



CONFIDENTIAL OFFERING MEMORANDUM

FedEx Ground

2290 S. Canal Road | Lansing, Michigan

Parking & Yard Expansion | New 10 Year Lease Extension

2013 Construction | Strong Central Location

NEWMARK

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Executive Summary

FedEx Ground

PROPERTY

2290 S. Canal Road
Lansing, Michigan
+/- 147,258 SF
+/- 17.13 AC

PROPERTY USE

E-Commerce Small Package Distribution

INTEREST

Fee Simple (Land & Building)

Price: \$25,912,400
5.20% Cap Rate

S&P
BBB Parent

Undergoing Parking
Lot and Yard
Expansion

New 10 Year
Lease; Commencing
Oct. 1, 2022

Lease Extended
Through
Sept. 2032

Passive
Lease Structure

Investment Highlights

INVESTMENT GRADE CREDIT | FORTUNE 50 | PUBLICLY TRADED COMPANY

FedEx Corporation (NYSE: FDX) is a global logistics provider founded in 1971 and is headquartered in Memphis, Tennessee with 447,000 employees. The company is the parent to several service lines, including: FedEx Express, FedEx Freight, FedEx Ground and FedEx Services. FDX holds an investment grade credit rating of BBB with Standard & Poor's and currently resides at #45 on the Fortune 500 list. As of May 2021, FedEx has annual revenues of \$84BB, a net income of \$5.2BB and a tangible net worth of \$24BB.

NEW 10 YEAR LEASE EXTENSION | PARKING LOT AND YARD EXPANSION

Property was a build to suit for the tenant in 2013. Recently, tenant signed a new 10-year lease extension with the new expiration being September 2032 leaving over 10 years remaining on the primary lease term. Additionally, there are two (2), five (5) year options to extend with rental increases; 10% in option 1 and 5% in option 2. The Property is currently undergoing an employee parking lot expansion and a significant yard expansion scheduled to be completed in October.

MICHIGAN STATE CAPITOL | STRONG AND STRATEGIC LOGISTICS MARKET | QUICK ACCESS TO MAJOR POPULATION CENTERS

Property is located in state capitol city of Lansing with an MSA population of almost 550,000, which is a 16% increase from the population in 2010. The Property is very well located in the western industrial sub-market of Lansing with immediate access to the intersection of Interstate 69 and Interstate 496. With easy access to interstates and the central Michigan location, Lansing is a strategic logistics hub that can reach 40MM people within 250 miles. Central Michigan is also 500 miles from nearly half of the United States population. Lansing is only a 90-mile drive from the Ambassador Bridge in Detroit, which is the most active border crossing in North America. 25% of the \$700 billion annual trade with Canada passes over the Ambassador Bridge.

PREMIER INDUSTRIAL AREA OF WEST LANSING | NEW GM ASSEMBLY PLANT LESS THAN 1-MILE AWAY

Within the immediate industrial submarket, and within a 1-mile radius, there are many notable tenants occupying industrial space, including: Amazon, Ryder, Meijer, and General Motors. General Motors has its newest United States plant, a 3.4 million square foot assembly plant, directly across Interstate 96 from the Property – the GM Lansing Delta Township Assembly Plant. GM assembles the Buick Enclave and Chevrolet Traverse at this plant. In addition, several miles away on Interstate 496, GM has another assembly plant, the Grand River Assembly Plant, that assembles several Cadillac models and the Chevrolet Camaro.



Property Overview

Purchase Price	\$25,912,400
Cap Rate	5.20%
Address	2290 S. Canal Road
City, State	Lansing, Michigan
Interest	Fee Simple - Land & Building
Tenant/Guarantor	FedEx Ground Package System, Inc.
Year Built	2013
Total Building Size	+/- 147,258 SF
Warehouse	+/- 140,798 SF
Office	+/- 6,203 SF
Land Size	+/- 17.13 AC
Construction Type	Pre-Engineered Steel (Metal)
Building Site Coverage	15%

Lease Overview

Lease Commencement	June 27, 2013
Lease Expiration	September 30, 2032
Lease Term	+/- 10.5 Years
Annual Base Rent*	\$1,347,445
Rent Increases	10% in Option 1, 5% in Option 2
Option Periods	Two (2) , Five (5) Year Options
Option 1	\$1,482,190 (10% Increase)
Option 2	\$1,556,299 (5% Increase)
Lease Type	NN - Roof & Structure
Taxes	Tenant
Insurance	Tenant
Utilities	Tenant

*Based on October 1, 2022





ABRAMS MUNICIPAL AIRPORT

meijer JCPenney
TARGET **REGAL**
BEST BUY **Burlington**

meijer

Eastwood Towne Center
Walmart **Apple**
sam's club **DICK'S SPORTING GOODS**

Walmart **TSC TRACTOR SUPPLY CO.**
MENARDS **HOBBY LOBBY**
LOWE'S **BOB'S FURNITURE**

CAPITAL REGION INTERNATIONAL AIRPORT

HAWK HOLLOW GOLF COURSE

THE FALCON GOLF COURSE
TIMBER RIDGE GOLF CLUB

meijer

COSTCO WHOLESALE

PRO-MEC

Kroger
KOHL'S
Jeep **CHRYSLER** **RAM**

gm
Assembly Plant for several Cadillac models and Chevrolet Camaro

JOANN
RITE AID

East Lansing
meijer

Meridian Charter Township

Frondor Shopping Center

Kroger **Michaels**
TJ-maxx **HomeGoods**
JOANN **PartyCity**
WORLD MARKET **petco**

amazon
New Fulfillment Center – 1MM SF, \$100MM, 1,000 Employees

FedEx Ground

Waverly

Auto-Owners INSURANCE

Lansing

496

gm
Assembly Plant

SPARTAN STADIUM

WHOLE FOODS

meijer **★ macy's**

Walmart **KOHL'S**

TARGET **Kroger**

BEST BUY **Marshalls**

gm
3.4MM SF.
Newest GM Plant in the United States.
Assembly Plant for Buick Enclave and Chevrolet Traverse

THE HOME DEPOT

Kroger

meijer

496

COLLEGE FIELDS GOLF CLUB

MICHIGAN STATE UNIVERSITY

Ryder **AVANCEZ**
BRIDGEWATER INTERIORS **PECKHAM**

amazon
Delivery Station

meijer

MENARDS **Celebration! Cinema**
TARGET **Gordon FOOD SERVICE STORE**

LOWE'S

LANSING COMMUNITY COLLEGE
Where Success Begins

amazon

Delhi Charter Township





Assembly Plant for several Cadillac models and Chevrolet Camaro



RYERSON

LANSING RD



RYERSON



PECKHAM



NEWMARK - FEDEX GROUND

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TENANT OVERVIEW



FedEx Corporation (NYSE: FDX) is an American based global logistics company that officially began operations in 1971. Today, FedEx has over 200,000 vehicles, 680 airplanes, employs over 600,000 people and delivers 18 million packages per day.

FedEx Corporation

FedEx Corporation was founded by Frederick Smith based on the idea of solving logistical challenges that he wrote about in a Yale University term paper in 1965. The company's original roots are in Little Rock, Arkansas where Smith purchased a controlling interest in Arkansas Aviation Sales in 1971. Fast forward a few years, the company moved its official headquarters to Memphis, Tennessee and officially launched their operations.

FedEx Corporation is the parent company to several different service lines, including: FedEx Express, FedEx Freight, FedEx Ground, and FedEx Services. As of May 31, 2021, FedEx Corporation had Revenues of \$83.96 Billion (22% increase over prior year), a Gross Profit of \$17.95 Billion (33% increase over prior year) and a Net Worth of \$24.17 Billion (31% increase over prior year). FedEx Corporation is ranked #45 on the Fortune 500 and has held an investment-grade credit rating of BBB with Standard & Poor's since 1998.

FedEx Ground

FedEx Ground (FedEx Ground Package System, Inc.) is the North American provider of small-package ground delivery services. This segment provides low-cost, day-certain service to any business address in the US and Canada, as well as residential delivery to 100% of the US residences through its FedEx Home Delivery service. Recently, FedEx Ground launched seven-day-a-week residential delivery coverage in response to high demand.

The FedEx Ground segment is responsible for 37% of FedEx Corporation's total revenues. As of May 31, 2021, FedEx Ground had over 96,000 vehicles, occupied 625 facilities, employed over 180,000 people and delivered 12 million packages per day.

As of May 31, 2021, FedEx Ground had Revenues of \$30.50 Billion (34% increase over prior year). The increase in revenue was due in part to the heightened demand during the pandemic with the average daily package volume increased by 23%.



STOCK SYMBOL: FDX
NYSE



YEAR FOUNDED
1971



HEADQUARTERS
Memphis, Tennessee

EMPLOYEES
600,000



#45 on Fortune 500

STANDARD & POOR'S
BBB



As of May 31, 2021:
REVENUE
\$83.96 Billion

GROSS PROFIT
\$17.95 Billion

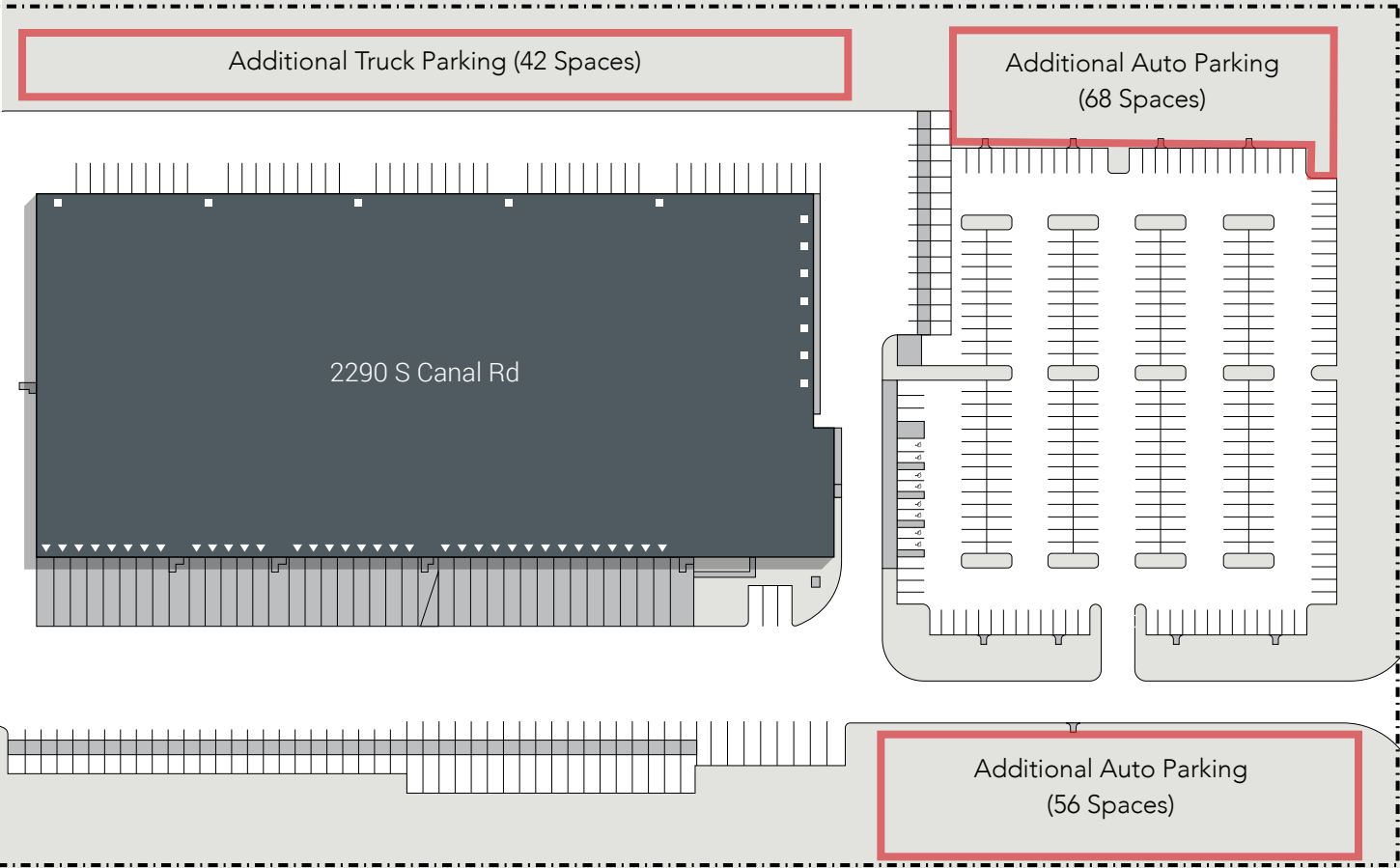
NET WORTH
\$24.17 Billion



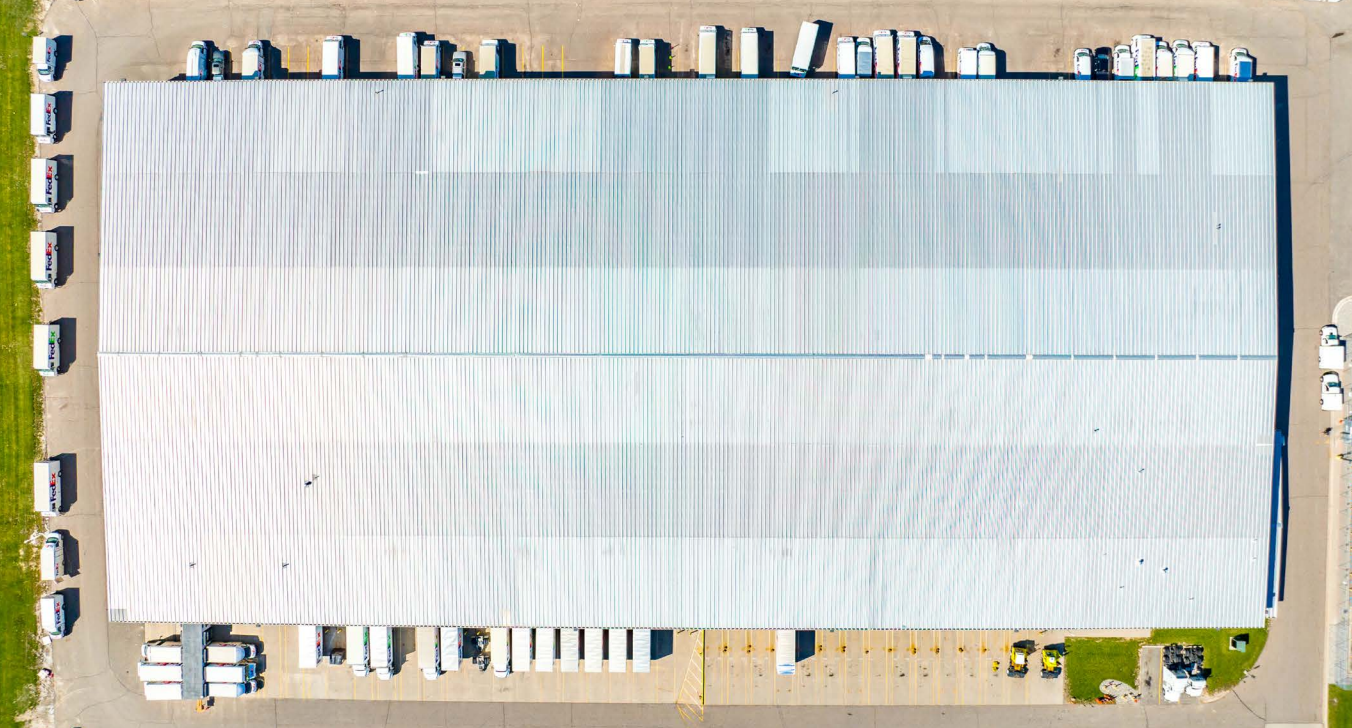
WEBSITE
www.fedex.com

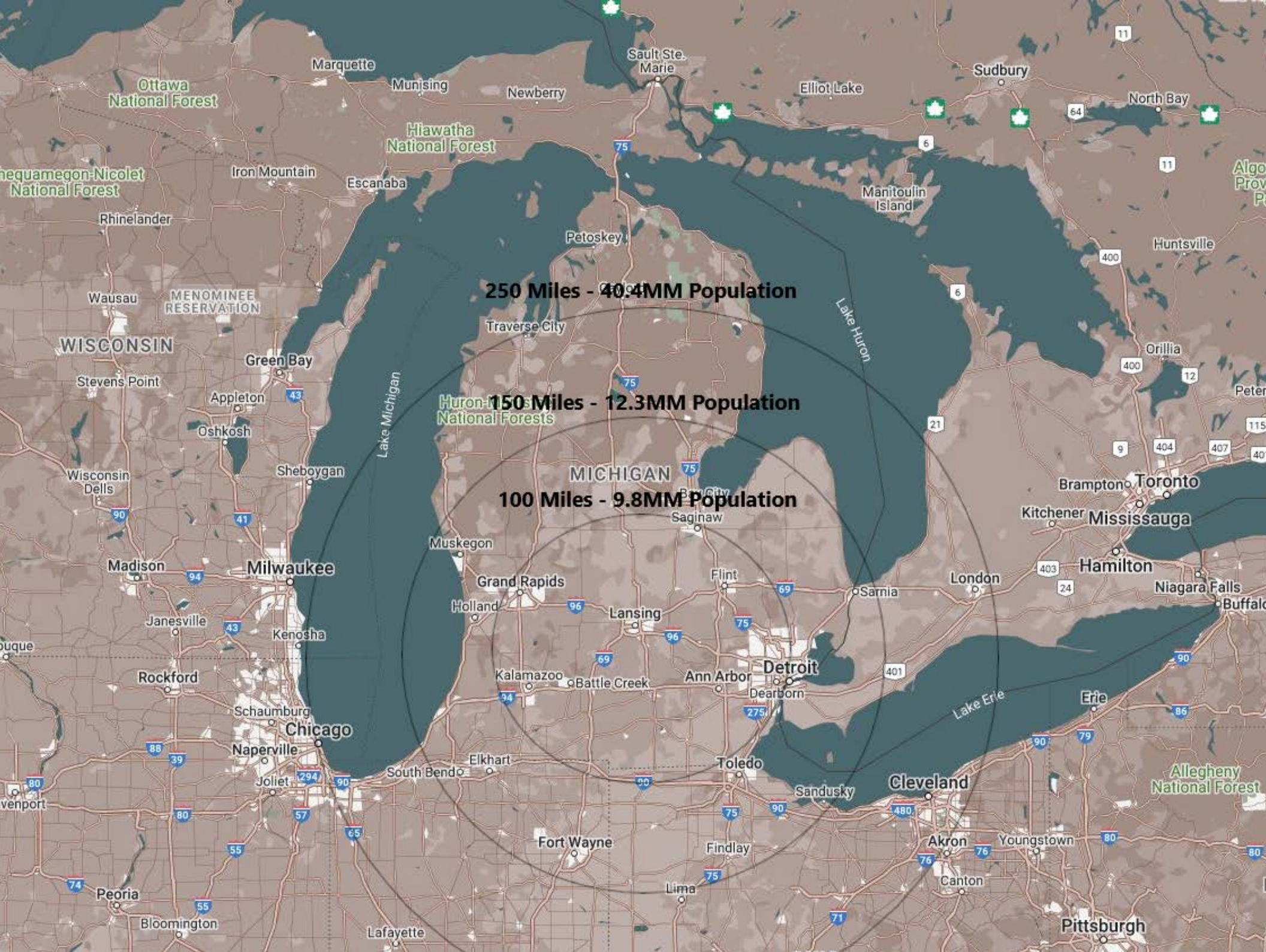
Site Plan

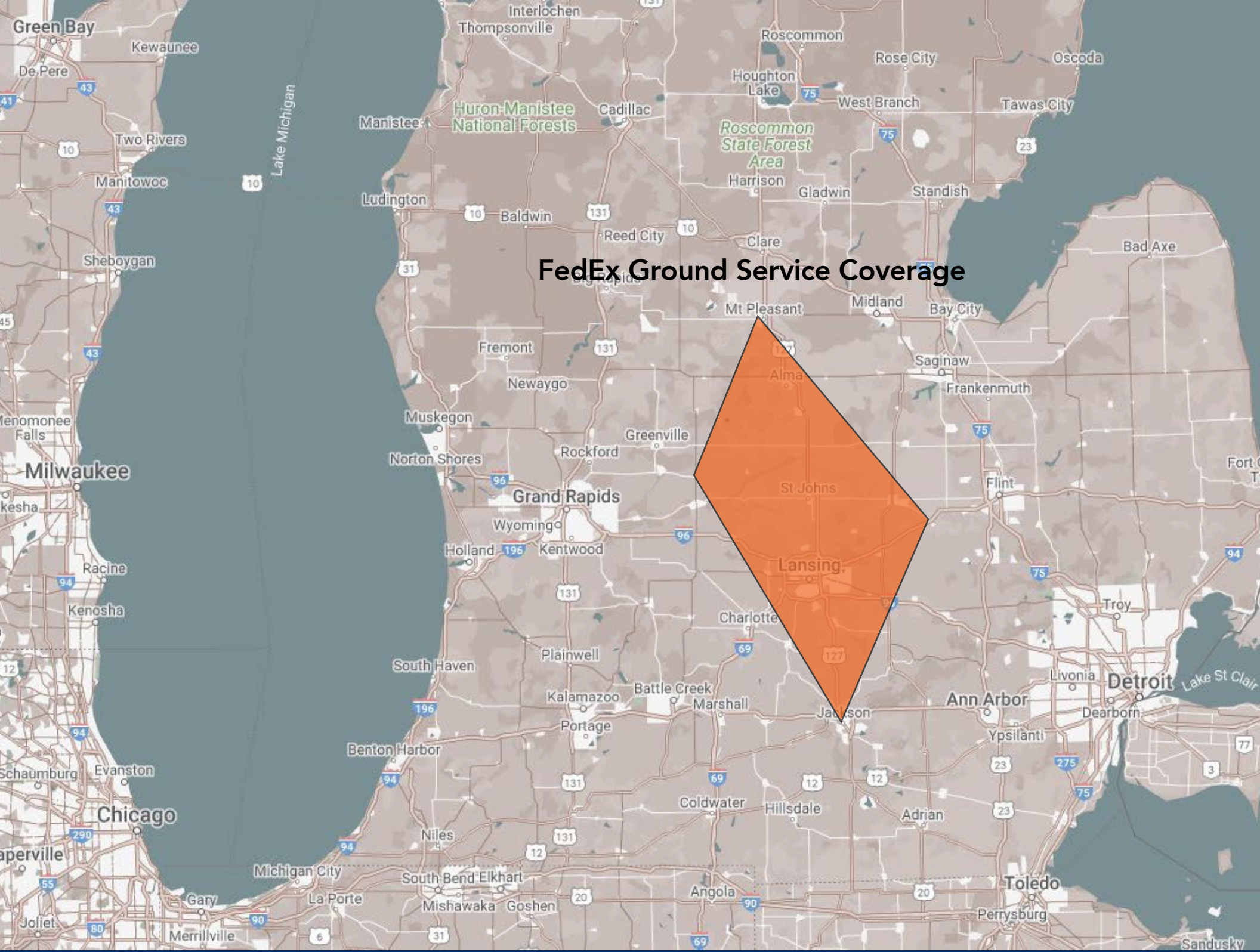
PROPERTY SPECIFICATIONS	
Address	2290 S. Canal Road
City	Lansing
State	Michigan
County	Eaton
Parcel No.	040-028-200-054-00
Dock Doors	37
Drive-In Doors	11
Clear Height	28-32'
Construction	Metal
Roof	Pitched Metal
Conveyors	5 Lines











FedEx Ground Service Coverage

Lansing, Michigan

Lansing is the capital city of Michigan and an hour away from 90% of Michigan's population.

Lansing expands into three total counties, Ingham county, Eaton County, and Clinton county and is the sixth largest city in the state of Michigan with a population of 112,644. Lansing is a part of a metropolitan statistical area with a population of 541,297. Centrally located, Lansing is one hour from Detroit and one hour from Grand Rapids.

Known as "America's Best Big Small City," Lansing is an important center for educational, cultural, governmental, commercial, and industrial functions. Home to the Michigan State University, located in east Lansing, MSU is a public research university with over 50,000 students. Lansing has had eight years of population growth and ranked #1 in the state for labor force growth. In 2018, Lansing was voted the best affordable place to live in America.

The current industrial market in Lansing boasts an inventory of 53M total square feet with only a 1.6% vacancy rate. Industrial rents in the Lansing market are rising at an impressive 7.9% annual rate. Lansing is home to three freight railroads and one large commercial airport, servicing routes nationally. Lansing has many large highways including I-69, a north-south interstate running from the Mexican Border to Canada. Also, I-96, an east to west highway, runs through Detroit. General Motors recently built two of the newest and most technologically advanced manufacturing plants in the United States right in Lansing.

AREA TOP EMPLOYERS

State of Michigan	14,390
Michigan State University	10,253
Sparrow Health System	7,600
General Motors	4,549
Lansing Community College	3,144
McLaren Greater Lansing	3,000
Auto-Owners Insurance	2,578
Peckham	2,510
Jackson Natural Life	2,500
Dart Container	2,000



DEMOGRAPHICS

	5 Mile	10 Mile	15 Mile
POPULATION SUMMARY:			
2010 Total Population	78,005	260,105	375,792
2021 Total Population	79,587	269,239	392,505
2026 Total Population	80,337	274,970	402,111
2021-2026 Annual Rate	0.19%	0.42%	0.48%
2021 Total Daytime Population	80,625	299,497	418,647
HOUSEHOLD SUMMARY:			
2000 Households	31,753	101,623	142,039
2010 Households	33,258	105,486	150,774
2021 Households	34,319	110,262	159,260
2026 Households	34,745	112,964	163,665
MEDIAN HOUSEHOLD INCOME:			
2021	\$58,676	\$53,246	\$56,867
2026	\$63,499	\$57,678	\$62,287
MEDIAN HOME VALUE:			
2021	\$159,658	\$152,895	\$173,588
2026	\$180,905	\$178,242	\$198,972
MEDIAN AGE:			
2021	41.3	35.1	35.6
2026	42.2	36.0	36.6
2021 POPULATION BY RACE/ETHNICITY:			
White Alone	65.8%	71.0%	74.8%
Black Alone	20.2%	14.4%	11.2%
American Indian Alone	0.5%	0.6%	0.5%
Asian Alone	5.1%	5.5%	6.4%
Pacific Islander Alone	0.0%	0.0%	0.0%
Some Other Race Alone	2.9%	3.1%	2.4%
Two or More Races	5.5%	5.4%	4.7%
Hispanic Origin	9.3%	9.6%	7.9%



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