



Complex Challenges, Smart Solutions
For Healthcare Real Estate



HOSPITAL CAMPUS

CASE STUDY



JOHNSTON MEMORIAL HOSPITAL ABINGDON, VA

HIGHLIGHTS

Project Type
Hospital Campus
Disposition

Realty Trust Group (“RTG”) was engaged by Ballad Health, a leading healthcare system in Northeast Tennessee and Southwest Virginia to **assist in the disposition of Johnston Memorial Hospital (“JMH”) in downtown Abingdon, VA.**

The existing facility was constructed in 1919 and could not meet the current needs for effective healthcare delivery. Further, the campus was located in an historic neighborhood in downtown Abingdon, Virginia, which limited the ability to expand or build a new facility at the current location. MSHA management approved the construction of a new replacement hospital on a different site in Abingdon.

RTG was engaged to support JMH in the evaluation of the facility and **identification of potential buyers / users / developers.** As noted above, both the age and location of the facility presented numerous challenges, ranging from the multitude of parcels and properties making up the campus to the existing surrounding uses and historical overlays which effectively “land-locked” the campus. Following the evaluation of relevant data and the analysis of multiple alternatives, RTG held discussions with a variety of third parties, including governmental and community groups, non-profit organizations, higher education institutions, developers and private / corporate users. Working with RTG, JMH decided to **sell the campus**, which was then **redeveloped into a 120,000 square foot corporate headquarters** for a regional grocery store chain.

The solution was successful for all parties involved. The corporate user purchased a highly desirable property with existing infrastructure at a price below that of a new greenfield development, while also finding a desirable location and supporting the downtown business community. Hospital and community leaders satisfied strategic, economic and community objectives, securing a sustainable user for the campus and bringing new jobs to the downtown area.

Client Reference

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