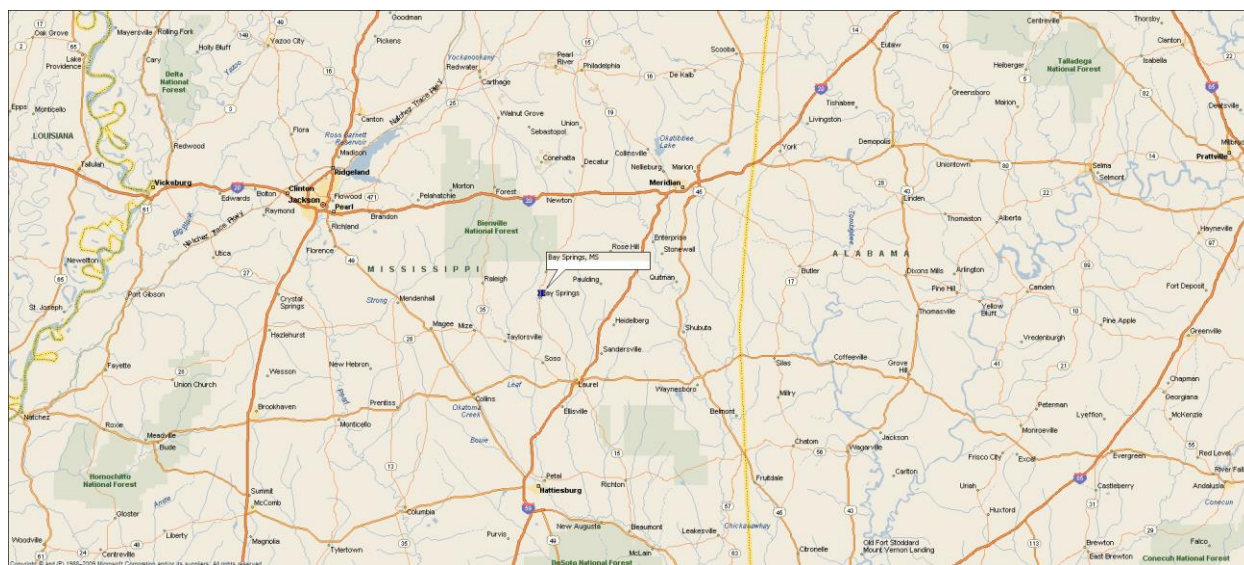


Bay Springs, MS Main Post Office

Purchase Price - \$257,500 CAP: 9.50%

Address: 14 N. Third Street, Bay Springs, MS 39422 Located in Jasper County



Summary Information: The Bay Springs, MS Post Office is open eight (8) hours per day Monday - Friday and two (2) hours on Saturday. There were 1,786 residents at the 2010 census. Bay Springs is the western county seat of Jasper County and a county courthouse is in this community.

The Post Office occupies a portion of the first floor of a two-story building. Another tenant occupies a smaller portion of the first floor and rents that space for \$6,000 per year on a verbal agreement with the Lessor. The second floor of the building is currently vacant but is available for lease. This property has the potential for increased rental income through marketing of the excess space.

The lessor has made improvements to the property, including no less than roof and HVAC work in 2016 with costs of \$82,000; a Trane HVAC unit is 2018 costing \$7,900; and paving work in 2018 costing \$25,000.

USPS Information:

USPS Occupancy – 1965 circa

Building Size: 3,990 sq. ft. for the Post Office leased space.

Site Size: 45,650 sq. ft.

Post Office Lease: Lease began June 1, 2021 and will expire May 31, 2026. Rent is \$39,400 per year, or 9.87/sq. ft.

USPS Renewal Options: Two renewal options of five years each remain with the rents increasing to \$44,128 and \$49,423 per year.

Taxes: Landlord pays property taxes and is not reimbursed by the USPS.

Termination Rider: Yes. Thirty (30) days' notice period available to the USPS.

Purchase Options: None.

Maintenance: Landlord Responsibility. The Landlord is responsible for normal repairs and maintenance. The Landlord is responsible for the structure and roof. The Landlord is responsible for payment of utilities. The USPS provides their own custodial services and is responsible for all exterior landscaping.

Private Tenant Information:

Private Tenant Lease: Another tenant is leasing space in the building and is paying the Lessor \$6,000 per year. There is not a signed lease with this tenant. The tenant is responsible for their custodial services. The Landlord pays for all other costs associated with this space.

Estimated Net Operating Income:

Rent- Post Office	\$ 39,400
Rent – Private Tenant	\$ 6,000
Total Rent:	\$ 45,400

Less

Maintenance Reserve	\$ 3,590 Based on \$.90/sq. ft.
Insurance:	\$ 3,487 AUSPL Quote
Utilities:	\$ 8,539
Taxes:	\$ 4,700
Management:	<u>\$ 600</u>
Net Operating Income:	\$ 24,484

Note: The Lessor is currently responsible for all maintenance to the premises and pays for all utilities, insurance and taxes.

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.