

Patagonia, AZ Main Post Office

100 N. Taylor Lane, Patagonia, AZ 85624-9500 Santa Cruz County

Sales Price: \$ 171,550 CAP Rate 8.50%



Summary: Patagonia, AZ was formerly a supply center for nearby mines and ranches. Today, it is a tourist destination, retirement community, and arts and craft center. Patagonia is a renowned destination for many American, Canadian and Mexican birders lured by the areas spectacular array of exotic and unusual birds. The local area has developed as a great location for growing grapes and many wineries are flourishing.

The Post Office is open eight (8) hours per day. The closest Post Office is 10 miles away. The next closest Post Office is 15 ½ miles from Patagonia. The population of Patagonia was 913 at the 2000 census. The building has a metal roof that was installed in 2003. Two heat pump units were installed in the past 8 years. The tile floor area in the customer area has been replaced. The tile floor areas in the rear of the Post Office have been overlaid in 2017 with new flooring material.

Occupied – 1976

Building Size – 1,920 square feet. Site Size – 20,350 square feet

Ground Lease – The Landlord leases the land on which the Post Office is located from the City of Patagonia. The Landlord has lease terms on the ground extending to 2056. The annual lease cost is \$5,808 from May 1, 2016 through April 30, 2026.

USPS Lease Agreement – Current lease expires April 30, 2021. **Annual Rent** – The current rent is \$23,136/year, or \$12.05/sq ft.

Renewal Options: None remain.

Maintenance –Landlord is responsible for normal repairs and maintenance to the building. USPS pays for custodial services and all utilities. The USPS is responsible for exterior landscaping.

Taxes – USPS reimburses for paid taxes.

Termination Option – None

Purchase Option – None

Net Operating Income:

Rent	\$ 23,136	
Maintenance	\$ (1,920)	(Estimated at \$.1.00/sq. ft.)
Insurance	\$ (576)	(Estimated at \$.30/sq. ft.)
Land Lease	\$ (5,808)	(Actual Expense)
Management	<u>\$ (250)</u>	
NOI:	\$ 14,582	

Note: Information contained herein was obtained from sources deemed reliable, but is provided without any representations nor warranties as to its accuracy by Real Estate Asset Counseling, Inc. or its principals.