Executive Summary

- Des Moines Industrial (DSMI) is a private company established in April 2019 to develop, own and operate this rail-based logistics terminal for 3rd party clients
- DSMI’s goal is to be operational in Q4 2021
- $28M Public/Private Partnership
  - U.S. Department of Transportation BUILD Grant of $11.2M was approved for distribution in August 2020
  - Iowa Department of Transportation loan of $1.7M awarded
  - City of Des Moines tax abatement support
- The terminal’s footprint is approximately 40 acres
- Interstates 35 & 80 are roughly 1 mile from the terminal on 2 designated truck routes
- Direct railroad connectivity to Burlington Northern Santa Fe (BNSF), Iowa Interstate Railroad (IAIS) and Norfolk Southern (NS)
- Union Pacific (UP) connected via an agreement with IAIS
- Phase 1 logistics capabilities:
  - 115,000 square foot warehouse
  - ≈ 15,500 feet of track infrastructure
  - 350,000 square feet of outdoor storage capabilities
- Phase 2 warehousing potential
  - 115,000 square foot warehouse expansion
  - 100,000+ square feet of incremental cold storage
Site Address: 357 SE 15th Street  Des Moines, IA
Aerial Map of Property With Infrastructure Defined

**RAIL**
- Direct Interconnects to Iowa Interstate Railroad
- BNSF Railway
- Norfolk Southern
- 15,510 feet of track
- 12 Intra-terminal switches
- Multiple transloading capabilities available
- 500,000 square feet of outdoor storage
- Drop track clear length available:
  - Track B - 731 TF
  - Track C - 591 TF
  - Track D - 651 TF
  - Track E - 2,548 TF
  - Track F - 2,280 TF

**WAREHOUSE**
- Precast Conc. - 160'x225'
- 115,300 SF
- Minimum clear height = 32'-10'
- 12 loading dock doors (South - Primary truck loading area)
- 2 Drive Through Truck Bays
- 7 loading dock doors (North - Rail Transloading)
- Railroad ramp directly connected
- ESFR sprinkler system
- Office - 2,800 SF

**LEGEND**
- Existing Property Line
- Existing Lot Lines
- CSM Property Line
- Existing NS and UP Track
- Existing BNSF Track
- Existing NSP Track
- Industry Track
- Future Track
- Pavement
- Existing Concrete Pavement
- Proposed Drainage Basin

Des Moines Industrial
Warehouse Highlights

- 115,000 square foot warehouse
- 31’-10” minimum clear height
- 50’ x 40’ column spacing
- ESFR sprinkler system
- 12 heavy-duty loading dock doors (self-leveling)
- 2 drive through truck bays
- All truck doors are automatic and insulated
- Parking and trailer drop lot
- Ample electric, municipal water and sewer
- High speed fiber onsite
- Tenant improvements available
- 350,000 plus square feet of outdoor storage
Railroad Highlights

- IAIS Interconnection
- NS Interconnection
- BNSF Interconnection (via NS)
- UP Interconnection (via IAIS)
- Mobile railcar mover onsite

- 15,500 linear feet of track
- 12 intra-terminal switches
- 2,500’ maximum clear track
- Covered railroad ramp connected to warehouse

- Multiple transloading options
- Multiple areas for transloading
- 7 drive through truck doors on North side of warehouse
- 350,000 plus square feet of outdoor storage
<table>
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<th><strong>Product Type(s)</strong></th>
<th><strong>Transloading Equipment</strong></th>
<th><strong>Railcar Type(s)</strong></th>
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<tr>
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DSMI – Benefits of Flexible Freight

• Des Moines is centrally located in the U.S. at the intersection of I-35 & I-80
• Des Moines Industrial offers unparalleled railroad carrier optionality with direct connectivity to the East, West & Gulf Coast markets:
  • Direct: BNSF, Iowa Interstate, Norfolk Southern
  • Reciprocal Switch: Union Pacific
• Railroading benefits:
  • Rail is generally less expensive versus long-haul trucking on heavy and/or bulky commodities shipped over 250 miles 1-way
  • 2018 – American Trucking Association said shipping by rail is 45% less expensive per ton than by long-haul truck
  • Rail produces 75% less greenhouse emissions than long-haul trucks moving the same tonnage of freight
  • One railcar holds the equivalent tonnage as four tractor trailers, thus reducing road traffic and damage
  • Rail costs are more stable because capacity and pricing are less susceptible to short term market fundamentals
  • The Federal Highway Administration forecasts the total U.S. freight shipments will increase from 18.6B tons in 2018 to 24.1B tons in 2040 (30% increase)
  • The trucking industry is currently 1,000,000 drivers short of their needs, thus costs are up and long-term fundamentals are bearish on reversing these trends
• Des Moines Industrial’s flexible freight enables clients to enhance their traditional trucking solutions with the added value of railroad logistics

Source: CNBC May 2021, OmniTrax, AAR
Burlington Northern Santa Fe (BNSF)
**Top U.S. Ports by Destination Country**

Who benefits from China Plus One? West Coast ports will continue to dominate, but Southeast ports will see growth with sourcing diversification.

Source: WorldCity, CBRE Research, Q2 2020.
Top 20 U.S. Ports in 2020

L.A., Newark-New York lead import growth in 2020

Change in U.S. seaborne imports by industry (thousand TEUs)

- Los Angeles, CA
- Newark, NJ
- Long Beach, CA
- Savannah, GA
- Houston, TX
- Seattle, WA
- Tacoma, WA
- Norfolk, VA
- Charleston, SC
- Oakland, CA
- Miami, FL
- Baltimore, MD
- Port Everglades, FL
- Philadelphia, PA
- New Orleans, LA
- San Juan, PR
- Mobile, AL
- Jacksonville, FL
- Wilmington, DE
- Boston, MA

Source: www.logisticsmgmt.com/article/top_30_u.s._ports_big_ports_got_bigger_in_2020
Site Construction Photos – August 2021

View from Martin Luther King Jr. Parkway looking NW

View from SE 14th bridge looking SE
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