



FedEx[®]
Freight

3101 Fox Rd,
Jonesboro, AR 72404
OFFERING MEMORANDUM



LISTED BY:

Brett Davis

Senior Associate

DIR (424) 217-7709

MOB (310) 897-0809

brett.davis@matthews.com

LIC # 02116782 (CA)

Alexander Harrold

FVP & Senior Director

DIR (310) 919-5790

MOB (310) 977-1651

alexander.harrold@matthews.com

LIC # 02009656 (CA)

Kyle Matthews

Broker of Record

LIC # PB00084217 (AR)

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EXECUTIVE SUMMARY

INVESTMENT SUMMARY

- **STRONG COMMITMENT TO LOCATION** – FedEx Freight has strategically operated at this site since 2008 where they have continued to serve the Jonesboro and surrounding markets.
- **RECENT EARLY LEASE EXTENSION** – FedEx recently executed an early 3-Year lease extension which runs through 4/30/2025. This most recent renewal represents their third time extending their lease at this location, further portraying their long-term outlook at this facility.
- **LOW-COVERAGE FACILITY** – This ± 10,750 Sq. Ft. facility is situated on 3.51 AC (7.03% Coverage), allowing for ample outdoor parking or future building expansion.
- **MISSION CRITICAL LOCATION** – This subject facility is positioned in a strong retail/industrial corridor surrounded by other national tenants including USPS, ABC Supply Co., UPS, Ryder, YRC Freight, Target, Lowe's, and many more. Jonesboro is one of the fastest-growing cities in Arkansas.
- **CLOSE PROXIMITY TO FEDEX WORLD HEAD QUARTERS** – This FedEx facility is located just ± 70 miles away from FedEx's World Head Quarters in Memphis, TN.
- **INVESTMENT GRADE TENANT** – FedEx Freight is the world's largest less-than-truckload (LTL) freight carrier with annual revenue of \$7.1B, and one of four segment offerings that comprise the world's largest commerce provider, FedEx Corporation (NYSE: FDX). FedEx Corporation generates ± \$70B in annual revenue and holds an S&P: BBB credit rating with Standard & Poor's Rating Service.



FINANCIAL OVERVIEW

» ADDRESS	3101 Fox Rd, Jonesboro, AR 72404
» PRICE	\$1,117,000
» CAP RATE	6.46%
» PRICE/SF	\$103.91
» PRICE/DOOR	\$32,852.94
» PRICE/SF LAND	\$7.31
» BUILDING SQ. FT.	± 10,750
» ACRES	± 3.51
» LOT SQ. FT.	± 152,896
» BUILDING/LOT COVERAGE	7.03%
» TOTAL DOCK DOORS	34
» YEAR BUILT	1985



LEASE SUMMARY

» TENANT / LEASE GUARANTOR	FedEx Freight / FedEx Corporation (NYSE: FDX)
» LEASE COMMENCEMENT	8/22/2008
» LEASE EXPIRATION	4/30/2025
» LEASE TERM REMAINING	± 3 Years
» OPTIONS	(1) 3-Year Option
» PROPERTY YEARLY RENT	\$81,000
» 2021 INSURANCE EXPENSE	\$3,930
» 2021 TAX EXPENSES	\$4,909
» 2021 NET OPERATING INCOME	\$72,161
» RENT/SF	\$7.53
» RENT/DOOR	\$2,382.35
» RENT/SF LAND	\$0.53
» RENTAL INCREASES	Flat Base \$6,800/Mo. @ Option
» LEASE TYPE	Gross
» TENANT RESPONSIBILITIES	Utilities / Landscaping / HVAC Maintenance
» LANDLORD RESPONSIBILITIES	Roof / Structure / Taxes / Insurance / HVAC Replacement / Paving



SMITH'S TIRE & SERVICES

RUSSELL'S TRUCK ACCESSORIES



CENTRAL TOYOTA

CENTRAL DEALERSHIPS OF JONESBORO



CAVENAUGH KIA



STOREHOUSE INC.

FOX RD.

TENANT OVERVIEW



TENANT SUMMARY

FedEx Corporation provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce, and business services. With annual revenues of \$84 billion, the company offers integrated business applications through operating companies competing collectively and managed collaboratively, under the respected FedEx brand. FedEx Ground is a leading North American provider of ground small-package delivery services, providing service to the U.S. and Canada.

TENANT SUMMARY

The company's FedEx Express segment provides various shipping services for the delivery of packages and freight; international trade services specializing in customs brokerage, and ocean and air freight forwarding services; assistance with the customs-trade partnership against terrorism program; and customs clearance services, such as well as an information tool that allows customers to track and manage imports. This segment also publishes customs duty and tax information and offers transportation management and temperature-controlled transportation services. Its TNT Express segment provides international express transportation, small-package ground delivery, freight transportation services, and business-to-consumer services. Its FedEx Freight segment offers less-than-truckload freight and freight-shipping services. As of 2021, this segment operated approximately 87,000 vehicles and trailers from a network of approximately 1,950 service centers. The company's FedEx Services segment provides sale, marketing, information technology, communication, customer, technical support, billing and collection, and other back-office support services; FedEx Mobile, a suite of solutions to track packages, create shipping labels view account-specific rate quotes, and access drop-off location information; copying and digital printing, professional finishing, document creation, direct mail, signs and graphics, computer rentals, and ground shipping and time-definite shipping services; and packing services, supplies, and boxes.

AREA OVERVIEW

JONESBORO, AR

Jonesboro is a fairly small city along Interstate 555 in the northeast corner of Arkansas. People generally know Jonesboro as the home of Arkansas State University, which serves as the cultural hub for the community. In addition to the 15,000 students enrolled at the university, folks around town regularly attend events on campus, from exhibits at the Bradbury Art Museum to symphony concerts and theater productions at the Fowler Center to Red Wolves football games at Centennial Bank Stadium. Just a few blocks west of campus, downtown Jonesboro is a modest yet attractive walking district full of historic architecture and charming storefront businesses. Craighead Forest Park on the south side provides a relaxing lake and wooded area perfect for spending a lazy weekend day or going for an invigorating run through the trails. Memphis is just an hour down the road, making it easy to take a weekend getaway to the big city.

The overall education level of Jonesboro citizens is substantially higher than the typical US community, as 29.51% of adults in Jonesboro have at least a bachelor's degree, and the average American community has 21.84%. The per capita income in Jonesboro in 2020 was \$40,140 which is wealthy relative to Arkansas, and middle income relative to the rest of the US. This equates to an annual income of \$107,252 for a family of four.



BRADBURY ART MUSEUM

Bradbury Art Museum, formerly known as Bradbury Gallery, is a contemporary art facility on the campus of Arkansas State University. It was established in January of 2001 by Curt Bradbury who provided an endowment in honor of his wife, Charlotte, an alumna of A-State and a former member of the university's Board of Trustees. In August of 2015 the gallery was reestablished as a museum to better reflect its scope and purpose of teaching, presenting and collecting.

Bradbury Art Museum features changing exhibitions of contemporary art in all media with programming that promotes the understanding of art and its significance to society. Prominent regional, national and international artists are presented to inform viewers of cultural developments in our community, across the country and around the world. Through these endeavors we invite museum visitors and program participants to meaningfully engage in artistic experiences that are enlightening and educational.



CRAIGHEAD FOREST PARK

Craighead Forest Park opened when the Young Men's Civic Club began work on the lake in 1937. It is now a city owned park that is situated in the scenic beauty of Crowley's Ridge. This 692 acre park offers many recreational opportunities for the public to enjoy.

Residing within Crowley's Ridge, and located just off of Stadium Blvd., Craighead Forest Park is a regular spot for many to visit in Craighead County. The park is a convenient spot for campers, providing an RV campground with several amenities needed for camping. Some of the other features in Craighead Forest Park include bike and hiking trails, fishing spots, even a swimming spot for dogs! There are also several playgrounds for families to use. Whether you're passing through Craighead County, or simply needing to spend some time outdoors, Craighead Forest Park provides plenty of space and opportunities for everyone!



CENTENNIAL BANK STADIUM

Centennial Bank Stadium (formerly known as Liberty Bank Stadium) is located on the campus of Arkansas State University and is home to their college football team, the Red Wolves. The stadium was named after the old nickname of the school, the Indians, until the 2007 season when it was renamed ASU Stadium. The venue was again renamed in September 2012 after Liberty Bank donated approximately \$5 million to the university, and was renamed in 2013 after Liberty Bank was bought by Centennial Bank. The stadium currently has a capacity of 30,406.





ARKANSAS STATE UNIVERSITY

Arkansas State University is a public research university in Jonesboro, Arkansas. It is the flagship campus of the Arkansas State University system and the 2nd largest university in the state. The University was founded in 1909 and sits atop 1,376 acres on Crowley's Ridge. Arkansas State has a current enrollment of 14,085 students and over 1,500 faculty and staff. The school offers 150 fields of study and has over 90,000 alumni.

The economic and cultural engine of Northeast Arkansas, A-State's public-private partnerships include hosting the New York Institute of Technology College of Osteopathic Medicine which is Arkansas' first osteopathic medical school, the creation of Mexico's first American-style university with ASUCQ in Queretaro, and working with O'Reilly Management for the Red Wolf Convention Center and Embassy Suites. The Red Wolves are the university's mascot, and their colors are scarlet and black. Arkansas State athletics compete in the NCAA Division I conference.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **FedEx Freight** located at **3101 Fox Rd, Jonesboro, AR 72404** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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MOB (310) 897-0809

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LIC # 02116782 (CA)

Alexander Harrold

FVP & Senior Director

DIR (310) 919-5790

MOB (310) 977-1651

alexander.harrold@matthews.com

LIC # 02009656 (CA)

Kyle Matthews

Broker of Record

LIC # PB00084217 (AR)