



Social Security Administration

611 Vernon St | Ironton, OH 45638

Offering Memorandum



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Colliers International Brokerage Company ("Broker") has been retained as the exclusive advisor and broker for this offering.

This Offering Memorandum has been prepared by Broker for use by a limited number of parties and does not purport to provide a necessarily accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective Buyers may need or desire. All projections have been developed by Broker and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Seller and therefore are subject to variation. No representation is made by Broker or the Seller as to the accuracy or completeness of the information contained herein, and nothing contained herein shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, the Seller and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Broker, the Seller and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in or omitted from the Offering Memorandum or any other written or oral communication transmitted or made available to the Buyer. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum are solely the responsibility of the prospective Buyer. Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective Buyers.

By accepting the Offering Memorandum, you agree to indemnify, defend, protect and hold Seller and Broker and any affiliate of Seller or Broker harmless from and against any and all claims, damages, demands, liabilities, losses, costs or expenses (including reasonable attorney's fees, collectively "Claims") arising, directly or indirectly from any actions or omissions of Buyer, its employees, officers, directors or agents.

Buyer shall indemnify and hold Seller and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney's fees and court costs which may be incurred with respect to any claims for other real estate commissions, broker's fees or finder's fees in relation to or in connection with the Property to the extent claimed, through or under Seller.

The Seller and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Seller and its legal counsel, and any conditions to the Seller's obligation thereunder have been satisfied or waived.

The Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting the Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose the Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make an offer and from whom you have obtained an agreement of confidentiality) without prior written authorization of the Seller or Broker, and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Seller or Broker.

No employee of seller or at the Subject Property is to be contacted without the written approval of the listing agents and doing so would be a violation of this confidentiality agreement.

Broker has created cash flow projections for the Property using Argus Financial Software. Neither Broker nor the Seller make any representation, warranty or guaranty of the economic value of the Property through the cash flow projections contained in this Offering or the associated Argus computer files.

Broker and their prospective buyers agree not to contact the tenants, their employees or customers of any business on the Property without prior permission from the Landlord.

Social Security Administration

611 Vernon St | Ironton, OH 45638

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Investment Overview

The Ficke Team of Colliers is pleased to present to qualified investors the Social Security Administration (SSA) located at 611 Vernon Street Ironton, Ohio. This single-tenant property consists of 6,500-rentable square feet developed as a build-to-suit for the GSA/SSA in 2011 that includes 22 parking spaces situated on 0.59 acres. The GSA/SSA renewed this lease effective August 31, 2022, expiring August 30, 2032, and firm-term through August 30, 2027, illustrating the GSAs commitment to this location. This is a busy facility that benefits from HVAC overtime. This is an excellent opportunity for an investor to acquire a stabilized cash flow with rent guaranteed by the U.S. Government (S&P AA+ credit rating).

Ironton is a city in and the county seat of Lawrence County. Ironton is southern most Ohio community along the Ohio River, 15 miles northwest of Huntington, West Virginia and includes the Downtown Historic District. Ironton is part of the Huntington-Ashland, EV-KY-OH, Metropolitan Statistical Area. With direct access to the river, railroad, and major highways, Ironton has a great number of resources that businesses in the area can capitalize on. The economy of Lawrence County is diverse and includes health care, retail trade, manufacturing, mining, quarrying, oil and gas extraction, agriculture, forestry, fishing, and hunting.



Investment Highlights



Lease guaranteed with the full faith and credit of the U.S. Government (S&P AA+ credit rating)



Build-to-Suit for the GSA/SSA in 2011



Remaining Term of 8.92 Years



Busy facility that benefits from HVAC overtime



Well-maintained masonry building

Tenant Overview

611 Vernon St | Ironton, OH 45638



The SSA is an independent agency of the U.S. federal government that administers Social Security, a social insurance program consisting of retirement, disability, and survivors' benefits. To qualify for most of these benefits, most workers pay Social Security taxes on their earnings; the claimants' benefits are based on the wage earners contributions.

The SSA is headquartered in Woodlawn, Maryland. The agency includes 10 regional offices, eight processing centers, and approximately 1,300 field office, and 37 Teleservice Centers. As of 2018, about 60,000 people were employed by the SSA, with a budget of \$1.06 trillion.

Service Areas & Benefits

- Retirement
- Disability (SSDI)
- Supplemental Security Income (SSI)
- Medicare
- Spouses, Children & Survivor Benefits
- Medicaid

Square Feet	% Building Share	Lease Commencement	Firm Lease Expiration	Soft Lease Expiration	Annual Rent PSF	Total Rent Per Month
6,500	100%	8/31/2022	8/30/2027	8/30/2032	\$28.86	\$15,632.50
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Property Overview

611 Vernon St | Ironton, OH 45638

Property Summary	
Property Address	611 Vernon St. Ironton, OH 45638
Lot Size	0.59 acres
Rentable Square Feet	6,500
Year Built/Renovated	2011
Ownership Type	Fee Simple

Lease Summary	
Lease Type	Modified Gross
Rentable Square Feet	6,500
Lease Commencement	08/31/2022
Lease Expiration (Firm)	08/30/2027
Term Remaining (Firm)	3.91 years
Lease Expiration (Total)	08/30/2032
Term Remaining (Total)	8.92 years



Financials Rent Schedule

611 Vernon St | Ironton, OH 45638

Rentable Square Feet	6,500
Real Estate Tax Base	\$9,749.32
Real Estate Tax Percentage	100%

8/31/2022 - 8/30/2027 (Firm Term)	\$/SF	Annual	Monthly
Shell Rent	\$21.00	\$136,500.00	\$11,375.00
OpEx Base	\$7.86	\$51,090.00	\$4,257.50
Total	\$28.86	\$187,590.00	\$15,632.50

8/31/2027 - 8/30/2032 (Soft Term)	\$/SF	Annual	Monthly
Shell Rent	\$21.00	\$136,500.00	\$11,375.00
Operating Costs	\$7.86	\$51,090.00	\$4,257.50
Total	\$28.86	\$187,590.00	\$15,632.50

*Note: Social Security Administration (SSA) - Real Estate Tax Base has not yet been established - Assumed to be \$9,749.32 (2022 tax amount with 3.0% escalator) in the cash flow

Financials Pro Forma Cash Flow

611 Vernon St | Ironton, OH 45638

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
For the Years Ending			Dec-2024	Dec-2025	Dec-2026	Dec-2027	Dec-2028	Dec-2029	Dec-2030	Dec-2031	Dec-2032	Dec-2033	Dec-2034	Total
Rental Revenue		\$/SF												
Scheduled Base Rent	[1]	\$21.00	136,500	136,500	136,500	136,500	136,500	136,500	136,500	136,500	141,087	150,150	150,150	1,533,387
Total Rental Revenue		\$21.00	136,500	136,500	136,500	136,500	136,500	136,500	136,500	136,500	141,087	150,150	150,150	1,533,387
Other Tenant Revenue														
OpEx Rent	[2]	\$8.23	53,495	55,367	57,305	59,311	61,387	63,535	65,759	68,061	70,443	72,908	75,460	703,032
RE Tax Base	[3]	\$0.00	0	292	594	904	1,224	1,553	1,892	2,241	2,601	2,971	3,353	17,625
HVAC Overtime Billing	[4]	\$0.24	1,588	1,588	1,588	1,588	1,588	1,588	1,588	1,588	1,588	1,588	1,588	17,472
Total Other Tenant Revenue		\$8.47	55,083	57,248	59,487	61,803	64,199	66,676	69,239	71,890	74,632	77,468	80,401	738,128
Effective Gross Revenue		\$29.47	191,583	193,748	195,987	198,303	200,699	203,176	205,739	208,390	215,719	227,618	230,551	2,271,515
Operating Expenses		[5]												
Cleaning		\$1.70	11,027	11,358	11,698	12,049	12,411	12,783	13,167	13,562	13,969	14,388	14,819	141,230
Landscape Services		\$0.31	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630	2,709	25,818
HVAC Maintenance		\$0.62	4,018	4,139	4,263	4,391	4,523	4,658	4,798	4,942	5,090	5,243	5,400	51,467
Security/Life Safety		\$0.20	1,308	1,347	1,388	1,429	1,472	1,516	1,562	1,609	1,657	1,707	1,758	16,754
Ground & Lot		\$0.51	3,319	3,418	3,521	3,627	3,735	3,847	3,963	4,082	4,204	4,330	4,460	42,507
General R&M		\$0.38	2,472	2,546	2,623	2,701	2,782	2,866	2,952	3,040	3,131	3,225	3,322	31,661
Utilities		\$1.89	12,286	12,655	13,034	13,425	13,828	14,243	14,670	15,110	15,563	16,030	16,511	157,356
Property Insurance		\$0.67	4,351	4,482	4,616	4,755	4,897	5,044	5,196	5,351	5,512	5,677	5,848	55,729
Real Estate Taxes		\$1.50	9,749	10,042	10,343	10,653	10,973	11,302	11,641	11,990	12,350	12,721	13,102	124,867
Management Fee	[6]	\$0.89	5,780	5,845	5,912	5,981	6,053	6,128	6,204	6,284	6,504	6,861	6,949	68,501
Total Operating Expenses		\$8.67	56,326	57,908	59,537	61,215	62,944	64,725	66,560	68,450	70,535	72,813	74,879	715,891
Net Operating Income		\$20.81	135,257	135,840	136,451	137,088	137,755	138,452	139,180	139,940	145,184	154,805	155,672	1,555,624

Notes to Cash Flow

- Analysis assumes Tenant will renew at 110% of previous shell rate with tax base resets for 10 Years/5 Firm
- Social Security Administration (SSA) - OpEx Base is \$51,090 - Assume CPI increases for Sept 2023 is 3.5%, Thereafter - 3.5% compounding on most recent increase
- Social Security Administration (SSA) - Real Estate Tax Base has not yet been established - Assumed to be \$9,749.32 (2022 tax amount with 3.0% escalator) in the cash flow
- HVAC Overtime Billing is derived from 3-year average - No inflation assumed in the cash flow analysis
- Operating Expenses Source: 2023 Budget and T12 (Aug 2023) provided by ownership - Assume 3.0% YoY Growth
- Assume the Management Fee is 3.0% of Effective Gross Revenue



Ironton, OH Demographics



Lawrence County



Ironton population

57,000+

Ironton Overview | 5 Mile Radius



Population

In the identified area, the current year population is 44,859. The 2010 Census population count in the area was 46,994, and 45,435 in 2020, a -0.3% annual growth rate. The rate of growth since 2020 was -0.4% annually. The five-year projection for the population in the area is 44,030 representing a change of -0.4% annually. Currently, the population is 48.3% male and 51.7% female.



Households

The household count in this area has changed from 18,713 in 2020 to 18,537 in the current year, a change of -0.32% annually. The five-year projection of households is 18,334, a change of -0.22% annually from the current year total. Average household size is currently 2.37, compared to 2.37 in the year 2020. The number of families in the current year is 11,797 in the specified area.



Households by income (Average)

Current average household income is \$70,170 in this area, compared to \$107,008 for all U.S. households. Average household income is projected to be \$80,360 in five years, compared to \$122,048 for all U.S. households.



Housing

Currently 68.2% of the 21,049 housing units in the area are owner occupied; 31.8% renter occupied; and 11.9% are vacant. 64.6% of the housing units in the US are owner occupied; 35.4% are renter occupied; and 10.0% are vacant. In 2010, there were 21,420 housing units in the area - 61.4% owner occupied, 29.3% renter occupied, and 9.3% vacant. The annual rate of change in housing units since 2020 is -0.1%. Median home value in the area is \$111,187, compared to a median home value of \$308,943 for the U.S. In five years, median home value in the area is projected to change to \$139,043, compared to a median home value of \$350,006 in the US.

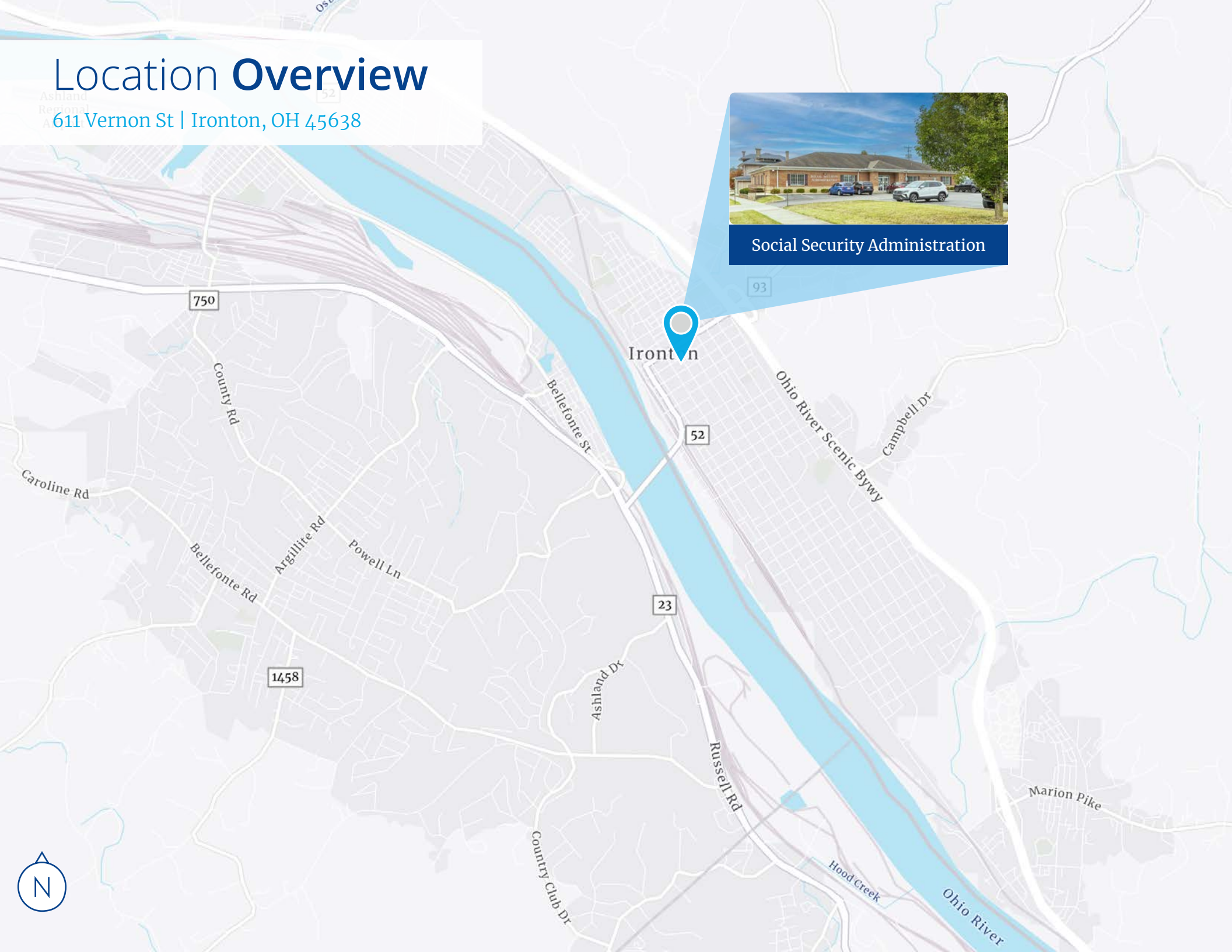
Source: ESRI

Location Overview

611 Vernon St | Ironton, OH 45638



Social Security Administration





Pricing Details

Purchase Price:
\$1,745,000
(\$268.46/sf)

NOI:
\$135,257

Cap Rate:
7.75%



Offering Instructions

611 Vernon St | Ironton, OH 45638

Offers should be submitted via email to:

Geoff.Ficke@colliers.com , Zack.Ficke@colliers.com &

Debra.VanderWeit@colliers.com Please include the following:

1. Purchase price
2. Source of debt and equity
3. Earnest money deposit
4. Due diligence and closing timelines
5. Detailed list of contingencies including investment committee, appraisal, and/or Lender approval that may be required
6. Detailed list of closing cost responsibilities

Property Tours

By Appointment Only

Form of PSA

TBD

Title & Escrow

TBD



Thank you.

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