



VA ADMINISTRATION OFFICE

1410 S 1st Ave, Iowa City, IA 52240

**Government Building
Investment Opportunity**

Offering Memorandum



MATTHEWS™

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PROPERTY OVERVIEW

VA Administration Office

1410 S 1st Ave, Iowa City, IA 52240



| Property Overview

\$5,800,000

Offering Price

±32,200

Total GLA (SF)

±2.88

Lot Size (AC)

1967/2023

Year Built/Renovated

Investment Highlights

- **1st Generation Lease** — Redeveloped for the VA in 2023, this tenant signed a 20-year lease, 10 years of which are firm (non-cancellable), which leaves ±7 years remaining on the lease.
- **Home of the University of Iowa** — The largest employer in the city, along with the UI Health Care System, Iowa City offers market stability and growth.
- **Biggest Economic Sectors Are Healthcare And Education** — Over 22,000 people work in Healthcare in Iowa City, which is a significant portion of the working population.
- **Serves 50,000 Veterans Annually** — The Iowa City VA Healthcare system serves roughly 50,000 Veterans annually across 53 counties, with roughly 2,000 staff members.



FINANCIAL OVERVIEW

VA Administration Office

1410 S 1st Ave, Iowa City, IA 52240



Financial Overview

\$5,800,000

Offering Price

9.32%

Cap Rate

\$540,789

Net Operating Income

Street Address	1410 S 1st Ave, Iowa City, IA
Construction Foundation	Steel
Construction Framing	Concrete
Parking Spaces	146 Spaces
Parking Ratio	6.20/1000
GLA	±32,200 SF
Year Built / Renovated	1967 / 2023
Lot Size	±2.88 AC
Tenant Trade Name	Veterans Affairs Administration
Type of Ownership	Fee Simple
Lease Guarantor	Federal Government
Lease Type	Modified Gross
Roof, Structure, Parking Lot	Landlord Responsibilities
Original Lease Term	20 Years
Lease Commencement Date	12/1/23
Rent Commencement Date	12/1/23
Rent Expiration Date	11/30/43
Firm Lease Term Remaining	±7 Years
Soft Lease Term Remaining	±10 Years
Increase	CPI Annually In Opex Rent
Options	One, 5-Year Option



Annualized Operating Data

Date	Total Monthly Rent	Yearly Shell Rent	Yearly Operating Rent	TI & BSAC Rent	Total Yearly Rent
Year 1: 12/1/2023	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 2: 12/1/2024	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 3: 12/1/2025	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 4: 12/1/2026	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 5: 12/1/2027	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 6: 12/1/2028	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 7: 12/1/2029	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 8: 12/1/2030	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 9: 12/1/2031	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 10: 12/1/2032	\$68,774.76	\$479,690.13	\$165,600.00	\$180,007.00	\$825,297.13
Year 11: 12/1/2033	\$56,207.99	\$508,895.85	\$165,600.00	-	\$674,495.85
Year 12: 12/1/2034	\$56,207.99	\$508,895.85	\$165,600.00	-	\$674,495.85
Year 13: 12/1/2035	\$56,207.99	\$508,895.85	\$165,600.00	-	\$674,495.85
Year 14: 12/1/2036	\$56,207.99	\$508,895.85	\$165,600.00	-	\$674,495.85
Year 15: 12/1/2037	\$56,207.99	\$508,895.85	\$165,600.00	-	\$674,495.85
Year 16: 12/1/2038	\$57,483.78	\$524,205.30	\$165,600.00	-	\$689,805.30
Year 17: 12/1/2039	\$57,483.78	\$524,205.30	\$165,600.00	-	\$689,805.30
Year 18: 12/1/2040	\$57,483.78	\$524,205.30	\$165,600.00	-	\$689,805.30
Year 19: 12/1/2041	\$57,483.78	\$524,205.30	\$165,600.00	-	\$689,805.30
Year 20: 12/1/2042	\$57,483.78	\$524,205.30	\$165,600.00	-	\$689,805.30

*Not Including CPI Rent Increases

1.) Average Cap Rate of 8.02% assuming costs increase at the rate of CPI rent increases in Opex Rent

Income & Expenses

	Total	\$/SF
INCOME		
(Shell) Base Rent	\$479,690	\$14.90
Opex Rent	\$176,510	\$5.48
TI & BSAC Rent	\$180,007	\$5.59
Effective Gross Income	\$836,207	\$25.97
EXPENSES		
Fire Alarm Monitoring	\$694	\$0.02
Fire Protection	\$375	\$0.01
HVAC	\$16,297	\$0.51
Lawn care	\$8,620	\$0.27
Parking Lot	\$376	\$0.01
Pest Control	\$1,179	\$0.04
Plumbing	\$180	\$0.01
Property Management	\$5,047	\$0.16
Repairs & Maintenance	\$6,766	\$0.21
Security	\$444	\$0.01
Snow Removal	\$11,861	\$0.37
Waste Removal	\$2,623	\$0.08
Window Cleaning	\$793	\$0.02
Janitorial	\$45,957	\$1.43
Cleaning Supplies	\$9,537	\$0.30
Utilities	\$37,015	\$1.15
Property Taxes	\$136,118	\$4.23
Insurance	\$11,536	\$0.36
Total Operating Expense	\$295,418	\$9.17
NET OPERATING INCOME	\$540,789	\$16.79



*All Expenses Besides Taxes Include 3% Increase In Cost For Inflation

Tenant Overview



VA



U.S. Department
of Veterans Affairs

The United States Department of Veterans Affairs (VA) is a federal agency dedicated to serving America's military Veterans through comprehensive healthcare, benefits, and support services. Guided by its mission to care for those who have served, the VA promotes the health, well-being, and long-term economic security of Veterans, their families, and survivors.

The VA provides a wide range of services, including primary and specialty medical care, mental health services, rehabilitation programs, social support, and benefits administration. Through its integrated healthcare system, the agency addresses both physical and behavioral health needs, with a focus on prevention, recovery, and long-term quality of life.

The VA Center located at 1410 S 1st Ave in Iowa City, Iowa operates as part of the broader VA healthcare network, delivering essential outpatient services to Veterans throughout the region. Positioned within a strong healthcare and academic corridor anchored by the University of Iowa and UI Health Care, the facility benefits from access to a highly trained workforce and established medical infrastructure, enhancing the level of care provided to local Veterans.

Staffed by experienced healthcare professionals and administrative personnel, the Iowa City VA Center works in coordination with regional VA facilities, community organizations, and government agencies to ensure timely, accessible, and patient-focused care. The department's commitment is reflected in its core values of integrity, commitment, advocacy, respect, and excellence, supporting those who have served the nation.

MARKET OVERVIEW

VA Administration Office

1410 S 1st Ave, Iowa City, IA 52240





 **Windsor Ridge/Eastside Neighborhood**
±500 Units

 **Lemme Elementary School**
±371 Students

 **Lucas Elementary School**
±274 Students

 **Town & Campus Apartments**
±100 Units



 **Southeast Middle School**
±1,290 Students



±1.3K Employees
P&G
Procter & Gamble

 **Subject Property**



S 1st Ave ±12,618 VPD



 **Pleasant Valley Golf Course**
Golf Course

Iowa City Marketplace

 *Bargain*
OLLIE'S OUTLET
GOOD STUFF CHEAP

 **planet fitness**

 **DOLLAR TREE**

 **Marcus THEATRES**

 **MOVIE TAVERN**
by Marcus

 **Iowa City Municipal Airport**
±2.8 Miles Away

Walmart 
Supercenter

 **University of Iowa**
±30,000 Students

 **Iowa City**
±2.3 Miles Away

 **Petland**
PETLAND PETS MAKE LIFE BETTER!

±1.5K Employees
 **Remedy**
intelligent staffing.

JAVA HOUSE
COFFEE ROASTERS
Est. Iowa City • 1994

 **Tate High School**
±2,169 Students

 **PERIODONTAL ASSOCIATES**

 **Wendy's**

±1.3K Employees
P&G
Procter & Gamble

St 1st Ave ± 12,618 VPD

6 ± 21,800 VPD

 **Subject Property**

Iowa City, IA

City Demographics

75,000

Total Population

\$58,000

Median HH Income

30,000

of Households

40,000

Employed Population

55%

% Bachelor's Degree

26

Median Age



Local Market Overview

Iowa City, located in eastern Iowa within the Cedar Rapids—Iowa City corridor, is a stable and institutionally anchored market driven by education, healthcare, and government employment. The city has experienced steady population growth supported by the presence of the University of Iowa, which attracts students, faculty, and professionals from across the country. Median household incomes are bolstered by a highly educated workforce, with a strong concentration of residents holding bachelor's and advanced degrees. The area benefits from a balanced mix of renters and homeowners, creating consistent demand across multiple property types, including government and institutional assets.

The surrounding area offers a high quality of life with access to cultural amenities, healthcare systems, and public infrastructure. Downtown Iowa City serves as a regional hub for commerce, dining, and civic activity, while nearby residential neighborhoods provide stable housing demand. Continued investment in public facilities, transportation improvements, and university expansion reinforces long-term economic resilience. The market's low volatility and reliable tenant base make it particularly attractive for government-oriented real estate, where occupancy stability and institutional demand are key drivers.

Property Demographics

POPULATION	1-MILE	3-MILE	5-MILE
2025 Population	12,211	63,650	90,411
2030 Population Projection	12,335	65,557	93,258
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Households	5,255	26,189	37,520
2030 Household Projections	5,315	27,009	38,775
INCOME	1-MILE	3-MILE	5-MILE
Avg Household Income	\$84,047	\$77,274	\$81,515



THE
UNIVERSITY
OF IOWA



200+

Academic Programs

30K+

Total Enrollment

\$10,900

Avg In-State Tuition

22

NCAA D1 Teams

Academic Profile

The University of Iowa (UI) is a premier public research university offering a wide range of academic programs across undergraduate, graduate, and professional disciplines. Founded in 1847, UI is one of the oldest institutions in the Midwest and is well known for its strengths in writing, healthcare, law, and the arts, as well as its commitment to research and interdisciplinary learning.

Enrollment & Demographics

The University of Iowa enrolls approximately 30,000 students, including undergraduate, graduate, and professional students. Its student body represents all 50 states and numerous countries, creating a diverse and globally engaged campus community.

Regional & National Draw

As a Carnegie R1 research institution, UI attracts regional and national attention for its excellence in research, particularly in healthcare, communication, and the humanities. Located in Iowa City—a UNESCO City of Literature—the university plays a central role in drawing talent, innovation, and cultural engagement to the region.

Community & Economic Impact

The University of Iowa is a key economic engine for Iowa City and the surrounding region, contributing significantly through employment, research funding, and student spending. The university drives demand for housing, retail, and local services, supported by a lively campus life, major healthcare facilities, and year-round academic, cultural, and athletic events.



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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **1410 S 1st Ave, Iowa City, IA 52240** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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