



FOR SALE

HARLEY-DAVIDSON KANSAS CITY MANUFACTURING PLANT

11401 NORTH CONGRESS AVENUE | KANSAS CITY, MO 64153

507,729 SQUARE FEET | 314.62 ACRES



OFFERING MEMORANDUM DISCLAIMER

This Confidential Offering Memorandum (“Memorandum”) is being delivered subject to the terms of the Confidentiality Agreement (the “Confidentiality Agreement”) signed by you and constitutes part of the Confidential Information (as defined in the Confidentiality Agreement). It is being given to you for the sole purpose of evaluating the possible investment in **11401 North Congress Avenue, Kansas City, MO 64153** (the “Project”), and is not to be used for any other purpose or made available to any other party without the prior written consent of Harley-Davidson (“Managing Member”), or its exclusive broker, Cushman & Wakefield. This Memorandum was prepared by Cushman & Wakefield based primarily on information supplied by Managing Member. It contains select information about the Project and the real estate market but does not contain all the information necessary to evaluate the Project. The financial projections contained herein (or in any other Confidential Information) are for general reference only. They are based on assumptions relating to the overall economy and local competition, among other factors. Accordingly, actual results may vary materially from such projections. Various documents have been summarized herein to facilitate your review; these summaries are not intended to be a comprehensive statement of the terms or a legal analysis of such documents. While the information contained in this Memorandum and any other Confidential Information is believed to be reliable, neither Cushman & Wakefield nor Managing Member guarantees its accuracy or completeness. Because of the foregoing and since the investment in the Project is being offered on an “As Is, Where Is” basis, a prospective investor or other party authorized by the prospective investor to use such material solely to facilitate the prospective purchaser’s investigation, must make its independent investigations, projections and conclusions regarding the investment in the Project without reliance on this Memorandum or any other Confidential Information. Although additional Confidential Information, which may include engineering, environmental or other reports, may be provided to qualified parties as the marketing period proceeds, prospective purchasers should seek advice from their own attorneys, accountants, engineers and environmental experts. Neither Cushman & Wakefield nor Managing Member guarantees the accuracy or completeness of the information contained in this Memorandum or any other Confidential Information provided by Cushman & Wakefield and Managing Member. Managing Member expressly reserves the right, at its sole discretion, to reject any offer to invest in the Project or to terminate any negotiations with any party at any time with or without written notice. Managing Member shall have no legal commitment or obligations to any prospective investor unless and until a written sale agreement has been fully executed, delivered and approved by Managing Member and any conditions to Managing Member’s obligations thereunder have been satisfied or waived. Managing Member has retained Cushman & Wakefield as its exclusive broker and will be responsible for any commission due to Cushman & Wakefield in connection with a transaction relating to the Project pursuant to a separate agreement. Cushman & Wakefield is not authorized to make any representation or agreement on behalf of Managing Member. Each prospective investor will be responsible for any claims for commissions by any other broker in connection with an investment in the Project if such claims arise from acts of such prospective investor or its broker. This Memorandum is the property of Managing Member and all parties approved by Managing Member and may be used only by parties approved by Managing Member. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as permitted under the Confidentiality Agreement.



For more information, please contact one of the following individuals:

Whitney Kerr, Jr., SIOR, CCIM
Managing Director
+1 816 412 0250
whitney.kerrjr@cushwake.com

Alec Blackwell, SIOR
Director
+1 816 412 0242
alec.blackwell@cushwake.com

4600 Madison Avenue
Suite 800
Kansas City, MO 64112
Main +1 816 221 2200
Fax +1 816 842 2798
cushmanwakefield.com



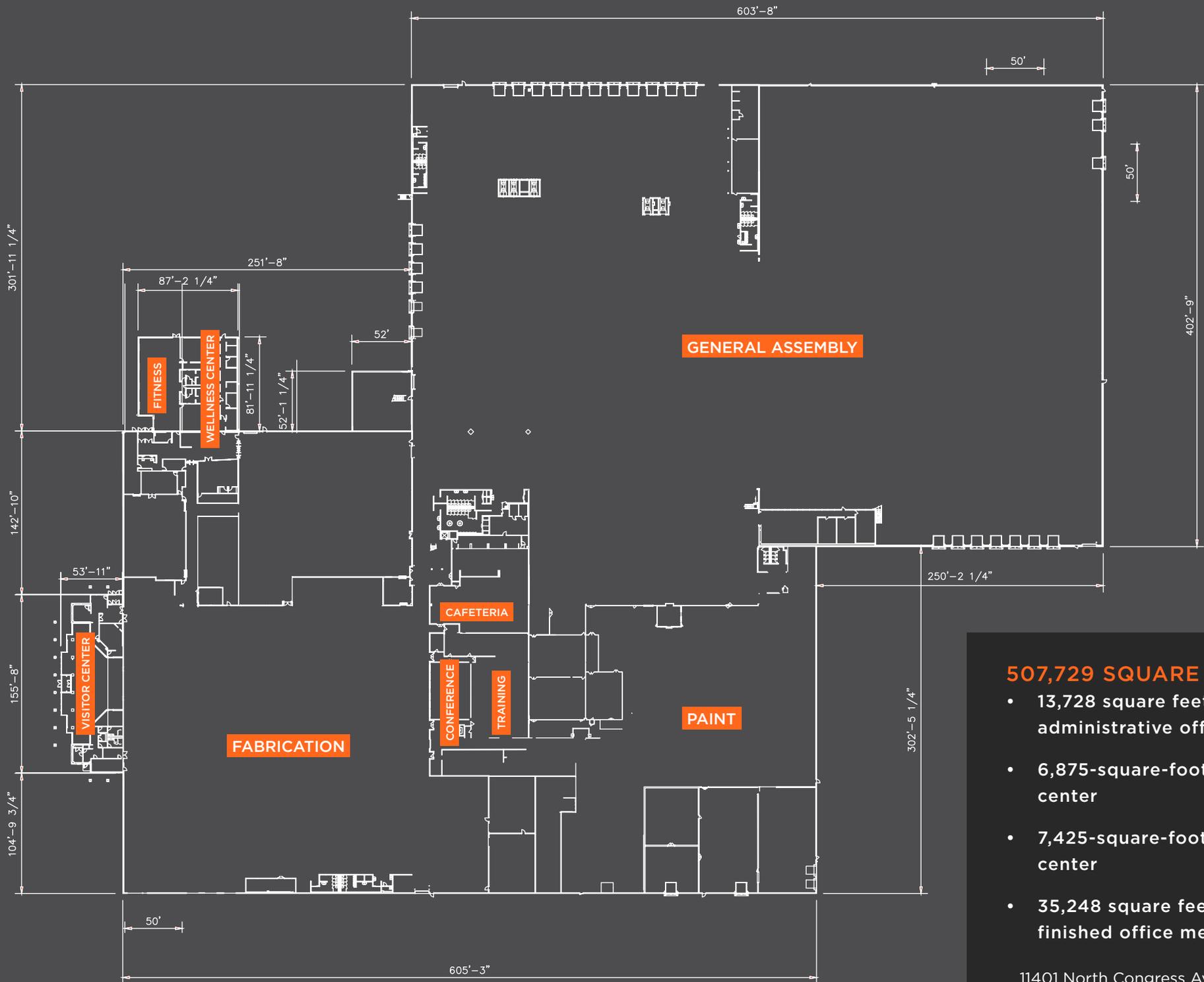
OFFERING SUMMARY

Cushman & Wakefield is pleased to offer for sale the Harley-Davidson Kansas City Motorcycle Plant, an approximate 314.62 acre, M2-3 zoned manufacturing site with 507,729 gross square feet of industrial space in the burgeoning Kansas City market. This offering is a highly attractive opportunity to acquire a first-tier manufacturing facility with abundant expansion potential.



PROPERTY SUMMARY

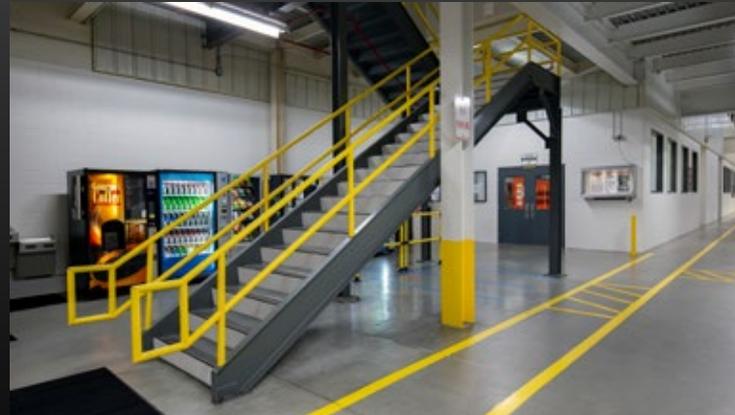
History	Originally built in 1997, with a warehouse expansion in 2004 and a fitness center addition in 2014	Parking	736 surface spaces
Roof	Steel roof deck with insulated membrane; replaced in phases in 2014-2016 (15 year warranty)	Clear Height	Range from 35' in the center to 32' at the edge
Foundation	Reinforced-concrete slab on grade foundation with perimeter footings	Column Spacing	50' x 48'
Floor Thickness	Generally 6" thick throughout the facility with reinforced steel mesh; fabrication department floors are up to 8" thick	HVAC	100% air conditioned
Exterior	Insulated metal panel walls with commercial grade aluminum windows	Sprinkler System	Wet system with variable release and volume based on manufacturing function
		Lighting	Manufacturing area: T-8 and T-5 energy efficient lighting
		Power	Six (6) 4000A/480V main power feeds, each with seven (7) 1600A/480V breakers
		Loading	35 Dock-High Doors (10' x 12') with 7' x 9' x 2' Pit Levelers; 5 Drive-In Doors (12' x 14')

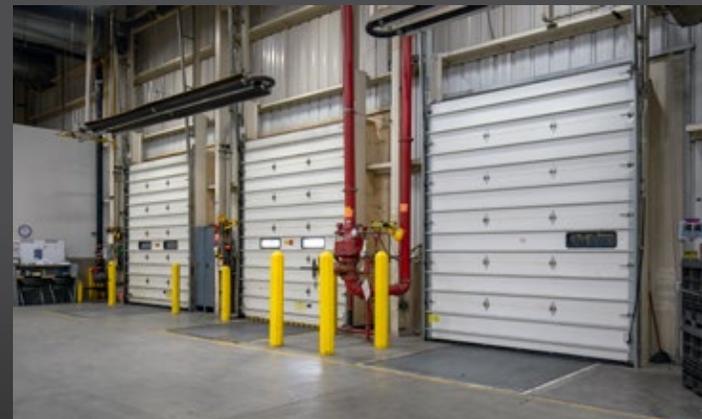


FLOOR PLAN

507,729 SQUARE FEET

- 13,728 square feet of administrative office space
- 6,875-square-foot fitness center
- 7,425-square-foot visitor center
- 35,248 square feet of finished office mezzanine







WORKFORCE INCENTIVE

The Harley-Davidson Assembly Plant is located in the Northland portion of the Kansas City metro area, which is known for attracting a diverse and well-trained workforce. Along with the Harley Plant, major industrial tenants including CVS, BMS Logistics, Martinrea, Progress Rail, Rogers Sporting Goods, and several others have chosen to locate in the Northland over the last few years to have access to the labor pool. The highway network of I-29 and I-435 also provides convenient access to the expanding residential communities in Liberty, MO and Wyandotte County along with the satellite communities of Platte City, Smithville, and Leavenworth. The presence of a stable and skilled workforce is a major strength of the Northland industrial area.

Right Page Map: 80,824 Workforce Population, age 25-54, based on US Census totals for specific towns outside of Kansas City, MO and neighboring Census tracts within Kansas City, MO and Independence, MO.

PLATE CITY/LEAVENWORTH
WORKFORCE POPULATION:
17,211

SMITHVILLE
WORKFORCE POPULATION:
13,045

JET DELIVERY SERVICE

KCI AIRPORT

11401 N CONGRESS

LIBERTY AREA
WORKFORCE POPULATION:
12,976

GLADSTONE
WORKFORCE POPULATION:
10,489

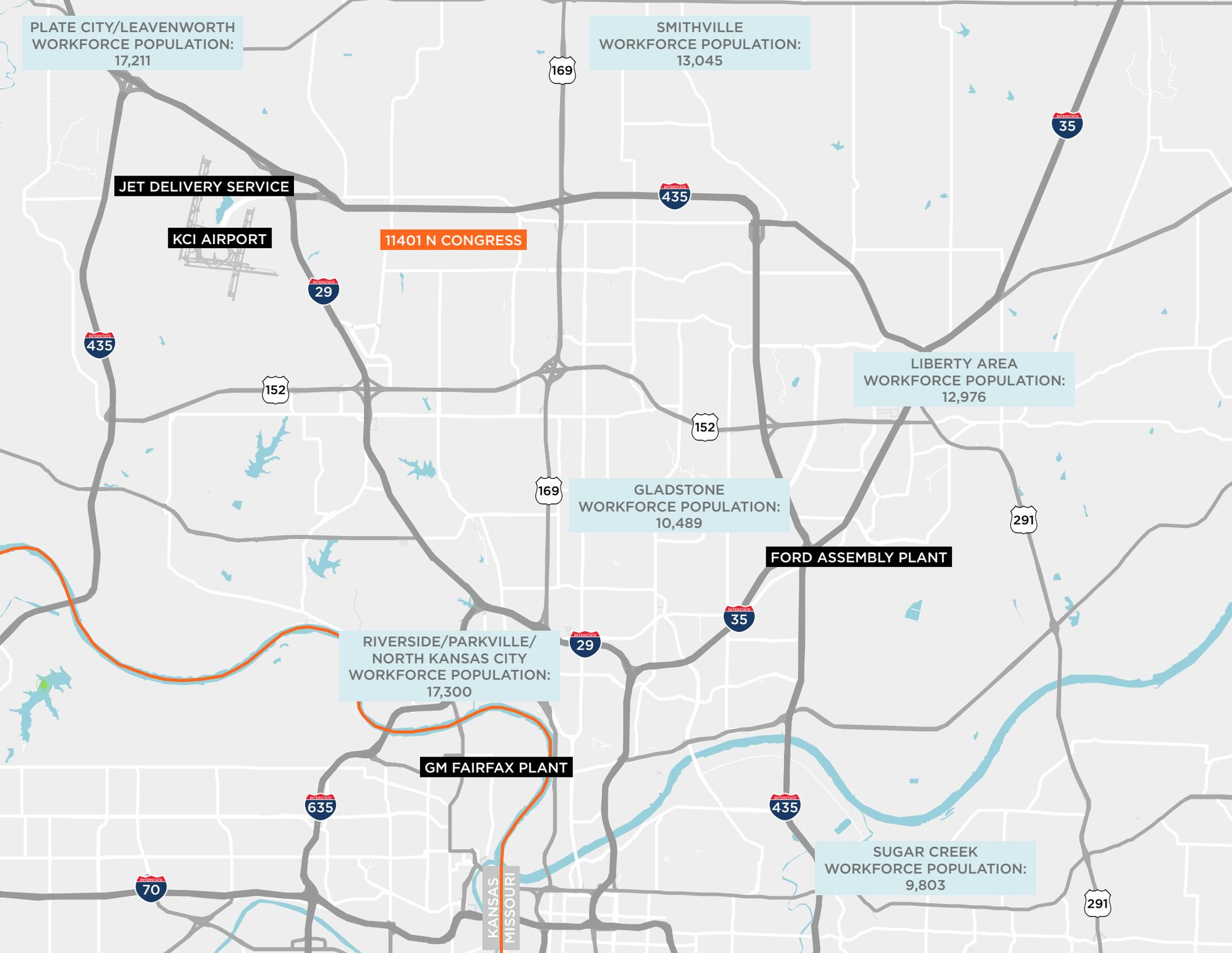
FORD ASSEMBLY PLANT

RIVERSIDE/PARKVILLE/
NORTH KANSAS CITY
WORKFORCE POPULATION:
17,300

GM FAIRFAX PLANT

SUGAR CREEK
WORKFORCE POPULATION:
9,803

KANSAS
MISSOURI





KANSAS CITY OVERVIEW

Kansas City is home to over 2.16 million people and is closer to the geographic center of the contiguous 48 states than any other major city and is only 200 miles from the mean center of population in the United States according to the US Census. Forecasts have predicted that the Kansas City population will increase by 7.3% to 2.32 million by 2025, while the labor force will grow from 1.39 million in 2018 to 1.54 million in 2025, for a growth rate of 10.5%. Kansas City was home to Ford Motor Company's first plant located outside of Detroit, which was opened by Henry Ford himself in 1913, and by 1926 General Motors had a manufacturing facility in the city as well. Both companies maintain a major presence in Kansas City today, with Ford employing 7,320 at the Claycomo Assembly Plant and General Motors employing 2,200 at the Fairfax Assembly Plant.

Today Kansas City's manufacturing presence continues to drive the market's ongoing boom in industrial real estate. More than 40 major suppliers to the automotive industry have a presence in the Kansas City market, and some of the biggest automotive names in the world have made significant capital investments in facilities in and around Kansas City over the past several years. Along with the sizable auto presence, the area also has significant production facilities for companies that specialize in wearable GPS devices, meteorological machinery, and government defense contractors.

STRONG INFRASTRUCTURE: Kansas City has long benefited from its central location to serve as a logistics hub for all of the United States. From the earliest days of western expansion, the area has been a base



for trade moving throughout the country and increasingly throughout the world. The city now boasts an expansive Interstate system that gives it the most highway miles per-capita of any major city in the United States and allows for easy access to and shipment out in any direction. Along with the highway system, Kansas City is an increasingly important intermodal hub. Railroads play a major role in the Kansas City economy and six of the seven Class I railroads have a local presence. Major investment by the railroads has seen Kansas City become the third most-important rail hub in the country behind only Dallas and Chicago, and in many cases the railway infrastructure in Kansas City is superior to that of other markets.



**LARGEST RAIL CENTER BY
TOTAL TONNAGE**



**95% OF US POPULATION
WITHIN 2-DAY DRIVE**



**\$2.43 BILLION IN
MANUFACTURING
INVESTMENTS THIS DECADE**



**1.19 MILLION AUTOMOBILES
ASSEMBLED IN 2018**

EDUCATION: A strong, well-educated workforce is a major draw for employers in Kansas City. 97.0% of the Kansas City population age 25 and over has at least a high school diploma, compared to just 94.6% nationally. The city has three large military installations nearby: Whiteman Air Force Base (home to the 509th Bomb Wing, which operates the B-2 stealth bomber), Fort Riley (home base of the 1st Infantry Division, the oldest continuously serving unit of the US Army), and Fort Leavenworth (home to the US Army Combined Arms Center and the Command and General Staff College). The continued presence of major automotive manufacturers along with the rise of Garmin, a world leader in GPS technology, has continued to provide the Kansas City area with an educated, well-trained work force.





NORTHLAND SUBMARKET

All parts of the Kansas City area located north of the Missouri River are colloquially referred to as the Northland, and it is an area that has seen significant industrial development and investment. While South Johnson County has attracted a majority of the speculative construction in recent years, the Northland has shown strong performance in multiple submarkets. When CVS elected to build a 762,000-sf distribution center to support more than 350 regional stores, the Executive Vice President of CVS stated that “a high-quality workforce” was a major factor in choosing the location, which is near Kansas City International Airport (KCI). The immediate area around KCI is home to a variety of manufacturing companies, including Blount International (a distribution and assembly center) and Challenge Manufacturing (welding, stamping, and other tasks).

One advantage the Northland has that is often overlooked is its ability to draw employees from several communities in the outlying areas. Several mid-sized rural towns are within comfortable driving distance from KCI, with St. Joseph, MO (76,816; 38 miles) being the largest example. Other communities include Kearney, Smithville, Platte City, and Excelsior Springs in Missouri along with Leavenworth in Kansas, which have a combined population of over 70,000 and are all within 30 miles of KCI. Additionally, the cost of skilled labor in Kansas City is slightly lower than the national average, with the mean annual salary for Machinists in Kansas City reported at \$43,850 for 2017 compared to a national mean annual salary of \$44,160 (0.7% lower in Kansas City).

The area slightly further south of KCI along Interstate 29 is the Riverside industrial submarket, which has been one of the fastest growing parts of the Kansas City industrial real estate market for several years. Located just across the Missouri River from GM’s Fairfax Assembly Plant, Riverside has attracted a variety of tenants and in 2014 saw Canadian-based supplier Martinrea open a full-service manufacturing facility that handles stamping, welding, e-coat, and modular assembly. As part of their site selection process, Martinrea worked with the Metropolitan Community College to ensure that there would be an adequate supply of trained employees to fulfill the plant’s needs.



AUTOMOTIVE INDUSTRY OVERVIEW

While some markets that were historically dependent on US auto manufacturers have struggled in the past several years, Kansas City has been fortunate enough to have strong performing lines based in the local assembly plants. The Ford Claycomo plant produces the F-150, which sold 896,764 units in 2018 for a growth rate of 1.4%, and the Transit van, which sold 137,794 units in 2018 for a growth rate of 8.2%. Overall units sold by those two lines represent a 2.4% increase in vehicles sold out of Claycomo. The F-150 has been the number-one selling pickup in the U.S. for 42 straight years, and the Transit is now the best-selling commercial van in the U.S., a title that has gone to a Ford product for the past 40 years.

Sales of the Chevy Malibu, long the primary vehicle from GM's Fairfax Assembly Plant, were down substantially in 2018. However, the plant also launched the Cadillac XT4 which did not start sales until September. The XT4 is a new vehicle as GM looks to expand their share of the strong market for luxury crossover-style vehicles.

Both Ford and GM have repeatedly demonstrated confidence in these facilities and have supported it with substantial investment. In 2015, Ford completed a massive \$1.1 billion upgrade at Claycomo to launch the production of the Ford Transit and retool the F-150 production line for a redesigned version of the vehicle. In addition to



that investment, Ford trained 3,800 workers at the plant to familiarize them the latest automotive manufacturing technology. At the Fairfax Plant, GM invested \$265 million to launch the new Cadillac that just debuted this past year, not including development costs. The XT4 was originally developed for production at a different facility, but the decision was made to award the vehicle to Fairfax.

The Claycomo Plant is located just off Interstate 35, approximately 12.5 miles northeast of downtown Kansas City. The Fairfax Plant is along the Missouri River and just north of I-70, and it can be seen from downtown Kansas City. The two plants are 13.1 miles apart and can be reached in

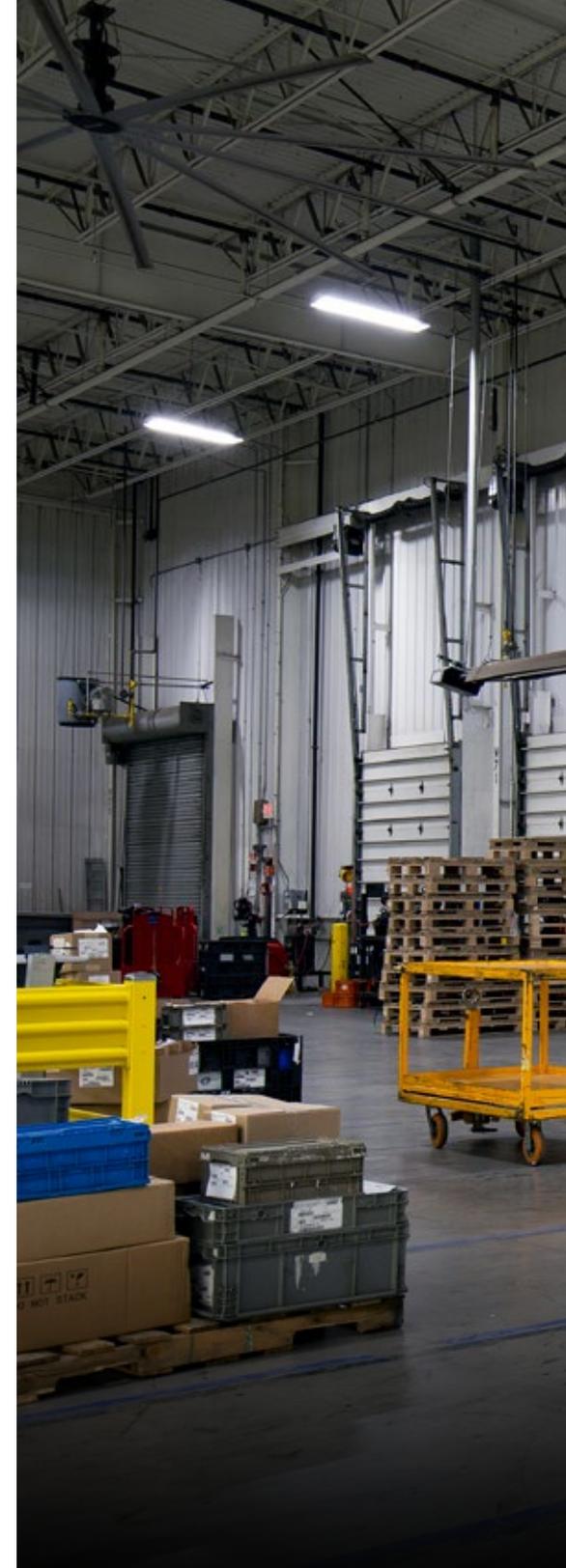
20 minutes. The concentration of two major, modern manufacturing facilities has helped support multiple industrial areas in KCI, Riverside, North Kansas City, and Northland Park, all of which are north of the Missouri River. In 2017, construction was completed on an 840,000-sf build-to-suit warehouse for GM on ground just half-a-mile from their plant. The new building will be used to provide space for additional Tier 1 suppliers. At the end of 2018, Ford announced they had leased a 304,000-sf newly constructed warehouse in Northland Park located 3.5 miles from Claycomo. Both automotive companies remain firmly committed to the long-term future of the Kansas City manufacturing sector.

GROWING MARKET

Along with the traditional auto giants, Kansas City saw one major industrial facility go live in 2018 and construction was started on another. Garmin, which was one of the pioneers of GPS technology, is headquartered in the Kansas City suburb of Olathe, KS, and in 2018 they completed a major expansion. The new facility includes 136,000 sf of manufacturing space on two levels that is used to assemble circuit boards, heads-up displays, and final products. There are six lines of operation at the new plant along with room for further expansion, and the next phase of development at the headquarters will include new research and development space.

Located at the eastern edge of Kansas City along I-70, automotive supplier Faurecia broke ground on a new 250,000-sf plant that will employ 300 when it is completed in 2020. Faurecia provides a wide range of products, and approximately 25% of all cars in the world have at least one Faurecia component in them. Faurecia already has two operational facilities in Missouri, including one on the outskirts of St. Louis, but the company elected to invest \$60 million in the new plant that is located in Blue Springs, MO, 21.0 miles from downtown Kansas City.

One other major production hub in the Kansas City area is located at the southern edge of the city along Interstate 49. Defense contractor Honeywell operates the massive National Nuclear Security Administration's Kansas City National Security Campus, which is responsible for manufacturing and procuring nonnuclear components for nuclear weapons. This includes electronic, engineering related, and mechanical parts. The National Security Campus also works with laboratories and development groups along with various universities. The campus is also home to a manufacturing facility for the National Oceanic and Atmospheric Administration. The first building for this new location of the National Security Campus opened in 2012, and other buildings have since been completed.







**CUSHMAN &
WAKEFIELD**

*For more information, please contact one
of the following individuals:*

Whitney Kerr, Jr., SIOR, CCIM

Managing Director

+1 816 412 0250

whitney.kerrjr@cushwake.com

Alec Blackwell, SIOR

Director

+1 816 412 0242

alec.blackwell@cushwake.com

4600 Madison Avenue

Suite 800

Kansas City, MO 64112

Main +1 816 221 2200

Fax +1 816 842 2798

cushmanwakefield.com