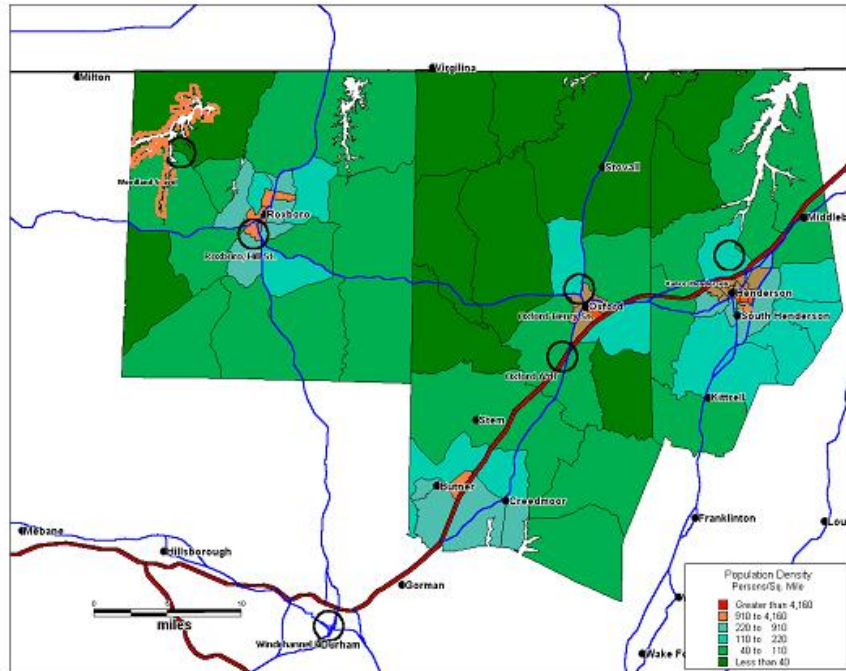


Person County – Hyco Lake Telecommunications Services



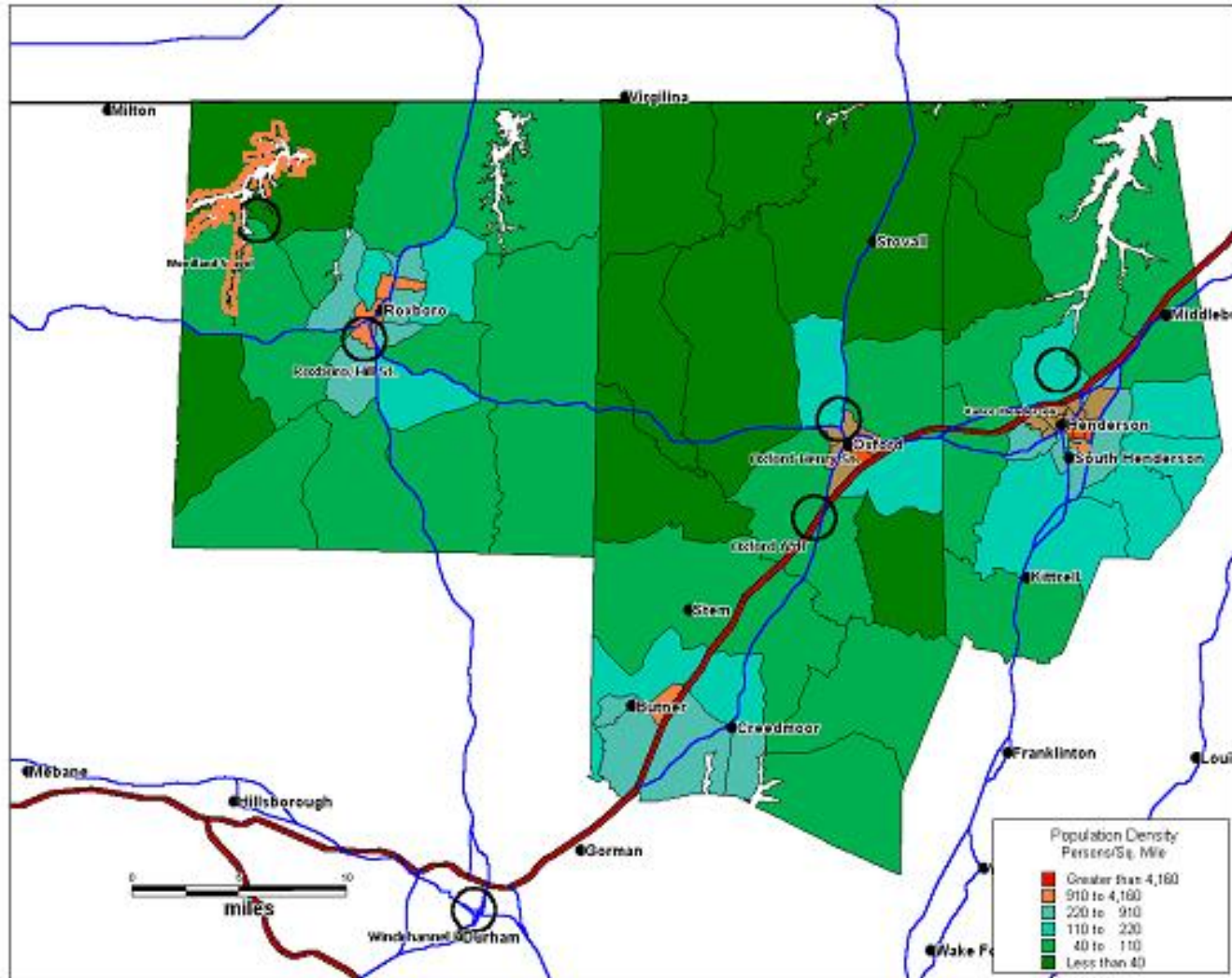
- Cell Phone Coverage is mostly non-existent
- Broadband Internet Services unavailable
- Bell South/MebTel service area lacks even basic service

www.hycolake.com

Hyco Lake Populous

- Approx. 1170 Homes on the lake
- Approx. 800 homes full time occupancy
- Populous swells to est. 5000-6000 in summertime
- Highest growth rate is in the Southern part of Person County and Hyco Lake
- VIR Raceway bringing numerous high profile companies and individuals to area (200,000)
- Industry expanding in area near Progress Energy

Hyco Lake Population Density

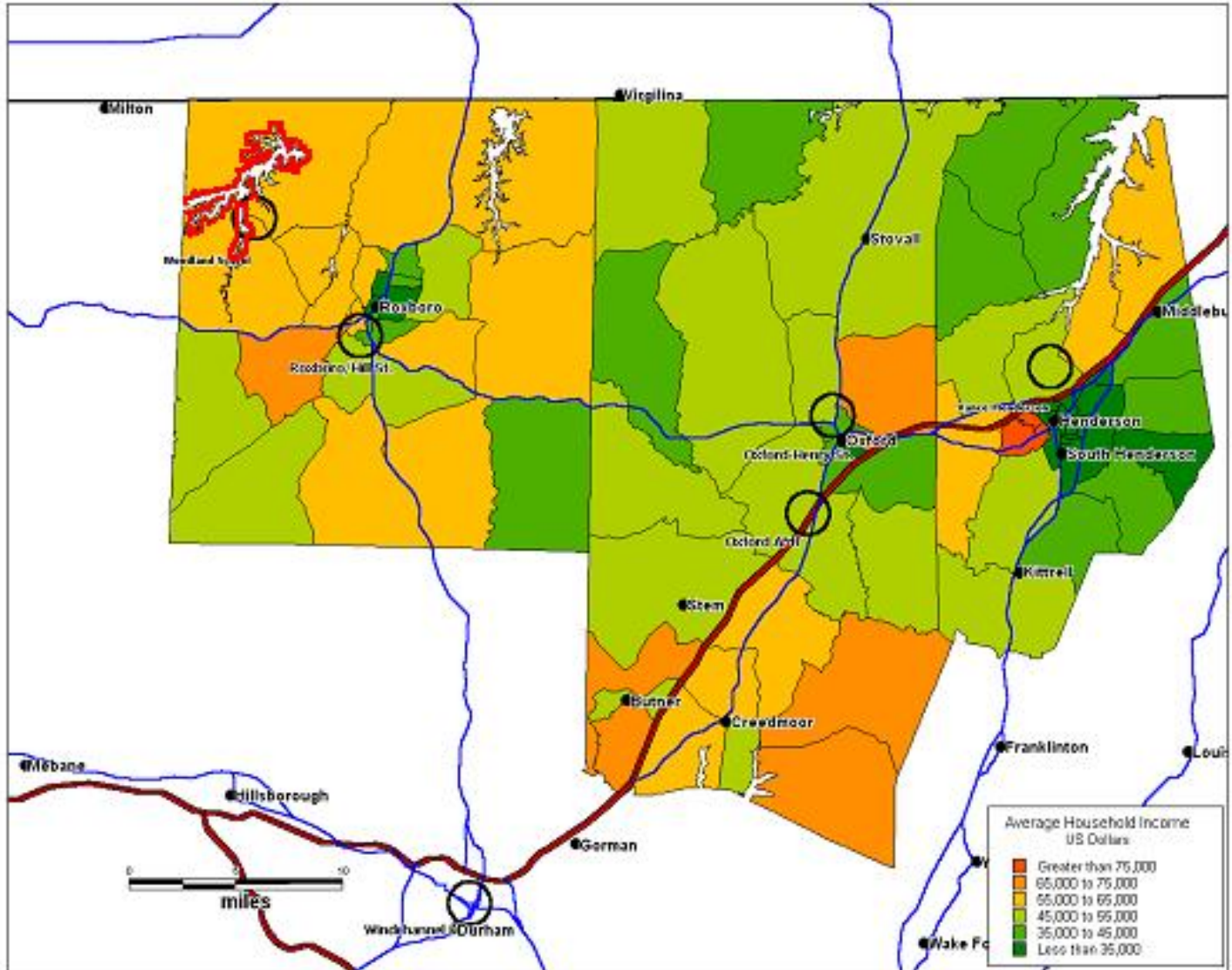


Hyco Lake density approx 1000/sq. mile

Hyco Lake Values

- Average home/land value est. \$660,000
- Average income of owners est. \$150,000 +
- Home value range from \$150,000 to 1.6 Mil
- Market value increases at Hyco outpacing all other areas of county and surrounding areas
- Considerable number of owners travel from adjacent counties on weekends to Hyco

Average Household Income



Hyco Lake resident est. avg. income \$150,000+

Hycos Lake Utilities

- Sprint and MebTel provide basic phone services
- Minimum broadband internet services available
- No indicated plans for expansion by Sprint, US Cellular or Alltel
- Minimum to non-existent cell phone coverage on southern tip of lake
- Minimum TV cable system coverage
- Phone system reliability and service quality is very poor on the North side of the lake (Bell South/MebTel – Lynchburg, VA LATA)

Present and Future Needs

- Homeowners require cell phone coverage for safety and basic needs – numerous homeowners travel from adjacent areas on weekends/vacation
- Business requires cell phone coverage for operations (Progress Energy, CertainTeed, Pro-Ash, Fluor-Daniels, Carolina Sunrock, others)
- Homeowners, especially telecommuters, need broadband internet service for work-at-home
- VOIP (Voice Over Internet Protocol) service is in demand by industry and homeowners.
- Advance phone features are needed such as conference calling which is not available in areas

Economics of Expansion at Hyco Lake

- Consumers in the area will switch cell service to the vendor who supplies coverage in the Hyco area
- Weekend/summer residents will switch to the vendor supplying cell coverage in the area.
- Broadband internet customers will increase significantly as more people telecommute due to high fuel prices
- Industry demand for cell/broadband/VOIP coverage is increasing

Economics of Expansion at Hyco Lake (cont.)

- One cell tower would cover the entire lake area – landowners willing to provide site.
- Estimated potential customers in the coverage area is estimated to be 4000 – 5000 cell phones at present using 80% utilization of a populous of 6000 people in peak months.
- Expanding home and industry building in the area will drive future sales aggressively