

FedEx[®]

Ground

5115 Dylan Dr | South Bend, IN 46628

OFFERING MEMORANDUM



MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES

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EXECUTIVE SUMMARY

INVESTMENT SUMMARY

- **FedEx Ground Relocation Build-To-Suit in 2015** – FedEx Ground **specifically had this facility built for their operations in 2015** as their footprint continued to grow in this region and began outgrowing their former facilities. When the build-to-suit was completed in 2015, FedEx Ground moved in and has continued to operate and serve the South Bend and surrounding markets.
- **Ideally Located For Distribution Operations** – South Bend is perfectly positioned in the **heart of America's logistical crossroads** with the FedEx Ground facility being **directly off Interstate 80/90 which is the longest interstate highway in the United States**. This FedEx facility is also strategically located less than 2 miles from the South Bend Intl. Airport, ±90 miles from Chicago, ±150 miles from Indianapolis, ±50 miles from The Port at Burns Harbor, and many more nearby distribution attractions.
- **Highly Functional Facility With Future Expansion Capabilities** – This 208,361 SF facility is situated on 31.8 acres of land (15% Coverage) allowing for **future expansion capabilities** and is equipped with **60 dock-high and 7 drive-in doors**, making it an iconic distribution hub for FedEx Ground's operations.
- **Perfectly-Positioned In Heart of Newly Developed & Growing Industrial Park** – This FedEx Ground facility is located in the center of a **newly developed and rapidly growing industrial park** surrounded by national logistics companies including **Amazon, Pepsi, Old Dominion Freight Line, FedEx Freight, Holland, Penske, and many more**.
- **Close-Proximity to University of Notre Dame** – South Bend is home to the University of Notre Dame, one of the top universities in the country.
- **FedEx Ground Package Systems, Inc. Guarantor** – FedEx Ground is the fastest growing and most profitable subsidiary of **FedEx Corporation (NYSE: FDX)**, currently operating in over 600 facilities with **annual revenues over \$30.5B**.



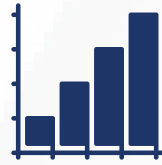
FINANCIAL OVERVIEW



5115 Dylan Drive,
South Bend, IN 46628



PRICE
\$22,330,000



CAP RATE
4.50%



PRICE/SF
\$107.17



PRICE/SF/LAND
\$16.12

LEASE SUMMARY

Lease Commencement	10/23/2015
Lease Expiration	10/22/2030
Lease Term Remaining	±8.5 Years
Options	(2) 5 Year Options
Monthly Rent	\$83,748
Annual Rent	\$1,004,978
Rent/SF	\$4.82
Rent/SF Land	\$0.73
Rental Increases	Flat Base 15% then 5% in Options
Lease Type	Industrial NNN
Tenant Responsibilities	Operating Expenses
Landlord Responsibilities	Roof / Structure

PROPERTY SUMMARY

Building Sq. Ft.	±208,361 SF
Acres	±31.80 AC
Lot Sq. Ft.	±1,385,208 SF
Building/Lot Coverage	15.04%
Year Build-to-Suit	2015
Drive-In Doors	7
Dock-High Doors	60

FINANCING

Please contact a Matthews™ Capital Markets Agent
for financing options:

Roger Burke
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ANNUALIZED OPERATING DATA

YEAR	ANNUAL RENT	MONTHLY RENT	RENT / SF	RENT / SF LAND	CAP RATE	% INCREASE
10/23/2021 - 10/22/2030	\$1,004,978.04	\$83,748.17	\$4.82	\$0.73	4.50%	-
1ST OPTION						
10/23/2030 - 10/22/2035	\$1,155,724.80	\$96,310.40	\$5.55	\$0.83	5.18%	15%
2ND OPTION						
10/23/2035 - 10/22/2040	\$1,213,511.04	\$101,125.92	\$5.82	\$0.88	5.43%	5%







ST JOSEPH VALLEY PKWY
122,000 VPD



Longest Highway
in the Country



SOUTH BEND
INTERNATIONAL AIRPORT
± 5.6 MILES



Pilot



FEDEX GROUND



ST JOSEPH VALLEY PKWY
22,000 VPD

23

23

TENANT PROFILE



TENANT

FEDEX GROUND
PACKAGE SYSTEM, INC.

OPERATING FACILITIES

OVER 600 NATIONWIDE

HEADQUARTERS

PITTSBURG, PA



FEDEX GROUND

FedEx Ground operates through FedEx Ground Package System, Inc. (FedEx Ground), a North American FedEx Corporation provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce, and business services. With annual revenues of \$69.2 billion, the company offers integrated business applications through operating companies competing collectively 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. FedEx Home Delivery®, the industry's first ground service dedicated to residential delivery, is available from FedEx Ground and provides no additional charge for Saturday delivery. FedEx SmartPost® is a ground service that specializes in the consolidation and delivery of high volumes of low-weight, less time-sensitive business-to-customer packages, primarily using the U.S. Postal Service® for last-mile delivery to residents. FedEx Ground's business segment financial results include FedEx Supply Chain, one of North America's largest third-party logistics providers.

The Company's FedEx Ground segment operates through FedEx Ground Package System, Inc. (FedEx Ground), a North American provider of small-package ground delivery services. The segment provides day-certain service to any business address in the United States and Canada, and residential delivery to residences in the United States through its FedEx Home Delivery services. The FedEx Ground segment operates multiple hub-and-spoke sorting and distribution systems at over 600 facilities, including 39 hubs, in the United States and Canada. The FedEx Ground segment leverages its pickup operation and hub-and-line haul network to provide FedEx Home Delivery service and FedEx SmartPost Service.

AREA OVERVIEW

SOUTH BEND, IN

South Bend is a city on the St. Joseph River in St. Joseph County in Indiana. South Bend is the economic, educational, media, and cultural hub of a multi-county region spanning the Michigan-Indiana border. It is the fifth-largest city in Indiana with over 100,000 residents. South Bend's flourishing collegiate community and burgeoning tech industry have built upon the foundation of the city's industrial past to create a vibrant present and a promising future. The city's fourteen institutions of higher learning, including the internationally renowned University of Notre Dame, infuse South Bend with creative energy in the arts, business, and technology. Combined with recent economic growth, strong neighborhoods, an affordable cost of living, exciting recreational opportunities, and thriving arts venues make South Bend a great place to live, work, and play. Downtown South Bend is home to a diverse array of retailers, attractions, dining opportunities, entertainment options, and more. Featuring over 50 restaurants, bars, and cafes, with a variety of cuisine from Italian to fine dining, New Orleans inspired to Japanese flavors, and more.

POPULATION	1-MILE	3-MILE	5-MILE
2027 Estimation	1,165	9,828	41,145
2022 Population	1,140	9,660	40,751
2010 Population	1,042	9,054	39,821
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2027 Estimation	468	4,073	16,376
2022 Population	457	4,002	16,213
2010 Population	415	3,755	15,846



SOUTH BEND ECONOMY

As the fifth largest city in Indiana, South Bend has become an economic and cultural hub in the region. The city prides itself on its extensive transportation amenities, reasonable housing costs, and several institutions of higher education providing talented workers to the local workforce. South Bend's major industries include healthcare and education, with Beacon Health System and the University of Notre Dame being its top major employers. Other well-known companies such as Honeywell, PEI-Genesis, and many others have major operations in the city. According to Forbes, the gross metro product of South Bend is \$15.4 billion. With its plethora of higher education opportunities, access to a highly educated workforce, low cost of living, and growing economy, South Bend attracts big businesses, young professionals, and families alike. The economy of South Bend employs 46,200 people. The largest industries in the city include Manufacturing (8,571), Healthcare & Social Assistance (6,608), and Educational Services (6,173). The highest paying industries are Utilities (\$49,028), Professional, Scientific, & Technical Services (\$47,955), and Finance & Insurance (\$41,983). The state's top domestic production includes motorized vehicles (\$78.4B), mixed freight (\$44.4B), base metals (\$39.6). The state's most common trade partners are Illinois, Michigan, and Ohio.

UNIVERSITY OF NOTRE DAME

The University of Notre Dame is a private Catholic research university just outside the city of South Bend that is well-known for its academics and football history. The university is comprised of 8 schools and colleges and offers 75 undergraduate majors and 45 graduate majors. Popular areas of study include science, liberal arts and social science, and business. Currently, over 8,000 undergraduate students and over 3,000 graduate students attend the university. Known as the "Fighting Irish", Notre Dame has around 20 varsity sports teams competing in the Atlantic Coast Conference at the NCAA Division I level. Football is the university's most popular sport. Notre Dame's football team has won 22 national championships and throughout the years, 7 of its players have won Heisman trophies. Notre Dame football games generate a \$185 million economic impact on the region each year. Overall, Notre Dame University generates an annual economic impact of \$2.46 billion and supports around 16,700 jobs in the three-county region.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **FedEx** located at **5115 Dylan Dr, South Bend, IN** ("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.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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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