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www.the-parc.com



What is Picatinny Applied Research Campus (PARC)?

A new mission related technology campus being developed at Picatinny Arsenal in Morris County, NJ which will provide access to the base's substantial "intellectual capital and assets" for collaboration with mission-

related private sector firms, academia and other Government Agencies. The PARC will serve as a new center of excellence in New Jersey for creating technology breakthroughs in both the military and commercial sectors.

InSitech, Inc., representing the business interests of a premier R&D center for the U.S. Army – ARDEC, and Advance Realty Group, a leading Northeast US developer, are master planning this 1.1 million square foot high-tech campus.

**Create Tomorrow's
Technologies TODAY.**

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WHY PARC?

Picatinny:
"History of Patriotic
Service. Future
of Technological
Innovation."

- Access to \$1.5 billion of capital equipment. 64 high-tech labs. Some of which only exist at Picatinny.
- 2,500 on-base research, development and engineering personnel.
- 30,000 man-years of expertise in various technologies.
- Relationship with the U.S. Army as a potential customer.
- Campus setting (Phase I) "behind the fence" in downtown Picatinny.
- New highly efficient, office and lab space.
- Modern building and communications systems.
- Easy access to major New York metro area markets.

PARC's Formula for Success

Your Company
+ Access and Collaboration

BREAKTHROUGHS

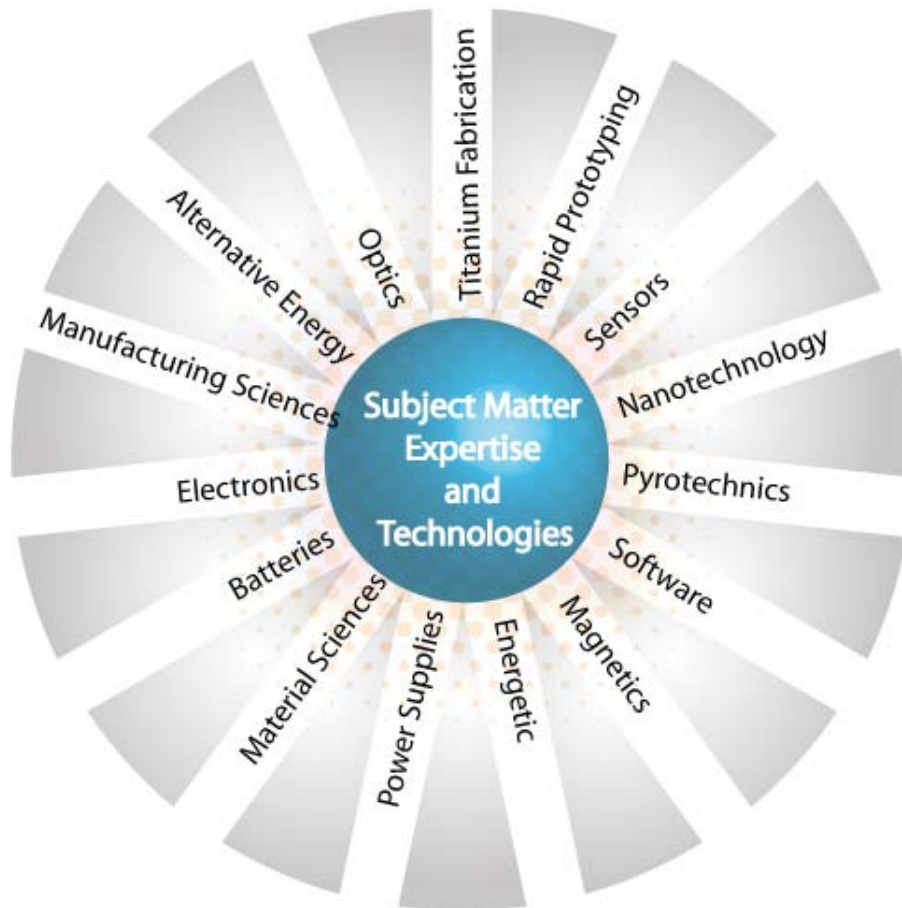
- ✓ Reduce investments in labs, equipment and R&D resources — potentially in the millions of dollars.
- ✓ Yield more discoveries in new technologies faster, through collaborative efforts.
- ✓ Office your personnel in a modern campus at the base — providing the ultimate setting for R&D, rivaling the top high tech locales in the U.S.

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PARC Technology and Resources



Expert Capability
in fields with
commerical relevance





Summary of Labs and Facilities

The PARC offers its tenants an abundance of resources. Picatinny's high technology labs and facilities represent an investment in excess of \$1.5 billion. Several are the only facilities of their kind globally that are ideal for many mission-related commercial applications in the private sector, academia or other government-related agencies.

- Manufacturing Science and Rapid Prototyping Center
- Nanotechnology Center
- Precision Armaments Laboratory and Tower
- Armament Technology Facility
- Davidson Advance Warhead Development Facility
- Armament Software Engineering Facility
- Electromagnetic Environmental Effects (E3) Facility
- Fuze Prototyping Facility
- Pyrotechnic Facility
- Computer Modeling and Virtual Prototyping
- Wind Tunnel Facility
- Energetic Material Demonstration Module Facility
- Energetic Material Reclamation/Processing R&D Facility
- Virtual Prototyping/Virtual Reality Simulation Lab
- Universal Computed Tomography Lab
- Energetics Experimentation R&D Facility
- Twin Screw Mixer/Extruder Facility
- Temperature Control Room





Summary of Labs and Facilities

Nano Technology Center

This one-of-a-kind pilot scale prototype facility has the capability to manufacture up to one kilogram an hour of nanopowder of virtually any metal or ceramic material, a dedicated nanomaterial characterization laboratory, and a set up to fabricate bulk nanostructured components.



Davidson Advanced Warhead Development Facility (DAWDF)

Consists of a 40-foot diameter reinforced concrete dome, lined with armor plate, attached to a 335-foot concrete tunnel for extended warhead to target standoff distances.



Armament Technology Facility (ATF)

Full-service armament design and development laboratory for small and cannon caliber weapon systems; and includes computer modeling and simulation capabilities.



Precision Armaments Laboratory and Tower

Dedicated to focus on the measurement and evaluation of the performance of sensors and sensor systems to detect targets at ground level and various altitudes during adverse weather.

Experimental Weapon/Armament Prototyping Facility

Prototyping manufacturing facility contains 250 individual manufacturing machines including CNC workstations, NC and conventional machine tools, heat-treating processes, welding capability, component inspection and associated support equipment.





Summary of Labs and Facilities

Armament Software Engineering Facility

The Armament Software Engineering Center (Armament SEC) is an Army Material Command Chartered Life Cycle Software Engineering Center. The Armament SEC provides customers a Center of Excellence for software engineering services and software acquisition support for Army Weapon Systems, Training Devices and Combat Support Systems throughout the entire system life cycle.



Electromagnetic Environmental Effects (E3) Facility

Provides full spectrum capabilities for evaluation and guidance concerning susceptibility of munitions against electromagnetic effects.



Fuze Prototyping Facility

The Fuze Development Center was established in 2003 to provide a place to take conceptual designs from the drawing board to field in a relatively short period of time. There is a full SMT line, highly capable machine shop for fixturing and low component runs, as well as explosives handling capability.



Pyrotechnic Facility

This facility, in conjunction with the Pyrotechnic Laboratory, encompasses the entire range of R&D related to pyrotechnic formulations and items including both processing and testing capabilities.





Summary of Labs and Facilities

Computer Modeling and Virtual Prototyping

Impressive subject matter expertise and computing capability that encompasses all aspects of conceptual modeling and analysis, rapid prototyping, and virtual reality simulation.



Virtual Prototyping/Virtual Reality Simulation Laboratory

Capability currently encompasses all aspects of computer-aided design, conceptual solid modeling, finite element modeling and analysis, dynamic weapon system simulation, computer aided manufacturing analysis and computer aided drafting.



Energetic Material Demonstration Module Facility

New energetic materials which are synthesized, provide experimental formulation of these new materials in explosives, propellants or pyrotechnics.



Energetic Material Reclamation/Processing R&D Facility

Unique in their construction and equipment enabling the execution of numerous energetic material reclamation/processing programs.



Wind Tunnel Facilities

This ARDEC facility consists of subsonic, transonic, and supersonic wind tunnels to acquire aerodynamic data. The facility is used to evaluate all munitions from small arms ammunition to anti-tank and large caliber artillery rounds at velocities the test items would experience in service.





Summary of Labs and Facilities

Universal Computed Tomography Laboratory

State-of-the-art computed tomography X-ray system with the ability to render 3D X-ray images and the added unique capability in the eastern United States of an energetic material allowance.



Energetics Experimentation R&D Facility

Provides the capability through closed bomb testing of determining various performance parameters of gun propellant.



Twin Screw Mixer/Extruder (TSE) Facility

Continuous, remotely operated, flexible facility that can significantly enhance safety and environmental considerations during the processing of energetic materials.



Temperature Control Room

This facility has a 1,200-foot capacity and is capable of producing variable controlled temperatures from -60 F to +150 F. The temperature conditioning room can accommodate systems up to 10 feet in width by 21 feet long and 10 feet tall weighing up to 200 lbs. per square foot. Remote testing of hydraulic systems and measurements of several physical properties are possible in this facility.





Recent Successful Product Innovations

“\$1.5 billion of equipment & capabilities at your fingertips”

- Flexible, cheap building and shelter construction framework.
- Lower cost, better performing composite plastic pallets.
- Waste conversion to biodiesel fuel.
- Advanced piezoelectric fiber ideal for self powered remote and piezoelectric sensors, structural stiffening, motion dampening and motion/sound monitoring.
- Conformable, semi-conductor for advanced, low-power displays and changeable labels.
- Mechanical battery replacement for creating and storing kinetic energy, reducing the need for additional batteries.
- Miniature Integrated Nuclear Detection Systems (MINDS) used for transportation and site security through InSitech and the Department of Energy’s Princeton Plasma Physics Laboratory.





Phase I - Campus Development

A new, 125,000 square foot R&D technology campus is being developed by Advance Realty Group, a leading developer in the Northeast U.S. Designed to foster a collaborative atmosphere of mission-related innovation and discovery of new technologies.

“Environment for cutting edge, high-tech research”

- Campus setting in the heart of downtown Picatinny
- Immediate access to Picatinny’s on-base intellectual assets
- New office and flex space, built-out to suit
- Flexible modules to accommodate small to large size offices
- Modern building and telecommunications systems
- Individual tenant HVAC controls, restrooms and entrance/exits
- 3.5 per per 1,000 RSF parking ratio
- High security within the base’s secured perimeter
- Access to Picatinny Arsenal’s on-site amenities including a 18-hole golf course, hiking and walking paths
- Quick access to Route 15 and I-80
- Minutes to major Northern New Jersey submarkets, 45 minutes to Manhattan, and 15 minutes to Pennsylvania

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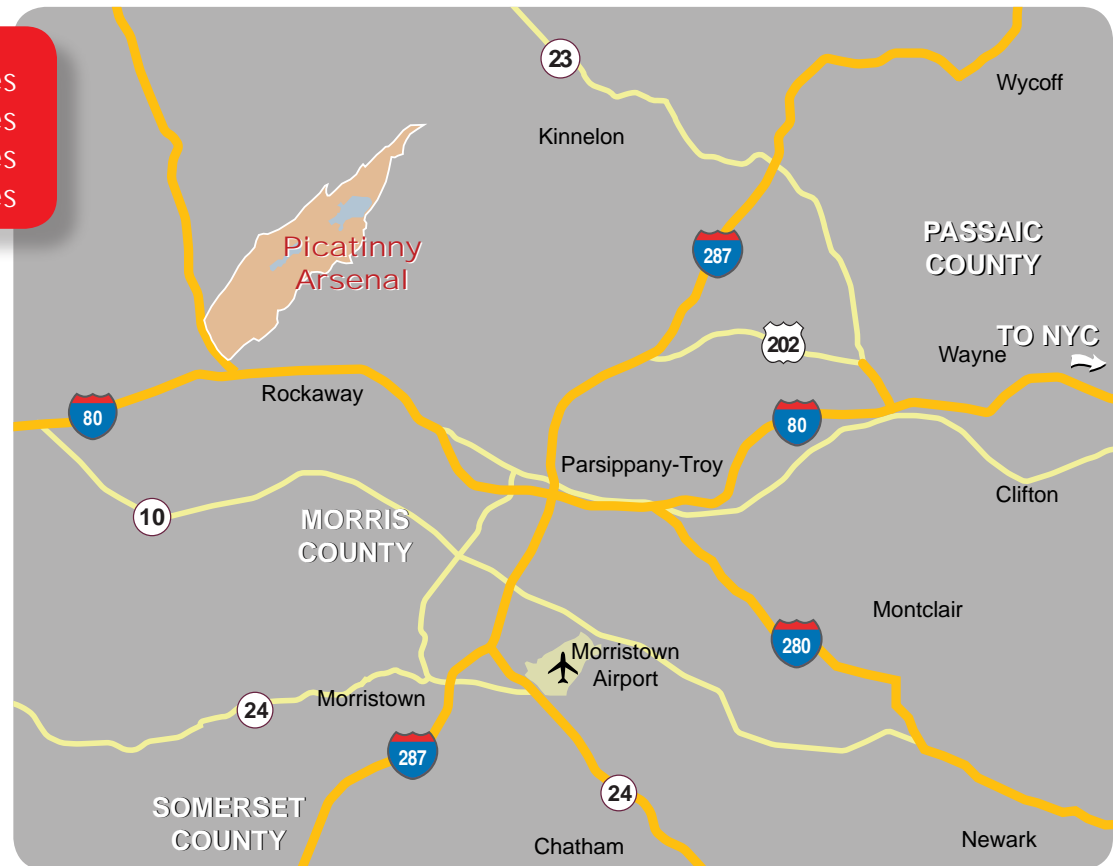




Location Map

New York City	45 minutes
Newark Airport	45 minutes
Morristown Airport	20 minutes
Pennsylvania	15 minutes

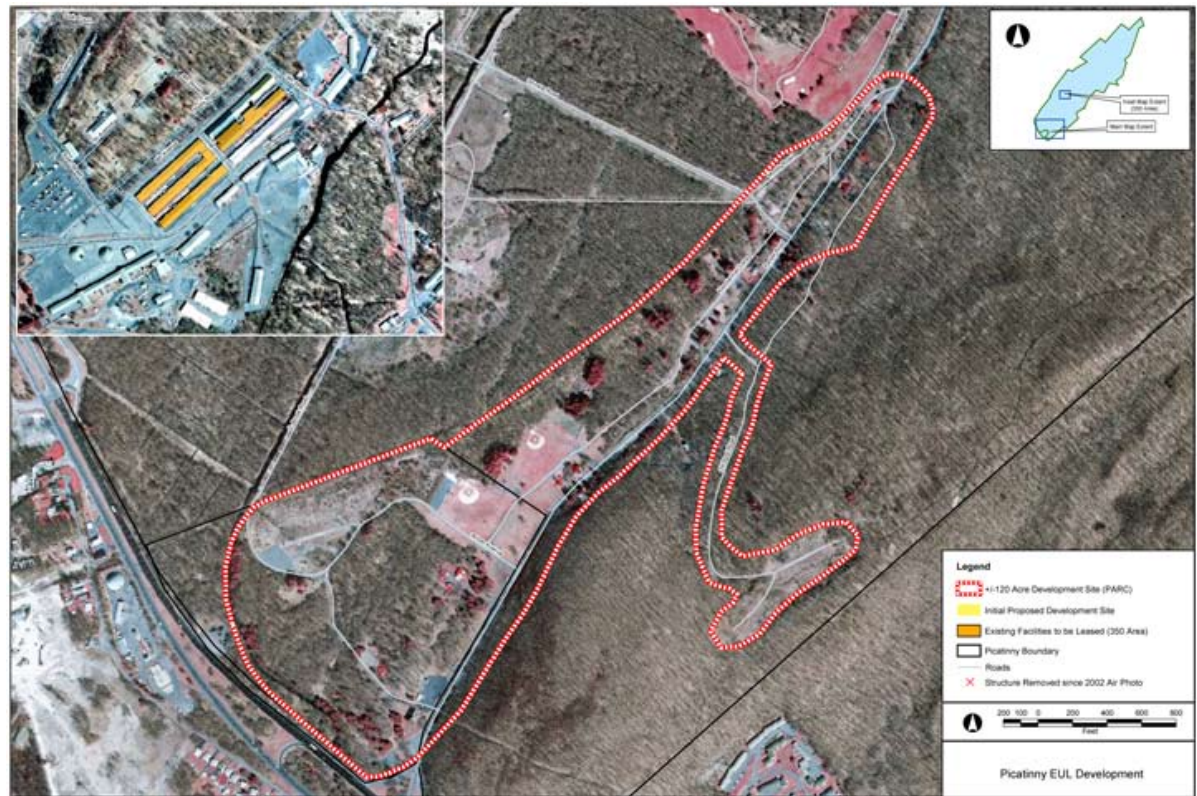
Within a 45 minute drive to New York City, Picatinny is situated in north-central New Jersey, just off Interstate 80 in a quiet community completely surrounded by foothills of the Green Pond and Copperas Mountains. This natural buffer protects the adjacent community from danger and attenuates noise during experimentation. The area in and around NYC offers some of the nation's best academic institutions and of course houses many technical industries fruitful for expanding partnerships with organizations at Picatinny.





Aerial View

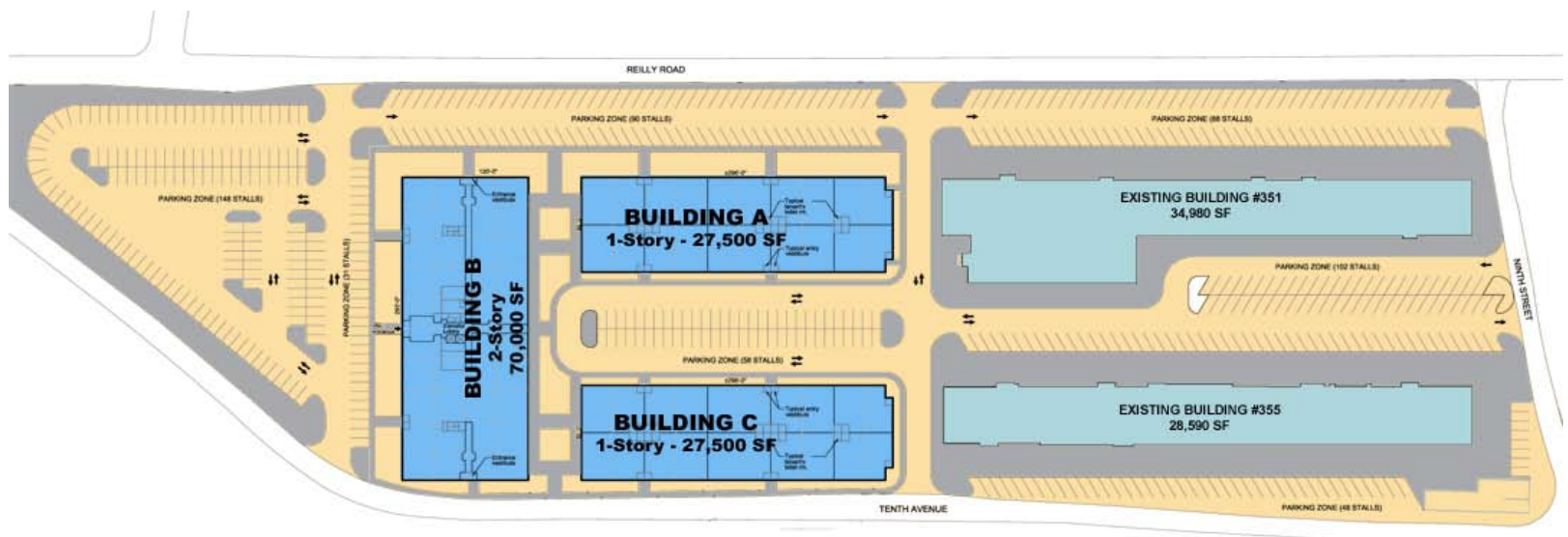
Picatinny has designated +/-120 acres to be developed as The PARC. The PARC will encompass state-of-the-art R&D facilities, office space and light lab space. With easy access to Route 15 and Interstate 80, the PARC will be surrounded by a highly educated workforce and unique Army R&D facilities and capabilities. While Picatinny's mission is related to the military, the technologies that tenants develop can be applied to a broad range of industries, creating a universe of potential commercial users for The PARC.





Phase I - Campus Development Plan

Building A:	One-Story Office	27,064 SF
Building B:	Two-Story Office	70,320 SF
Building C:	One-Story Office	27,064 SF





Phase II - Campus Development

Following the completion of Phase I development, a million square foot Class A campus will be developed. Located outside of the secured perimeter, the campus will accommodate larger size offices and light lab spaces.

Designed for collaboration, innovation, and discovery of new technologies.

- Major campus setting just outside Picatinny's secured gate
- Access to Picatinny's on-base intellectual assets
- New office and light lab space
- Full- or partial-building build-to-suit opportunities
- Flexible, efficient floorplates for small to large size offices
- Modern building, HVAC and telecommunications systems
- 3.5 per 1,000 RSF parking ratio
- Security provided by the base
- Access to Picatinny Arsenal's on-site amenities including a 18-hole golf course, hiking and walking paths
- Immediate access to Route 15 and I-80
- Minutes to major Northern New Jersey submarkets, 45 minutes to Manhattan, and 15 minutes to Pennsylvania





Phase II Campus Development Site - Aerial View

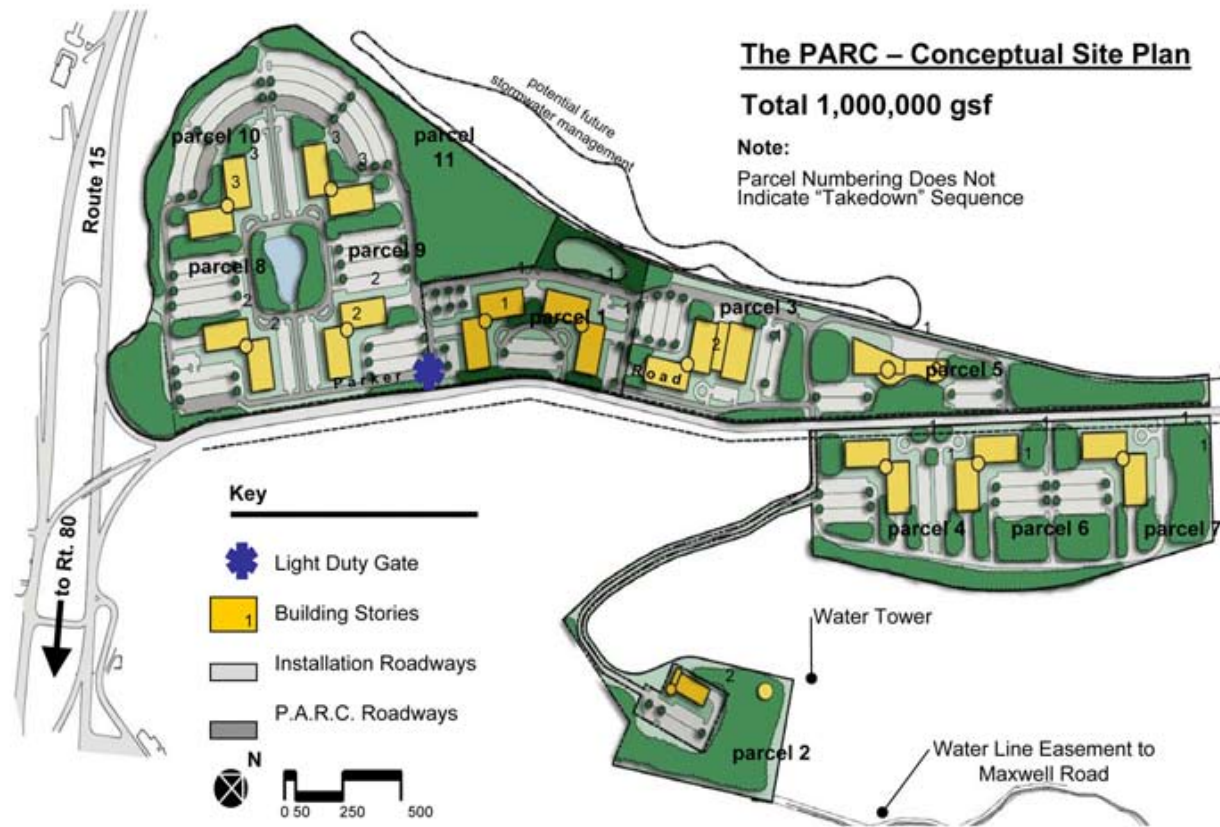


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Phase II Site Plan



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Demographics

Located just 35 miles outside of New York City, Morris County lies in the heart of the Boston-Washington corridor. Located in the nation's wealthiest region, the county enjoys a highly diversified economy driven by powerful industry sectors. Businesses operating in Morris County enjoy a number of competitive advantages including some of the lowest corporate, small-business, and personal income taxes in the region. These businesses find themselves in good company as over 50 members of the Fortune 500 are either headquartered or have major facilities here.

Morris County's economy is extremely diversified and includes large employers in the pharmaceutical, healthcare services, and financial services industries. Fifty three of the nation's Fortune 500 companies are either headquartered or have major facilities in the county.

Morris County ranks within the top 10 counties in the nation in median household income. Based on 2000 Census data, the median income for a household in Morris County was \$77,340, and the median income for a family was \$89,773. Morris County's most populated municipality is Parsippany-Troy Hills with a little over 50,000 residents.

Morris County had a 2000 Census population of 470,212 people and a 2005 estimated population of 490,593. A well educated workforce is key, and Morris County has it. The portion of the county's population 25 and older with a college degree is 45% -- nearly three times the national average -- while 17% hold graduate degrees. More than 90% of the population over age 25 has a high school diploma.

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Morris County Demographics

One of the ten wealthiest counties in the United States, Morris County has long been recognized as a prime setting for business and family. The county was incorporated in 1739 when it was separated from Hunterdon County. Morris County is located approximately 30 miles northwest of New York City in the heart of northern New Jersey. Within 469 square miles of land area, the county contains 39 municipalities with a 2000 Census population of more than 470,000 people. The 13,000 acre county park system is noted statewide for its recreational facilities and preservation of Morris County's natural landscape. The county is well served by a network of major interstate, state, county and municipal roadways as well as bus, train and airport service. All of these factors coupled with a high quality of life have continued to attract many major companies and residents to Morris County.

POPULATION DATA	1990	2000	Change
Total population	*421,353	470,212	48,859
Land size (miles ²)	469	469	0
Density (persons/mile ²)	898	1,003	105
Male	205,813	230,039	24,226
Female	215,540	240,173	24,633
Median age (years)	35.2	37.8	2.6

*See Notes

AGE GROUPS	2000	%
18 years and over	353,374	75.2
male	170,000	36.2
female	183,374	39.0
65 years and over	54,530	11.6
male	22,663	4.8
female	31,867	6.8





Morris County Demographics

HOUSING	1990	2000	Change
Total housing units	155,748	174,379	18,631
Occupied units	148,751	169,711	20,960
Owner occupied	110,089	129,039	18,950
Renter occupied	38,662	40,672	2,010
Average size owner-occupied	2.99	2.88	-0.11
Average size renter-occupied	2.19	2.21	0.02
Vacant units	6,997	4,668	-2,329
Seasonal or occasional use	1,373	1,237	-136

RACE BY HISPANIC ORIGIN	Hispanic	Total
White	24,460	410,042
Black or African American	675	13,181
American Ind. & Alaska Native	193	572
Asian	122	29,432
Native Hawaiian/ Oth. Pacific Isl.	40	188
Some other race	8,825	9,471
Two or more races	2,311	7,326
Total Population	36,626	470,212

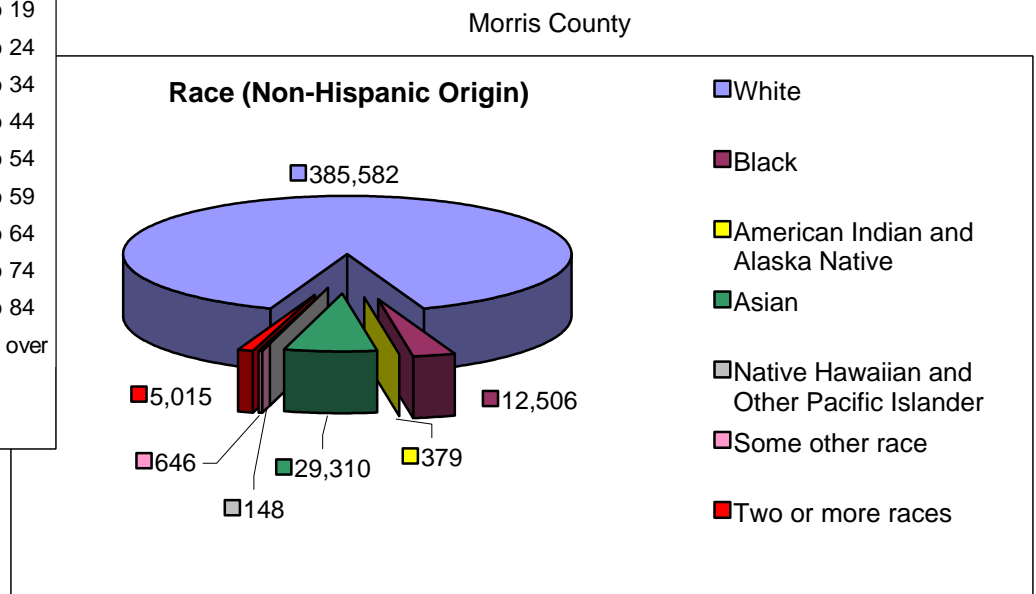
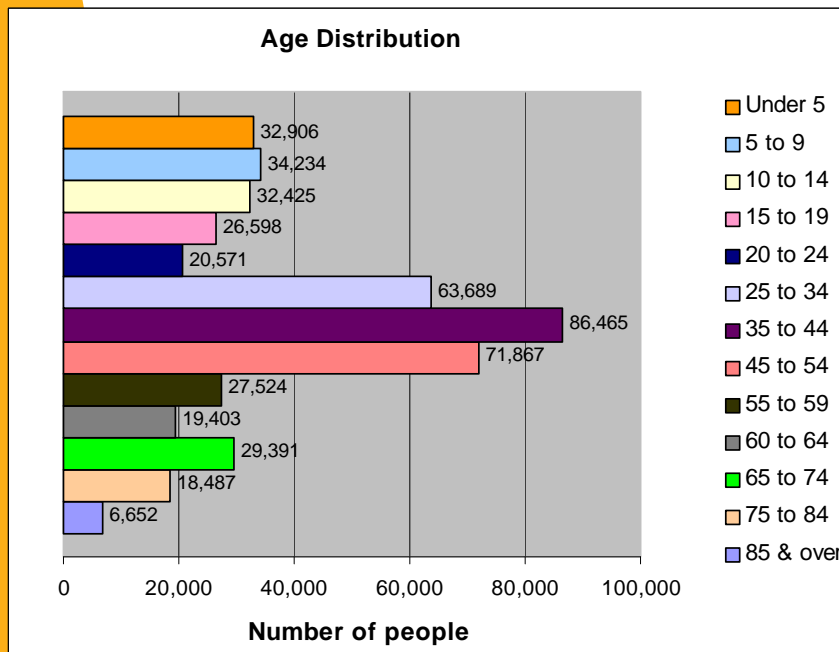
HOUSEHOLD BY TYPE	2000	%
Total households	169,711	100.0
Family households	124,907	73.6
With children under 18	60,073	35.4
Married Couple	106,544	62.8
With children under 18	52,069	30.7
Fem. householder, no husband	13,354	7.9
With children under 18	6,122	3.6
Non-family households	44,804	26.4
Householder living alone	36,555	21.5
Householder 65 and over	12,323	7.3
Households w/ indiv. under 18	63,242	37.3
Households w/ indiv. 65 & over	37,765	22.3
Average household size	2.72	
Average family size	3.18	

RELATIONSHIP	2000	%
Total population	470,212	100.0
In households	461,026	98.0
Householder	169,711	36.1
Spouse	106,544	22.7
Child	145,343	30.9
Own child under 18	110,560	23.5
Other Relatives	20,944	4.5
Under 18	4,857	1.0
Nonrelatives	18,484	3.9
Unmarried partner	6,321	1.3
In group quarters	9,186	2.0
Institutionalized	4,462	0.9
Non-institutionalized	4,724	1.0





Morris County Demographics





New Jersey Business Incentives:

Advance Realty Group is pleased to assist its clients in obtaining state and local entitlements. Below is a summary of New Jersey's state incentives:

- Business Employment Incentive Program (BEIP):** Qualified businesses can apply for periods as long as 10 years for incentive grants up to 80% of the New Jersey personal income tax withholdings from new jobs created when they relocate to New Jersey or expand their businesses in the state. In the base year, the company must create at least 25 new jobs in a targeted urban community or at least 75 jobs in a suburban area.
- Business Retention and Relocation Assistance Program (BRRAG):** BRRAG offers grants as credit against business tax liability. Grant values cannot exceed 80 percent of tax payments to the state. The program is available to businesses that relocate a minimum of 250 jobs from one or more locations in the state to a new business location or locations in New Jersey. Grants of up to \$1,500 per job retained are payable as a tax credit against a company's corporate tax liability.
- Sales and Use Tax Exemption Program:** The Sales and Use Tax Exemption Program is designed to be used in conjunction with the BRRAG program. This program offers sales and use tax exemptions on the purchase of "eligible property" to certain companies relocating and retaining jobs within New Jersey. Businesses that have 1,000 or more employees and relocate at least 500 workers or life sciences and manufacturing companies relocating at least 250 workers are eligible.
- Customized Training Program:** The New Jersey Department of Labor offers workforce training matching grants to offset the cost of on-the-job training and skills upgrading. Grants equal up to 60% of the employees salaries paid during the training process, and can last as long as six months.
- New Jersey Economic Development Authority (EDA) and Small Business Administration (SBA) Financing Assistance:** Certain businesses can take advantage of EDA and SBA financing programs in targeted municipalities.
- New Jersey Economic Development Authority Bond Financing Program:** The New Jersey Economic Development Authority can provide taxable and tax exempt bond financing to qualified businesses. These bonds can provide a business with lower financing costs for expansions, relocations and new construction.
- High-Technology Growth Funding:** The New Jersey Economic Development Authority (EDA) offers a full range of programs and services, including early-stage investments and low-interest loans and loan guarantees, to fuel the continuing growth of life sciences and technology businesses in New Jersey. Among its financing options, the EDA has introduced a new customized assistance initiative called Technium to provide a continuum of financial, real estate and technical support to early-stage technology businesses as they advance through their life cycle of growth. Companies that show a potential for commercial success are eligible for EDA assistance.





The Development Team

InSitech Inc.

Timothy N. Teen
President & Chief Executive Officer
Member of the Board
(973) 659-3361
www.insitech.org

InSitech, Inc. is a Partnership Intermediary representing the business interests of the Armaments Research, Development, and Engineering Center (ARDEC) located at the U.S. Army's Picatinny Arsenal in Morris County, New Jersey. With a management team experienced in creating sustainable enterprise value, InSitech is an integral driver in the DoD's transformation strategy to operate more like a business.



Brian Banaszynski
Vice President - Leasing
908.254.3112
brianb@advancerealtygroup.com

Advance Realty Group is an owner and developer of office, flex, industrial, retail and multifamily properties. With 5.5 million square feet of operating properties and a development portfolio consisting of eight million square feet of commercial projects and 9,400 residential units, Advance is one of the leading real estate owners in the Northeast and is headquartered in Bedminster, New Jersey.



Rotwein @ Blake Associated Architects P.A. has become an architectural leader sought by major developers and institutions. With its steady growth and vast experience in all building types, the firm retains the same energy and attentive service that marked its beginnings as a residential architectural pioneer headed by founders Edward Blake and Donald Rowein.

No warranty or representation, express or implied is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice and to any special listing conditions imposed. All information should be verified independently by any prospective tenant. All proposed building designs are subject to revision without notice or obligation.

Access to any and all labs at Picatinny Arsenal are subject to separate agreements and are subject to limited availability, up to and including temporary or permanent interruption, as directed by the US Army.

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LEASING CONTACT INFORMATION:

Advance Realty Group
Brian Banaszynski, Vice President - Leasing
Phone: 908.254.3112
Email: brianb@advancerealtygroup.com



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