

WE CREATE VALUE FOR COMMUNITIES, COMPANIES, & SHAREHOLDERS.



Wastequip
Mt. Sterling, KY

www.agracel.com

Front Page News
Acquisitions Abound in the Third Quarter

The third quarter proved to be a busy one in terms of acquisition activity. With six new buildings added to the Agracel portfolio in the months of August and September, we have lots to write about and certainly have a positive outlook as we finish 2020.

We started our acquisition frenzy with a three-building acquisition leased to Parkway Properties. The portfolio consisted of a 90,300 sf facility in Seneca, South Carolina; a 69,000 sf facility in Westminster, South Carolina; and a 30,000 sf facility in Machesney Park, Illinois. Rick Ross with the Net Lease Group assisted the seller. Agracel also had the pleasure to partner with Capital Partners Holdings, LLC on the transaction.

Parkway Products is a leading provider of custom molding technologies to the infrastructure, agriculture, aerospace, healthcare and industrial markets in North America. To learn more about the company visit parkwayproducts.com.



Westminster, SC



Apple Creek, OH

The following acquisition was a two-building portfolio leased to Precision Products Group, Inc. The Precision acquisition consisted of 113,398 sf of both production and warehouse operations. The Apple Creek, Ohio, facility which is just outside of Wooster, stands at 84,731 sf. The smaller Fort Wayne, Indiana, facility is 33,745 sf. Agracel partnered with the private equity firm Auxo Investment Partners and Michael Vidmar of Brown Gibbons Lang & Company on the transaction.

Precision Products Group (PPG) is the parent company of Paramount Tube and Euclid Medical Products. PPG converts engineered papers, films, and plastics into specialty products critical to the performance, safety, and eco-friendliness of many products. Visit ppgintl.com to learn more about these companies.

Rounding out our third quarter acquisitions was the purchase of the Kelvion facility in Knoxville, Tennessee. Agracel purchased the existing 102,365 sf facility and are currently doing an expansion and extensive upgrades that will bring the building to 145,165 sf upon completion. Bart Hardison and Michael Reid with Newmark Knight Frank represented Agracel on the transaction.



Knoxville, TN

Kelvion is one of the leading global manufacturers of heat exchangers and has been providing solutions for almost every industrial application imaginable since the 1920's, specializing in customized solutions suitable for extreme environmental conditions. Since 2015, the company has operated under the name of Kelvion. Visit them at kelvion.com.

Team Agracel is extremely grateful for the acquisition opportunities over the past several months. We look forward to sharing our fourth quarter activity with you in the next edition of the Development Quarterly!

34
YEARS OF
EXPERIENCE

20M
SQUARE FEET
DEVELOPED

16,725
NUMBER OF
JOBS CREATED

20
STATES WITH
PROJECTS

930M
COMBINED
INVESTMENTS

Featured Client

USDA

Agracel is pleased to welcome the United States Department of Agriculture (USDA) Effingham Service Center to East Pointe Corporate Center, which is also home to Agracel's headquarters. USDA is no stranger to Agracel, as they are presently located at our Crossroads Center across town in Effingham, Illinois. They were at the end of their lease term and the move to East Pointe Corporate Center was a perfect new location for them.

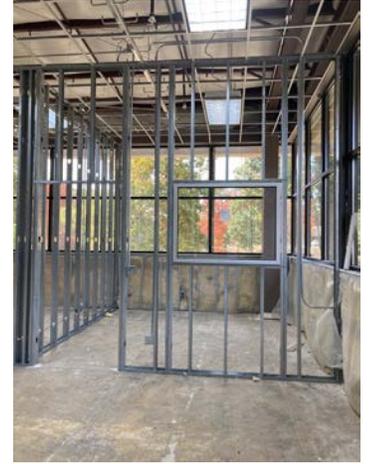
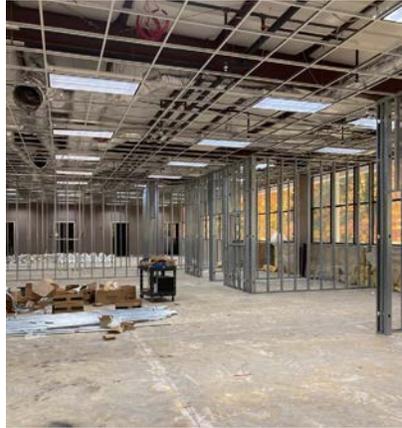
Extensive upfit will take place on the nearly 7,000 sf office space. Private offices, conference rooms, and an open area are included in the new office. In addition, East Pointe Corporate Center's breakroom area and restrooms will be upgraded to accommodate the additional personnel in the building. AKRA Builders is completing the upfit.



**United States
Department of
Agriculture**

USDA Service Centers are designed to be a single location where customers can access the services provided by the Farm Service Agency, Natural Resources Conservation Service, and the Rural Development agencies.

USDA will officially move into East Pointe Corporate Center in December, with a long-term lease in place.



Under Construction

Wastequip

Wastequip, the leading North American manufacturer of waste handling equipment, recently began operation in their new distribution center in Agracel's Mt. Sterling Industrial facility in Mt. Sterling, Kentucky. The company is leasing 104,253 sf of the 305,600 sf building, including 14,404 sf of office space.

Agracel and Wastequip worked with Long Construction to upfit the space to meet Wastequip's needs, including building additional docks and revamping the office area. A long-term lease is in place.

Wastequip's new Distribution Center for its Pioneer and Go To Parts brands features a warehouse inventory of over 30,000 SKUs of tarping equipment, OEM, and aftermarket parts, as well as a shipping center and offices for corporate and customer service staff. The new distribution center will bring 100 jobs to the area.



of steel and plastic products to collect, handle and transport just about any type of waste and recyclables.

"In every facet of our business, Wastequip always strives to better serve the needs of our customers. This new distribution center is a catalyst for centralizing our operations for more efficient shipping and enhanced customer service," said Marty Bryant, Wastequip CEO. "As a Kentucky native, I am proud to support the economic development of Montgomery County and we are excited that this investment will accelerate our strategic growth plans."

The Wastequip Distribution Center opened for business in July 2020.



Wastequip and its brands have invested in its new distribution center to centralize purchasing, customer service, inventory management and supply chain functions to enhance operating efficiencies, while allowing room for future growth. The Wastequip Distribution Center will also play a key role in accommodating the company's expansion plans for aftermarket parts. With over 2,000 employees and 38 facilities in North America, Wastequip has built a reputation for manufacturing expertise and product innovation. Privately held, Wastequip, headquartered in Charlotte, North Carolina, is the only manufacturer to offer a full line

Featured Partner

Mississippi Development Authority

The Mississippi Development Authority (MDA) is the state of Mississippi's lead economic and community development agency, with approximately 300 employees engaged in providing services to businesses, communities, and workers throughout Mississippi. The agency works to recruit new business to the state as well as retain and expand existing Mississippi industry and business. MDA also provides technical assistance to the state's entrepreneurs and small businesses, and oversees programs that support Mississippi's minority and women-owned businesses.



In addition, the agency provides Mississippi's corporate citizens with export assistance, manages the state's energy programs, and oversees programs that help its communities become more competitive. The agency also works to promote and support the Mississippi tourism industry.

The Agracel Team has a longstanding relationship with the Mississippi Development Authority. Having worked with numerous communities in Mississippi, we have partnered on 2,186,260 sf of industrial space, facilitating nearly 1,000 jobs, totaling approximately \$72.05 M in investment. And... we have new projects in the works! Over the past decade the MDA-Agracel partnership has fostered wonderful business development relationships with Mississippi contractors, bankers, utility companies, civil engineering firms, and other development entities.

"As we continue to expand our footprint in Mississippi, we look forward to working alongside MDA and their allies. We appreciate the leadership of new director, John Rounsaville, and his team, and stand ready for exciting developments in 2021," stated Justyn Dixon, Agracel's Regional Development Director for the Gulf States Office.

To learn more about the Mississippi Development Authority visit www.mississippi.org.



From the Desk of Jack Schultz

Message



I am very excited with the transition we are going through at Agracel at the end of 2020. Dean Bingham, Agracel's President for the past 18 years, will become the new CEO and President of the organization. I will be moving into the role of Executive Chairman. Ryan Witges, who has been with Agracel for 15 years, has been promoted into the Chief Operating Officer role, a position that Dean held previously.

Dean started with Agracel in 1994 when we had completed one build-to-suit (BTS) project and owned only three buildings, totaling less than 200,000 sf. That compares to today with well over 100 buildings and 12 million sf of space. If he hadn't agreed to join our very small 3-person office at that time, it is likely we would still be a 3-person office and we'd be up to perhaps 1 million sf of space. He jump started our business and we have never looked back. The firm continues in very good hands with him assuming the role of CEO.

I started the business in 1986, hoping to find a niche that would provide long term stability, with a reoccurring revenue stream. We started with farmland, and tried some other ventures, but it was industrial real estate, started in 1993, that became that niche which has served us nicely. It took us another decade to refine that strategy into focusing upon "bolt-down" buildings, where something is made. That move took our business to a completely new level, and we've been working it ever since.

As we have grown, we very carefully and deliberately brought new team members onto Team Agracel, and many have also become "superstars", like Dean. It's a great team and the thing that I am proudest of having had a hand in putting together.

Another memorable move we made along the way was setting up the Employee Stock Ownership Plan (ESOP) in 2012, allowing us to have everyone in the firm become a partner, which was how we had run the business from the start. But, now with the ESOP, everyone has a vested financial interest in the success of the business in the long term.

While I will no longer be involved in day-to-day management, the vast majority of my net worth and that of my family remains invested in Agracel and its LLCs. We plan to continue to invest, as we see the best days of Agracel lying in the future.

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.

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Jack...

On behalf of the entire Agracel Team, we wish you the best in your retirement. We are grateful for your years of vision, leadership, instruction, and friendship. As Warren Buffet so aptly put it, "Someone is sitting in the shade today because someone planted a tree a long time ago."

THANK YOU, Jack, for planting the Agracel tree years ago.

Now...off to the beach you go!

Happy

RETIREMENT!

