



CASE STUDY:

IRG/Fuyao Glass America

PROJECT:

Moraine Assembly Plant Redevelopment in Moraine, OH



IRG

Industrial Realty Group, LLC



BACKGROUND:

Industrial Realty Group (IRG) purchased the property, which included an adjacent vacant parcel and a 4.5-million-square-foot manufacturing plant where GM produced trucks and SUVs until December 2008. Frigidaire, a division of General Motors, also produced appliances on the site from the late 1920s until 1979. IRG renamed the property Progress Park and announced plans to seek multiple tenants for redevelopment and reuse, fulfilling RACER's mission of selling to buyers who will help create jobs and other community benefits.

CHALLENGES:

The closure of the assembly plant was economically devastating to Moraine and

Southwest Ohio. The property had ongoing remediation issues, including VOC-impacted groundwater and soil, which RACER is addressing under the direction of the U.S. and Ohio Environmental Protection Agencies.

The overall economic climate and glut of surplus industrial and manufacturing properties, along with the size and configuration of the building, were clear indicators that a single-use buyer was unlikely to emerge. The presence of environmental impacts on the property undoubtedly constricted the market even further, effectively limiting early prospects to those with experience in brownfield redevelopment. IRG, a national leader in adaptive reuse of former industrial properties,

presented a proposal to purchase and redevelop the property for multiple users. As with all of its properties, RACER maintains responsibility for environmental remediation despite the change in ownership.

OUTCOME:

IRG closed on its purchase in 2011. Fuyao Glass America signed an agreement in May 2014 to purchase 1.4 million square feet of the building, where it will manufacture glass for automotive companies and hire more than 1,000 people. The second-largest auto glass supplier in the world, Fuyao plans to use its new facility to supply its growing U.S. customer base, including GM, Chrysler, Hyundai, Honda and Kia. The company plans to begin operations by late 2015.

Before the sale to Fuyao Glass, five companies already occupied about 500,000 square feet of the building. They are Motoman, a robotics maker; WCR Inc., which manufactures and refurbishes heat plate exchangers and parts; New Age Logistics freight shipping; QCSA Auto Auction, an online auction service; and Syncreon, a GM parts distributor.



RACER Trust is selling former GM properties for redevelopment, reuse and jobs. The majority of our industrial land portfolio is in the Upper Midwest of the U.S., in states with favorable investment environments, superior multi-modal transportation, excellent energy infrastructure and service, and outstanding workforces. RACER sales have resulted in thousands of new jobs pledged in communities in Michigan, Ohio, Kansas and Louisiana, with major redevelopment projects pending in New Jersey and Indiana. Our mission is to help communities that were hurt by the GM bankruptcy and loss of jobs, and we do that by performing safe, comprehensive cleanups, where needed, and by seeking buyers who will invest in redevelopment and job creation at our former GM locations.

For more information, please contact:

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