

# FEDEX GROUND DISTRIBUTION FACILITY

UVALDE, TX

OFFERED AT \$10,330,000  
4.65% CAP RATE

**FedEx**  
Ground

**LEE & ASSOCIATES**  
COMMERCIAL REAL ESTATE SERVICES

**BARR & BENNETT**  
NET LEASE INVESTMENTS  
A Lee & Associates Team

**INVESTMENT OPPORTUNITY - LAST MILE DISTRIBUTION BUILDING - ADJACENT TO AIRPORT**



## EXCLUSIVELY LISTED BY

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.



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Brian Brockman

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Lee & Associates, in conjunction with Bang Realty - Kentucky, Inc., license #204982, hereby advises 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 has not and will not verify any of this information, nor has Lee & Associates conducted any investigation regarding these matters. Lee & Associates 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 expressly denies 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 Rod Noles 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.

**Confidentiality: Tenant requires that all terms and conditions of this Lease shall be held in confidence, except as necessary to obtain financing and potential buyers of the property. Accordingly, the information herein is given with the understanding that those receiving it shall similarly hold it in confidence.**

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.

This confidential Offering Memorandum has been prepared by [Broker] on behalf of [Seller] ("[Seller]") for use by a limited number of qualified parties. This Offering Memorandum has been provided to you at your request based upon your assurances that you are a knowledgeable and sophisticated buyer of multifamily and commercial real estate. Accordingly, [Seller] recommends you, as a potential buyer, should perform your independent examination and inspection of the Property described herein as (the "Property") and of all of the information provided herein related to the Property.

As you are aware, there are material risks associated with investing in real estate including, but not limited to, illiquidity, tenant vacancies, tenant bankruptcies, tenants not performing under their lease obligations, general market conditions and competition, lack of operating history, interest rate risks, the risk of new supply coming to market and softening rental rates, general risks of owning/operating properties, short term leases associated with properties, tenants not renewing their leases, retreating risks and costs, financing risks, potential adverse tax consequences, general economic risks, pandemic risks, terrorism risks, development risks and long hold periods.

The economic impact of the COVID-19 virus and its variants, internationally and in the United States, could adversely affect the financial condition and operating results of the Property throughout all or much of 2022, 2023, or longer. Moreover, the risk of an economic impact of a subsequent global pandemic internationally and in the United States, could adversely affect the financial condition and operating results of the interests and/or Property.

By accepting this Offering Memorandum, you acknowledge and agree that you shall rely solely upon your examination and investigation of the Property. You shall not rely on any statements made in this Offering Memorandum or upon any other materials, statements, or information provided by [Seller] or its brokers. [Seller] makes no guarantee, warranty, or representation about the completeness or accuracy of the information set forth in this Offering Memorandum. You acknowledge that the Property is being sold "As Is/Where Is." You as a potential buyer are solely responsible for independently verifying this information's accuracy and completeness through your independent due diligence efforts, which may include, but is not limited to:

Reviewing all information provided during the due diligence period, including, but not limited to: (i) due diligence materials, (ii) financial materials, and (iii) property leases.

Conferring with your independent CPAs, Attorneys, or tax advisers for all advice related to this acquisition.

[Seller] has prepared the information concerning the Property-based upon assumptions relating to the general economy, its knowledge of other similar properties in the market, and other market assumptions, including factors beyond its control. These assumptions are not guaranteed, and the actual outcomes may be lower or less desirable than anticipated/assumed in this material. [Seller] makes no representation or warranty regarding the accuracy or completeness of the information contained herein. The information set forth in this Offering Memorandum is not intended to be a promise or representation as to the Property's future performance. Although the information contained herein is believed to be accurate, by providing the information, [Seller] does not intend to and is not attempting to provide any tax, legal, or acquisition advice to the potential buyer. [Seller] disclaims any responsibility or liability for any inaccuracies. Further, [Seller] disclaims any and all liability for any express or implied representations and warranties contained in, or for any omissions from, the Offering Memorandum and any other written or oral communication transmitted or made available to you.

Your receipt and acceptance of this Memorandum constitutes your acknowledgement that (if) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of [Seller], and (iv) you will not use any part of this Memorandum in any manner detrimental to [Seller] or [Broker].



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# 01

**EXECUTIVE** SUMMARY



## OFFERING SUMMARY

**OFFERING PRICE:**

\$10,330,000

**NOI:**

\$480,367

**CAP RATE:**

4.65%

**PRICE/SF:**

\$175

**LEASE TYPE:**

Double-Net (NN)

**LL RESPONSIBILITIES:**Roof & Building  
Structure

Lee & Associates and Bang Realty-TX are pleased to exclusively offer for sale the fee simple interest (land & building) in a FedEx Ground investment property located in Uvalde, TX (the "Property"). Built in 2019 as a relocation build-to-suit for FedEx Ground, the property consists of approximately 58,930-square-foot building that sits on an approximately 9.36 acre parcel. The building features (8) dock doors and (19) Drive-in Doors and expansive parking at this near airport distribution facility.

The lease is guaranteed by FedEx Ground Package System, Inc, a subsidiary of Federal Express Corporation, 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 2021, FedEx reported revenues of over \$83 Billion.

FedEx Ground has been operating in this business park for 20+ years, recently relocating to this facility in 2019, demonstrating their success and commitment to the site. The current leases has approximately 7+ years remaining with 2 - 5 year options to renew with scheduled rental rate increases, providing an investor with strong rent growth and minimal maintenance responsibilities.



# OFFERING SUMMARY



## PROPERTY SUMMARY

**Address:** 72 Lou Stroup Dr, Uvalde TX 78801

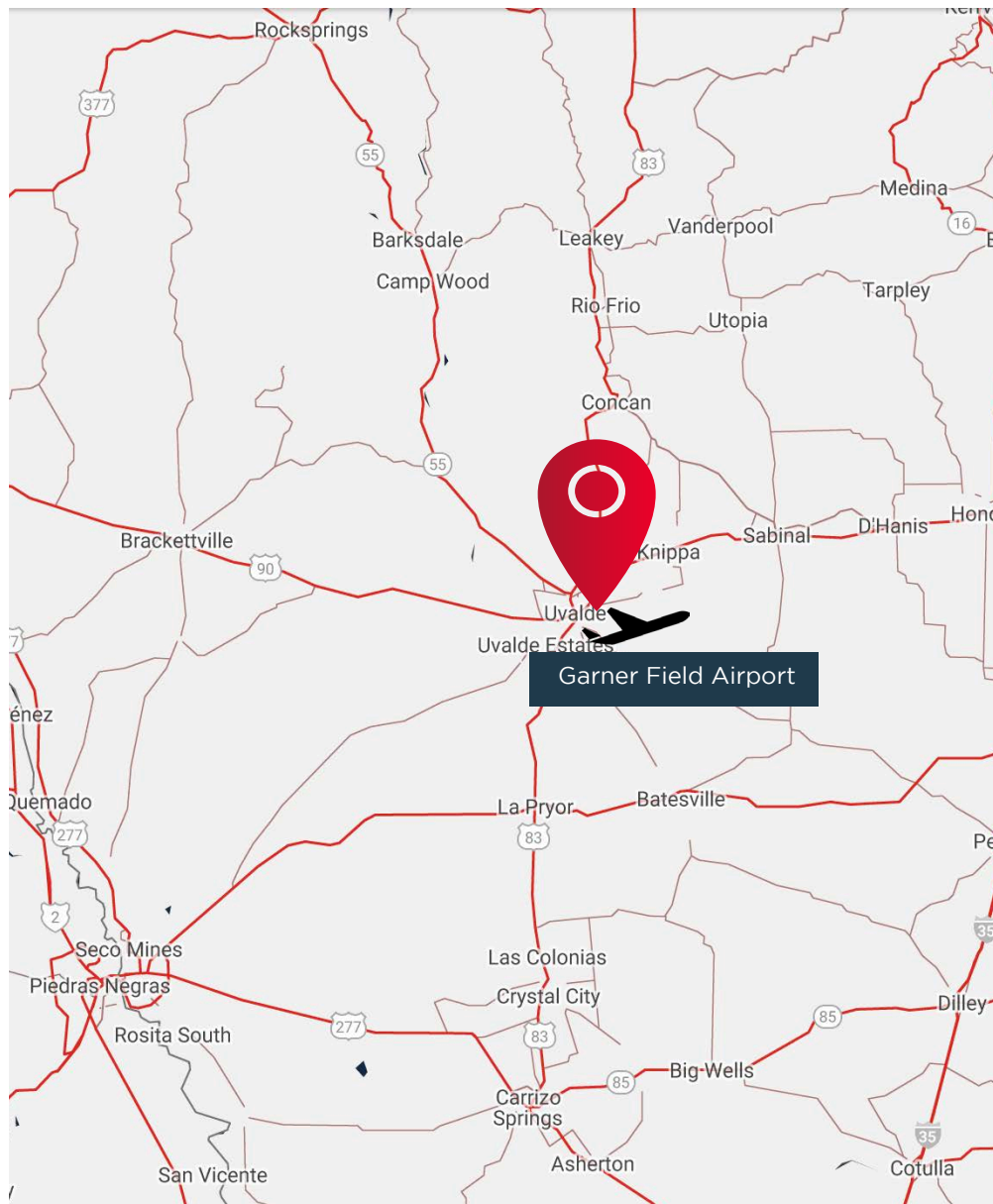
**Property Size:** 58,930 Sq Ft

**Land Size:** 9.36 acres

**Ownership:** Fee Simple

**Year Built:** 2019

**APN:** 122237







## INVESTMENT HIGHLIGHTS



### FEDEX GROUND PACKAGE SYSTEM, INC • GLOBALLY RECOGNIZED TENANT

FedEx Ground is the highest volume and highest yielding of the four FedEx Corp segments which accounts for more than \$11 billion in annual revenues and more than half of the company's operating income.



### RELOCATION FACILITY • BUILD TO SUIT FOR FEDEX GROUND IN 2019

FedEx Ground has been operating in this business park for 20+ years, recently relocating to this facility in 2019, demonstrating their success and commitment to the site. The current leases has approximately 7+ years remaining with 2 - 5 year options to renew with scheduled rental rate increases, providing an investor with strong rent growth and minimal maintenance responsibilities.



### MINIMAL LANDLORD RESPONSIBILITIES

Landlord is responsible for roof and structure- New Construction from 2019



### TAX FREE STATE

Texas is an Income Tax Free State and is in high demand by net lease investors





**FedEx**  
Ground

# LEASE SUMMARY

## LEASE INFORMATION

<b>Tenant:</b>	FedEx Ground
<b>Guaranty:</b>	FedEx Ground Package System, Inc
<b>Rent Commencement:</b>	7/1/19
<b>Lease Expiration:</b>	6/30/29
<b>Original Lease Term:</b>	10 years
<b>Lease Term Remaining:</b>	7+ Years
<b>Renewal Options:</b>	2- 5 year options
<b>Rent Increases:</b>	10% Increases in options
<b>Lease Type:</b>	Double-Net (NN)
<b>Landlord Responsibilities:</b>	Roof & Building Structure
<b>Tenant Responsibilities:</b>	Taxes, Insurance, Utilities

## BUILDING DESCRIPTION

<b>Building Type/Construction:</b>	Steel and Masonry
<b>Building Area:</b>	58,930
<b>Clear Height:</b>	24'
<b>Roof:</b>	Metal
<b>Parking</b>	122 parking spaces
<b>Loading:</b>	8 Dock Doors, 19 Drive-in Doors
<b>Zoning</b>	I District - Industrial



## RENT SCHEDULE

RENT SCHEDULE - PRIMARY TERM					
Term	Lease Term Start Date	Lease Term End Date	NOI	Monthly Rent	Annual Rent/SF
1-10	7/1/19	6/30/29	\$480,367.00	\$40,030.00	\$8.15

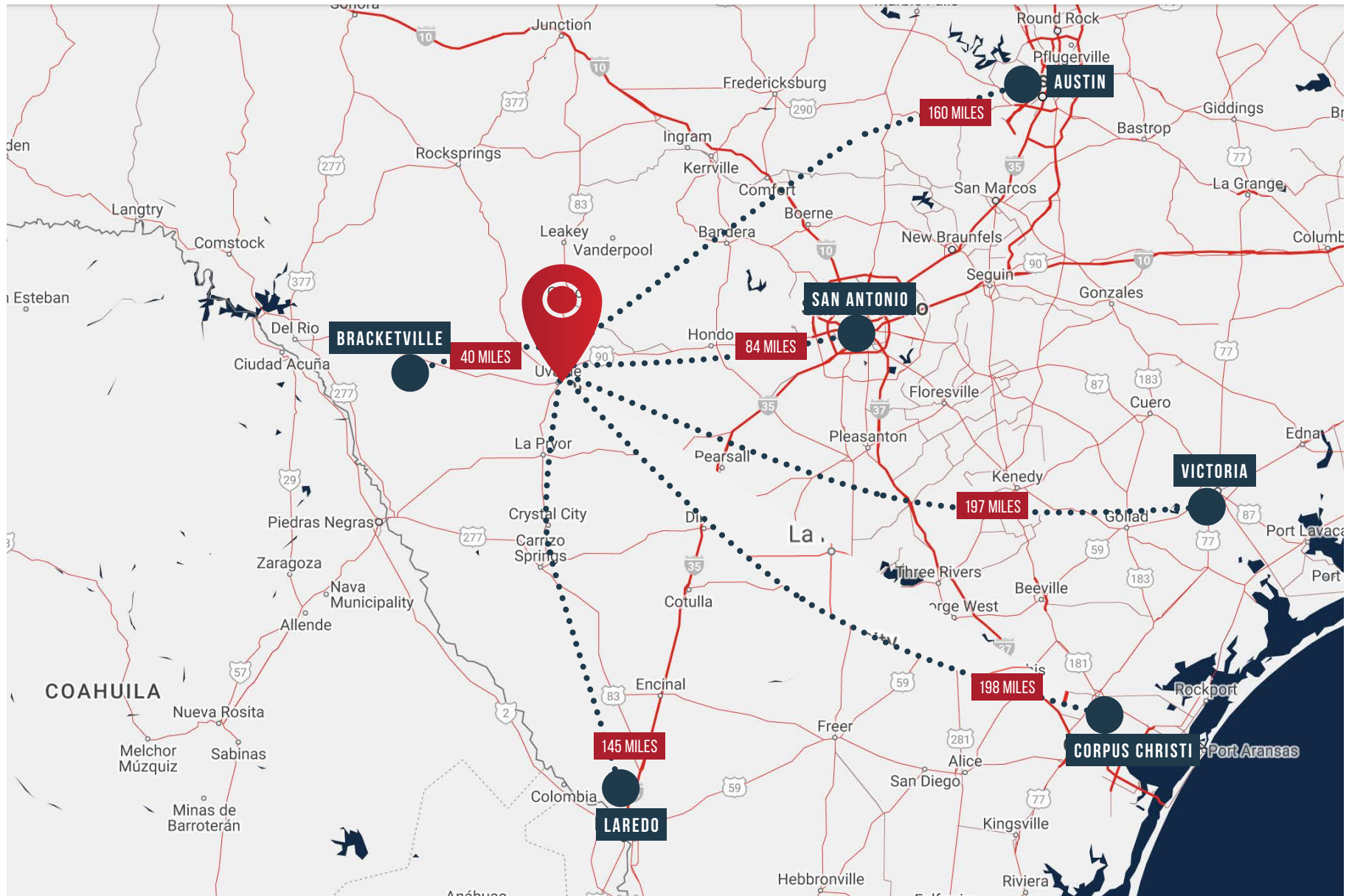
OPTION PERIODS - (2) 5-Year Options					
Option 1 - 11-15	5 years		\$528,404.00	\$44,033.00	\$8.96
Option 2: 16-20	5 years		\$554,824.00	\$46,235.00	\$9.41

02

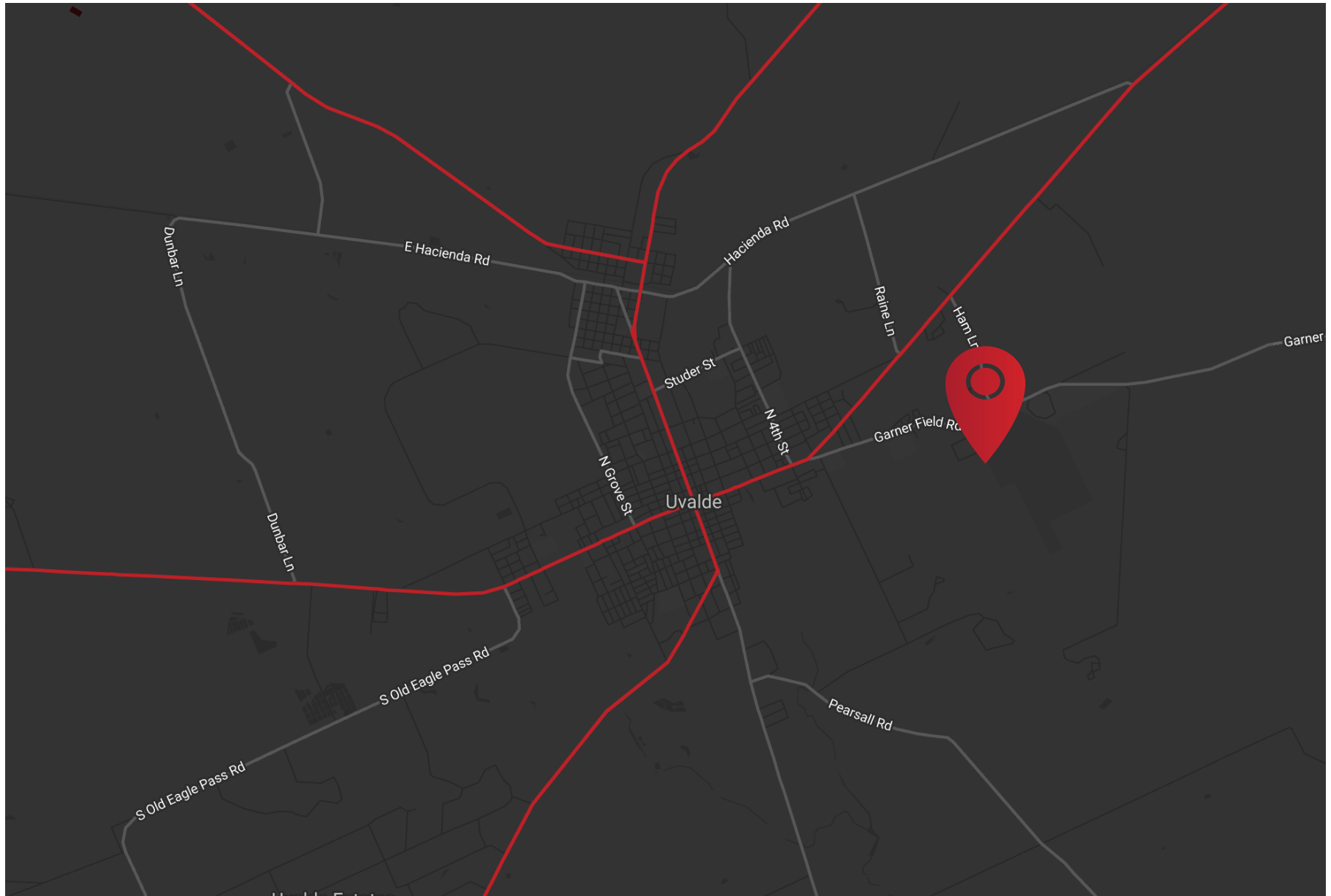
**PROPERTY** INFORMATION



## LOCATION MAP



## LOCATION MAP





# BUILDING LAYOUT



# PHOTOS

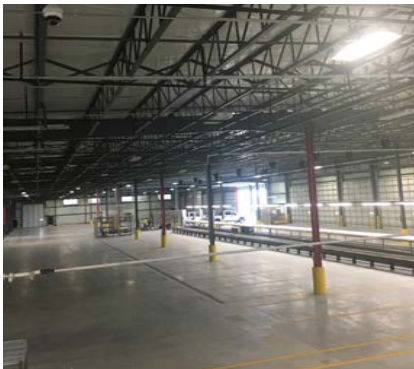




## PHOTOS



# PHOTOS





# AERIAL NORTHEAST





# 03

**TENANT** OVERVIEW



## ■ ABOUT FEDEX GROUND



**\$22.7 billion**

FY20 annual revenue



**12M**

Avg. daily package volume



**>85K**

Motorized vehicles



**225K**

Team members

**FEDEX CORPORATION** provides transportation, e-commerce, and business services in the United States and worldwide. The company operates in four major segments: FedEx Express, FedEx Ground, FedEx Freight, and FedEx Services.

FedEx Grounds (\$20.5B in fiscal 2019) services include small-package day-certain delivery to businesses in the U.S. and Canada and up 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.

<b>Operating Facilities</b>	>600
<b>Ground Hubs</b>	39
<b>FedEx Authorized ShipCenter (FASC) locations and Alliance Partners</b>	6,050
<b>FedEx Onsite Locations</b>	17,850

## ■ ABOUT FEDEX

FedEx operates in four major segments:



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



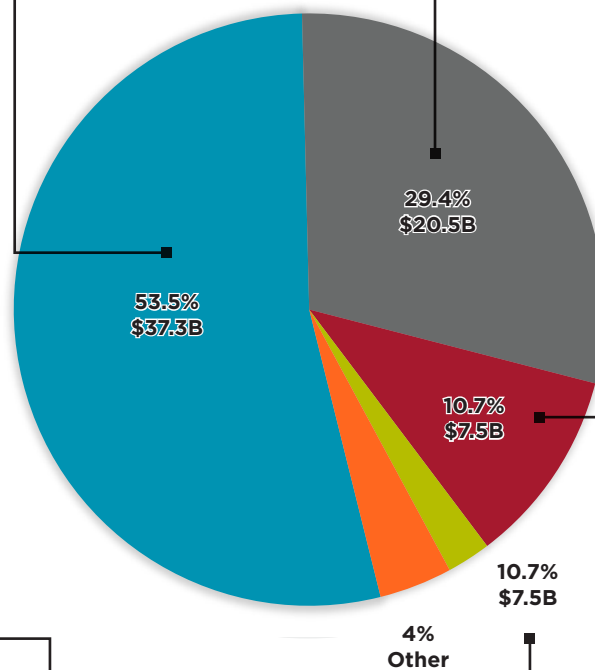
Provides global marketing, planning, and information technology (IT) services for the other FedEx operating companies. Reported FY2018 Revenue: \$1.7 Billion



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 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 IN THE NEWS



### FEDEX EARNS NO. 10 SPOT ON FORTUNE WORLD'S MOST ADMIRABLE COMPANIES LIST

**FORTUNE** 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.

# 04



**AREA** OVERVIEW



## ■ ABOUT UVALDE



**Uvalde** is a one-of-kind, rich oasis surrounded by all the adventures of Texas, including River Country, The Hill Country, state parks, hunting, fishing, outdoor recreation and more. Ideally situated at the crossroads of U.S. Hwy 90 and U.S. Hwy 83, Uvalde is just a short drive from Austin, San Antonio, and Laredo.

Uvalde was founded by Reading Wood Black in 1853 as the town of Encina. In 1856, when the county was organized, the town was renamed Uvalde after Spanish governor Juan de Ugalde and was chosen as county seat. It is the southern limit of the Texas Hill Country or the most northerly part of South Texas. Historically, Uvalde is known for its production of “huajillo” (also spelled “guajillo”) honey, a mild, light-colored honey, dating back to the 1870s. Uvalde, along with San Antonio, Carrizo Springs, Crystal City, and Corpus Christi, was a major stop on the defunct San Antonio, Uvalde and Gulf Railroad, which operated from 1909 until it was merged into the Missouri Pacific Railroad in 1956. From 1909 to 1912, the SAU&G was known as the Crystal City and Uvalde Railroad. The San Antonio-to-Corpus Christi freight route is now within the Union Pacific system.





**LEE &  
ASSOCIATES**

COMMERCIAL REAL ESTATE SERVICES



**BARR & BENNETT**

NET LEASED INVESTMENTS

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## Information About Brokerage Services

*Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.*

11-2-2015



### TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

### A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

### A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

**AS AGENT FOR OWNER (SELLER/LANDLORD):** The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

**AS AGENT FOR BUYER/TENANT:** The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

**AS AGENT FOR BOTH - INTERMEDIARY:** To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - o that the owner will accept a price less than the written asking price;
  - o that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - o any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

**AS SUBAGENT:** A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

### TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

**LICENSE HOLDER CONTACT INFORMATION:** This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

<b>Brian Brockman</b>	<b>701472</b>	<b>brian@bangrealty.com</b>	<b>513-898-1551</b>
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
<b>Brian Brockman</b>	<b>701472</b>	<b>brian@bangrealty.com</b>	<b>513-898-1551</b>
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date