



MONDAY, APRIL 18, 2022  
TOBIN CENTER FOR THE PERFORMING ARTS  
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## **“Changing the Ending”**

*“You can’t go back and change the beginning, but ...*

*You can start where you are and **change the ending.**” C.S. Lewis*



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**Principal & Co-Founder of  
Red Shoe Economics**

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ECONOMIST**



# K.C. Conway, CCIM, CRE, MAI

## Current Short Bio of The Red Shoe Economist



Red Shoe Economics

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[www.RedShoeEconomics.com](http://www.RedShoeEconomics.com)

### Professional Roles:

- Co-Founder and Principal of Red-Shoe Economics
- Chief Economist for CCIM Institute (2018-present)
- EXP Commercial – Economics Advisor (eXp Realty is fastest-growing real estate tech company in the world with >75,000 agents)
- Instructor for FFIEC (Federal Financial Institutions Exam Council) – Housed at FDIC in DC, FFIEC provides Bank Regulatory Education
- Appraisal Foundation – Director, Board of Trustees CY 2022 (AF created by 1989 FIRREA legislation to oversee Appraisers)
- UMH (Manufactured Housing REIT) – Nominated to BOD pending Proxy Vote June 2022 succeeding MREIC sale to ILPT

### Education & Professional Credentials:

- Emory University Business School – Graduated with Honors 1985
- MAI Designation from the Appraisal Institute (1989 to present)
- Counselor of Real Estate (CRE Designation) since 2009
- CCIM Member

### Experience:

- 35 years as an appraiser, bank regulator, CRE underwriter and credit officer, economist, investor, and expert witness
- Specialize in Adaptive Reuse, Affordable Housing and Housing Economics, Manufactured Housing, Site Selection and Land Use Rezoning, Economic Impact Studies, Capital Markets and CRE Finance, Ports & Logistics.
- Advisor to Bank Regulatory Community (FDIC, Federal Reserve, etc.) since 2005. Briefed former FED Chair Bernanke.
- Chief or Senior Appraiser for Wells Fargo Bank, legacy SouthTrust Bank, legacy SunTrust Bank
- **Independent Director to legacy Monmouth MREIC (50+ year old Industrial REIT sold to ILPT February 2022)**
- Published in numerous periodicals and Real Estate Journals such as Real Estate Issues, Wall Street Journal, NY Times, FreightWaves, Globe Street, BizNow, Realtors Connections, and Counselors of Real Estate annual Top-10 CRE Issues.
- Presented over 1,000 times in past 20 years to all major CRE Industry Groups including Appraisal Institute, Am. Bankers Assoc, Am. Property Tax Counsel, Counselors of Real Estate, ICSC (retail), MBA, NAHB, NAIOP, RMA, SIOR, and ULI.
- **Specialty areas include:** i) **Adaptive Reuse**; ii) **Ports & Logistics/Supply-Chain**; iii) **Affordable Housing** – specifically Mfg. Housing; iv) **Property Tax Appeal**; v) **CRE Finance**; vi) **Expert Witness Appraisal/Valuation**.

# Disclaimer: Not in the fine print...

## CREW San Antonio Forum 2022

**April 18, 2022**

K.C. Conway, CCIM, CRE, MAI and CCIM Institute Chief Economist

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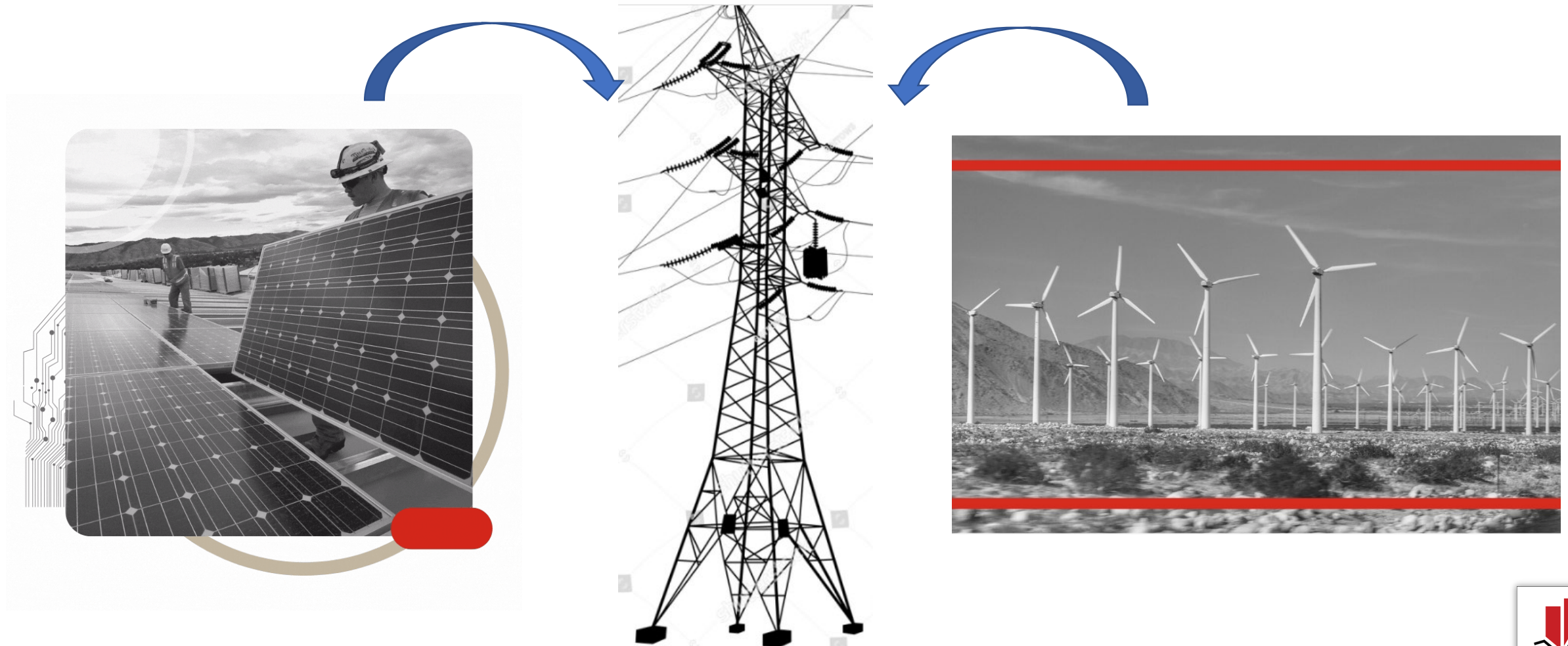
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# “Changing the Ending” for ESG: Think about the following





**Q.** What is biggest HEADWIND to ESG and CRE?

**A.** NIMBY fighting **ESG Infrastructure like HVTLS** that transmit the renewable energy to where it is needed in cities, at factories and Commercial R.E. Buildings.



# History of ESG Scoring: Scoring needs more Evolution!

- The term ESG (Environmental, Social and Governance) originated in 2005 when the World Bank hosted the Who Cares Wins Conference to 'examine the role environmental, social, and governance indicators' could have on capital markets
- UN's Principles for Responsible Investment (PRI) was subsequently founded in 2006 to 'provide a blueprint of responsible investment'
- Institutional Shareholder Services (ISS) launched their own version of ESG scoring in 2018 with the Environmental & Social QualityScore
- Glass Lewis released their own ESG profiles using Sustainalytics' ESG Ratings
- ➔ • IREM now offers a Certified Sustainable Property (CSP) certification with points earned through features such as:

	5, 10, 15%+	Reductions in energy/water use
	60+	ENERGY STAR score
	75%+	Water-efficient fixtures in common areas
	50%+	Health/low-emitting products by quantity
	20, 25, 30%+	Recycling diversion rates
	50%+	Green products by quantity



**2 of 3 ESG Scoring entities in US get a Red-Shoe Economics “BBQ-Sauce” award.**

# ESG Ratings: Today SCORING is NOT giving Credit to CRE-ESG

## Calculating Ratings

MSCI calculates a company-specific ESG score founded on three pillars:



Broaden to:

- ✓ Adaptive Reuse
- ✓ Off-Site Net Impact

looking at ...  
(eCommerce warehouse eliminates 100+ stores and retail traffic, Remote Work, etc.).



# Adaptive Reuse 2.0: “A Neighborhood Approach” – AdRu is “Good ESG”



## Adaptive Reuse 2.0 Making Bright Brighter

*“We create Magic in Places Often Overlooked.”  
Tony Goldman – Wynwood Visionary”*

Examples of the neighborhood-concentric approach to adaptive reuse in South Florida developed and explained in this paper include:

- **Wynwood Arts District** (Preserve & Enhance Vs. Erase and Rebuild)
- **Doral** (Local Gov can be part of the Solution – Incorporating made the difference)
- **Coral Gables** (Whose experimentation with adaptive reuse dates back nearly 100 years)
- **Cutler Bay** (How to redefine a community whose identity evolved around a defunct mall?)
- **The Underline** (Greenspace & Walkability are essential to “Neighborhood” AdRu)
- **Ritz Carlton Residences, Miami Beach** (Nothing is too big or complex to repurpose)

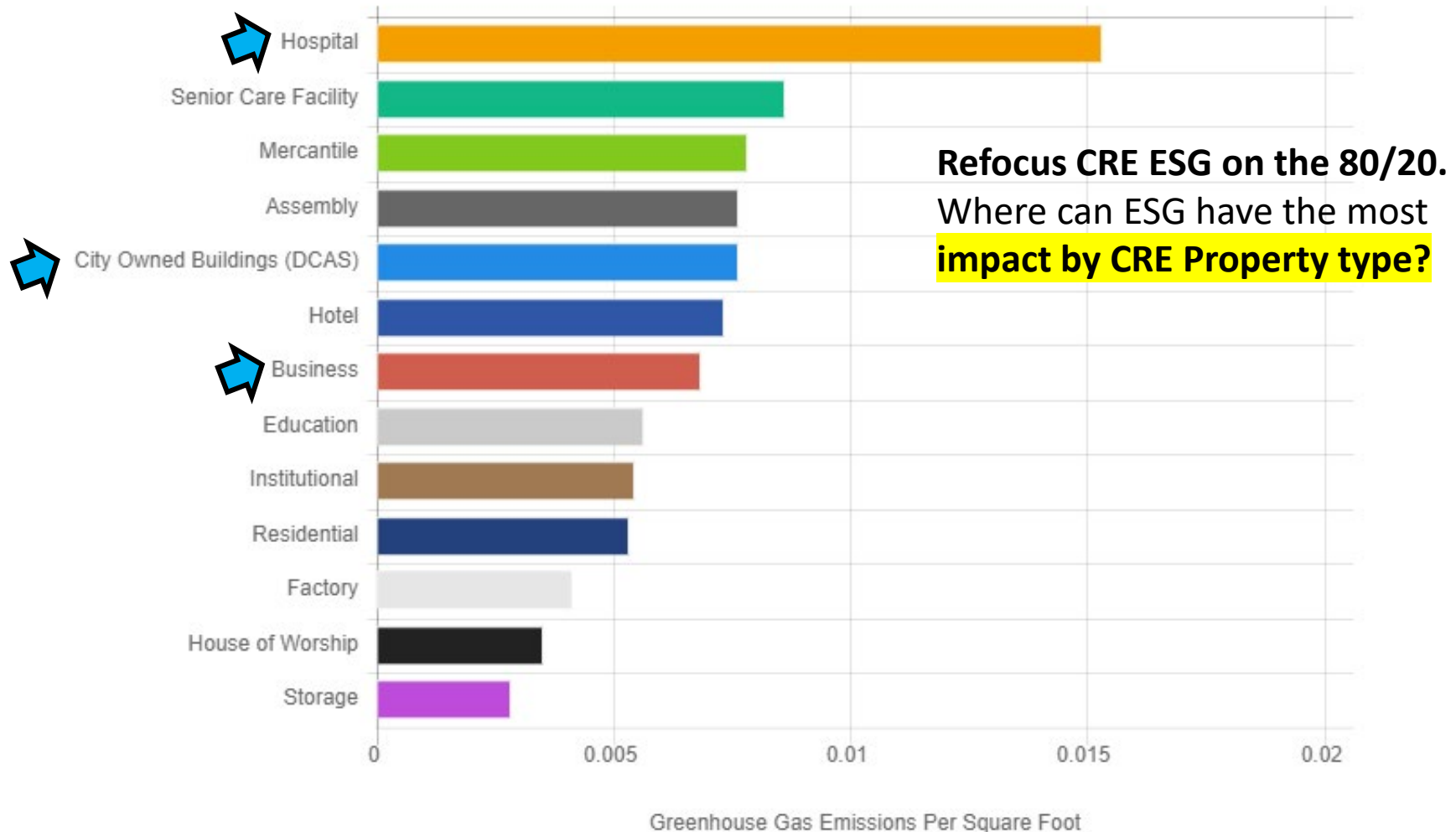


**Add “Green-Space” & Walkability – AdRu does it!**

# ESG Impact on CRE: Greenhouse Gas Emissions by CRE Type

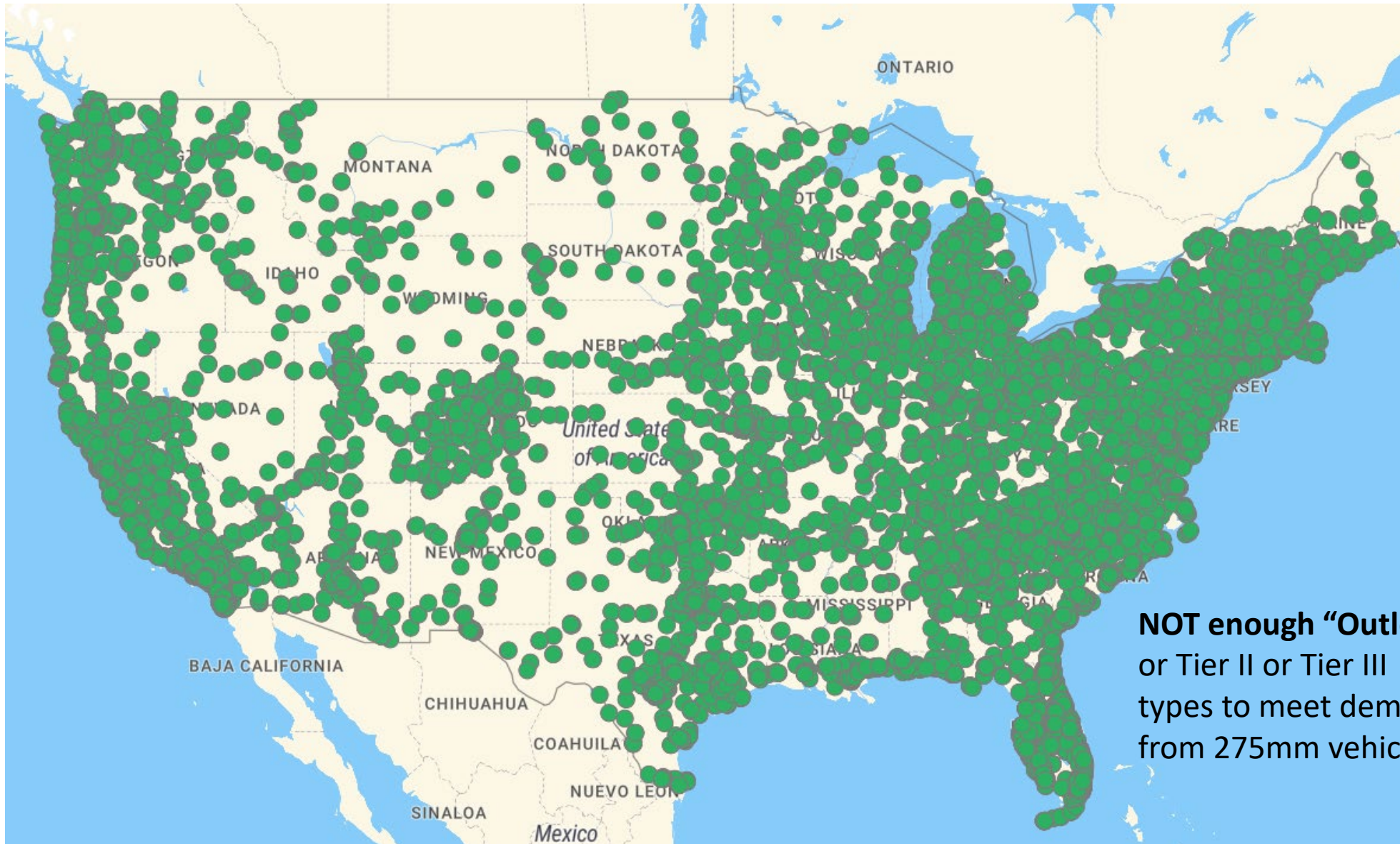
Average Greenhouse Gas Emission Intensity by Use

Buildings greater than 25,000 square feet





# ESG Impact on CRE: EV Charging Stations – “Model T Phase”



➡ We are in “Model-T” phase of refueling and need ...  
**ESG Infrastructure** like many more refueling stations – and who pays at Office, Retail, etc.?

**U.S. Public  
EV Charging:  
46,588 Stations**

**NOT enough “Outlets”**  
or Tier II or Tier III  
types to meet demand  
from 275mm vehicles

**Stations Owned  
by Top 10  
Networks:  
37,525 Stations**



# ESG Impact on CRE: Electric Vehicle Charging Stations

## Top 10 EV Charging Networks in the U.S.

*Ranked by Total Number of Public Charging Ports*

1. ChargePoint (24,871 Stations; 44,624 Charging Outlets)
2. Tesla Destination Charging (4,438 Stations; 11,239 Charging Outlets)
3. **Tesla Supercharger** (1,074 Stations; 10,623 Charging Outlets)
4. SemaConnect (1,798 Stations; 5,417 Charging Outlets)
5. Blink Charging (1,421 Stations; 3,452 Charging Outlets)
6. Electrify America (660 Stations; 2,918 Charging Outlets)
7. EV Connect (701 Stations; 2,885 Charging Outlets)
8. Greenlots (937 Stations; 2,499 Charging Outlets)
9. Evgo (846 Stations; 2,017 Charging Outlets)
10. Volta Charging (779 Stations; 1,917 Charging Outlets)



**Totals Owned by Top 10 EV Charging Networks:**

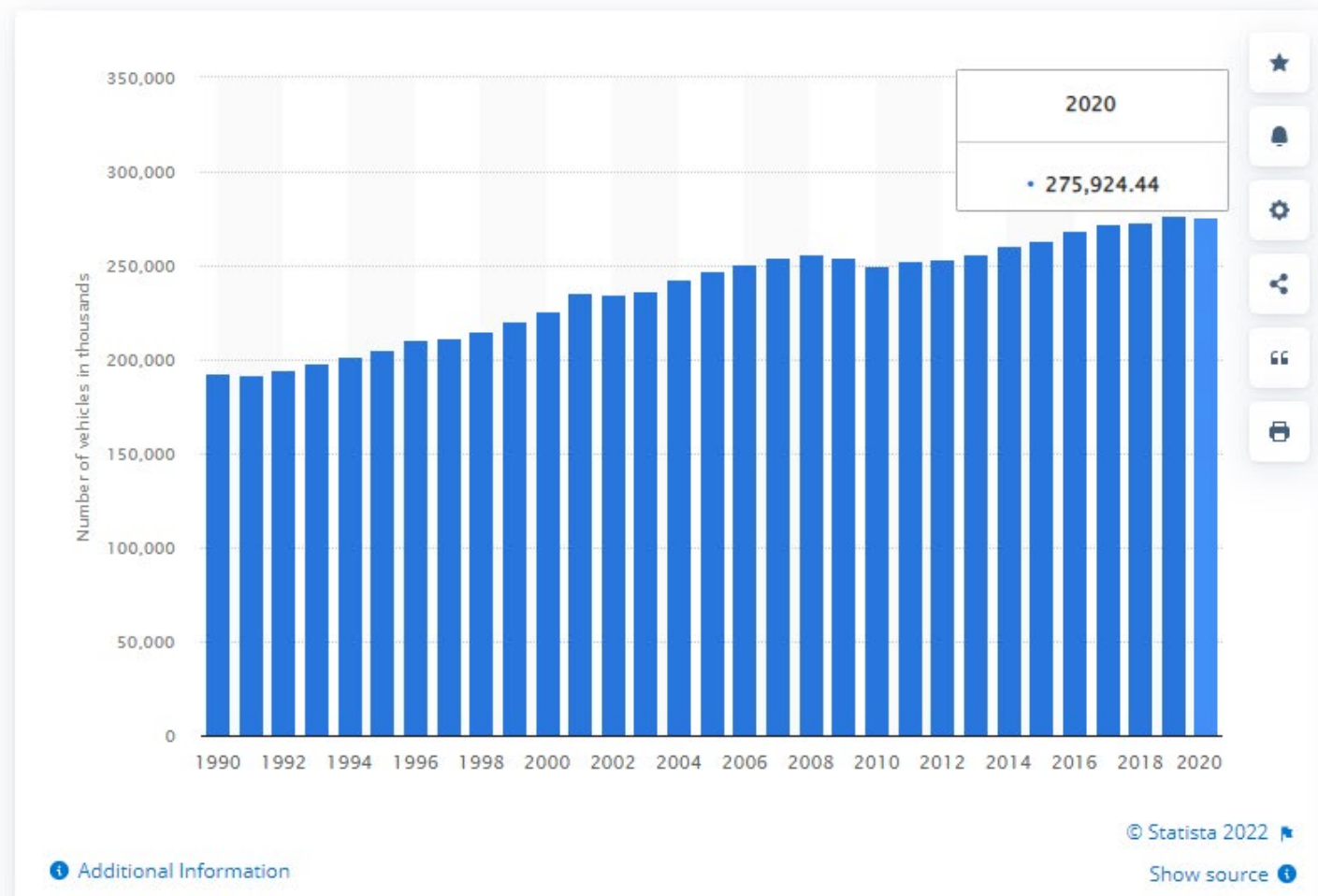


**37,525 Stations**  
**87,591 Charging Outlets**

# ESG Impact on CRE: EV Charging Stations Vs # Vehicles

## Number of motor vehicles registered in the United States from 1990 to 2020

(in 1,000s)



### DOWNLOAD



### Release date

December 2021

### Region

United States

### Survey time period

1990 to 2020

### Supplementary notes

The figures for 1990 through 2011 were taken from table 1-11 of the [National Transportation Statistics 2013](#) report, published by the US Department of Transportation in 2013.

The figures for 2012 through 2019 were taken from previous Highway Statistics editions.

Vehicles: passenger cars, motorcycles, other 2-axle 4-tire vehicles, single-unit 2-axle 6-tire or more trucks, combination trucks, buses.

**U.S. Public  
EV Charging:  
46,588 Stations**

**Number of  
Registered  
Vehicles in US:  
275 million each  
refueling 1X to  
2X per week.**

**The Math doesn't  
work today, and  
... impact on Gas  
Tax, Road  
Maintenance, and  
who pays the  
Electricity Bill?**

# ESG Impact on CRE: EV Charging Stations & Infrastructure Bill

Automotive News | November 2021

## How the Infrastructure Bill will Impact the Auto Industry

Late last week, the House [passed the biggest U.S. infrastructure package in decades](#), marking a victory for President Joe Biden and unleashing \$550 billion of fresh spending. Here are key provisions in the bill for the auto industry.

### EV charging network

The bill sets aside \$7.5 billion to help build a [national network of electric vehicle charging stations](#). The White House says the funds will be used to **build EV chargers along highway corridors to facilitate long-distance travel** and within communities to make charging more convenient. Biden's ultimate goal is to have a nationwide network of 500,000 EV chargers.

**Note:** \$7.5b gets you 1,500 stations for 50k miles **(1 per 33 miles of Interstate with 2-3 Charging stations - if Tier II take ½ hour for a Fast Charge** and 72% of that is rural Interstate Now add State and County roads and 275million vehicles in US. **The NUMBERS today don't add-up to meet NEED!**

### Vehicle safety

The legislation sets deadlines for the U.S. Department of Transportation to issue rules on automatic **shut-off for keyless ignition systems**, updated headlamp standards and a requirement for new vehicles to be equipped with [drunken-driving and impaired-driving prevention technology](#).

### Updating the electric grid

There is \$65 billion in the bill for upgrades to the nation's electric grid. The money will fund new transmission lines and "support the development, demonstration, and deployment of cutting-edge clean energy technologies," according to the White House.



# Population Migration: Q: Where ESG Impact will be Greatest

## A: Follow the population Migration (So & Mtn.)



ESG Impact is like Weather Impact – **not the same across the US**. The biggest impact potential is **where the population and Workforce are migrating, and TX is #1**

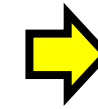
- |   |  |
|---|--|
|  1. TEXAS (2)           | 13. WISCONSIN (13)   |
|  2. FLORIDA (3)         | 14. OREGON (45)  |
|  3. TENNESSEE (1)       | 15. WASHINGTON (36)  |
|  4. SOUTH CAROLINA (15) | 16. ALASKA (34)  |
| 5. ARIZONA (5)  | 17. MINNESOTA (20)   |
| 6. INDIANA (12)   | 18. CONNECTICUT (43)   |
| 7. COLORADO (6)   |  19. NORTH CAROLINA (9) |
| 8. MAINE (29)   | 20. NEBRASKA (32)  |
|  9. IDAHO (30)          |  21. WYOMING (33)       |
|  10. NEW MEXICO (39)    | 22. MONTANA (19)   |
|  11. SOUTH DAKOTA (25) | 23. GEORGIA (10)   |
| 12. VERMONT (26)  | 24. OHIO (4)   |

**Top 4 = South / 5 of Top 22 = Mtn-West**

California remained the top state for out-migration, but its net loss of U-Haul trucks wasn't as severe as in 2020. That can be partially attributed to the fact that U-Haul simply ran out of inventory to meet customer demand for outbound equipment.

Texas's growth is statewide, although some of its biggest gains occurred in the suburbs around the DFW Metroplex. Florida's gains are equally widespread, with considerable growth south of Orlando and along both coastlines.

U-Haul is the authority on migration trends thanks to its expansive network that blankets all 10 provinces and 50 states. The geographical coverage from more than 23,000 U-Haul truck- and trailer-sharing locations provides a comprehensive overview of where people are moving like no one else in the industry.



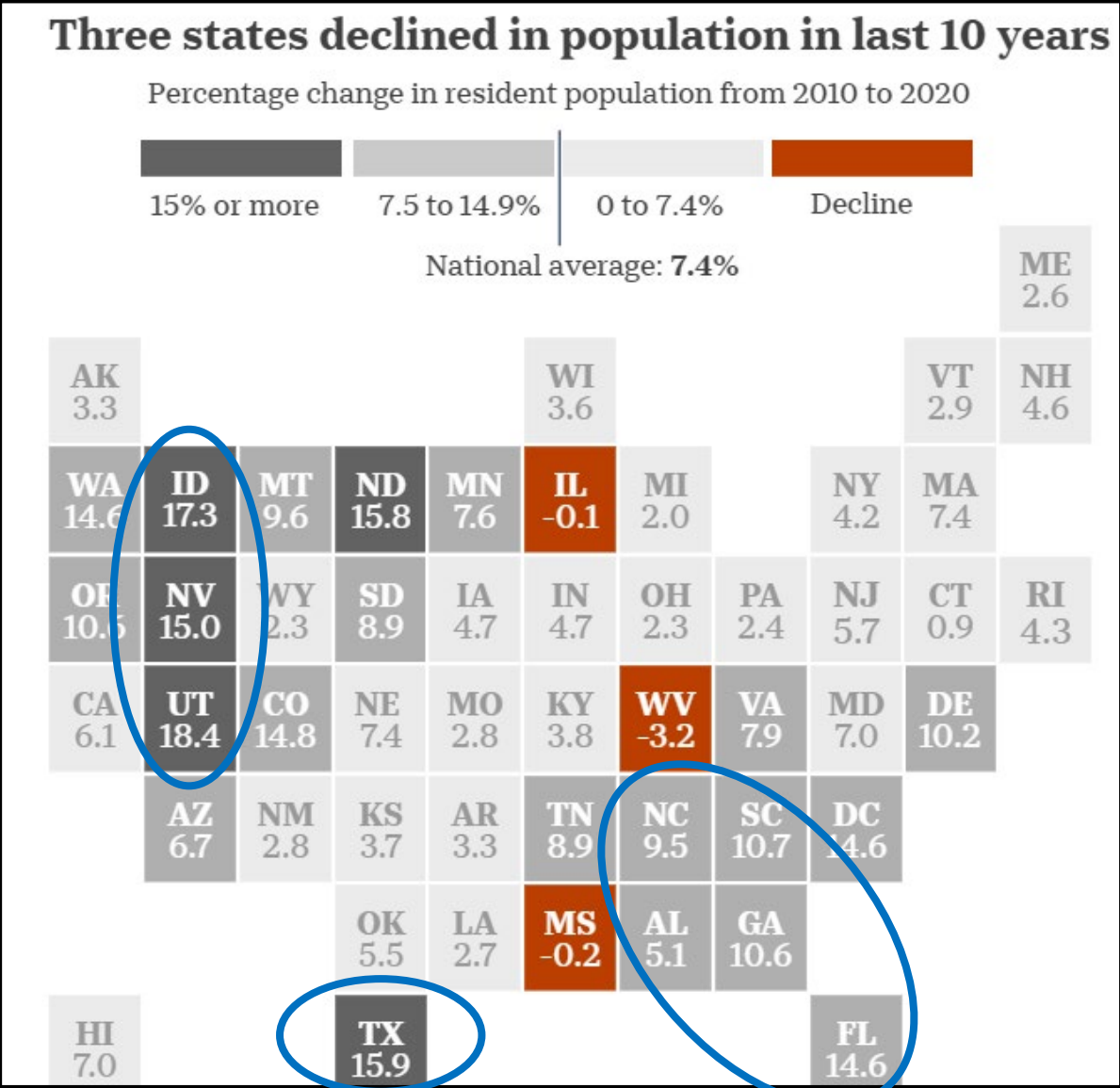
### States with MOST Out-Migration


- 45. NEW YORK (42)
- 46. ALABAMA (22)
- 47. MASSACHUSETTS (47)
- 48. PENNSYLVANIA (41)
- 49. ILLINOIS (49)
- 50. CALIFORNIA (50)

Don't ask me to explain AL as they didn't come out well in 2020 Census either. Maybe a delayed impact from Toyota, Mercedes, Walmart & Airbus hiring. **United Van Lines moving report has AL @ #6 for Most Move-Ins."**

**Methodology:** Growth states are calculated by the net gain of one-way U-Haul trucks entering a state versus leaving that state in a calendar year. Migration trends data is compiled from more than 2 million one-way U-Haul truck customer transactions that occur annually.

# 2020 Census Pop Migration: It answers the IMPACT question.

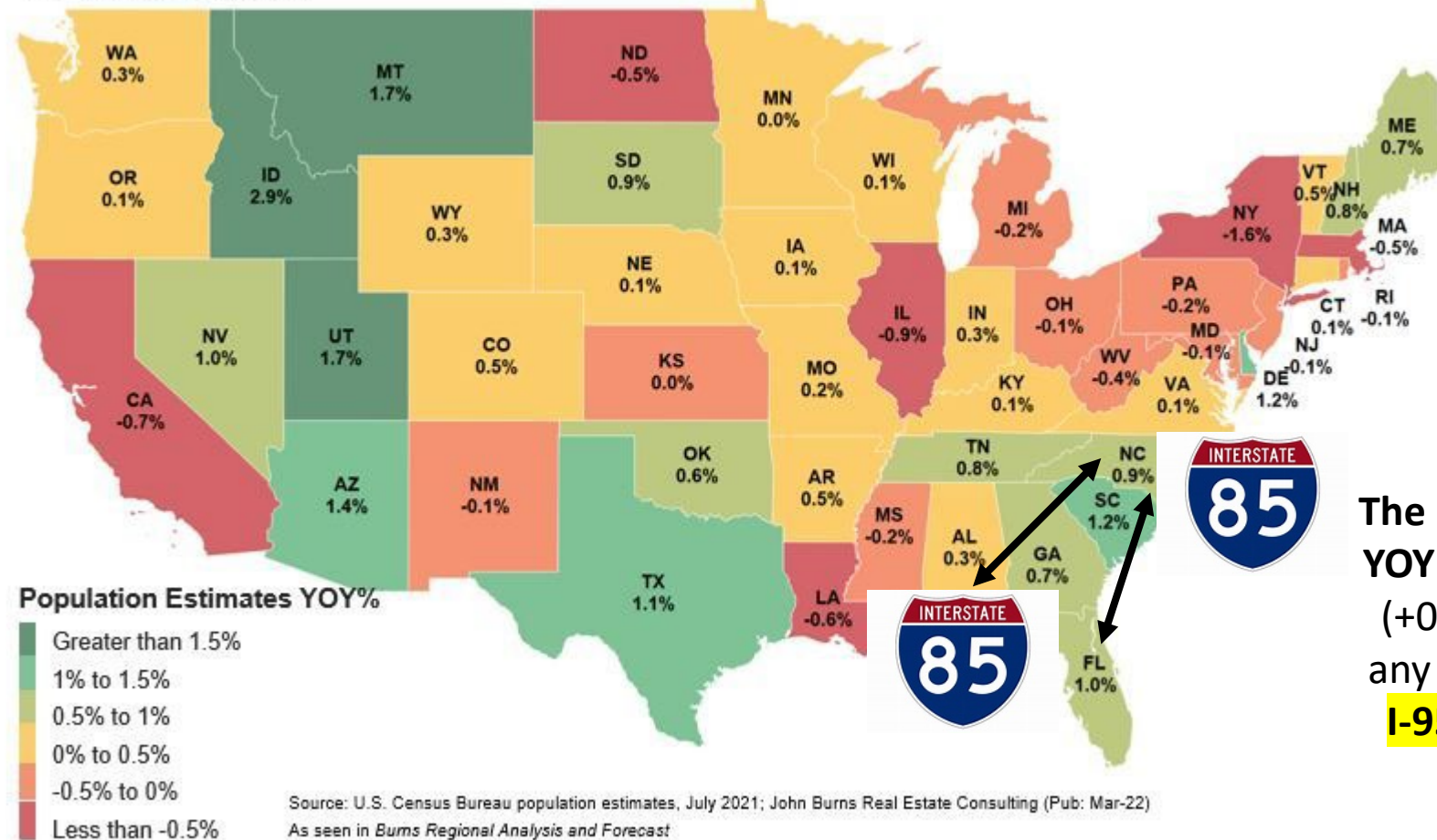


 **MTN** (UT +18.4%);  
**SOUTH** (TX +15.9% & FL +14.6%)

# 2020 Census Population Migration Update – Interstate Corridors

## Census Estimates of United States Population

YOY (2020 to mid-2021)



The I-85 Corridor has the most  
YOY 2020-2021 Population Gr.  
(+0.7% GA to +1.2% SC) over  
any Interstate Corridor **except**  
**I-95 (+0.9% NC to +1.0% FL)**

# ESG Impact on CRE: Creative Solutions – Drones Vs Trucks

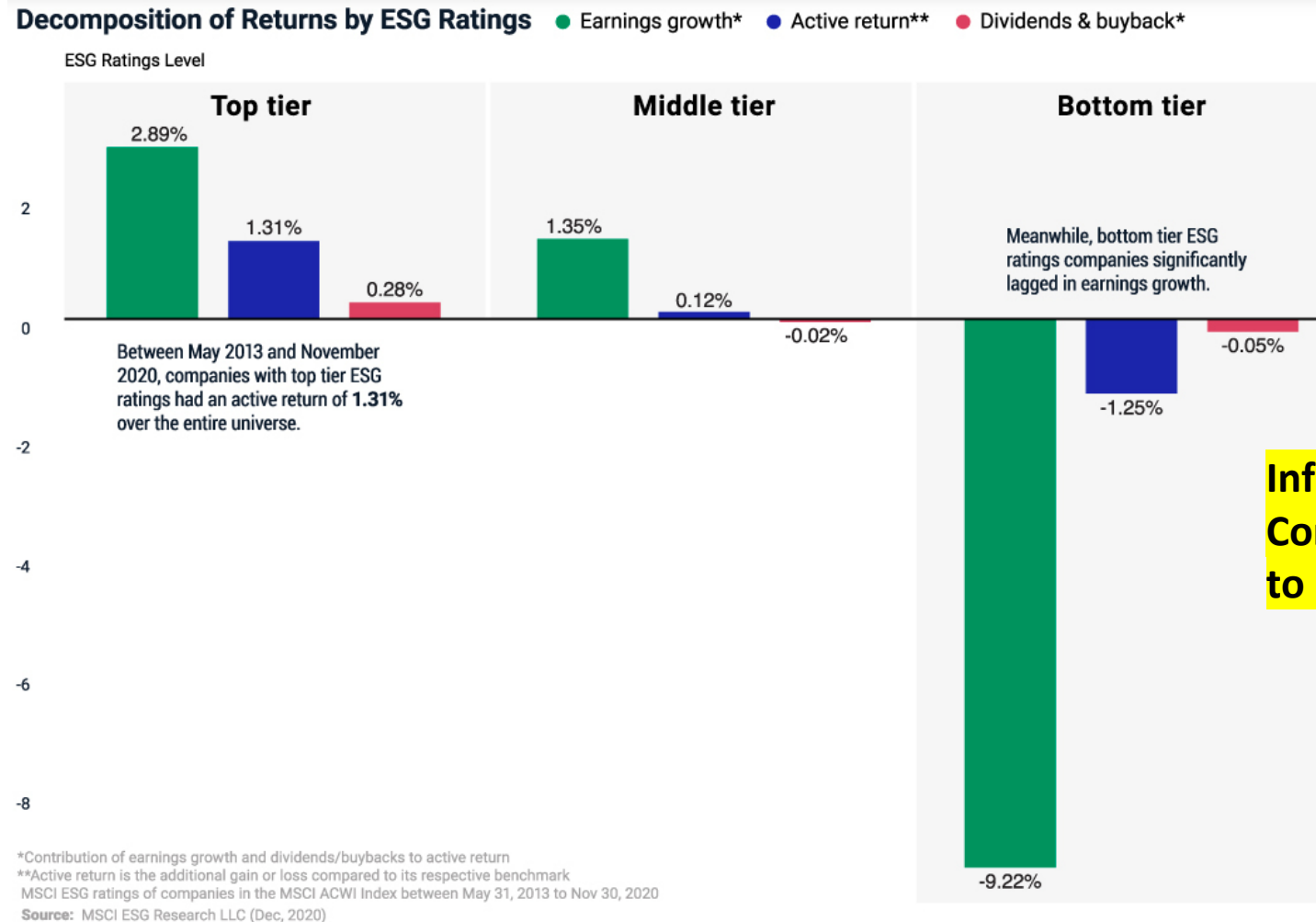
## Look UP...Drone Deliveries for “Pet Meds & Ice Cream are reality in TX:

The first commercial drone deliveries in the U.S. will take off today (April 8 '22) as **Alphabet's Wing** unleashes its aircraft over the suburban towns of Frisco and Little Elm, which are located just north of **Dallas, Texas**. If successful, the service could revolutionize how goods are currently transported around cities. **Wing has partnered with Walgreens**, Blue Bell Creameries, Easyvet, and Texas Health for the initial rollout, meaning **consumers will be able to order prescription pet meds and ice cream**, among other items. (SeekingAlpha.com )





# ESG Investing: We “Don’t Know what we Don’t Know”



**Inflation & Rising Construction Costs are going to be a ESG-CRE headwind!**

In fact, a separate study shows that **35%** of investment professionals invest in ESG to improve their financial returns.

Source: CFA Institute: Future of Sustainability in Investment Management Report (Dec, 2020)

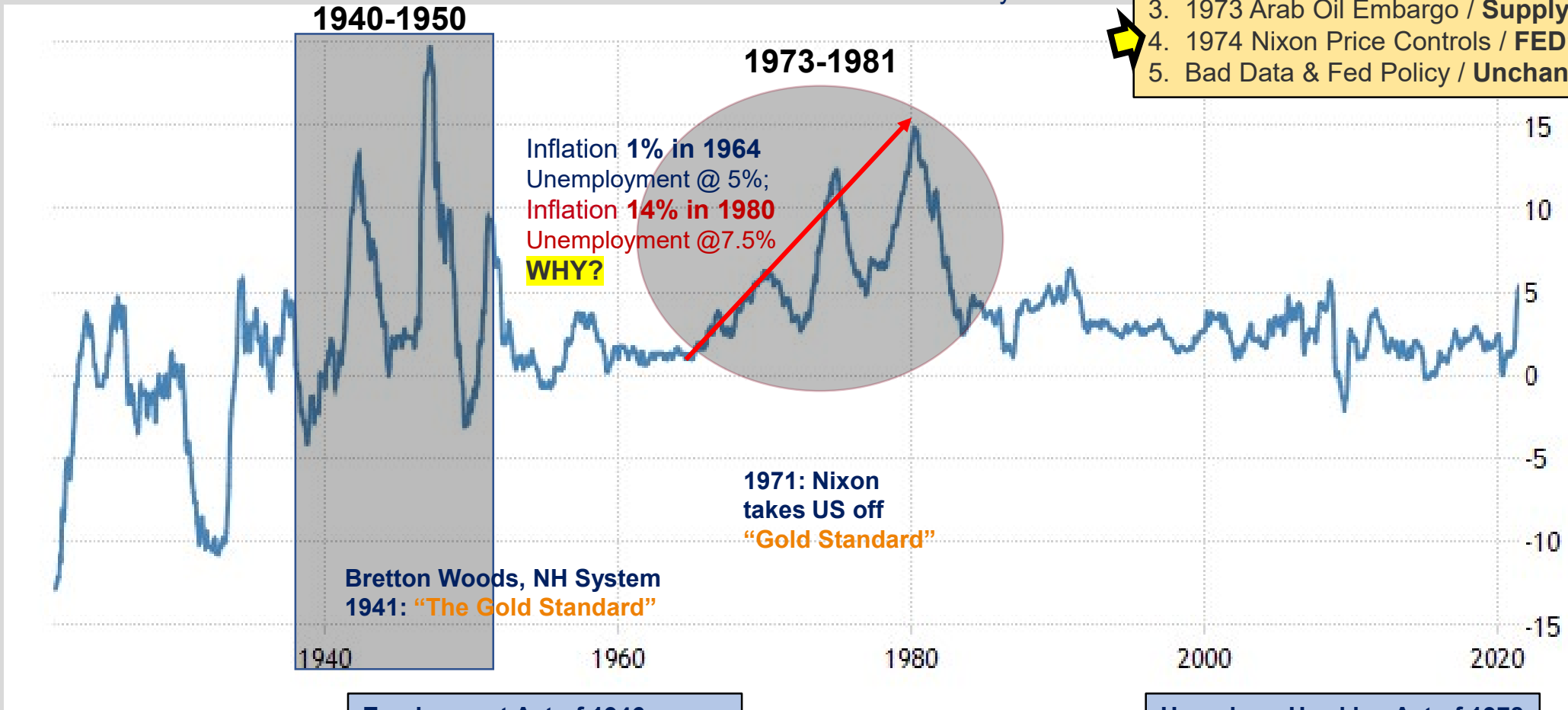
# INFLATION: A Historical Perspective – Can 1977 to 1981 be Repeated?

WW II War-Time & then  
Peace-Time Economy

**The Great Inflation (1965-1982)** was the defining macroeconomic period of the second half of the twentieth century.

**What caused 1% to 14%?**

1. 1960s Vietnam War **Deficit spending**
2. 1971 Off the Gold Standard / **Rise of Bitcoin**
3. 1973 Arab Oil Embargo / **Supply-Chain**
4. 1974 Nixon Price Controls / **FED's Balance Sheet**
5. Bad Data & Fed Policy / **Unchanged – No Supply-Chain**



**Mandate #1**



**Employment Act of 1946** –  
Where Fed's mandate for "Full  
Employment" originated

**Mandate#2**



**Humphrey-Hawkins Act of 1978**  
gave FED its 2<sup>nd</sup> Mandate of  
"Price Stability"

# INFLATION: In Case You Missed It – ESG \$ do LESS!

- Inflation is NOT Transitory ... It's 1970's SYSTEMIC Follow St. Louis FRB's FRED & Flexible CPI  
Flex CPI: 23.23% Mar 1980 / 23.69% July 2021  
CPI-U for March up 1.2% (Apr 12 BLS Release) for a **YOY CPI of +8.5% - up 50% over Feb (+0.8%)**

<https://fred.stlouisfed.org/series/FLEXCPIM679SFRBATL/#:~:text=The%20Flexible%20Price%20Consumer%20Price%20Index%20%28CPI%29%20is,incorporate%20less%20of%20an%20expectation%20about%20future%20inflation>

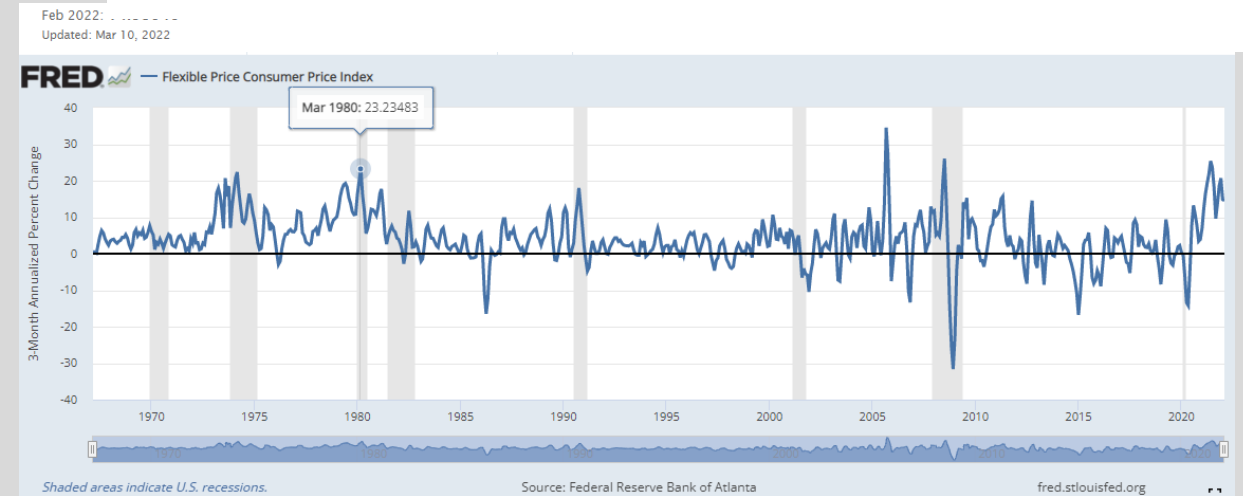
[https://www.dol.gov/newsroom/economicdata/cpi\\_04122022.pdf](https://www.dol.gov/newsroom/economicdata/cpi_04122022.pdf)

[https://ycharts.com/indicators/10\\_year\\_treasury\\_rate](https://ycharts.com/indicators/10_year_treasury_rate)

- Interest Rates are RISING: **10-Yr Tr. 2.79% Apr 12** (Up from 1.35% Dec 3, 2021)



- Home Prices (+19% YOY) latest Case-Shiller (Miami +28%)/Kastle Systems “Back to Work” (42%) and Back to Recreation (90% TSA & 87% Open Table Restaurants)/JOLTS (Openings 11.3 mm & Quits 4.4 mm)



## FOMC Minutes from March 15-16

"Participants generally agreed that monthly caps of about \$60B for Treasury securities and about \$35B for agency MBS would likely be appropriate," per the minutes from March 15-16 gathering. That means the Fed could trim its roughly \$9T balance sheet by more than \$1T per year, while hiking rates "expeditiously."

# Construction Inflation

Cost of NEW & **ESG Construction is Skyrocketing** (YOY +16%!) 

Construction Cost Index				
ANNUAL INFLATION RATE				
				<b>+8.9%</b>
				<b>APR. 2022</b>
1913=100	INDEX VALUE	MONTH	YEAR	
CONSTRUCTION COST	12898.96	+0.8%	+8.9%	
COMMON LABOR	24511.71	0.0%	+1.1%	
WAGE \$/HR.	47.10	0.0%	+1.1%	

Building Cost Index				
ANNUAL INFLATION RATE				
				<b>+16.1%</b>
				<b>APR. 2022</b>
1913=100	INDEX VALUE	MONTH	YEAR	
BUILDING COST	7677.45	+1.5%	+16.1%	
SKILLED LABOR	11114.27	+0.1%	+2.9%	
WAGE \$/HR.	61.44	+0.1%	+2.9%	

Construction Cost Index				
ANNUAL INFLATION RATE				
				<b>+8.0%</b>
				<b>JAN. 2022</b>
1913=100	INDEX VALUE	MONTH	YEAR	
CONSTRUCTION COST	12555.55	+0.6%	+8.0%	
COMMON LABOR	24365.52	0.0%	+1.4%	
WAGE \$/HR.	46.82	0.0%	+1.4%	

Building Cost Index				
ANNUAL INFLATION RATE				
				<b>+13.9%</b>
				<b>JAN. 2022</b>
1913=100	INDEX VALUE	MONTH	YEAR	
BUILDING COST	7359.09	+1.0%	+13.9%	
SKILLED LABOR	11055.72	0.0%	+2.6%	
WAGE \$/HR.	60.99	0.0%	+2.6%	

Construction Cost Index				
ANNUAL INFLATION RATE				
				<b>+3.8%</b>
				<b>APR. 2021</b>
1913=100	INDEX VALUE	MONTH	YEAR	
CONSTRUCTION COST	11849.31	+0.8%	+3.8%	
COMMON LABOR	24253.88	+0.4%	+1.4%	
WAGE \$/HR.	46.59	+0.4%	+1.4%	

Building Cost Index				
ANNUAL INFLATION RATE				
				<b>+6.1%</b>
				<b>APR. 2021</b>
1913=100	INDEX VALUE	MONTH	YEAR	
BUILDING COST	6612.50	+1.0%	+6.1%	
SKILLED LABOR	10805.01	0.0%	+1.7%	
WAGE \$/HR.	59.73	0.0%	+1.7%	

ENR's Cost Indexes by City				
1913=100 1967=100 R=REVISED				
	CONSTRUCTION COST		BUILDING COST	
	JAN '22: 1913	% CHG. YEAR	JAN '22: 1913	% CHG. YEAR
ATLANTA	8066.77	+17.3	5986.91	+24.7
BALTIMORE	9965.04	+6.0	6515.31	+13.9
BIRMINGHAM	8363.01	+11.0	5609.46	+17.8
BOSTON	16962.26	+13.4	9527.56	+16.5
CHICAGO	17977.18	+5.7	9260.51	+13.3
CINCINNATI	11340.56	+9.9	6270.20	+13.1
CLEVELAND	13250.20	+5.0	6903.84	+11.6
DALLAS	7176.09	+16.8	5785.39	+21.7
DENVER	8418.76	+10.2	6021.13	+14.9
DETROIT	12910.01	+5.2	7216.15	+9.8
KANSAS CITY	12623.32	+6.4	7257.26	+10.6
LOS ANGELES	12996.09	+7.6	7293.41	+14.4
MINNEAPOLIS	13811.00	+4.4	7594.45	+13.0
NEW ORLEANS	7545.75	+15.8	6041.18	+35.1
NEW YORK CITY	21335.07	+3.6	10561.93	+6.8
PHILADELPHIA	15013.06	+7.8	8353.08	+7.6
PITTSBURGH	12104.54	+9.4	7095.75	+9.8
ST. LOUIS	13228.25	+5.1	7231.89	+12.0
SAN FRANCISCO	14301.24	+9.2	9007.82	+15.4
SEATTLE	13722.83	+6.8	7648.51	+13.0



# REIT ESG Performance Highlights

## Leading the Way



**98** of the largest 100 REITs by equity market cap reported publicly on their ESG efforts.<sup>8</sup>

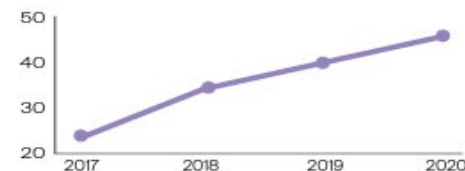
**60%** of REITs surveyed refreshed board membership in the past year<sup>9</sup>

**60%** of REITs surveyed publicly disclose ESG goals,<sup>10</sup> up from 53% in 2019<sup>11</sup>

**87%** of Nareit members reporting to GRESB include ESG factors in employee performance targets<sup>12</sup>

**79%** of REITs surveyed have a cross-functional sustainability committee or team<sup>13</sup>

The number of the largest 100 REITs by equity market cap with dedicated ESG staff has **increased between 2017 and 2020**.<sup>14</sup>



## Putting People First



**100%** of Nareit members reporting to GRESB have community engagement programs<sup>15</sup>

**98%** of Nareit members reporting to GRESB indicated that they monitor inclusion and diversity metrics at the board and workforce levels<sup>16</sup>

**68%** of REITs surveyed have policies in place for recruiting and hiring a more diverse workforce<sup>17</sup>

**64%** of REITs expect to require unconscious bias training for staff and management by the end of 2021<sup>18</sup>

### In response to COVID-19:

**77%** of REITs surveyed implemented **new employee engagement practices**<sup>19</sup>

**65%** of REITs surveyed implemented **new tenant engagement practices**<sup>20</sup>

**52%** of REITs surveyed **executed community relief programs**<sup>21</sup>

## Building Resilience



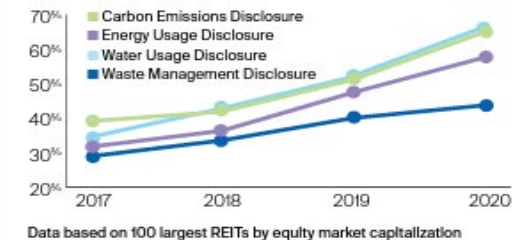
**429,324 tonne decrease**  
Greenhouse gas emissions, reported by Nareit member GRESB participants, decreased by **429,324 tonnes of CO<sub>2</sub>**, representing a **5% decline** from 2019 emission levels<sup>22</sup>

**2,100+**  
REIT-owned buildings have a green certification<sup>23</sup>

**89%** of REITs surveyed have an Environmental Management System (EMS)<sup>24</sup>

**Savings of 233,216 MWh**  
Nareit members reporting to GRESB reduced energy consumption by **2% in 2020**, with a **savings of 233,216 MWh**<sup>25</sup>

### REIT disclosures increased across all Environmental areas in the past year



# ESG Investing: Top Issues

Today, money managers are focusing on these top 5 issues:

Top ESG issues considered by money managers  
and growth in assets affected

2018-2020

Over 1,500 shareholder resolutions were filed  
between 2018-2020 as investors placed  
higher ESG demands on corporate boards.

Source: US SIF Foundation, ISS ESG, Sustainable  
Investments Institute (Nov, 2020)

Where are AdRu, EV Charging Stations,  
ESG Construction Costs & Inflation, Pop  
Migration, etc.?



Source: US SIF Foundation (Nov, 2020)

# ESG Investing: Property Assessed Clean Energy (PACE) Financing



## ABOUT C-PACE

### How Can C-PACE Help You?

C-PACE or "Commercial Property Assessed Clean Energy" is a financing solution which could help you fund energy and water efficiency upgrades to commercial properties. C-PACE highlights include:

- 100% financing of hard and soft costs
- Reimburse costs up to 24 months post CO
- Attached to the property, not the property owner
- Longer terms than conventional loans



#### Most commercial properties are eligible

Offices, hotels, multi-family housing, retail, manufacturing, medical and more



#### Energy conservation upgrades covered

HVAC systems, windows, insulation, lighting, cool roofs, etc.



#### Water conservation upgrades covered

Low-flow plumbing fixtures, pressure reduction, insulating pipes, etc.



#### Clean energy generation qualifies

Solar panels attached to the structure



# Remaking Supply-Chain to N/S: Rail Connectivity (Inland Port, Intermodal, etc.)

## The 7- Class I RRs Note: CN (red) KCS (brown) CSX (blue)



### KC Southern:

- Only direct route to all of Mexico.
- Link KCS with BNSF or CSX to create a mega RR/E-commerce power!

### CSX:

- The East coast RR line serving East coast ports.
- CSX and NFS are to SE & Mid-Atlantic what UP is to CA & West-coast.
- Rail mergers are on the horizon post COVID. (Financially 'weak' merges with 'strong' wanting SE & Gulf reach).

### Port Freeport:

- + 3 Class 1 RR connections;
- + 'Saudi Arabia' of Natural Gas;
- + The 'Port of Savannah' for Dallas

### Port of Mobile:

- + 5 Class 1 RR connections;
- + Only CN to Gulf RR connection;
- + New WalMart Container Terminal;
- + Airbus + auto mfg. state (Mercedes);
- + New RoRo by 2022 / Rebuild AL Bill to fund



# What are Inland Intermodal Ports?

THE IMPORTANCE OF INTERMODAL PORTS TO SOUTHEASTERN US LOGISTICS AND SUPPLY CHAIN

Prepared For:



Jim Wilson & Associates, LLC

Prepared By:



**Remaking the US Supply- Chain from LA to CHI moving North/South from Gulf & SE Atlantic North to America's 4<sup>th</sup>-Coast (Great Lakes).**



Inland Waterways 2020

- Inland River Ports
- Coastal Ports

## What Economic Development Looks Like When a Coastal Port gets Connected to an Inland Intermodal Port: It All Comes Together



UPDATE 2017 - 2018 Added:

- Volvo
- Samsung Appliance Mfg.
- Harbor Freight Tools

The Port is Integral to SC Economic Development



## Conclusion:

Tip of hat to CREW for “Changing the Ending” on ESG-CRE

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“Success is not final, failure is not fatal;  
It is the **courage to continue** that counts.”

Winston Churchill

“If you are going through hell,  
**keep going.**”

*Winston S. Churchill*

**Red Shoe Economics** is an independent research and consulting firm exclusively serving today's commercial real estate community providing organic research initiatives, reports and insights on the impact of applied Economics on our industry. The company's four pillars include Economics, Forecasting, Valuation and Consulting.

Our promise is to deliver unique content providing the most comprehensive, concise and cutting-edge information of the economic impacts on commercial investments, trends and transactions - eight days a week! As a WOSB, Red Shoe Economics is dedicated to giving back to the industry we serve by furthering the advancement of women in commercial real estate.



## Economics

- Macro and Micro Analysis
- **Rezoning Impact Analysis**
- Corporate Earnings Analysis
- Ports & Logistics Industry Trends
- **Housing Economics**
- Commercial Real Estate Impacts
- State & Local Government Taxation
- Current CRE Conditions

## Forecasting

- **Association Presentations**
- Red Shoe Review
- Industry/Corporate Webinars
- Podcasts/Articles/SME Interviews
- Real Estate Finance reports
- **Special Projects (LIHTC or NIMBY)**

## Valuation

- USPAP Appraisal Review
- Bank Regulatory Compliance
- **Valuation Analysis**
- Highest & Best Use Advisory
- **Property Tax Expert Witness**

## Consulting

- **Adaptive Reuse Advisory**
- Site Selection Validation
- **Financing Feasibility**
- Market & Feasibility Studies
- **Ports & Logistics Advisory**
- Retail Industry Insights
- ESG / DEI Advisory at CRE level
- **Story-Map Building**

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