

WE CREATE VALUE FOR COMMUNITIES, COMPANIES, & SHAREHOLDERS.

www.agracel.com

Under Construction
Pottery Direct International

The state of Tennessee has been a hotbed of industrial activity recently. Agracel is pleased to announce our 11th development in the Volunteer state, a build-to-suit – leaseback for Pottery Direct International.

McKenzie, Tennessee, is the home of Pottery Direct's new 40,000 sf manufacturing facility. Located adjacent to the Carroll County Airport, the company plans to create 40 new jobs during the next three years. Forcum Lannom Contractors was the design-builder on the project that was completed in December 2019.

Pottery Direct is a specialist in manufacturing and importing ceramic flowerpots to supply growers, exporters,

and wholesalers internationally. The company has a history firmly rooted in ceramics and clay, with more than 40 years of experience in the production of ceramic flowerpots. Tennessee is one of the nation's leaders for ceramics industry growth due to its location and raw material availability.

"The Agracel Team would like to thank Monica Heath and the entire McKenzie Industrial Development Board, as well as, Forcum Lannom Construction for helping us bring this project on board," commented Daniel Webb, Agracel's Regional Development Director at our Nashville office.



PotteryDirect



In Memoriam

It is with great sadness that we share with you the passing of our good friend, Craig Lindvaht. In 2015, Craig was diagnosed with pancreatic cancer. His four-year battle ended on January 2, 2020.

Most of you will recognize Craig as one of the founders of the CEO (Creating Entrepreneurial Opportunities) Program that brings local high school students together with community and business leaders, with a goal to teach these young people that they can generate business opportunities in their hometowns. Craig was the first instructor for the course that began in Effingham, Illinois, in 2008. Today, CEO has grown to 50 programs involving 202 schools, located in six states across the country. Craig's vision was instrumental in this growth.



To know Craig was to love him. His infectious smile and wit were ever-present. Craig's mantra that guided him his entire adult life was, "Who will be better because of what I do today?" It is with absolute certainty that we can say that our lives are better for having Craig as our friend.

34
YEARS OF
EXPERIENCE

20M
SQUARE FEET
DEVELOPED

16,725
NUMBER OF
JOBS CREATED

20
STATES WITH
PROJECTS

900M
COMBINED
INVESTMENTS

Community Profile

Agracel Partners with Bloomington, IL Leaders to Welcome Contec

Agracel has recently partnered with the City of Bloomington, the McLean County Chamber of Commerce, and the Bloomington-Normal EDC to bring Contec to Bloomington, Illinois. Contec, an electronic device manufacturer, will employ 40-50 workers with plans to grow to 100 employees. The company develops creative technologies in the fields of industrial computers, measurement and control, and networks; they use these technologies to provide products and solutions to society and thereby strive to make contributions to the community.

We will be upfitting our existing Bloomington facility to accommodate Contec's needs. Agracel will initially lease 56,320 sf of our 225,000 sf building to Contec, with a year 2 commitment to grow to 95,329 sf. We will utilize Bloomington-Normal's Enterprise Zone incentive program to assist with the build-out.



"On behalf of Agracel we would like to thank Contec for choosing our team to develop their Bloomington, Illinois, facility. We are thrilled to add Contec to our portfolio of clients and look forward to working together to bring jobs and investment to the Bloomington area. In addition, we are grateful for the support from the City of Bloomington, the McLean County Chamber of Commerce, and the Bloomington Normal Economic Development Council as we bring this project to fruition," said Dean Bingham, President and COO of Agracel.

"The City of Bloomington is excited to welcome Contec to our community," said the Honorable Tari Renner, Mayor of the City of Bloomington.

"Economic Development is a priority for the City of Bloomington, and we stand ready to partner with Agracel and Contec to get the job done!"

"Contec's announcement marks another new business in the Bloomington-Normal region. The McLean County Chamber of Commerce looks forward to providing Contec with the connections and support to grow their business here in central Illinois," said Nathan Hinch, Chairman of the McLean County Chamber of Commerce.

"It is great to start 2020 with new business, especially a manufacturer like Contec," said Bill Lawrence, Chairman of the Bloomington-Normal Economic Development Council. "We thank Agracel and Contec for their investment in our community and are happy our Enterprise Zone incentive program can assist with their development."

We are so grateful to work with wonderful communities like Bloomington, Illinois.

The community and its leaders take a progressive approach to industrial development. The Contec project marks Agracel's 2nd project in Bloomington.

Bloomington, widely known as the home to the corporate headquarters of State Farm Insurance and Country Financial, is also a center for higher learning with Illinois State University, Illinois Wesleyan University, Lincoln College, and Heartland Community College all located in the Bloomington-Normal metropolitan area.

For more information visit www.bnbiz.org or www.contec.com.

2019 Construction Recap

From the Midwest to the Southeast, the Agracel Construction Management Team had a very busy 2019. A total of 1,237,176 sf of construction projects was started or completed last year (see graphic at right).

From new build-to-suits to expansions of existing facilities, our construction management team managed a record number of projects. These projects ranged industry wide including automotive suppliers, food manufacturing, distribution, pottery manufacturing, wire and cable manufacturing, an aluminum galvanizing operation, a steel processor, HVAC manufacturing, and lastly a complex for the insurance industry.

We enter into the new year with the following jobs under construction - Advanced Distributor Products in Grenada, Mississippi; the expansion of the Kotobukiya Treves North America (KTNA) in Scottsboro, Alabama; the Horton new build in Oconee County, South Carolina; and Blue Cross Blue Shield in Mattoon, Illinois.

We look forward to sharing our progress and new projects with you next quarter!



Featured Client Treves Corporation

What began as a site selection project for an existing Agracel client, resulted in our 12th development in the state of Ohio. In 2017, Treves Corporation sought the site selection services of Agracel to find a 40,000-50,000 sf building in the Toledo, Ohio, area to become to their first Midwest US production facility. The city of Fostoria, Ohio, had a 40,000 sf spec shell building readily available, making Treves' decision to locate in the city an easy choice.

Treves, a French company, is a global leader in the design and customization of acoustic treatment and interiors for various components in the automotive industry, with customers including OEMs General Motors, Ford, FCA, and BMW. Treves sister company, Kotobukiya Treves North American (KTNA) is an existing client of Agracel's in Scottsboro, Alabama. Recently acquired OEM contracts necessitated the establishment of the new manufacturing facility in Ohio. In addition to having the spec facility available, the availability of a willing and able workforce was crucial in the decision to locate in Fostoria.



The 40,000 sf shell building was finished per Treves' specifications. A 3,210 sf office space was added to the facility as well. The building is perfectly situated so that additions can be made should Treves need additional space.

Treves is expecting to create 91 new jobs once they reach full manufacturing capacity.

Todd Thoman, Agracel's Director of Business Development, has maintained a long-standing relationship with Dennis Mingyar, Ohio's Electric Cooperatives' Director of Economic Development, which aided in initiating the search process. This led to the introduction of Chase Eikenberry, Project Manager for the Regional Growth Partnership, a Jobs Ohio affiliate, who was instrumental in finding the location and negotiating the deal. "I've known Dennis for many years. I am thrilled to have had the opportunity to work with him and Ms. Eikenberry to bring this project to fruition. Treves is a great addition to Fostoria's industrial market."

Visit www.treves-roup.com to learn more.

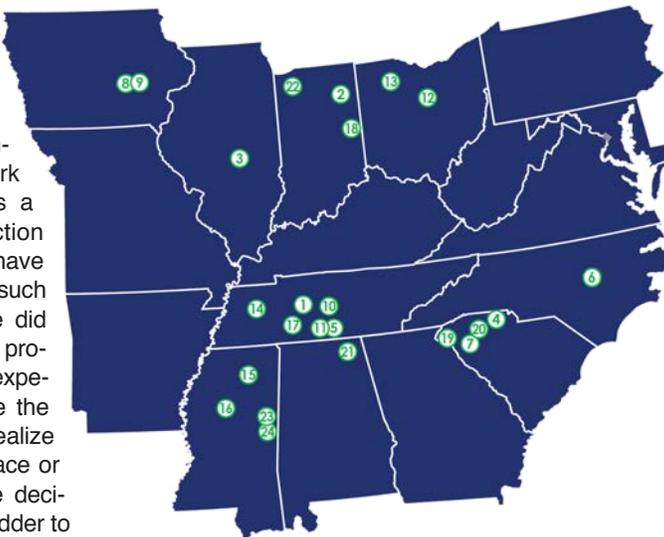
From the Desk of Jack Schultz Bring on 2020

by Jack Schultz, CEO

We are starting the new decade with an incredible tailwind, coming off a record year in a number of our key metrics. In addition to financial records for the year, record new projects and LLCs in 2019 set the stage for many strong years to come.

We started or completed 24 projects during 2019 (see map below), balanced between nine new build-to-suits (BTS), five expansions to existing buildings, and ten acquisitions.

With 2019 in the rearview mirror we are intently focused on 2020. Now, for the gigantic question mark in our year... it is a presidential election year. And, we have been through six such elections since we did our first industrial project in 1993. Our experience is that while the local managers realize they need new space or capacity, when the decision goes up the ladder to top management and the board, there is often paralysis as they want to see what happens in the November elections before making a capital expenditure decision.



Time will tell how this year will shake out but one thing I can assure you is that Team Agracel will be working diligently to aim for yet another record year.

- ① **Faurecia** • 147,617 sf • Spring Hill, TN • Build-to-Suit
- ② **Continental Structural Plastics** • 60,300 sf • Grabbill, IN • Acquisition
- ③ **Blue Cross Blue Shield** • 48,121 sf • Mattoon, IL • Build-to-Suit
- ④ **Steel Creek** • 78,600 sf • Blacksburg, SC • Build-to-Suit
- ⑤ **Hematite** • 62,100 sf • Fayetteville, TN • Acquisition
- ⑥ **Raleigh Precision** • 62,000 sf • Kenly, NC • Acquisition
- ⑦ **Muffin Mam** • 100,000 sf • Laurens, SC • Build-to-Suit
- ⑧ **River Bend Industries** • 153,210 sf • Victor, IA • Acquisition
- ⑨ **River Bend Industries** • 123,400 sf • North Liberty, IA • Acquisition
- ⑩ **Sanford, LP** • 211,700 sf • Shelbyville, TN • Acquisition
- ⑪ **Toledo Molding & Die** • 252,000 sf • Fayetteville, TN • Acquisition
- ⑫ **Novo Building Products** • 195,777 sf • Bowerston, OH • Acquisition
- ⑬ **Ohio Logistics** • 107,195 sf • Fostoria, OH • Acquisition
- ⑭ **Pottery Direct** • 40,000 sf • McKenzie, TN • Build-to-Suit
- ⑮ **S & A Industries** • 53,417 sf • New Albany, MS • Build-to-Suit
- ⑯ **Advanced Distributor Products** • 288,000 sf • Grenada, MS • Build-to-Suit
- ⑰ **H & M Bay** • 51,000 sf • Lawrenceburg, TN • Build-to-Suit
- ⑱ **Eco Vehicle Systems** • 130,000 sf • Union City, IN • Acquisition
- ⑲ **Horton** • 115,000 sf • Westminster, SC • Build-to-Suit
- ⑳ **Gestamp** • 21,550 sf • Union, SC • Expansion
- ㉑ **Kotobukiya Treves NA** • 43,000 sf • Hollywood, AL • Expansion
- ㉒ **Lake Cable** • 85,856 sf • Valparaiso, IN • Expansion
- ㉓ **Comprehensive Logistics Inc.** • 150,000 sf • Columbus, MS • Expansion
- ㉔ **Mississippi Steel Processing** • 17,400 sf • Columbus, MS • Expansion

Who We Are...

Agracel, Inc., an industrial development firm, provides development services to owners, managers, and investors of industrial and commercial facilities. Agracel has developed projects in **20 states** totaling over **20 million square feet**. So...what makes Agracel so unique from other developers? The difference is where we choose to develop. The small town market is one that many developers ignore. Not Agracel. As an industrial development company that focuses on developing projects and creating jobs in rural towns, Agracel has created a unique model in the industry.

Agracel, Inc.
P.O. Box 1107
Effingham, IL 62401

Presort
Standard
U.S. Postage
PAID
Permit #19
Heyworth, IL

Corporate Office:

Todd Thoman, Ryan Witges
2201 N. Willenborg St., Suite 2
Effingham, IL 62401
Tel 217.342.4443

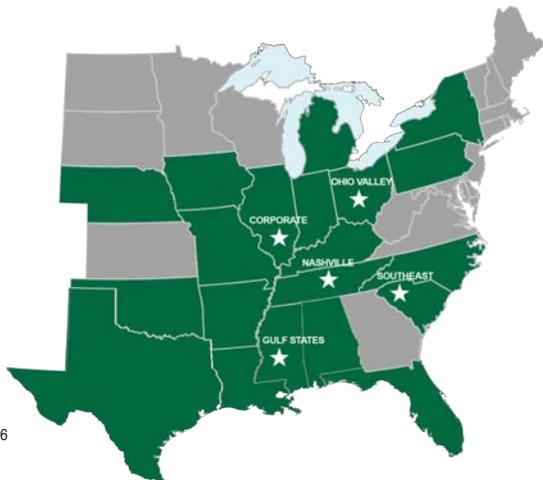
Ohio Valley Office: Jason Kester
3989 Broadway, Suite 125
Grove City, OH 43123
Tel 740.935.2738

Gulf States Office: Justyn Dixon
737 Highway 51, Suite B
Madison, MS 39110
Tel 601.856.5756

Nashville Office: Daniel Webb
P.O. Box 466
Thompsons Station, TN 37179
Tel 931.629.0606

Southeast Office:

Jason Vaughn Tel 864.303.7150
Richard Blackwell Tel 864.784.5736
15 S. Main St., Suite 701
Greenville, SC 29601



Covering Your World



Agracel extends our deepest sympathy to the family, friends, and co-workers of Melissa Medley, Founder and Principal of Vision First Advisors. For over two decades, Melissa built a successful career in marketing, facilitation, and economic development, serving in leadership roles in the administrations of Governors Haley Barbour and Rick Scott to grow business investment, jobs and the economies in both Mississippi and Florida. Melissa was a friend and ally of Agracel's. She passed away unexpectedly in January.

Acquisition Activity Agracel Acquires Eco Vehicle Systems

Agracel acquired a two-building portfolio in Union City, Indiana, occupied by Eco Vehicle Systems (EVS). The two state-of-the-art buildings, 75,000 sf and 55,000 sf, are situated across the street from one another and occupy 18 acres in Progress Industrial Park.



Eco Vehicle Systems specializes in vehicle assembly, contract manufacturing, alternative fuels conversions, custom upfit work, specialized vehicle modifications, and other capabilities related to OEM, fleet and commercial vehicle markets. The company has a long and successful history with many large fleets and OEM's, including GM, Ford, UPS, BorgWarner, and many others.

In June 2019, EVS won QPro certification from Fiat-Chrysler America (FCA), making it the only alternative fuels conversion company in the world to earn this prestigious designation. This relationship with FCA opens the door to thousands of compressed natural gas (CNG) and Liquid Petroleum Gas (LPG) conversions over the next few years which will allow customers to reduce harmful emissions while saving significant money on the fleet vehicles. Fifty-six workers are presently employed at EVS, with that number expected to raise to 200 within five years.

Agracel is providing a long-term lease to EVS on the two facilities. We are excited to add such a progressive and dynamic company to our portfolio.

Learn more about EVS at www.ecovehiclesystems.com.