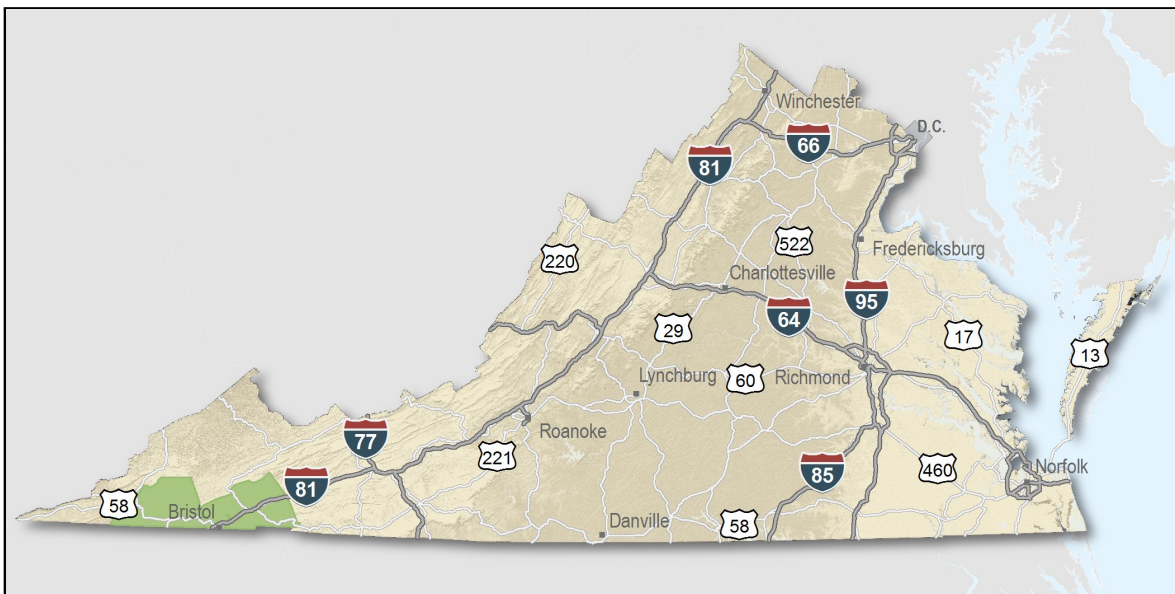

Kingsport-Bristol-Bristol MSA, Virginia

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.

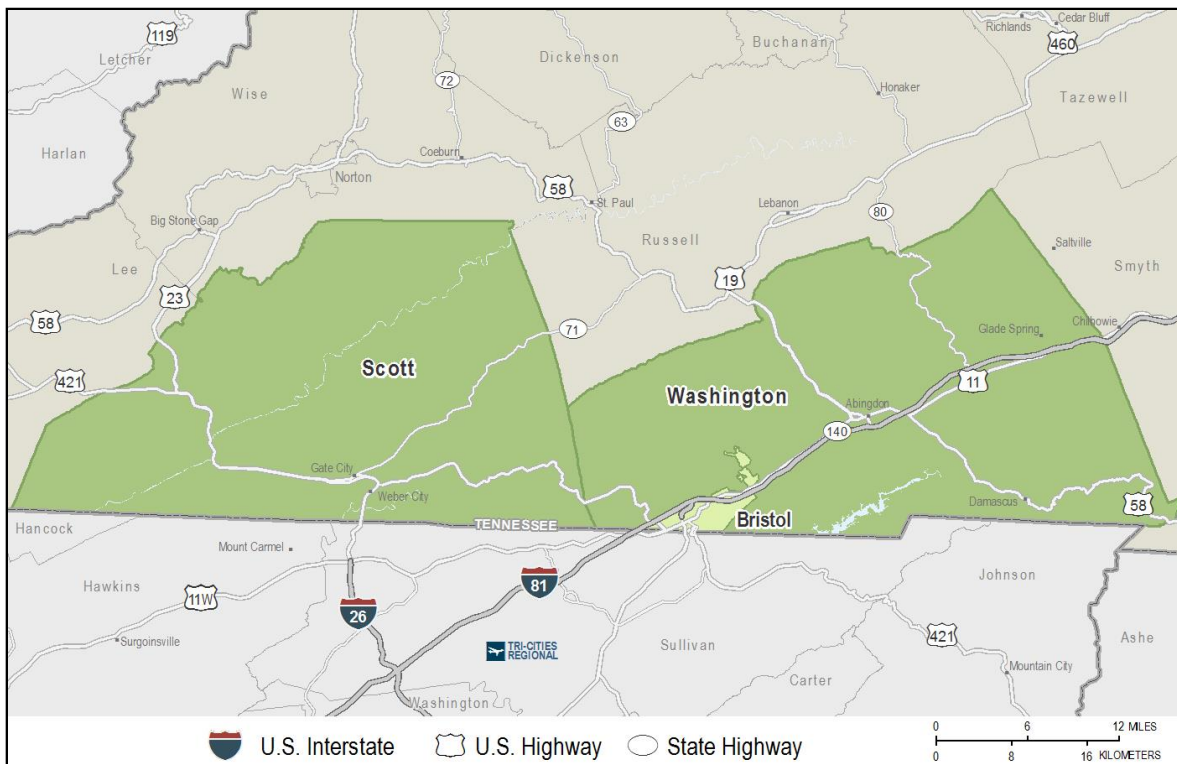
- AAA bond rating- Virginia has maintained a AAA rating since 1938, longer than any other state.
- Right-to-work law allows individuals the right to work regardless of membership in a labor union or organization.
- Corporate income tax rate of 6% has not been increased since 1972.
- Headquarters to 37 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 Virginia portion of the Kingsport-Bristol-Bristol, TN-VA Metropolitan Statistical Area (MSA) consists of Washington County, Scott County, and the city of Bristol. The MSA is located in the southwestern part of Virginia. The area exhibits great natural beauty and a pleasant climate. An excellent transportation network, utilities, and a full complement of support services combine to create an appealing setting for continued economic investment.

Roanoke, Virginia, is 143 miles east of Bristol via Interstate 81. Knoxville, Tennessee, is 118 miles west. Atlanta, Georgia, is approximately 300 miles south. The Port of Hampton Roads is 397 miles east.



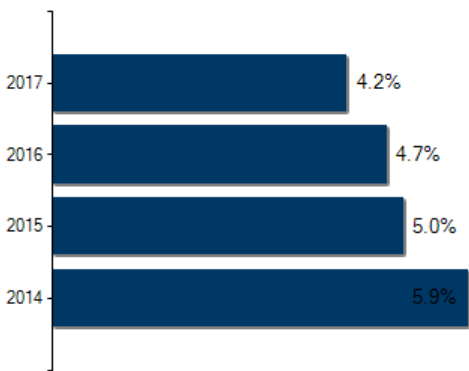
Labor Market

| Population | | |
|-----------------------------------|---------------|---------------------|
| Gender Distribution (2017) | | |
| Kingsport-Bristol-Bristol MSA | Male 49.1% | Female 50.9% |
| Race/Ethnicity (2017) | | |
| Classification | | Profile Area |
| White | | 89,146 |
| Black | | 1,963 |
| Two or More | | 1,049 |
| Asian | | 556 |
| American Indian or Alaska Native | | 278 |
| Pacific Islander | | 50 |
| Hispanic (may be of any race) | | 1,562 |
| Median Age (2017) | | |
| Bristol | | 43 years |
| Scott | | 47 years |
| Washington | | 46 years |

Population in Thousands



Unemployment Rates



Labor Market

Civilian Labor Force (2017)

| | |
|-------------------------------|--------|
| Kingsport-Bristol-Bristol MSA | 43,772 |
|-------------------------------|--------|

Labor Force Participation (2013-2017)

| | |
|-------------------------------|-------|
| Kingsport-Bristol-Bristol MSA | 54.3% |
|-------------------------------|-------|

Unemployment

| | |
|---|-------|
| Unemployment Rate (September 2018) | |
| Kingsport-Bristol-Bristol MSA | 3.0% |
| Statewide | 2.8% |
| Unemployed (2017) | |
| Kingsport-Bristol-Bristol MSA | 1,829 |
| Underemployed (3rd Quarter 2018) | |
| Kingsport-Bristol-Bristol MSA | 4,577 |



Labor Market

Commute Time (2013-2017)

| | | |
|------------------------------------|--------|-------|
| Worked from home | 1,533 | 3.9% |
| Under 15 minutes | 10,948 | 29.3% |
| 15-24 minutes | 11,306 | 30.3% |
| 25-34 minutes | 7,709 | 20.6% |
| 35-44 minutes | 1,945 | 5.2% |
| 45-59 minutes | 3,478 | 9.3% |
| Over 60 minutes | 1,949 | 5.2% |
| Mean Travel Time to Work (minutes) | | |
| Bristol | | 21 |
| Scott | | 28 |
| Washington | | 24 |

Additional Labor Resources

| | |
|--|--------|
| High School Graduates Not Continuing (2017-2018) | 171 |
| Two-Year College Graduates (Spring 2017) | 2,986 |
| Two-Year College Enrollees (Fall 2017) | 43,970 |
| Other College and University Graduates (Spring 2017) | 3,883 |
| Total | 51,010 |

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.

Kingsport-Bristol-Bristol MSA

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Educational Attainment

| | |
|--|-------|
| On-Time Graduation Rate (Class of 2017) | 91.9% |
| Percentage of Kingsport-Bristol-Bristol MSA population age 25+ who are high school graduates (2013-2017) | 83.4% |
| Percentage of Kingsport-Bristol-Bristol MSA population age 25+ who have earned a Bachelor's Degree or higher (2013-2017) | 20.9% |

Labor Market

Employment by Sector* (2nd Qtr. 2018)

| | | |
|---|---------------|---------------|
| Agriculture Forestry Fishing and Hunting | 204 | 0.6% |
| Mining Quarrying and Oil and Gas Extraction | 64 | 0.2% |
| Utilities | 40 | 0.1% |
| Construction | 922 | 2.6% |
| Manufacturing | 5,517 | 15.8% |
| Wholesale Trade | 958 | 2.7% |
| Retail Trade | 5,545 | 15.8% |
| Transportation and Warehousing | 1,397 | 4.0% |
| Information | 428 | 1.2% |
| Finance and Insurance | 771 | 2.2% |
| Real Estate and Rental and Leasing | 183 | 0.5% |
| Professional Scientific and Technical Services | 817 | 2.3% |
| Management of Companies and Enterprises | 651 | 1.9% |
| Administrative and Support and Waste Management | 1,095 | 3.1% |
| Educational Services | 500 | 1.4% |
| Health Care and Social Assistance | 4,187 | 12.0% |
| Arts Entertainment and Recreation | 342 | 1.0% |
| Accommodation and Food Services | 3,951 | 11.3% |
| Other Services | 1,177 | 3.4% |
| Total Government | 6,179 | 17.7% |
| Federal Government | 269 | 0.8% |
| State Government | 1,183 | 3.4% |
| Local Government | 4,727 | 13.5% |
| Unclassified | 81 | 0.2% |
| Total | 35,008 | 100.0% |

N.D. - Not Disclosed

*By Business Establishment

Employment by Occupation (2017)

| | | |
|--|---------------|-------------|
| Construction, Extraction & Maintenance | 2,200 | 6.6% |
| Farming, Fishing & Forestry | 90 | 0.3% |
| Managerial, Professional & Related | 8,380 | 25.0% |
| Production, Transportation & Material | 6,410 | 19.1% |
| Moving | | |
| Sales & Office | 8,910 | 26.5% |
| Service | 7,570 | 22.6% |
| Total | 33,560 | 100% |

Labor Market

Major Employers

Manufacturing

Company

Ball Metal Beverage Container Corp.
 Bristol Compressors
 Columbus McKinnon Corporation
 HAPCO
 Joy Technologies Inc.
 Line Power Manufacturing Co.
 Paramount Manufacturing

Snack Alliance, Inc.
 Strongwell
 Universal fibers
 Utility Trailer Manufacturing, Inc.
 VFP Inc.

NonManufacturing

Company

Dutt & Wagner of Virginia, Inc.
 Emory & Henry College
 Johnston Memorial Hospital
 K-VA-T Food Stores Inc.
 OfficeMax
 United Parcel Service
 Virginia Highlands Community College

Product/Service

Aluminum tops for beverage cans
 Hermetic compressors
 Electric & hand hoists
 Aluminum poles
 Mining machinery
 Electrical equipment
 Molded parts & accessories for motor vehicles
 Snack foods
 Plastic products
 Finished yarns
 Dry freight vans
 Prefabricated structures

Product/Service

Poultry & egg processing
 Higher education
 Health care
 Supermarket distribution center
 Office Supplies
 Courier
 Higher education

Labor Market

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

| Date | Type | Company | Product/Service | Employees Affected |
|------------|-----------|-------------------------------------|---|--------------------|
| 5/22/2015 | Reduction | Office Depot, Inc. | Customer service center | 143 |
| 12/31/2015 | Layoff | Range Resources-Pine Mountain, Inc. | Independent oil and natural gas producer | 158 |
| 5/1/2016 | Closing | Ball Corporation | Beverage packaging and end-making | 200 |
| 5/20/2016 | Layoff | Bristol Compressors International | Manufacturer of air conditioning components | 120 |
| 7/8/2016 | Layoff | Bristol Compressors International | Manufacturer of compressors for air conditioning and heating | 60 |
| 9/30/2016 | Closing | Sandvik* | Manufactures mineral ground tool products for mining and construction | 49 |
| 9/28/2018 | Closing | Bristol Compressors International | Compressors; air conditioning, heating | 470 |
| 10/18/2018 | Closing | Coca-Cola Bottling Co. Consolidated | Warehouse and logistics center | 10 |

*Internationally-owned

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

| | |
|-------------------------------------|---|
| Petitions filed for decertification | 0 |
| Petitions filed for representation | 0 |
| Petitions filed for raid | 0 |
| Elections won by union | 0 |
| Elections won by company | 0 |

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 | 12.13 | 13.20 | 25,223 | 27,452 |
| Heavy and Tractor-Trailer Truck Drivers | 16.66 | 16.28 | 34,649 | 33,859 |
| Inspectors, Testers, Sorters, Samplers, and Weighers | 19.45 | 20.23 | 40,467 | 42,062 |
| Welders, Cutters, Solderers, and Brazers | 17.79 | 18.05 | 37,000 | 37,529 |
| Machinists | 16.42 | 16.82 | 34,155 | 34,984 |
| First-Line Supervisors of Production and Operating Workers | 20.47 | 20.28 | 42,587 | 42,177 |
| Maintenance and Repair Workers, General | 26.77 | 29.93 | 55,667 | 62,250 |
| Industrial Machinery Mechanics | 13.39 | 14.70 | 27,864 | 30,582 |
| Office Clerks, General | 19.89 | 20.92 | 41,370 | 43,514 |
| Secretaries and Administrative Assistants, Except Legal, Medical, and Executive | 13.15 | 14.19 | 27,354 | 29,501 |
| Receptionists and Information Clerks | 13.90 | 14.73 | 28,903 | 30,633 |
| Customer Service Representatives | 12.74 | 14.20 | 26,517 | 29,529 |
| Bookkeeping, Accounting, and Auditing Clerks | 11.64 | 13.21 | 24,210 | 27,487 |
| First-Line Supervisors of Office and Administrative Support Workers | 14.69 | 15.69 | 30,555 | 32,644 |
| Mechanical Engineers | 19.41 | 21.26 | 40,362 | 44,231 |
| Industrial Engineers | 30.77 | 33.53 | 64,000 | 69,737 |
| Computer Systems Analysts | 32.80 | 35.24 | 68,213 | 73,290 |
| Accountants and Auditors | 38.27 | 38.19 | 79,609 | 79,441 |
| Human Resources Specialists | 32.85 | 33.07 | 68,343 | 68,775 |
| | 25.72 | 27.51 | 53,491 | 57,207 |

Per Capita Personal Income (2016)

\$37,406

Median Family Income (2013-2017)

\$54,779



Education

Public School Enrollment (Fall 2017)

| Level | Number | Enrollment |
|-------------|--------|------------|
| Elementary | 17 | 6,033 |
| Combined | 1 | 247 |
| Middle | 8 | 2,857 |
| High School | 8 | 3,919 |

Student Teacher Ratio (FY 2017)

| | |
|------------|------|
| Elementary | 11:1 |
| Secondary | 12:1 |

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

| |
|-----------|
| 10,307.51 |
|-----------|

On-Time Graduation Rate (Class of 2017)

| |
|-------|
| 91.9% |
|-------|

High School Graduates Continuing Education (2017-2018)

| |
|-------|
| 82.4% |
|-------|

Advanced Programs (2017-2018)

Governor's STEM Academies and Health Academies

STEM for LIFE (Science, Technology, Engineering, and Math for Life-Long Initiatives for Future Education)

| | |
|---|-----|
| Governor's School Enrollment | 27 |
| Students taking 1 or more Advanced Placement (AP) Courses | 226 |
| Students taking 1 or more AP Exams | 180 |
| Students taking 1 or more Dual Enrollment Courses | 791 |



Education

Workforce Development Facilities

| Facility | Type |
|--|-----------------------------|
| Appalachian Workforce Center and Business Incubator | Comprehensive Center |
| Bluestone Workforce Training Center | Satellite Center |
| Bristol Workforce Center | Satellite Center |
| Dickenson Center for Education and Research | Satellite Center |
| Galax Workforce Center | Satellite Center |
| Goodwill Industries of the Valleys-Giles | Satellite Center |
| Goodwill Workforce Services-Christiansburg/Floyd | Satellite Center |
| People Inc. of Virginia - Abingdon | Satellite Center |
| Pioneer Center for Business Opportunity | Satellite Center |
| Pulaski Workforce Center | Satellite Center |
| Scott County Career and Technical Center | Career and Technical Center |
| Southwest Virginia Alliance for Manufacturing Center of Excellence | Center of Excellence |
| SWCC Booth Center | Satellite Center |
| The Castle Building | Satellite Center |
| Virginia Workforce Center-Radford | Satellite Center |
| Virginia Workforce Center-Wytheville | Comprehensive Center |
| Washington County Skill Center | Career and Technical Center |
| Washington County Technical School | Career and Technical Center |
| William N. Neff Center for Science and Technology | Career and Technical Center |
| Wise County Career-Technical Center | Career and Technical Center |



Education

Higher Education Facilities – Fall 2017

| Facility | Enrollment |
|---|---------------------|
| East Tennessee State University | 14,128 [◊] |
| Northeast State Community College - Blountville Main Campus | 6,124 [‡] |
| Northeast State Community College - Bristol Campus | 6,124 [‡] |
| Northeast State Community College - Elizabethton Campus | 6,124 [‡] |
| Northeast State Community College - Gray Campus | 6,124 [‡] |
| Northeast State Community College - Johnson City Campus | 6,124 [‡] |
| Northeast State Community College - Kingsport Campus | 6,124 [‡] |
| King University | 2,804 [◊] |
| Mountain Empire Community College | 2,684 |
| Southwest Virginia Community College | 2,304 |
| Virginia Highlands Community College | 2,238 |
| University of Virginia's College at Wise | 2,095 |
| Emory and Henry College | 1,228 |
| Southwest Virginia Higher Education Center | * |
| Virginia Tech - Southwest Virginia Center | * |
| National College - Bristol Campus | † |

* AAAA Enrollment figures are included in participating colleges and universities.

† Enrollment figures are not available.

‡ Enrollment figures are for all campuses.

◊ Fall 2016 Enrollment



Transportation

| Interstates | |
|-------------|-----------------------|
| Name | Distance |
| I-381 | 0.0 miles (0.0 km.) |
| I-81 | 0.0 miles (0.0 km.) |
| I-26 | 2.6 miles (4.2 km.) |
| I-77 | 35.7 miles (57.5 km.) |
| I-40 | 42.6 miles (68.6 km.) |

Note: Measured from border of locality/region.

| Highways | | | | |
|------------|-------------|-------------|------------|-------------|
| Highway 11 | Highway 113 | Highway 140 | Highway 19 | Highway 224 |
| Highway 23 | Highway 381 | Highway 421 | Highway 58 | Highway 65 |
| Highway 71 | Highway 72 | Highway 75 | Highway 80 | Highway 91 |

| Commercial Air Service |
|--|
| Tri-Cities Regional Airport, Blountville, TN -- 21.4 miles (34.4 km.) |
| American Airlines Delta Connection Allegiant Air |

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



Transportation

General Aviation Service

| Name | Runway Length |
|--------------------------------------|--------------------|
| Virginia Highlands Airport, Abingdon | 4,471 ft (1,363 m) |

Freight Rail Service

| |
|--|
| CSX Transportation Norfolk Southern Railway Company |
|--|

Seaports

| Name | Distance |
|------------------|------------------------|
| Port of Virginia | 376.0 miles (605.1 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 |
|---|------------------------|
| Tri Cities | 21.4 miles (34.4 km) |
| New River Valley Airport (Virginia TradePort) | 84.9 miles (136.7 km) |
| Port of Washington - Dulles | 345.1 miles (555.4 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**

American Electric Power

Powell Valley Electric Cooperative

Natural Gas

Not Available

Telecommunications

Scott County Telephone Cooperative

Sprint/United Telephone-Southeast

Water

Duffield Development Authority

Moccassin Gap Sanitation Commission

Scott County Water & Sewer Authority

Town of Dungannon

Waste Water Treatment

Duffield Development Authority

Scott County Water & Sewer Authority

Town of Dungannon

Solid Waste Disposal

Scott County Sanitary Landfill



Financial Institutions

| Financial Institutions – 1st Qtr 2018 Assets | |
|---|-----------------------------------|
| Bank | Assets (US\$ Millions) |
| Wells Fargo Bank, N.A. | 1,716,532.0 |
| Branch Banking and Trust Company | 215,012.0 |
| Carter Bank & Trust | 4,112.8 |
| Hometrust Bank, N.A. | 3,264.1 |
| First Community Bank, N.A. | 2,424.3 |
| The First Bank and Trust Co. | 1,740.1 |
| The National Bank of Blacksburg | 1,267.6 |
| New Peoples Bank, Inc. | 670.6 |
| Highlands Union Bank | 596.1 |
| TruPoint Bank | 426.0 |
| The Bank of Marion | 388.4 |
| Grundy National Bank | 310.8 |
| Powell Valley National Bank | 278.8 |
| Lee Bank & Trust Co. | 150.0 |
| Farmers and Miners Bank | 138.1 |



Government and Taxes

Government

Washington and Scott Counties have a County Administrator and a seven-member Board of Supervisors. Bristol has a City Manager and a five-member City Council. Scott County has a County Administrator and a seven-member Board of Supervisors.

All have comprehensive plans and zoning and subdivision ordinances.

Abingdon is the county seat of Washington County and Gate City is the county seat of Scott County. There are seven incorporated towns in the Bristol MSA. A very small portion of the town of Saltville is located in Washington County. Gate City is the county seat of Scott County. Other incorporated towns in the county are Clinchport, Duffield, Dungannon, Nickelsville, and Weber City.

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

There are a number of hospitals to choose from in the Kingsport-Bristol, MSA. Bristol Regional Medical Center is a comprehensive regional medical center with 348 beds and 24-hour emergency room care. Complete general hospital service is provided with modern laboratory, surgical, and clinical facilities. The hospital is noted as a teaching hospital and offers its facilities to East Tennessee State University medical students. There are also several hospitals in Kingsport, including Wellmont-Holston Valley Medical Center and Indian Path Medical Center which are accessible to residents and provide quality care.

In addition to the regional medical centers, there are five clinics that provide immunizations, pre-natal care, pediatric care and other health services. Three full-care nursing home facilities that provide service to 276 patients are available. There are a total of 16 physicians and six dentists who practice in Scott County, and over 100 doctors and 60 dentists serve the Bristol and Washington County areas.

Scott County Public Library in Gate City contains 52,693 volumes and 231,419 audiovisual items and offers services such as special book collections for the visually handicapped and special programs for children. Bristol and Washington County share a library system with two facilities and over 100,000 volumes.



Community Facilities

(continued)

Over 100 places of worship representing Protestant denominations, the Roman Catholic Church and the Jewish faith are located throughout the area.

Shopping centers are conveniently located in the area including revitalized areas of Gate City. Shops in the downtown areas of Bristol and other cities are also plentiful.

The area's cultural events are centralized in the city of Bristol. The Bristol Ballet Company is recognized throughout the Southeast for its quality productions. Theatre Bristol presents some 170 performances annually at the Paramount Theatre. Additional offerings include the Bristol Concert Choir, the Bristol Art Museum, and performing arts at area colleges.

The world-famous Barter Theater in nearby Abingdon continues to delight its audiences with quality drama following more than a half-century of performances. Also in Abingdon, the Williams King Regional Arts Center, an affiliate of the Virginia Museum of Fine Arts, houses several galleries, studios, and a museum store. It also holds classes, workshops and lectures.

The Kingsport-Bristol MSA is surrounded by an abundance of scenic natural beauty. Five mountain ridges cut across the region. Residents can enjoy a variety of recreational activities such as hiking and picnicking at the Jefferson National Forest. Other recreational pursuits such as boating and fishing can be found at Bark Camp Lake.

Natural Tunnel State Park is one of the area's leading attractions. In addition to the Natural Tunnel, which is a railroad tunnel carved out of a limestone mountain, this park offers extensive trails for hiking, a swimming pool complex, picnic areas, trout fishing, canoe trips, cave exploration, and camping and playground areas. A recently installed chair lift gives visitors a unique aerial opportunity to view the splendor of the tunnel and the surrounding scenery.

In addition to natural recreation, there are many public and private facilities in the area, including Scott County Park, that provide golf courses, tennis courts, and swimming pools for local residents. Civil and social organizations also provide extensive athletic programs for youth and adults interested in team sports.

(continued)

Cultural events occur throughout the year in the MSA. The Bristol Spring Arts Festival has also developed into a successful annual occasion. There is also an antique car show at the Natural Tunnel during the spring. Each summer, nearby Abingdon draws thousands of visitors for this gathering of artists, writers, craftsmen, and performers to the Virginia Highlands Festival that draws thousands of visitors. The Scott County Fair is held in July. During the first week of August, the Carter Family hosts an annual Memorial Music Festival. In the fall, there is a Tobacco Festival and the Duffield Daze parade and festival.

Area residents can enjoy professional baseball, as Bristol is the home of the farm team of the Chicago White Sox. Bristol International Speedway is home to NASCAR sanctioned auto racing.