

INVESTMENT OPPORTUNITY



FEDEX EXPRESS DISTRIBUTION FACILITY

LAST MILE DISTRIBUTION BUILDING
20+ YEAR OPERATING HISTORY

EL PASO, TX



OFFERED AT: \$4,569,600 | 6.25% CAP





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Confidentiality Agreement & Disclosures

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Listed in conjunction with Texas real estate broker DZ Net Lease Realty, LLC license BR00047228.





-- OFFERING SUMMARY --

INVESTMENT HIGHLIGHTS	
Offering Price:	\$4,569,600
Net Operating Income:	\$285,600
Cap Rate:	6.25%
Price/SF:	\$76
Lease Type:	Double-Net (NN)
LL Responsibilities:	Roof, Structure, Parking Lot

PROPERTY OVERVIEW	
Address:	1701 Hawkins Blvd El Paso TX 79925
Property Size:	Approx 59,425 Sq Ft
Land Size:	5.401 Acres
Ownership:	Leasehold Interest*
Year Built:	2000
APN:	E378-999-014A-0101

* Contact Broker for additional details.

Lee & Associates is pleased to exclusively offer for sale the leasehold interest (on airport) in a FedEx Express investment property located in El Paso, TX (the "Property"). Built in 2000 as a build to suit for FedEx, the Property consists of a 59,425-square-foot building that sits on an approximately 5.401-acre parcel. The building features (12) loading doors, expansive parking, and (4) entrances onto the property.

FedEx has been operating at this location for 20 years and extended the lease an additional ten years in January 2018, demonstrating their commitment to the site. The double-net (NN) lease features a 5-year renewal option at fair market rent, and based on the ideal location and history of renewals, an extension seems likely.

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 5.401-acre parcel, the Tenant's distribution process benefits from the securely gated full-circulation design, which provides trucks an excellent in/out flow around the site. The property is located adjacent to the El Paso International Airport, which is the gateway to West Texas, Southern New Mexico and Northern Mexico, providing airline passenger services to more than 2.8 million passengers per year, air cargo, and general aviation services. Additionally, the property is located just 2 miles from the on/off ramp to Interstate 10 for quick access to Downtown El Paso only 10 miles away.

The subject property is located in El Paso, the largest metro area along the Texas-Mexico border. Bordering the state of New Mexico and the state of Chihuahua, Mexico, El Paso represents one of the largest international border metroplexes in the world, drawing a consumer base of more than 2.5+ million people. Currently, 1,200 construction projects are underway, including a \$650 million Border Highway West extension project and a \$100 million streetcar project in the city of El Paso, which will spur additional economic growth.

As the sixth-largest city in Texas, and the 20th largest city in the U.S., El Paso is a top 20% U.S. performing economy and continues to experience positive economic growth by attracting new businesses and helping existing companies to grow. The City's focus is to create new employment opportunities in 21st century industries, maintain a great quality of life, and facilitate business growth at the local and international levels.

El Paso is home to Fort Bliss, the 2nd largest installation in the U.S. Army, covering 1.12 million acres, and home to about 70,000 soldiers and family members who call El Paso home. With a \$6B expansion, its mounted maneuver training post is a sprawling mega-complex developed on East Fort Bliss, and is estimated to have an economic impact of roughly \$24.1 billion, according to the state comptroller of Texas.



-- INVESTMENT HIGHLIGHTS --

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

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BUILT TO SUIT CONSTRUCTION • EXTENSIVE LOADING CAPACITY & PARKING

Built in 2000 as a build to suit for FedEx, the Property consists of a 59,425-square-foot building that sits on an approximately 5.401-acre parcel. The building features (12) loading doors, expansive parking, and (4) entrances onto the property.

REAL ESTATE ADVANTAGE • LESS THAN 2 MILES FROM ON/OFF RAMP TO INTERSTATE 10 • QUICK ACCESS TO DOWNTOWN EL PASO

Situated on a 5.401-acre parcel, the Tenant’s distribution process benefits from the securely gated full-circulation design, which provides trucks an excellent in/out flow around the site. The property is located adjacent to the El Paso International Airport, which is the gateway to West Texas, Southern New Mexico and Northern Mexico, providing airline passenger services to more than 2.8 million passengers per year, air cargo, and general aviation services. Additionally, the property is located just 2 miles from the on/off ramp to Interstate 10 for quick access to Downtown El Paso only 10 miles away.

SUCCESSFUL 20-YEAR OPERATING HISTORY • MULTIPLE LEASE EXTENSIONS • COMMITMENT TO SITE

FedEx has been operating at this location for 20 years and extended the lease an additional ten years in January 2018, demonstrating their commitment to the site. The double-net (NN) lease features a 5-year renewal option at fair market rent, and based on the ideal location and history of renewals, an extension seems likely.

LOCATED IN EL PASO, TX • ONE OF THE LARGEST METROPLEXES IN THE WORLD • TOP 20% PERFORMING ECONOMY • HOME TO FORT BLISS, 2ND LARGEST ARMY INSTALLATION

The subject property is located in El Paso, the largest metro area along the Texas-Mexico border. Bordering the state of New Mexico and the state of Chihuahua, Mexico, El Paso represents one of the largest international border metroplexes in the world, drawing a consumer base of more than 2.5+ million people. Currently, 1,200 construction projects are underway, including a \$650 million Border Highway West extension project and a \$100 million streetcar project in the city of El Paso, which will spur additional economic growth.

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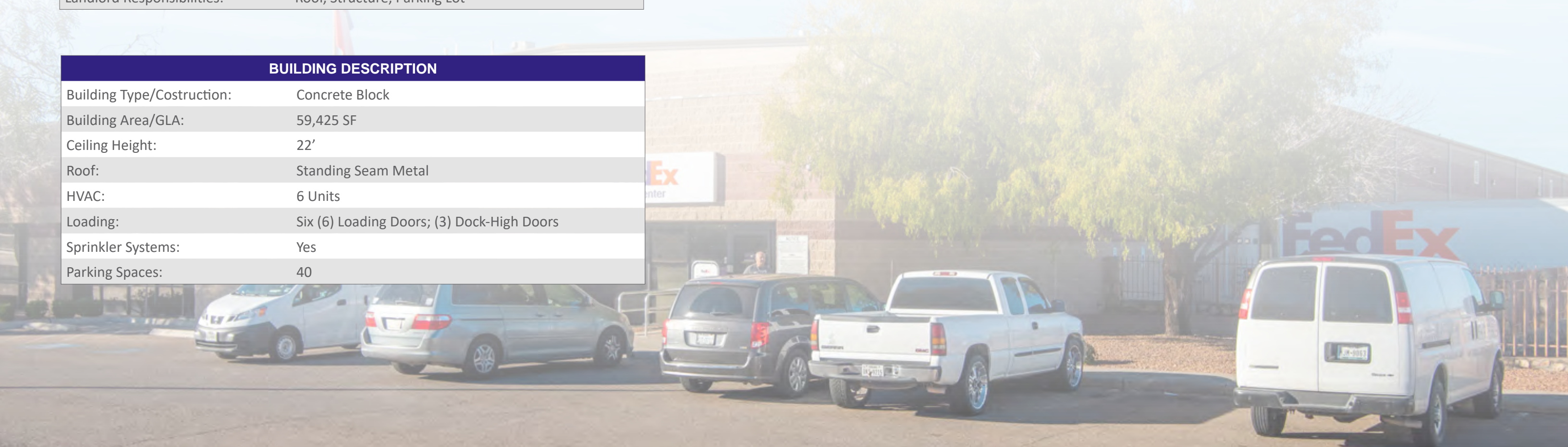
-- LEASE OVERVIEW --

LEASE INFORMATION	
Tenant:	Federal Express Corporation
Parent Company:	FedEx Corporation
Stock Symbol:	FDX
Rent Commencement:	February 1, 2001
Lease Expiration:	December 31, 2027
Original Lease Term:	10 Years
Lease Term Remaining:	7+ Years (10-Year Extension Commenced 1/1/2018)
Renewal Options:	(1) 5-Year Option @ FMV
Annual Rent:	\$285,600
Rent Increases:	None
Lease Type:	Double Net (NN)
Landlord Responsibilities:	Roof, Structure, Parking Lot

-- RENT SUMMARY --

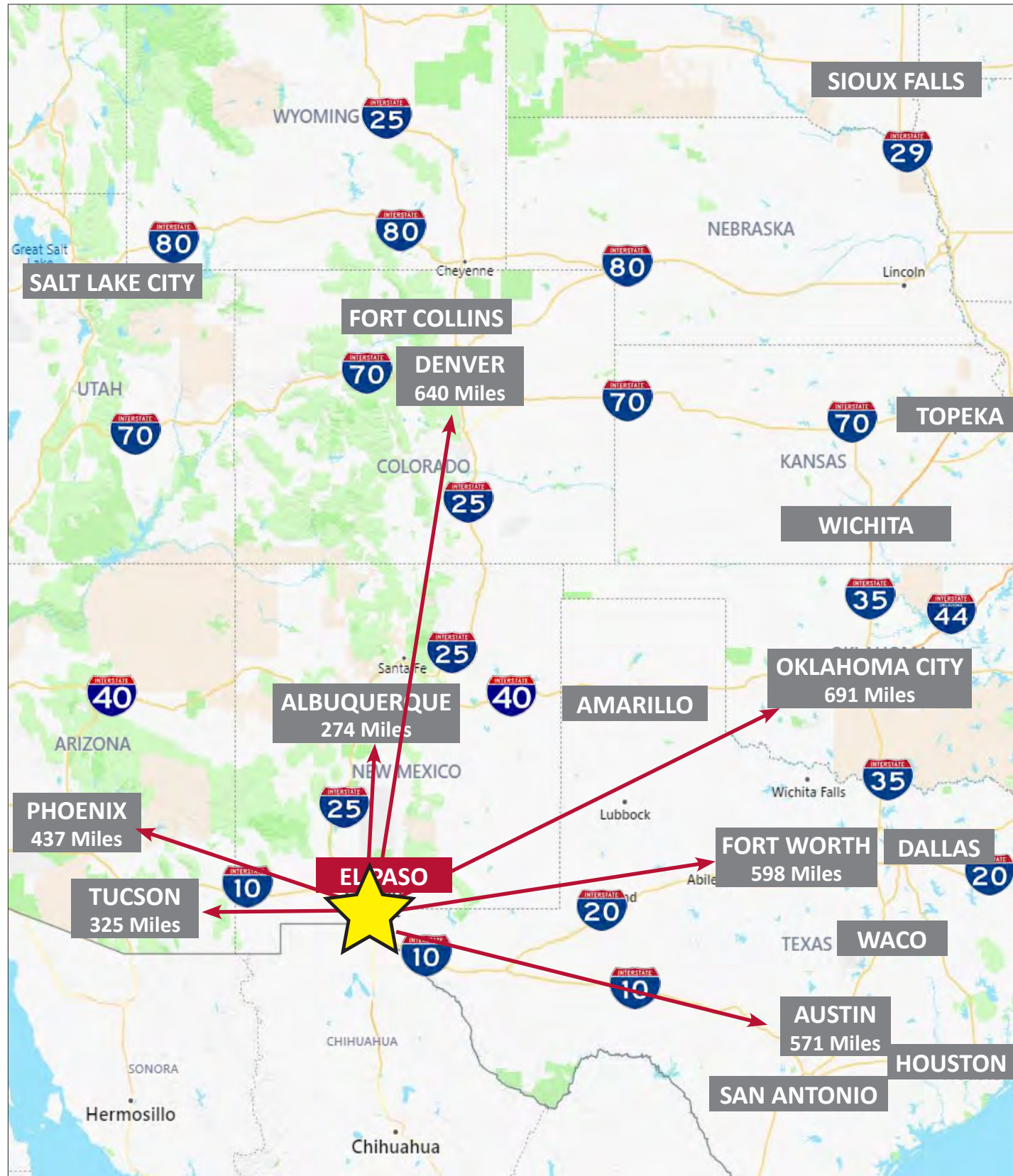
RENT SCHEDULE - PRIMARY TERM							
	Start Date	End Date	NOI/Yr	NOI/Mo	NOI/SF/Yr	NOI/SF/Mo	Increase
Years 1 - 10	1/1/2018	12/31/2027	\$285,600	\$23,800	\$4.80	\$0.40	--
OPTION PERIODS - (1) 5-Year Option							
Option 1	1/1/2028	12/31/2032	Fair Market Rent				

BUILDING DESCRIPTION	
Building Type/Costruction:	Concrete Block
Building Area/GLA:	59,425 SF
Ceiling Height:	22'
Roof:	Standing Seam Metal
HVAC:	6 Units
Loading:	Six (6) Loading Doors; (3) Dock-High Doors
Sprinkler Systems:	Yes
Parking Spaces:	40





-- 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.

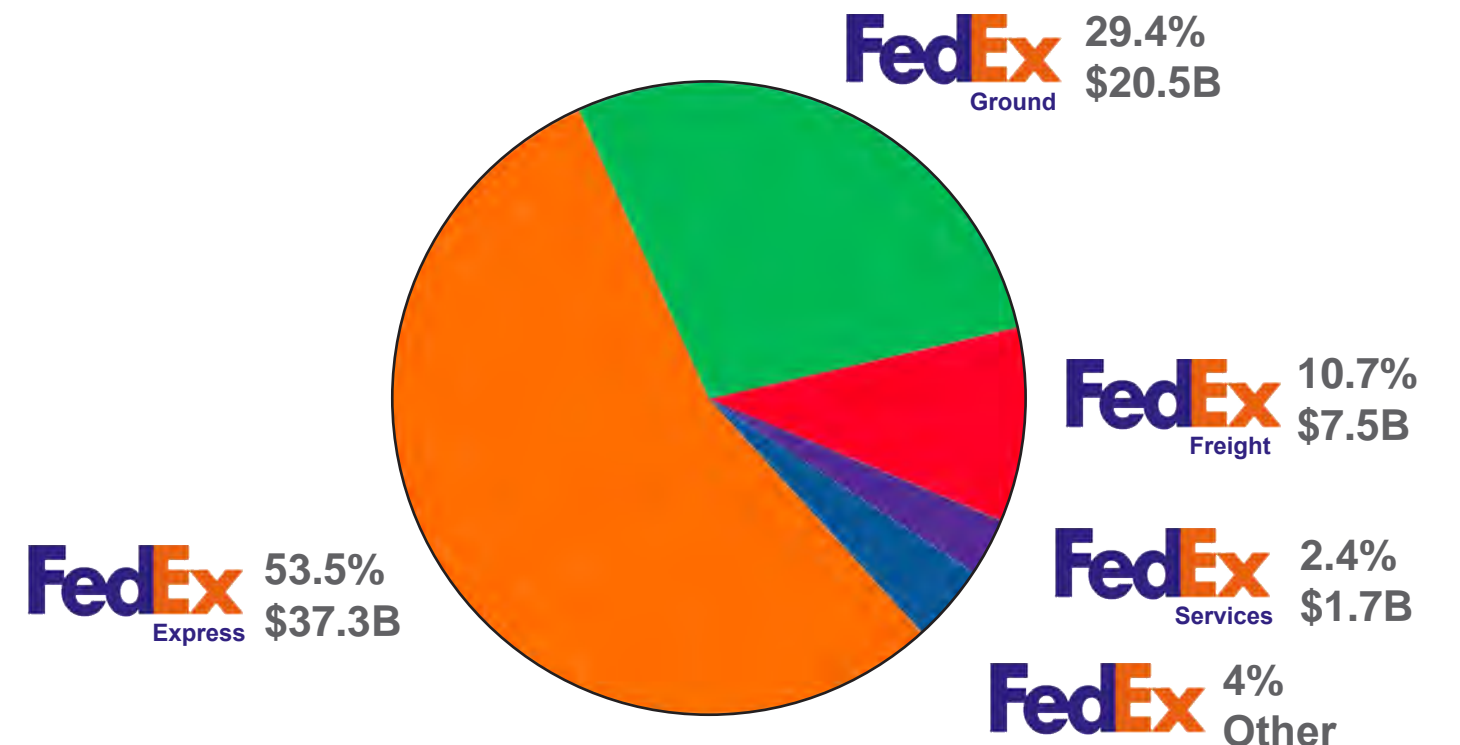


The annual “World’s Most Admired Companies” report released today lists FedEx as the No. 10 ranked company overall. The survey measures nine attributes related to financial performance and corporate reputation.

“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



-- EL PASO OVERVIEW --



El Paso is the largest metro area along the Texas-Mexico border which boasts a best-in-class, business friendly operating environment while also offering a great living experience. The region represents one of the largest manufacturing centers in North America and is recognized as globally competitive. This is largely due to El Paso's unique quality of possessing the largest bilingual and bi-cultural workforce in the Western Hemisphere.

Bordering the state of New Mexico and the state of Chihuahua, Mexico, El Paso represents one of the largest international border metroplexes in the world, drawing a consumer base of more than 2.5+ million people. Currently, 1,200 construction projects are underway, including a \$650 million Border Highway West extension project and a \$100 million streetcar project in the city of El Paso, which will spur additional economic growth.

As the sixth-largest city in Texas, and the 20th largest city in the U.S., El Paso is a top 20% U.S. performing economy and continues to experience positive economic growth by attracting new businesses and helping existing companies to grow. The City's focus is to create new employment opportunities in 21st century industries, maintain a great quality of life, and facilitate business growth at the local and international levels.



El Paso is home to Fort Bliss, the 2nd largest installation in the U.S. Army, covering 1.12 million acres, and home to about 70,000 soldiers and family members who call El Paso home. Significant changes have taken place over the past several years at Fort Bliss transforming it from an institutional training installation into a major mounted maneuver training post. With the arrival of the 1st Armored Division from Germany, a Fires Brigade from Fort Sill, and multiple other units, Fort Bliss has tripled in size. With a \$6B expansion, the post is a sprawling mega-complex developed on East Fort Bliss, and is estimated to have an economic impact of roughly \$24.1 billion, according to the state comptroller of Texas.

Fort Bliss is just one of the many contributing factors fueling unprecedented growth in the region. El Paso benefits from its strategic location along Interstate 10, which extends between Jacksonville, Florida, and Los Angeles, California. I-10 stretches more than 2,400 miles across eight states, passes through 17 major urban areas; in Arizona I-10 covers 392 miles. In Las Cruces, Interstate 25 (I-25) connects with I-10, which provides access to northern New Mexico,

central Colorado, and eastern Wyoming. Interstate 110 (I-110) extends southward from I-10 and provides cross-border access to Juarez, Chihuahua. Additionally, all U.S. commercial rail carriers connect with their Mexican Counterparts in El Paso/Juarez. Union Pacific Railway provides intermodal and other services to Los Angeles, Chicago, and Dallas. Burlington Northern Santa Fe Railroad also travels to Los Angeles and Chicago.

El Paso International Airport (ELP) is the gateway to West Texas, Southern New Mexico and Northern Mexico. It provides airline passenger services to more than 2.8 million passengers per year, air cargo, and general aviation services. The Airport is favored with abundant land (nearly 7,100 acres) and is located six (6) miles east of Downtown El Paso and 1.7 miles north of Interstate 10 Exit 25 (Airway Blvd). The El Paso International Airport has two air carrier runways and one general aviation runway.

DEMOGRAPHICS (2019) Source: SitesUSA			
Category	1 Mile	3 Miles	5 Miles
Population	7,171	67,267	202,396
Daytime Population	5,936	48,368	93,181
Households	2,990	25,168	73,022
Avg HH Income	\$62,105	\$55,825	\$83,214
Traffic Counts		Vehicles Per Day	
Hawkins Blvd		19,400	
Montana Ave / Hwy 62)		48,350	

El Paso Connectivity

El Paso is as easy to reach as it is to navigate, with commute times averaging 20 minutes or less. Access to rail connectivity via Union Pacific, BNSF, and Ferromex. More than 110 Million North American Consumers accessible within 24 hours by truck.

- Largest U.S. City on the U.S./Mexico Border
- 6th Largest Texas City
- Centrally located giving equal access to markets in Canada and Mexico





-- EL PASO OVERVIEW --





Exclusively Listed By:

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Lee & Associates and DZ Net Lease Realty, LLC 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 DZ Net Lease Realty, LLC have not and will not verify any of this information, nor have Lee & Associates and DZ Net Lease Realty, LLC conducted any investigation regarding these matters. Lee & Associates and DZ Net Lease Realty, LLC 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 DZ Net Lease Realty, LLC 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 DZ Net Lease Realty, LLC 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.

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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.



