

**\$2,000,000**  
**MAYOR AND CITY COUNCIL OF BALTIMORE**  
**(CITY OF BALTIMORE, MARYLAND)**  
**SPECIAL OBLIGATION BONDS**  
**(BELVEDERE SQUARE PROJECT)**  
**SERIES 2003**

**DEVELOPER'S CONTINUING DISCLOSURE STATEMENT**

Attn: Keenan Rice  
MuniCap  
8965 Guilford Road, Suite 210  
Columbia, MD 21046

In accordance with the "Continuing Disclosure Agreement" (the "Disclosure Agreement") by and between the undersigned, Belvedere Holding Company, LLC (the "Developer") and MuniCap, Inc. (the "Administrator") dated as of September 1, 2003, the Developer hereby provides the following information as of December 31, 2009. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Indenture or in the Funding Agreement dated as of August 27, 2003.

The information provided herein is not intended to supplement the information provided in the Limited Offering Memorandum. This report responds to the specific requirements of the continuing disclosure agreement. No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this report. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of December 31, 2009, unless otherwise stated, and no representation is made that the information contained herein is indicative of information that may pertain since the end of the period covered by this report or in the future.

To the best of the knowledge of the undersigned as of December 31, 2009:

1) Status of Development of the Project:

- a) Changes in Ownership: [Utilizing the table below, please provide information on any change in ownership of any parcel by identifying the sales price and indicating whether the transferee is an affiliate of the developer.] **No Change**

<b>Parcel Account No.</b>	<b>Seller</b>	<b>Buyer</b>	<b>Average Sales Price</b>
27-54-5133-016			
27-54-5134-019			

\* Buyer Affiliated with Developer. [Mark any affiliated buyers with an asterisk]

b) Renovation and Leasing: - Currently marketing spaces for lease to several prospects.

- i. Hochschild Kohn Building: 97% Leased
- ii. South Building: 91% Leased
- iii. South Building – Market: 100% Leased
- iv. North Building: 95% Leased (includes Crush Restaurant)
- v. Pad: 100% Leased

c) Site Work:

- i. Roads: Complete
- ii. Sidewalks: Complete
- iii. Landscaping: Complete
- iv. Lighting: Complete.
- v. Common areas: Complete
- vi. Surface Parking (282 spaces): No changes
- vii. Structured Parking Facility (78 spaces): No changes

2) Zoning Classification: There have been no changes to the zoning classification of the parcels within the district.

None for this quarter.

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3) Legislative, Administrative or Judicial Challenges: There have been no legislative, administrative, or judicial challenges to the construction or development of the district.

No changes

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4) Notice of Default: There has been no formal written notice of default under any loan that finances any portion of the project.

No notice of default

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5) Material changes to the Form of Ownership of the Developer: There have been no material changes in the form, organization or ownership of the developer, or any member or affiliate of the developer described in the Private Placement Memorandum under the heading “DEVELOPMENT – The Developer.”

No material changes.

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- 6) Funding Agreement: There have been no amendments or supplements to the Funding Agreement as described in the Private Placement Memorandum under the heading “DEVELOPMENT – Funding Agreement.”

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No changes

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- 7) Statement as to any Material Amendments to any Contracts Relating to the Project: There have been no amendments to any contracts relating to the project.

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No changes

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- 8) The developer has not obtained actual knowledge of the occurrence of any Significant Events, as described in Section 3 (page 2) in the Agreement.

No significant events.

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BELVEDERE HOLDING COMPANY, LLC

By: Belvedere Holding Company, LLC

By: *Signature on file* \_\_\_\_\_

Title: *Authorized Agent* \_\_\_\_\_

Date: *February 22, 2010* \_\_\_\_\_