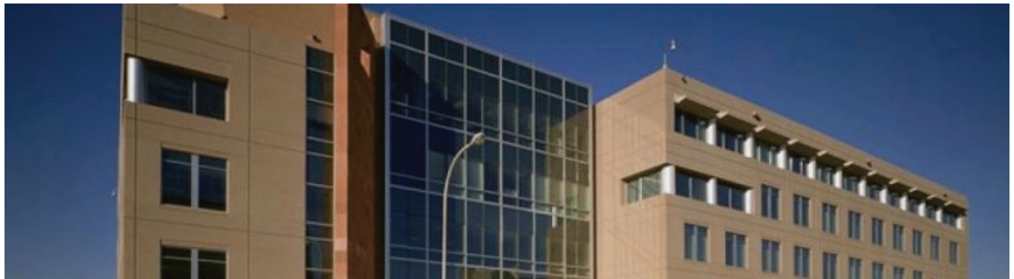
FEMA Disaster Operations Center | Winchester, VA (±135,000 SF)

Lockheed Martin Portfolio | Hanover, MD (±127,000 SF)

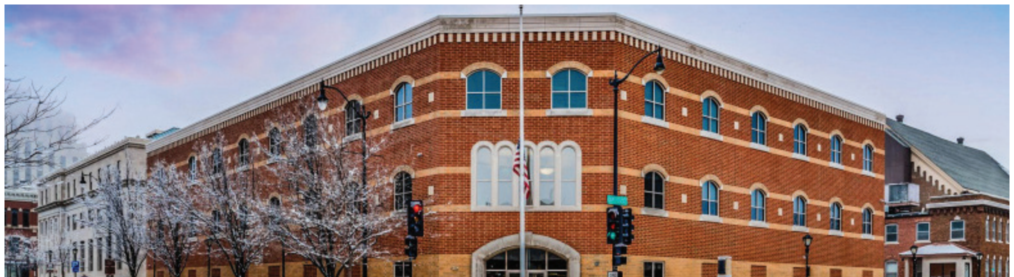
State Government Office | Clinton, MS (±400,000 SF)

FBI Facility | McAllen, TX (±80,000 SF)

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

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- Tenant Representation
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- Valuation & Advisory

GOVERNMENT LEASED CAPITAL MARKETS

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

John Sanders
Broker of Record - TN
Newmark Southern Region, LLC
License #: 286198
bert.sanders@nmrk.com

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