

\$31,000,000  
**CELEBRATE VIRGINIA NORTH  
COMMUNITY DEVELOPMENT AUTHORITY  
(STAFFORD COUNTY, VIRGINIA)  
SPECIAL ASSESSMENT REVENUE BONDS  
SERIES 2003B**

**DEVELOPER'S CONTINUING DISCLOSURE STATEMENT**

*Statement # 20*

*Period Covered: Fourth Qtr 2008*

Attn: Keenan Rice  
MuniCap  
8340 Governor Ridgley Lane  
Ellicott City, MD 21043

In accordance with the "Continuing Disclosure Agreement" (the "Disclosure Agreement") by and between the undersigned, Celebrate Virginia Development Company, LLC (the "Developer") and MuniCap, Inc. (the "Dissemination Agent") and other parties dated as of December 1, 2003, the Developer hereby provides the following information as of December 31, 2008. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Limited Offering Memorandum dated as of November 24, 2003. To the best of the knowledge of the undersigned:

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, 2008 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.

1) Status of Construction and Completion of the Celebrate Virginia North CDA:

Public Improvement	Original Budget	Revised Budget	Spent to Date	Percent Complete
<b>Soft Costs</b>				
Traffic Engineering	\$81,226.39	\$81,226.39	\$81,226.39	100.00%
Design & Engineering	\$1,836,373.81	\$2,279,963.32	\$2,232,018.53	97.90%
Geotechnical Engineering	\$546,549.09	\$558,993.36	\$558,993.36	100.00%
Environmental Permits	\$706,054.01	\$822,813.81	\$822,813.81	100.00%
Historical Property Permits	\$197,773.43	\$187,773.43	\$187,773.43	100.00%
Survey	\$38,599.00	\$154,949.32	\$154,949.32	100.00%
Construction Stakeout	\$401,204.94	\$529,109.66	\$529,109.66	100.00%
Permits & Bonds	\$153,768.50	\$194,638.83	\$194,638.83	100.00%
Utility Relocations	\$483,835.52	\$851,444.59	\$848,171.78	99.62%
Project Management	\$52,924.79	\$52,924.79	\$52,924.79	100.00%
Right of Way Acquisition	\$663,150.50	\$854,507.52	\$854,507.52	100.00%
CDA Expenses	\$150,000.00	\$181,450.00	\$181,194.96	99.86%
VDOT Inspection	\$100,000.00	\$0.00	\$0.00	0.00%
Legal	\$17,246.15	\$26,405.41	\$26,405.41	100.00%
Subtotal	\$5,428,706.13	\$6,776,200.43	\$6,724,727.79	99.24%

<b>Other Costs</b>				
Cost of Issuance	\$619,348.13	\$619,348.13	\$619,348.13	100.00%
Bond Closing Costs	\$224,788.95	\$224,788.95	\$224,788.95	100.00%
Subtotal	\$844,137.08	\$844,137.08	\$844,137.08	100.00%
<b>Construction Costs</b>				
Mobilization	\$225,000.00	\$221,062.50	\$221,062.50	100.00%
Demolition	\$8,660.00	0.00	\$0.00	100.00%
Clearing	\$117,370.00	\$113,531.85	\$113,531.85	100.00%
Excavation	\$1,338,750.00	\$2,076,678.48	\$2,076,678.48	100.00%
Storm Sewer	\$2,484,503.19	\$1,904,248.23	\$1,904,248.23	100.00%
Water	\$958,121.25	\$1,282,924.34	\$1,277,154.34	99.55%
Sewer	\$1,160,005.20	\$4,521,903.25	\$3,511,692.49	77.66%
Curb	\$629,901.00	\$629,901.00	\$586,824.06	93.16%
Sidewalk	\$185,553.40	\$185,553.40	\$45,142.28	24.33%
Erosion Control	\$408,575.55	\$416,408.54	\$416,408.54	100.00%
Seeding	\$101,137.20	\$212,675.32	\$212,675.32	100.00%
Pavement	\$1,502,407.33	\$2,954,469.42	\$2,954,469.42	100.00%
Stone	\$1,200,687.69	\$1,495,338.86	\$1,495,338.86	100.00%
Underdrain	\$187,722.03	\$125,946.52	\$125,946.52	100.00%
Striping	\$62,000.00	\$62,000.00	\$24,144.33	38.94%
Signage	\$113,121.50	\$73,121.50	\$38,630.80	52.83%
Rock Ditches	\$997,000.00	\$0.00	\$0.00	0.00%
Retaining Walls	\$187,940.00	\$187,079.84	\$187,079.84	100.00%
Storm Ponds #1 & #2	\$267,430.00	\$465,084.75	\$465,084.25	100.00%
Guardrail	\$7,000.00	\$5,000.00	\$0.00	0.00%
Conduits	\$140,000.00	\$229,798.26	\$229,798.26	100.00%
Fuel Charge/Stone Addition	\$199,998.12	\$199,998.12	\$116,840.00	58.42%
Landscaping/Irrigation	\$1,000,000.00	\$1,163,752.11	\$1,163,752.11	100.00%
England Run Conspan	\$587,169.52	\$687,169.52	\$687,169.52	100.00%
Sanford Road Bridge	\$1,045,239.50	\$1,403,360.24	\$1,403,360.24	100.00%
Traffic Signals	\$154,622.66	\$154,622.66	\$0.00	0.00%
Stormwater Mgt. Pond # 11	\$316,702.79	\$334,942.19	\$334,942.19	100.00%
Stormwater Mgt. Pond # 12	\$912,000.00	\$897,665.16	\$897,665.16	100.00%
Route 17 Improvements	\$4,200,000.00	\$6,823,079.28	\$6,823,079.28	100.00%
Greenbank C. Rd./CVA P.	\$437,000.00	\$443,798.33	\$443,798.33	100.00%
Subtotal	\$21,135,617.93	\$29,271,113.67	\$27,756,517.20	94.83%
Contingency	\$827,037.96	\$0.00	\$0.00	0.00%
Construction Mgt. Fee	\$583,849.03	\$1,034,580.58	\$1,034,580.58	100.00%
Subtotal	\$1,410,886.99	\$1,034,580.58	\$1,034,580.58	100.00%
Subtotal Public Improvements	\$28,819,348.13	\$37,926,031.76	\$36,359,962.65	95.87%
Less: Private Funds	(\$1,882,607.56)*	(\$10,989,291.19)*		
<b>Total Public Improvements</b>	<b>\$26,936,740.57</b>	<b>\$26,936,740.57</b>		

\* According to the "Private Assessment Infrastructure Reimbursement Agreement," dated December 11, 2003, by and between Celebrate Virginia Development Company, LLC, Greenbank, LLC and the Celebrate Virginia Corporate Campus, LLC, (the Landowners), the landowners are responsible for all costs over and above the construction fund balance. As a result, the difference between the original and revised budgets will be paid by the landowners directly.

2) Status of Development and Sales of Residential Lots:

**Ryland Homes Residential Lots**

Unit Type	Number of Units	Number of Units Platted	Number of Units Closed with Builder	Number of Units Sold to Home Buyers	Number of Units Closed with Home Buyers	Average Sales Price
Single-family	50	50	50	13	12	\$643,419
Total:	50	50	50	13	12	\$643,419

**Pulte Homes/Del Webb Residential Lots**

Unit Type	Number of Units	Number of Units Platted	Number of Units Closed with Builder	Number of Units Sold to Home Buyers	Number of Units Closed with Home Buyers	Average Sales Price
Single-family	793	480	793	55	39	\$382,839
Villa	308	0	308	0	0	\$0
Total:	1,101	480	1,101	55	39	\$382,839

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3) Status of Development and Sales of Retail and Commercial Property:

**Status of Development and Sales of Retail Property**

Property Type & Parcel	Size - sf/a	Proposed Development
Retail Parcel 44Y-1A	1.013 acre	Sold - 6/2005 Veterinary Clinic
Retail Parcel 44Y-2A	0.966 acre	Sold - 1/2008 Thurston
Retail Parcel 44Y-3A	1.017 acre	Sold - 4/2005 Car Wash
Retail Parcel 44Y-4A	1.629 acres	Sold 10/2005 14,000 sf retail bldg.
Retail Parcel 44Y-4C	1.325 acres	Sold 5/2006 Wachovia Bank
Retail Parcel 44Y-5C	0.931 acres	Sold 5/2006 Chevy Chase Bank
Retail Parcel 44Y-7B	1.51 acres	Sold 6/2006 Ruby Tuesday
Retail Parcel 44Y-10	1.823 acres	<i>Under Contract</i> Ahearn
Retail Parcel 44Y-4B	7.346 acres	Sold - 11/2007 Giant & Multi-tenant building
Retail Parcel 44Y-5B	5.080 acres	Sold - 11/2007 Giant & Multi-tenant building
Retail Parcel 44Y-5D	2.242 acres	Sold - 11/2007 Giant & Multi-tenant building
Retail Parcel 44Y-6	1.27 acres	<i>Under Contract</i> Thurston
Retail Parcel 44Y-5A	5.64 acres	<i>Under Contract</i> Young Lee

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**Status of Development and Sales of Commercial Property**

<b>Corporate Campus</b>		
Commercial - Retirement Community Parcel 44W-A, Parcel 44W-B	251.4 acres *	Sold to Pulte - 10/22/04 1,270 Retirement Units
Commercial - Residential Development Parcel 44W-G	64.14 acres **	Sold Ryland Homes -12/30/04 50 Residential Lots
Commercial - Office Building Parcel 44W-4B	1.5058 acres	Sold to CVA Office - 3/15/06 11,000 sq.ft. building (leased to Del Webb)
Commercial - Flex Office Building Parcel 44W-5D	1.674 acres	Sold to Heritage Corps. - 6/12/07 11,900 sq. ft. building
Commercial - Flex Office Building Parcel 44W-5C	9.369 acres	Sold to CVA Howell, LLC - 9/11/07 Flex Office Space
<b>Golf Course***</b>		
Golf Course - Parcel 52-1	193 acres	50-year land lease - First Course Completed

\* Pulte - Site Plans for Phase I have been approved. Site development currently underway; new homes under construction in sections 4A and 4C.

\*\* Ryland Homes – all sections have been subdivided; construction of homes underway in Sections 17 & 19.

\*\*\* Golf Course Clubhouse – opened in October 2007.

4) Status of Development and Leasing for Commercial and Retail Property:

**Commercial & Retail Property**

Property Type	Spaces Leased	GLA (Square Feet)
Corporate Campus	1	11,000
Retail	24	145,008
<b>Total</b>	<b>25</b>	<b>156,008</b>

Tenant Name	GLA (Square Feet)
Del Webb - Bldg. sold 5/2006	11,000
<b>Total Leased</b>	<b>11,000</b>

Tenant Name	GLA (Square Feet)
Giant Food	75,000
<b>Total Leased</b>	<b>75,000</b>

Tenant Name	GLA (Square Feet)
Subway	1,500
Chinese Carry-out	1,500
Movie Gallery	4,000
Insurance Office	1,617
Barber Shop	1,500
Nail Salon	1,600
Coffee Shop	2,183
Sprinkler Room	100
<b>Total Leased</b>	<b>14,000</b>

Tenant Name	GLA (Square Feet)
ABC store	2,800
Nails Salon	1,500
Hair Salon	1,500
Tan Studio	3,000
Thai Restaurant	2,500
Parcel Store	1,500
Sub Store	1,800
Dental Office	2,340
Sprinkler Room	100
<b>Total Leased</b>	<b>17,040</b>

Tenant Name	GLA (Square Feet)
Burgers & Fries Restaurant	2,500
Cleaners	1,800
Chinese Buffet Restaurant	4,000
Italian Restaurant	3,816
Party Store	12,000
Bakery	1,600
Deli	1,900
Gym	11,152
Karate	3,080
Sprinkler Rooms	200
<b>Total Leased</b>	<b>42,048</b>

- 5) Payment of Special Assessments for Property owned by Landowners: There are no delinquent annual assessments for fiscal years 2003 through 2006.

Annual assessments in the amount of \$2,043,394.15 were levied for fiscal year 2007 and were due in two equal installments of \$1,021,697.08 on June 5 and December 5, 2007. As of February 5, 2009, Stafford County has reported collecting \$2,042,808.20, representing 99.9 percent of annual assessments for fiscal year 2007. The county also reported that \$585.85 of annual assessments remains delinquent on parcel 44W-19-25 for fiscal year 2007.

Annual assessments in the amount of \$2,524,960 were levied for fiscal year 2008 and were due in two equal installments of \$1,262,480.29 on June 5 and December 5 2008. As of February 5, 2009, Stafford

County has reported collecting \$2,516,257.04, representing 99.6 percent of annual assessments for fiscal year 2008. According to the county, annual assessments in the amount of \$8,700.96 remain uncollected from parcels 44CC-4A-365, 44CC-4A-352, 44W-17-6, 44W-4B, 44W-17-4, 44W-19-25, and 44CC-4C-288 for fiscal year 2008.

- 6) Trustee's Funds and Account Balances and the Amount of Bonds Outstanding:
- a. The balance as of December 31, 2007, interest paid, disbursements, additional proceeds, and account balances for each funded account as of December 31, 2008, are shown the table below. (Please note, the balance for the Series 2003B Bonds in the amount of \$13,012,638.89 were used for the defeasance of the Series 2002 and 2003A Bonds, less balances in the Series 2002 and 2003A Construction Funds equal to \$2,214,300.96, and to pay the underwriter's discount of approximately 1.5 percent.)

**Trustee's Funds & Account Balances**

	<b>Balance 12/31/07</b>	<b>Interest Paid</b>	<b>Additional Proceeds</b>	<b>Disbursements</b>	<b>Balance 12/31/08</b>
Golf Surcharge Fund	\$6,703	\$356	\$49,217	\$8,257	\$48,019
Construction Fund	\$163,327	\$5,243	\$0	\$0	\$168,570
Debt Service Reserve Fund	\$2,540,665	\$69,684	\$0	\$69,671	\$2,540,678
Bond Payments Fund	\$2	\$0	\$2,048,124	\$2,048,126	\$0
Special Assessment Revenue Fund	\$5,409	\$5,279	\$2,312,499	\$2,033,482	\$289,705
Administrative Expense Fund	\$0	\$200	\$63,286	\$50,105	\$13,381
<b>Total</b>	<b>\$2,716,105</b>	<b>\$80,761</b>	<b>\$4,473,126</b>	<b>\$4,209,640</b>	<b>\$3,060,352</b>

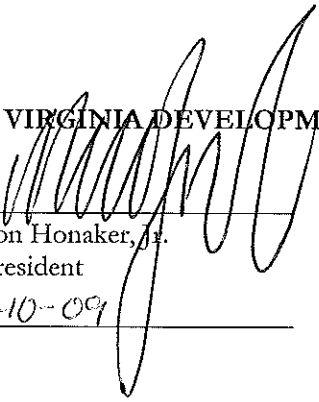
- b. The total outstanding bonds are shown in the table below.

**Outstanding Series 2003B Bonds**

<b>CUSIP Number</b>	<b>Term</b>	<b>Coupon Rate</b>	<b>Issue Amount</b>	<b>Outstanding Amount</b>
15101JAD6	March 1, 2018	6.25%	\$6,561,000	\$6,561,000
15101JAE4	March 1, 2025	6.60%	\$7,713,000	\$7,713,000
15101JAC8	March 1, 2034	6.75%	\$16,726,000	\$16,726,000
<b>Total</b>			<b>\$31,000,000</b>	<b>\$31,000,000</b>

- 7) Litigation: Celebrate Virginia North is currently involved in litigation with its prior design engineering firm, Bagby, Caldwell & Associates ("Bagby"). Celebrate is pursuing contract damages for breach and non-performance of the contract. Celebrate is seeking \$750,000 in damages. In response to the suit, Bagby filed a counter-claim alleging non-payment for its services in an amount just over \$97,000. The action is filed in Fredericksburg Circuit Court. There is no trial date set for the matter.

CELEBRATE VIRGINIA DEVELOPMENT COMPANY, LLC

By: PMW   
B. Judson Honaker, Jr.  
Title: President

Date: 2-10-09