Northwestern University
Transportation Center
Overview

» Fully integrated: large scale development, redevelopment, investment and property management operations

» Founded in 1984, NYSE listed from 1993 to 2006

» Market leader, 22% compound annual return to shareholders (dividends reinvested)

» Management led $3.5 billion privatization in 2006, funded by CalPERS

» Premier intermodal logistics center developer

» Market leading, value-add industrial property investor

» Conservative balance sheet

» Multiple offices: Chicago, IL; Hampton Roads, VA; Los Angeles, CA; Hong Kong, China; Kansas City, MO

» “Best in Class” management governance, processes and systems
Strategic Focus: Major Markets On Major Trade Lanes

» Rapidly growing containerized freight transit
  - Benefit from long-haul rail efficiency
  - Efficient transfer of containers from port-rail-truck

» Significant population density

» Large, growing regional GDP

» Access to competitive rail

» Access to interstate highway system

» Import / export balance

» Rail connectivity to Chicago
Benefits of Long-Haul Rail Versus Truck

» Economies of scale – lower delivered cost
  o One gallon of diesel fuel moves one ton of freight
    • 415 miles via rail
    • 155 miles via truck

» Eases highway congestion
  o A single intermodal train can take 300 long haul trucks off the highway

» Rail is the “Green” alternative
  o Trucks emit 4X more Greenhouse gases than rail for same load of freight

» Trucking industry facing increased costs / regulation
  o Hours of service change
  o High driver turnover (100%)
  o Rising insurance costs
  o Highway congestion
  o Quality of life for drivers
Highway Infrastructure vs. Miles Traveled
Indexed: 1980 = 100%

Source: USDOT
Investment – Strategic Plan

» Long-haul container freight will move on fewer, higher bandwidth rail lanes serving major population centers

» Short-haul container freight will move via truck from regional intermodal centers

» Cities with significant port and intermodal infrastructure will support significant and active industrial real estate markets

» CenterPoint uniquely positioned
  - Intermodal and port development business
  - Focus on hub and gateway markets
  - Industry leading team to execute plan

TEU- Twenty Foot Equivalent Units

Source: Global Insight, 2009
Chicagoland’s Intermodal Growth Corridor

» Attracting freight from nation’s ports
  o Chicago the historic “hub” of nation’s rail system
  o Increased congestions rendering in-city yards obsolete
  o CenterPoint leading the development of modern infrastructure

» Traffic migrating to suburban integrated logistics centers
  o New infrastructure doubling regional capacity

www.centerpoint-prop.com
21st Century Economic Engine: The Integrated Intermodal Center

» Integrates warehouses with rail terminals
» Locates all supply chain components in **ONE CAMPUS**

» Requirements:
  o Long haul rail service
  o Large local consumption market
  o Interstate proximity
  o Adequate and available labor
  o Foreign Trade Zone

» Benefits:
  o Costs savings and efficiency
  o Reduced congestion and emissions
  o Job engine
BNSF Integrated Logistics Park

» 2,500-acre integrated logistics center
» 1,400-acre industrial park
» 1,000-acre BNSF intermodal facility
» 100-acre equipment management area
» $1 billion+ CenterPoint investment
» Excellent national connectivity
» International service – direct connectivity to Port of LA/LB
» 12+ million SF industrial facilities
UP Integrated Logistics Park

» $2 billion+ CenterPoint investment
» 3,600-acre integrated logistics center
» 2,200-acre industrial park
» 750-acre UP Joliet Intermodal Facility
» 450-acre equipment management area

» Excellent national connectivity
» East and West Coast Connectivity – SeaTac / LA
» International and domestic service
» 18 million SF industrial facilities
UP Intermodal Under Construction – March 2010
$3 billion CenterPoint investment
Public-private partnership
2-4 intermodal terminals on a single campus
3-6 million TEUs annual capacity
6,000+ acres, 35 square miles
30 million SF of industrial facilities
600+ acres for container/trailer management
International and domestic intermodal / carload service
BNSF/UP/CN/NS/CSX access
Foreign Trade Zone
Barge terminal / transloading / agriculture export hub
Top 16 North American Container Port Rankings

**2008 Total TEU**

1. Los Angeles 7,849,985
2. Long Beach 6,350,125
3. New York/New Jersey 5,265,058
4. Savannah 2,616,126
5. Vancouver 2,492,107
6. Oakland 2,236,244
7. Hampton Roads (VA) 2,083,278
8. Tacoma 1,861,352
9. Houston 1,794,309
10. Seattle 1,704,482
11. Charleston 1,635,534

**BNSF Logistics Park 1,500,000**

12. Honolulu 1,124,388
13. Port Everglades 985,095
14. Miami 828,349
15. Jacksonville 697,494
16. Baltimore 612,877

Source: AAPA Advisory, May 2009
CenterPoint’s Pipeline of Infrastructure & Port Initiatives

› Port of Illinois – Joliet, IL

› CenterPoint intermodal center
  - Kansas City, MO
  - Crete, IL
  - Houston, TX
  - Dallas, TX
  - Rochelle, IL
  - Manteca, CA
  - Suffolk, VA
  - Savannah, GA