

INVESTMENT OPPORTUNITY



FEDEX EXPRESS DISTRIBUTION FACILITY

LAST MILE DISTRIBUTION BUILDING
30+ YEAR OPERATING HISTORY

TOPEKA, KS



OFFERED AT: \$1,632,000 | 6.25%





TABLE OF CONTENTS

EXECUTIVE SUMMARY

- 3 Offering Summary
- 4 Investment Highlights
- 5 Lease Summary & Rent Schedule

PROPERTY INFORMATION

- 6 Location Maps
- 7 Building Layout
- 8 Aerials

TENANT OVERVIEW

- 9 About FedEx

AREA OVERVIEW

- 10 Topeka Overview

Confidentiality Agreement & Disclosures

EXCLUSIVELY REPRESENTED BY

RYAN BARR | Principal
 760.448.2446
 rbarr@lee-associates.com
 CA Lic#01338994

RYAN BENNETT | Principal
 760.448.2449
 rbennett@lee-associates.com
 CA Lic#01826517



Listed in conjunction with Kansas real estate broker David B Zacharia license BR00047228





-- OFFERING SUMMARY --

| INVESTMENT HIGHLIGHTS | |
|-----------------------|--------------------------------|
| Offering Price: | \$1,632,000 |
| Net Operating Income: | \$102,000 |
| Cap Rate: | 6.25% |
| Price/SF: | \$81 |
| Lease Type: | Double-Net (NN) |
| LL Responsibilities: | Roof, Structure, Pkg Lot, HVAC |

| PROPERTY OVERVIEW | |
|-------------------|--|
| Address: | 1850 Southwest 42nd Street Topeka, KS 66609 |
| Property Size: | Approx 20,000 Sq Ft |
| Land Size: | 2.23 Acres |
| Ownership: | Fee Simple |
| Year Built: | 1986 |
| APN: | 146-24-0-20-05-007.00 |

Lee & Associates is pleased to exclusively offer for sale the fee simple interest (land & building) in a FedEx Express investment property located in Topeka, KS (the "Property"). Built in 1986 as a build to suit for FedEx, the Property consists of a 20,000-square-foot building that sits on an approximately 2.23-acre parcel. The building features (4) drive-in loading doors, expansive parking, and multiple entrances to the property.

FedEx has been operating at this location for over 34 years and extended their lease an additional 10 years in 2013, demonstrating their commitment to the site. The double-net lease rent is flat throughout the term and has (2) 5-year renewal options available.

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 2.23-acre parcel, this FedEx Express distribution facility offers multiple entrances and is only 6 miles from downtown Topeka. Additionally, the site offers an ideal location at the intersection of Interstates 470, 335/Kansas Turnpike and SR-75 for quick access to Kansas City 66 miles to the east and other cities beyond.

The subject property is located in Topeka, the capital city of Kansas and the seat of Shawnee County. It is located along the Kansas River in the central part of Shawnee County, in northeast Kansas. It is located approximately 1 hour west of Kansas City. Topeka offers a low cost of living, excellent access to healthcare, an educated workforce, and a diverse economy balanced by education, healthcare, manufacturing and retail. Topeka's overall cost of living index is 91.7, more than 10 percent below the national urban area average, particularly in the housing market which is 83.8. Just last year, Kiplinger Finance Magazine designated Topeka one of the top ten cities for the next decade. Neighborhoods, schools, civic and cultural activities, economic incentives and a "we can do that" attitude combine to make Topeka one of the best small metros in the United States.

Being the state's capital city, Topeka's largest employer is the State of Kansas—employing about 8,400 people, or 69% of the city's government workers. Altogether, government workers make up one out of every five employed persons in the city.

Its location at the intersection of Interstates 70, 35 and 29 offers excellent transportation and distribution advantages for businesses, making it easier and cheaper to ship in and out of the area. Top manufacturers Goodyear Tire and Rubber Company, Hill's Pet Nutrition, Frito-Lay, and Jostens Printing and Publishing are a few of the largest companies in the region.





-- INVESTMENT HIGHLIGHTS --

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

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.

BUILD TO SUIT CONSTRUCTION • EXTENSIVE LOADING CAPACITY • MULTIPLE ENTRANCES

Built in 1986 as a build to suit for FedEx, the Property consists of a 20,000-square-foot building that sits on an approximately 2.23-acre parcel. The building features (4) drive-in loading doors, expansive parking, and multiple entrances to the property.

REAL ESTATE ADVANTAGE • ONLY 6 MILES TO DOWNTOWN TOPEKA • LOCATED AT INTERSECTION OF MAJOR INTERSTATES

Situated on a 2.23-acre parcel, this FedEx Express distribution facility offers multiple entrances and is only 6 miles from downtown Topeka. Additionally, the site offers an ideal location at the intersection of Interstates 470, 335/Kansas Turnpike and SR-75 for quick access to Kansas City 66 miles to the east and other cities beyond.

SUCCESSFUL 34-YEAR OPERATING HISTORY • MULTIPLE LEASE EXTENSIONS REFLECT COMMITMENT TO THE SITE

FedEx has been operating at this location for over 34 years and extended their lease an additional 10 years in 2013, demonstrating their commitment to the site. The double-net lease rent is flat throughout the term and has (2) 5-year renewal options available.

LOCATED IN TOPEKA, KS • CAPITAL CITY OF STATE OF KANSAS • MAJOR EMPLOYER OF STATE/GOVT WORKERS • HIGHLY EDUCATED WORKFORCE • TRANSPORTATION & DISTRIBUTION ADVANTAGES

The subject property is located in Topeka, the capital city of Kansas and the seat of Shawnee County. It is located along the Kansas River in the central part of Shawnee County, in northeast Kansas. It is located approximately 1 hour west of Kansas City. Topeka offers a low cost of living, excellent access to healthcare, an educated workforce, and a diverse economy balanced by education, healthcare, manufacturing and retail. Topeka’s overall cost of living index is 91.7, more than 10 percent below the national urban area average, particularly in the housing market which is 83.8. Just last year, Kiplinger Finance Magazine designated Topeka one of the top ten cities for the next decade. Neighborhoods, schools, civic and cultural activities, economic incentives and a “we can do that” attitude combine to make Topeka one of the best small metros in the United States.

Being the state’s capital city, Topeka’s largest employer is the State of Kansas—employing about 8,400 people, or 69% of the city’s government workers. Altogether, government workers make up one out of every five employed persons in the city.

Its location at the intersection of Interstates 70, 35 and 29 offers excellent transportation and distribution advantages for businesses, making it easier and cheaper to ship in and out of the area. Top manufacturers Goodyear Tire and Rubber Company, Hill’s Pet Nutrition, Frito-Lay, and Jostens Printing and Publishing are a few of the largest companies in the region.





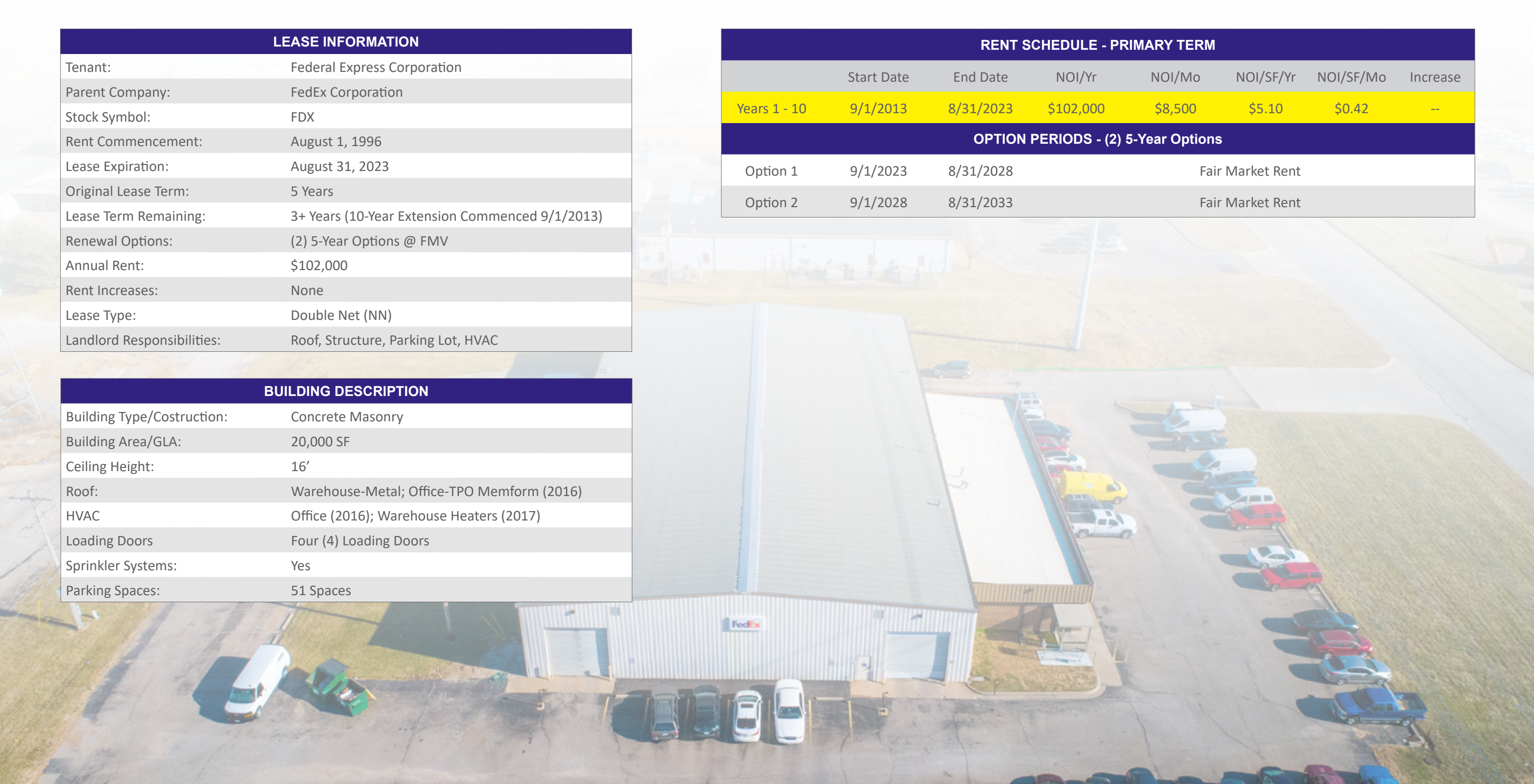
-- LEASE OVERVIEW --

| LEASE INFORMATION | |
|----------------------------|---|
| Tenant: | Federal Express Corporation |
| Parent Company: | FedEx Corporation |
| Stock Symbol: | FDX |
| Rent Commencement: | August 1, 1996 |
| Lease Expiration: | August 31, 2023 |
| Original Lease Term: | 5 Years |
| Lease Term Remaining: | 3+ Years (10-Year Extension Commenced 9/1/2013) |
| Renewal Options: | (2) 5-Year Options @ FMV |
| Annual Rent: | \$102,000 |
| Rent Increases: | None |
| Lease Type: | Double Net (NN) |
| Landlord Responsibilities: | Roof, Structure, Parking Lot, HVAC |

| BUILDING DESCRIPTION | |
|----------------------------|--|
| Building Type/Costruction: | Concrete Masonry |
| Building Area/GLA: | 20,000 SF |
| Ceiling Height: | 16' |
| Roof: | Warehouse-Metal; Office-TPO Memform (2016) |
| HVAC | Office (2016); Warehouse Heaters (2017) |
| Loading Doors | Four (4) Loading Doors |
| Sprinkler Systems: | Yes |
| Parking Spaces: | 51 Spaces |

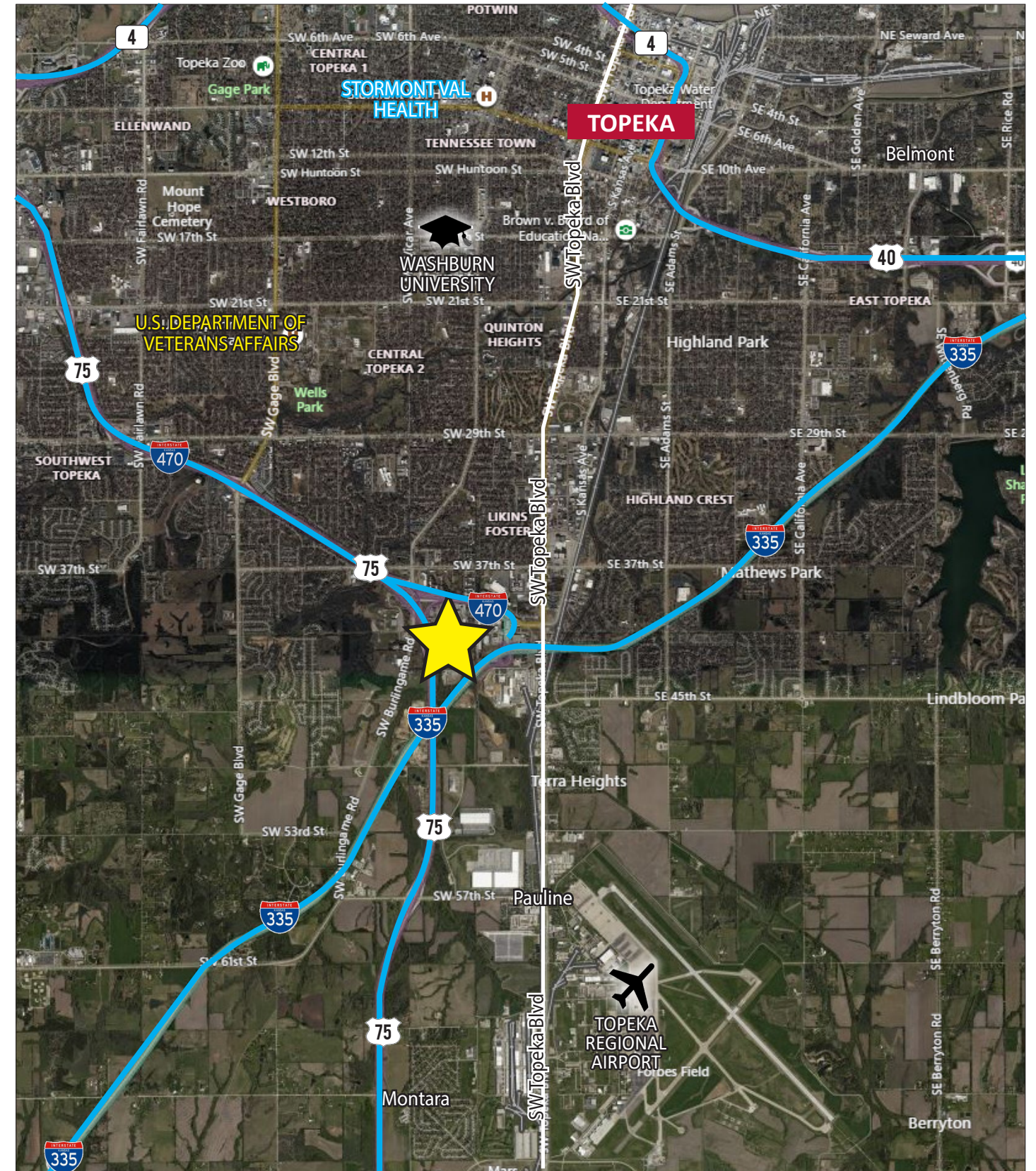
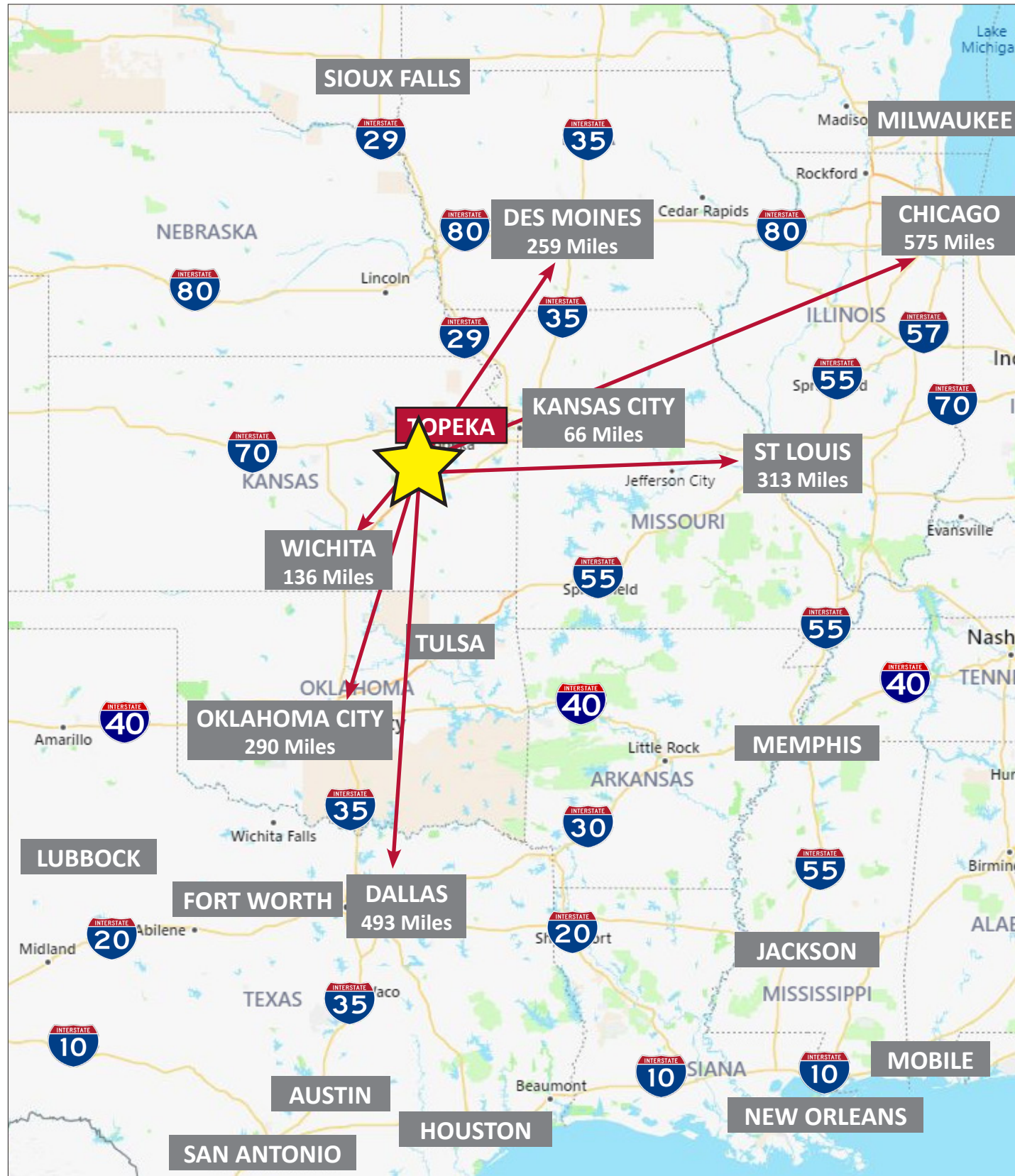
-- RENT SUMMARY --

| RENT SCHEDULE - PRIMARY TERM | | | | | | | |
|-------------------------------------|------------|-----------|-----------|---------|-----------|-----------|------------------|
| | Start Date | End Date | NOI/Yr | NOI/Mo | NOI/SF/Yr | NOI/SF/Mo | Increase |
| Years 1 - 10 | 9/1/2013 | 8/31/2023 | \$102,000 | \$8,500 | \$5.10 | \$0.42 | -- |
| OPTION PERIODS - (2) 5-Year Options | | | | | | | |
| Option 1 | 9/1/2023 | 8/31/2028 | | | | | Fair Market Rent |
| Option 2 | 9/1/2028 | 8/31/2033 | | | | | Fair Market Rent |



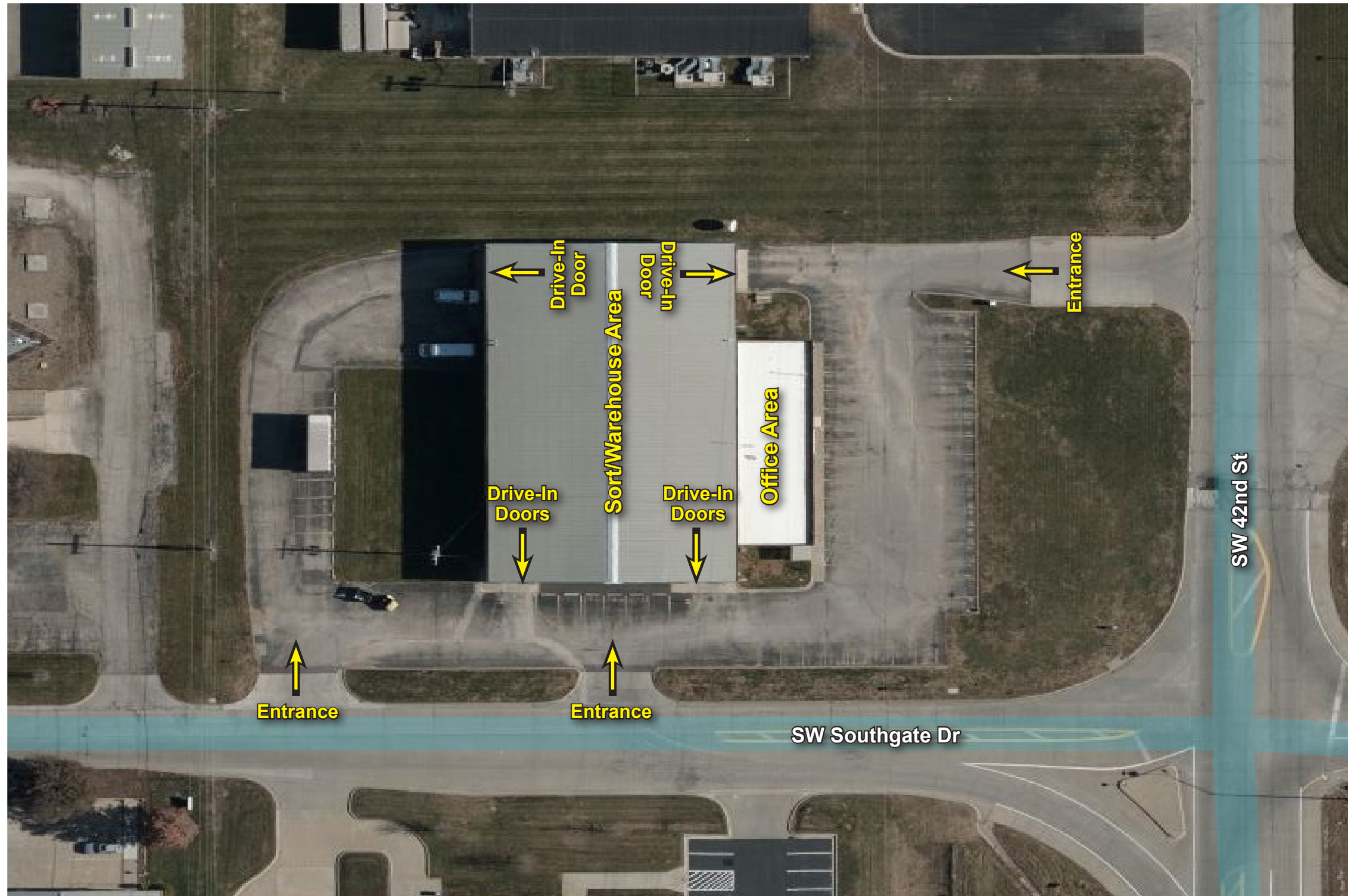


-- LOCATION MAPS --





-- 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 ADMIRABLE 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.

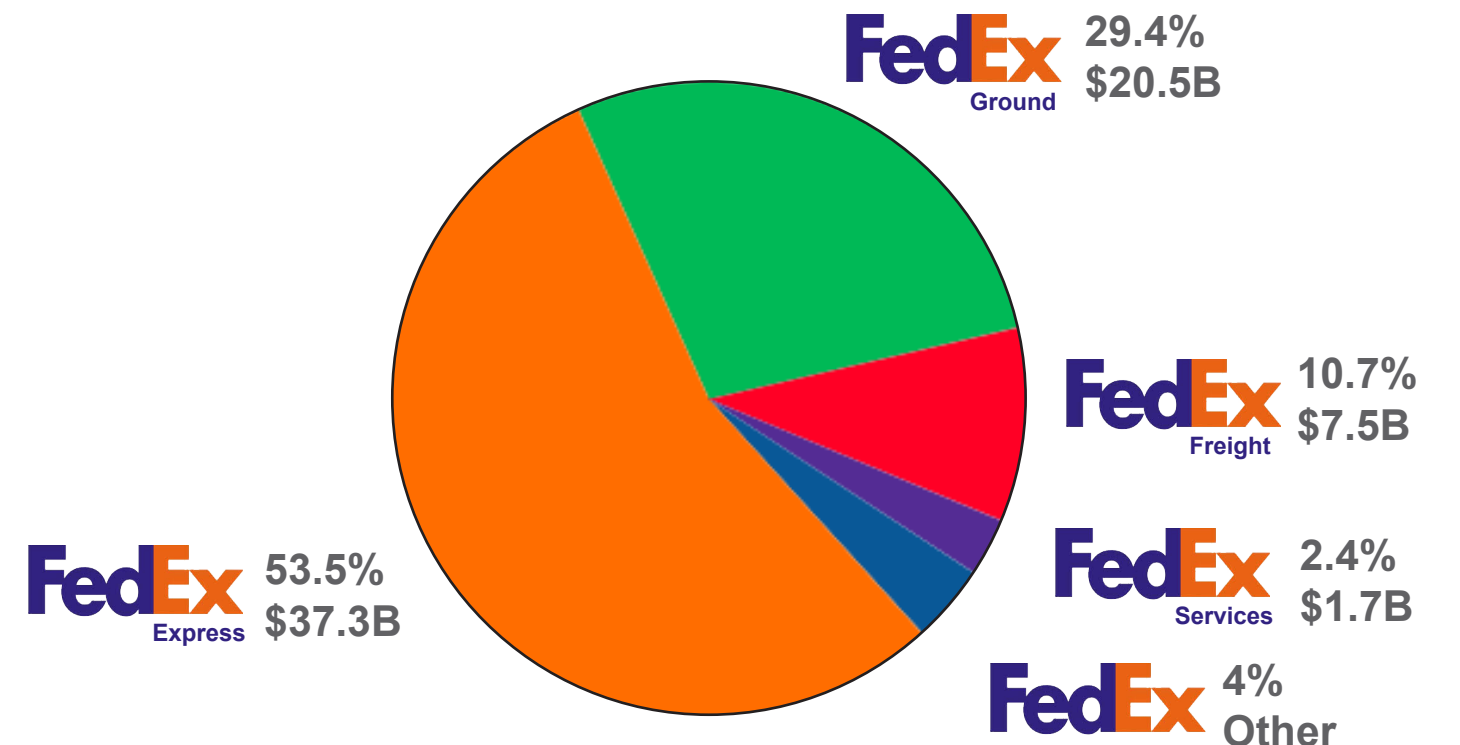


The annual "World's Most Admired Companies" report released today lists FedEx as the No. 10 ranked company overall. The survey measures nine attributes related to financial performance and corporate reputation.

"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 |





-- TOPEKA OVERVIEW --



Topeka is the capital city of Kansas and the seat of Shawnee County. It is located along the Kansas River in the central part of Shawnee County, in northeast Kansas. It is located approximately 1 hour west of Kansas City.

Topeka offers a low cost of living, excellent access to healthcare, an educated workforce, and a diverse economy balanced by education, healthcare, manufacturing and retail. Topeka’s overall cost of living index is 91.7, more than 10 percent below the national urban area average, particularly in the housing market which is 83.8. The arts are alive and well in Topeka with over 20 galleries, myriad performing and visual artists show casing their work during First Friday Art Walk events, to the NOTO Arts District that offers studio space and display opportunities in a collaborative environment.

Being the state’s capital city, Topeka’s largest employer is the State of Kansas—employing about 8,400 people, or 69% of the city’s government workers. Altogether, government workers make up one out of every five employed persons in the city.

The state’s education system is one of the best in the nation and a powerful factor contributing to the success of many businesses. There are 60,000 university students within a 60-mile radius of Topeka, which helps draw young talent to make up a diverse and highly skilled workforce. Bright and energetic young professionals find a community ready to welcome their talents and involvement. The Forge program through the Topeka Chamber is designed just for YP’s and offers educational, social, networking and philanthropic activities. Washburn Institute of Technology provides specialized training for the manufacturers and businesses in the area.

Manufacturing and retail distribution are top industries in Topeka. Whether by highway, rail or air, its location at the intersection of Interstates 70, 35 and 29 offers excellent transportation and distribution advantages for businesses. Because it is centrally located, and because the region has focused on building and maintaining an outstanding multimodal infrastructure, it’s easier and cheaper to ship in and out of the area. It’s no surprise that top manufacturers such as Goodyear Tire and Rubber Company, Hill’s Pet Nutrition, Frito-Lay, and Jostens Printing and Publishing are a few of the largest companies in the region.

Just last year, Kiplinger Finance Magazine designated Topeka one of the top ten cities for the next decade. Neighborhoods, schools, civic and cultural activities, economic incentives and a “we can do that” attitude combine to make Topeka one of the best small metros in the United States.

DEMOGRAPHICS (2019) | Source: SitesUSA

| Category | 1 Mile | 3 Miles | 5 Miles |
|--------------------|------------------|----------|----------|
| Population | 4,329 | 46,191 | 115,847 |
| Daytime Population | 4,048 | 22,552 | 79,386 |
| Households | 2,049 | 20,720 | 51,529 |
| Avg HH Income | \$68,902 | \$69,048 | \$68,349 |
| Traffic Counts | Vehicles Per Day | | |
| Interstate 470 | 32,136 | | |
| Interstate 335 | 8,628 | | |
| SR-75 | 15,000 | | |



Exclusively Listed By:



RYAN BARR
Principal
760.448.2446
rbarr@lee-associates.com
CA Lic#01338994

RYAN BENNETT
Principal
760.448.2449
rbennett@lee-associates.com
CA Lic#01826517



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 Kansas real estate broker
David B Zacharia license BR00047228.

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.



