

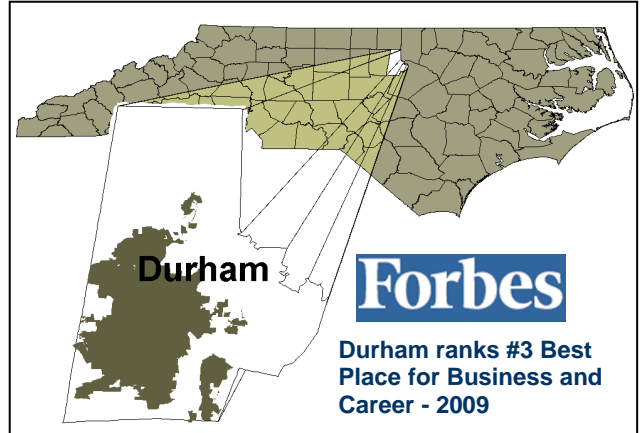
DURHAM & DURHAM COUNTY

NORTH CAROLINA

2010

Durham County enjoys a population and economic base that is diverse and growing. More than 64 identified nationalities are represented here and that cosmopolitan character meshes well with a business community that ranges from the health care services provided by Duke University Medical Center to the computer and mobile phone development activities found at companies like IBM and HTC.

Durham County is located at the apex of the vast Research Triangle region, centered among the cities of Durham, Chapel Hill, and the state capital, Raleigh. These three anchors encompass the world-renowned Research Triangle Park ("RTP"). RTP, located primarily in southern Durham County, is the world's largest and most successful university-related research and development business park.

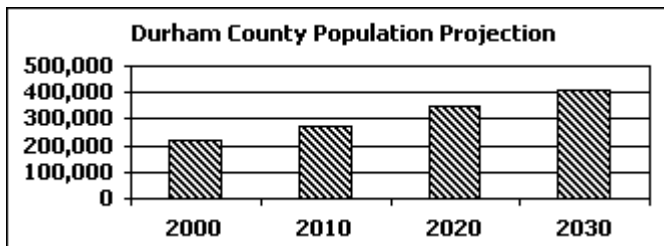


www.durhamchamber.org

► POPULATION

| | City of Durham* | Durham County |
|------|-----------------|---------------|
| 2010 | 228,330 | 267,587 |
| 2009 | 227,174 | 263,592 |
| 2008 | 224,690 | 260,467 |
| 2007 | 217,847 | 255,360 |
| 2006 | 211,854 | 248,857 |
| 2005 | 206,614 | 243,534 |
| 2004 | 202,759 | 239,798 |
| 2003 | 199,354 | 236,632 |
| 2002 | 196,808 | 234,331 |
| 2001 | 192,479 | 229,475 |
| 2000 | 187,035 | 223,314 |

Sources: US Bureau of the Census, Population Estimates; *American Community Survey 2007, US Bureau of the Census; **Greater Durham Chamber of Commerce



Source: North Carolina Office of State Budget and Management

► HOUSING (2007)

| | |
|--------------------------|---------|
| Housing Units | 115,895 |
| Households | 102,992 |
| Persons per Housing Unit | 2.4 |

Source: American Community Survey 2007, US Bureau of the Census

► POPULATION DISTRIBUTION (2008)

Distribution by Race & Ethnicity

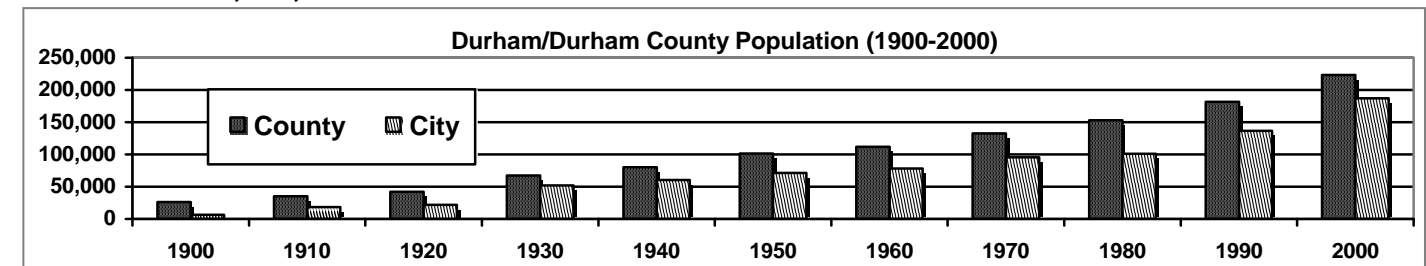
| | Countywide | City Only |
|----------------------------------|------------|-----------|
| White | 55.6% | 44.9% |
| Black/African American | 37.2% | 40.4% |
| Hispanic (any race) | 12.3% | 12.2% |
| Asian | 4.4% | 4.3% |
| Multi-Racial | 1.4% | 2.9% |
| American Indian/Alaska Native | 0.4% | 0.3% |
| Native Hawaiian/Pacific Islander | 0.1% | 0.0% |

Source: American Community Survey 2007, US Bureau of the Census

Distribution by Age (2008)

| | | |
|---------------|-----------|------------|
| Under 5 years | 8.0% | 8.1% |
| 5 - 9 | 6.8% | 6.7% |
| 10 - 14 | 6.1% | 6.0% |
| 15-19 | 6.9% | 7.4% |
| 20 - 24 | 7.6% | 8.2% |
| 25 - 34 | 15.7% | 14.6% |
| 35 - 44 | 16.3% | 16.4% |
| 45 - 54 | 12.1% | 13.1% |
| 55 - 64 | 9.9% | 8.8% |
| 65 - 74 | 4.9% | 4.3% |
| 75 - 84 | 3.2% | 3.2% |
| 85 & Over | 1.6% | 1.3% |
| Median Age | 34.3 yrs. | 33.1 yrs.* |

Source: American Community Survey 2008, US Bureau of the Census



DURHAM & DURHAM COUNTY, NORTH CAROLINA

▶ LABOR AVAILABILITY (2010 QUARTER 1)

| | |
|--|---------|
| Durham County Labor Force | 141,015 |
| Employment | 129,087 |
| Unemployment | 11,928 |
| Unemployment Rate | 8.5% |
| Annual Avg. Unemployment Rate (2009) | 7.9% |
| Latest Monthly Unemployment Rate (June 2010) | 7.6% |
| Resarch Triangle ED Region Workforce | 985,999 |
| Employment | 892,253 |
| Unemployment | 93,746 |
| Annual Avg. Unemployment Rate | 9.5% |
| Latest Monthly Unemployment Rate (June 2010) | 8.5% |

Source: NC Employment Security Commission (www.ncesc.com)

▶ RESIDENT INCOME

| | |
|-----------------------------------|----------|
| Mean Household Income (2008) | \$67,370 |
| Per Capita Personal Income (2008) | \$37,795 |
| Median Household Income (2008) | \$49,958 |

Source: American Community Survey 2007, US Bureau of the Census, BEA

▶ MAJOR NON-MANUFACTURING EMPLOYERS

| | |
|---|--------|
| Duke University & Health System | 32,848 |
| Durham Public Schools | 5,389 |
| GlaxoSmithKline | 4,500 |
| Blue Cross Blue Shield of North Carolina | 2,400 |
| Durham City Government | 2,250 |
| Veterans Affairs Medical Center | 2,160 |
| Research Triangle Institute | 2,300 |
| Fidelity Investments | 1,900 |
| CREE, Inc. | 1,810 |
| Durham County Government | 1,720 |
| Quintiles Transnational | 1,700 |
| North Carolina Central University | 1,435 |
| National Institute of Environmental Health Sciences | 1,400 |
| US Environmental Protection Agency | 1,253 |
| AW North Carolina | 1,000 |

Source: Durham Chamber of Commerce (www.durhamchamber.org) 2010

▶ MAJOR MANUFACTURING EMPLOYERS

| | |
|---|--------|
| IBM (International Business Machines) | 10,000 |
| CREE, Inc. | 1,810 |
| AW North Carolina | ,900 |
| bioMerieux | 540 |
| Teleflex Medical | 550 |
| Burt's Bees, Inc. | 530 |
| Merck | 450 |
| PBM Graphics, Inc. | 430 |
| BD Bioscience | 400 |
| Durham Exchange Club Industries, Inc. | 300 |
| Parata Systems LLC | 350 |
| Bowe, Bell & Howell Mail & Messaging Technologies | 290 |
| GE Aviation | 300 |
| Eisai, Inc. | 300 |

Source: Durham Chamber of Commerce (www.durhamchamber.org) 2008-09

▶ EMPLOYMENT-BY INDUSTRY (2009)

| Industry | Average Quarterly Employment | % | Average Annual Wage |
|-----------------------|------------------------------|--------------|---------------------|
| Private Employment | 160,239 | 89.4 | \$62,504 |
| Construction | 5,080 | 2.8 | \$45,680 |
| Manufacturing | 29,741 | 16.6 | \$109,620 |
| Information | 3,099 | 1.7 | \$69,029 |
| Wholesale Trade | 6,396 | 3.6 | \$88,808 |
| Retail Trade | 12,662 | 7.1 | \$22,920 |
| Finance and Insurance | 8,368 | 4.5 | \$74,789 |
| Real Est.: Rent/Lease | 1,914 | 1.1 | \$40,662 |
| Professional & | | | |
| Technical Services | 19,231 | 10.6 | \$78,478 |
| Healthcare | 36,167 | 20.2 | \$49,337 |
| Education Services | 18,095 | 10.1 | \$48,629 |
| Hospitality | 12,116 | 6.8 | \$17,359 |
| Government | 18,847 | 10.5 | \$49,732 |
| Total | 184,773 | 100.0 | \$1,131.00 |

Source: NC Employment Security Commission (www.ncesc.com)

▶ WAGE RATES (2010) (HOURLY)

| Hourly Earnings Selected Occupations | Entry Average | Average Level |
|--------------------------------------|---------------|---------------|
| Computer Programmer, | \$27.23 | \$42.43 |
| Computer Systems Analyst | \$27.48 | \$41.68 |
| Computer support Specialists | 27.48 | 25.02 |
| Network Systems and Data | | |
| Communications Analyst | \$27.17 | \$38.31 |
| First-Line Supervisor/Manager Of | | |
| Production & Operating Workers | \$19.73 | \$33.08 |
| Electromechanical Equipment | | |
| Assembler | \$14.97 | \$23.82 |
| Team Assembler | \$8.48 | \$11.84 |
| JPackaging & Filling Operators | \$10.38 | \$17.56 |
| Medical Scientist, Except | | |
| Epidemiologists | \$27.10 | \$42.73 |
| Chemist | \$24.29 | \$37.98 |
| Biological Technician | \$13.59 | \$23.92 |
| Chemical Technician | \$12.88 | \$17.20 |
| Environmental Scientist/Specialist | \$22.01 | \$36.71 |
| Industrial Engineer | \$29.21 | \$44.17 |
| Electrical Engineer | \$28.87 | \$41.57 |
| First-Line Supervisor/Manager of | | |
| Office & Administrative Support | \$17.35 | \$24.67 |
| Bookkeeping/Accounting/Auditing | | |
| Clerk | \$12.53 | \$17.28 |
| Secretaries | \$12.62 | \$16.03 |
| Office Clerks | \$9.39 | \$14.05 |
| Customer Service Representatives | \$12.34 | \$17.37 |
| First-line Supervisor/Manager of | | |
| Mechanics, Installers, Repairers | \$20.16 | \$29.46 |
| Industrial Machinery Mechanic | \$18.14 | \$23.52 |

▶ EDUCATION

Public School District: Durham Public Schools

DURHAM & DURHAM COUNTY, NORTH CAROLINA

| | | | |
|--|----------|----------------|-------|
| Enrollment: (2009 - 2010) | 32,551 | | |
| Total Expenditure per Pupil: (2007-2008) | \$9,700 | | |
| Durham County Exp. Per Pupil: (2007-2008) | \$3,1764 | | |
| Selected Teacher/Student Ratios (2009 - 2010) | | | |
| Kindergarten | 1:24 | Grades 4- 9 | 1: 29 |
| Grades 1 - 3 | 1:24 | Grades 10 - 12 | 1::32 |

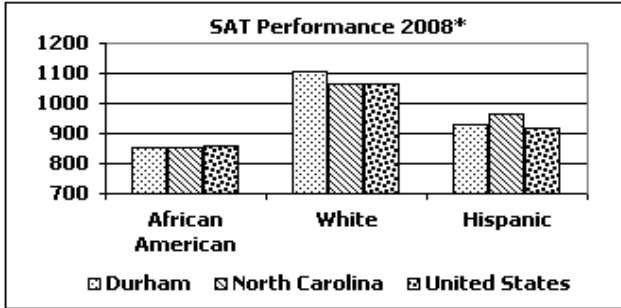
Interstate Highways: Two interstates pass through Durham providing immediate access to the Southeast's "Boom Belt" via I-85's route from Richmond, VA to Atlanta, GA, and across the United States via I-40's passage from Wilmington, NC to Barstow, CA.

Other Major Thoroughfares: US 15; US 501, NC 54; NC 55, NC 147 (The Durham Freeway), and NC 751.

Air: RDU International Airport; located 11 miles (18 km) from Downtown Durham and 5 miles (8 km) from Research Triangle Park and is served by 21 major, regional and commuter carriers with more than 500 daily arrivals and departures. RDU's five major cargo carriers handled more than 116,000 tons of enplaned and deplaned of air freight cargo in 2007.

Rail: Norfolk Southern Railway and CSX Transportation provide rail freight service to Durham. Amtrak provides passenger rail service to Durham twice daily on the Carolinian and Piedmont lines.

Ports: The Port of Wilmington is Durham's nearest major commercial port, located approximately 150 miles (245 km) southeast of the county. Wilmington is designated as a Foreign Trade Zone and offers more than 1.5 million square feet of contract warehouse space. Recently named one the US's fastest growing ports by Dun & Bradstreet.



Source: Durham Public Schools; *Durham Convention and Visitors Bureau; N.C. Department of Labor; Durham County Budget and Management Services

| | |
|---|------------------------|
| Higher Education | 2010 Enrollment |
| Duke University | 13,662 |
| North Carolina Central University | 8,500 |
| Durham Technical Community College | 4,613 |
| <i>Additionally, NC Wesleyan College and Shaw University have satellite campuses in Durham.</i> | |

| | |
|--|-------|
| Educational Attainment (2008) – age 25 and over | |
| High School Graduate or Higher | 85.8% |
| Bachelor's Degree or Higher | 42.3% |
| Graduate or Professional Degree | 18.9% |

Source: Durham American Community Survey 2008, (US Bureau of the Census)

► UTILITIES

Electricity: Duke Power Co., a division of Duke Energy, provides electrical service to Durham residents and businesses.

Natural Gas: PSNC Energy provides gas service to residents and businesses of Durham County.

Water & Sewer: The City of Durham provides city water services to 80% of all county residents. Durham's water system has a rated capacity of 52 millions gallons a day, with a 35% surplus. The City also provides the majority of wastewater service to the county. The system currently operates at 50% of its rated capacity. Durham County provides sewer service to portions of southern Durham County, including Research Triangle Park.

Telecommunications: Frontier is the incumbent local service provider for Durham County. Durham County has been a 100% fiber optic, SONET-ring-based telecom system since 1993. Durham's infrastructure is among the most advanced in the nation.

► TRANSPORTATION

► LOCATION

Highway distance from Downtown Durham:

| | (miles) | (km) |
|-----------------|---------|-------|
| Atlanta, GA | 380 | 611 |
| Baltimore, MD | 300 | 482 |
| Charlotte, NC | 140 | 225 |
| Chicago, IL | 840 | 1,350 |
| Los Angeles, CA | 2,520 | 4,051 |
| Miami, FL | 825 | 1,326 |
| Nashville, TN | 515 | 828 |
| New York, NY | 480 | 772 |
| Raleigh, NC | 25 | 40 |
| Washington, DC | 265 | 426 |

Source: Mapquest.com

For More Information, Explore Our Website at:
www.durhamchamber.org
GREATER DurhamChan
OF COMMUNITY

TAXES

Corporate Income Tax: 6.9% of net taxable income under Internal Revenue Code.

DURHAM & DURHAM COUNTY, NORTH CAROLINA

Corporate Franchise Tax: A tax of \$1.50 per \$1,000 of one of three bases (capital stock, 55% of tangible property, or the book value of tangible property minus debt to acquire such property) is imposed upon corporations doing business in the State.

Personal Income Tax: Filing status and income bracket determine a statewide tax of 6.0% - 8.25%. Example of "Married Filing Jointly" status appears below:

If your filing status is Married, Filing Jointly or Qualifying Widow(er);

| and your net taxable income is more than: | but not over: | your tax is: |
|---|---------------|---|
| \$0 | \$21,250 | 6% of net taxable income |
| \$21,250 | \$100,000 | \$1,275 + 7% of the amount over \$21,250 |
| \$100,000 | | \$6,787.50 + 7.75% of the amount over \$100,000 |

Property Tax: Local property taxes are levied on real estate and tangible personal property. Household property in the personal residence of the owner is exempt from taxation. At the time of valuation, property is assessed at 100% of real value. Effective Tax Rate accounts for inflation since last reval. (2008) and may be applied to current market values.

Property Tax Levy per \$100 Assessed & True Value

| | Tax Rate |
|----------------|-----------------|
| City of Durham | \$0.5400 |
| Durham County | \$0.7081 |
| Total | \$1.2481 |

Tax Ratio = Avg. Assessed Value/Current Avg. Market Value

Sales & Use Tax: A sales tax of 6.75% is assessed on the retail sale of most goods and services by the State. Food intended for home consumption is taxed at 2%.

Highway Use Tax: A one-time fee of 3% of book value is imposed by the State upon the initial registration of a motor vehicle.

Source: NC Dept. of Revenue

► LOCAL GOVERNMENT

Durham County: A body of five commissioners, elected at-large, oversees the affairs of county government in a commissioner-manager form where the Board of Commissioners appoints a County Manager to executive the affairs of the county, including budgetary and personnel issues. Durham County was founded in 1881 under an act of the state's General Assembly that apportioned the county's territory from the neighboring counties of Orange & Wake. The City of Durham is the county seat.

City of Durham: A city council of seven members, elected in a combination of three at-large and three wards plus a mayor, governs the affairs of the only municipality in Durham County. Chartered in 1869, the city is operated under a council-manager structure that provides for day-to-day operations and budgetary issues to be executed by a council-appointed City Manager.

► CLIMATE & PHYSICAL CHARACTERISTICS

Elevation: 406 feet (124 meters) above sea level

Location: Latitude: 35°59.87 N, Longitude: 78°54.21 W

| Area: | U.S. | Metric |
|---------|--------------------------|------------|
| County: | 299 sq. miles (290 land) | 773 sq. km |
| City: | 95 sq. miles | 246 sq. km |

Climate

| | U.S. | Metric |
|-----------------------------|----------|-----------|
| Avg. Summer High/Low | 87/66°F | 31/19°C |
| Avg. Winter High/Low | 51/31°F | 11/ -1°C |
| Annual Precipitation | 41.3 in. | 104.9 cm |
| Annual Snowfall | 7.9 in. | 20.1 cm |
| Prevailing Wind (Southwest) | 7.5 mph | 12.1 km/h |
| Coldest Month | January | |
| Warmest Month | July | |
| Wettest Month | August | |
| Driest Month | October | |
| Annual Sunshine Days | 212 days | |

Source: State Climate Office of North Carolina

For more information related to Durham & Durham County's advantages for business, please contact:

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