Des Moines Industrial

General Overview

August 2021

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

Project Team & Partners

RYAN

VAA

Terracon

Bishop Engineering

gēnus

DES MOINES AREA MPO METROPOLITAN PLANNING ORGANIZATION

U.S. Department of Transportation Federal Railroad Administration

CITY OF DES MOINES

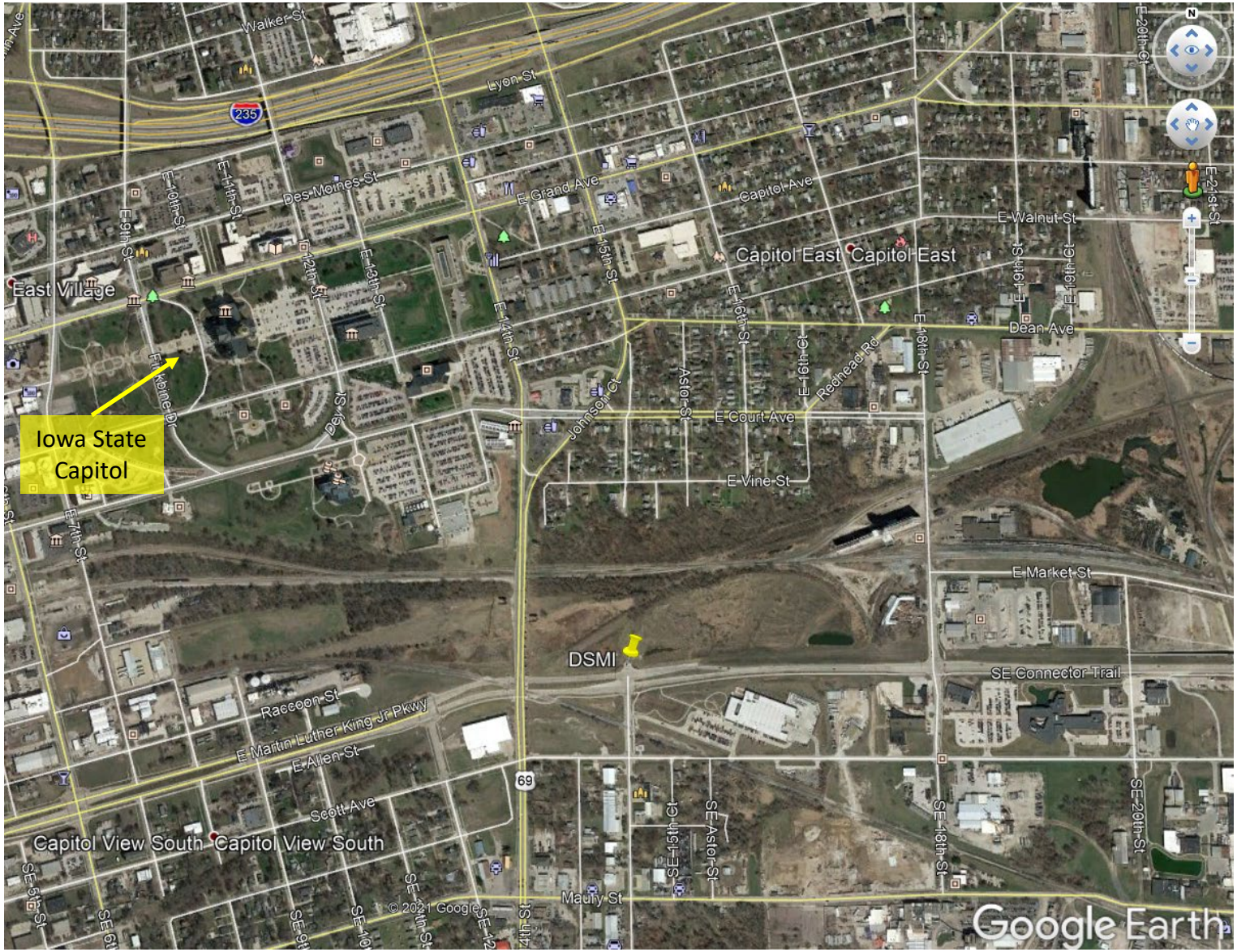
IOWA DOT

GREATER DES MOINES PARTNERSHIP

Lincoln SAVINGS BANK

BROWNWINICK LAW

Site Address: 357 SE 15th Street Des Moines, IA



Aerial Map of Property With Infrastructure Defined

LEGEND

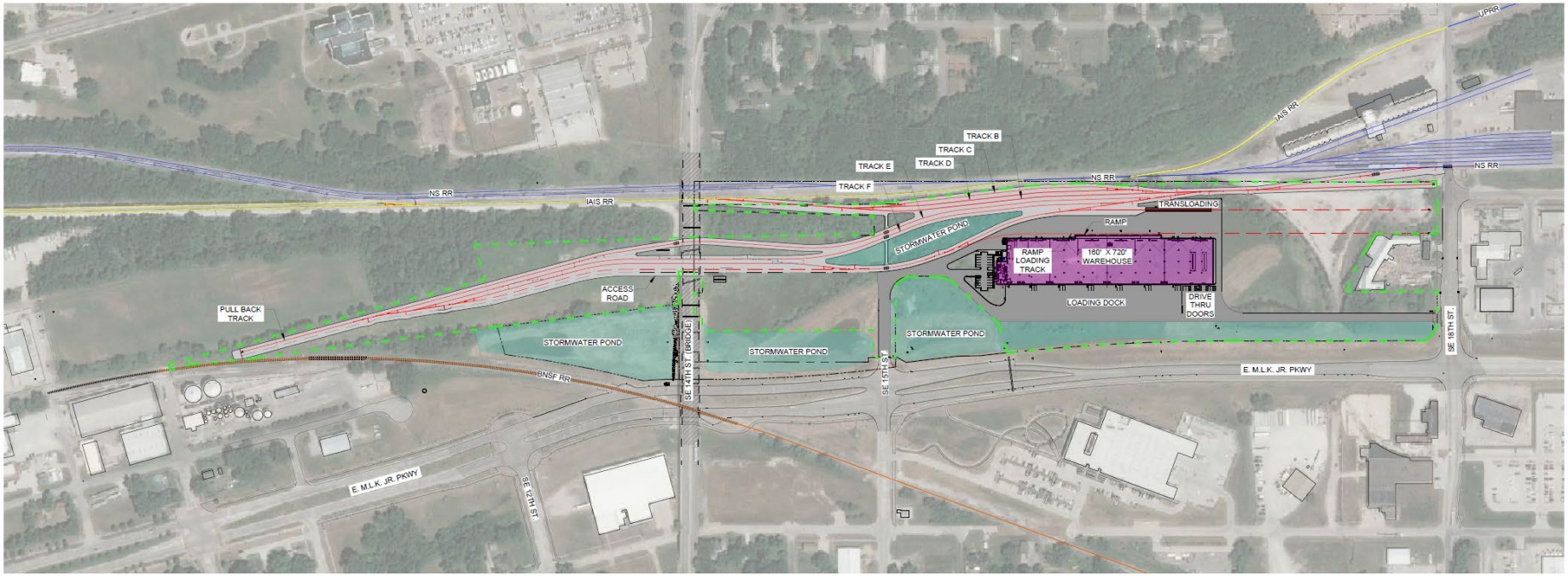
- EXISTING PROPERTY LINE
- EXISTING LOT LINES
- DSMI PROPERTY LINE
- EXISTING NS AND UP TRACK
- EXISTING BNSF TRACK
- EXISTING IAISRR TRACK
- INDUSTRY TRACK
- FUTURE TRACK
- PAVEMENT
- EXISTING CONCRETE PAVEMENT
- PROPOSED DRAINAGE BASIN

RAIL

- DIRECT INTERCONNECTS TO:
  - IOWA INTERSTATE RAILROAD
  - BNSF RAILWAY
  - NORFOLK SOUTHERN
- 15,515 FEET OF TRACK
- 12 INTRA-TERMINAL SWITCHES
- MULTIPLE TRANSLOADING CAPABILITIES AVAILABLE
- 350,000+ SQUARE FEET OF OUTDOOR STORAGE
- DROP TRACK CLEAR LENGTH AVAILABLE:
  - TRACK B - 731 TF
  - TRACK C - 591 TF
  - TRACK D - 561 TF
  - TRACK E - 2,548 TF
  - TRACK F - 2,280 TF

WAREHOUSE

- PRECAST CONC. = 160'x720'
- 115,200 SF
- MINIMUM CLEAR HEIGHT = 30'-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



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

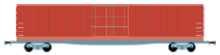
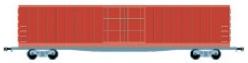
Railroad Highlights

- 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

DSMI Transloading Capabilities

Product Type(s)	Transloading Equipment	Railcar Type(s)
Dry Bulk • Aggregates, minerals, cement, agricultural…		covered hopper open top hopper
Building Materials • Lumber, wallboard, shingles, steel beams, pipe, rebar…		flatcar  boxcar centerbeam flatcar
Intermodal • International, food, e-commerce, temperature controlled…		well car
Waste/Recyclable • Metals, paper, plastics…		standard gondola open top hopper
Heavy Equipment • Military, agriculture, construction, wind energy…		flatcar
Consumer • Food, paper, beverages, temperature controlled, IP agricultural…		refrigerated boxcar  boxcar

Des Moines Industrial

DSMI – Benefits of Flexible Freight

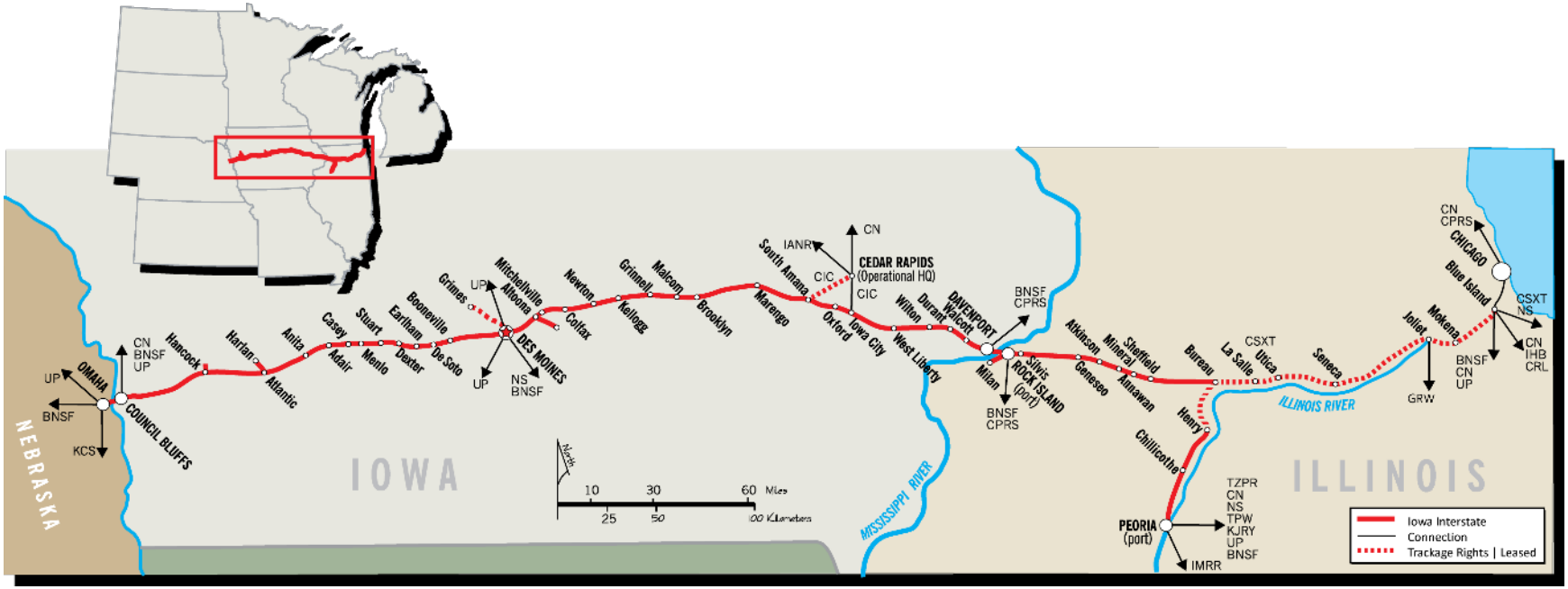
- Des Moines is centrally located in the U.S. at the intersection of I-35 & I-80
- Des Moines Industrial offers unparalleled railroad carrier optionality with direct connectivity to the East, West & Gulf Coast markets:
  - Direct: BNSF, Iowa Interstate, Norfolk Southern
  - Reciprocal Switch: Union Pacific
- 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)

Norfolk Southern (NS)

Iowa Interstate Railroad (IAIS)



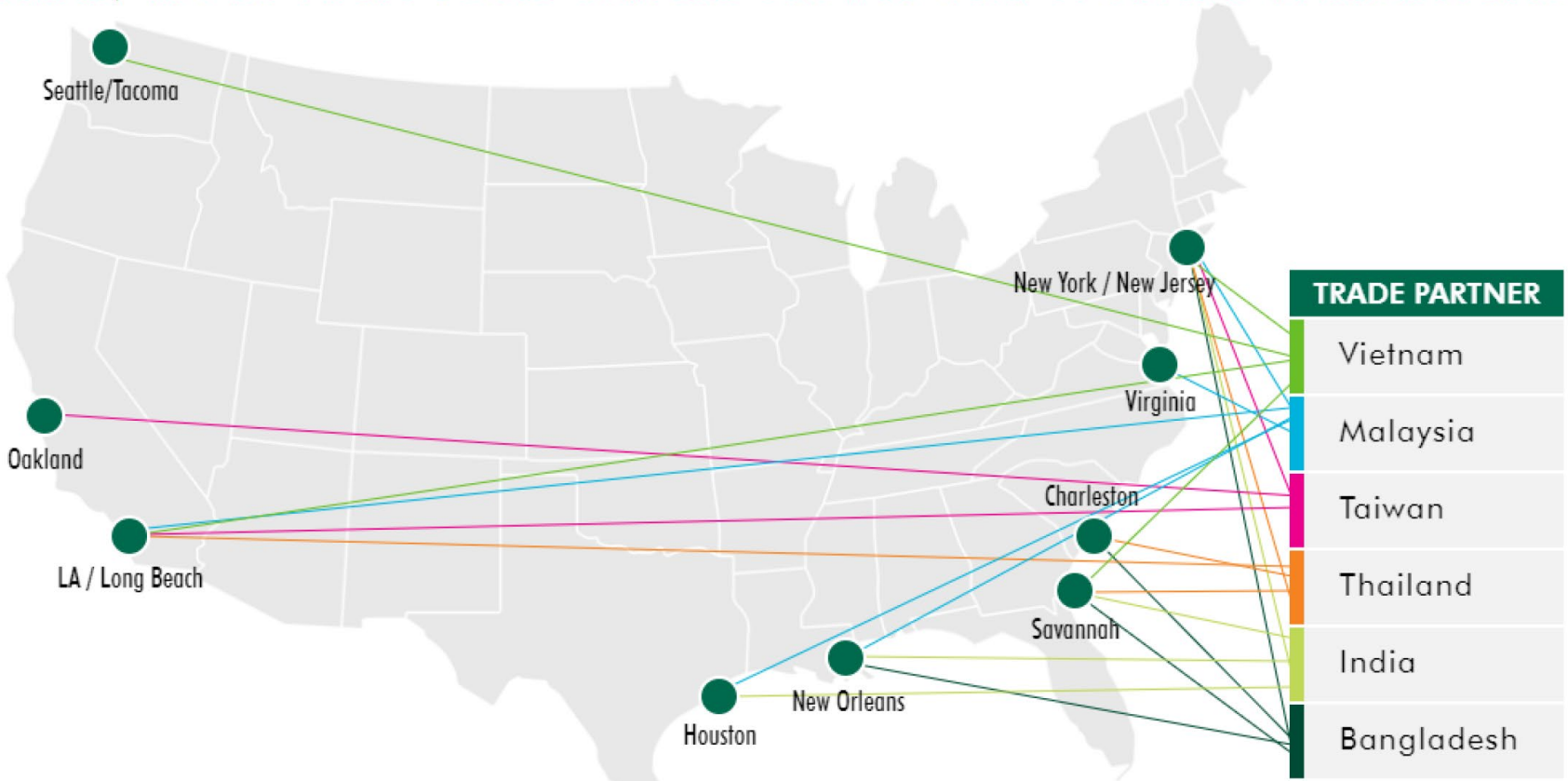
Union Pacific (UP)

Des Moines Industrial

International Shipping Ports – China + 1

TOP U.S. PORTS BY DESTINATION COUNTRY

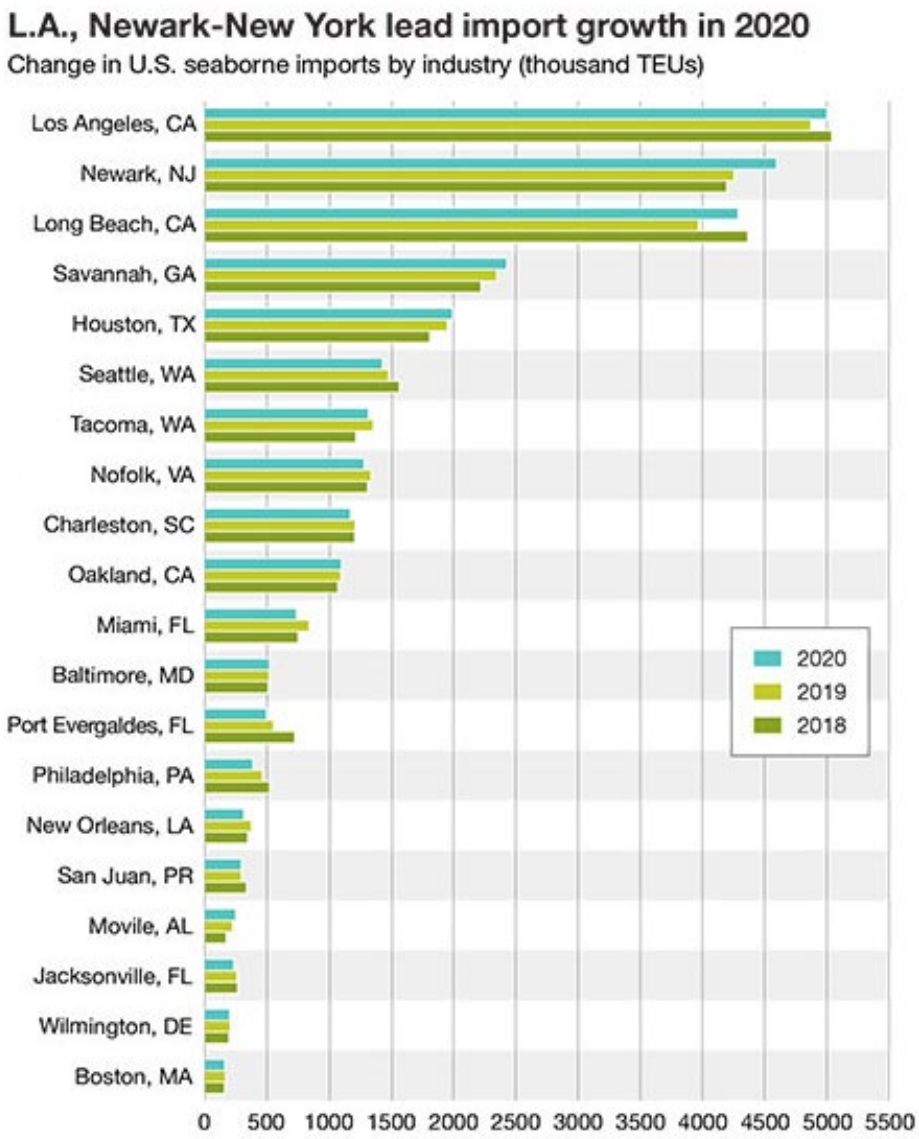
WHO BENEFITS FROM CHINA PLUS ONE? WEST COAST PORTS WILL CONTINUE TO DOMINATE, BUT SE COAST PORTS WILL SEE GROWTH WITH SOURCING DIVERSIFICATION



Source: WorldCity, CBRE Research, Q2 2020.

Source: CBRE Global Industrial Logistics March 2021

Top 20 U.S. Ports in 2020



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

Des Moines Industrial

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