



**\$130,000,000 – FINAL ISSUANCE AMOUNT – CLOSED 3/23/2017**

**PAB CONDUIT**

**\$150,000,000 (Not-to-exceed amount – Bond Resolution parameter – New Money)  
CenterPoint Joliet Terminal Railroad, LLC  
(CenterPoint Intermodal Center – Joliet Project)**

March 9, 2017

<b>REQUEST</b>	<p><b>Purpose:</b> Finance the acquisition of land, and construction and equipping of various capital improvements thereon at CenterPoint Intermodal Center in Joliet, Illinois, a rail-to-truck and truck-to-rail Intermodal facility generally located south and east of the Des Plaines River, east of the Burlington Northern Santa Fe Railway, north of Noel Road, and west of both Illinois 53 and the Union Pacific Railroad, and located within the corporate boundaries of the City of Joliet.</p> <p><b>Project Description:</b> Finances construction, equipment, and bond issuance costs and provides permanent financing for CenterPoint Intermodal Center – Joliet.</p> <p><b>Program:</b> Surface Freight Transfer Facilities Revenue Bonds [Special U.S. Department of Transportation (“US DOT”) Private Activity Bond Program authorized under the 2005 Federal Transportation Act (“SAFETEA-LU”).]</p> <p><b>Volume Cap:</b> <i>No State of Illinois or IFA Private Activity Bond Volume Cap will be required.</i> CenterPoint Properties has applied for and received an allocation from the US DOT to use approximately \$300 million of additional Freight Transfer Facilities Revenue Bonds to develop and build-out qualified freight transfer facilities as allowed by law. CenterPoint has selected IFA to serve as the conduit issuer to issue bonds to finance this project with the US DOT allocation. CenterPoint reserves the right to apply for additional Private Activity Volume Cap up to the Confirming Resolution amount approved by the IFA Board (see Sources &amp; Uses of Funds table below).</p> <p><b>Extraordinary Conditions:</b> None</p>																																
<b>BOARD ACTIONS</b>	<p>Final Bond Resolution requested to issue up to \$150.0 million of New Money Bonds.</p> <p>Prior Board Actions in connection with the development and build-out of this project include the following: (i) IFA Final Bond Resolution (2016-01-14BI02 ) approved January 14, 2016, (ii) IFA Resolution to Confirm and Restate August 7, 2007 Preliminary Bond Resolution (2015-1008-BI02) approved October 8, 2015, (iii) IFA Final Bond Resolution (2012-0911-BI04) approved September 11, 2012, (iv) IFA Final Bond Resolution (2010-11-04) approved November 10, 2010, and (v) IFA Preliminary Bond Resolution (07-08-23) approved August 7, 2007 are reported on p. 3 of this report.</p>																																
<b>MATERIAL CHANGES</b>	<p>This is the first time this particular tranche has been presented to the IFA Board. This will be the fourth series of Bonds issued in connection with the ongoing multi-year build-out of the CenterPoint Intermodal Center – Joliet.</p>																																
<b>JOBS DATA (SEE P. 4 FOR ADDITIONAL DETAILS; 16,600+ JOBS OVER DEVELOPMENT CYCLE)</b>	<table border="0"> <tr> <td style="vertical-align: top;">8,705</td> <td style="vertical-align: top;">Current FT jobs; comprised of the following</td> <td style="vertical-align: top;">16,600+</td> <td style="vertical-align: top;">Jobs over Project Development Cycle, comprised of:</td> </tr> <tr> <td></td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>• 3,500 Union Construction Jobs</li> <li>• 2,005 Permanent Industrial Pk./Intermodal Facility Jobs</li> <li>• 2,000 Permanent Trucking Jobs</li> <li>• 1,200 Indirect/Induced Jobs</li> </ul> </td> <td></td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> <li>• 6,200 Union Construction Jobs</li> <li>• 5,400 Permanent Industrial Park and Intermodal Facility Jobs</li> <li>• 3,100 Permanent Trucking Jobs</li> <li>• 1,900 Indirect/Induced Jobs</li> </ul> </td> </tr> <tr> <td style="vertical-align: top;">N/A</td> <td style="vertical-align: top;">Jobs Retained</td> <td style="vertical-align: top;">1,250</td> <td style="vertical-align: top;">Construction Jobs to Date (i.e., 2,000 man hrs. / job)</td> </tr> </table>	8,705	Current FT jobs; comprised of the following	16,600+	Jobs over Project Development Cycle, comprised of:		<ul style="list-style-type: none"> <li>• 3,500 Union Construction Jobs</li> <li>• 2,005 Permanent Industrial Pk./Intermodal Facility Jobs</li> <li>• 2,000 Permanent Trucking Jobs</li> <li>• 1,200 Indirect/Induced Jobs</li> </ul>		<ul style="list-style-type: none"> <li>• 6,200 Union Construction Jobs</li> <li>• 5,400 Permanent Industrial Park and Intermodal Facility Jobs</li> <li>• 3,100 Permanent Trucking Jobs</li> <li>• 1,900 Indirect/Induced Jobs</li> </ul>	N/A	Jobs Retained	1,250	Construction Jobs to Date (i.e., 2,000 man hrs. / job)																				
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<b>BORROWER</b>	<ul style="list-style-type: none"> <li>• Type of entity: Special Purpose Entity (LLC) to own and develop the subject project for lease or resale to prospective tenants and/or purchasers as allowed under SAFETEA-LU</li> </ul>																																
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>• Location: Joliet, Illinois (Will County)</li> <li>• When was it established? Borrower was formed in 2007 as a special purpose entity to own and develop the subject intermodal rail/truck and truck/rail facility in Joliet</li> <li>• What does the entity do? Real estate development company</li> <li>• Who does the entity serve? Prospective tenants/users of Joliet Intermodal Center</li> <li>• What will new project facilitate? Improved transportation and logistics efficiencies via truck and rail (initially via the Union Pacific Railroad and BNSF Railroad).</li> </ul>																																
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>• The Bonds will be privately placed to a syndicate of Banks (i.e., bank direct purchase structure) that finance CenterPoint Properties’ Line of Credit (and CenterPoint’s other credit facilities).</li> </ul>																																
<b>PROPOSED STRUCTURE</b>	<p>The proposed Bonds will be Multi-Modal Bonds that will initially be privately placed by SunTrust Robinson Humphrey to a syndicate of Banks (i.e., bank direct purchases) led by SunTrust Bank. The purchasers (i.e., Banks, which are by definition “Accredited Investors”) will be entirely responsible for structuring and securing their allocated ownership interest in the proposed Bond issue.</p> <p>Interest Rates: preliminary estimated range of 2.00% to 5.00%, depending on maturity Maturity: Not-to-exceed 40 years from the date of issuance (parameter). The anticipated final maturity date is estimated as December 1, 2043 (preliminary; subject to change).</p>																																
<b>SOURCES &amp; USES - ESTIMATED</b>	<table border="0"> <tr> <td colspan="2"><b>Sources:</b></td> <td colspan="2"><b>Uses:</b></td> </tr> <tr> <td>IFA Series 2010 Bonds:</td> <td style="text-align: right;">\$ 150,000,000</td> <td>Project Costs for Reimbursement:</td> <td style="text-align: right;">\$ 455,000,000</td> </tr> <tr> <td>IFA Series 2012 Bonds:</td> <td style="text-align: right;">75,000,000</td> <td>Future Project Costs</td> <td style="text-align: right;">804,720,000</td> </tr> <tr> <td>IFA Series 2016 Bonds</td> <td style="text-align: right;">100,000,000</td> <td>Costs of Issuance - Series 2010</td> <td style="text-align: right;">815,000</td> </tr> <tr> <td>IFA Series 2017 Bonds</td> <td style="text-align: right;">130,000,000</td> <td>Costs of Issuance - Series 2012</td> <td style="text-align: right;">190,000</td> </tr> <tr> <td>Future IFA Bonds (per October 2015 Confirming Resolution)</td> <td style="text-align: right;">682,000,000</td> <td>Costs of Issuance - Series 2016</td> <td style="text-align: right;">190,000</td> </tr> <tr> <td>Equity/Match:</td> <td style="text-align: right;">124,105,000</td> <td>Costs of Issuance - Series 2017</td> <td style="text-align: right;">190,000</td> </tr> <tr> <td><b>Total:</b></td> <td style="text-align: right;"><b>\$ 1,261,105,000</b></td> <td><b>Total:</b></td> <td style="text-align: right;"><b>\$ 1,261,105,000</b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Series 2010 Bonds:	\$ 150,000,000	Project Costs for Reimbursement:	\$ 455,000,000	IFA Series 2012 Bonds:	75,000,000	Future Project Costs	804,720,000	IFA Series 2016 Bonds	100,000,000	Costs of Issuance - Series 2010	815,000	IFA Series 2017 Bonds	130,000,000	Costs of Issuance - Series 2012	190,000	Future IFA Bonds (per October 2015 Confirming Resolution)	682,000,000	Costs of Issuance - Series 2016	190,000	Equity/Match:	124,105,000	Costs of Issuance - Series 2017	190,000	<b>Total:</b>	<b>\$ 1,261,105,000</b>	<b>Total:</b>	<b>\$ 1,261,105,000</b>
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<b>RECOMMENDATION</b>	<p>Credit Review Committee recommends approval.</p>																																

**ILLINOIS FINANCE AUTHORITY  
BOARD SUMMARY  
March 9, 2017**

**Project: CenterPoint Joliet Terminal Railroad, LLC  
(CenterPoint Intermodal Center – Joliet Project)**

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**STATISTICS**

IFA Project:	12321	Amount:	\$150,000,000 (not-to-exceed parameter amount for Resolution)
Type:	Surface Freight Transfer Facilities Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Joliet	County/ Region:	Will/Northeast

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**BOARD ACTION**

Final Bond Resolution for Series 2016 Bonds  
Conduit Freight Transfer Facilities  
Revenue Bonds (Tax-Exempt)  
No IFA funds at risk

Credit Review Committee recommends approval  
No extraordinary conditions

*Note:* CenterPoint has obtained (i) the requisite Private Activity Bond allocation directly from the US DOT, and (ii) a commitment from US DOT for transportation grant funds under Title 23 (highway improvements for I-55/Arsenal Road interchange and other highway improvements in the general area of the Project) through the Illinois Department of Transportation, thereby satisfying both US DOT requirements to issue tax-exempt bonds for the Project.

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**PURPOSE**

The overall project involves the acquisition of land, construction of rail improvements, and the construction of all or a portion of an estimated 15 million SF to 20 million SF of related warehousing and distribution facilities (up to 1.5 million SF each) and related infrastructure located generally on an approximately 4,000-acre site (including approximately 940 acres for two intermodal rail yards) located west of the Union Pacific mainline (Chicago-Springfield-St. Louis line), north of Noel Road and south and east of the Des Plaines River, within the limits of the City of Joliet in Will County.

Certain portions of these intermodal and logistics park facilities are intended to qualify for federally tax-exempt Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds under a surface transportation finance initiative approved in late 2005 and implemented in early 2006 by the U.S. Department of Transportation.

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**IFA CONTRIBUTION**

*Although the subject Bonds will be issued on a tax-exempt basis for a for-profit entity, Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds will not require any State of Illinois or IFA Volume Cap. Instead, authorization requests for Tax-Exempt Freight Transfer Facility Revenue Bonds are allocated directly to each project by the US DOT, subject to an initial \$15 billion national limitation over the life of the program pursuant to 2005's SAFETEA-LU Act. CenterPoint previously obtained a direct allocation which was used to finance the Prior Bonds (\$325 million to date) and of which approximately \$300 million remains available, with such allocation provided by the U.S. Department of Transportation to enable tax-exempt bonds to be issued to finance eligible costs relating to development of the CenterPoint Intermodal Center – Joliet project.*

*CenterPoint has selected IFA to serve as the conduit issuer for its Joliet Intermodal facility project. As conduit issuer, IFA will convey tax-exempt municipal bond status on debt issued (and purchased by CenterPoint's commercial banking syndicate) to permanently finance qualified improvements located at the Project site.*

**VOTING RECORDS (presented in reverse chronological order)**

Final Bond Resolution – authorized issuance of Series 2016 Bonds: IFA Resolution 2016-0114-BI02 approved January 14, 2016 (authorized the issuance of up to \$100.0 million of Bonds in one or more series): Ayes: 11; Nays: 0; Abstentions: 0; Absent: 4 (Fuentes, Horne, O’Brien, Yonover)

IFA Resolution 2015-1008-BI02 approved October 8, 2015 to Confirm and Restate the August 7, 2007 Preliminary Bond Resolution:

- Ayes: 12; Nays: 0; Present: 0; Excused Absences: 3 (Horne; O’Brien; Tessler)

Prior Final Bond Resolutions (from 2010 and 2012):

- IFA Resolution No. 2012-0911-BI04 approved September 11, 2012 (authorized (i) issuance of up to \$80.0 million of IFA Bonds in one or more series and (ii) execution of a First Supplemental Trust Indenture for the IFA Series 2010 Bonds): Ayes: 9; Nays: 0; Abstentions: 1 (Gold); Absent: 2 (Fuentes, Leonard); Vacancies: 3
- IFA Resolution No. 2010-11-04 approved November 9, 2010 (authorized the issuance of up to \$200.0 million of Bonds in one or more series): Ayes: 10; Nays: 0; Abstentions: 1 (Gold); Absent: 4 (Bronner, DeNard, Fuentes, Herrin); Vacancies: 0

Preliminary Bond Resolution No. 07-08-23 approved August 7, 2007 (i.e., “Reimbursement Resolution” or “Inducement Resolution”):

- Ayes: 10; Nays: 0; Abstentions: 0 Absent: 4 (Boyles; Fuentes; Herrin; Rivera); Vacancies: 1

**ESTIMATED SOURCES AND USES OF FUNDS**

Sources:	IFA Ser. 2010 Bonds	\$150,000,000	Uses:	Reimbursement of Prior Costs	\$455,000,000
	IFA Ser. 2012 Bonds	75,000,000		Future Project Costs	804,720,000
	IFA Ser. 2016 Bonds	100,000,000		Issuance Costs – Series 2010	815,000
	IFA Ser. 2017 Bonds	130,000,000		Issuance Costs – Series 2012	190,000
	Future IFA Bonds	682,000,000		Issuance Costs – Series 2016	190,000
	Equity	124,105,000		Issuance Costs – Series 2017	190,000
	<b>Total</b>	<b><u>\$1,261,105,000</u></b>		<b>Total</b>	<b><u>\$1,261,105,000</u></b>

**Comment:** These amounts represent not-to-exceed amounts for the anticipated multi-year, multi-series issuance of tax-exempt bonds associated with build-out of this project as contemplated by CenterPoint.

Although CenterPoint has 5 years to expend bond proceeds under the US DOT bond program, CenterPoint has determined it is generally most advantageous to issue bonds primarily to reimburse expenditures following completed project build-outs every one to two years (nevertheless, a limited portion of bond proceeds may be allocated to finance subsequent construction).

**Related Title 23 Assistance:** In addition to the improvements described above, federal “Title 23” funds have been used to finance certain bridge improvements in the south and southeast corner of the Project site and various improvements to I-55 (to the west of the Project), in both cases so as to improve access to the Project and accommodate the increased traffic resulting from the Project.

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**JOBS**

<p>Current Employment: 8,705 (Full-Time) comprised of:</p> <ul style="list-style-type: none"> <li>• 3,500 Union Construction Jobs</li> <li>• 2,005 Permanent Industrial and Intermodal Facility Jobs</li> <li>• 2,000 Permanent Trucking Jobs</li> <li>• 1,200 Indirect and Induced Jobs</li> </ul> <p>Jobs Retained: Not applicable</p>	<p>Total Jobs Forecast Over Project Development Cycle: 16,600+ comprised of:</p> <ul style="list-style-type: none"> <li>• 6,200 Union Construction Jobs (through completion)</li> <li>• 5,400 Permanent Industrial and Intermodal Facility Jobs</li> <li>• 3,100 Permanent Trucking Jobs</li> <li>• 1,900 Indirect and Induced Jobs</li> </ul> <p>Construction Jobs to date (<i>supplemental info.</i>) 1,250 Union Construction Jobs to date (based on 2,000 man hrs. / job)</p>
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**Current Jobs – Notes on CenterPoint’s reported employment as successive phases of IFA Bonds have been issued:**

CenterPoint currently reports a total of 8,705 new and construction jobs (based on the breakdown reported above). In comparison, CenterPoint reported 220 FT jobs as of November 2010 (at the time of approval of the first Final Bond Resolution), 4,175 FT jobs as of September 2012 (at the time of approval of the Resolution authorizing issuance of the second tranche of IFA Bonds), and 6,825 FT jobs as of October 2015 (at the time of approval of the Resolution authorizing issuance of the third tranche of IFA Bonds).

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**FINANCING SUMMARY**

CenterPoint intends to issue bonds in multiple series over time (i.e., tranches), as dictated by demand/build-out over the anticipated remaining 5 to 10 year development period. CenterPoint anticipates that each tranche will be financed according to the following proposed terms:

Structure:	Multi-Modal Bonds that will be underwritten (and privately placed in a Bank-held Mode at the time of initial sale) by SunTrust Robinson Humphrey. The Multi-Modal Bonds will initially bear interest in a Bank Rate, in which the Bonds will be purchased by SunTrust Bank, as Agent, in a private placement for a syndicate of financial institutions for an initial anticipated term of 5 years. Bond payments will be amortized over 40 years. The Bonds will be subject to extension and an interest rate reset periodically (or as amended) until maturity while in Bank Purchase Mode, consistent with a bank commercial loan structure.
Bank Security/Collateral:	The purchasing Banks are Accredited Investors and are solely responsible for assuring their financing commitment (i.e., bond purchase) is adequately collateralized.
Credit Ratings:	Not applicable since the Bonds will be purchased directly by the Banks as a direct investment. The LLC is a non-rated entity.
Collateral:	Confidential – to be negotiated and finalized directly with the Banks that purchase participation interests in these Bonds.
Proposed Interest Rate Mode:	Initial 5 year fixed rate with reset and extension provisions every 5 years until the final maturity date.
Estimated Interest Rate:	Could range from 2.00% fixed to 5.00% fixed, depending on maturity (as negotiated with the members of the banking syndicate).
Amortization:	Approximately 40 years (dependent on useful-life calculation)
Final Maturity Date:	Resolution Parameter: not-to-exceed 40 years (anticipated final maturity date is December 1, 2043; preliminary subject to change)
Anticipated Closing Date:	March or April 2017

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### PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be issued in one or more Series and used by CenterPoint Joliet Terminal Railroad, LLC (together with any successors, affiliates, and assigns, the “**Borrower**”), for the purpose of providing the Borrower with all or a portion of the funds to (a) finance, refinance or reimburse the Borrower for all or a portion of the costs of the acquisition, construction, equipping, and development of a state-of-the-art intermodal logistics center and inland port for the transfer of freight from truck to rail or rail to truck (including temporary storage facilities directly related to such transfers) on a site of approximately 4,000 acres within the boundaries of the City of Joliet, in Will County, Illinois, located along railroad mainlines of two Class I common carrier railroads owned by two Class I railroads and being developed in conjunction with Title 23, United States Code, funding for (i) the construction and construction engineering of the bridge on Manhattan Road over Jackson Creek and (ii) current and future projects involving State highway reconstruction and capacity work on I-55 to provide adequate roadway infrastructure and direct access support to the west of the Project, together with such other related improvements related thereto (collectively, the “**Project**”), (b) pay certain interest expense in connection with the Project, and (c) pay all or a portion of the costs of issuance of the Bond

Estimated project costs relating to the overall build-out of the CenterPoint Joliet Terminal Railroad, LLC project are as follows:

Land Acquisition:	\$238,000,000
New Construction:	986,720,000
Equipment:	<u>35,000,000</u>
<b>Total</b>	<b><u>\$1,259,720,000</u></b>

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### BUSINESS SUMMARY

Description: **CenterPoint Joliet Terminal Railroad, LLC** (together with any successors, affiliates, and assigns, the “**Borrower**”) is an Illinois Limited Liability Company formed on April 11, 2007 as a special purpose entity to own and develop the subject freight intermodal facility and logistics park in the City of Joliet, Will County.

The sole Member of the Borrower is **CenterPoint Properties Trust (“CPT”)**, a private Maryland Real Estate Investment Trust. CPT is 99% beneficially owned by **CalEast Global Logistics LLC (“CalEast”)**, a leading investor in logistics warehouse and related real estate.

CalEast Global Logistics LLC is owned by the **California Public Employees Retirement System (“CalPERS”)** and **GIP Co-Investor LLC**, an affiliate of GI Partners (see Economic Disclosure Statement on page 9).

Background on  
CenterPoint  
Properties  
Trust:

CPT was originally formed in 1984 as Capital and Regional Properties Corporation. CPT became a publicly traded REIT in 1993 after consolidating with FCLS Investors Group, a Chicago-based industrial development company with 30 years of local development experience.

In March 2006, after over 12 years as a public company, CPT was purchased and taken private by CalEast Global Logistics, LLC. CalEast is a leading investor in logistics warehouse and related real estate and is a joint venture of CalPERS and GI Partners.

CalPERS is the nation’s largest pension fund, with approximately \$307 billion in assets. Established in 2001, GI Partners is a leading private investment firm focused on investments in asset-backed businesses and properties in North America and Western Europe with approximately \$12.0 billion of capital under management. The firm is active in a number of key sectors, including asset-backed IT services, specialty healthcare and education, leisure, commercial real estate, hospitality, retail, and financial services.

CPT’s mission is focused on the development, ownership, and active management of industrial real estate and related rail, road, and port infrastructure.

CPT is one of the largest owners, managers, and developers of industrial real estate in metropolitan Chicago. Along with its affiliates, CPT owns and manages more than 56 million SF of industrial/warehousing space. CPT has an additional 3,200 acres of land available for future development, of which 2,200 acres is located in the Chicago metropolitan area.

Aside from its intermodal facilities under development in Joliet and Elwood, CPT has an extensive track record of developing successful industrial and warehousing projects in Illinois and SE Wisconsin, including the Ford Chicago Manufacturing Campus (Chicago), International Produce Market (Chicago), O'Hare Express Center and O'Hare Express North (Chicago), California Avenue Business Center (Chicago), McCook Business Center I and II (McCook), BNSF Logistics Park Chicago (Elwood), DuPage National Technology Park (West Chicago), and several other business parks located in Illinois, SE Wisconsin, NW Indiana, Missouri, Georgia, Texas, California, Washington, and New Jersey.

Chicago's  
Role as a  
Logistics  
Center for the  
Central U.S.:

Intermodal facilities provide for the efficient, direct transfer of goods between ship, rail, or truck. Essentially, intermodal logistics parks are "inland ports" that allow customers to seamlessly ship goods long-haul from the U.S. coasts inland by rail for distribution by truck. Additionally, industrial land adjacent to intermodal facilities allows warehouse/light manufacturing customers to perform bulk breakdown operations, and/or to repackage or assemble products before final delivery by truck to regional warehouses and/or stores.

The Chicago Metropolitan Area has emerged as the largest inland port/freight transfer center in the United States. Currently, the Chicago area supports 1.4 billion SF of industrial property, making the Chicago region one of the largest and most diverse industrial property markets in the U.S.

The Chicago area is also an ideal location for the development of intermodal facilities – it is the only location in the US where all six of the North American Class I railroads intersect. The Class I railroads serving the Chicago area include: (1) Burlington Northern Santa Fe, (2) Canadian National/Soo Line, (3) Canadian Pacific, (4) CSX, (5) Norfolk Southern, and (6) the Union Pacific.

According to CenterPoint, improved productivity/logistics in the Chicago area is important since approximately 60% of freight traveling inland from the coasts either stops in Chicago, or travels through Chicago to other markets. Although it takes only two days for freight to be shipped from the coasts, it can take four days for this rail traffic to move through the City of Chicago.

Development of intermodal facilities around the outer suburbs of Chicago will help reduce rail bottlenecks, reduce truck traffic in the City of Chicago as well as create a more efficient supply chain for goods traveling inland from the coasts.

Development of intermodal facilities in the Chicago metropolitan area will expand the region's effective rail capacity and help maintain the Chicago area's status as the key inland rail hub in the Central U.S.

US DOT  
Freight  
Transfer  
Project  
Allocations:

The U.S. Department of Transportation has sole discretion in determining which surface transportation (i.e., private highways, intermodal facilities, and international bridges) receive a portion of US DOT's national \$15 Billion allocation of bond issuance authority over the life of this pilot programs initiated under the 2005 Transportation Bill (i.e., "SAFETEA-LU"). Additionally, all qualifying projects must receive either Title 23 Highway Funds or Title 49 Railroad Grant Funds from US DOT (through IDOT). The CenterPoint Intermodal Center – Joliet project has been supported by Title 23 Highway Funds that have funded various improvements (including, most notably, reconfiguration of the I-55/Arsenal Rd. interchange located west of the Project Site and construction and related engineering work for the Manhattan Road bridge over Jackson Creek).

Rationale for  
the Joliet  
Intermodal  
Facility:

The CenterPoint Intermodal Center - Joliet Project is an approximately 4,000-acre state-of-the-art intermodal logistics center and inland port. The logistics center creates a closed campus environment by co-locating distribution centers, an intermodal facility, container storage yards, and export facilities all in one campus. This provides significant logistics and supply chain advantages to companies that locate at the campus. At full build-out, development within the park will include an 835-acre Class I railroad intermodal facility, 450 acres of onsite container/equipment management and approximately 15 to 20 million square feet of industrial facilities. The project will provide critical transportation capacity for the region and distribution efficiencies for customers, while meeting local community, County and State interests through the creation of approximately 16,600 jobs and millions in new tax revenues.

The subject property site is located approximately:

- 2 miles east of I-55 and the I-55/Arsenal Road interchange;
- 2 miles south of I-80;
- 2 miles west of Illinois Hwy. 53;
- 16 miles west of I-57; and
- Approximately 2 miles north of the CenterPoint Intermodal Center – Elwood.

The CenterPoint Intermodal Center – Joliet has been planned to accommodate goods shipped via both the Union Pacific and BNSF (from the West Coast and Southwest) and, possibly, the Norfolk Southern Railroad from the southeast.

Public benefits of the CenterPoint Intermodal Center – Joliet project include:

1. The Project will help absorb the unmet demand for new Midwestern rail-served warehouse/distribution centers, intermodal, and trans-load facilities due to (a) massive increases in the volume of containerized import shipments (b) the increased importance of efficient logistics in transporting products to final destinations.
2. Tax-Exempt Bond Financing will facilitate a lower cost of occupancy that will attract prospective industrial park tenants to Illinois rather than to Indiana or Missouri.
3. Project-related roadway and interchange improvements to the I-55/Arsenal Road interchange, Arsenal Road (the primary access road serving both CenterPoint's existing Elwood intermodal facility and CenterPoint's Joliet intermodal facility), Illinois Hwy 53, and access from the north from connecting roads to I-80, and other surrounding roads will provide superior truck access to the project(s) and encourage peripheral users to locate nearby.
4. The CenterPoint Intermodal Center – Joliet Project will generate property tax revenue for the City of Joliet and local taxing jurisdictions, and income tax revenue for the State of Illinois.

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Development

Timetable: Key events in CPT's development and financing timetable for the CenterPoint Intermodal Center – Joliet project have included the following:

Completed/Ongoing Activities:

- 2006: Land acquisition for the project began
- Early 2007 (and ongoing): Initial discussions with US DOT and IDOT regarding Title 23/Title 49 Funding
- January 2007: Engineering work commenced by TranSystems Corporation of Kansas City, MO and Cowhey Gundmundson Leder of Itasca, IL
- **August 2007: Illinois Finance Authority Board of Directors approves a Preliminary Bond Resolution for CenterPoint's Joliet Intermodal Facility (not-to-exceed amount: \$1.34 billion)**
- **September 2007: Submitted application for the US DOT Private Activity Bond Allocation to the Secretary of the U.S. Department of Transportation**
- June 2008: Public water and sewer utility construction commenced
- July 29, 2008: Rezoning to allow for special use as an Intermodal Facility: Agreement made and entered into with City of Joliet
- August 2008: Site topsoil stripping and grading work commenced on Intermodal Facility.
- Fall of 2008: Construction of the Intermodal facility began
- December 30, 2008: Completed annexation agreement with the City of Joliet (Document Number R2008-150216)
- December 2008: Mass Grading and Drainage work completed
- July 2009: USACE Wetland Impact and Fill permits completed
- September 2009: Public water and sewer extensions complete
- **August 2010: Intermodal facility open for business and UPRR operations commence**
- September 2010: UPRR began first phase of trailer parking expansion project on site
- **October 2010: Completed first building in the park, a 217,000 square foot building for the Stepan Company**
- December 2010: Completed construction of a 12 acre grain transload facility for The De Long Co.
- **December 2010: Finalized issuance of \$150 million IFA Series 2010 Bonds to provide permanent financing for the initial phase of completed intermodal/warehousing facilities**
- August 2011: Completed an 18 acre container storage facility for Mediterranean Shipping Co.
- November 2011: Completed a 36 acre container storage facility for APL
- November 2011: Completed construction of Home Depot's build to suit, a 657,000 square foot building
- **September 2012: Finalized issuance of \$75 million IFA Series 2012 Bonds to provide permanent financing for the second phase of completed intermodal/warehousing facilities at CenterPoint Intermodal Center - Joliet**
- December 2012: Completed an 8 acre container storage facility for Central States Trucking
- June 2013: Completed construction of phase II of The Home Depot Joliet campus, a 1.6 million square foot building
- March 2014: Completed construction of a 485,000 square foot joint-venture speculative facility, recently leased to International Transload Logistics
- June 2014: Completed construction of a 12.8 acre container yard, partially leased to Bridge Terminal Transport Services
- August 2014: Completed construction of a 400,000 square foot warehouse facility for Neovia Logistics
- October 2015: Completed a 14.4 acre grain transfer facility for Saturn Agriculture and an 8.0 acre trucking facility for California MultiModal
- **October 2015: Illinois Finance Authority Board of Directors approved a Resolution Confirming and Restating the Preliminary Bond Resolution for CenterPoint's Joliet Intermodal Facility (not-to-exceed amount: \$1.34 billion) approved in August 2007**
- **January 2016: Finalized issuance of \$100 million IFA Series 2016 Bonds to provide permanent financing for the third phase of completed intermodal/warehousing facilities at CenterPoint Intermodal Center – Joliet**
- March 2016: Completed construction of a 1.1 million square foot building for Saddle Creek Logistics Services
- June 2016: Started construction of a 122,000 square foot warehouse facility for CMI Logistics, expected to be completed in April 2017



- December 2016: Completed construction of a 19.2 acre container storage facility for ConGlobal
- December 2016: Completed construction of a 1.4 million square foot building for an Undisclosed Food Manufacturer

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### ECONOMIC DISCLOSURE STATEMENT

**Applicant:** CenterPoint Joliet Terminal Railroad, LLC (Contact: Mr. Rick Mathews, VP, Legal, CenterPoint Properties Trust, 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8126; (F) 630-586-8010; e-mail: RMathews@CenterPoint.com)

**Alternate Contact:** Mr. Michael Kraft, CenterPoint Properties Trust, Chief Financial Officer; 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8102; (F) 630-586-8010; e-mail: MKraft@CenterPoint.com

**Web site:** [www.CenterPoint.com](http://www.CenterPoint.com) (CenterPoint Properties)

**Project name:** CenterPoint Intermodal Center – Joliet

**Location:** 21703 W. Millsdale Road, Joliet, IL 60421-9647

**Organization:** CenterPoint Joliet Terminal Railroad, LLC is an Illinois limited liability company that is 100%-owned by CenterPoint Properties Trust, a Maryland Real Estate Investment Trust.

**Ownership:** CenterPoint Properties Trust is in turn owned by CalEast Global Logistics, LLC, 65 East State Street, Suite 1750, Columbus, OH 43215; (T): 614-460-4444; web site: [www.caleast.com](http://www.caleast.com)

- CalEast Global Logistics LLC is a joint venture between the California Public Employees Retirement System and GI Partners. Additional information on the joint venture members follows below:
  - California Public Employees Retirement System (d/b/a “CalPERS”): 100%  
400 Q Street, Room 1820  
Lincoln Plaza East  
Sacramento, CA 95814  
Web site: [www.calpers.ca.gov](http://www.calpers.ca.gov)
  - GI Partners  
2180 Sand Hill Road, Suite 210  
Menlo Park, CA 94025  
Web site: [www.gipartners.com](http://www.gipartners.com)

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### PROFESSIONAL & FINANCIAL

General Counsel:	Latham & Watkins LLP	Chicago, IL	Robert Buday
Borrower’s Auditor:	PricewaterhouseCooper LLP	Chicago, IL	
Bond Counsel:	Perkins Coie LLP	Chicago, IL	Bruce Bonjour, Christine Biebel
Placement Agent: (Privately Placed initially to a banking syndicate)	SunTrust – Tax-Exempt Finance	Atlanta, GA	Hank Harris
Bank:	SunTrust – National REIT Banking Group	Vienna, VA	Nancy Richards
	SunTrust – Commercial Real Estate Syndications	Atlanta, GA	Ricardo Simon
Bond Purchasers through syndication:	Regions Bank – RE Corporate Banking PNC Real Estate BB&T	Birmingham, AL Chicago, IL Winston-Salem, NC	Ronald Chambers John Murphy
	US Bank Bank of America, N.A.	Chicago, IL Chicago, IL	Ahaz Armstrong Curt Steiner Sarah Hudson
Bank Counsel:	Dentons	Chicago, IL	Steve Davidson

Trustee/Fiscal Agent:	US Bank	Chicago, IL	Patricia Trlak
Trustee's Counsel	Nixon Peabody LLP	Chicago, IL	Julie Seymour
Rating Agencies:	Not applicable since the Bonds will be privately placed with commercial banks (i.e., purchased by Accredited Investors)		
Architectural/Engineering:	TranSystems Corporation	Kansas City, MO	
General Contractors:	Ragnar Benson Construction, LLC FCL Builders, LLC	Park Ridge, IL Itasca, IL	
IFA Counsel:	Kutak Rock LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Sycamore Advisors, LLC	Chicago, IL	Courtney Tobin, Diana Hamilton

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**LEGISLATIVE DISTRICTS**

Congressional:	11, 16
State Senate:	43
State House:	86

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# CenterPoint Intermodal Center - Joliet/Elwood

## North America's Largest Inland Port



### Current CenterPoint Intermodal Center - Joliet/Elwood Tenants

- |                                  |                                    |                                   |  |
|----------------------------------|------------------------------------|-----------------------------------|--|
| 01 Cargill                       | 12 IKEA                            | 23 APL                            | 34 Central States Trucking                                   |
| 02 BNSF Container Yard           | 13 Cypress McKesson                | 24 Mediterranean Shipping Company | 35 ContainerPort Group                                       |
| 03 Georgia Pacific               | 14 Bissell                         | 25 Spec CY +/- 7.2 Acres          | 36 Adrian Carriers   |
| 04 DSC Logistics                 | 15 Stepan Company                  | 26 ConGlobal                      | 37 Gertsen Interstate System                                 |
| 05 NFI                           | 16 The Home Depot                  | 27 ITL                            | 38 Prairie Material  |
| 06 Resource Management Companies | 17 Undisclosed Food Manufacturer   | 28 RoadOne Intermodal Logistics   | 39 Gavilon Grain   |
| 07 Clearwater Paper              | 18 CMI Logistics                   | 29 XPD Logistics                  | 40 LaFarge   |
| 08 Partners Warehouse            | 19 Neovia Logistics                | 30 ITL                            | 41 Cargill   |
| 09 Spec Building +/- 237,200 SF  | 20 Saddle Creek Logistics Services | 31 Saturn Agriculture             | 42 ARC Terminals   |
| 10 Walmart                       | 21 California Multimodal (CMI)     | 32 Acres Truck Parking            | 43 Vulcan  |
| 11 Samsung                       | 22 The DeLong Company              | 33 The DeLong Company             | 44 Joliet Spec Building +/- 752,640 SF <small>4/2014</small> |
|                                  |                                    |                                   | 45 U.S. Army T.E.M.F.  |

- Available Land
- Available Container Yard / Tranload Use
- Existing Distribution Warehouse
- Occupied Container Yard / Tranload Use