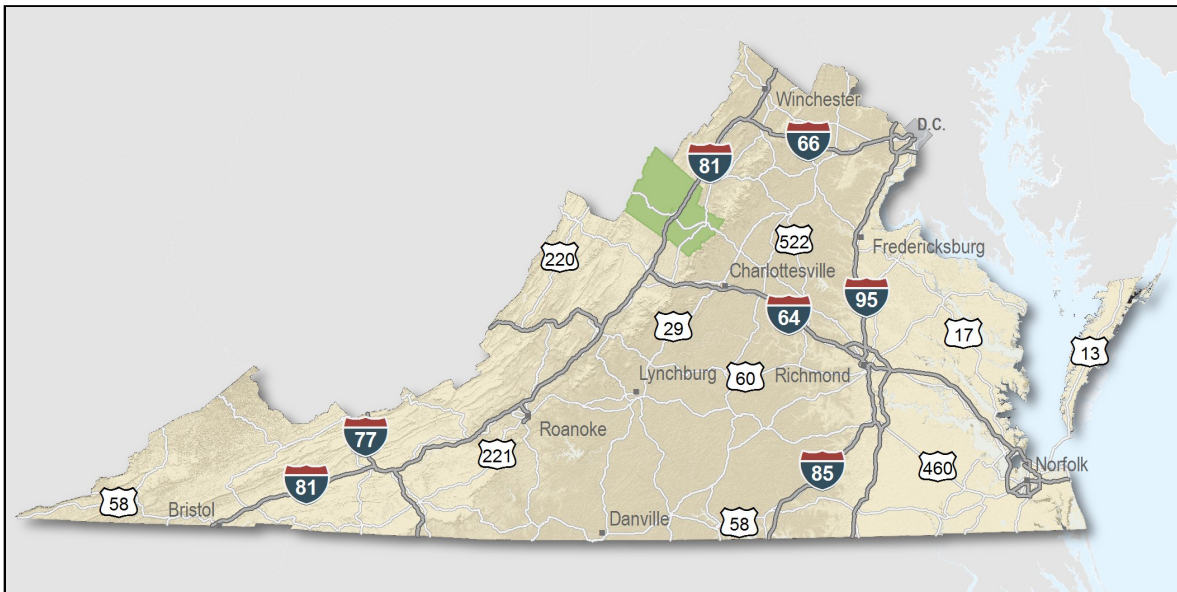

Harrisonburg MSA, Virginia

Overview

Only a few locations can guarantee the right combination of resources that are crucial to your business's success. Virginia's premier location offers excellent domestic and international access. Centrally located on the U.S. East Coast, more than 47 percent of the U.S. population is within a day's drive, and our integrated transportation system of highways, railroads, airports and seaports ensures that you can reach every one of your markets efficiently. Close proximity to Washington, D.C. facilitates contact with policy makers and the federal government system.

Virginia continues to rank among America's leading states for business by CNBC and Forbes.com. Business-first values, easy access to markets, stable and competitive operating costs, and a talented workforce all drove Virginia to the top. This unique combination of assets has encouraged businesses to prosper here for more than 400 years. Like you, they searched the world over for that convergence of resources that would help ensure their prosperity. For them, their search ended here. Chances are yours will too.

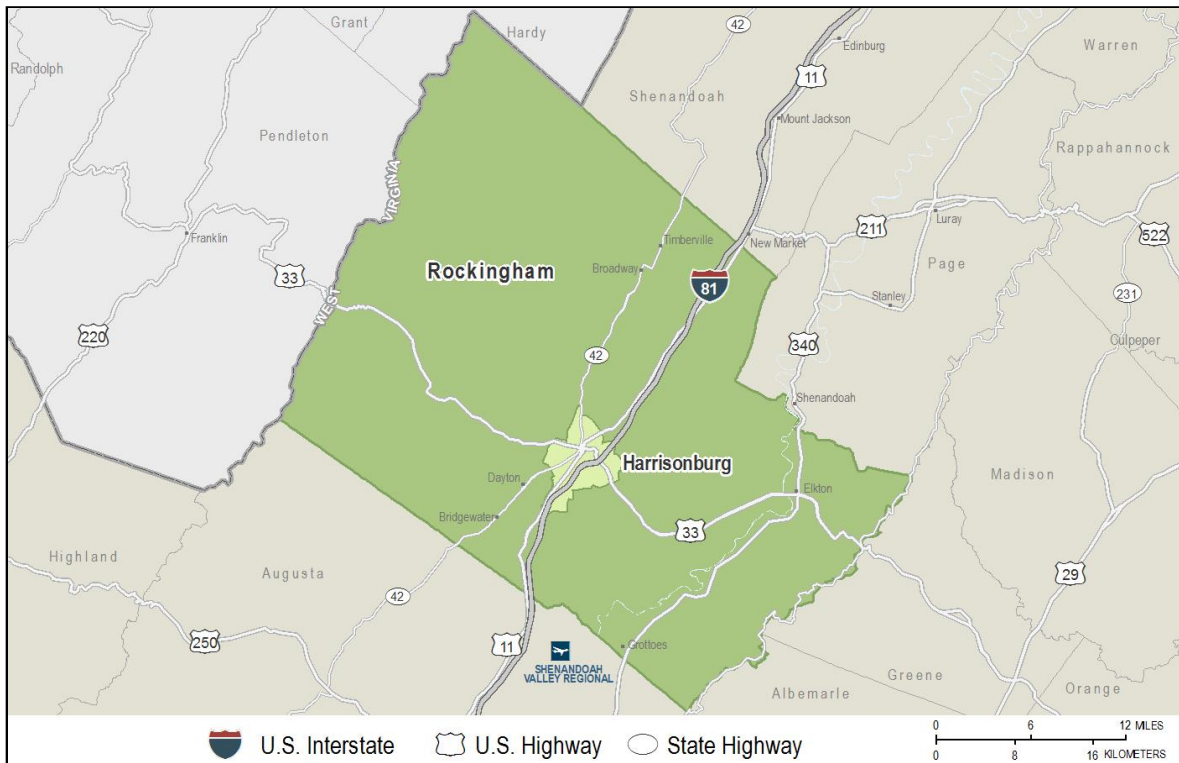
- AAA bond rating- Virginia has maintained a AAA rating since 1938, longer than any other state.
- Right-to-work law allows individuals the right to work regardless of membership in a labor union or organization.
- Corporate income tax rate of 6% has not been increased since 1972.
- Headquarters to 37 Fortune 1000 firms.
- Headquarters to 56 firms each with annual revenue over \$1 billion.
- More than 21,400 high-tech establishments operate in Virginia.
- More than 700 internationally-owned businesses from 40 countries are located in Virginia.
- Ranks third among the 50 states as a recipient of federal R&D funds.
- Streamlined permitting process.
- Recruitment training programs to help new businesses become operational faster.
- Programs at little or no cost to help businesses increase international sales.



Location

The Harrisonburg Metropolitan Statistical Area (MSA) is nestled in the heart of the historic and scenic Shenandoah Valley in west central Virginia. The area is bounded on the west by the Allegheny Mountains and on the east by the crest of the Blue Ridge Mountains. Interstate 81 is the major transportation route providing one-day access to two-thirds of the U.S. population.

Roanoke is 110 miles to the south; Washington, D.C. is 125 miles to the northeast; and Richmond, the state capital, is 131 miles southeast.



Harrisonburg MSA

The Harrisonburg MSA is a hub for technology development. When asked what attracted Serco to the Shenandoah Valley, the management team listed a highly skilled and professional workforce, James Madison University, and affordable labor rates and a climate for technical innovation as key factors. Harrisonburg specializes in growing information technology businesses for health and security solutions. Come see why industry leaders Rosetta Stone, SRI International, Merck and MillerCoors are investing hundreds of millions in this thriving market.



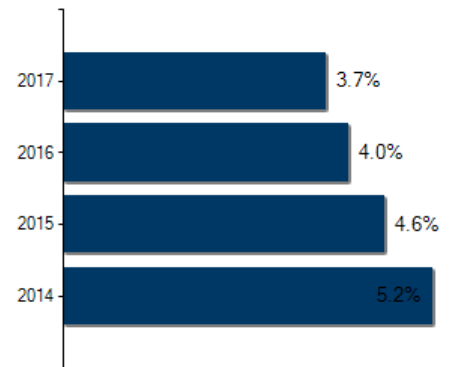
Labor Market

Population		
Gender Distribution (2017)		
Harrisonburg MSA	Male	Female
	48.6%	51.4%
Race/Ethnicity (2017)		
Classification		Profile Area
White		121,000
Black		6,599
Asian		3,098
Two or More		2,648
American Indian or Alaska Native		891
Pacific Islander		206
Hispanic (may be of any race)		16,341
Median Age (2017)		
Harrisonburg		26 years
Rockingham		41 years

Population in Thousands



Unemployment Rates



Labor Market

Civilian Labor Force (2017)

Harrisonburg MSA	65,396
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Labor Force Participation (2013-2017)

Harrisonburg MSA	63.0%
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Unemployment

Unemployment Rate (September 2018)	
Harrisonburg MSA	2.7%
Statewide	2.8%
Unemployed (2017)	
Harrisonburg MSA	2,433
Underemployed (3rd Quarter 2018)	
Harrisonburg MSA	6,857



Labor Market

Commute Time (2013-2017)		
Worked from home	2,674	4.2%
Under 15 minutes	24,376	40.4%
15-24 minutes	20,276	33.6%
25-34 minutes	9,190	15.2%
35-44 minutes	2,398	4.0%
45-59 minutes	1,927	3.2%
Over 60 minutes	2,158	3.6%
Mean Travel Time to Work (minutes)		
Harrisonburg		16
Rockingham		22

Additional Labor Resources	
High School Graduates Not Continuing (2017-2018)	299
Two-Year College Graduates (Spring 2017)	979
Two-Year College Enrollees (Fall 2017)	10,898
Other College and University Graduates (Spring 2017)	6,211
Total	18,387

Career Readiness Certificate (06/30/2017-06/30/2018)

Virginia’s Career Readiness Certificate (CRC) assists employers by certifying that a recipient possesses core skills in applied math, reading for information, and locating information. The CRC certification is based on established Workeys® assessment tests. Virginia uses a three-tiered approach (bronze, silver, gold) to credentialing certificate holders that is based on the recipient’s level of development skills.

Harrisonburg MSA

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Educational Attainment

On-Time Graduation Rate (Class of 2017)	92.4%
Percentage of Harrisonburg MSA population age 25+ who are high school graduates (2013-2017)	83.0%
Percentage of Harrisonburg MSA population age 25+ who have earned a Bachelor’s Degree or higher (2013-2017)	28.1%

Labor Market

Employment by Sector* (2nd Qtr. 2018)

Agriculture Forestry Fishing and Hunting	1,328	2.1%
Mining Quarrying and Oil and Gas Extraction	N.D.	N.D.
Utilities	N.D.	N.D.
Construction	3,652	5.7%
Manufacturing	10,306	16.1%
Wholesale Trade	2,208	3.4%
Retail Trade	6,897	10.7%
Transportation and Warehousing	3,523	5.5%
Information	975	1.5%
Finance and Insurance	1,182	1.8%
Real Estate and Rental and Leasing	857	1.3%
Professional Scientific and Technical Services	1,845	2.9%
Management of Companies and Enterprises	325	0.5%
Administrative and Support and Waste Management	1,901	3.0%
Educational Services	1,182	1.8%
Health Care and Social Assistance	7,510	11.7%
Arts Entertainment and Recreation	412	0.6%
Accommodation and Food Services	7,591	11.8%
Other Services	1,409	2.2%
Total Government	10,892	17.0%
Federal Government	361	0.6%
State Government	4,810	7.5%
Local Government	5,721	8.9%
Unclassified	110	0.2%
Total	64,209	100.0%

N.D. - Not Disclosed

*By Business Establishment

Employment by Occupation (2017)

Construction, Extraction & Maintenance	5,780	9.1%
Farming, Fishing & Forestry	480	0.8%
Managerial, Professional & Related	15,710	24.8%
Production, Transportation & Material Moving	12,580	19.8%
Sales & Office	15,010	23.7%
Service	13,870	21.9%
Total	63,430	100%

Labor Market

Major Employers

Manufacturing

Company

Ariake USA
 ComSonics, Inc.
 Georges, Inc.
 Graham Packaging Co.
 LSC Communications
 Merck & Company Inc.
 MillerCoors Shenandoah Brewery
 Packaging Corporation of America
 Perdue Farms, Inc.
 Pilgrim's Pride Corporation
 Tenneco Automotive Inc.
 Valley Blox, Inc.
 WhiteWave Foods

Product/Service

Food processing - stocks and broths
 Telecommunications equipment
 Poultry processing
 Plastic bottles
 Book printing
 Pharmaceuticals
 Malt beverages
 Packaging full line plant
 Poultry processing
 Poultry processing
 Motor vehicle parts
 Concrete products
 Milk, soy products

NonManufacturing

Company

James Madison University
 Marshalls
 Rosetta Stone
 Sentara/Rockingham Memorial Hospital
 Serco
 Wal Mart

Product/Service

Higher education
 Retail distribution
 Language learning software
 Health care
 Patent classification - sciences
 Retail distribution

Labor Market

Closings, Reductions, Layoffs (1/2015 to date)

Date	Type	Company	Product/Service	Employees Affected
4/2/2018	Closing	Rosetta Stone	Foreign language teaching software	12

Union Activity (8/1/2015 - 8/1/2018)

Petitions filed for representation	2
Elections won by union	1
Elections won by company	1

Labor Market

Estimated Earnings (May 2017)

Occupation	Median Wage (US\$)	Mean Wage (US\$)	Median Salary (US\$)	Mean Salary (US\$)
Laborers and Freight, Stock, and Material Movers, Hand Industrial Truck and Tractor Operators	13.61	14.35	28,324	29,843
Heavy and Tractor-Trailer Truck Drivers	17.10	18.94	35,545	39,408
Inspectors, Testers, Sorters, Samplers, and Weighers	19.86	21.63	41,309	44,996
Welders, Cutters, Solderers, and Brazers	16.48	18.24	34,268	37,943
First-Line Supervisors of Production and Operating Workers	18.69	18.39	38,885	38,250
Maintenance and Repair Workers, General	25.17	27.28	52,354	56,745
Industrial Machinery Mechanics	17.90	18.82	37,239	39,128
Bus and Truck Mechanics and Diesel Engine Specialists	26.16	26.84	54,402	55,834
Office Clerks, General	21.82	22.83	45,394	47,496
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	14.18	14.81	29,490	30,810
Receptionists and Information Clerks	15.39	15.93	32,018	33,134
Customer Service Representatives	13.46	13.85	28,005	28,814
Bookkeeping, Accounting, and Auditing Clerks	14.92	15.85	31,056	32,960
First-Line Supervisors of Office and Administrative Support Workers	17.60	18.18	36,604	37,811
Network and Computer Systems Administrators	22.62	24.02	47,044	49,962
Software Developers, Applications	34.70	35.30	72,179	73,408
Accountants and Auditors	40.08	39.47	83,360	82,101
Management Analysts	32.70	33.99	68,003	70,698
Human Resources Specialists	30.08	36.76	62,563	76,464
	26.02	27.26	54,113	56,695

Per Capita Personal Income (2016)

\$36,021

Median Family Income (2013-2017)

\$65,034



Education

Public School Enrollment (Fall 2017)

Level	Number	Enrollment
Elementary	20	8,113
Middle	6	4,024
High School	5	5,501
Alternative	1	485

Student Teacher Ratio (FY 2017)

Elementary	13:1
Secondary	9:1

Per Pupil Expenditure (FY 2017) (US\$)

11,593.67

On-Time Graduation Rate (Class of 2017)

92.4%

High School Graduates Continuing Education (2017-2018)

77.3%

Advanced Programs (2017-2018)

Governor's STEM Academies and Health Academies	
Governor's STEM Academy at Harrisonburg High School	
Governor's School Enrollment	31
Students taking 1 or more Advanced Placement (AP) Courses	954
Students taking 1 or more AP Exams	609
Students taking 1 or more Dual Enrollment Courses	349

Education

Workforce Development Facilities

Facility	Type
Massanutten Technical Center	Career and Technical Center
Valley Workforce Center - Harrisonburg	Comprehensive Center
Valley Workforce Center - Luray	Satellite Center
Valley Workforce Center - Rockbridge	Satellite Center
Valley Workforce Center - Staunton	Satellite Center
Valley Workforce Center - Winchester	Satellite Center

Higher Education Facilities – Fall 2017

Facility	Enrollment
James Madison University	21,836
Piedmont Virginia Community College - Eugene Giuseppe Center	5,608 [†]
Blue Ridge Community College	4,200
Bridgewater College	1,889
Mary Baldwin College	1,654
Eastern Mennonite University	1,530
American National University - Harrisonburg Campus	1,090 ^{†‡}
Lord Fairfax Community College - Luray-Page County Center	^{†§}

[†] Enrollment figures are not available.

[‡] Enrollment figures are for all campuses.

[§] Enrollment counted at a main campus.

[◊] Fall 2016 Enrollment



Transportation

Interstates	
Name	Distance
I-81	0.0 miles (0.0 km.)
I-64	11.0 miles (17.7 km.)
I-66	33.1 miles (53.2 km.)

Note: Measured from border of locality/region.

Highways				
Highway 11	Highway 211	Highway 256	Highway 257	Highway 259
Highway 276	Highway 290	Highway 33	Highway 340	Highway 42
Highway 48				

Commercial Air Service		
Shenandoah Valley Regional Airport, Weyers Cave -- 15.1 miles (24.2 km.)		
ViaAir		
Charlottesville-Albemarle Airport, Charlottesville -- 46.2 miles (74.4 km.)		
American Airlines	Delta Connection	United Airlines

Note: Within a 75-mile drive of the center of the closest locality in the MSA.



Transportation

General Aviation Service

Name	Runway Length
Bridgewater Air Park, Bridgewater, VA	2,745 ft (837 m)

Freight Rail Service

Chesapeake & Western Railroad Norfolk Southern Railway Company Shenandoah Valley Railroad

Seaports

Name	Distance
Port of Virginia (Inland Port Front Royal)	64.0 miles (103.0 km)
Port of Virginia	208.0 miles (334.7 km)

Note: Driving distance from the center of the closest locality in the MSA to the Port of Virginia and any other seaports within 100 miles.

Other Ports of Entry

Name	Distance
Port of Washington - Dulles	113.7 miles (183.0 km)

Note: Driving distance from the center of the closest locality in the MSA to the Port of Washington-Dulles and any other port of entry within 100 miles.

Utilities

Electric

Shenandoah Valley Electric Cooperative
Harrisonburg Electric Commission

Dominion Energy

Natural Gas

Columbia Gas of Virginia

Telecommunications

Shenandoah Telecommunications
Level 3 Communications
Comcast Business Communications

Verizon South
Lumos Networks

Water

City of Harrisonburg
Town of Bridgewater
Town of Elkton

Rockingham County
Town of Broadway
Food Processors Water Cooperative

Waste Water Treatment

Harrisonburg-Rockingham Regional Sewer Authority
Town of Elkton
City of Harrisonburg
Town of Dayton

Town of Broadway
Town of Timberville
Town of Bridgewater

Solid Waste Disposal

Harrisonburg-Rockingham Landfill



Financial Institutions

Financial Institutions – 1st Qtr 2018 Assets	
Bank	Assets (US\$ Millions)
Bank of America, N.A.	1,765,242.0
Wells Fargo Bank, N.A.	1,716,532.0
Branch Banking and Trust Company	215,012.0
SunTrust Bank	199,970.2
First-Citizens Bank & Trust Co.	34,262.9
United Bank	18,609.9
Union Bank & Trust Co.	13,118.0
WoodForest National Bank	5,699.6
Carter Bank & Trust	4,112.8
Summit Community Bank, Inc.	2,127.7
The First Bank and Trust Co.	1,740.1
First Bank - Strasburg	767.6
Farmers & Merchants Bank	728.0
Bank of the James	653.9
Blue Ridge Bank	441.5
Pendleton Community Bank, Inc.	295.6
Pioneer Bank	200.8



Government and Taxes

Government

Rockingham County has a County Administrator and a five-member Board of Supervisors. Harrisonburg has a City Manager and a five-member City Council.

Both Rockingham County and Harrisonburg have comprehensive plans and zoning and subdivision ordinances.

Harrisonburg serves as the county seat. Bridgewater, Broadway, Dayton, Elkton, Grottoes, Mount Crawford, and Timberville are incorporated towns within the county.

Taxes

Localities in Virginia collect a 1% sales tax. They do not tax other items taxed at the State level.

Counties and cities in Virginia are separate taxing entities. Therefore, a company pays taxes to either a county or to a city.

If a company is located in a town, it pays town and county taxes except for utility taxes which are paid only to the town and the license tax which is paid only to the town unless town law permits the additional collection of a county tax.

Manufacturers pay real estate, machinery and tools, truck and automobile, utility, and sales taxes.

Nonmanufacturers pay real estate, tangible personal property, truck and automobile, utility, and sales taxes. They also may pay either a merchants' capital or a license tax.



Community Facilities

Rockingham Health Care, Inc. is composed of Rockingham Memorial Hospital (RMH), a full-accredited, not-for-profit, 266-bed regional healthcare facility; East Rockingham Health Center; Mt. Jackson Medical Center; and the RMH Wellness Center, a medically based wellness facility. RMH offers a regional Cancer Center, Ambulatory Surgery Center, Home Health Care, Family Birthplace, a hospice program, plus a number of other diversified health services.

There are more than 220 physicians, 1,180 health care workers, and over 600 volunteers associated with RMH.

In addition to hospital services, Rockingham County and Harrisonburg jointly maintain health departments and clinics to serve the health needs of area residents.

Massanutten Regional Library with 175,000 volumes has an annual circulation of 560,000. Libraries at James Madison University, Bridgewater College, Eastern Mennonite University, and Blue Ridge Community College are also open to the public and issue off-campus borrowers' cards to residents of the area.

The Rockingham MSA serves as the major retail and service center in the Shenandoah Valley. A regional mall with over 90 retail outlets is located in Harrisonburg. Six additional shopping centers are conveniently located throughout the area for residents' shopping needs along with a variety of shops and services in the Harrisonburg downtown central business district.



Community Facilities

(continued)

There are over 200 places of worship in the area. These facilities represent a diversity of denominations and faiths.

Numerous cultural and recreational opportunities are available to the residents of the Rockingham MSA. The Shenandoah National Park, Skyline Drive, George Washington National Forest, Grand Caverns Regional Park, and Natural Chimneys Regional Park offer scenic views, hiking, skiing, picnicking, camping, swimming, fishing, and other outdoor activities for residents as well as visitors. Masanutten Four-Season Resort offers skiing, golf, hiking, mountain biking, and an indoor/outdoor water park.

James Madison University, Bridgewater College and Eastern Mennonite University sponsor lectures, concerts, art exhibits and numerous athletic events which can be attended by the general public. Many of these events are free. Two planetariums, at Bridgewater College and James Madison University, are also open to the public throughout the year. James Madison University also offers programs and activities through their theaters and galleries.

Explore More Discovery Museum, a hands-on learning environment for children ages 1-12 and their families, is a regional attraction located in Harrisonburg's thriving downtown Arts & Cultural District. Annual attendance exceeds 60,000 visitors.