



FedEx

Ground Package System, Inc.

2210 Maguire Boulevard | Columbia, Missouri 65201

OFFERING MEMORANDUM



AnversNet
NNN Properties Group

A division of Anvers Capital Partners

kw COMMERCIAL
CALABASAS

Broker of Record: JDS Real Estate Services, Inc.

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By accepting this Offering Memorandum, the party in possession hereof agrees (i) to return it to Owner/Agent immediately upon request and (ii) that this Offering Memorandum and its contents are of a confidential nature and will be held and treated in strict confidence. No portion of this Offering Memorandum may be copied or otherwise reproduced or disclosed to anyone without the prior written authorization of officer of Owner/Agent. Principals and real estate brokers are prohibited from disseminating this information without the specific written consent of an officer of Owner/Agent.

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Certain portions of this Offering Memorandum merely summarize or outline property information and are in no way intended to be complete nor necessarily accurate descriptions. All prospective purchasers are to rely upon their own investigations and due diligence in the formation of their assessment of the condition of the property, including engineering and environmental inspections. All relevant documents are expected to be reviewed independently by any prospective purchaser.

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representations or warranties, expressed or implied, as to the accuracy or completeness of the Offering Memorandum or any of the contents, and no legal commitment or obligations shall arise by reason of the Offering Memorandum or the contents. Analysis and verification of the information contained in the Offering Memorandum is solely the responsibility of the prospective purchaser.

Owner reserves the right to reject any or all expressions of interest or offers to purchase this property, as well as the right to terminate discussions with any party at any time with our without notice. Owner shall have no legal commitment or obligation to any purchase reviewing this Offering Memorandum or making an offer to purchase this property unless a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and any conditions to Owner's obligations thereunder have been satisfied or waived.

The terms and conditions set forth above apply to this Offering Memorandum in its entirety.



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2210 Maguire Boulevard

FedEx Ground | Columbia, Missouri



Section 1 : About the Investment

Purchase Price: \$11,250,000 | Cap Rate: 6.64%

KW Commercial is pleased to offer for sale to qualified investors a single tenant industrial facility located in Columbia, Missouri.

The property is leased to FedEx Ground who operates a NNN lease (Owner responsible for roof and structure) with approximately 6.5 years remaining on a recently renewed ten (10) year lease. There are also two (2), five (5) year renewal options.

The subject property is located off of US Highway 63 and Interstate 70 midway between Kansas City (120 miles to the West) and St. Louis (120 miles to the East), Missouri. Columbia is also located just 30 miles North of Jefferson City (the state capital).

FedEx recently extended the lease and completed a 36,157 SF expansion in August of 2014.

100% Leased by FedEx Ground – FedEx Ground is a subsidiary of the world's largest commerce provider, FedEx Corp, and its parent has an investment grade credit rating of BBB from Standard and Poor's. In 2014, FedEx Corp. generated \$47.17 billion in sales, a net income of \$2.53 billion and it has a net worth in excess of \$16 billion.

Strong Strategic Location – The property sits in an ideal logistics location midway between St. Louis and Kansas City, Missouri. The location is ideal for serving the central part of the state. Columbia is the home to the University of Missouri and it is Missouri's 5th largest city with a population of 116,906 and a low unemployment rate of 4.7%.

Long-Term, NNN Lease – Net Lease (Owner Responsible for Roof and Structure). There are 6.5 years remaining on the recently extended 10 year lease. The Property was a built-to-suit and later expanded on behalf of the tenant to fit its customized needs for strategic growth within this target market, evidencing a long-term commitment to the site and the area.

Construction Quality – The 83,806 SF distribution warehouse and sorting facility boasts institution-quality construction with 30 ft. clear height and 32 dock doors. The building was originally constructed in 2007 and was expanded in 2014.

Institutional Quality Industrial Park – The FedEx leased property is located in the Concord Office and Industrial Plaza with other national credit tenants including: Ryder, Dana, ABC Supply Company, Carfax and Coca-Cola to name a few.



2210 Maguire Boulevard

FedEx Ground | Columbia, Missouri



Section 2 : About The Tenant

Credit Overview

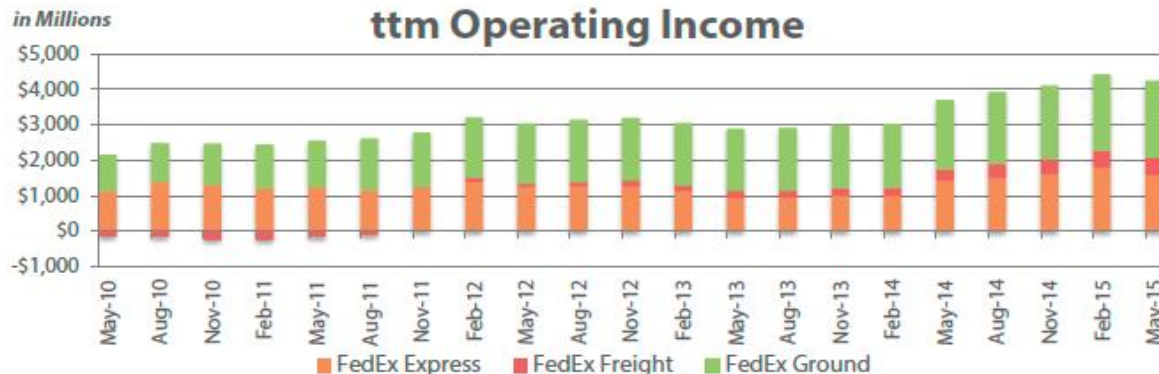


FedEx Ground Package System, Inc. ("FedEx Ground") is the leading North American provider of small-package ground delivery services and one of four segment offerings which comprise the world's largest commerce provider, **FedEx Corporation (NYSE: FDX)**.

FedEx Ground provides low-cost, day-certain service to any business address in the U.S. and Canada, as well as residential delivery to nearly 100% of U.S. residences through its FedEx Home Delivery service. The FedEx Ground segment also includes FedEx SmartPost, Inc. ("FedEx SmartPost"), which specializes in the consolidation and delivery of high volumes of low-weight, less time-sensitive business-to-consumer packages using the U.S. Postal Service ("USPS") for final delivery to any residential address or PO Box in the U.S., and GENCO Distribution System, Inc. ("GENCO"), which is a leading North American third-party logistics provider.

FedEx Ground is the highest yielding, most profitable and fastest growing of the four FedEx Corp. segments which accounts for almost \$13 billion in annual revenues and more than 57% of FedEx Corp.'s total operating income. While profit margins for FedEx Freight and FedEx Express have begun to rise in recent years, FedEx Ground profit margins are more than double its counterparts and continue to grow at a rapid pace. FedEx anticipates the Ground segment to continue to experience large growth and cites the following as long-term drivers in world commerce that are shaping the marketplace: (1) globalization; (2) supply chain acceleration; (3) increase in high-tech and high-value-add businesses; and (4) the growth of E-Commerce.

The consolidated company, **FedEx Corporation**, offers a broad range of services and solutions which link 99 percent of the world's GDP. Over the past twelve months (as of May 31, 2015), FedEx Corporation generated over \$47.15 billion in revenues yielding it over \$2.17 billion in net income. FedEx Corporation's net worth is greater than \$14.99 billion, more than \$9.74 billion tangible. The Company currently holds investment grade credit ratings. Standard & Poor's has issued it a BBB rating with a stable outlook and Moody's Investor Services has issued it a Baa1 rating with a stable outlook.



FedEx Express	May-15	May-14	May-13
Revenue (in Millions)	\$27,239	\$27,171	\$27,212
Margin	4.81%	7.63%	1.34%
Operating Income (in Millions)	\$1,584	\$1,428	\$929
Avg. Daily Revenue (Dom.) (in thousands)	\$2,659	\$2,598	\$2,528

FedEx Freight	May-15	May-14	May-13
Revenue (in Millions)	\$6,191	\$5,757	\$5,319
Margin	8.73%	7.86%	2.76%
Operating Income (in Millions)	\$485	\$319	\$206

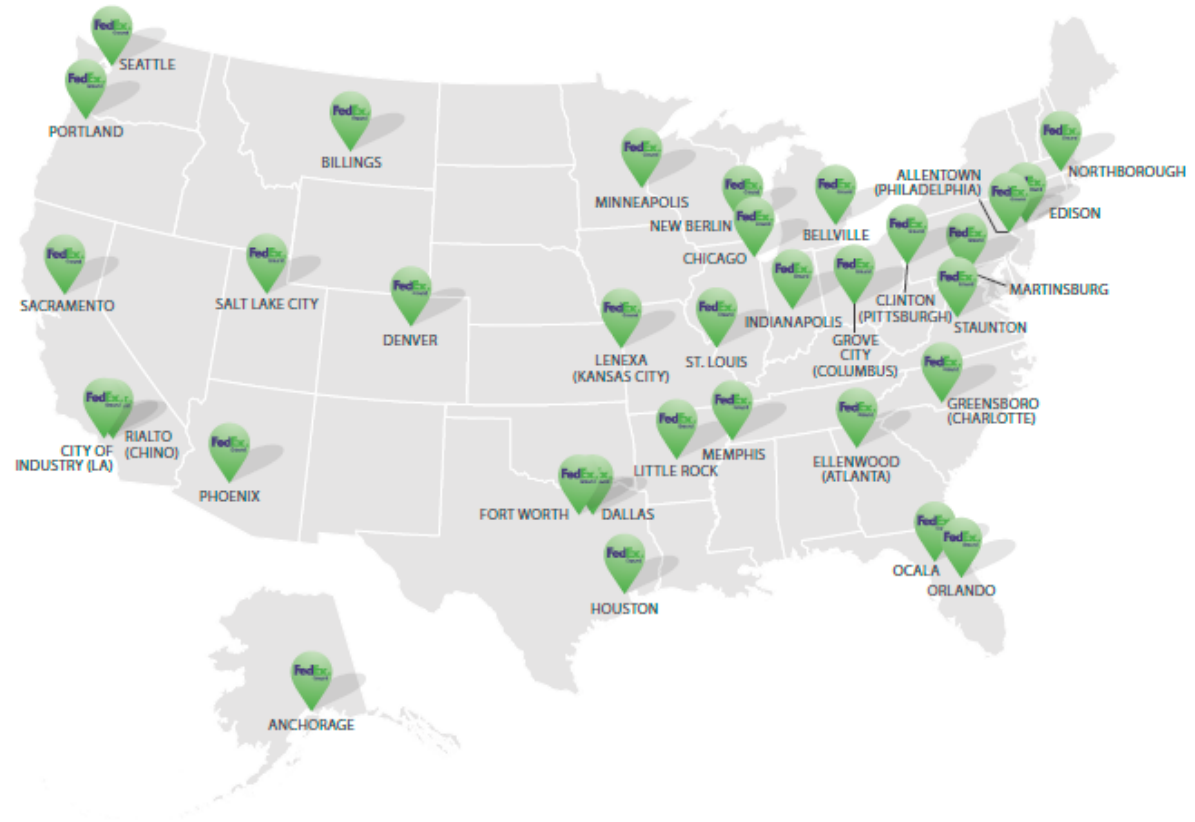
Operations Overview

By leveraging the FedEx brand, maintaining a low cost structure and efficiently using information technology and advanced automation systems, FedEx Ground continues to enhance its competitive position as a leading provider of business and residential money-back guaranteed ground package delivery services. FedEx Ground serves customers in the North American small-package market, focusing on business and residential delivery of packages weighing up to 150 pounds. Ground service is provided to 100% of the continental U.S. population and overnight service of up to 400 miles to nearly 100% of the continental U.S. population. The company offers a FedEx Home Delivery service, which reaches nearly 100% of U.S. residences.

FedEx Ground operates a multiple hub-and-spoke sorting and distribution system consisting of 547 facilities, including 33 hubs, in the U.S. and Canada. FedEx Ground conducts its operations primarily with approximately 47,000 owner-operated vehicles and approximately 48,000 company-owned trailers. To provide FedEx Home Delivery service, FedEx Ground leverages its existing pickup operation and hub and linehaul network. FedEx Home Delivery's operations are often co-located with existing FedEx Ground facilities to achieve further cost efficiencies. Of the 357 facilities that support FedEx Home Delivery, 275 are co-located with existing FedEx Ground facilities. Leased facilities generally have terms of five years or less. The 33 hub facilities are strategically located to cover the geographic area served by FedEx Ground. The hub facilities average approximately 383,000 square feet and range in size from 114,000 to 825,500 square feet.

FedEx Ground continues to improve the speed, reach and service capabilities of its network, by reducing transit time for many of its lanes and introducing or expanding overnight ground service in many metropolitan areas. FedEx Ground's ongoing network expansion program is substantially increasing the company's daily pickup

FedEx Ground Hub Map



capacity through the addition of new hubs featuring the latest automated sorting technology, **the expansion of existing hubs and the expansion or relocation of other existing facilities.** Advanced automated sorting technology is used to streamline the handling of millions of packages daily. Using overhead laser and six-sided camera-based bar code scan technology, hub conveyors electronically guide packages to their appropriate destination chute, where they are loaded for transport to their respective destination terminals for local delivery.



2210 Maguire Boulevard

FedEx Ground | Columbia, Missouri



Section 3 : About The Property

Lease Abstract

2210 Maguire Boulevard Columbia, Missouri 65201	
Tenant:	FedEx Ground
Trade Name:	FedEx
Leased SF:	83,806 SF
Land:	9.82 Acres
Year Built:	2007
Commencement:	July 1, 2007
Lease Expiration:	August 31, 2024
Initial Term:	Ten (10) Years
Remaining Term:	6.5 years
Renewal Options:	Two (2) Five (5) Years
Current Rent:	\$746,873.16
Rent/SF:	\$8.91
Increases:	Flat
Expense:	NNN (Owner Responsible for Roof and Structure)
Taxes:	Tenant Reimb.
Insurance:	Tenant Reimb.
Utilities:	Tenant pays direct

Rent Schedule

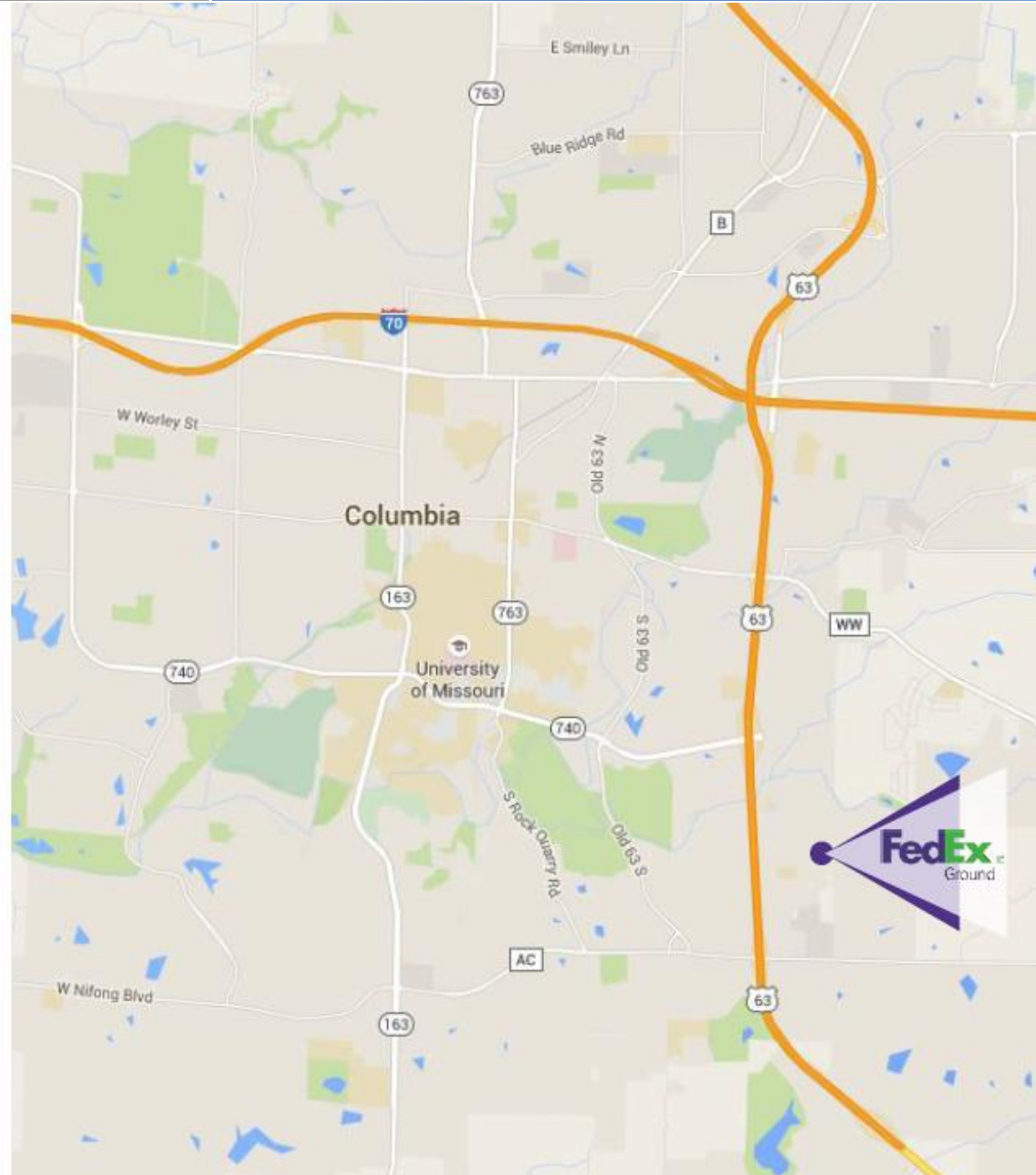
LEASE YR.	BEGIN	END	ANNUAL	\$/SF	INCR.
*Year 1	Sep-14	Aug-15	\$746,873	\$8.91	N/A
Year 2	Sep-15	Aug-16	\$746,873	\$8.91	0.0%
Year 3	Sep-16	Aug-17	\$746,873	\$8.91	0.0%
Year 4	Sep-17	Aug-18	\$746,873	\$8.91	0.0%
Year 5	Sep-18	Aug-19	\$746,873	\$8.91	0.0%
Year 6	Sep-19	Aug-20	\$746,873	\$8.91	0.0%
Year 7	Sep-20	Aug-21	\$746,873	\$8.91	0.0%
Year 8	Sep-21	Aug-22	\$746,873	\$8.91	0.0%
Year 9	Sep-22	Aug-23	\$746,873	\$8.91	0.0%
Year 10	Sep-23	Aug-24	\$746,873	\$8.91	0.0%

*LL expansion of 36,157 SF



Property Overview & Building Specifications

Property	
Interest:	Fee Simple
Address:	2210 Maguire Blvd.
City, State, Zip:	Columbia, Missouri 65201
County:	Boone County
Parcel ID:	17-404-00-01-015-00-01
Zoning:	*M-C" - commercial dev.
Description	
Year Built:	2007
Type:	Warehouse & Distribution
Use:	Sorting & Distribution
No. of Buildings:	One (1)
Land Area (Acres):	9.82 Acres
Land Area (SF):	427,759 SF
Total RBA:	83,806 SF
Office:	Unknown
Vehicle Maintenance:	N/A
Warehouse:	83,806 SF
Expansion Square Feet:	36,157 SF in Aug. 2014
Parking Spaces:	206 Spaces
Auto:	Unknown
Trailer:	Unknown
Construction	
Foundation:	Reinforced concrete slab
Exterior:	Metal & Brick
Clear Height:	12'-30'
Roof:	Standing Seam Metal
Parking Lot:	Asphalt
Dock Doors:	Twenty Two (22)
Drive In Doors:	Ten (10)





Rail Served: No



Subject Property Aerial View



Subject Property Aerial View



Subject Property Aerial View



Subject Property Aerial View



Subject Property



Subject Property



Subject Property



Subject Property



Subject Property



Subject Property

2210 Maguire Boulevard

FedEx Ground | Columbia, Missouri



Section 4 : About The Location

Location Overview

Columbia is a city of 116,906 people in the state of Missouri and home to the University of Missouri. It is the principal municipality of the Columbia Metropolitan Area, the fourth most populous urban area in Missouri. The tripartite establishment of Stephens College (1833), "University of Missouri" (1839), and Columbia College (1851) has long made the city a center of education, culture, and athletic competition. These three schools surround Downtown Columbia on the east, south, and north; at the center is the Avenue of the Columns, which connects Francis Quadrangle and Jesse Hall to the Boone County Courthouse and the City Hall.

Columbia's economy is historically dominated by education, healthcare, and the insurance industry. Jobs in government are also common, either in Columbia or a half-hour south in Jefferson City. Commutes into the city are also common and in 2000, the city had a day time population of 106,487. The Columbia Regional Airport and the Missouri River Port of Rocheport connect the region with

trade and transportation. The University of Missouri is by far the city's largest employer.

With a Gross Metropolitan Product of \$5.84 billion in 2004, Columbia's economy makes up 2.9% of the Gross State Product of Missouri. Insurance corporations headquartered in Columbia include Shelter Insurance, and the Columbia Insurance Group. Other organizations include MFA Incorporated, the Missouri State High School Activities Association, and MFA Oil. Companies such as Socket, Slackers CDs and Games, Carfax, and MBS Textbook Exchange were founded in Columbia.

Access to major highways, a regional airport and rail service all speed delivery of goods and services to and from of Mid-Missouri. Being situated in the middle of the country also minimizes shipping costs.

Columbia/Boone County is a regional distribution hub for more than a dozen major motor and air freight carriers. Given Columbia's central location,

those companies offer direct single line service and optimum delivery time to all parts of the United States, including both coasts at very competitive rates. I-70 (concurrent with US 40) and US 63 are the two main freeways used for travel to and from Columbia.

Top Area Employers

EMPLOYER	EMPLOYEES
University of Missouri	8,608
University of Missouri Health Care	4,468
Columbia Public Schools	2,117
Boone Hospital Center	1,655
City of Columbia	1,332
Truman Memorial Veterans' Hospital	1,278
MBS Textbook Exchange	1,239
Shelter Insurance	1,078
State Farm	1,063
Joe Machens	630



Downtown Columbia



Boone County Courthouse



Football Field - University of Missouri

Story of the Columbia Market

Columbia is located in the heart of the Midwest, and its proximity to Midwest cities makes it an ideal location for transportation and distribution as well as manufacturing operations.

Transportation

Interstate 70 and U.S. Route 63 offer east-west and north-south access from Columbia providing quick access to Kansas City to the West, St. Louis to the East and Jefferson City to the South. These are four lane divided roadway travel in all directions. In addition, the Columbia Regional Airport, located south of 63 offers daily non-stop flights to Dallas and Chicago. Columbia also has rail service through COLT (Columbia Terminal) and is served by Norfolk Southern, Gateway Western Railway and Amtrak through Jefferson City.

Labor Force

As of March 2015, Columbia, MO had a workforce of 100,700 people with an unemployment rate of 4.2% (below the national average of 5.7%). The economy is heavily weighted to education, healthcare and state government.

Industrial Market

There are existing and available industrial buildings throughout the metro area as well as a number of industrial parks and other land sites for build-to-suit opportunities. The FedEx Ground leased property is located in the Concord Office and Industrial Plaza with excellent access to U.S. Route 63 (45,858 vehicles per day). Other area tenants in the park include IBM, Gates Rubber, Linen King, Dana LTD, Ryder and Arcane Industries to name a few.

Industrial Statistics

- Industrial vacancy is 6.1%
- Average asking rental rate for general industrial is \$4.00 PSF



From Columbia to:	# of Miles
Jefferson City	30
Kansas City	125
St. Louis	132
Omaha	313
Des Moines	247
Little Rock	372
Chicago	385
Memphis	392
Oklahoma City	450



Demographics

2210 Maguire Blvd Columbia, MO 65201	0 - 5 mi.	0 - 10 mi.	0 - 15 mi.
Population			
2000 Population	80,612	115,426	129,858
2010 Population	93,301	140,183	156,877
2015 Population	99,409	150,270	167,936
2020 Population	106,002	160,999	179,788
2010-2015 Annual Rate	1.22%	1.33%	1.31%
Households			
2000 Households	32,257	45,506	50,948
2010 Households	37,518	55,407	61,872
2015 Total Households	40,206	59,557	66,412
2020 Total Households	43,120	64,000	71,294
2010-2015 Annual Rate	1.33%	1.39%	1.36%
Race and Ethnicity			
2015 White Alone	77.8%	79.3%	81.1%
2015 Black Alone	12.1%	10.8%	9.8%
2015 American Indian/Alaska Native Alone	0.3%	0.4%	0.4%
2015 Asian Alone	5.0%	5.0%	4.5%
2015 Pacific Islander Alone	0.1%	0.1%	0.1%
2015 Other Race	1.2%	1.1%	1.0%
2015 Two or More Races	3.4%	3.4%	3.2%
2015 Hispanic Origin (Any Race)	3.9%	3.6%	3.4%
2015 Average Household Income	\$53,822	\$61,196	\$62,181



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