



Case Study:

PONTIAC CENTERPOINT CAMPUS WEST

520 SOUTH BOULEVARD EAST, PONTIAC, MI 48341

FACTS

Site ID: 13080

Acres: 79.31

SF at Time of Sale: 589,019

FMV: \$3,800,000

Congressional District: MI-14

Date Sold: January 23, 2015

Buyer: Industrial Realty Group, LLC

End-User(s): Posco Daewoo America Corp.; Peninsula Plastics Engineering

New Use: Multi-tenant manufacturing facility; industries include automotive and thermoforming

Jobs Pledged: 300 new

Jobs Actual: 15 new, 5 retained, 47 temp. construction (Posco); 4 retained, 45 temp. construction (Peninsula)

Investment Pledged: \$8MM

Investment Actual: \$1.65MM

Est. New Tax Base: \$316K

Lead Agency: U.S. EPA

Regulatory Programs: RCRA Corrective Action

Remedial Activities: Soil and groundwater investigations completed; 2 UST's removed from site in 2012; GW monitoring; DRC executed in 2014; NFA issued in 2015 (Corrective Action Complete with Controls).

Est. Cleanup Cost: \$215,981



THE CHALLENGE:

The Pontiac Centerpoint West property consists of a 533,000-square-foot building and a wastewater treatment plant constructed on 79.7 acres by GM in 1934 and used most recently as a research, testing, validation and prototype facility. It was among several manufacturing properties in the city of Pontiac that GM relinquished as part of its bankruptcy, which together resulted in the loss of thousands of jobs and had a devastating impact on the local economy. Remediation previously was conducted to address historic environmental concerns, and deed restrictions were put in place, RACER assumed title to the Property subject to a purchase and sale agreement that had been entered into prior to the effective date of the Trust by Motors Liquidation Company and a buyer. It fell to RACER to close the sale.

THE OUTCOME:

Not long after the effective date of the Trust, RACER determined that the buyer in the contract negotiated by Motors Liquidation Corporation and assumed by RACER was either unable or unwilling to perform, and so RACER and the buyer mutually agreed to terminate so that RACER would be free to market and sell the Property under the terms of the Settlement Agreement. RACER aggressively marketed the Property to landlord developer prospects. RACER sold the Property to Industrial Realty Group (IRG), a national leader in the adaptive reuse of commercial and industrial real estate. IRG renovated the building to accommodate multiple tenants, including an automotive components warehouse for Posco Daewoo America Corp., a Korean company, and Peninsula Plastics Engineering, an engineering and plastics manufacturing company. Together, these companies are expected to bring 300 permanent, full-time jobs to the facility.



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