NEIL DOYLE
EXECUTIVE VICE PRESIDENT,
INFRASTRUCTURE & TRANSPORTATION DEVELOPMENT
PRESENTS
LOGISTICS, DISTRIBUTION & WAREHOUSING

AAPA CONFERENCE
JANUARY 27, 2010
ABOUT CENTERPOINT PROPERTIES

» Experienced infrastructure and transportation-related industrial property company
» Fully integrated: large scale development, redevelopment, investment and operations
» Founded in 1984, public in 1993 on NYSE, 25 years of successful innovation
» Acquired and privatized in 2006 by CalPERS, largest U.S. Pension Fund
» $3.5 billion company
» 8,000+ acres in development
» 28 million SF portfolio
» Extensive logistics relationships
» Annual activity $1 billion
» Offices:
  o Chicago, IL - Headquarters
  o Hampton Roads, VA
  o Los Angeles, CA
  o Hong Kong, China
Highway Infrastructure vs. Miles Traveled
Indexed: 1980 = 100%

$787 Billion American Recovery and Reinvestment Act

Hard Infrastructure Comprises Only $64B or 8%

Freight Rail Funding Comprises Only $.5B-$1.0B, at most 1/10 of 1%

Source: USDOT

Source: CNN Money (Figures as of June 29, 2009)
Container freight growth will translate to intermodal rail demand.

Efficiency will demand that freight moves on fewer, more dense lanes that serve population centers.

Cities with significant port and intermodal traffic will support large and active industrial real estate markets.

TEU - Twenty Foot Equivalent Units
Source: Global Insight, 2009
Projected Rail Freight Growth in United States
Greater Chicago is the Hub

Source: USDOT
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
Integrates warehouses with rail terminals
Locates all supply chain components in ONE CAMPUS

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

Benefits:
- Costs savings and efficiency
- Reduced congestion and emissions
- Job engine

True public-private partnership
THE NATION’S LARGEST MASTER-PLANNED INLAND PORT
CENTERPOINT INTERMODAL CENTER-JOLIET, IL

» Nation’s Largest Inland Port
  o Connects Chicago to west and east coast ports
  o 6,000+ acres
  o Multi-use zoning
  o BNSF’s 750-acre intermodal terminal
  o UPRR’s 840-acre intermodal terminal
  o 4-6 million TEU’s per annum
  o 30 million SF of industrial facilities
  o 10,000 jobs today – 25,000 at completion
  o Foreign Trade Zone

» $3 billion CenterPoint investment

» Public-Private-Partnership
  o 60% industrial submarket growth since opening ( 90M SF → 140M SF )
**TOP 15 NORTH AMERICAN CONTAINER PORT RANKINGS**

*CIC - Joliet 3,000,000 (Base Case)*

**2008 TOTAL TEU**

- Los Angeles: 7,849,985
- Long Beach: 6,350,125
- New York/New Jersey: 5,265,058
- Savannah: 2,616,126
- Vancouver: 2,492,107
- Oakland: 2,236,244
- Hampton Roads (VA): 2,083,278
- Tacoma: 1,861,352
- Houston: 1,794,309
- Seattle: 1,704,482
- Charleston: 1,635,534
- Honolulu: 1,124,388
- Port Everglades: 985,095
- Miami: 828,349
- Jacksonville: 697,494
- Baltimore: 612,877

Source: AAPA Advisory, May 2009
**CenterPoint Intermodal Center – Elwood, IL**

- $1 billion+ CenterPoint Investment
- 2,500-Acre Integrated Logistics Center
- 1,400-Acre Industrial Park
- 1,000-Acre BNSF Intermodal Facility
- Excellent National Connectivity
- International Service
- 12+ Million SF Industrial Facilities
- 100-Acre Equipment Management Area
$2 Billion+ CenterPoint Investment
3,600-Acre Integrated Logistics Center
2,200-Acre Industrial Park
950-Acre Intermodal Facility

Excellent National Connectivity
International and Domestic Service
18 Million SF Industrial Facilities
450-Acre Equipment Management Area
INLAND IMPORT DISTRIBUTION CENTER - WAL-MART

» 3.4 Million SF, 168 Acres
» Delivered in 10 months
» Largest distribution center in Chicagoland history

» Wal-Mart’s only Inland Import DC
» 2,126 trailer stalls
» 308 exterior docks
» 600 new full-time jobs
Chicago to Virginia Connectivity and Synergy

- Hampton Roads Linked to CenterPoint’s Midwest Intermodal Centers
- Norfolk Southern *Heartland Corridor*
- CSX *National Gateway*

CenterPoint’s Chicago Intermodal Parks Will Drive Virginia Business