

AUSPL network

News and information for members of the Association of United States Postal Lessors

Thinking of Buying a Post Office Building?

Here is some background information to gather:

By Keith LaShier, Real Estate Asset Counseling

- **The current lease agreement** including amendments or addenda will provide a review of basic terms. The lease agreement identifies responsibility for future expenses such as maintenance, property taxes, and hazardous material abatement. In addition, the lease will confirm the amount of rent, and provide renewal or purchase options the USPS may have. Obtaining professional guidance through the lease evaluation process is advised.
- **Photos of the property.** These will record the condition of the property, as well as serve as reminders to the Buyer when maintenance questions are raised. Photos will also document the history of the building, in the case of future changes by the USPS.
- **Information on the condition** of the:

- | | |
|-----------------------------------|---|
| ★ roof | ★ HVAC |
| ★ plumbing | ★ parking and paved surfaces |
| ★ lighting and electrical systems | ★ well and septic system, or sewer system |



The value of the building is affected by these items. Additionally, the Buyer is informed about deferred maintenance and potential maintenance expenses. These items need to be looked at in conjunction with the lease to determine which party has responsibility for maintenance and/or replacement.

- **Recent sales prices** of nearby post offices? This information is available from commercial real estate brokers/agents. This information is valuable, however is only a part of the valuation. The sales price alone does not tell the condition of the buildings, the remaining lease term, the existence of any renewal options or any other terms of the lease – all of which will affect the value.
- **Identify available area attractions**, population information, history of the community, etc. Find out demographic and statistical information - is the area growing, or is it declining in population or economically? Are average rents growing or declining?
- **Inspect the property**, either personally, or have a professional inspection done. Talk to the Postmaster or Clerk in Charge.
- **How many hours a day is the post office open?** Knowing this lets a Buyer better evaluate future risk. The number of hours gives a sense of how necessary a facility is and how easily it might be replaced.
- **How many routes are being run out of the facility?** Are routes being added or deleted? This is another way to evaluate the future risk being taken on as a Buyer.

An in-depth knowledge of the facility prepares the Buyer for more successful purchase negotiations, and a better return on investment.

Need to Give Information to the USPS? Here's How

Under leases written on forms developed prior to the August 2017 form, landlords need to contact their Leasing Team for administrative actions such as Property Tax Reimbursement, CAM, Change of Ownership, Change of Address and Formal Notices under the Lease.

In the August 2017 lease form notices are defined as “any demand, notice or declaration of any kind” provided for in the lease, or where it is deemed desirable or necessary by either party to give or serve any such notice, demand or declaration to the other party. Leases written prior to the August 2017 form have no instructions for Notices. However, a letter was sent from the USPS Facilities Leasing Department to all Lessors in July of 2015 giving instructions for administrative actions including “Formal Notices under the Lease.”

For Postal Facilities located in: CT, DE, GA, IL, IN, KY, MA, MD, ME, MI, NC, NH, NJ, NY, OH, PA, RI, SC, TN, VA, VT, WI, WV, District of Columbia or Caribbean Territories – contact the EAST Team.

EAST LEASING TEAM
P.O. Box 27497
Greensboro, NC 27498-1103
Phone: 336-665-2808

For Postal Facilities located in: AL, AK, AR, AZ, CA, CO, FL, HI, IA, ID, KS, LA, MN, MO, MS, MT, NE, ND, NM, NV, OK, OR, SD, TX, UT, WA, WY or Pacific Territories – contact the WEST Team.

WEST LEASING TEAM
P.O. Box 5527
Denver, CO 80217-5527
Phone: 303-227-5690

In the new lease form dated August 2017, Section 10(n) of the General Conditions gives specific instructions for giving notice to the USPS, including the address and the manner in which notice is to be given.

Requests for property tax reimbursement have a separate address in the “Tax Rider Reimbursement of Paid Taxes.” That address will be written in the Tax Rider and may be the same as the address in Paragraph 10(n) of the General Conditions. The manner in which the reimbursement request is to be sent is the same as the manner for legal notice given in the General Conditions, paragraph 10(n). (US mail, certified, postage pre-paid, or by Priority Mail Express (overnight)). The lease may also require that a copy be sent to whomever is named in 10(n) of the General Conditions.)

Additionally, under the new lease form, notices to the Postal Service must include “the identification of the facility name and location.”

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Association of United States Postal Lessors
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HILL DAY 2018

AUSPL members gathered in Washington, DC on March 14, 2018 to meet with Senators and Representatives about postal reform legislation.



Rep. Dennis Ross



Rep. Martha McSally

Representatives were urged to pass H.R. 756, The Postal Reform Bill of 2017, which is critical to the financial stability of the USPS. H.R. 756 is fairly balanced toward all postal stakeholders, and helps to protect the network of rural post offices. In addition, the bill's passage would result in savings of approximately \$6 Billion in direct spending over a ten-year period, according to a June 2017 report by the Congressional Budget Office.

On the Senate side, AUSPL members lobbied for passage of the House Bill when it moves to the Senate. Senators were also asked to add provisions increasing postal retail lobby service

hours in POSTPlan buildings, clarifying guidelines for closures, and restricting "emergency closures."

Representatives Martha McSally (AZ-2) and Dennis Ross (FL-15) spoke at the Hill Day lunch. Each underscored the value of reminding Congress of the importance of postal reform legislation. Rep Ross stated that Congress tends to be reactive rather than proactive – responding to a crisis rather than taking steps to avert one. In the case of the US Postal Service, it is important to continue working toward solving the problems before they become a crisis.

AUSPL members who were unable to attend Hill Day are asked to call or write their Representatives in support of H.R. 756.

Welcome to Ted Schmitz – AUSPL's Newest Staff Member

A graduate of Arizona State University with a degree in Film and Media Production, Ted Schmitz joined AUSPL in March as its Marketing & Social Media Manager. Ted has lived in Phoenix almost his entire life. With a love for the outdoors and animals he spends much of his personal time with his dogs, Hilla and Becker, at the local park by Tempe Town Lake.

While in college, Ted worked in the photographic darkroom at ASU and since then has pursued his passion for camera work as an in-house studio photographer and corporate events videographer. Having produced a myriad of digital media content for nearly a decade, Ted brings a broad range of experience to AUSPL to help increase its digital footprint.

Ted has traveled all around the United States and is excited to engage with more of AUSPL's members during the regional conferences. Whether it is writing online through the newly established social media accounts or editing photos and videos of our regional and national conferences, Ted will be the person handling most things digital media and creative online content for AUSPL. He's new to the postal leasing game and is eager to learn more about our members, and their stories.

Connect with Ted today by following our Facebook page (@PostalLessors or search AUSPL) or Twitter account @Postal_Lessors and send him a message about what you'd like to see more of online in terms of postal reform. Or maybe just send him a good post office joke! Email to ted@auspl.com





AUSPL

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AUSPL is now on Facebook and Twitter!

The graphic features the AUSPL logo (three stars and wavy lines) and the text 'Since 1981' below it. To the left of the logo is the Facebook 'f' logo, and to the right is the Twitter bird logo. Below the AUSPL logo is the word 'AUSPL' in red. At the bottom, there is a dark blue banner with white text: 'Follow us! @PostalLessors' and 'Like Us! facebook.com/PostalLessors'.



Join Us May 9 & 10

Networking Party at the Las Vegas Mob Museum

**Be There for the Unveiling of the
New AUSPL Inspection Program!**

- Learn Negotiating Strategies
- Understand Maintenance Responsibilities
- Hear Updates from Postal Service Leaders
- Meet One-on-One with Postal Experts
- Identify Changes in the New USPS Lease Form

\$175
per person

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OR register online at www.auspl.com under Events**

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