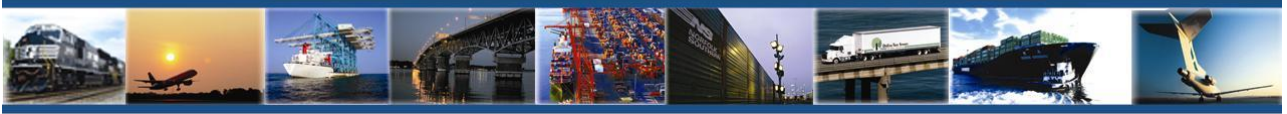


Virginia's Hampton Roads

Chesapeake * Franklin * Gloucester County * Hampton * Isle of Wight County * James City County * Newport News * Norfolk * Poquoson * Portsmouth * Southampton County * Suffolk * Virginia Beach * Williamsburg * York County

Executive Summary



Six of the ten largest population centers in the U.S.A. are located within 750 miles (1,206 kms) of Hampton Roads.

New York, NY; Chicago, IL; Philadelphia, PA; Detroit, MI; Indianapolis, IN and Jacksonville, FL



Highway System: Hampton Roads is linked to domestic markets by one of the country's most modern interstate and state highway systems. Interstate 64, a major east-west route, encircles the metropolitan area. Due west are the principal north-south interstate highways, I-85 and I-95. Through Southampton County, I-95 is located just 4 miles west of the region. The Chesapeake Bay Bridge Tunnel gives coastal highway traffic direct access to Hampton Roads and saves 90 miles to the New York/New Jersey corridor.

Rail: Hampton Roads is home to the corporate headquarters of Fortune 500, Norfolk Southern. The Hampton Roads region enjoys exceptional cargo handling and transportation through the extensive rail service provided by Norfolk Southern and CSX. The combined rail system consists of 43,300 miles of tracks linking 23 states, including the entire Eastern U.S. and the Province of Ontario, Canada. Amtrak provides daily passenger rail service between Newport News, Washington D.C., Philadelphia, New York and Boston.

Port: Three marine terminals operated by the Virginia Port Authority and located in Norfolk, Newport News, and Portsmouth serve the region as one of the busiest general cargo ports on the East Coast with a 50 foot deep, year-round, ice-free harbor. A 15-year and \$450 million expansion will effectively double capacity.

APM Terminals has opened Phase I of its \$450 million, 575-acre facility in Portsmouth. This is the USA's first privately developed container terminal and one of the largest and most advanced container facilities on the North American East Coast.

The Port of Virginia handles over 40 million tons of cargo annually, including 2.0 million TEUs. Over 95% of the world's shipping lines call on the Port of Hampton Roads, linking Virginia to almost 400 ports in more than 100 countries worldwide.

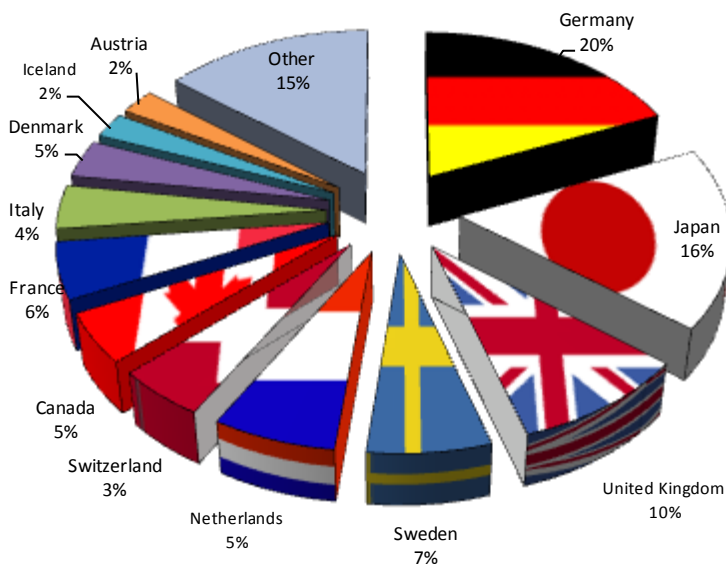
Airport: Norfolk International Airport and Newport News/Williamsburg International Airport provide offer more than 230 non-stop direct flights to more than 26 airports, 16 of which are international gateways.

Sources: Norfolk Southern; CSX; Amtrak; Norfolk International Airport; Newport News-Williamsburg International Airport; Virginia Port Authority; APM Terminals; HREDA Research

Executive Summary cont.

International Character: There are 178 international firms representing 27 countries in Virginia's Hampton Roads.

Virginia's Hampton Roads International Firms by Origin (Percentage)



"Other" includes Australia, Brazil, China, Finland, Greece, India, Israel, Liechtenstein, Norway, South Korea, Spain & Turkey

Source: HREDA Research

Lifestyle: Hampton Roads enjoys a mild coastal temperate climate enhanced by outstanding residential and recreational options, expansive shoreline and beaches, museums, opera, Busch Gardens/Williamsburg and other amusement parks, festivals, a variety of restaurants featuring National and International cuisine, professional sports, regional shopping malls and outlet centers, colonial cities and towns, state and national parks, and much, much more.

Labor: Virginia is an employer-friendly state with its "Right to Work" and "Employment at Will" labor structure. Business Costs, including Workers' Compensation (\$2.08 per \$100 of payroll) and Unemployment Insurance (\$106 tax per employee) are among the lowest in the nation. Hampton Roads has a labor force of more than 800,000 people – replenished annually by approximately 13,000 qualified, exiting military personnel.



Universities: Over 96,000 students are enrolled in the region's 12 colleges and universities which include Old Dominion University (23,000 students), Norfolk State University (6,300 students), The College of William and Mary (7,900 students), Hampton University (5,400 students) and Christopher Newport University (4,900 students).

Source: VEDP; SCHEV, 2008-2009

OLD DOMINION UNIVERSITY

NSU
NORFOLK STATE UNIVERSITY

The College of
WILLIAM & MARY

CHRISTOPHER NEWPORT UNIVERSITY

HAMPTON UNIVERSITY

Updated June 2009

Average Real Estate Costs

CLASS " A " OFFICE SPACE (rent/sq.ft./yr.)	
Downtown Office	\$20.50
Suburban Office	\$18.00
CLASS " B " OFFICE SPACE (rent/sq.ft./yr.)	
Downtown Office	\$14.00
Suburban Office	\$13.50
CONSTRUCTION COST FOR A 40,000SF	
Low Quartile	\$1,934,250
High Quartile	\$2,686,458
Median Sub-Discipline Costs	
Contractor's Overhead & Profit	\$537,333

Sources: NAI Harvey Lindsay Market Report, 2008/9 RS Means 2009

* Projects do not include any site work or equipment costs.

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