

Offering Memorandum

U.S. Department of
Veterans Affairs

1106 Military Blvd | Decorah, IA 52101



Accelerating success.



Disclaimer

Colliers International Brokerage Company (“Broker”) has been retained as the exclusive advisor and broker for this offering.

This Offering Memorandum has been prepared by Broker for use by a limited number of parties and does not purport to provide a necessarily accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective Buyers may need or desire. All projections have been developed by Broker and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Seller and therefore are subject to variation. No representation is made by Broker or the Seller as to the accuracy or completeness of the information contained herein, and nothing contained herein shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, the Seller and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Broker, the Seller and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in or omitted from the Offering Memorandum or any other written or oral communication transmitted or made available to the Buyer. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum are solely the responsibility of the prospective Buyer.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective Buyers.

By accepting the Offering Memorandum, you agree to indemnify, defend, protect and hold Seller and Broker and any affiliate of Seller or Broker harmless from and against any and all claims, damages, demands, liabilities, losses, costs or expenses (including reasonable attorney’s fees, collectively “Claims”) arising, directly or indirectly from any actions or omissions of Buyer, its employees, officers, directors or agents.

Buyer shall indemnify and hold Seller and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney’s fees and court costs which may be incurred with respect to any claims for other real estate commissions, broker’s fees or finder’s fees in relation to or in connection with the Property to the extent claimed, through or under Seller.

The Seller and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Seller and its legal counsel, and any conditions to the Seller’s obligation thereunder have been satisfied or waived.

The Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a

confidential nature. By accepting the Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose the Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make an offer and from whom you have obtained an agreement of confidentiality) without prior written authorization of the Seller or Broker, and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Seller or Broker.

No employee of seller or at the Subject Property is to be contacted without the written approval of the listing agents and doing so would be a violation of this confidentiality agreement.

Broker has created cash flow projections for the Property using Argus Financial Software. Neither Broker nor the Seller make any representation, warranty or guaranty of the economic value of the Property through the cash flow projections contained in this Offering or the associated Argus computer files.

Broker and their prospective buyers agree not to contact the tenants, their employees or customers of any business on the Property without prior permission from the Landlord.



Offering Summary	4
Property Profile	5
Demographics	7
Tenant Profile	8
Cash Flow	9
Pricing	10

Broker of Record:

Kyle Peterson

Chief Executive Officer, Principal | Nebraska
 11516 Miracle Hills Dr. Suite 400
 Omaha, Nebraska 68154 | USA

Exclusive Investment Advisory Team:

Geoff Ficke

Executive Vice President
 +1 972 759 7814
 geoff.ficke@colliers.com

Zack Ficke

Vice President
 +1 972 759 7854
 zack.ficke@colliers.com

Debra Vander Weit

Vice President
 +1 847 987 1265
 debra.vanderweit@colliers.com

Sydney Gonzalez

Sr. Client Services Specialist
 +1 972 759 7840
 sydney.gonzalez@colliers.com

Rokas Samas

Marketing Specialist
 +1 972 759 7824
 rokas.samas@colliers.com

Simon Affi

Financial Analyst
 +1 214 706 6032
 simon.affi@colliers.com

Debt & Structured Finance:

Shawn Givens

Vice Chairman
 +1 214 217 4868
 shawn.givens@colliers.com

Will Givens

Senior Vice President
 +1 214 217 4869
 william.givens@colliers.com

Robert Siddall

Vice President
 +1 214 217 4870
 robert.siddall@colliers.com

Ken Higgins

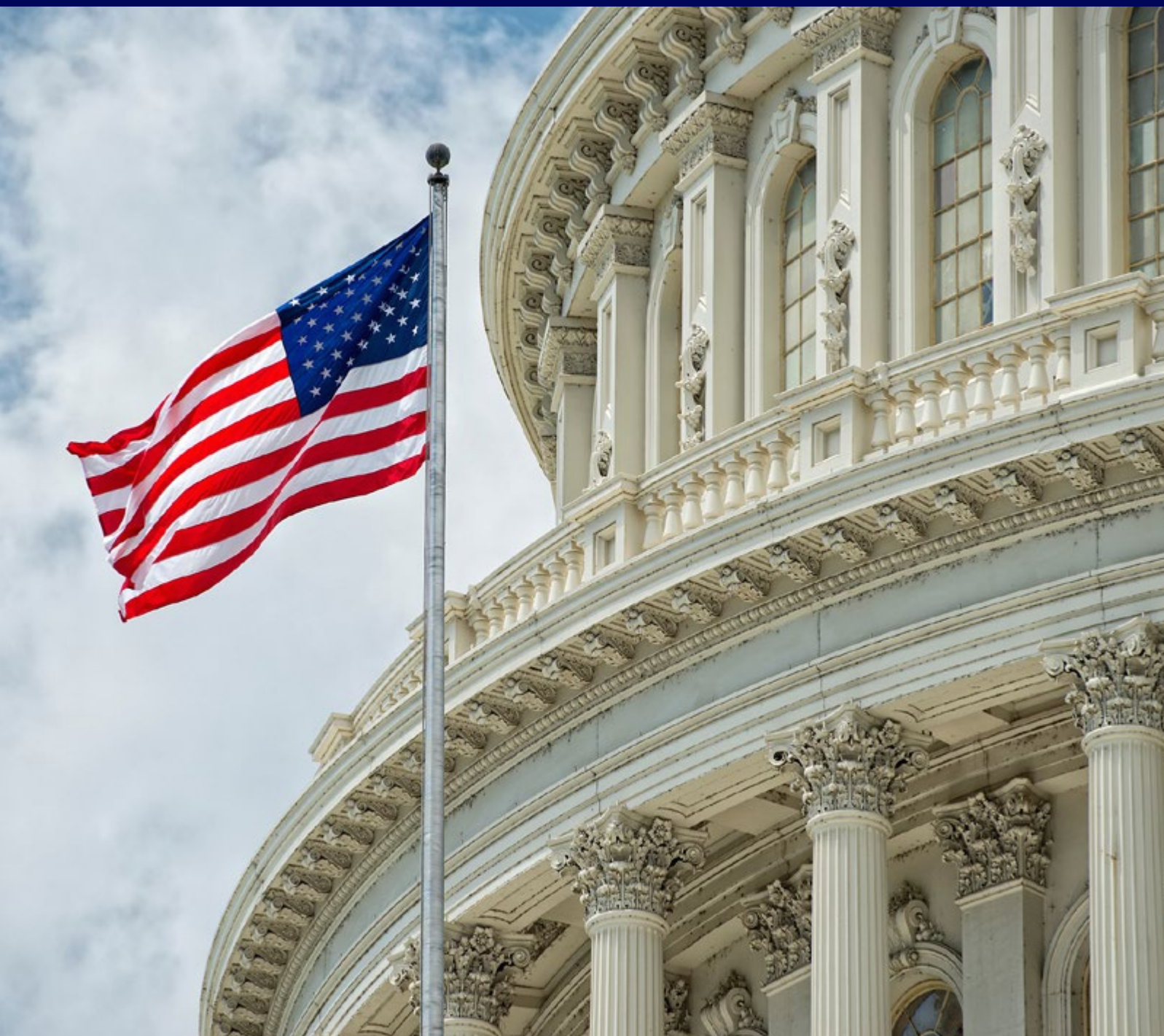
Chief Transaction Analyst
 +1 214 217 4871
 ken.higgins@colliers.com

Bryce Finley

Financial Analyst
 +1 214 217 1214
 bryce.finley@colliers.com

Offering Summary

1106 Military Blvd
Decorah, IA 52101

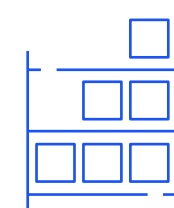


The Ficke Team of Colliers is pleased to present to qualified investors the opportunity to acquire the Department of Veterans Affairs – Community Based Outpatient Clinic (CBOC) located at 1106 Military Blvd in Decorah, Iowa. The subject property is a 2025 build-to-suit development designed specifically to meet the U.S. Department of Veterans Affairs’ rigorous specifications. This first-generation lease includes a 10-year lease term with no termination options, offering long-term cash flow backed by an investment-grade federal tenant (S&P AA+). The VA has invested substantial capital into this mission-critical facility, which ensures high-quality healthcare access for the growing veteran population in northeast Iowa.

Decorah is the county seat of Winneshiek County, nestled in the scenic Upper Iowa River Valley and home to a robust and aging population. Decorah’s regional medical hub status makes it a natural location for an expanded VA presence. The 16,879-square-foot facility sits on a large 3.18-acre parcel, offering significant space for parking and future growth. The VA’s expanded Decorah CBOC is aligned with its broader federal healthcare initiative to enhance services in rural America.

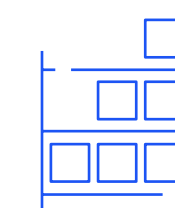
As of Fiscal Year 2025, the U.S. Department of Veterans Affairs (VA) is operating under a proposed budget of \$369.3 billion, reflecting a 10% increase over the FY 2024 budget. This funding supports critical improvements to VA medical facilities and enhances services to veterans, caregivers, and their families.

The Decorah CBOC will provide a wide range of medical services, including primary care, behavioral health, women’s health, and lab services. The facility replaces a smaller existing clinic and greatly expands the VA’s footprint in the region. The development incorporates the latest federal guidelines for energy efficiency, sustainability, and accessibility.



2025 Build-to-Suit

New construction with significant TI investment funded directly by the VA



Federal Credit Tenant

U.S. Department of Veterans Affairs – S&P AA+ rating



10-Year Firm Lease Term

Long-term lease with no termination options provides stable cash flow

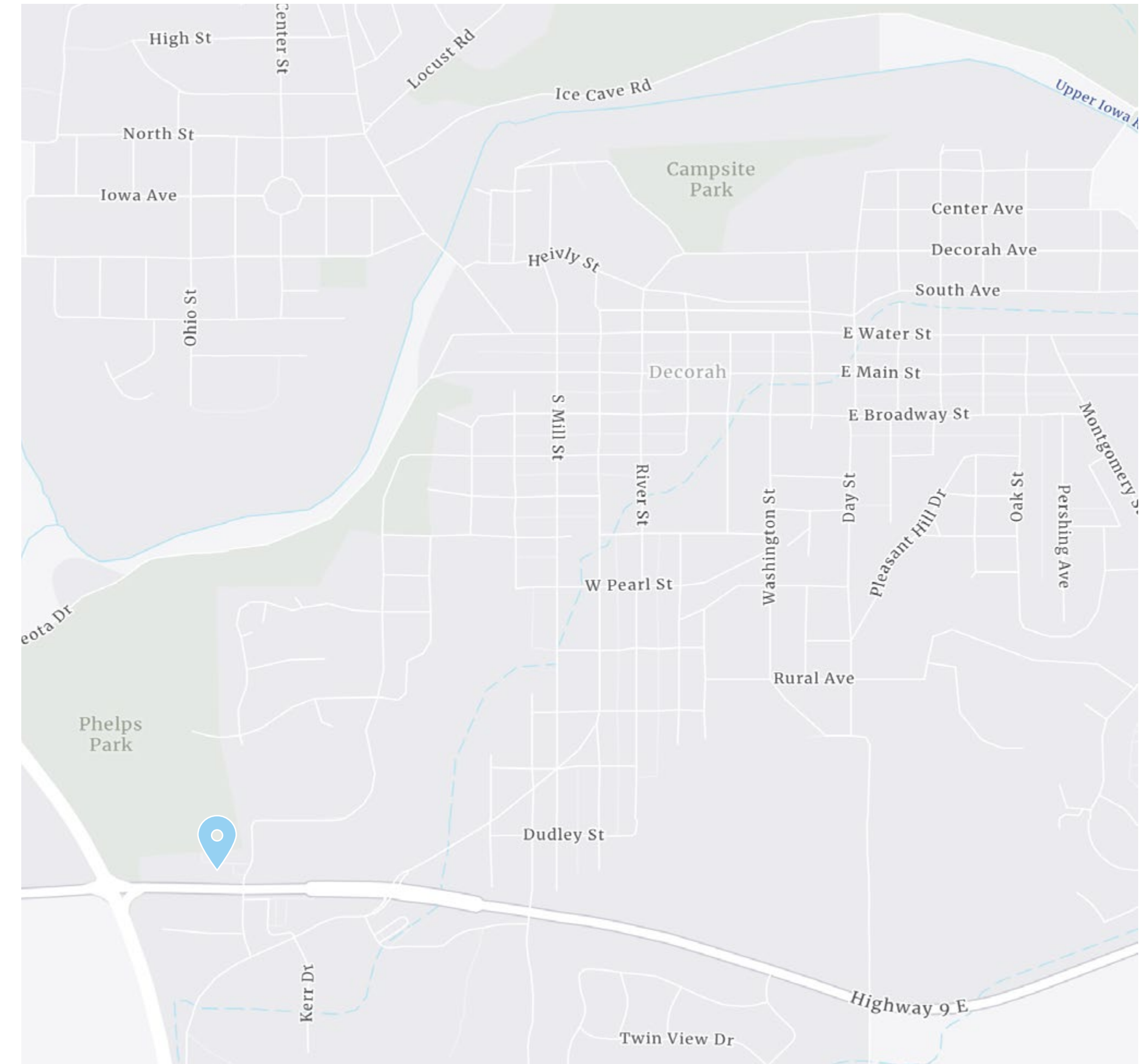


Strategically Located in Decorah, IA

Regional medical center with strong need for expanded federal veteran care

Property Profile

Property Address	1106 Military Blvd, Decorah, IA 52101
Rentable Square Feet (RSF)	16,879
Lot Size (Acres)	3.18
FAR	0.02
Year Built	2025
Building Class	A
County	Winneshiek
Ownership Type	Fee Simple
Transfer Conveyance Interest	Membership Interest Purchase Agreement (MIPA) - LLC Entity Transfer



Property Photography



Interior Photography



Aerial Overview



Demographics

Decorah, Iowa, is a picturesque small town nestled in the rolling hills of northeast Iowa's Driftless Region, an area known for its unique topography untouched by glaciers. With a population of around 7,500, Decorah offers a charming blend of natural beauty, rich cultural heritage, and a strong sense of community. The town is home to Luther College, a private liberal arts institution that contributes to its vibrant arts and academic scene. Decorah celebrates its Norwegian roots through events like Nordic Fest and the Vesterheim Norwegian-American Museum, one of the most comprehensive museums in the U.S. dedicated to a single immigrant group. Outdoor enthusiasts are drawn to the area's scenic trails, trout streams, and the Upper Iowa River, making it a hub for hiking, biking, and kayaking. Decorah's historic downtown, with its locally owned shops and cafes, adds to the town's welcoming and eclectic character, making it a standout destination in the Midwest.

Demographics in a 10-Mile Radius



\$99,103

Average Household Income



39%

Bachelor's/Graduate/Prof Degree



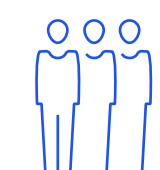
\$278,020

Median Home Value



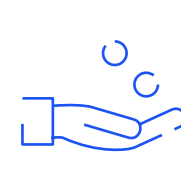
30%

Undergraduate enrollment



13,964

Current Total Population



814

Total Businesses



5,599

Current Total Households



9,384

Total Employees



Winneshiek County

Tenant Overview



United States Department of Veterans Affairs

The VA is a federal Cabinet-level agency that provides near-comprehensive healthcare services to eligible military veterans at VA medical centers and outpatient clinics located throughout the country; several non-healthcare benefits including disability compensation, vocational rehabilitation, education assistance, home loans, and life insurance; and provides burial and memorial benefits to eligible veterans and family members at 135 national cemeteries. The VA CBOC provides a broad range of general medical and services for primary care patients. Services provided include: audiology, cardiology, dietary care, dermatology, optometry, phlebotomy, pharmaceutical, primary care, psychiatry, psychology, social work, smoking cessation, social work, nursing, wound care, diabetic and hypertension education. Veterans requiring hospitalization are assessed, stabilized and transferred to either local facilities or to nearby hospitals.

Lease Information | United States Department of Veterans Affairs

Lease Type	Modified Gross
Rentable Square Feet (RSF)	16,879
ANSI/BOMA Occupant Area (ABOA) Square Feet	16,483
% Share of SF	100.00%

Lease Information | United States Department of Veterans Affairs

Lease Commencement	2/1/2025
Soft Term Expiration	1/31/2035
Firm Term Expiration	1/31/2035
Lease Initial Total Term	10.00
Firm Term Remaining	9.55
Options Details	N/A
Real Estate Taxes	The Government shall pay its share of any increases and shall receive its share of any decreases in the Real Estate Taxes for the Property, such share of Increases or decreases to be referred as a tax adjustment based on an established tax base.
Operating Expense	Adjustments per Rent Schedule.
Shell Rental Rate/SF	\$27.49
Current Operating Expense Rent/SF	\$10.00
Total Rent Amount/SF	\$37.49
Real Estate Tax Base	\$37,640
Transfer Conveyance Interest	Membership Interest Purchase Agreement (MIPA) - LLC Entity Transfer

Commencement: 2/01/2025 Expiration: 1/31/2035	02/01/2025 - 01/31/2035 (Firm)			02/1/2030 - 01/31/2035 (Firm)		
	\$/SF	Annual	Monthly	\$/SF	Annual	Monthly
Base Rent	\$27.49	\$464,003.71	\$38,666.98	\$27.49	\$464,003.71	\$38,666.98
OpEx Rent	\$10.00	\$168,790.00	\$14,065.83	\$12.50	\$210,987.50	\$17,582.29
Total	\$37.49	\$632,793.71	\$52,732.81	\$39.99	\$674,991.21	\$56,249.27

Cash Flow

For the Years Ending [1]			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Total
			Sep-2026	Sep-2027	Sep-2028	Sep-2029	Sep-2030	Sep-2031	Sep-2032	Sep-2033	Sep-2034	Sep-2035	Sep-2036	
Rental Revenue		\$/SF												
VA - Base Rent	[2]	\$27.49	464,004	464,004	464,004	464,004	464,004	464,004	464,004	464,004	464,004	464,004	510,404	5,150,441
Total Rental Revenue		\$27.49	464,004	464,004	464,004	464,004	464,004	464,004	464,004	464,004	464,004	464,004	510,404	5,150,441
Other Tenant Revenue														
VA - OpEx Rent	[3]	\$10.00	168,790	168,790	168,790	168,790	179,339	210,988	210,988	210,988	210,988	224,174	263,734	2,186,358
VA - RE Tax Reimbursement	[4]	\$6.26	105,682	109,265	112,938	116,702	120,561	124,516	128,570	132,725	136,984	141,350	145,824	1,375,115
TIF Reimbursement	[5]	\$7.64	128,990	132,215	135,520	138,908	14,368	0	0	0	0	0	0	550,000
Total Other Tenant Revenue		\$23.90	403,462	410,270	417,248	424,400	314,268	335,503	339,557	343,712	347,971	365,524	409,559	4,111,473
Effective Gross Revenue		\$51.39	867,466	874,273	881,251	888,404	778,272	799,507	803,561	807,716	811,975	829,527	919,963	9,261,915
Operating Expenses	[6]													
Management Fees	[7]	\$1.54	26,024	26,228	26,438	26,652	23,348	23,985	24,107	24,231	24,359	24,886	27,599	277,857
Gas & Propane		\$0.24	3,992	4,092	4,194	4,299	4,406	4,517	4,629	4,745	4,864	4,985	5,110	49,834
Electricity		\$1.73	29,180	29,910	30,657	31,424	32,209	33,014	33,840	34,686	35,553	36,442	37,353	364,268
Water		\$0.25	4,220	4,326	4,434	4,544	4,658	4,775	4,894	5,016	5,142	5,270	5,402	52,680
Janitorial Services		\$3.01	50,741	52,010	53,310	54,643	56,009	57,409	58,844	60,315	61,823	63,369	64,953	633,424
Repairs & Maintenance		\$0.81	13,610	13,950	14,299	14,656	15,023	15,398	15,783	16,178	16,582	16,997	17,422	169,900
Fire Inspection		\$0.21	3,493	3,580	3,670	3,762	3,856	3,952	4,051	4,152	4,256	4,362	4,471	43,605
Contract Services		\$0.89	14,966	15,340	15,724	16,117	16,520	16,933	17,356	17,790	18,235	18,690	19,158	186,828
Monitoring Services		\$0.14	2,332	2,390	2,450	2,511	2,574	2,638	2,704	2,772	2,841	2,912	2,985	29,111
Insurance		\$1.00	16,809	17,229	17,660	18,101	18,554	19,018	19,493	19,981	20,480	20,992	21,517	209,835
Property Taxes		\$8.49	143,322	146,905	150,578	154,342	158,201	162,156	166,210	170,365	174,624	178,990	183,464	1,789,155
Internet		\$0.04	705	723	741	759	778	798	818	838	859	880	902	8,801
Total Operating Expenses		\$18.33	309,394	315,960	323,412	331,051	335,357	343,795	351,912	360,231	368,759	377,896	389,434	3,807,201
Net Operating Income		\$33.06	558,072	558,313	557,839	557,352	442,914	455,712	451,649	447,485	443,216	451,632	530,529	5,454,713

Notes to Cash Flow

1. Analysis start date begins on October 1, 2025.
2. VA assumed to renew in Year 11 for 110% of previous base rental rate and 125% of previous OpEx Rent.
3. VA OpEx Base is \$168,790.00/annum. Increases per lease.
4. VA has a real estate tax base of \$37,640.00/annum - Landlord is reimbursed any overage above this amount or covers any shortfall on behalf of the Government.
5. TIF Reimbursement presented as a NPV of future payments.
6. Operating expense source: Property 2025 budget - Analysis assumes 2.5% YoY growth every calendar year.
7. Management Fee is assumed to be 3.0% effective gross revenue (EGR).

Pricing

Sale Price

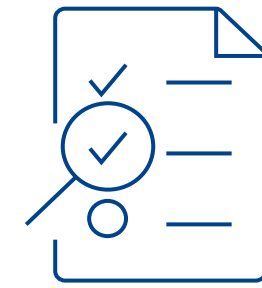
Contact Broker

A Formal Call for Offers Date will be established on a day tbd.

Please contact our Investment Sales Team for questions or more information.

Net Operating Income

\$558,072



Offering Instructions

Offers should be submitted via email to:

Geoff.Ficke@colliers.com & **Zack.Ficke@colliers.com**

Please include the following:

1. Purchase price
2. Source of debt and equity
3. Earnest money deposit
4. Due diligence and closing timelines
5. Detailed list of contingencies including investment committee, appraisal, and/or Lender approval that may be required
6. Detailed list of closing cost responsibilities

Reach out to get started.



Accelerating success.

Geoff Ficke

Executive Vice President
+1 972 759 7814
geoff.ficke@colliers.com

Zack Ficke

Vice President
+1 972 759 7854
zack.ficke@colliers.com

Debra Vander Weit

Vice President
+1 847 987 1265
debra.vanderweit@colliers.com

Sydney Gonzalez

Sr. Client Services Specialist
+1 972 759 7840
sydney.gonzalez@colliers.com

Rokas Samas

Marketing Specialist
+1 972 759 7824
rokas.samas@colliers.com

Simon Affi

Financial Analyst
+1 214 706 6032
simon.affi@colliers.com

This document/email has been prepared by Colliers for advertising and general information only. Colliers makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Colliers and /or its licensor(s). © 2025. All rights reserved. This communication is not intended to cause or induce breach of an existing listing agreement. Colliers International North Texas, LLC