



Board Meeting Agenda Abstract

Tuesday, April 7, 2026

Location:

Agenda Item

Agreement for Purchase and Sale of Improved Real Property and Budget Amendment BA-26-45 - 135 N Main Street (PIN 0656983308) - (Mitchell) - Item 10.B

Item Explanation

The purpose of this agenda item is to consider the approval of an Agreement for Purchase and Sale of Improved Real Property for 135 N Main Street and approve budget amendment BA-26-45.

Staff Comments

As the Town evaluates the need for future general government office space and further assesses the opportunity for downtown assemblage of property to create a downtown park and gathering space, the Town was presented with the opportunity to purchase 135 N Main Street.

Currently, the John W. Byrne Municipal building has approximately 5-7 remaining offices for occupation by town staff. Looking forward, it is likely the Town will need additional office space within 5 years. 135 N Main Street is strategically located across the street from the John W. Byrne Municipal Building, is currently occupied in part by existing Town staff in the Utility Billing Department, and is adjacent to other Town owned property. Additionally, overtime, 135 N Main Street has the capability of adding 15 to 20 additional offices to the Town's inventory of space as well as 38 public parking spaces.

The Agreement for Purchase and Sale of Improved Real Property for 135 N. Main Street identifies specific terms and conditions to include:

Purchase Price: \$2,950,000

Examination Period: 30-days

Legal Description

Leases: Adcock & Associates, LLC (expires Nov. 30, 2028), Mauldin-Watkins Surveying, P.A. (expires Oct. 31, 2027), Lamco Custom Builders, LLC (expires Oct 31, 2027 w/ one-year extension), and Capitol City Speech Therapy, PLLC (expires July 31, 2030).

The property is a total 1.094 acres and contains a commercial building structure totaling 7, 254 square feet built in 1987. Additionally, the property contains an improved parking lot with a total of 38 parking spaces. The property has a total tax value of \$1,512,333. The property was

appraised January 30, 2026 for \$2,280,000. Although the masonry building was built in 1987 for the purposes of a bank, improvements have been made over time and the building now functions as a commercial leased office space. The appraisal notes that the effective age of the structure is 6 years and equivalent to a construction year of 2020. Since 2021, \$466,000 of improvements have been made to the building in upfits, code compliance, and HVAC enhancements. The building roof has a 50-year galvalume metal surface and is in good condition. Some HVAC systems will likely need to be replaced within 5-years.

Management recommends acquiring the property for the following reasons:

1. Proximity to the existing John W. Byrne Municipal Building (directly across the street) for operations and maintenance
2. Provides additional municipal office and meeting space in close proximity to the current John W. Byrne Municipal Building without requiring a major capital construction project, with opportunity for expansion in future years
3. Provides additional municipal and public parking in close proximity to Town Hall and the future Piney Woods Town Park
4. Existing Town presence in the subject building
5. Strategically located adjacent to other Town-owned property
6. Adjacent to future Piney Woods Town Park footprint
7. Timing of purchase in advance of other nearby planned development

The Town engaged Leatherman Real Estate Services, LLC to perform an independent appraisal of the property. The real estate appraiser advised that there is an extremely limited supply of alternative properties available for sale in the market. As a result, it is common for buyers to pay more than the market value. Furthermore, the appraiser indicates that with future planned development in the vicinity, it is highly probable that the value of 135 N Main Street will significantly increase once the Downtown projects are completed, as this will drive demand for office space in the area.

While lease agreements are in effect, the Town will generate \$10,765 per month in total lease rent payments. Additionally, the Town will no longer pay \$1,125 per month in lease rent that is currently being paid for the Utility Billing Department to occupy the drive-thru payment office. There are specific aspects of building maintenance that are shared between tenant and property owner and are prescribed in the existing lease agreements whereby the tenants share in the cost of maintaining the building.

The Town engaged Hervey & Hervey, P.A. to advise as an independent closing attorney for this transaction.

All things considered, management recommends that the Town Board approve the Agreement for Purchase and Sale of Improved Real Property at 135 North Main Street as presented, subject to legal counsel's review to form, authorize the Town Manager to execute the agreement on the Town's behalf, and approve budget amendment BA-26-45, which funds the purchase of the property.

Fiscal Note

Yes

The terms of the agreement include a purchase price of \$2,950,000, which will be paid 70% from the Town's General Fund Unassigned Balance and 30% from the Enterprise Fund

Balance. Additional expenses will be related to the maintenance of the existing building on the parcel. An estimate of these annual expenses will be assessed during the 30-day examination period identified in the Agreement. Revenue income following purchase of property will be possible, as there are existing tenants in the building on the property.

Recommendation

MOTION TO: Approve the Agreement for Purchase and Sale of Improved Real Property for 135 N Main Street as recommended and presented subject to legal counsel review to form, authorize the Town Manager to execute the agreement on the Town's behalf, and approve budget amendment BA-26-45.

ATTACHMENTS

[580-T- Agreement for Purchase and Sale of Real Property - 135 N Main Street.pdf](#)

[Exhibit A.pdf](#)

[Exhibit C.pdf](#)

[135 N Main Street Agenda Map.jpg](#)

[BA-26-45 - Property Acquisition - 135 N Main Street.docx](#)