

FREDERICKSBURG REGIONAL ALLIANCE

ANNUAL REPORT 2010-2011



City of Fredericksburg
Caroline County
King George County
Spotsylvania County
Stafford County



Letter to Investors

October 27, 2011

DEAR INVESTOR,

I would like to begin by thanking all of our public and private sector investors, members of our Board of Directors, and supporters for your continued strong support of regional economic development. As you may know, the Alliance recently concluded another successful 4 year fundraising campaign and we express to you, our sincere appreciation, for all your contributions.

As the Alliance begins its 13th year as a regional economic development partnership there are many significant challenges that still lie ahead both in the national and global economies. Consumer confidence has deteriorated as consumers have grown more pessimistic about the short term outlook of the economy. The U.S. Financial Markets have also been in constant flux with record unemployment rates, and weak economic growth.

Though we still face some challenges ahead the Greater Fredericksburg Region is well positioned to take advantage of our strategic location as the economy recovers. Regionally, sectors that have remained strong during this recession have been government contractors, health care, higher education and tourism, not to mention a highly skilled and educated workforce that consists of one of the highest concentrations of Ph.D's in America which is specifically related to the presence of three military bases. Both Germanna Community College and the University of Mary Washington play an integral role in the

development of our regional workforce. Our regional unemployment rate of 6.2% continues to be well under the national average of 9.1%. Construction and retail still continue to be two major contributors to the regions unemployment claims.

Signs of growth still continue throughout the area with the completion of phase 1 of Eagle Village, construction of McKesson, a 340,000 square foot distribution center that will create over 150 jobs with an investment of over 50 million dollars, the UMW Center for Education and Research at Dahlgren and the Academic Services Building at Germanna Community College. The Russell-Knox building in Stafford County, a 718,000 square foot facility housing 5 military defense investigative agencies, will bring over 3,000 jobs to the region. In Virginia over the last year 70% of new projects have come from the expansion of existing industry which continues to be a priority and focus of the Fredericksburg Regional Alliance here in our region. A-T Solutions, founded only 8 years ago, has doubled in size over the last two years and is expected to add another 100 jobs over the next several years.

As the economy begins to recover, the Fredericksburg Regional Alliance continues to position the region through meetings with top site consultants throughout the country, semi-regional broker briefings that showcase our region to brokers from Baltimore to Richmond, and an updated website which will help attract corporations planning to relocate and expand. Ninety percent of current research for corporations looking to expand begins on the internet. The Alliance understands the value this brings to commercial brokers, site consultants and existing industries looking for current information quickly that will help them make a decision.

The FRA also has a strong working relationship with the Virginia Economic Development Partnership and continues to support them and our region through attendance at trade shows and marketing missions nationally. The Alliance

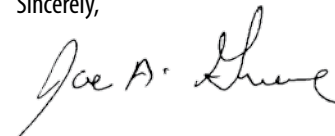
continues to publish its quarterly "Economic Pulse" which is a digital publication that is sent to over 1,200 business and community leaders highlighting significant achievements, statistical data and analysis of the region. Included in this year's annual report is a copy of our most recent economic profile which showcases the region strengths and provides insight into how the region is positioned as the economy rebounds.

Over the last year the Alliance has assisted with the creation of 264 new primary jobs with a capital investment of over \$23,550,000. The majority of job growth occurred in the professional development and business services, defense and healthcare industries. It is because of these dynamic industries that the average annual wage in the Fredericksburg region has continued to grow, even in the face of the Great Recession.

As the Alliance begins a new year we embark on a partnership with the University of Mary Washington that will help enhance the mission of both organizations and the region through collaborative efforts. Throughout the Commonwealth of Virginia and the United States, economic development organizations are partnering with higher education because they understand the value of education as a competitive advantage of a highly skilled workforce. We are excited to be a part of the Center for Regional Economic Development and believe this partnership will bring together the brightest minds from "academia" and "mainstreet" to create a one stop shop not only for existing industry and small businesses looking to expand but for new corporations planning to relocate.

Again, we greatly appreciate all the private sector businesses and community leaders and localities who continue to support regional economic development efforts.

Sincerely,



Joseph A. Greene, Chairman



2010–2011 LEADERSHIP: A PUBLIC/PRIVATE PARTNERSHIP

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Virginia Partners Bank
Virginia Community Bank
Wells Fargo

Thank You

The Alliance would like to thank all of our public and private sector investors, without whose participation none of our activities would be possible. We are pleased to announce that the Alliance achieved a 99% collection rate on all pledges in fiscal year 2011. Thank you for your continued support.

TARGET MARKETING

FRA Economic Newslines

In continuing efforts to actively market and promote the Fredericksburg Region, the Alliance has been pleased with the positive response to our online e-newsletter that highlights the current economic climate and provides up to date news regarding the Alliance's marketing and business recruitment strategies. More recently, the Alliance has acquired new technology that will assist in delivering the most comprehensive economic analysis data available. This new data will begin to be included in each e-newsletter beginning Fall 2011. The Alliance currently has an e-mail distribution list that includes local businesses, Northern VA and Richmond commercial real estate brokers, potential new businesses in the Alliance's targeted industries and various other industry leaders.



Centre Court

Site Consultant Series – Tucson, AZ

Alliance staff attended a corporate site consultant roundtable networking session in Tucson, Arizona from October 11-14, 2010. The session was attended by 9 of the top site consultants in the U.S. They offered several training sessions on current techniques for marketing a locality or region. In addition, over a three day period, individual meetings were held with many of these consultants. The one-on-one meetings provided an excellent opportunity to familiarize the site consultants with the numerous business advantages of the Fredericksburg Region. The vast majority of large projects are handled, at varying degrees, by site consultants. During these roundtable sessions, Alliance staff is able to meet with 90% of the most successful site consultants.

Data Center World Conference

Fredericksburg Regional Alliance staff attended the Data Center World Conference, in Clark County, Nevada from October, 3rd-6th. The conference hosted some of the world's leading experts in data center construction and innovation. Many of the seminars focused on what corporations were looking for when selecting a site to build a data center.

Thalhimer Broker Briefing

On Thursday, May 17, 2011 the Alliance gave an update and overview of the Greater Fredericksburg Region to 30 brokers at Thalhimer's new offices in Richmond, Virginia. A representative from each jurisdiction attended and helped provide insight and answers to questions pertaining to their specific localities. The Alliance sponsored breakfast for the brokers and feedback from the event was very positive. Broker briefings are an ongoing activity that the Alliance will continue to do from Richmond to Baltimore in an attempt to generate exposure for our growing region and to inform brokers and site consultants about the good things we have going on.

Virginia Business Magazine Anniversary Gala

The FRA staff recently attended the Virginia Business Magazine's 25th Anniversary Gala at the Fine Arts Museum in Richmond Virginia. The invitation only event was attended by over 300 people and highlighted many successes of Virginia Businesses over the last 25 years. Few people, if any attended from the region.

ALLIANCE WEBSITE

The Fredericksburg Regional Alliance's (FRA) website continues to play a large role in the overall marketing of the region. The website is currently averaging nearly 70,000 hits per month and has become a popular resource for commercial real estate brokers, site consultants, existing companies, local media, and higher education institutes.

The Alliance partners with LoopNet, Inc. to "power" our Regional Site and Building Database. This strategic alliance will assist local brokers, owners, and investors to increase national exposure of their listings while at the same time allowing visitors to the FRA website to view the same information listed on www.loopnet.com but with a regional focus.



TARGET MARKETING



McKesson in Caroline County



HealthSouth

Lieutenant Governor Bill Bolling Event

On Monday, September 20, 2010 the Alliance hosted an evening event with a keynote address from Lt. Governor Bill Bolling, Virginia's Chief Jobs Creation Officer. The event was sponsored by the University of Mary Washington and was held at UMW's Center for Professional Development and Regional Engagement in Stafford County. The event was attended by 110 local business and community leaders and focused on the importance of regionalism. The Lt. Governor's address highlighted the current challenges facing the nation and the steps that are currently being taken by the Governor's administration to position the Commonwealth of Virginia for a successful economic recovery.

Virginia Chamber of Commerce Congressional Luncheon

On Wednesday, September 22, 2010 the Virginia Chamber of Commerce hosted their annual Congressional Luncheon on Capitol Hill. The Fredericksburg Regional Alliance sponsored a table and invited representatives from each locality to attend. Congressman Rob Wittman attended the luncheon and was seated at the Alliance's table. Senator Mark Warner, Senator Jim Webb and Congressman Bob Goodlatte were on hand to brief the crowd on the overall state of the economy and to add their thoughts on what it will take to get the country moving in the right direction. Their keynote addresses can be viewed individually on the Virginia Chamber of Commerce's website.

FREDERICKSBURG REGIONAL ALLIANCE AT THE UNIVERSITY OF MARY WASHINGTON

In the global economy, economic development is becoming even more competitive. The University of Mary Washington and higher education in general are strong allies in preparing today's work force for tomorrow's jobs. Companies that are expecting to relocate or expand are keenly interested in the knowledge and skills in the local workforce, as this translates directly into their competitiveness in the marketplace and their ability to make a profit.

UMW's focus on regional engagement is a strong vision for bringing the assets of academia to "Main Street." The ability of a university to conduct studies and transfer knowledge from the classroom to the workplace is a real asset for any community. The Fredericksburg Regional Alliance will benefit from these university assets while continuing to market the region to companies, creating both investment and higher paying jobs. FRA's future affiliation with UMW will create an environment to attract the best companies and brightest students, while creating a highly skilled, knowledge-based workforce for the region and provide contribution to communities beyond.

FRA's mission of working cooperatively with local economic development offices, the Virginia Economic Development Partnership, and other regional groups meshes well with the proposed office of economic development. The resources of the Alliance, combined with those of the university, allow the new center to truly become a comprehensive collection of services and information for both existing businesses and those considering the area for relocation or establishment of a new enterprise. This is an opportunity where all current stakeholders will work together to strengthen regional economic development while assuring that each area locality can draw upon the resources of Mary Washington to increase our global competitiveness and strengthen our knowledge-based economy.

FRA, public and private sector supporters, and the economic development team of each locality will remain fully engaged in the process of promoting economic development. All current aspects of handling business contacts and referrals will not change. FRA will remain a non-stock corporation governed by its volunteer Board of Directors and funded by the public and private sectors to market the region and offer services related to business retention and expansion.

“ UMW has a rich resource pool that can be applied to create a synergistic effect, enhancing the programs that are currently underway to promote this region. We believe that a contractual partnership with the Frederick Regional Alliance will serve the best interests of the public and private sectors as well as the interests of the university. ”

Rick Hurley

President

University of Mary Washington

FRA President Gene Bailey added that the existing mission of the FRA to facilitate the creation of jobs and capital investment while diversifying the economy and increasing the tax base will not be diminished.

“ By leveraging the assets of the university, FRA will be able to offer additional services that will benefit both the public and private sectors and provide a greater return to the investors and the community. ”

Gene Bailey

President

Fredericksburg Regional Alliance



Photo: Scott F. Smith

Eagle Village at the University of Mary Washington

Continued on page 11.

2011 FREDERICKSBURG REGION ECONOMIC PROFILE



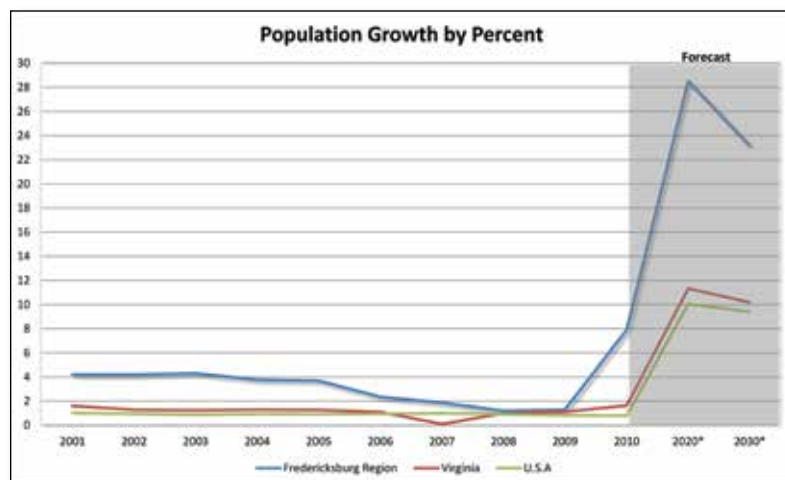
The economic recovery in the Greater Fredericksburg region continues on course, but at a pace somewhat slower than originally anticipated. As previously noted, the “Great Recession” continues to affect different sectors of the regional economy in different ways.

Like the rest of the country, the housing industry in our region still remains a long way from full recovery. Taxable sales have dropped during the last quarter, which is a direct reflection of a reduction in consumer confidence, continued foreclosures in the housing market and, until recently, a sharp increase in gasoline prices. These factors have had a significant impact on the U.S. economy as a whole and, to some degree, our region is no exception. Healthcare and higher education continue to play a role of stability in the area. Military spending is currently exerting a positive influence, but future defense cuts and the Administration’s current policy of bringing more work back to the federal government are trends that bear continued watching. The nation’s rate of recovery remains largely tied to progress made in putting people back to work. The region’s vacancy rate for office, retail and industrial space is on par with other regions in the country and is significantly outperforming many other areas. Future job creation will lessen home foreclosures, improve consumer confidence, and obviously pump more money into the economy resulting in greater revenue for governments.



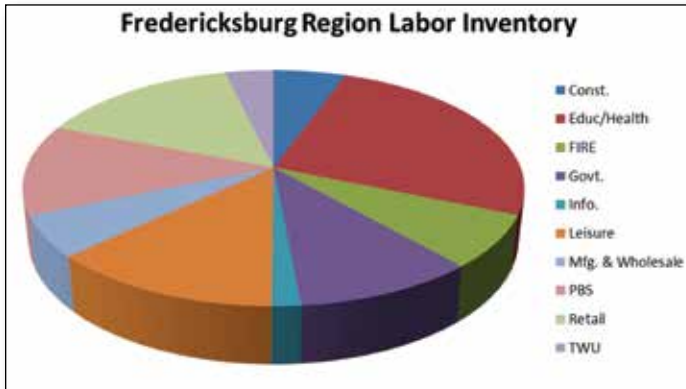
The region continues to fare better than the state or the nation when it comes to unemployment. The Fredericksburg region’s current unemployment rate of 6.2% is substantially lower than the U.S.’s current rate of 9.1% and continues to out-perform the unemployment rate of Virginia, which is 6.5%.

Overall, the region’s economy is awaiting further improvements in several sectors while significantly out performing national statistics in a number of other areas.

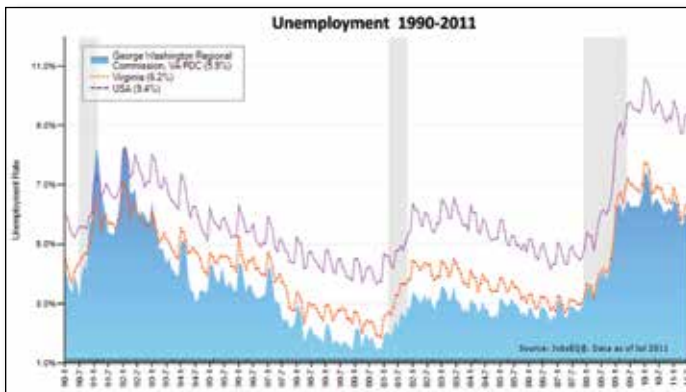


The Fredericksburg Region continues to grow its population at a rate that exceeds both Northern Virginia and the Commonwealth. This high annual average percent change in population is expected to grow even faster in the current and upcoming decades. Because of this dramatic increase in residents, finding quality, high paying jobs becomes a vital task in ensuring the continued success of the region.

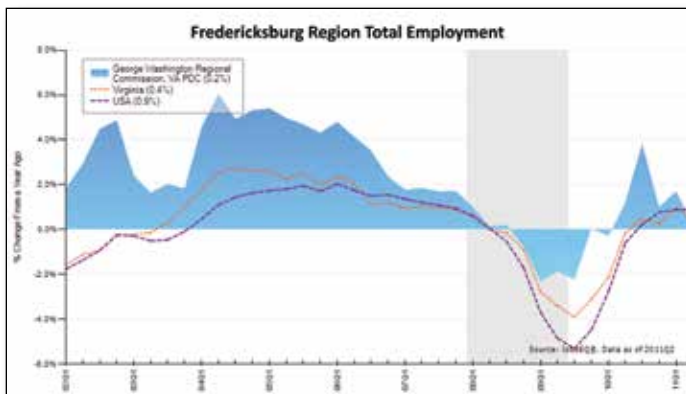
2011 FREDERICKSBURG REGION ECONOMIC PROFILE



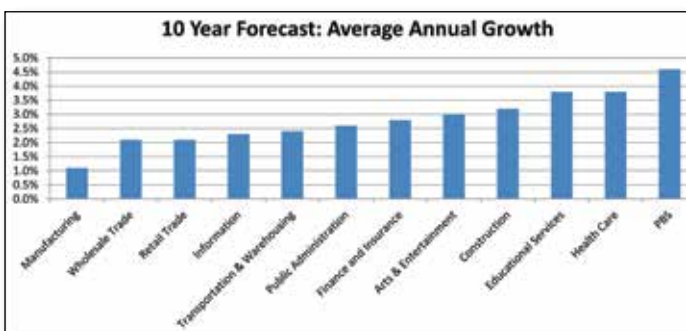
As the Fredericksburg Region continues to grow in population, so does the labor inventory and its unique diversity. Retail continues to provide a significant source of employment, but other industries, such as Healthcare, Military and Educational Services, continue to grow despite the recession. Unfortunately, industries such as Construction and Manufacturing have suffered tremendously during that same time period.



The unemployment rate has risen dramatically since the recession began in late 2007 and, though it has fared better than that of the state and U.S., the Fredericksburg Region has not been spared. Though unemployment is not as severe as it was in 2009 and 2010, it still remains unfavorably high. National policy and administration changes will continue to play an important factor in determining future rates.

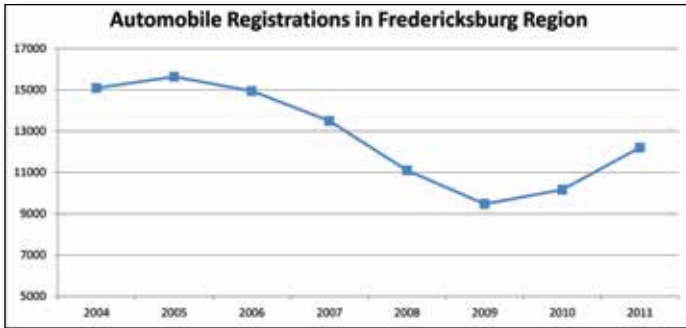


The total employment change for the Fredericksburg Region continues to mirror that of the unemployment rates. As the total labor force increases with the growing population, assuming unemployment rates don't significantly drop, the percent change in total employment will ultimately become lower year by year. This is also certainly true, if not more so, for Virginia and the rest of the United States.

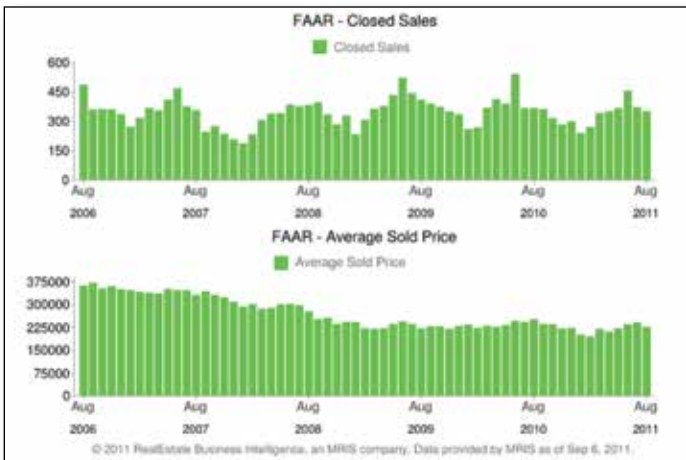


Industries that have held strong during the recession will also be the highest growing over the next decade. The Fredericksburg Region has been fortunate to be able to host industries such as Healthcare and Educational Services which, during 2007-'08, boasted a 10.9% and 2.7% growth rate respectively. This trend is expected to continue over the next 10 years, as Healthcare employment is on track to rise 3.4% and Educational Services 3.3%.

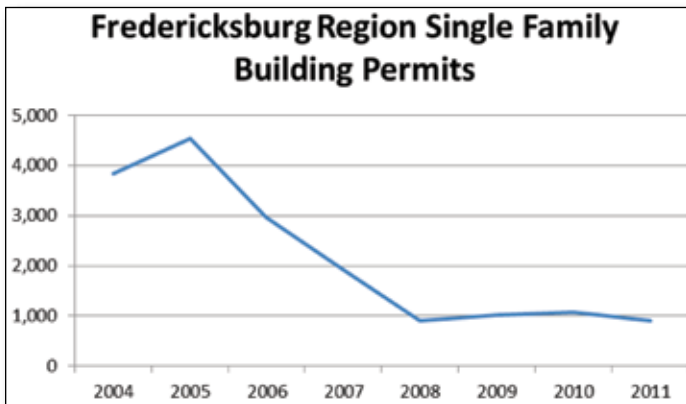
2011 FREDERICKSBURG REGION ECONOMIC PROFILE



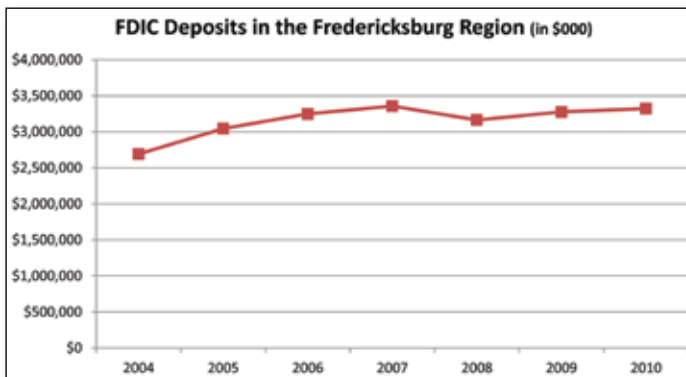
Automobile registration data are often used as an indicator of consumer confidence. During the recession, auto registrations fell dramatically in the state, local and national levels. However, those numbers are beginning to show signs of improvement in the Fredericksburg Region. This is seen as a positive sign that the region is beginning to emerge from the recession before other areas in the United States.



Home sales in the Fredericksburg Region have continued to follow the trends established both before and after the economic recession. Because of government backed programs that incentivized home buying, first time buyers have played a significant role in home sales for the region. Average sold prices have continued to arrive at a more natural level, far lower than the inflated prices during the housing bubble prior to the recession.



Single-family building permits data show the deep downturn in the housing market that preceded the recession. Since 2008, the yearly averages have leveled due to the fall in the housing market. This data helps explain the sharp decline in the Construction industry, as new homebuyers have taken advantage of home buying incentives that have been offered.

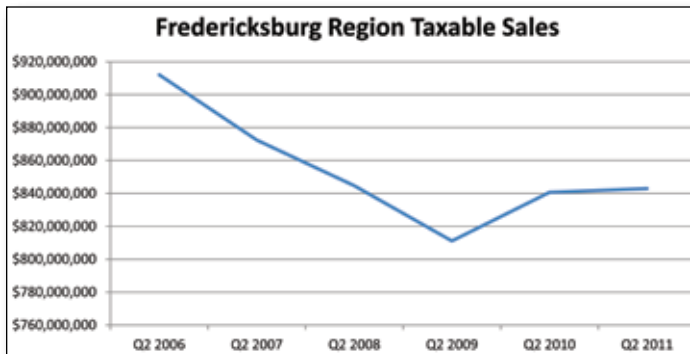


The Fredericksburg Region's Financial industry has seen an increase in FDIC deposits since 2008, returning to levels experienced in 2007. This data indicates an increase in consumer savings and an overall adjustment in consumer spending patterns.

2011 FREDERICKSBURG REGION ECONOMIC PROFILE



The Fredericksburg Region's Gross Regional Product has historically experienced significant year over year increases. However, the growth rate from 2008-2010 was much slower than that of previous years. The 2010 GRP of \$10.75 billion outperformed earlier projections of \$10.28 billion for that same year. The current year and 2012 are anticipated to continue this growth trend at a more favorable rate than that of prior years.



Due to the dominance of the Retail industry in the Fredericksburg Region, taxable sales saw a sharp decline during 2006-2009, especially during the early-to-mid stages of the economic recession. Since 2009, however, this number has seen an increase and stabilization as consumers begin to rebalance savings and expenditures. This data is another indication of consumer confidence as the region's economic diversity and employment opportunities begin to rise again.

Office Market	Avg. Lease Rate per SF (Q2 2011)	Market Size (Sq. Ft)
Fredericksburg VA Region	\$21.52	8,560,301
Washington DC (CBD)	\$49.63	124,228,420
Richmond VA	\$18.10	25,766,308
Northern VA	\$30.61	179,938,716
Baltimore MD	\$22.21	63,477,568
Suburban MD	\$27.04	79,455,182
Charlotte NC	\$19.54	38,338,574
Atlanta GA	\$20.32	132,831,477
Philadelphia PA	\$26.02	144,899,178
Chicago IL	\$21.01	108,465,239
Dallas/Forth Worth TX	\$19.55	229,264,454
Boston MA	\$19.69	106,694,443
Nashville TN	\$18.46	32,012,741



The Fredericksburg Region is home to three military bases. NSWC Dahlgren Division, Fort A.P. Hill, and Marine Corps Base Quantico.

P.O. Box 119 ▪ Fredericksburg, Virginia 22404-2300 ▪ 2300 Fall Hill Avenue, Suite 270 ▪ Fredericksburg, Virginia 22401
540.361.7373 or 866.876.0971 ▪ Fax 540.361.7372

On December 1, 2011 FRA is Relocating To: 1125 Jefferson Davis Hwy., Suite 240 ▪ Fredericksburg, VA 22401

www.fra-yes.org

FREDERICKSBURG REGIONAL ALLIANCE AT THE UNIVERSITY OF MARY WASHINGTON Technology and Convergence Center will Enhance Teaching and Learning

UMW has received funding for a new 76,720-square foot Information and Technology Convergence Center, slated to open in fall 2014. The four-story facility will be constructed in the heart of the campus, connected by an enclosed walkway to the second floor of the Simpson Library. The center is to house conference and training rooms, teaching space, video and audio production rooms, student collaboration rooms, an “incubator classroom” for testing new technology, and a digital auditorium. It is to be constructed with an eye toward the future so that it can easily accommodate new innovations and technological equipment that has yet to be developed.



William Anderson Convocation Center

Center for Spatial Analysis and Research (CeSAR)

The Center for Spatial Analysis and Research (CeSAR) at The University of Mary Washington, is an interdisciplinary undergraduate research center focused on applications, education, and innovative solutions to problems that require consideration of space and place. The center is a resource that supports and develops research projects and encourages the wider use of GIS and related applications through collaboration on grants, demonstrations, training, teaching, and internships. To support its mission, CeSAR provides state-of-the-art technology and professional facilities. CeSAR serves as a leader and catalyst for the advancement of GIS technology for the university, private, and public sectors.

FRA Hosts Business Graduates of Germanna Community College

On April 19, 2011 the Alliance hosted lunch for over 60 students from Germanna Community College at the Fredericksburg Country Club. Gene Bailey, spoke to the group about the challenges they face in the global economy and the knowledge, skills and abilities they will need in the workforce we live in today as well as some of his experiences throughout his career. The group, including professors and administrators, asked many questions and were very engaged. Some students have continued to stay in touch with FRA staff.

Germanna’s Expansion Primes Area for Job Growth

Germanna Community College has been one of the fastest-growing colleges in America over the past four years. It serves nearly 8,000 credit students and a total head count of about 11,000 at campuses at Massaponax and Locust Grove and centers in Stafford and Culpeper.

To accommodate the rapid growth, the General Assembly approved a \$25.4 million third building at its Fredericksburg Campus in Spotsylvania. The three-story, 50,000-square-foot Academic Services Building will house four biology labs, two engineering labs, two chemistry labs, two physics labs and two environmental chambers for biology experiments. Construction is expected to be complete in March of 2012.

At the building’s groundbreaking in January of 2011, Gov. Bob McDonnell praised Germanna’s push in science, technology and engineering. The College is “expanding in the right disciplines, so you can create the great-paying jobs and the right training for our young people,” the governor said.

Academic Services Building – Germanna Campus



NETWORKING EVENTS to MARKET the REGION

MARKETING MISSIONS

7/27/2010	Lunch with Chinese Investors
7/29/2010	Trip to Manhattan – Meeting with Site Consultant
8/10/2010	Dinner with Chinese Business Executives at Asia Café
Sept. 26-28, 2010	Annual IEDC Conference – Columbus, OH – Grade Exam Papers
Oct. 2-5, 2010	Data Center World Conference – Nevada
Oct. 10-14, 2010	Roundtable Session with Site Consultants – Tucson, AZ
12/15/2010	Networking and Marketing Meeting in Manhattan
12/18/2010	Lunch with Consul General of Chinese Embassy in Stafford County
1/26/2011	Virginia Chamber of Commerce Legislative Reception
3/27/2011	Site Consultant Meeting - Avon, Colorado
5/2/2011	Marketing Mission with VEDP - Chicago, IL
5/21/2011	Lunch with 22 Member Chinese Delegation
6/6/2011	Dinner with Business Prospect - North Los Angeles, CA
6/13/2011	Roundtable Session with Site Consultants - Hilton Head, SC

LEGISLATIVE AND POLITICAL RECEPTIONS

6/27/2010	Fundraiser for Congressman Wittman
9/10/2010	Breakfast Reception for Susan Stimpson
9/11/2010	Rappahannock Board Forum with Sen. Mark Warner
9/20/2010	Reception with Lt. Gov. Bolling – UMW Sponsored
10/21/2010	Richmond Convention Center - Governors Conference on Higher Education and Economic Development
11/9/2010	Meeting with Bobby Orrcock
11/19/2010	Breakfast with South Potomac Civilian Military Community Relations
1/7/2011	Breakfast in Washington with Federal Agency
1/25/2011	Testify Before House Commerce Committee in Richmond
1/26/2011	Virginia Chamber of Commerce Legislative Reception
3/21/2011	Lunch with Rob Wittman at Bonefish Grill
3/24/2011	Spotsylvania EDA Planning Session at Germanna Community College
5/12/2011	Meeting with George Allen, former U. S. Senator
6/27/2011	Meeting with Bill Howell, Speaker of the House

SPEAKING ENGAGEMENTS

7/17/2010	Fredericksburg Area Association of Realtors
7/28/2010	Comcast TV Production
8/9/2010	Dinner Speaker at Rotary Club at Chancellor
9/14/2010	Speaker at Breakfast Meeting – Marriott Courtyard
9/17/2010	Lunch Speaker for Leadership Class at Chamber
9/20/2010	Reception with Lt. Gov. Bolling – UMW Sponsored
10/20/2010	Meeting with Spotsylvania EDA
10/26/2010	Fredericksburg Regional Chamber of Commerce Board Meeting
10/29/2010	Speech at Germanna Community College - Workforce Development
12/2/2010	Presentation by Dr. Stephen Fuller on Regional Economy
12/7/2010	Regional Legislative Report
12/9/2010	UMW Planning Session - Stafford Campus
12/18/2010	Lunch with Consul General of Chinese Embassy in Stafford County
1/14/2011	Stafford County EDA Presentation
2/9/2011	Presentation to King George EDA
3/24/2011	Spotsylvania EDA Planning Session at Germanna Community College
3/24/2011	Ni Village Presentation - Luck Stone
4/5/2011	Interview with B101.5 – Regional Economic Outlook
6/17/2011	Interview with Consultant at Germanna Community College

GENERAL MARKETING ACTIVITIES

6/21/2010	Lunch with Executives from Rappaport
6/24/2010	Tour of Terramark in Culpeper, Virginia
6/29/2010	REDCO Annual Meeting
7/1/2010	Grand Opening of the Village at Spotsylvania Towne Centre
7/15/2010	UMW Foundation Board Meeting
7/16/2010	Grand Opening – People's Community Bank
7/16/2010	Eagle Village Ribbon Cutting
7/17/2010	Bowman Center Tour with Jay Adams



Tourism is a major industry in the region.



The region is rich in Civil War history.

NETWORKING EVENTS to MARKET the REGION

7/20/2010 Meeting with Tim Tobin, CEO, HCA
 7/20/2010 Lunch with Randy Harris, CEO, Ultimate Pontiac, Buick and Jeep
 7/20/2010 Dinner with Mike Kalis – Baltimore, MD
 7/21/2010 Lunch with Jullian Grante – Grante Global Partners
 7/23/2010 Meeting with Silver Companies Prospect
 7/28/2010 Lunch with CorpComm Executives
 8/3/2010 Meeting with John Izzo, Regional VP, GEICO
 8/3/2010 Reception at Eagle Village
 8/12/2010 Caroline County Little League Ball Park Barbeque
 8/23/2010 Meeting with Bill Oeters
 8/25/2010 Meeting with Kevin Fastabend, Virginia Commerce Bank
 8/30/2010 Reception at Bonefish Sponsored by Silver Cos.
 9/8/2010 Meeting at Intuit
 9/9/2010 Attended Ducks Unlimited
 9/11/2010 Rappahannock Board Forum with Sen. Mark Warner
 9/14/2010 Ribbon Cutting for Bill Vakos Project
 9/15/2010 Reception for VA State Fair at Marriott
 9/16/2010 Lunch with PNC Executives
 9/16/2010 Reception with Stellar One Executive, Buddy Kaurouklis
 9/17/2010 Lunch Speaker for Leadership Class at Chamber
 9/17/2010 Ribbon Cutting for UMW Campus at Dahlgren
 9/18/2010 Rappahannock Riverfest
 9/20/2010 Reception with Lt. Gov. Bolling – UMW Sponsored
 9/29/2010 Meeting with Intuit
 9/30/2010 Meeting with Foundation Board at UMW
 10/1/2010 Meeting with Board of Visitors at UMW
 10/6/2010 Groundbreaking Ceremony with McKesson
 10/7/2010 Lunch with Rick Hurley and Joe Greene
 10/8/2010 Meeting with Locality Economic Development Team
 10/9/2010 Fall Festival – 40th Anniversary at Germanna
 10/20/2010 Meeting with Spotsylvania EDA
 10/20/2010 Lunch with Don Newlin – Stafford EDA Chairman
 10/21/2010 Richmond Convention Center–Governors Conference on Higher Education and Economic Development
 10/25/2010 FRA Annual Meeting
 10/26/2010 Fredericksburg Regional Chamber of Commerce Board Meeting
 10/27/2010 Regional Chamber of Commerce Board Retreat
 10/28/2010 Tour and Reception at Bowman Center
 11/2/2010 Breakfast in Washington DC with Federal Agency
 11/3/2010 Lunch with Dominion Virginia Power
 11/3/2010 Meeting with Business Advisory Board - Ferrum College
 11/4/2010 Meeting with Bob Hannan, Intuit
 11/15/2010 Jepson Center - UMW President’s Roundtable
 11/15/2010 Attended GEICO’s 20th Anniversary Celebration
 11/15/2010 Military Affairs Council Reception
 11/16/2010 Marine Corps System Command Small Business Opportunity Conference
 11/19/2010 Breakfast with South Potomac Civilian Military Community Relations
 11/30/2010 Lunch with Federal Agency Officials
 12/1/2010 Reception with Community Foundation Board
 12/2/2010 Presentation by Dr. Stephen Fuller on Regional Economy
 12/7/2010 Regional Legislative Report
 12/8/2010 Sponsored Regional Tourism Luncheon
 12/8/2010 UMW Foundation Board Meeting
 12/8/2010 Reception for Wachovia at Downtown Marriott
 12/9/2010 UMW Planning Session - Stafford Campus
 12/10/2010 Lunch with Regional Economic Development Team
 12/14/2010 Chamber Board Meeting - Alliance Office
 1/6/2011 Breakfast with Jeff Rouse - 504 Loan Program

1/10/2011 Visit William and Mary Business Incubator
 1/13/2011 Meeting with Ferrum College Business Advisory Board
 1/27/2011 Meeting with Stellar One Bank Executives
 1/28/2011 Groundbreaking at Germanna with Gov. McDonnell
 1/28/2011 Fredericksburg Regional Chamber of Commerce Gala
 2/11/2011 Germanna Community College Scholarship Dinner
 2/15/2011 Meeting with David Anderson
 2/17/2011 Meeting with Jeff Rountree
 2/24/2011 Pre Rotary at Fredericksburg Country Club
 2/25/2011 Lunch with Federal Agency
 3/1/2011 Reception with Virginia Business Magazine
 3/3/2011 Breakfast with Fredericksburg Regional Chamber of Commerce
 3/3/2011 Meeting with Senior Representative of M&T Bank
 3/17/2011 Lunch with Commercial Real Estate Broker
 3/22/2011 Dinner with Richmond Broker
 4/1/2011 Meeting with UMW Foundation Board
 4/1/2011 Reception with UMW Presentation and Board of Visitors
 4/2/2011 Breakfast with UMW Board of Visitors
 4/6/2011 Meeting at Germanna Community College– Workforce Development



Quantico Corporate Center – A Silver Companies Project

4/6/2011 Meeting in Roanoke with Ferrum College President and Business Faculty
 5/3/2011 Foreign Delegation Visit
 5/4/2011 Meeting with Dr. Stephen Fuller
 5/5/2011 City of Fredericksburg EDA Business Appreciation
 5/6/2011 Stafford EDA Business Appreciation
 5/6/2011 Caroline Business Appreciation
 5/6/2011 Business Prospect Meeting
 5/9/2011 UMW President’s Roundtable
 5/9/2011 Business Prospect Meeting
 5/11/2011 Regional Tourism Dinner
 5/11/2011 Military Affairs Council Reception
 5/16/2011 Meeting with Dominion VA Power Vice President
 5/18/2011 King George EDA Business Appreciation
 5/20/2011 Meeting with Project with Luck Stone
 5/23/2011 One Year Anniversary Reception for Splittsville/Muvico
 6/1/2011 Meeting with UMW
 6/3/2011 Meeting with Prospect
 6/9/2011 Contractor Breakfast with Congressman Wittman
 6/29/2011 REDCO Annual Meeting
 6/30/2011 Meeting with Chamber of Commerce on Defense Issues

HEALTH CARE – A MAJOR COMPONENT OF THE REGIONAL ECONOMY

Mary Washington Healthcare Leads the way with New Technology

Mary Washington Healthcare has recently brought the most advanced cancer fighting technology in the world to our region. TrueBeam radiation therapy was introduced in August through Mary Washington Hospital Radiation Oncology making them one of only 30 hospitals globally to offer this new and exciting technology. This new technology, combined with the physicians and other specialists dedicated to Mary Washington's high quality radiation oncology program, provide a significant advance in the treatment of cancer for our region. TrueBeam also allows doctors to add stereotactic radiosurgery to the compliment of services. Stereotactic radiosurgery, called SRS, is similar to, but newer than cyberknife radiation technology. Mary Washington Hospital will be the only hospital in our region to offer SRS, the most advanced technology anywhere.



Mary Washington Hospital Radiation Oncology

Spotsylvania Regional Medical Center brings new dynamic to the Fredericksburg Region

Spotsylvania Regional Medical Center opened June 7, 2010 and is a part of HCA Virginia, one of the commonwealth's most comprehensive healthcare networks.

SRMC, selected as Business of the Year 2011 by the Fredericksburg Regional Chamber of Commerce, is a \$175 million hospital with 126-beds and all rooms are private and provide a wide range of in- and outpatient services, including 24-hour emergency care, obstetrics, diagnostic imaging, intensive care, cardiac catheterization and psychiatric care. Located on a 75-acre campus south of Fredericksburg on Interstate 95, the hospital won state approval to build a cancer treatment center, which will be built next to the Pogonia Medical Arts Building, an 80,000-square-foot medical office building attached to the hospital.

SRMC employs over 500 full and part time staff members and will pay roughly \$1.5 million in taxes annually to Spotsylvania County, thereby broadening the county's tax base.



HCA Spotsylvania Regional Medical Center

Though it didn't open its doors until June 7, 2010, Spotsylvania Regional Medical Center was playing an active role in the local community well before admitting patients. In January 2010, it presented Germanna Community College with an unrestricted donation of \$100,000 towards their nursing program. In December 2010, the hospital donated \$5,000 apiece to fire and rescue squads in the City of Fredericksburg and the counties of Caroline, Spotsylvania and Stafford.

TARGET MARKETING

Navy Opportunity Forum 2011

Every year the Alliance attends the Navy Opportunity Forum in Arlington, Virginia which plays host to over 200 companies worldwide looking to market new technologies to the military. Many of these are new companies and are expected to grow and expand. There were over 220 companies that attended this year's event. The forum provides a great opportunity for the Alliance to talk with key decision makers face to face looking to grow their presence nationally. Overall, the event garnered several potential prospects.

CoreNet Global, VEDP Marketing Mission

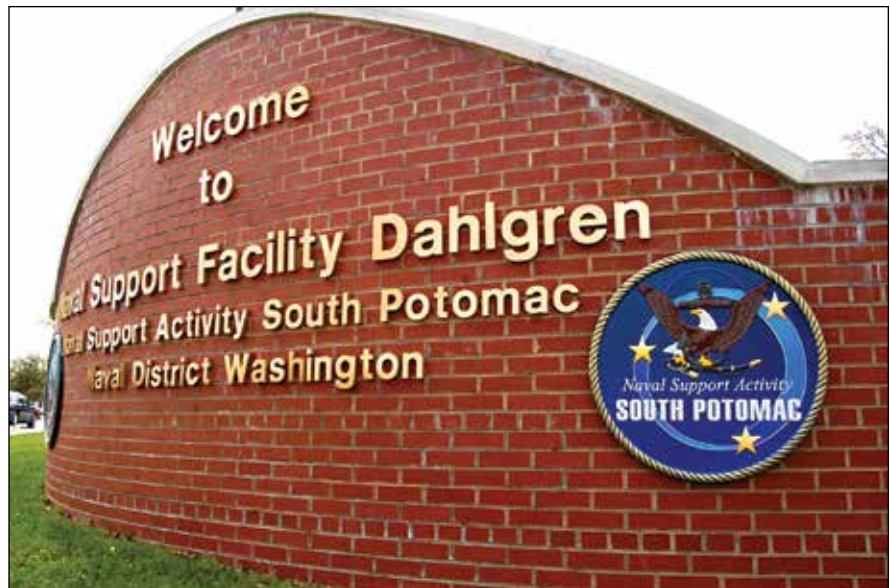
The Fredericksburg Regional Alliance along with VEDP attended CoreNet Global in Chicago, Illinois, April 30th through May 2nd. The event plays host to over 1,200 people including site consultants and end users that come to CoreNet from around the World. The 3 day conference was a great networking opportunity that uncovered several leads for the State and potentially the Region. Faith McClintic, Assistant Economic Development Director for Stafford County also attended the event.

Alliance Co-Sponsors Government Contracting Seminar

On Thursday, June 9, 2011 the Fredericksburg Regional Alliance helped sponsor a Government Contracting Seminar put on in conjunction with Germanna Community College, Center for Workforce and Community Education. Gene Bailey, President of the Alliance introduced keynote speaker, Congressman Rob Wittman. Overall, there were more than 100 people who signed up to learn more about government contracting procedures, rules, regulations and programming.

Site Consultant Roundtable in the South

The Fredericksburg Regional Alliance along with a representative from each locality attended the site roundtable series in South Carolina June 13th through the 17th. The FRA sponsored the event as an opportunity for each locality to highlight their specific properties, green field sites and target industries to some of the top site consultants throughout the country. The Fredericksburg Regional Alliance has been attending these events for over a year and has found them highly productive and gives the consultants a more comprehensive and detailed overview of our region when they are looking to locate a large project throughout the country.



NSWC Dahlgren Division

Site Consultant Series–Beaver Creek/Avon, CO

Alliance staff attended a corporate site consultant roundtable networking session in Tucson, Arizona from March 28-31, 2011. The session was attended by 9 of the top site consultants in the U.S. They offered several training sessions on current techniques for marketing a locality or region. In addition, over a three day period, individual meetings were held with many of these consultants. The one-on-one meetings provided an excellent opportunity to familiarize the site consultants and the numerous business advantages of the Fredericksburg Region. The Alliance anticipates participating in all three of the Roundtables throughout 2011.

VEDP Luncheon

The Fredericksburg Regional Alliance hosted VEDP at the Bull & Bear Club in Richmond, Virginia on Thursday, April 14, 2011. Networking began at 11:30 with lunch and a brief presentation by the FRA and each of the localities starting at noon. Mr. G. William Beale former FRA Board Chairman and VEDP Board Member and current Board Chairman Joe Greene attended. This was a great networking opportunity to share with many of VEDP's project managers with what the region has to offer.

THE STRENGTH OF PARTNERSHIP

The Fredericksburg Regional Alliance (FRA) is a public/private economic development marketing partnership created to provide CEOs, presidents, corporate real estate executives, and site selection consultants with a single source for comprehensive demographic, economic, and commercial real estate information on the Fredericksburg, Virginia Region – which includes the City of Fredericksburg and the counties of Caroline, King George, Spotsylvania, and Stafford—while also providing a wide range of services designed to facilitate the creation of jobs and capital investment while diversifying the economy and increasing the tax base.

The Alliance works in cooperation with local economic development offices, the Virginia Employment Commission (VEC), the Virginia Economic Development Partnership (VEDP), the Fredericksburg Regional Chamber of Commerce, the George Washington Regional Commission, the University of Mary Washington and Germanna Community College, public utilities, and other regional groups. FRA offers a comprehensive range of services and information, including: demographic, economic, and commercial real estate data; community tours; site selection services; industry-specific wage, workforce and labor availability information; tax and cost of living comparisons; financing options; and confidential project-specific proposals from Alliance localities.

MISSION STATEMENT

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www.fra-yes.org