

INVESTMENT OPPORTUNITY



# FEDEX EXPRESS DISTRIBUTION FACILITY

LAST MILE DISTRIBUTION BUILDING  
28 YEAR OPERATING HISTORY

SIoux CITY, IA



OFFERED AT: \$1,340,800 | 6.25%







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Confidentiality Agreement & Disclosures

EXCLUSIVELY REPRESENTED BY

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Listed in conjunction with Iowa real estate broker  
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-- OFFERING SUMMARY --

INVESTMENT HIGHLIGHTS	
Offering Price:	\$1,340,800
Net Operating Income:	\$83,800
Cap Rate:	6.25%
Price/SF:	\$92
Lease Type:	Double-Net (NN)
LL Responsibilities:	Roof, Structure, Pkg Lot, HVAC
Termination Right:	See Lease Summary pg 5

PROPERTY OVERVIEW	
Address:	4929 Harbor Dr Sioux City, IA 51111
Property Size:	Approx 14,600 Sq Ft
Land Size:	2.20 Acres
Ownership:	Fee Simple
Year Built:	1992
APN:	884824276007

Lee & Associates is pleased to exclusively offer for sale the fee simple interest (land & building) in a FedEx Express investment property located in Sioux City, IA (the “Property”). Built in 1992 as a build to suit for FedEx, the Property consists of a 14,600-square-foot building that sits on an approximately 2.20-acre parcel. The building features six (6) loading doors and multiple entrances.

FedEx has been operating at this location for over 28 years and extended their lease an additional 10 years in January 2018, demonstrating their commitment to the site. Additionally, the double-net lease features (2) 5-year renewal options.

The lease is guaranteed by Federal Express Corporation (Standard & Poor’s “BBB” Bond Credit Rating), the world’s largest express transportation company providing a broad portfolio of transportation, e-commerce and business services through companies competing collectively, operating independently and managed collaboratively under the FedEx brand. Headquartered in Memphis, TN, FedEx ships to more than 200 countries and territories using air, ground and sea networks to link more than 99% of the world’s GDP. In 2019, FedEx reported revenues of \$69.7 billion and an approximate net worth of \$4.47B.

Situated on a 2.20-acre parcel, this FedEx Express distribution facility is located less than 2 miles from the on/off ramp to Interstate 29 (29,500 CPD), for quick access to downtown Sioux City just seven miles to the north, and beyond to surrounding cities. Additionally, the property is strategically located just 2 miles from the Sioux Gateway Airport, which offers three flights to Chicago O’Hare and one flight to Dallas.

The subject property is located in Sioux City. Located in Northwest Iowa, Sioux City borders South Dakota and Nebraska and is a part of an area known as “Siouxland”. With a population of about 170,000, Siouxland is a culturally rich and friendly city with a variety of spoken languages, foods, festivals and traditions.

Twice named an All-America City by the National Civic League, Sioux City, Iowa serves as the regional hub for business, employment, industry, retail trade, medical care, educational opportunities and tourism in Northwest Iowa, Southeast South Dakota and Northeast Nebraska. It is also a part of the Sioux Falls-Sioux City Designated Market Area (DMA), a larger media market region that covers parts of four states and has a population of 1,043,450.

The Sioux City MSA is a tri-state community with one of the strongest business climates in the nation. The metropolitan statistical area consists of Woodbury and Plymouth County, Iowa; Dakota and Dixon County, Nebraska and Union County, South Dakota. Since 1990, the population of the Sioux City MSA has grown by 8.9%, and is now estimated to be more than 165,000 people.







## -- INVESTMENT HIGHLIGHTS --

**FEDEX CORPORATION (NYSE: FDX) • GLOBALLY RECOGNIZED TENANT (\$4.47B NET WORTH) • S&P “BBB” BOND INVESTMENT GRADE CREDIT RATING • CORPORATE LEASE GUARANTY**

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**BUILD TO SUIT CONSTRUCTION • EXTENSIVE LOADING CAPACITY & PARKING**

Built in 1992 as a build to suit for FedEx, the Property consists of a 14,600-square-foot building that sits on an approximately 2.20-acre parcel. The building features six (6) loading doors and multiple entrances.

**REAL ESTATE ADVANTAGE • LESS THAN 2 MILES FROM ON/OFF RAMP TO INTERSTATE 29, SIOUX GATEWAY AIRPORT WITH DIRECT FLIGHTS TO CHICAGO O’HARE, DALLAS AIRPORTS**

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**SUCCESSFUL 28-YEAR OPERATING HISTORY • MULTIPLE LEASE EXTENSIONS • COMMITMENT TO SITE**

FedEx has been operating at this location for over 28 years and extended their lease an additional 10 years in January 2018, demonstrating their commitment to the site. Additionally, the double-net lease features (2) 5-year renewal options.

**LOCATED IN SIOUX CITY, IA • ALL-AMERICAN CITY • REGIONAL HUB FOR BUSINESS, EMPLOYMENT, TOURISM**

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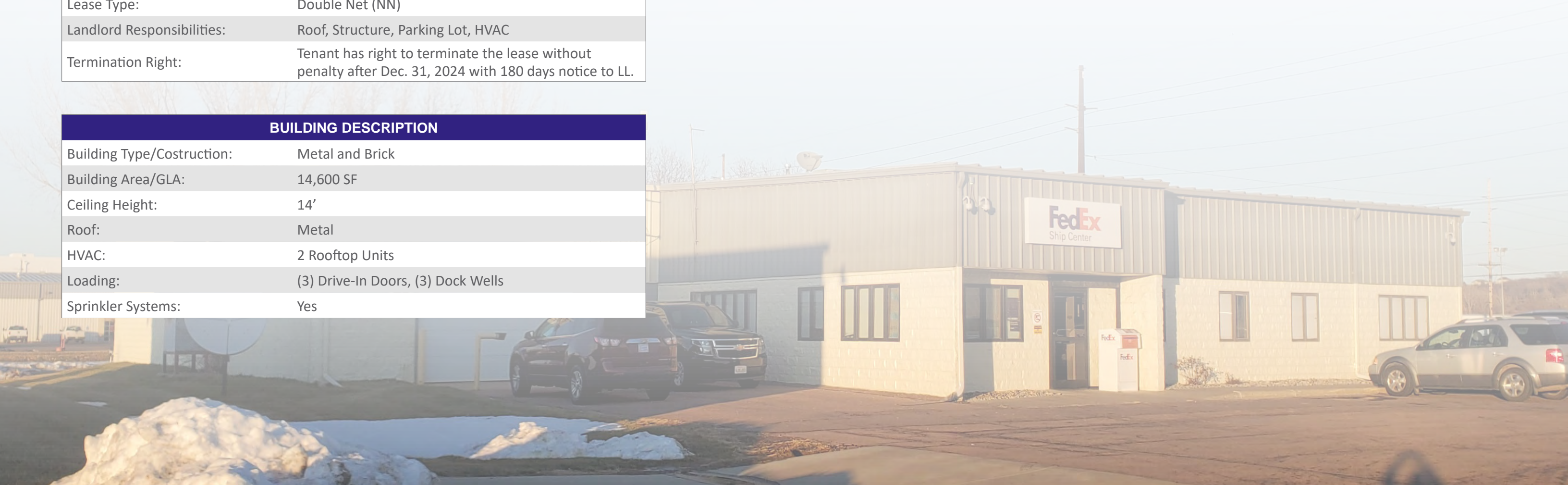
-- LEASE OVERVIEW --

-- RENT SUMMARY --

LEASE INFORMATION	
Tenant:	Federal Express Corporation
Parent Company:	FedEx Corporation
Stock Symbol:	FDX
Rent Commencement:	January 1, 1993
Lease Expiration:	December 31, 2027
Original Lease Term:	10 Years
Lease Term Remaining:	7+ Years (10-Year Extension Commenced 1/1/2018)
Renewal Options:	(2) 5-Year Options @ FMV
Annual Rent:	\$83,800
Rent Increases:	None
Lease Type:	Double Net (NN)
Landlord Responsibilities:	Roof, Structure, Parking Lot, HVAC
Termination Right:	Tenant has right to terminate the lease without penalty after Dec. 31, 2024 with 180 days notice to LL.

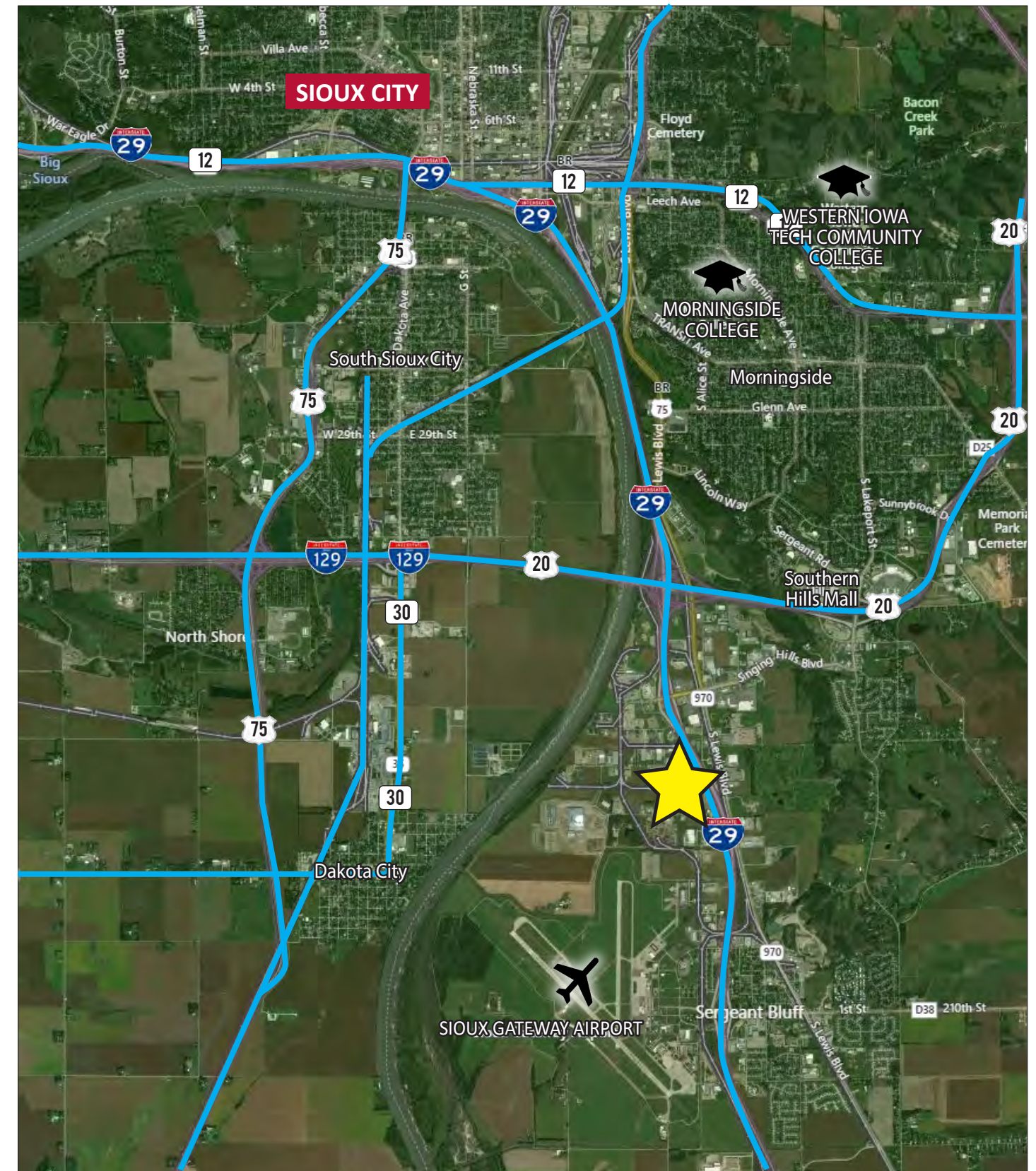
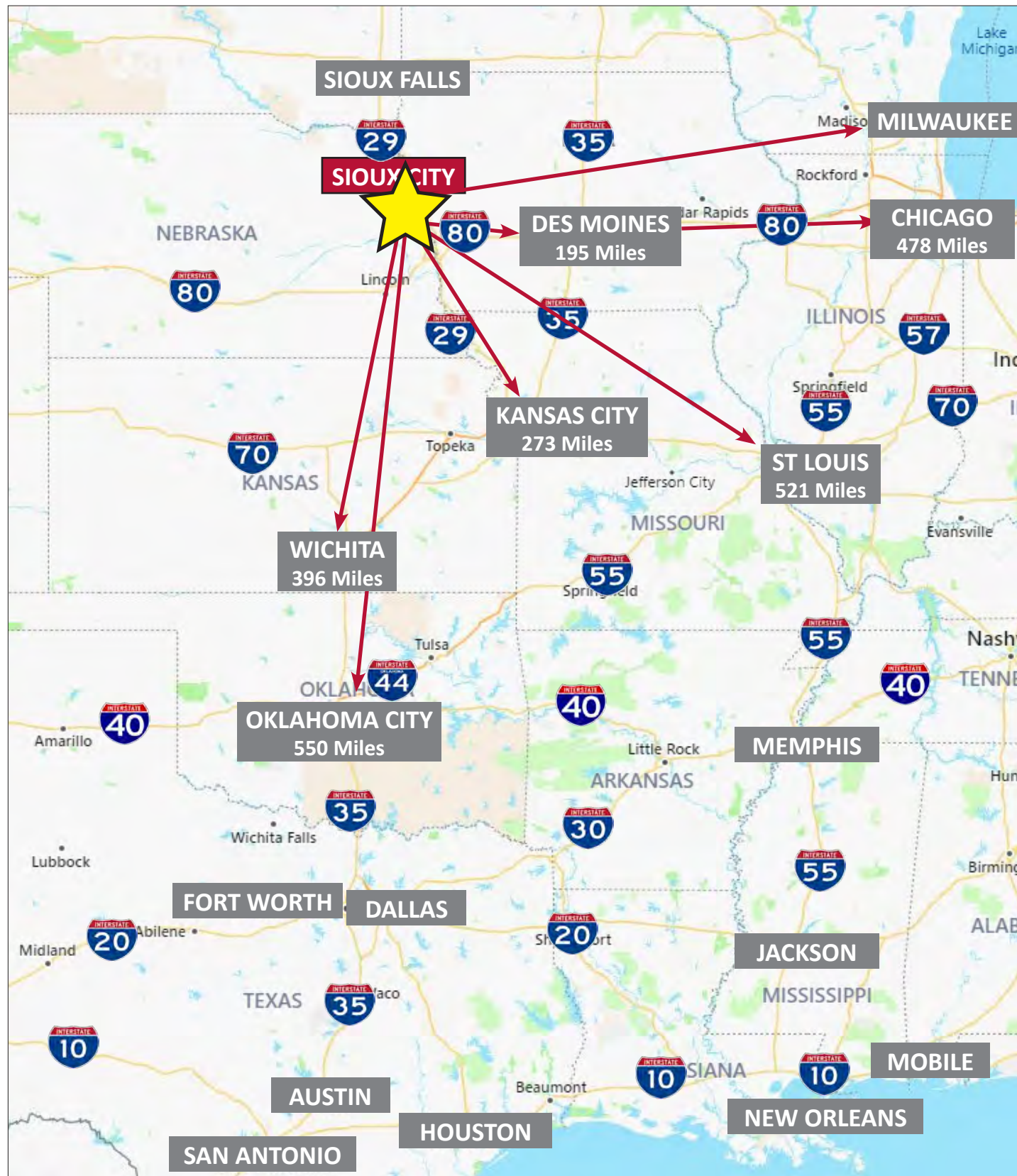
BUILDING DESCRIPTION	
Building Type/Costruction:	Metal and Brick
Building Area/GLA:	14,600 SF
Ceiling Height:	14'
Roof:	Metal
HVAC:	2 Rooftop Units
Loading:	(3) Drive-In Doors, (3) Dock Wells
Sprinkler Systems:	Yes

RENT SCHEDULE - PRIMARY TERM							
	Start Date	End Date	NOI/Yr	NOI/Mo	NOI/SF/Yr	NOI/SF/Mo	Increase
Years 1 - 10	1/1/2018	12/312027	\$83,800	\$6,983	\$5.74	\$0.48	--
OPTION PERIODS - (2) 5-Year Options							
Option 1	1/1/2028	12/31/2032	Fair Market Rent				
Option 2	1/1/2033	12/31/2037	Fair Market Rent				





-- LOCATION MAPS --







-- BUILDING LAYOUT --







-- AERIALS --







-- ABOUT FEDEX --



FedEx Express is a segment of FedEx Corporation (“FedEx”). FedEx is the world’s largest express transportation company. The company is known for its overnight shipping service and pioneering a system that could track packages and provide real-time updates on package location, a feature that has now been implemented by most other carrier services. Headquartered in Memphis, TN, FedEx ships to over 200 countries and territories using air, ground and sea networks to link more than 99% of the world’s GDP.

FedEx Corporation provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce and business services. With annual revenues of nearly \$70 billion in 2019, the company offers integrated business applications through operating companies competing collectively and managed collaboratively, under the respected FedEx brand. Consistently ranked among the world’s most admired and trusted employers, FedEx inspires its more than 425,000 team members to remain “absolutely, positively” focused on safety, the highest ethical and professional standards and the needs of their customers and communities.

FedEx operates in four major segments:

- FedEx Express - The original overnight courier services, providing next day air service within the United States and time-definite international service. FedEx Express operates one of the largest civil aircraft fleets in the world and the largest fleet of wide bodied civil aircraft; it also carries more freight than any other airline. Reported FY2019 Revenue: \$37.3 Billion
- FedEx Ground - FedEx Ground service offerings include small-package day-certain delivery to businesses in the U.S. and Canada and to 100% of U.S. residences using a large fleet of trucks which are owned by the independent owner/operators and drivers are independent contractors who control individual delivery routes and territories. Reported FY2018 Revenue: \$20.5 Billion
- FedEx Freight - FedEx Freight LTL service offerings include priority services when speed is critical and economy services when time can be traded for savings, processing over 95,000 shipments a day using 370 service centers. Reported FY2018 Revenue: \$7.5 Billion
- FedEx Services - Provides global marketing, planning, and information technology (IT) services for the other FedEx operating companies. Reported FY2018 Revenue: \$1.7 Billion

FEDEX EARNS NO. 10 SPOT ON FORTUNE WORLD’S MOST ADMIRED COMPANIES LIST

MEMPHIS, Tenn., Jan. 22, 2019—FedEx Corp. (NYSE: FDX) is once again ranked among the most admired companies in the world, according to a survey published in FORTUNE magazine.

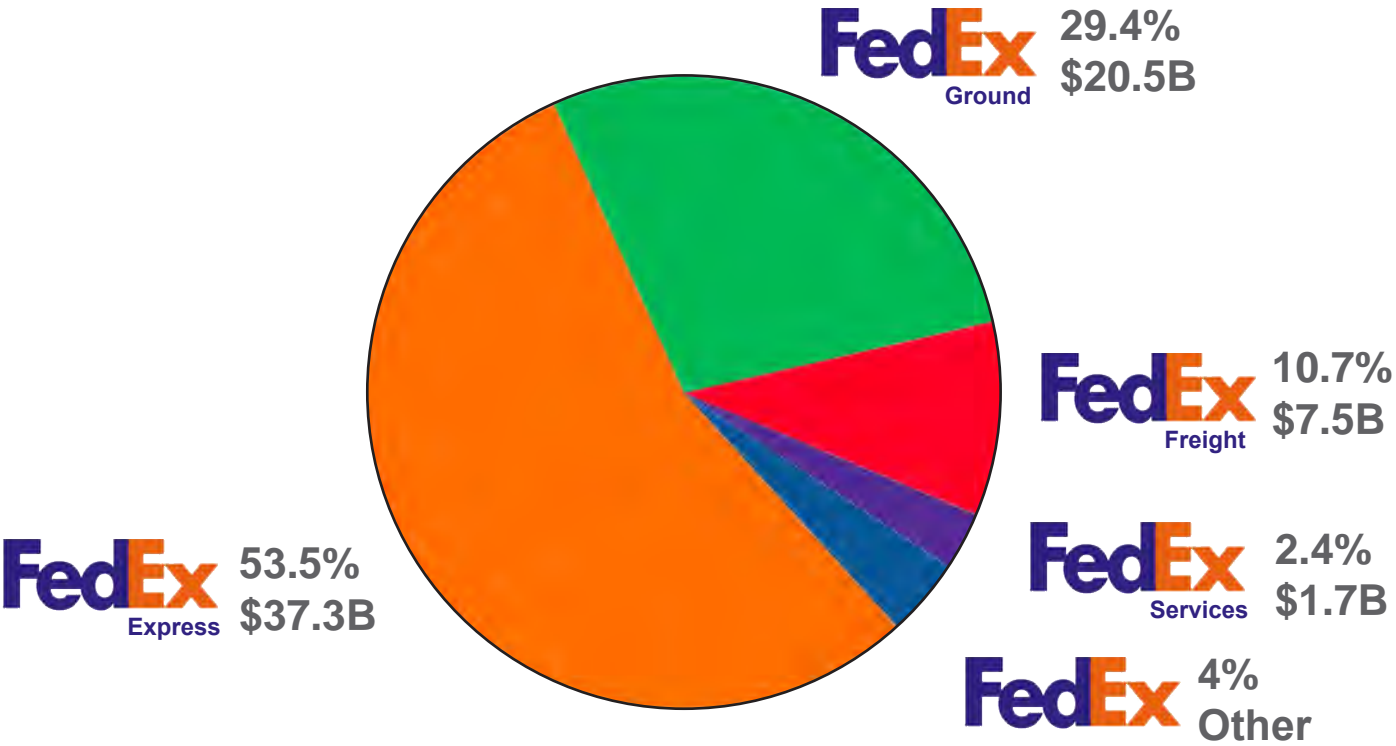


The annual “World’s Most Admired Companies” report released today lists FedEx as the No. 10 ranked company overall. The survey measures nine attributes related to financial performance and corporate reputation.

“It is an incredible honor to be recognized on the FORTUNE World’s Most Admired company rankings for 19 consecutive years,” said David J. Bronczek, president and chief operating officer of FedEx Corp. “This accomplishment is a direct result of the more than 450,000 FedEx team members around the globe who go above and beyond for our customers every day.”

This is the 19th consecutive year that FedEx has ranked among the top 20 in the FORTUNE Most Admired Companies List, with 15 of those years ranking among the top 10.

TENANT PROFILE: FEDEX CORPORATION (“FEDEX”)	
TRADE NAME	FedEx Corporation
CREDIT RATING	S&P: BBB
STOCK SYMBOL	NYSE: FDX
YEAR FOUNDED	1971
HEADQUARTERS	Memphis, TN
AREAS SERVED	Worldwide
REVENUE (2019)	\$69.7 Billion
NET INCOME (2019)	\$540 Million
TOTAL ASSETS (2019)	\$54.4 Billion
SUBSIDIARIES	Office, Express, Ground, Freight, Supply Chain
EMPLOYEES	425,000
WEBSITE	www.fedex.com







-- SIOUX CITY OVERVIEW --



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Sioux City is home to Saturday in the Park, one of the largest outdoor music festivals in the Upper Midwest, exciting sports action with USHL Hockey, Champions Indoor Football League and American Association Baseball and Iowa’s 2018 Best New Tourist Attraction, Cone Park, which features a lighted tubing hill, day lodge and ice skating rink in the winter that doubles as a splash pad in the summer.

The city has several new projects underway: Riverfront Development is a master plan for 23 acres of riverfront area in Chris Larsen Park that will include the Stockyards Garden Plaza, Event Lwan, two pavilions/plazas, dog park, and regional trail; a 10-mile section of Interstate 29 was recently completed at a cost of \$400 million, expanding Interstate 29 to six lanes and increasing capacity and traffic flow.

The community has received many high profile national rankings; in 2019, the city was ranked in the Top 25 Best Places to Work in Manufacturing by SmartAssett, ranked #2 Best State for Opportunity by U.S. News & World Report, and a Top State for Jobs in the U.S. by the U.S. Bureau of Labor Statistics.



DEMOGRAPHICS (2019) | Source: SitesUSA

Category	3 Miles	5 Miles	7 Miles
Population	16,638	49,320	82,151
Daytime Population	22,090	36,957	59,652
Households	6,565	19,082	31,248
Avg HH Income	\$92,977	\$76,881	\$67,468
Traffic Counts		Vehicles Per Day	
Harbor Dr			2,200
Interstate 29			29,500





Exclusively Listed By:



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Lee & Associates and David B Zacharia hereby advise all prospective purchasers of Net-Leased Investment property as follows:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Lee & Associates and David B Zacharia have not and will not verify any of this information, nor have Lee & Associates and David B Zacharia conducted any investigation regarding these matters. Lee & Associates and David B Zacharia makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of an investment property, it is the Buyer’s responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Lee & Associates and David B Zacharia expressly deny any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of an investment property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer’s tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any investment property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer’s legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant’s past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant’s projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer’s legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Lee & Associates and David B Zacharia and hold them harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this investment property.

Listed in conjunction with Iowa real estate broker  
David B Zacharia license B64850000.

*No warranty or representation is made as to the accuracy of the foregoing information. Terms of sale, lease, and availability are subject to change or withdrawal without notice.*





# Real estate disclosure for the state of Iowa revised 09.05.18

This disclosure is to be attached to listing and buyer agency agreements, marketing, and offers

David B Zacharia, Iowa broker license B64850000 shall preform the below duties:

## 543B.56 Duties of licensees.

1. Duties to all parties in a transaction. In providing brokerage services to all parties to a transaction, a licensee shall do all of the following:
  - a. Provide brokerage services to all parties to the transaction honestly and in good faith.
  - b. Diligently exercise reasonable skill and care in providing brokerage services to all parties.
  - c. Disclose to each party all material adverse facts that the licensee knows except for the following:
    - (1) Material adverse facts known by the party.
    - (2) Material adverse facts the party could discover through a reasonably diligent inspection, and which would be discovered by a reasonably prudent person under like or similar circumstances.
    - (3) Material adverse facts the disclosure of which is prohibited by law.
    - (4) Material adverse facts that are known to a person who conducts an inspection on behalf of the party.
  - d. Account for all property coming into the possession of a licensee that belongs to any party within a reasonable time of receiving the property.
2. Duties to a client. In addition to the licensee's duties under [subsection 1](#), a licensee providing brokerage services to a client shall do all of the following:
  - a. Place the client's interests ahead of the interests of any other party, unless loyalty to a client violates the licensee's duties under [subsection 1](#), [section 543B.58](#), or under other applicable law.
  - b. Disclose to the client all information known by the licensee that is material to the transaction and that is not known by the client or could not be discovered by the client through a reasonably diligent inspection.
  - c. Fulfill any obligation that is within the scope of the agency agreement, except those obligations that are inconsistent with other duties that the licensee has under [this chapter](#) or any other law.
  - d. Disclose to a client any financial interests the licensee or the brokerage has in any business entity to which the licensee or brokerage refers a client for any service or product related to the transaction.
3. Prohibited conduct. In providing brokerage services, a licensee shall not do either of the following:
  - a. Accept a fee or compensation related to a transaction from a person other than the licensee's client, unless the licensee has provided written notice to all parties to the transaction that a fee or compensation will be accepted by the licensee from such person.
  - b. Act in a transaction on the licensee's own behalf, on behalf of the licensee's immediate family or brokerage, or on behalf of an organization or business entity in which the licensee has an interest, unless the licensee has provided written disclosure of the interest to all parties to the transaction.

[95 Acts, ch 17, §2](#); [96 Acts, ch 1054, §2](#)

Referred to in [§543B.57](#), [§543B.58](#), [§543B.61](#)

Iowa Code 2017, Chapter 543B (17, 0)

Please mark with an "X," who David B Zacharia, Iowa broker license B64850000 is representing below:

\_\_\_\_ Seller

\_\_\_\_ Buyer

\_\_\_\_ Seller and Buyer. Both Seller and Buyer agree to DUAL AGENCY where Iowa broker represents both Seller and Buyer equally.

Please sign and date below acknowledging agreement to this Disclosure.

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Date

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Date