

Charlotte Overview



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overview

CHARLOTTE'S WELL-KNOWN PRO-BUSINESS ENVIRONMENT

is evident in its ability to move people and products efficiently and conveniently throughout the world. Service is available by air, rail, land, inland port and direct water access. Factor in geographic location, amenable climate, convenience to major U.S. markets, the Foreign Trade Zone, U.S. Customs and Border Protection office and the inland port, and it becomes clear that Charlotte offers advantages that make business easier to conduct and more profitable.

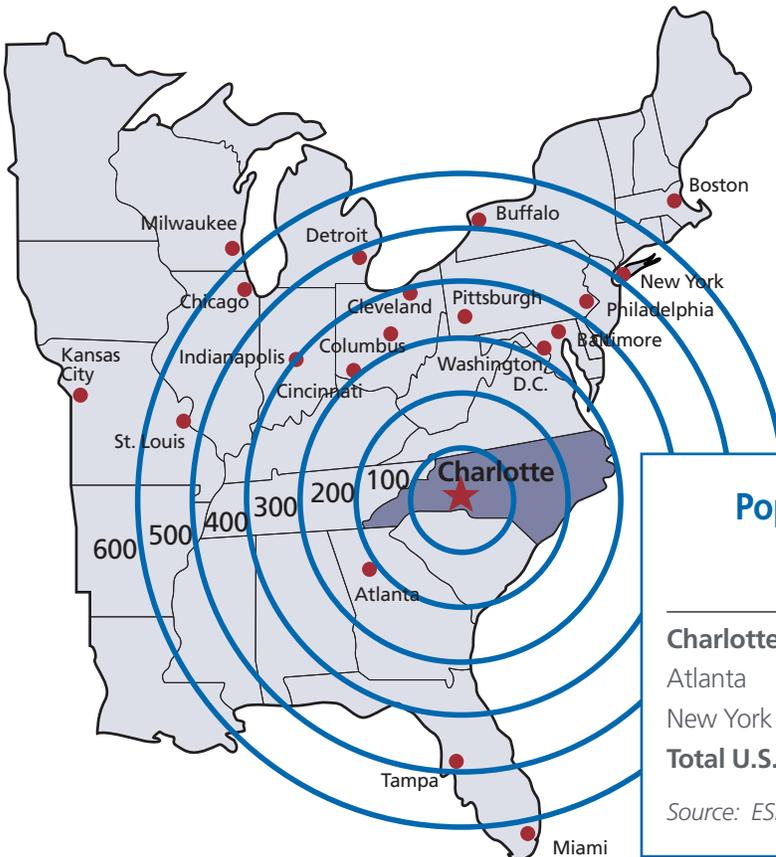
Charlotte is the 17th largest U.S. city with a population of 796,921, making it the largest city within the region. Of the major metro centers in the Southeast, Charlotte has 7.4 million people living within a 100-mile radius, compared to Atlanta's 8.3 million. This radius population well exceeds Miami's 6 million and Memphis' 2.6 million. As a result, Charlotte has emerged as a financial, distribution and transportation center for the entire urban region.

Of the nation's 51 metropolitan markets with more than 1 million in population, 34 are located on the Eastern Seaboard, making up more than 58 percent of the country's population. Of these 34 markets, 29 lie within a 650-mile radius of Charlotte and can easily be reached by 24-hour truck delivery or two



hours flight time. Charlotte is the only major distribution center midway between the Northeast, Midwest and Florida markets.

For three years running, North Carolina claimed the top spot in Site Selection magazine's listing of the best business climates in North America. The magazine ranked Charlotte No. 1 on its list of top 10 U.S. cities for foreign investment. The Queen City has such a pro-business environment that 270 of Fortune's top 500 companies have placed one or more facilities within Mecklenburg County.



| Population Comparison 650 Mile Radius | | |
|--|--------------------|------------|
| | Pop. (mil.) | % of U.S. |
| Charlotte | 164.2 | 53% |
| Atlanta | 139.9 | 45% |
| New York | 116.2 | 37% |
| Total U.S. Population: | 311,212,863 | |

Source: ESRI 2012



CHARLOTTE ENJOYS A VIBRANT, BALANCED ECONOMY

that encompasses many sectors and companies that range in size from multinational to microbusiness. That variety helps make Charlotte's economy one of the healthiest and strongest in the nation. Diverse business interests shelter the city from problems that can result from slowdowns and other economic challenges. The solid base also facilitates exceptionally strong growth during economic upswings.

While the economy's strength is a plus, companies considering relocation to Charlotte will find other advantages in this broad-based economy. Suppliers and services are abundant and convenient. Employers' costs for wages, benefits and labor overhead, such as worker's compensation, unemployment and health insurance coverage, are significantly lower than in other regions. During the past 10 years, 6,910 new firms have invested nearly \$8.5 billion in new Charlotte facilities. Modern office space is conveniently located throughout the city.



Employment and Wages by Industry, Mecklenburg County

| Sector | Firms | Employees | Total Wages (millions) |
|--|-------|-----------|------------------------|
| Accommodation & Food Services | 2,417 | 51,565 | \$234.9 |
| Administrative & Waste Services | 2,231 | 52,098 | \$456.0 |
| Agriculture, Forestry, Fishing & Hunting | 31 | 680 | \$8.2 |
| Arts, Entertainment & Recreation | 522 | 15,088 | \$129.0 |
| Construction | 2,437 | 26,813 | \$366.0 |
| Educational Services | 638 | 26,976 | \$302.6 |
| Finance & Insurance | 2,431 | 52,605 | \$1,168.6 |
| Health Care & Social Assistance | 2,650 | 66,366 | \$955.6 |
| Information | 648 | 19,712 | \$366.0 |
| Management of Companies & Enterprises | 399 | 25,005 | \$619.7 |
| Manufacturing | 985 | 32,776 | \$579.8 |
| Mining | 13 | 205 | \$2.7 |
| Other Services | 2,720 | 14,449 | \$135.7 |
| Professional & Technical Services | 5,367 | 42,599 | \$811.4 |
| Public Administration | 67 | 17,121 | \$237.0 |
| Real Estate & Rental & Leasing | 1,796 | 10,919 | \$154.7 |
| Retail Trade | 3,501 | 59,291 | \$446.0 |
| Transportation & Warehousing | 841 | 31,607 | \$393.4 |
| Utilities | 21 | 1,959 | \$47.6 |
| Wholesale Trade | 3,012 | 34,666 | \$564.0 |

Source: Quarterly Census of Employment and Wages, September 2013



headquarters

CHARLOTTE'S MOST SURPRISING CHARACTERISTIC is that this Southern city is home to some of the largest corporations in the world. Six Fortune 500 companies are headquartered in Mecklenburg County, ranking it 10th nationally in cities with Fortune 500 headquarters. Another two Fortune 500 companies are headquartered in the Charlotte region: Home improvement giant Lowe's is based out of Mooresville, N.C., and Domtar is headquartered in Fort Mill, S.C.

That list doesn't include an additional six Fortune 1000 companies that are headquartered in the Charlotte area. Charlotte is also home to 42 companies with more than \$1 billion in annual sales. Hoover's lists 4,220 companies with facilities in Charlotte-Mecklenburg in its database of companies with \$1 million or more in revenue.

Charlotte is best known for its banking powerhouse, Bank of America, which helped grow the city into the second-largest financial center in the U.S. The abundance of financial resources in Charlotte is certainly an advantage for companies seeking a ready source of capital, money management and investment advice services. The city is home to a branch of the Federal Reserve Bank of Richmond, and many of the nation's top 20 banks have operations in Charlotte.

The economy's growth has been apparent in all industries. No industrial sector accounts for more than 12 percent of employment in Mecklenburg County. Businesses here support everything that a company needs to relocate to or operate in Charlotte.



Charlotte Area Fortune 500 Headquarters

| Rank | Company | Revenue (\$ billions) |
|------|----------------------|-----------------------|
| 21 | Bank of America | 100.1 |
| 56 | Lowe's | 50.5 |
| 145 | Duke Energy | 19.6 |
| 146 | Nucor | 19.4 |
| 287 | Family Dollar Stores | 9.3 |
| 307 | Sonic Automotive | 8.5 |
| 431 | SPX | 5.9 |
| 458 | Domtar | 5.5 |

Source: Fortune Magazine, 2013

Top Cities for Fortune 500 Headquarters

| Rank | City | HQ |
|-----------|------------------|----------|
| 1 | New York | 43 |
| 2 | Houston | 24 |
| 3 | Atlanta | 11 |
| 4 | Dallas | 8 |
| 4 | Minneapolis | 8 |
| 6 | Chicago | 7 |
| 6 | Cincinnati | 7 |
| 6 | St. Louis | 7 |
| 6 | San Francisco | 7 |
| 10 | Charlotte | 6 |
| 10 | Englewood, Colo. | 6 |
| 10 | McLean, Va. | 6 |
| 10 | Milwaukee | 6 |
| 10 | Pittsburgh | 6 |

Source: Fortune Magazine



corporate tax rates and fees

NORTH CAROLINA CORPORATIONS AND OTHER COMPANIES

doing business in the state are subject to state income tax. The corporate income tax rate is 6 percent, dropping to 5 percent in 2015 and then as low as 3 percent in 2017 if state revenue goals are met. All corporations operating in the state are levied a franchise tax at the rate of \$1.50 per \$1,000 of the largest of three alternative bases:

- A. The amount of the capital stock, surplus and undivided profits apportionable to the state.
- B. Fifty-five percent of appraised value of property in the state subject to local taxation.
- C. The book value of real and tangible personal property in the state less any debt outstanding that was created to acquire or improve real property in the state. Book value may be computed by use of the same depreciation methods as are permitted for federal income tax purposes.

The minimum franchise tax is \$35. Franchise tax and income tax are reported on the same return.

Occupational license taxes are levied by the county and city government on a variety of businesses. These fees vary with the type of business and volume of sales.

Though not a tax, most states require an insurance fee be paid on a portion of taxable wages. This fee varies with each business based on its history of unemployment claims. North Carolina requires a fee of 1.2 percent of the first \$19,700 in wages paid per employee for new firms operating within the state. Existing firms are charged a rate from 0-6.84 percent of the first \$19,700 in taxable wages; the average rate is 1.2 percent.



office space

CHARLOTTE'S OFFICE MARKET HAS BLOSSOMED in recent years in order to accommodate companies looking for a pro-business city located on key transportation routes with cultural amenities, high quality of life, an attractive climate and affordable cost of living.

According to Karnes Research Company, Charlotte has more than 500 buildings accounting for 50 million square feet of office space with an approximate 15 percent vacancy rate. On top of this, currently proposed projects total more than 6 million square feet of office space. Average full-service rental rates are competitive at \$23.73 for Class A and \$19.46 for Class B office space.

Industrial space is equally competitive with 34 million square feet of warehouse and 10.6 million square feet of flex space with vacancy rates of 6.9 percent and 18.4 percent, respectively. Average rental rates are \$4.20 for warehouse space and \$8.54 for flex space, with another 2 million square feet proposed.



Charlotte-Mecklenburg Historical Trends in Office Space

| Date (2nd Quarter) | Rentable SF | Vacant SF |
|-----------------------|-------------|-----------|
| 2013 | 50,128,666 | 8,300,587 |
| 2012 | 49,254,733 | 8,792,905 |
| 2011 | 42,882,565 | 8,866,618 |
| 2010 | 42,415,325 | 8,977,392 |
| 2009 | 39,899,474 | 6,000,537 |
| 2008 | 38,561,992 | 4,596,549 |
| 2007 | 37,690,543 | 4,571,510 |
| 2006 | 36,924,976 | 5,420,818 |
| 2005 | 35,909,866 | 6,323,434 |
| 2004 | 35,444,502 | 6,305,519 |

Source: Karnes Research Company, 2013. Note: Prior to 2012, data came from Lincoln Harris.

Charlotte Douglas International Airport



CHARLOTTE IS A SIGNIFICANT TRANSPORTATION and distribution center. At its heart, Charlotte Douglas International Airport (CLT), home to the second-largest hub of newly merged US Airways and American Airlines, offers nonstop service to 142 different destinations, including Dublin, Frankfurt, London, Munich, Paris, Rio de Janeiro, Rome, Toronto, the Caribbean and several Mexican cities. More than 700 flights leave Charlotte daily.

CLT is the world's sixth most-active airport in total operations and the nation's eighth busiest in total passengers. The airport is less than 25 minutes away from most Charlotte business parks.

Charlotte serves its active business community with excellent airfreight service. In 2013, nearly 130,000 tons were carried by approximately 20 cargo carriers supported by 500,000 square feet of warehouse space in the Charlotte Air Cargo Center. CLT also offers both domestic freight and international airfreight services from 70 freight forwarders, customhouse brokers and professional international service providers.

General aviation is also available at CLT, served by Wilson Air Center. Fixed base operations services include personal and corporate aircraft storage, maintenance and fueling.

CLT Enplanements by Year

| Year | Enplanements |
|------|--------------|
| 2013 | 21,707,189 |
| 2012 | 20,588,884 |
| 2011 | 19,517,861 |
| 2010 | 19,096,963 |
| 2009 | 17,246,594 |
| 2008 | 17,357,993 |
| 2007 | 16,568,589 |
| 2006 | 14,865,800 |
| 2005 | 14,043,554 |
| 2004 | 12,417,506 |
| 2003 | 11,529,575 |
| 2002 | 11,792,511 |

Source: Charlotte Douglas International Airport

Top Cities Served by CLT

| City | Average Daily Passengers |
|-----------------------|--------------------------|
| New York, NY | 2,806 |
| Atlanta, GA | 2,404 |
| Chicago, IL | 1,745 |
| Dallas/Fort Worth, TX | 1,674 |
| Washington, DC | 1,531 |
| Orlando, FL | 1,470 |
| Boston, MA | 1,462 |
| Newark, NJ | 1,402 |
| Phoenix, AZ | 1,386 |
| Houston, TX | 1,282 |
| Baltimore, MD | 1,275 |
| Philadelphia, PA | 1,185 |
| Tampa, FL | 1,129 |
| Fort Lauderdale, FL | 1,067 |
| Detroit, MI | 1,011 |
| Miami, FL | 981 |
| Pittsburgh, PA | 981 |
| Raleigh/Durham, NC | 980 |
| Los Angeles, CA | 844 |
| Denver, CO | 822 |

Source: Bureau of Transportation Statistics T-100, Jan-Jun 2013



logistics and distribution

CHARLOTTE'S TRANSPORTATION INFRASTRUCTURE has fed the growth of the area's manufacturing and distribution industries. The interstate system is a magnet to firms looking to ship goods quickly and easily. Interstate 77 passes through Charlotte, connecting Miami to Cleveland, and Interstate 85 heads south to Atlanta and north to Washington, D.C. Just minutes beyond Mecklenburg's north border, Interstate 40 links the eastern United States to the West.

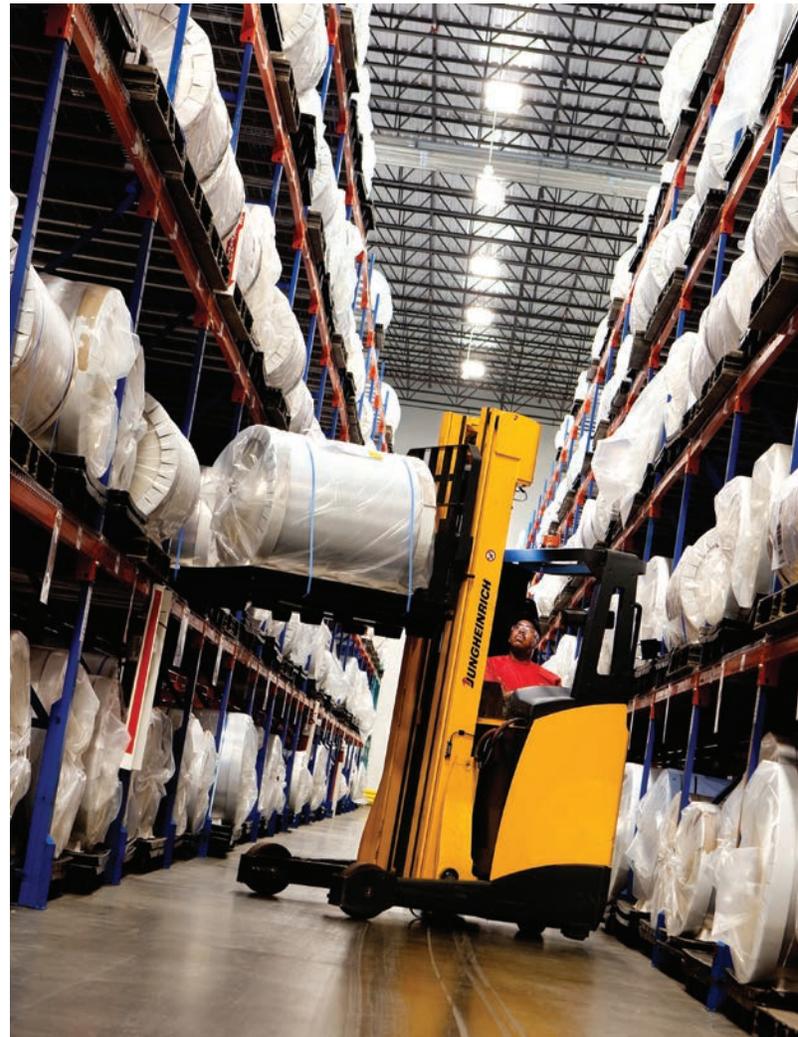
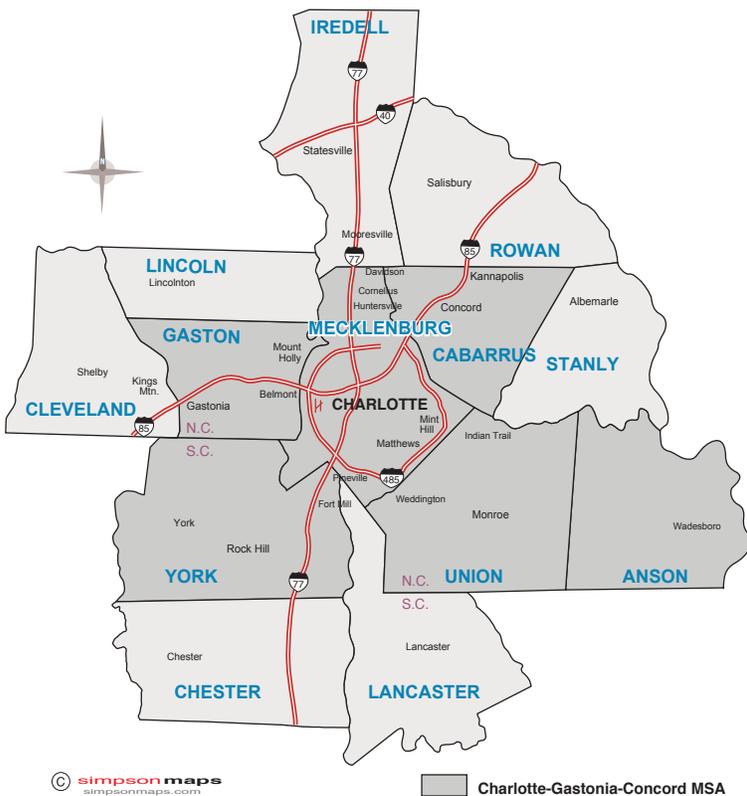
Charlotte is a powerhouse in trucking transportation. More than 500 trucks and transportation arrangement firms operate in the city. Most of the nation's largest trucking companies have facilities here.

The Charlotte region is the center of the country's largest consolidated rail system. Norfolk Southern Railway and CSX Transportation link 43,200 miles of rail between Charlotte and 23 Eastern states. Some 300 trains pass through Charlotte weekly. Norfolk Southern recently finalized a new intermodal facility on airport property, which will double its current lift capacity and reduce the number of trucks on secondary roads.

Charlotte is a port of entry with fully staffed U.S. Customs and Border Protection offices, the Charlotte foreign trade zone (FTZ #57) and an inland port facility. The Charlotte foreign trade zone, which allows goods to be brought in from overseas duty-free and manufactured into a product, is one of the largest in the state. Customers realize an inland transportation cost savings by using the intermodal port. Containers moving between the terminal and Wilmington, N.C., are moved either as part of a matched load or through the N.C. State Ports Authority's sprint truck service. With either method, the shipper is subject to one-way trip charges only.

The Charlotte chapter of the North Carolina World Trade Association, which promotes international trade, is one of the largest in the nation. The Manufacturing Extension Partnership, a nationwide network that helps smaller manufacturers compete globally, is active in Charlotte and throughout North Carolina. And the U.S. Export Assistance Center helps many local firms navigate world trade issues.

Every day, products designed and manufactured in Charlotte are shipped to markets nationwide and around the world. In 2011, the Charlotte MSA exported more than \$6.3 billion in goods around the world — a \$2 billion increase from 2009.



THE GROWTH OF CHARLOTTE IS A MAGNET for construction companies. Low costs, high construction activity levels, and convenient access to both materials and skilled labor provide the reasons why more than 4,200 construction firms employ 35,650 qualified workers in the metro area. In addition to the quality and variety of Charlotte's construction companies, you will also find a wealth of additional services to design new or reconfigure the perfect quarters for your business. The Charlotte area has 800 engineering and architecture firms that employ 7,000 people.

The RSMeans Company City Cost Index reflects the total cost, excluding cost of land and other peripheral expenses (e.g., architectural fees), of residential and commercial construction. Many cities have seen higher costs recently, but Charlotte's cost index is currently at 80.8 percent of the national average. Keeping construction prices low are favorable weather conditions and proximity to some of North Carolina's major products: lumber, brick and laminates.



Charlotte-Mecklenburg's Five-Year Construction Summary

| Year | Permits | Residential Value (mil.) | Non-Residential Value (mil.) | Total (mil.) |
|------|---------|--------------------------|------------------------------|--------------|
| 2012 | 15,046 | \$1,149.40 | \$1,259.50 | \$2,409.00 |
| 2011 | 13,321 | \$762.70 | \$1,173.80 | \$1,936.50 |
| 2010 | 12,968 | \$529.30 | \$719.40 | \$1,248.70 |
| 2009 | 11,549 | \$669.80 | \$715.80 | \$1,385.60 |
| 2008 | 16,243 | \$1,473.10 | \$2,240.20 | \$3,713.20 |

Source: Mecklenburg County USDC Monthly Reports



Construction Cost Index

| City | Index |
|----------------------|-------------|
| Charlotte, NC | 80.8 |
| Dallas, TX | 85.2 |
| Memphis, TN | 86.7 |
| Atlanta, GA | 87.5 |
| Cincinnati, OH | 92.1 |
| Baltimore, MD | 92.8 |
| Denver, CO | 93.3 |
| Washington, DC | 97.2 |
| Cleveland, OH | 99.4 |
| Portland, OR | 99.1 |

Source: R.S. Means Company, Inc., 2014. Means Building Construction Cost Data

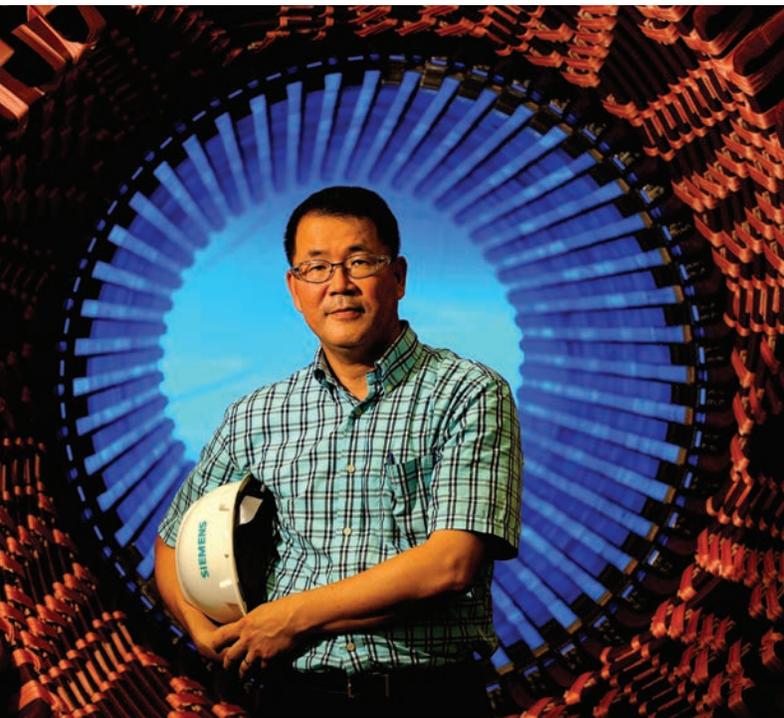
broad-based international business

THE INCREASING NUMBER OF INTERNATIONAL companies is important to the Charlotte area, and Charlotte-Mecklenburg has seen steady and impressive growth in international business. The presence of foreign-owned firms in Mecklenburg County dates back to 1925 when Sandoz Corp. moved to Charlotte. Currently, there are more than 930 in the region, representing 47 countries and employing more than 68,000 workers.

Charlotte offers a nurturing climate for regional, national and international companies of all sizes. The area's high quality of life, reasonable cost of living, world-class arts, major league sports, and educational and advancement opportunities attract talented individuals from around the globe. Charlotte offers exceptional air service, a foreign trade zone, transparent government and business practices, and numerous nonprofit organizations that focus on international business, foreign policy and global culture. Charlotte-Mecklenburg is home to the honorary consuls of Austria, Canada, France, Germany, Great Britain, Guatemala, Italy, Mexico, Moldova, Nicaragua and Switzerland.

A steady influx of new residents moving to Charlotte each year keeps the city's business and social structure fresh and vibrant. The Queen City welcomes — and even encourages — new leaders to help shape and build its future. This is an easy city for making fresh starts and leaving a mark on a company or on the community.

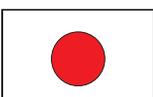
Our business community is actively engaged in steering public policy, and many of Charlotte's top leaders come directly



Why International Companies Choose Charlotte

- Excellent U.S. market access from a central Atlantic coast location
- Large airport hub with direct international flights
- Pro-business local government
- Highly productive workforce for manufacturing and services
- State-funded worker training programs
- Extraordinary quality of life
- Below-average cost of living
- Rich international business and cultural communities
- Foreign language schools
- Excellent universities and research programs

Number of Companies by Country

| Country | 2014 | 2003 | |
|-----------------|------------|------------|---|
| Germany | 193 | 148 |  |
| United Kingdom | 120 | 74 |  |
| Canada | 92 | 69 |  |
| Japan | 80 | 51 |  |
| France | 57 | 38 |  |
| Switzerland | 54 | 40 |  |
| Italy | 51 | 43 |  |
| The Netherlands | 47 | 21 |  |
| Sweden | 35 | 32 |  |
| China | 32 | 3 |  |
| Australia | 20 | 4 |  |
| Ireland | 17 | 4 | |
| Belgium | 14 | 12 | |
| Austria | 12 | 3 | |
| Denmark | 12 | 9 | |
| India | 12 | 4 | |
| Taiwan | 10 | 6 | |
| Mexico | 9 | 5 | |
| Brazil | 8 | 2 | |
| Finland | 7 | 5 | |
| South Korea | 7 | 4 | |
| Luxembourg | 6 | 2 | |
| Bermuda | 5 | 5 | |
| Israel | 5 | 1 | |
| Spain | 5 | 1 | |
| South Africa | 5 | 6 | |
| Czech Republic | 3 | 1 | |
| Singapore | 3 | 0 | |
| Other (17) | 23 | 11 | |
| Total | 944 | 606 | |

Source: Charlotte Chamber International Review, 2003 and 2013

from the corporate sector, making Charlotte one of the most business-focused cities in the United States.

Charlotte has a long-standing tradition of public-private cooperation. City leaders work closely with the private sector when planning development and carrying out large projects. Working together, public and private leaders in recent years transformed the downtown streetscape from a business-centric center that appeared dead after dusk into a vibrant 24/7 metropolis bustling with residents, restaurants, retail and entertainment. It took public and private efforts to build the downtown basketball arena, Time Warner Cable Arena, and bring back NBA basketball. Levine Center for the Arts, one of Charlotte's key cultural destinations in uptown, also came about because of public-private cooperation. Additionally, private and public leaders came together to bring baseball back to Charlotte – BB&T BallPark, home of the Charlotte Knights, opened for the 2014 season.

Charlotte's streets are clean, well paved and landscaped. Buildings, particularly office and new industrial parks, reflect high architectural standards. City and county leaders plan for and incorporate public spaces that enhance quality of life and give harried workers places to pause.

Charlotte Chamber Support for Companies

The Charlotte Chamber is a private, nonprofit organization dedicated to the economic development of the city of Charlotte and Mecklenburg County. One of our main objectives is to attract companies to our city, and we offer our services at no charge. Our role is to confidentially support investors in all phases of their projects with the following services:

broad-based international business

- Provide data on all aspects of local infrastructure, including highway and air connections; wages and salaries; availability and skill level of local workers; commercial real estate lease rates; and the availability of office, warehouse and manufacturing space, among other things.
- Develop contacts with selected managers of the many foreign-owned companies in Charlotte-Mecklenburg so that clients may form a completely independent impression of our city and county.
- Provide referrals to law firms that specialize in establishing foreign companies' U.S. subsidiaries and obtaining U.S. visas for key employees.
- Provide contacts with tax advisors, accountants, bankers and other providers of services typically required by new U.S. subsidiaries.
- Identify suitable real estate options, including office space, warehouses, existing manufacturing buildings and greenfield sites for new building construction.
- Conduct tours of identified real estate options.
- Conduct city-county tours to familiarize clients with Charlotte's many areas: downtown, industrial zones, residential housing neighborhoods, etc.
- Provide referrals to local real estate firms that specialize in finding houses and apartments for relocating managers.
- Make introductions to regional technical schools and universities that offer customized training programs for new workers.
- Provide lists of manufacturers that work as subcontractors, particularly in plastics and metalworking.
- Provide information on financial incentive programs and develop contacts with the state and local authorities who manage such programs.



manufacturing

WITH SUCH A STRONG WORKFORCE, OPERATION and distribution infrastructure, pro-business climate and more, it is no wonder that more manufacturers increasingly choose to call Charlotte home. Since 2011, companies such as Madrona Specialty Foods, Jetion Solar Corp., Bosch Rexroth Corporation, Karl Marbach GmbH & Company, JELD-WEN, Beardow Adams, Masterwork USA, Tropical Nut and Fruit, SCHLEICH, Kubler Group and Otto Environmental Systems announced new jobs in the Charlotte manufacturing market. Nearly one-third of the manufacturing firms in Mecklenburg County are involved with importing or exporting goods.

Manufacturing in Mecklenburg County has grown and diversified through the decades. The Charlotte area has countless firms specializing in sophisticated intelligent manufacturing, with precision metrology, optoelectronic and biomedical technology developing alongside such traditional manufacturing as primary and fabricated metals, machinery, chemicals, plastics, electronics, transportation equipment, and food and beverages.



Charlotte's 16-county region is by far the largest manufacturing center in North Carolina. The region accounts for more than a quarter of the state's 9,500 manufacturing firms and 167,000 employees in this sector.

The Charlotte MSA has 1,763 manufacturing firms, which employ more than 61,000 workers and pay more than \$890 million in payroll. They range from Fortune 500 companies to entrepreneurial startup operations with considerable potential for long-term success. Charlotte also ranks in the top 50 U.S. cities by number of industrial jobs but has a lower hourly wage for production workers than most of the other cities on the list due to an affordable cost of living. Average manufacturing production wages in the Charlotte MSA are \$16.01 per hour, well below the national average of \$16.45.

North Carolina is the nation's ninth largest manufacturing state, and there is little question why. North Carolina is the most productive of the nation's top 20 industrialized states. For every dollar of labor cost, North Carolina workers add \$5.91 in value.

Beyond the productivity records and strong work ethic, North Carolina law permits individual workers to choose whether they wish to join a labor union. As a result, North Carolina, which has one of the nation's highest percentages of manufacturing employment, has the nation's lowest union membership, currently just 2.9 percent (versus the 11.3 percent national average).

Manufacturers come to Charlotte to tap the skilled and productive workforce. Charlotte is home to Central Piedmont Community College, the state's largest community college, and the University of North Carolina at Charlotte, the fourth largest university in the 16-campus UNC system. Both offer worker-training programs, including programs that can be customized to meet employers' needs. CPCC has multiple campus locations around Mecklenburg County and also offers companies on-site training programs.

2012 Mean Hourly Earnings of Production Workers

| Metropolitan Area | Wage |
|-------------------|----------------|
| Atlanta | \$15.24 |
| Memphis | \$15.47 |
| Charlotte | \$16.01 |
| National Average | \$16.45 |
| Cleveland | \$17.01 |
| Cincinnati | \$17.20 |
| Richmond | \$17.25 |
| Denver | \$17.36 |
| Houston | \$18.19 |
| Philadelphia | \$18.43 |
| Detroit | \$21.23 |

Source: Bureau of Labor Statistics, May 2012

Value Added by Manufacturing Workers

| State | Manufacturing Employees | Productivity |
|-----------------------|-------------------------|--------------|
| New Mexico | 25,471 | 14.21 |
| Louisiana | 124,910 | 8.11 |
| North Carolina | 388,032 | 5.91 |
| Wyoming | 8,386 | 5.71 |
| Oregon | 129,355 | 5.68 |
| Texas | 700,761 | 5.63 |
| Montana | 13,244 | 5.25 |
| Delaware | 27,248 | 5.11 |
| Utah | 100,373 | 5.05 |
| Nebraska | 90,223 | 5.02 |
| Virginia | 222,000 | 4.88 |
| Idaho | 48,378 | 4.81 |
| Indiana | 428,843 | 4.66 |
| Georgia | 313,230 | 4.54 |
| North Dakota | 21,621 | 4.38 |
| U.S. Total | 10,649,378 | 4.10 |

Source: U.S. Census Bureau, 2011 Annual Survey of Manufacturers.
Note: Productivity is a calculation of value added divided by total payroll



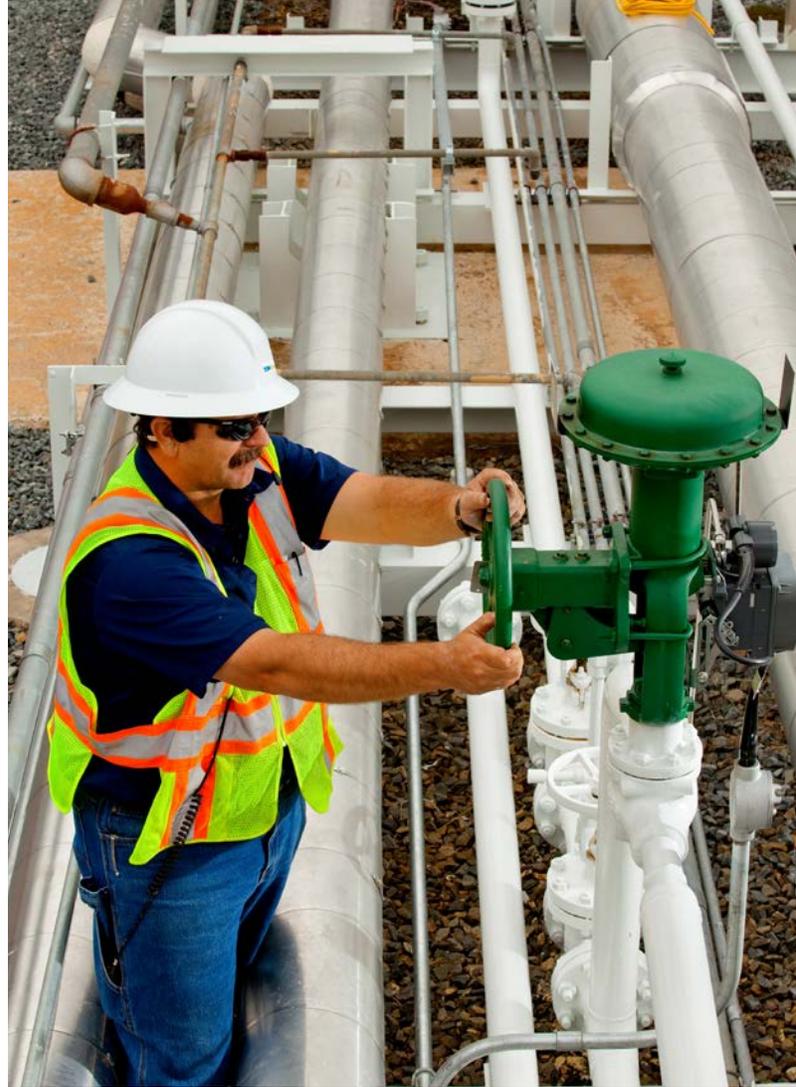
economical utilities

CHARLOTTE IS HOME TO DUKE ENERGY, the nation's largest electric power holding company. It now provides energy to more than 7 million residential, commercial and industrial customers in the U.S. using an efficient combination of nuclear, coal-fired and hydroelectric facilities. The average industrial price of 5.7 cents/kWh is below the national average of 6.4 cents/kWh, and the company has incentives for companies looking to develop or redevelop sites and add jobs.

Natural gas is available from Charlotte-based Piedmont Natural Gas. The company serves more than 1 million residential, commercial and industrial utility customers in North Carolina, South Carolina and Tennessee, including municipalities that are wholesale customers.

Charlotte-Mecklenburg Utility Department (CMUD) receives water from the Catawba River, whose headwaters are in the Appalachian Mountains. Here, dams created a series of lakes, including Mountain Island Lake, Charlotte's main supply. Even on days of highest demand, Charlotte draws less than 3 percent of the lake's content. Even as the water and sewer system grows with the region, the area's 796,000 customers have an ample supply of high-quality source water for the foreseeable future.

The utility maintains more than 253,000 commercial and residential water connections. Fully funded by water and sewer customers, CMUD uses its AAA bond rating to fuel an aggressive capital program to ensure future water and wastewater



treatment capacity. There are currently three water treatment plants and five wastewater treatment plants.

More than 30 companies offer telecommunications services in Charlotte, including major national and regional providers. Charlotte telecommunications offerings are diverse and up-to-date with the newest technology trends. There are thousands of miles of fiber optic cable and a wealth of wireless providers in the region. Broadband providers in Charlotte include AT&T, Time Warner Cable and Windstream.



SERVING MORE THAN 143,000 STUDENTS, Charlotte-Mecklenburg Schools (CMS) is the 18th largest district in the nation. Student achievement test results are consistently above the national average at all grade levels. School offerings range from traditional school settings to magnet and charter schools with specialized curriculums.

Charlotte's future strength is in development today in schools across Mecklenburg County. CMS supports and encourages cultural and foreign-language education and operates five language immersion schools for students who study German, French, Japanese, Mandarin Chinese or Spanish. More than 15,000 CMS students speak a foreign language, representing a total of 169 different languages and 157 countries of origin. To learn more about Charlotte-Mecklenburg Schools, visit cms.k12.nc.us.

Eight international schools also help students maintain language skills and cultural identity while they are in Charlotte: a Japanese school, a German school, two Chinese schools, a Korean school, a Greek school, a Swedish school and a Russian school. Charlotte is also home to one of five British American schools. The Carolina International School is located just outside of Charlotte in Cabarrus County.

Private (nonpublic) schools and charter schools make up a significant part of Mecklenburg County's educational landscape.

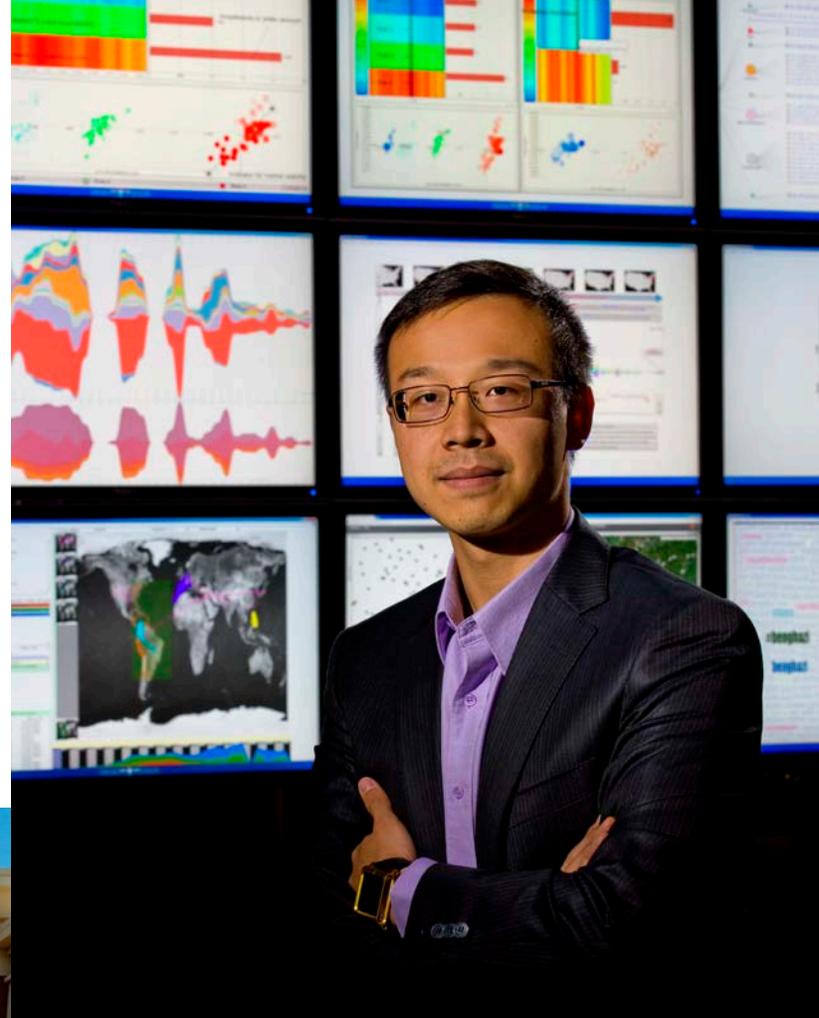
In fact, more than 26,000 students are enrolled in 80 private schools and charter schools in the county. This growing system includes elementary, middle and high schools with various religious affiliations, as well as independent institutions.



research and development center

HIGHER EDUCATION IS KEY TO ANY CITY'S — and company's — future growth. Within the Charlotte region, 23 public and private institutions offer baccalaureate degrees. Seventeen schools offer graduate degrees, including master's degrees and doctorates, in a variety of disciplines and with flexibility to meet the schedules of today's full-time employees. UNC Charlotte is North Carolina's urban research university, serving the region through applied research, knowledge transfer and engaged community service. More than 25,000 students, including approximately 5,000 graduate students, are enrolled in the university's doctoral, master's and bachelor's programs.

The university created the Charlotte Research Institute (CRI), which focuses on applied research in intelligent energy, manufacturing and precision metrology, eBusiness technology,



optoelectronics and optical communications, biosciences and biotechnology. CRI has grown to become one of the top research centers in the region and works with the community and the campus to accelerate technology commercialization and the growth of entrepreneurial ventures. Globally, CRI develops intellectual capital through collaborations with industry, government and academia. New business and research ventures, university partnerships with regional and national enterprises, and CRI spinoff companies draw research and businesses to the region, spurring economic growth.

Science and engineering ventures at CRI are driven by the internationally known results of its research centers in precision metrology, visualization and optoelectronics. CRI's research vision continues to grow with initiatives in bioinformatics, biomedical engineering systems, energy production and infrastructure,



information security, motorsports and automotive engineering, sustainability, nanoscale science and translational research. With facilities on the CRI campus and at the North Carolina Research Campus in Kannapolis, CRI helps companies initiate new research and development partnerships at UNC Charlotte and offers a variety of opportunities to engage talented faculty and make use of specialized resources available at UNC Charlotte.

quality of life for everyone

WHETHER LARGE OR SMALL, HOMEGROWN or multinational, Charlotte is a city for every company. People like living in Charlotte, and relocating companies successfully recruit highly talented individuals from all over to Charlotte. If you're considering a move, give Charlotte a look. Join the other companies who moved to Charlotte, put down roots and thrived.

Charlotte's high quality of life, below-average cost of living, world-class arts and major league sports, as well as abundant opportunities, attract talented individuals from around the globe. Approximately 13 percent of Mecklenburg County residents were born outside of the United States.

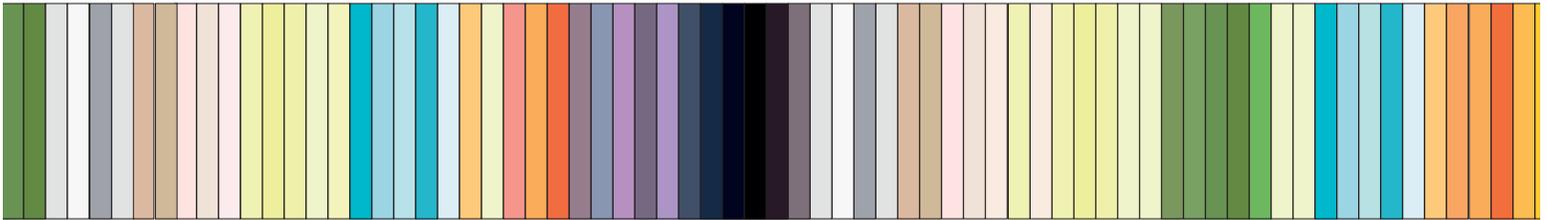
Charlotte-Mecklenburg enjoys a strong economy with a breadth and depth that is virtually unparalleled in any other U.S. market. Charlotte's business and civic leaders are committed to maintaining that advantage.





The premier interior solutions provider.

how does charlotte work?



CBI is charlotte's workplace partner

CBI is the premier interior solutions provider in Charlotte, providing unique options to support a variety of work settings. Working hand-in-hand with our clients, we research, explore and understand your workplace challenges and business needs and then develop interior solutions that are a perfect fit for your business model and how you work.

CBI is Charlotte's exclusive Knoll Dealer and DIRTT Partner, so whether you are looking for innovative and green architectural solutions, a new modern furniture aesthetic or workplace consulting to maximize your real estate, CBI will meet your needs and exceed your expectations at every touch. CBI is the partner that helps Charlotte's workforce adapt and takes organizations where they need to be to get the most from their work environments.



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