

Sterrett, AL Main Post Office

Purchase Price - \$87,120 CAP:7.50%

Address: 49930 Highway 25, Sterrett, AL 35147-8515 Located in Shelby County



Summary Information: The Sterrett, AL Post Office is open from 8:00 a.m. to 12:00 p.m. and from 1:30 p.m. to 4:00 p.m. Monday -Friday and 2.5 hours on Saturday. There were 712 residents at the 2010 census. The community is 19 miles east of Birmingham. The Post Office roof was replaced several years ago. An appraisal ordered by the Landlord indicated the building is in good condition and while it is 59 years old the effective age is 20 years. A propane tank provides gas to the Post Office and it is served by a septic system. A covered area at the rear of the Post Office provides protection from the weather for loading and unloading of mail containers.

USPS Occupancy – 1961

Building Size: 900 sq. ft.

Site Size: 9,450 sq. ft.

Lease term: Lease began January 1, 2020 and will expire December 31, 2024. Rent is \$8,300 per year, or \$9.22/sq. ft.

Renewal Options: Two options remain to extend occupancy a total of 10 years. The rent could increase to \$9,000 and then to \$9,800 per year during the respective five year options.

Taxes: Landlord pays property taxes and is not reimbursed.

Termination Rider: Yes, with 60 days-notice by 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 USPS pays for all utilities, provides their own custodial services and is responsible for all exterior landscaping.

Estimated Net Operating Income:

Rent:	\$ 8,300
Maintenance Reserve	\$ 675 Based on \$.75/sq. ft.
Insurance:	\$ 315 Actual
Taxes:	\$ 526 Actual
Management:	<u>\$ 250</u>
Net Operating Income:	\$ 6,534

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.