



EXECUTIVE SUMMARY



508 Baltimore Pike,
Bel Air, MD 21014

ADDRESS



Baltimore, MD MSA

MARKET

18

TENANT'S TERM OF
OCCUPANCY



7 YEARS

TERM REMAINING



CREDIT RATING



LEASE TYPE

THE OFFERING

Price	\$2,608,208
Cap	6.25%
GLA	4,725 SF (Lease)/ 5,218 SF (Survey)
Lot Size	0.37 Acres
Year Built	1990
Lease Type	NN
Lease Commencement	2/06/2002
Lease Expiration	7/31/2027
Increases	In Options
Options	Two; Five-Year Terms
Debt	Free and Clear

ANNUALIZED OPERATING DATA ANNUAL RENT % INCREASE

8/1/19- 7/31/27	\$163,013	
OPTION TERMS		
Option 1 (8/1/27- 7/31/32)	\$195,615	20.00%
Option 2 (8/1/32- 7/31/37)	\$215,177	10.00%

INVESTMENT HIGHLIGHTS

ESTABLISHED, SUCCESSFUL LOCATION FOR TENANT – FedEx Office has operated here approximately 18 years and recently extended its term. This location was originally a Kinko's.

REPLACEABLE, MARKET RENTAL RATE – At \$31 PSF Net, this outparcel's rental rate is at market levels. This limits an investor's downside risk, especially in Harford County with under 5% vacancy.

LARGE STRUCTURED RENTAL INCREASES – The lease features a rare 20% rental increase in the first, five-year option period and a 10% increase in the second.

MARKET LEADING INTERNATIONAL SERVICE-ORIENTED BUSINESS – FedEx is the leader in transportation, e-commerce, and business services worldwide with over 2,000 brick and mortar locations internationally.

MAIN AND MAIN LOCATION ROUTE 1 & ROUTE 24 – This property is located just off a major intersection supporting total traffic of more than 43,300 vehicles per day.

SUBSIDIARY OF FEDEX CORPORATION (NYSE: FDX) – Parent Company, FedEx Corporation, is the industry's global leader, providing rapid, reliable, time-definite delivery to more than 220 countries and territories, connecting markets that comprise more than 90 percent of the world's gross domestic product. FedEx is rated investment grade, or "BBB" by Standard & Poor's and reports revenue of \$69.7B in FY 2019.

SYNERGIES OF PAD SITE LOCATION – FedEx is a pad site to Bel Air Town Center, a 95,229-square-foot shopping center leased by national brands such as Taco Bell, Chili's, Leslie's Pool Supplies. It is on the opposing corners from Target-anchored Bel Air Plaza, TJ Maxx and Home Depot-anchored Tollgate Marketplace and Harford Mall.

AFFLUENT, GROWING BALTIMORE SUBURB – The Property benefits from a three-mile population of over 68,595 with an average household income of \$116,685. Three and five-mile population densities are projected to increase an additional six percent in the next five years.



43K
VPD OF
TRAFFIC EXPOSURE



18+
YEARS OF OCCUPANCY



BBB
INVESTMENT GRADE
CREDIT



\$116K
AVERAGE HOUSEHOLD
INCOME



McDonald's

BALTIMORE PIKE 35-262





VETERANS MEMORIAL HWY - 24,032 VPD

FedExOffice
Print & Ship Services

TENANT INFORMATION

FedEx Office Print & Ship Services Inc. (doing business as FedEx Office; formerly FedEx Kinko's, and earlier simply Kinko's) is an American retail chain that provides an outlet for FedEx Express and FedEx Ground (including Home Delivery) shipping, as well as printing, copying, and binding services.

FedEx Office is a wholly owned subsidiary of FedEx Corporation (NYSE: FDX), an American multinational courier delivery services company headquartered in Memphis, Tennessee. FedEx invented express distribution and is the industry's global leader, providing rapid, reliable, time-definite delivery to more than 220 countries and territories, connecting markets that comprise more than 90 percent of the world's gross domestic product within one to three business days. FedEx has more than 450,000 team members around the world and 2,000 locations in the United States.



REVENUE
(FY 2019): \$69.7 Billion



NET INCOME
(2018): \$4.572 Million



HEADQUARTERS
Memphis, TN



NO. OF EMPLOYEES
425,000+



NO. OF LOCATIONS
2,000+



YEAR FOUNDED
1971



**STOCK SYMBOL
/CREDIT RATING**
FDX : BBB

REGIONAL MAP



6.34%

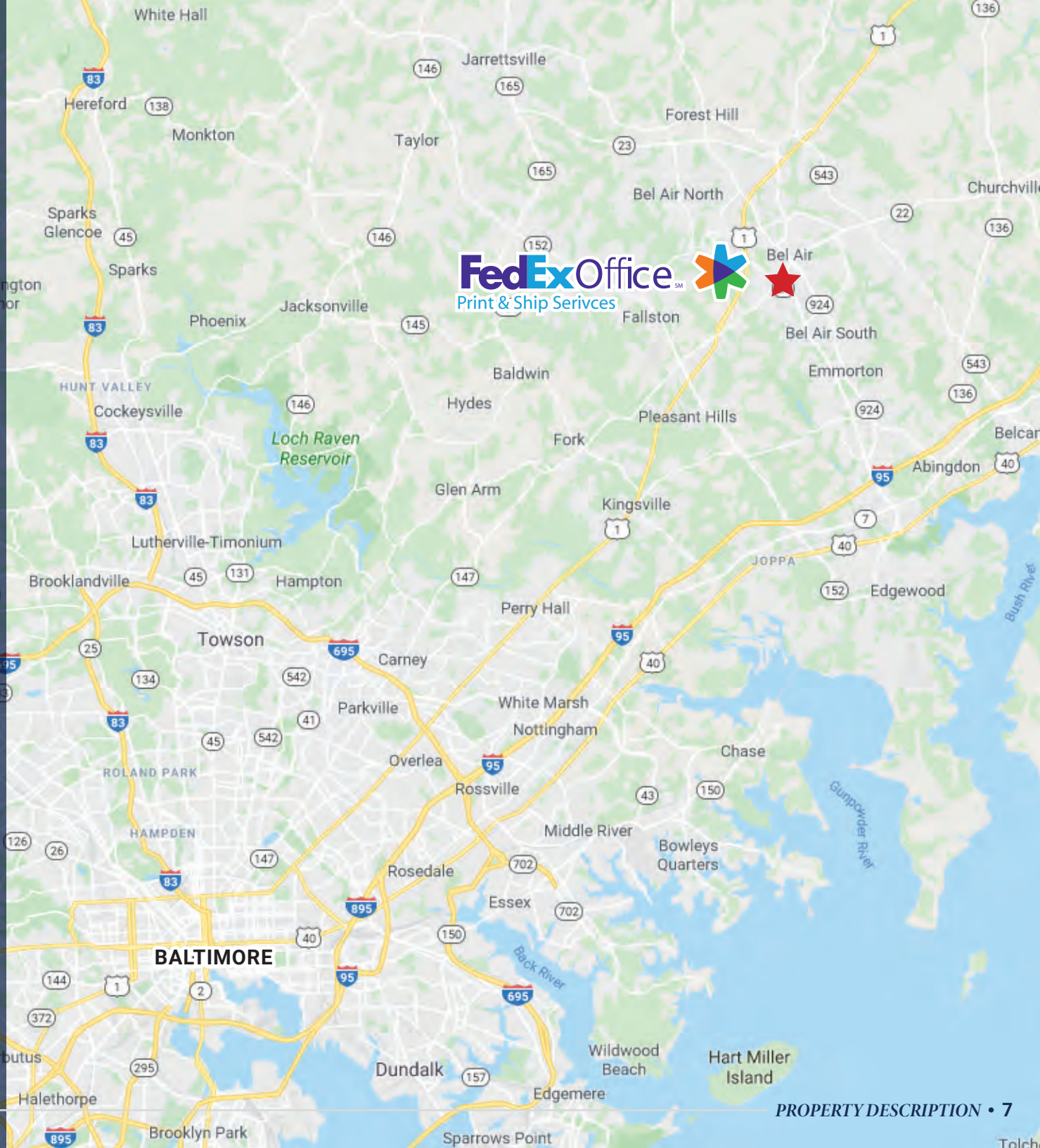
Within a 5-mile radius, the population is expected to grow by 6.34% over the next 5 years to 120,247

59K^{VEH}

An average of 59,264 vehicles per day drive by Veterans Memorial Highway and Baltimore Pike

\$116K

The three-mile average household income is over \$116,000



FedEx Office
Print & Ship Services



weis
EVERY SEASON STARTS AT
DICK'S
SPORTING GOODS
Patient First

UM Upper
Chesapeake
Medical Center

ALDI
BED BATH & BEYOND
ROSS
DRESS FOR LESS

TARGET

THE HOME DEPOT

TJ-maxx
Michael's
Where Creativity Happens
JO-ANN
Party City
STAPLES
Pier 1 Imports
OUTBACK
STEAKHOUSE
MILLER'S
ALE-HOUSE
Wells Fargo
Red Lobster

Wawa

macy's
FIVE GUYS
BURGERS and FRIES
Red Robin
CRACKED COBBLESTONE BURGERS
QDOBA
MEXICAN EATS
the Greene Turtle
SPORTS BAR & GRILL
Friendly's

AutoZone
MATTRESS Warehouse
NTB
BB&T
BALTIMORE PIKE - 35,262 VPD

Chick-fil-A

Starbucks

ihop

McDonald's

chili's

TACO BELL

FedEx Office
Print & Ship Services

T-Mobile

VETERANS MEMORIAL HWY - 24,032 VPD



KFC



BB&T



AutoZone

MATTRESS Warehouse



ROSS DRESS FOR LESS

T-Mobile

chili's



BED BATH & BEYOND

FedEx Office Print & Ship Services



McDonald's

VETERANS MEMORIAL HWY - 24,032 VPD

BALTIMORE PIKE 35,262 VPD

LEASE ABSTRACT

Tenant	FedEx Office Print & Ship Center - Subsidiary of Parent (see Foot Note 1 Below)
Guarantor	Kinko's, Inc. assigned to Tenant indicated above.
Notification Period to Exercise Options	180 Days
Landlord Obligations	Per 2nd Amendment: Landlord will maintain the HVAC units currently servicing the Premises, including contracting with qualified and licensed service company for regular (not less than quarterly) maintenance. Landlord will replace with a brand new, commercial-grade units at the time any existing units (i) reach the end of their useful life, or (ii) are no longer properly functioning. Such costs shall be passed through to Tenant via Tenant's CAM charges. Landlord shall maintain the structural elements and exterior surfaces of the Demised Premises, including but not limited to, the roof, roof covering and membrane, and all necessary structural system repairs to the walls, concrete slab, footings and foundations of the Demised Premises, and electrical and plumbing to the property line.
Financial Statements	From time to time during the term of this Lease and upon ten (10) days written notice from Landlord, Tenant agrees to provide such financial statements concerning the condition of Tenant
Assignment & Subletting	Landlord consent required. Landlord shall have the prior right to terminate this Lease and recapture the Demised Premises by written notice to Tenant within ten (10) days of its receipt of notice of such desire to transfer, assign or sublease. In the event such transfer should be to a third party, Tenant shall not be released from its obligations hereunder unless Landlord shall elect to consent to the release in writing.
CAM	The owner of the Shopping Center shall administer Common Area Maintenance (CAM) to the tenant for reimbursement.

1. Per FedEx Corporation's 2019 Annual Report; FedEx Services: FedEx Corporate Services, Inc. ("FedEx Services") provides sales, marketing, information technology, communications, customer service, technical support, billing and collection services, and certain back-office functions that support our transportation segments. The FedEx Services segment includes FedEx Office and Print Services, Inc. ("FedEx Office"), which provides document and business services and retail access to our package transportation businesses.

http://s1.q4cdn.com/714383399/files/doc_financials/annual/2019/FedEx-Corporation-2019-Annual-Report.pdf?utm_source=InvestorRelations&utm_medium=Referral&utm_campaign=AnnualReport2018&utm_content=FinancialInformationAnnualReports

DEMOGRAPHIC SUMMARY

POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection	7,062	72,796	120,247
2018 Estimate	6,807	68,595	113,074
2010 Census	6,466	65,220	107,785
2000 Census	5,564	56,448	92,528
Current Daytime Population	16,900	65,142	96,702

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
<u>Population By Age</u>			
2018 Estimate Total Population	6,807	68,595	113,074
Under 20	20.56%	24.80%	25.34%
20 to 34 Years	17.47%	17.53%	17.61%
35 to 39 Years	5.26%	5.48%	5.96%
40 to 49 Years	12.11%	13.25%	13.48%
50 to 64 Years	20.85%	22.13%	21.76%
Age 65+	23.74%	16.85%	15.83%
Median Age	46.01	41.93	40.9
<u>Population 25+ by Education Level</u>			
2018 Estimate Population Age 25+	5,026	47,438	77,983
Elementary (0-8)	0.97%	0.88%	0.83%
Some High School (9-11)	5.51%	3.99%	3.80%
High School Graduate (12)	25.62%	23.07%	24.03%
Some College (13-15)	19.56%	20.82%	21.25%
Associate Degree Only	8.09%	8.17%	8.19%
Bachelors Degree Only	23.87%	25.38%	24.78%
Graduate Degree	15.72%	17.22%	16.65%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Projection	3,317	27,006	44,196
2018 Estimate	3,145	25,255	41,296
2010 Census	3,014	24,154	39,577
2000 Census	2,605	20,578	33,549
<u>Income</u>			
2018 Housing Income			
\$150,000 or More	14.89%	21.22%	21.04%
\$100,000 - \$149,000	22.47%	25.55%	25.80%
\$75,000 - \$99,999	14.20%	15.04%	16.12%
\$50,000 - \$74,999	14.54%	13.77%	14.60%
\$35,000 - \$49,999	9.80%	8.44%	7.83%
Under \$35,000	24.11%	15.97%	14.61%
Average Household Income	\$97,983	\$116,685	\$117,014
Median Household Income	\$77,690	\$94,719	\$95,070
Per Capita Income	\$45,811	\$43,229	\$42,910

DEMOGRAPHIC SUMMARY

Geography: 5 Miles



POPULATION

In 2018, the population is 113,074. The population has changed by 22.21% since 2000. It is estimated that the population will be 120,247 five years from now, which represents a change of 6.34% from the current year. The current population is 48.66% male and 51.34% female. The median age of the population is 40.90, compared to the US average which is 37.95. The population density is 1,437.71 people per square mile.



HOUSEHOLDS

There are currently 41,296 households in your selected geography. The number of households has changed by 23.09% since 2000. It is estimated that the number of households will be 44,196 five years from now, which represents a change of 7.02% from the current year. The average household size is 2.71 persons.



INCOME

In 2018, the median household income is \$95,070, compared to the US average which is currently \$58,754. The median household income has changed by 48.25% since 2000. It is estimated that the median household income will be \$110,272 five years from now, which represents a change of 15.99% from the current year.

The current year per capita income is \$42,910, compared to the US average, which is \$32,356. The current year average household income is \$117,014, compared to the US average which is \$84,609.



RACE AND ETHNICITY

The current year racial makeup is as follows: 87.43% White, 5.51% Black, 0.04% Native American and 3.85% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race and make up 3.76% of the current year population in your selected area. Compare this to the US average of 18.01%.



HOUSING

The median housing value was \$322,035 in 2018, compared to the US average of \$201,842. In 2000, there were 28,266 owner occupied housing units and there were 5,283 renter occupied housing units. The median rent at the time was \$616.



EMPLOYMENT

In 2018, there are 34,967 employees, this is also known as the daytime population. The 2000 Census revealed that 72.32% of employees are employed in white-collar occupations, and 27.85% are employed in blue-collar occupations. In 2018, unemployment is 4.01%. In 2000, the average time traveled to work was 35 minutes.

BALTIMORE OVERVIEW

Strategically located at the center of the Eastern Seaboard in central Maryland, the Baltimore metro spans Baltimore, Anne Arundel, Carroll, Harford, Howard and Queen Anne's counties as well as the city of Baltimore. The city was split off as an independent entity in 1851 and is situated 45 miles northeast of Washington, D.C. Baltimore's port on the Chesapeake Bay is closer to major Midwestern markets than any other large seaport on the East Coast, nurturing a large shipping industry. The metro area contains roughly 2.8 million people, nearly 627,600 of whom reside in the city of Baltimore. Population growth is occurring largely in the outer portions of the metro such as Howard County.

METRO HIGHLIGHTS



STRONG BIOMEDICAL INDUSTRY

Johns Hopkins University is one of the most distinguished biomedical research facilities in the country and attracts tech firms to the area.



LOWER COST OF LIVING

A median home price that is well below many other major East Coast cities contributes to Baltimore metro residents' lower cost of living.



PORT TRAFFIC

The Port of Baltimore, which ranks in the top 15 nationwide in terms of foreign tonnage, underpins the transportation and logistics industries.



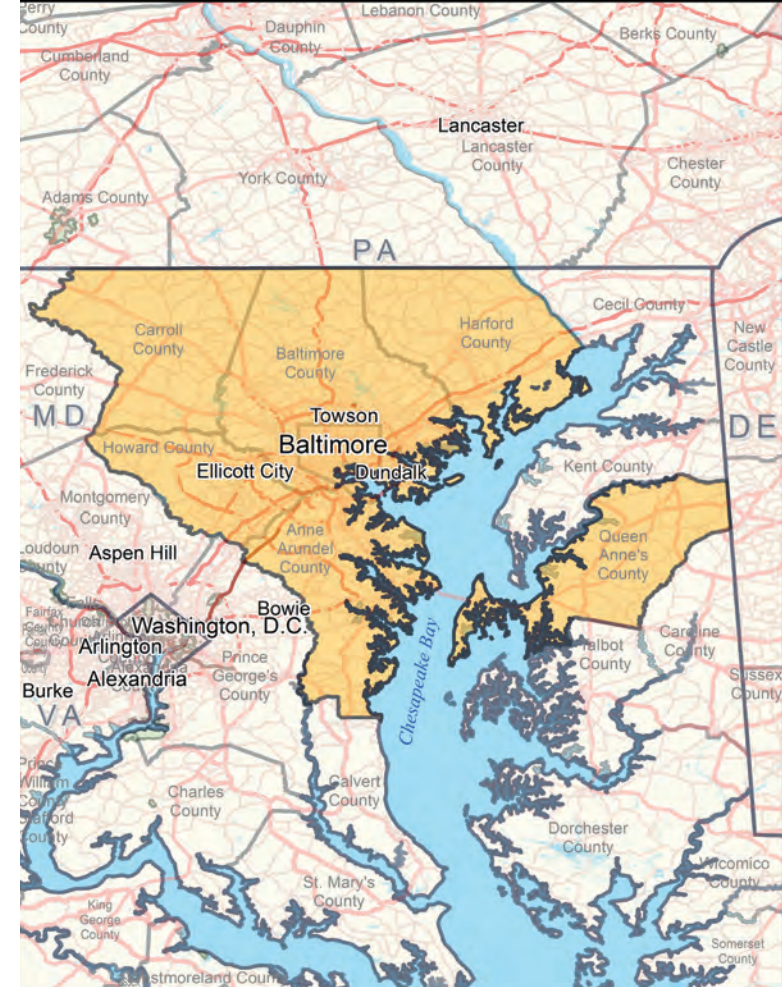
THE BALTIMORE ECONOMY

The local economy is anchored by the government, education and health services, professional and business services, and trade, transportation and utilities sectors.

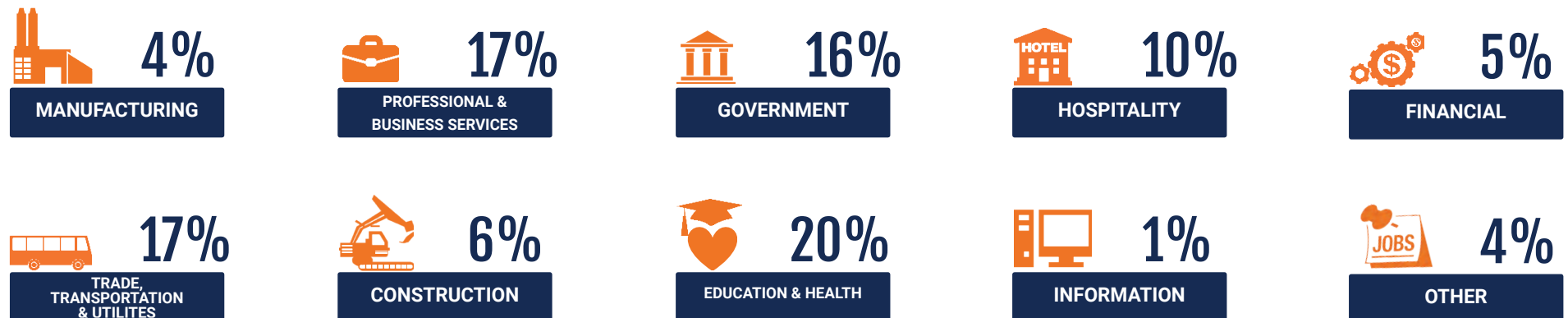
Interstate 95 is a major East Coast transportation corridor providing access to Washington, D.C., and New York City. The economy continues to diversify from manufacturing. Fortune 1000 companies include Legg Mason, T. Rowe Price, Laureate and McCormick & Co.

Government is a vital economic driver. Many state agencies are located in the metro, fostering the highest concentration of federal civilian employment in the nation.

MAJOR AREA EMPLOYERS
Fort George G. Meade
University of Maryland
John Hopkins University
University of Maryland Medical System
GBMC HealthCare
LifeBridge Health
Aberdeen Proving Ground
John Hopkins Hospital and Health System
U.S. Social Security Administration
MedStar Health



SHARE OF 2017 TOTAL EMPLOYMENT



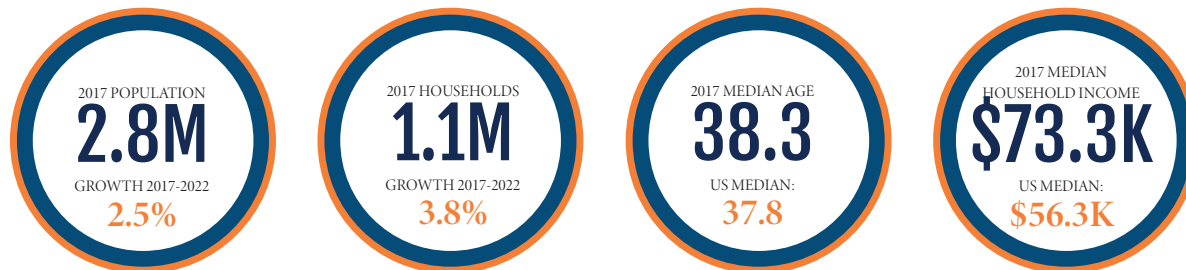
BALTIMORE DEMOGRAPHICS

The metro is projected to add nearly 70,300 people through 2022, which will result in the formation of nearly 41,700 households.

A median home price slightly above the national level has allowed 65 percent of households to own their home.

Roughly 36 percent of people age 25 and older hold a bachelor's degree; among those residents, 16 percent also have earned a graduate or professional degree.

2017 POPULATION BY AGE



QUALITY OF LIFE

Steeped in more than 275 years of history and tradition, Baltimore is a “city of neighborhoods” located within 45 miles of Washington, D.C. Visitors to the inner harbor can enjoy the National Aquarium and Maritime Museum, sailing on a clipper ship or eating at the many restaurants. Baltimore houses world-famous art collections and museums, including the Museum of Art and the Museum of Industry. The region is supported by a comprehensive public transit system including buses, a subway and light- and passenger-rail lines. Within the city and surrounding region are more than 30 institutions of higher learning, including Johns Hopkins University, the University of Maryland, Morgan State University and Towson University.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

SPORTS



EDUCATION



ARTS & ENTERTAINMENT



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