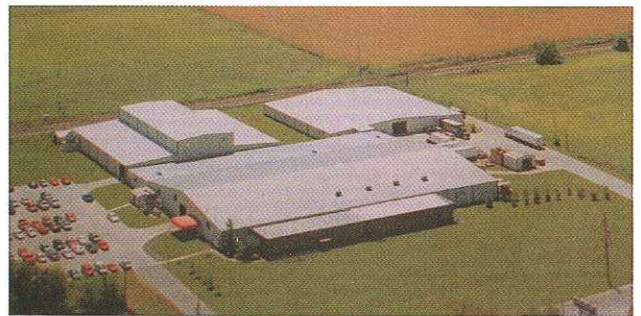


Front Page News

Fortis Plastics, LLC

Fortis Plastics, LLC is a custom plastic molder that provides compounding, molding, and tool making solutions to customers in the appliance, furniture, building products, and medical device industries. The company was created in 2008 by Monomoy Capital Partners LP, a private investment firm dedicated to constructive investing and business improvement in the markets they serve. Monomoy Capital Partners acquired L & P Plastics, LLC and Atlantic Plastics, and formed the new company Fortis Plastics.

With eight facilities and approximately 300 machines in North America, Fortis Plastics is positioned to support a variety of plastic needs for both large and small OEM's. In addition, Fortis Plastics is an industry leader in the design, engineering, and manufacturing of custom plastic components for the power tool, medical device, furniture, and automotive industries, and provides a full range of tooling, molding, and assembly services, including injection molding, gas-assisted molding, insert molding, and structural form molding.



Fortis Plastics, Carlyle, IL

Earlier this year, Monomoy asked Agracel to partner on a deal in which Agracel would purchase two of Fortis Plastics' facilities, one in Carlyle, Illinois, and the other in Poplar Bluff, Missouri, and lease them back to Fortis on a long term basis. The Poplar Bluff location, a 81,140 square foot building, has a diverse customer base and one of its major customers, Briggs & Stratton, is also located in Poplar Bluff. The Carlyle location, a 112,584 square foot facility, serves a different, less competitive market due to its higher tonnage equipment and special process applications.

Agracel had previously established a relationship with Monomoy Capital Partners in 2010 when Agracel acquired the Heat Transfer Product Group (HTPG) facility in Scottsboro, Alabama, from Monomoy. HTPG leases the facility back from Agracel on a long term basis.

The acquisition of the Poplar Bluff, Missouri, property brings to 16 the total number of states in which Agracel now has development projects.

For more information about Fortis Plastics, visit www.fortisplasticsgroup.com; and for more information on Monomoy Capital Partners, visit www.mcpfunds.com.



Fortis Plastics, Poplar Bluff, MO

Park Activity

Mt. Vernon, IL

Mt. Vernon Enterprise Park in Mt. Vernon, Illinois, has bustled with activity over the last quarter. Agracel recently sold 40 acres in the park to Guinzy Construction.

An additional 3.5 acres was also sold to Spinball Sports. Spinball will be building a facility to assemble pitching machines. The park has 22 acres remaining for sale.



**Available
22 acres**



Economic Update

Made in the USA - Again!

There are more reports of a U.S. manufacturing rebound to look forward to in the very near future! This is good news for our country.

An ongoing study by the Boston Consulting Group (www.bcg.com) states that, "within the next five years, the United States is expected to experience a manufacturing renaissance as the wage gap with China shrinks and certain U.S. states become some of the cheapest locations for manufacturing in the developed world."

With Chinese wages rising at about 17 percent per year and the value of the yuan continuing to increase, the gap between U.S. and Chinese wages is narrowing rapidly. Counting cost such as inventory and shipping, the Chinese cost advantage will drop to single digits or disappear entirely. Meanwhile, flexible work rules and a host of government incentives are making many states—including Mississippi, South Carolina, and Alabama—increasingly competitive as low-cost bases for supplying the U.S. market.

Products that require less labor and are churned out in modest volumes, such as household appliances and construction equipment, are most likely to shift to U.S. production. Goods that are labor-intensive and produced in high volumes, such as textiles, apparel, and TVs, will likely continue to be made overseas.

Indeed, a number of companies, especially U.S.-based ones, are already rethinking their production locations and supply chains for goods destined to be sold in the U.S. For some, the economics have already reached a tipping point.

Caterpillar Inc., for example, announced last year the expansion of its U.S. operations with the construction of a new 600,000-square-foot hydraulic excavator manufacturing facility in Victoria, Texas. Once fully operational, the plant is expected to employ more than 500 people and will triple the company's U.S.-based excavator capacity. "Victoria's proximity to our supply base, access to ports and other transportation, as well as the positive business climate in Texas made this the ideal site for this project," said Gary Stampanato, a Caterpillar vice president.



Even as companies reduce their investment in China to make goods for sale in the U.S., it is clear that China will remain a large and important manufacturing location. First, investments to supply the huge domestic market in that nation will continue. Second, in the absence of trade barriers that prevent offshoring, Western Europe will continue to rely on China's relatively lower labor rates since the region lacks the flexibility in wages and benefits that the U.S. enjoys.

Third, even though other low-cost countries—such as Vietnam, Thailand, and Indonesia—will benefit from companies seeking wage rates that are lower than China's, only a portion of the demand for manufacturing will shift from China. Smaller low-cost countries simply lack the supply chain, infrastructure, and labor skills to absorb all of it, Hohner noted.

As always, we will continue to watch the trends in the manufacturing sector.

TQW

Visto

TQW is thrilled to share the story of our newest client, Visto. The company is currently securing distribution rights to a variety of natural gas conversion systems and supplies. The distribution activities will be handled by TQW's fulfillment services.

Visto is the Midwest's leader in providing experienced, quality installations of CNG (Compressed Natural Gas) conversions. The advantage to running on natural gas, rather than gasoline, is that natural gas costs about \$1.25 per gallon. Natural gas also burns cleaner, which increases engine life and reduces emissions. The Visto team includes

installation experience on more than 150 vehicles with decades of experience in tank placement and mountings. Visto is dedicated



GoVisto.com

to bringing the highest quality CNG installations that provide an exceptional financial return for the customer.

What intrigues us the most about this company is that it is owned and operated by two young men barely out of high school. The owners, Christopher Schultz and Vince Higgs, were both participants in the Effingham County (IL) CEO class while in high school. The duo has worked tirelessly to develop their business, and have brought experts in CNG conversions from across the country onto their team.

The CEO (Creating Entrepreneurial Opportunities) class teaches entrepreneurial thinking in a unique manner. The class provides an "out of classroom" educational experience for high school students of entrepreneurship. Meeting in non-traditional settings, the high school juniors and seniors are provided a "hands-on" experience in developing entrepreneurial ventures. Through the year-long class, the students are introduced to all elements of a business plan, both through lecture and experience. Most importantly, each student is required to incorporate that learning into the creation of their own business venture. Hence, the creation of Visto.

Agracel is proud to serve as a partner company and as mentors to the CEO class. How truly rewarding it has been to see businesses come to life!

For more information on Visto or the CEO class visit www.govisto.com or www.effinghamceo.com.

Community Profile

Poplar Bluff, MO

Butler County, Missouri, was established in 1849 on land that was covered with swamplands and forests of hardwood trees. When the early settlers began looking for a county seat, they chose an uninhabited bluff on the Black River that was profusely populated with beautiful poplar trees, thus giving the name to the new town, Poplar Bluff. By the end of 1850 the town was settled, and by 1855 the first court house was built and the town grew. It was incorporated in 1870.

Today, Poplar Bluff is home to more than 17,000 residents, while Butler County has a population of 41,471. Three U.S. highways and two state highways converge to serve the residents and visitors of Poplar Bluff. The Poplar Bluff Municipal Airport accommodates the general aviation needs of the area with a 5,000' runway. Rail service is provided to the area via the Union Pacific Railroad.

A strong manufacturing base provides numerous employment opportunities for Poplar Bluff and Butler County. Briggs & Stratton Corporation, a maker of small engines, employs 1,400 workers; Nordyne, Inc., with 800 employees, manufactures, warehouses, and distributes heating and air units from their Poplar Bluff facility; and Gates Rubber Company employs 500 workers who manufacture radiator hoses. Other manufacturers include Mid Continent Nail, Starting USA, and Revere Plastics.

Agracel is pleased to announce the addition of the State of Missouri to our list of states in which we have developed projects. Fortis Plastics in Poplar Bluff is a custom plastic molder that provides compounding, molding, and tool making solutions to a variety of industries. Agracel has purchased Fortis Plastics' 81,140 SF manufacturing facility and leases it back to Fortis Plastics on a long term basis.

Learn more about Poplar Bluff and the surrounding area by visiting www.poplarbluff-mo.gov and www.poplarbluffchamber.org.



Featured Client

DaVita, Inc.

DaVita, Inc. has been a tenant in Agracel's Pines Medical Center in Effingham, Illinois, for over 10 years. The company currently occupies 8,050 SF in Pines Medical. Agracel is also in the process of developing a 7,200 SF state-of-the-art dialysis center for Davita in Charleston, Illinois.

DaVita Inc., a FORTUNE 500® company, is a leading provider of kidney care in the United States, delivering dialysis services and education to patients with chronic kidney failure and end stage renal disease. As of December 31, 2010, DaVita operated or provided administrative services at 1,612 dialysis facilities, serving approximately 125,000 patients. DaVita develops, participates in, and donates to numerous programs dedicated to transforming communities and creating positive, sustainable change for children, families, and our environment. The company's leadership development initiatives and corporate social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek, and WorldBlu, among others.



DaVita, which is Italian for "giving life", has more than 34,000 teammates (employees) around the nation working to provide superior patient care. The company consistently differentiates itself from other kidney care companies and surpasses national averages for clinical outcomes. The company's clinical outcomes for dialysis have improved for the past decade, and in many key areas measuring quality dialysis care, they lead the nation.

For more information visit www.davita.com

Sweet Home Alabama

For Team Agracel, Alabama has seemingly become our second home. Because of our growing presence in this great State, we recently held our first Customer Appreciation Event on Lake Guntersville in Scottsboro, Alabama. Agracel, along with our friends at Jackson County Economic Development Authority, treated our partners and allies to a boat outing on the lake, followed with a dinner and social hour at The Docks Restaurant. The evening was filled with wonderful camaraderie among all of our guests.



A big thank you to all our friends in Alabama for your genuine hospitality each and every time we visit.

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FOCUSED ON WHERE
AMERICA IS GROWING

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Featured Client

DaVita, Inc.

Covering Your World

Sam Tate, Tom Niebrugge, TVA,
Seth Hammett

Development Quarterly

1200 Network Centre, Suite 3
Effingham, IL 62401

Presort
Standard
U.S. Postage
PAID
Springfield, IL
Permit #800

Summer 2011

Covering Your World

◆ Congratulations to Sam Tate of NAI Knoxville for winning an iPad from Agracel, Inc. Agracel has had success developing relationships with banks that brokers have referred to us. Because of these successes, we rolled out a "Banker Referral Program" to our entire broker database. Our request was for contact information for any commercial real estate lenders that may be a good fit for us - regional/community banks, mortgage brokers, or institutional lenders. As an additional incentive, for each referral sent, we entered the broker's name into a drawing for a new iPad.

We are always looking for new banking partners. If you feel you have a lender who may be a good fit for us, please e-mail your referral to Mike Mumm at mmumm@agracel.com.

◆ Tom Niebrugge, Chairman and CEO of the First National Bank of Dieterich, was recently awarded the East Central Illinois Development Corporation's Lifetime Achievement Award. Tom's leadership in both the public and private sector, and significant contributions to the community of Dieterich and its surrounding areas for the past 35 years, makes him most deserving of



Sam Tate, Tom Niebrugge, TVA, Seth Hammett

the award. Congratulations Tom!

◆ The Tennessee Valley Authority (TVA) recently added two new field representatives to their team. Agracel wishes its best to both Justyn Dixon and Jamie Kennedy as they begin their work with TVA. The TVA economic development group is a tremendous ally of Agracel's as we continue our development in the South and Southeastern United States.

◆ Alabama Governor Robert J. Bentley has named former Speaker of the Alabama House of Representatives Seth Hammett as Director of the Alabama Development Office (ADO). "Seth Hammett has played a key role in every major economic development project in Alabama in the past 20 years, including Honda, Hyundai, ThyssenKrupp, and the EADS Tanker Project," said Governor Bentley. "Not only does he know economic development, he has the leadership skills and experience to keep Alabama at the forefront in attracting new business and helping our existing businesses grow and prosper," Bentley said. Team Agracel looks forward to working with Mr. Hammett as we continue to develop in Alabama.

