





### **Leading Franchise in Largest Market**

CenterPoint is the only industrial property company that operates in all of metropolitan Chicago's 24 submarkets. With a team of more than 30 "deal makers" intensively managing five operating regions, CenterPoint's expertise, relationships and growth have made it the leading franchise in Chicago. CenterPoint's 32 million-square-foot portfolio is more than three times the size of the next largest property owner, but only represents approximately 2.5% of Greater Chicago's 1.3 billion square feet of industrial property.

### **Highly Diverse Submarkets and Customer Base**

With 1.3 billion square feet, Chicago represents 12% of the nation's industrial property, making it the largest industrial property market in North America. It is also the nation's largest job market and second only to New York in the number of Fortune 500 headquarters. The sheer diversity of companies that maintain facilities in the region provide CenterPoint with an unlimited source of customer problems to solve. This diversity is reflected in its own buildings, with no single tenant composing more than 4.6% of total revenues for the entire operating portfolio. Chicago's unique location in the geographical center of the country has made it the country's distribution hub and an ideal location for industrial real estate. Chicago is the only place where all six class 1 railroads merge together, making it the world's third largest container handling hub following Singapore and Hong Kong.

### **Tenant Focused**

CenterPoint was founded on the idea that by adding value to its customers, the company will ultimately add value to its shareholders. CenterPoint provides an above average level of quality, service and value for rent paid through constant communication and rapid response to customers' needs. The CenterPoint culture of constantly adding value and keeping customers happy is referred to as 'Zero Tenant Unhappiness' or 'ZTU'. This customer-first approach has allowed CenterPoint to achieve high tenant retention and renewals. This proactive and personal management style is truly what drives new opportunity.



### **Deep and Experienced Management Team**

On average, the members of CenterPoint's senior management team have 20+ years of experience in the Chicago industrial real estate market. Their deep industry knowledge and collective reputation consistently lead to new and unique opportunities for value-added transactions. As a result of CenterPoint's focus on the Chicago market, the management team has developed invaluable relationships with all levels of state and local government. These relationships served as a foundation for the public/private partnerships that have contributed the pipeline of new development. Furthermore, the compensation of each CenterPoint employee is directly tied to the success of the company, with bonuses based upon financial growth, customer satisfaction and returns on total capital.

### **Sound and Flexible Balance Sheet - Self Funding**

A critical component of CenterPoint's business model is its capital recycling strategy. CenterPoint disposes of mature, 'fixed income' assets, whose capital is then redeployed into new higher-yielding assets. Capital recycling has largely contributed to the company's share price growth given its 'value-added' strategy and has allowed CenterPoint to maintain a strong balance sheet and overall financial flexibility. Unlike industry peers, CenterPoint is an investment grade company that relies very little on debt instruments and capital markets to fund new investments. Capital recycling also minimizes the need for share issuance and therefore shareholder dilution. As of the second quarter, CenterPoint had a 5.4x debt service coverage and 4.0x fixed charge coverage and a \$350 million credit line of which \$250 million was still available.

### **Visible Per Share Growth**

CenterPoint currently has \$1 billion of major build-to-suit development projects in its pipeline. These development projects lend stability to the growth already reflected in the share price and will be a large contributor to CenterPoint's future earnings and share price growth. Some commonalities among these projects are that they are on-time and on-budget, will yield above average returns on investment and are largely driven by infrastructure investment by both CenterPoint and state and local governments. These projects will provide literally tens of thousands of new employment opportunities, further driving economic and industry growth.

### **For More Information Please Contact:**

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