

# DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

For the Year Ending March 31, 2009

*\$4,895,000*

*The County Commission of Harrison County (West Virginia)  
Tax Increment Revenue and Refunding Bonds  
(Charles Pointe Project Number Two – North Land Bay Improvements)  
Series 2008A*

*and*

*\$28,690,000*

*The County Commission of Harrison County (West Virginia)  
Tax Increment Revenue and Refunding Bonds  
(Charles Pointe Project Number Two – South Land Bay Improvements)  
Series 2008B*

Prepared by:

**MUNICAP, INC.**

August 17, 2009

# DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

I.	UPDATED INFORMATION	1
II.	INTRODUCTION	3
III.	DEVELOPMENT ACTIVITY	5
	A. Overview	5
	B. Governmental Approvals	5
	C. Status of Public Improvements	6
	D. Status of Development	8
	E. Status of Financing	10
IV.	TRUSTEE ACCOUNTS	12
V.	DISTRICT FINANCIAL INFORMATION	14
	A. Balance of Funds and Accounts	14
	B. Changes in the Ad Valorem Tax Rates	14
	C. Increase in the Size of the District	14
	D. Assessed Value of the Real Property in the District	14
	E. Taxes to be Collected	15
	F. Status of Collection of Ad Valorem Taxes	15
	G. Appeals of Assessed Value Determinations	15
	H. Principal District Taxpayers	15
	I. Significant Amendments to Land Use Entitlements or Legal Challenges	16
	J. Changes to the Project	16
	K. Tax Increment Revenues and Debt Service Coverage	16
VI.	SIGNIFICANT EVENTS	18
	A. Developer Significant Events	18
	B. Notice Events	18

## ***I. UPDATED INFORMATION***

---

Information updated from the annual continuing disclosure report, dated January 20, 2009, is as follows:

- As of March 31, 2009, the developer reports that \$1,107,321 had been expended for the construction of the Series A public improvements, representing 93 percent of the budget funded with the Series 2008A Bonds.
- As of March 31, 2009, the developer reports that 67 percent of the conference center improvements have been completed.
- As of March 31, 2009, the developer reports that the Addendum II project was 96 percent complete.
- As of March 31, 2009, the developer reports that \$11,640,822 had been expended for the construction of the Series B public improvements, representing 70 percent of the budget funded with the Series 2008B Bonds.
- As of March 31, 2009, the developer reports that a construction contract in the amount of \$6,521,825 was executed on March 13, 2008, between Genesis Partners, LP as owner, and Gold Diggers, Inc. as contractor. The developer also reports that construction of this portion of the project is 76 percent complete. The developer also reports that performance of the contract had been delayed by persistent adverse weather conditions; however, the contractor has committed additional equipment and labor to the timely completion of this portion of the project.
- As of March 31, 2009, the developer reports that, on October 9, 2008, Contract Change Order Number Seven was executed for the addition of both the Road C1 Project and the Route 131 Ann's Run Entrance project to the March 13, 2008 construction contract executed between Genesis Partners, LP and Gold Diggers, Inc. As of March 31, 2009, the developer reports that construction on this portion of the project is 16 percent complete.
- As of March 31, 2009, the developer reports that the existing natural gas transmission line, gas well and gas well line relocation project is approximately 99 percent complete. The developer also reports that the remainder of the utility relocation consisting of one gas well and related gas well line is anticipated to be completed in late 2009.
- As of March 31, 2009, the developer reports that 52 building permits have been issued for the units to be constructed in the North Land Bay development area. The developer also reports that 52 units have been sold to individual homebuyers, and 46 units have been settled.
- As of March 31, 2009, the developer reports that the outstanding balance on the Huntington Bank construction loan is \$1,000,000. The developer also reports that the loan carries an interest rate of 3.0 percent. The loan matured on May 15, 2009. As of August 6, 2009, the developer reports that the loan has been extended to August 15, 2009. The developer is currently working on additional extensions or refinancing for the loan.
- As of March 31, 2009, the developer reports that the outstanding balance on the \$3,011,940 Fifth Third Bank construction loan was \$2,357,091. The developer also

reports that \$654,115 had previously been repaid. The loan carries an interest rate of 4.0 percent and matures on November 2, 2009.

- As of March 31, 2009, the developer reports that the outstanding balance on the \$4,600,000 Huntington National Bank construction loan was \$4,594,029. The developer also reports that there have been no principal amounts repaid. According to the developer, the loan carries an interest rate of 4.0 percent. The loan matured on June 27, 2009. As of August 6, 2009, the developer reports that the loan has been extended to August 15, 2009. The developer is currently working on additional extensions or refinancing for the loan.
- As of March 31, 2009, the developer reports that the outstanding balance on the \$528,580 Asa Gawthrop construction loan was \$295,612. The developer also reports that principal in the amount of \$232,968 has been repaid through March 31, 2009. The loan carries an interest rate of 3.5 percent and matures on October 24, 2012.
- As of March 31, 2009, the developer reports that the outstanding balance on the \$1,400,000 First Central Bank construction loan was \$1,086,076. The developer also reports that principal in the amount of \$73,517 has been repaid through March 31, 2009. The loan carries an interest rate of 4.25 percent.
- As of March 31, 2009, the developer reports that the outstanding balance on the \$3,443,000 Huntington Bank construction loan was \$3,017,155. The developer also reports that principal in the amount of \$425,820 has been repaid through March 31, 2009. The loan carries an interest rate of 4.0 percent and matures on November 13, 2009.
- According to the assessor's office for Harrison County, the fiscal year 2008-2009 ad valorem tax rates for Class I, II and IV property were 72.82, 145.64 and 291.28 cents per \$100 of assessed value, respectively.
- According to the assessor's office for Harrison County, the 2008-2009 total assessed value of the real property in the district was \$32,600,612. The fiscal year 2007-2008 total assessed value was \$28,728,270. Accordingly, the assessed value of the Charles Pointe CED increased by \$3,872,342 from 2007-2008 to 2008-2009.
- According to the sheriff's tax office for Harrison County, ad valorem real property taxes in the amount of \$701,609 were to be collected on the property within the district for fiscal year 2008-2009. As of August 4, 2009, the sheriff's tax office reports that ad valorem real property taxes in the amount of \$701,609 had been collected, representing 100 percent of the total amount to be collected.
- According to the sheriff's tax office, tax incremental revenues in the amount of \$373,415 were to be collected on the property within the district for fiscal year 2008-2009. As of August 4, 2009, the sheriff's tax office reports that incremental revenues in the amount of \$373,415 had been collected, representing 100 percent of the amount to be collected.

## ***II. INTRODUCTION***

---

The County Commission of Harrison County (the “Issuer”) issued the Series 2008A and B Tax Increment Revenue and Refunding Bonds in the aggregate amount of \$33,585,000 pursuant to the West Virginia Tax Increment Financing Act, Chapter 7, Article 11B of the code of West Virginia, 1931, as amended (the “Act”), and an Indenture of Trust dated March 5, 2008, by and between the issuer and Huntington National Bank, as trustee (the “Trustee”).

Pursuant to the West Virginia Community Enhancement Act, Chapter 16, Article 13E of the Code of West Virginia, 1931, as amended (the “CED Act”), the county has established the Charles Pointe Community Enhancement District (the Charles Pointe CED”) pursuant to and order entered into on May 10, 2007 (the “Establishment Order”) to collect approved special assessments in the form of fees paid by the owners of real property located within the North and South Land Bay.

Charles Pointe, as a mixed-use Planned Unit Development is expected to contain commercial, residential, retail and hotel facilities and extensive commercial and retail services and public amenities, including extensive open space, an amphitheatre, recreational facilities and a neighborhood school. The development district includes certain properties located in the City of Bridgeport, east and west of and adjacent to Interstate 79, north and south of and adjacent to West Virginia Route 279, and west of and adjacent to West Virginia Route 131. The project is located wholly within the development district.

The developer of the project is Genesis Partners, LP. Ann’s Run Limited Liability Company is the sole limited partner and Realcom, Inc. is the sole general partner of the developer.

The information provided herein is not intended to supplement or otherwise relate to the information provided in the Limited Offering Memorandum and any such intent is expressly disavowed. Rather, 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 March 31, 2009, unless otherwise stated, and no representation is made that the information contained in this report is indicative of information that may pertain since the end of the period covered by this report or in the future.**

# CHARLES POINTE

A Genesis Partners Development



THIS MASTER PLAN IS ILLUSTRATIVE IN NATURE AND INTENT. USES AND THEIR LOCATIONS ARE SUBJECT TO CHANGE AT THE SOLE DISCRETION OF THE DEVELOPER.

**Project Data**  
 Residential - 2281 Units  
 Retail and Office - 2,750,000 SF  
 Open Space - 446 Acres  
 Total Project Cost - \$1.4 Billion  
 Total Project Area - 1700 Acres

### ***III. DEVELOPMENT ACTIVITY***

---

#### **A. OVERVIEW**

According to the Limited Offering Memorandum, the Charles Pointe Development is comprised of two Planned Unit Developments (PUDs) totaling approximately 1,515 acres. The Charles Pointe PUDs are divided into two distinct land bays, Charles Pointe North or the North Land Bay, which consists of 156.1 acres and the Charles Pointe South or South Land Bay, which is made up of 1,338.5 acres. The mixed-use planned community is expected to include extensive public amenities, a clubhouse, an amphitheater, community parks and facilities, a neighborhood school, conference facilities, hotels and lodging, residential villages, a business district, office complex, the town center, retail establishments, dining and entertainment and on-site recreation. Approximately 2,234 residential units are projected to be built on the North Land Bay and South Land Bay as single family homes, multi-family homes and condominiums.

According to the Limited Offering Memorandum, the approved uses within the PUDs are summarized as follows:

#### Charles Pointe North

Convenience Center	25,000 square feet
Office	532,500 square feet
Retail	305,000 square feet
Hotel	86 room
Conference Center	15,000 square feet
Multi-family Residential	235 units
Open Space	22 acres

#### Charles Pointe South

Retail	931,000 square feet
Office	526,000 square feet
Hotel	250,000 square feet
Single-family	1,321 units
Multi-family	672 units
Condominiums	120 units

According to the Limited Offering Memorandum, the proceeds of the Series 2008A and B Bonds were expected to finance a portion of the design, acquisition, construction, equipping and installation of some or all of the following public improvements: utility improvements, storm water improvements, intersection improvements, traffic control, sidewalks, trails, streets, curbing, landscaping and site preparation, lighting, signage and other infrastructure, public buildings (including improvements and equipment), land acquisitions, recreational facilities, contingency and all necessary appurtenances for the development district.

#### **B. GOVERNMENT APPROVALS**

According to the Limited Offering Memorandum, at the time the Series 2008 Bonds were issued, the developer had obtained all public approvals needed for the construction of the project to date. Table III-1 on the following page shows the permits and approvals that have been obtained as reported by the developer as of March 31, 2009.

**Table III-1**  
**Government Approvals and Permits**

Permit/Approval	Permitting Agency	Approval Status
Water Resources Permit (USACE 404 CWA and WVDEP 401 CWA Water Quality Certification)	WV Dept. of Environmental Protection (WVDEP)	Approved
Adequate Public Facilities	City of Bridgeport	Approved
Zoning	City of Bridgeport	Approved
City Approval of Construction Plans	City of Bridgeport	Approved
Subdivision Plat Approval	City of Bridgeport	Approved
Health Department Water and Sewer Permit	WV Dept. of Health City of Bridgeport	Approved
WVDOH Entrance Permit and Utility Permit	WV Division of Highways	Approved
DEP (NPDES permit and GPP approval)	WVDEP	Approved
Grading Permit	City of Bridgeport	Approved
Building Permit	City of Bridgeport	Approved

**C. STATUS OF PUBLIC IMPROVEMENTS**

According to the Limited Offering Memorandum, in 2006, the county commission, on behalf of the developer, issued bonds to finance certain engineering, design work, and environmental services for the South Land Bay and the pay for design and infrastructure improvements in the North Land Bay.

*Series A Improvements*

According to the Limited Offering Memorandum for the Series 2008A Bonds, the Series 2008A Bonds were expected to refinance a portion of the costs of the Series 2006 project and finance the costs of (i) Conference Center Improvements; (ii) Park Area and Pedestrian Improvements; (iii) sign acquisition; (iv) construction of a roadway and sewer line; (v) construction of a storm water management system; and (vi) roadway realignment.

As of March 31, 2009, the developer reports that \$1,107,321 had been expended for the construction of the Series A public improvements, representing 93 percent of the budget funded with the Series 2008A Bonds. Table III-2 below shows the public improvements, the original budget, budget changes, the revised budget, and the amount spent by line item, as reported by the developer, as of March 31, 2009.

**Table III-2**  
**North Land Bay Public Improvements**  
**Series 2008A Bonds**

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
Infrastructure, conference center, park & pedestrian improvements and sign acquisition	\$1,200,000	\$0	\$1,200,000	\$1,107,321	93%
<b>Total</b>	<b>\$1,200,000</b>	<b>\$0</b>	<b>\$1,200,000</b>	<b>\$1,107,321</b>	<b>93%</b>

As of March 31, 2009, the developer reports that 67 percent of the conference center improvements have been completed.

According to the developer, Addendum II to a construction contract in the amount of \$616,663 was executed between Genesis Partners, LP, as owner, and J.F. Allen Company, as contractor. Included in the Addendum II contract are the following improvements:

- Primary storm water collection and conveyance structures and
- Roadway realignment (asphalt with concrete curb and gutter).

As of March 31, 2009, the developer reports that the Addendum II project was 96 percent complete.

*Series 2008B Improvements*

According to the Limited Offering Memorandum for the Series 2008B Bonds, the Series 2008B Bonds were expected to refinance a portion of the Series 2006 Bonds that pertained to the engineering, design and environmental services for the South Land Bay and finance the costs of (i) design and construction of sewer trunk line and pump stations; (ii) design and construction of Road A4, Road A4 Bridge and retaining wall; (iii) design and construction of Route 131 South Entrance; (iv) Master Drainage Plans; (v) stream restoration and wetlands; (vi) existing utilities relocation; (ix) land acquisition; (x) engineering; and (xi) the design and construction of school access roads and utilities together with other public improvements.

As of March 31, 2009, the developer reports that \$11,640,822 had been expended for the construction of the Series B public improvements, representing 70 percent of the budget funded with the Series 2008B Bonds. Table III-3 below shows the public improvements, the original budget, budget changes, the revised budget, and the amount spent by line item, as reported by the developer, as of March 31, 2009.

**Table III-3**  
**South Land Bay Public Improvements**  
**Series 2008B Bonds**

<b>Public Improvement</b>	<b>Original Budget</b>	<b>Budget Changes</b>	<b>Revised Budget</b>	<b>Spent to Date</b>	<b>Percent Complete</b>
Road A4 and related improvements	\$6,600,000	\$0	\$6,600,000	\$5,019,440	76%
Existing utility relocation	\$4,000,000	\$0	\$4,000,000	\$3,944,819	99%
Master drainage plan	\$300,000	\$0	\$300,000	\$0	0%
Stream restoration and wetlands	\$400,000	\$0	\$400,000	\$0	0%
Road C1 and Rt. 131 entrance	\$3,000,000	\$0	\$3,000,000	\$468,867	16%
Master drainage plan	\$200,000	\$0	\$200,000	\$0	0%
Professional fees	\$938,130	\$0	\$938,130	\$827,696	88%
Land acquisition	\$1,280,000	\$0	\$1,280,000	\$1,280,000	100%
<b>Total</b>	<b>\$16,718,130</b>	<b>\$0</b>	<b>\$16,718,130</b>	<b>\$11,540,822</b>	<b>69%</b>

As of March 31, 2009, the developer reports that a construction contract in the amount of \$6,521,825 was executed on March 13, 2008, between Genesis Partners, LP and Gold Diggers, Inc. Included in the contract are the following:

- Sanitary Sewer Trunk Line
- Sanitary Sewer Lift Stations
- Road A4 9Asphalt with concrete curb and gutter)
- Road A4 Bridge with retaining wall
- Route 131 South entrance Improvements
- Storm Water Management Facilities
- Wetland Mitigation
- Concrete Sidewalks
- Street Lighting
- Landscaping

According to the developer, the contract required the improvements covered by the contract to be substantially complete within 270 days of contract execution (December 8, 2008) and be ready for final payment within 30 days of contract execution (January 7, 2009). As of March 31, 2009, the developer reports that construction on this portion of the project is 76 percent complete. The developer also reports that performance of the contract had been delayed by persistent adverse weather conditions; however, the contractor has committed additional equipment and labor to the timely completion of this portion of the project.

As of March 31, 2009, the developer reports that, on October 9, 2008, Contract Change Order Number Seven was executed for the addition of both the Road C1 Project and the Route 131 Ann's Run Entrance project to the March 13, 2008 construction contract executed between Genesis Partners, LP and Gold Diggers, Inc. As of March 31, 2009, the developer reports that construction on this portion of the project is 16 percent complete.

As of March 31, 2009, the developer reports that the existing natural gas transmission line, gas well and gas line relocation project is approximately 99 percent complete. The developer also reports that the remainder of the utility relocation consisting of one gas well with related gas lines is anticipated to be completed in late 2009.

#### **D. STATUS OF DEVELOPMENT**

Charles Pointe, as a mixed use Planned Unit Development, is expected to contain commercial residential, retail and hotel facilities, and extensive commercial and retail services and public amenities, including extensive open space, an amphitheatre, recreational facilities and a neighborhood school.

According to the Limited Offering Memorandum, the Charles Pointe Development is comprised of two Planned Unit Developments (PUDs) totaling approximately 1,515 acres. Charles Pointe North, the North Land Bay, consists of 156.1 acres and Charles Pointe South, the South Land Bay, consists of 1,338.5 acres. Table III-4 on the following page shows the office, hospitality and retail/service properties that, according to the Limited Offering Memorandum, were developed or under development in the North Land Bay at the time the Series 2008A and B Bonds were issued.

**Table III-4**  
**North Land Bay Commercial Development**

<b>Property</b>	<b>Occupied Space (sq. feet)</b>
<i>Office</i>	
Petroleum Development Corporation	30,000
Christie-Culp Professional Office Complex	15,000
Fairmont Federal Credit Union	20,000
Womancare Medical Center	5,000
Cubby's Daycare	18,000
The Professional Office Building at Market Place	56,000
Corporate Office Complex	160,000
<i>Hospitality</i>	
Bridgeport Conference Center	15,000
Wingate Inn	116 rooms
Microtel Inn and Suites	86 rooms
<i>Retail/ Services</i>	
Buffalo Wild Wing Bar and Grill	6,200
Exxon Station	5,700
Grocery Store	41,000
The Market Place at Charles Pointe	192,350

Table III-5 below shows the residential and amenities & recreation plans for the North Land Bay district, as reported in the Limited Offering Memorandum at the time the Series 2008 Bonds were issued.

**Table III-5**  
**North Land Bay Residential Development**

<b>Property</b>	<b>Number of Homes</b>
<i>Residential</i>	
Barrington Manor	48 Townhouses
Parkview Village	12 Duplexes
Parkview Village Phase II	54 Duplexes
Parkview Village Phase III (Parkview Heights)	120 Condominiums
<i>Amenities and Recreation</i>	
Memorial Park	11 acres

According to the Limited Offering Memorandum, the development in the South Land Bay is expected to consist of commercial, retail, recreation, education, civic and residential uses. The initial two South Land Bay residential neighborhoods consist of 117 single family units.

As of March 31, 2009, the developer reports that 52 building permits have been issued for the units to be constructed in the North Land Bay. The developer also reports that 52 units have been sold to individual homebuyers, and 46 units have been settled. Table III-6 on the following page shows the residential type, the planned number of units, building permits issued, the number of units sold, the number of units closed with homebuyers, and the average sales price of homes in the South Land Bay as reported by the developer as of March 31, 2009.

**Table III-6**  
**Status of Home Permits and Home Sales**  
**North Land Bay**

<b>Residential Type</b>	<b>Planned Number of Units</b>	<b>Building Permits Issued</b>	<b>Homes Sold</b>	<b>Homes Closed</b>	<b>Average Sales Price</b>
Multi-family	288	52	52	46	\$236,638
<b>Total</b>	<b>288</b>	<b>52</b>	<b>52</b>	<b>46</b>	<b>\$236,638</b>

As of March 31, 2009, the developer reports that fifteen building permits have been issued for the units to be constructed in the South Land Bay. The developer also reports that fifteen units have been sold to individual homebuyers, and seven units have settled. Table III-7 below shows the residential type, the planned number of units, building permits issued, the number of units sold, the number of units closed with homebuyers, and the average sales price of homes in the South Land Bay, as reported by the developer, as of March 31, 2009.

**Table III-7**  
**Status of Home Permits and Home Sales**  
**South Land Bay**

<b>Residential Type</b>	<b>Planned Number of Units</b>	<b>Building Permits Issued</b>	<b>Homes Sold</b>	<b>Homes Closed</b>	<b>Average Sales Price</b>
Single-family	1,321	15	15	7	\$341,725
Multi-family	672	0	0	0	N/A
Condominium	120	0	0	0	N/A
<b>Total</b>	<b>2,113</b>	<b>15</b>	<b>15</b>	<b>7</b>	<b>\$341,725</b>

**E. STATUS OF FINANCING**

*Series 2008A Bonds*

According to the developer, several loans were obtained to fund various infrastructure improvements and engineering costs in the North Land Bay improvement area and for Parkview Village and Barrington Manor multi-family housing.

The developer obtained a construction loan from Huntington National Bank on April 13, 2007 in the principal amount of \$1,000,000. As of March 31, 2009, the developer reports that the outstanding balance on the Huntington Bank construction loan is \$1,000,000. The developer also reports that the loan carries an interest rate of 3.0 percent. The loan matured on May 15, 2009. As of August 6, 2009, the developer reports that the loan has been extended to August 15, 2009. The developer is currently working on additional extensions or refinancing for the loan.

According to the developer, a construction loan from Fifth Third Bank in the principal amount of \$3,011,940 was obtained May 2, 2007. As of March 31, 2009, the developer reports that the outstanding balance on the Fifth Third Bank construction loan is \$2,357,091. The developer also reports that \$654,115 had previously been repaid. The loan carries an interest rate of 4.0 percent and matures on November 2, 2009.

According to the developer, a construction loan in the principal amount of \$4,600,000 was obtained from Huntington National Bank on June 27, 2007. As of March 31, 2009, the developer reports that the outstanding balance on the \$4,600,000 Huntington National Bank construction loan

is \$4,594,029. The developer also reports that there have been no principal amounts repaid. According to the developer, the loan carries an interest rate of 4.0 percent. The loan matured on June 27, 2009. As of August 6, 2009, the developer reports that the loan has been extended to August 15, 2009. The developer is currently working on additional extensions or refinancing for the loan.

*Series 2008B Bonds*

According to the developer, several loans were obtained to fund land acquisition, infrastructure improvements and engineering costs of the Hunters' Chase portion of the development within the South Land Bay improvement area.

The developer obtained a construction loan from Asa Gawthrop on October 24, 2002 in the principal amount of \$528,580. As of March 31, 2009, the developer reports that the outstanding balance on the Asa Gawthrop construction loan is \$295,612. The developer also reports that principal in the amount of \$232,968 has been repaid through March 31, 2009. The loan carries an interest rate of 3.5 percent and matures on October 24, 2012.

According to the developer, a construction loan in the principal amount of \$1,400,000 was obtained on December 18, 2007 from First Central Bank with an original maturity date of December 18, 2008. The loan term was extended to December 18, 2009. As of March 31, 2009, the developer reports that the outstanding balance on the First Central Bank construction loan is \$1,086,076. The developer also reports that principal in the amount of \$73,517 has been repaid through March 31, 2009. The loan carries an interest rate of 4.25 percent.

According to the developer, a construction loan was obtained from Huntington National Bank on November 13, 2006 in the principal amount of \$3,443,000. As of March 31, 2009, the developer reports that the outstanding balance on the Huntington Bank construction loan is \$3,017,155. The developer also reports that principal in the amount of \$425,820 has been repaid through March 31, 2009. The loan carries an interest rate of 4.0 percent and matures on November 13, 2009.

#### ***IV. TRUSTEE ACCOUNTS***

The trustee for the Series 2008A and B Bonds is Huntington National Bank. The following table shows the account balances as of March 31, 2008, interest paid, additional proceeds, disbursements and account balances as of March 31, 2009.

**Table IV-1  
Fund Balances**

	<b>Balance 3/31/08</b>	<b>Interest Paid</b>	<b>Additional Proceeds</b>	<b>Disburse- ments</b>	<b>Balance 3/31/09</b>
2008A Debt Service Fund	\$511	\$14	\$246,921	\$247,435	\$10
2008A Reserve Fund	\$423,800	\$8,447	\$73,367	\$79,487	\$426,127
2008A Administrative Expense Fund	\$0	\$52	\$6,300	\$998	\$5,354
2008A Revenue Fund	\$0	\$1,307	\$404,185	\$259,886	\$145,606
2008A Project Fund	\$586,020	\$7,094	\$13	\$499,021	\$94,106
2008A Cost of Issuance Fund	\$6,267	\$165	\$0	\$6,433	\$0
2008B Debt Service Fund	\$0	\$59	\$1,477,870	\$1,477,870	\$59
2008B Reserve Fund	\$2,547,600	\$20,563	\$0	\$7,991	\$2,560,172
2008B Administrative Expense Fund	\$0	\$0	\$12,909	\$12,909	\$0
2008B TIF Fund	\$0	\$9	\$119,287	\$0	\$119,296
2008B Capitalized Interest Account	\$5,171,114	\$153,045	\$9,711	\$1,477,870	\$3,855,999
2008B Project Fund	\$11,730,238	\$247,252	\$8,953	\$6,384,533	\$5,601,909
2008B Cost of Issuance Fund	\$8,508	\$444	\$0	\$8,953	\$0
<b>Total</b>	<b>\$20,474,058</b>	<b>\$438,451</b>	<b>\$2,359,515</b>	<b>\$10,463,385</b>	<b>\$12,808,639</b>

- Additional proceeds to the Series A Debt Service Fund were transfers from the Series A Reserve Fund and the Series A Revenue Fund for the payment of debt service.
- Additional proceeds to the Series A Reserve Fund represent a transfer from the Series A Revenue Fund to replenish the reserve requirement.
- Additional proceeds to the Series A Administrative Expense Fund represent a transfer from the Series A Cost of Issuance Account pursuant to Section 4.04 of the Trust Indenture for the payment of administrative expenses.
- Additional proceeds to the Series A Revenue Fund were transfers of incremental revenues collected by the county.
- Additional proceeds to the Series A Project Fund represent a transfer from the Series A Cost of Issuance Fund to close the account.
- Additional proceeds to the Series B Debt Service Fund represent transfers from the Series B Capitalized Interest Account for the payment of debt service.
- Additional proceeds to the Series B Administrative Expense Fund were transfers from the Series A Revenue Fund for the payment of administrative expenses.
- Additional proceeds to the Series B TIF Fund represent incremental revenues transferred from the county.
- Additional proceeds to the Series B Capitalized Interest Account represent transfers of investment income on the Reserve Fund in excess of the reserve requirement.
- Additional proceeds to the Series B Project Fund were transfers from the Series B Cost of Issuance Fund pursuant to Section 4.04 of the Trust Indenture to close the account.
- Disbursements from the Series A and B Project Funds were for the payment of the costs of the public improvements.

Bond proceeds are invested in Federated Prime Obligations Funds, which are currently earning between 0.9 and 1.0 percent per annum. Table IV-2 provides a listing of the funds and accounts and their approximate rate of return as of March 31, 2009.

According to the trust Indentures for the Series 2008A and B, dated March 5, 2008, investment income on the Series A and B Debt Service Funds will be used to redeem Series 2008A and B Bonds or to pay debt service on the bonds. Investment income in excess of the reserve requirement will be transferred in the following order of priority (i) to the Capitalized Interest Account during the capitalized interest period and thereafter (ii) to the Debt Service Fund to pay debt service on the bonds. Investment earnings on the Series A and B Administrative Expense Funds will be used for the purposes of the fund. Investment earnings on the Series A and B Revenue Funds will be used to pay debt service and administrative expenses on the Series 2008 Bonds. Investment income on the Project Fund will be used for the completion of the public improvements. Upon the completion of the public improvements and the receipt of an Officer's Certificate by the trustee, the amounts in the Project Fund will be transferred to the Debt Service Fund to be used to redeem Bonds or, if such amount is less than \$5,000, to pay debt service on the bonds on the next interest payment date.

**Table IV-2**  
**Rate of Return**

<b>Account</b>	<b>Rate of Return</b>
2008A Debt Service Fund	0.9%
2008A Reserve Fund	1.0%
2008A Administrative Expense Fund	1.0%
2008A Revenue Fund	1.0%
2008A Project Fund	1.0%
2008B Debt Service Fund	0.9%
2008B Reserve Fund	1.0%
2008B TIF Fund	1.0%
2008B Capitalized Interest Account	1.0%
2008B Project Fund	1.0%

## ***V. DISTRICT FINANCIAL INFORMATION***

---

The information provided in this section is intended to meet the requirements for the annual report as provided for in Section 2 of the Continuing Disclosure Agreement. The items listed below are in the same order as the items required for the annual report as listed in the Continuing Disclosure Agreement.

All information in this section is provided as of March 31, 2009, unless otherwise stated.

### **A. BALANCE OF FUNDS AND ACCOUNTS**

The balances of the funds and accounts as of March 31, 2009 are included in Table IV-1 of Section IV, "Trustee Accounts," of this report.

### **B. CHANGES TO THE AD VALOREM TAX RATES**

The fiscal year 2007-2008 and fiscal year 2008-2009 ad valorem real property tax rates for the City of Bridgeport, Harrison County Board of Education and State of West Virginia are shown in Table V-1 below. Tax rates are expressed in cents per \$100 of assessed value. According to the assessor's office for Harrison County, the fiscal year 2008-2009 ad valorem tax rates for Class I, II and IV property are 72.82, 145.64 and 291.28 cents per \$100 of assessed value, respectively.

**Table V-1**  
**Ad Valorem Real Property Tax Rates**

Tax Year	2007-2008	2008-2009
City of Bridgeport		
Class I	7.17	6.25
Class II	14.34	12.50
Class IV	28.67	25.00
Harrison County		
Class I	12.43	12.74
Class II	24.86	24.48
Class III/IV	49.72	50.96
Harrison County Board of Education		
Class I	19.40	19.40
Class II	38.80	38.80
Class III/IV	77.60	77.60
State of West Virginia		
Class I	0.25	0.25
Class II	0.50	0.50
Class III/IV	1.00	1.00

Source: Harrison County Assessor's Office

### **C. INCREASE IN THE SIZE OF THE DISTRICT**

There have been no changes in the size of the district or the Charles Pointe CED as reported in the Limited Offering Memorandum.

### **D. ASSESSED VALUE OF THE REAL PROPERTY IN THE DISTRICT**

According to the assessor's office for Harrison County, the 2008-2009 total assessed value of the real property in the district is \$32,600,612. The fiscal year 2007-2008 total assessed value was \$28,728,270. Accordingly, the assessed value of the Charles Pointe CED increased by \$3,872,342

from 2007-2008 to 2008-2009. Table V-2 below shows the change in the assessed value of the district from fiscal year 2006-2007 to fiscal year 2008-2009.

**Table V-2**  
**Assessed Valuation**

Year	Assessed Value	Percent Change
2006-2007	\$15,450,860	N/A
2007-2008	\$28,728,270	85.9%
2008-2009	\$32,600,612	13.5%

Source: Harrison County Assessor's Office

**E. TAXES TO BE COLLECTED**

According to the sheriff's tax office for Harrison County, ad valorem real property taxes in the amount of \$701,609 were to be collected in fiscal year 2008-2009. Of this amount, tax increment revenues totaling \$373,415 were to be collected.

**F. STATUS OF COLLECTION OF AD VALOREM TAXES**

Table V-3 below shows the total amount of ad valorem real property taxes and incremental revenues to be collected, the amount collected, the percent delinquent as reported by the sheriff's tax office for Harrison County as of August 4, 2009.

According to the sheriff's tax office for Harrison County, ad valorem real property taxes in the amount of \$701,609 were to be collected on the property within the district for fiscal year 2008-2009. As of August 4, 2009, the sheriff's tax office reports that ad valorem real property taxes in the amount of \$701,609 had been collected, representing 100 percent of the total amount to be collected.

According to the sheriff's tax office, tax incremental revenues in the amount of \$373,415 were to be collected on the property within the district for fiscal year 2008-2009. As of August 4, 2009, the sheriff's tax office reports that incremental revenues in the amount of \$373,415 had been collected, representing 100 percent of the amount to be collected.

**Table V-3**  
**Ad Valorem Property Tax Levy and Collections**

Tax	Amount to be Collected	Amount Collected	Percent Outstanding
Ad valorem real property tax	\$701,609	\$701,609	0.0%
Incremental revenues	\$373,415	\$373,415	0.0%

**G. APPEALS OF ASSESSED VALUE DETERMINATIONS**

The administrator is not aware of any appeals of assessed value determination for property within the district as of March 31, 2009.

**H. PRINCIPAL DISTRICT TAXPAYERS**

Table V-4 on the following page shows a listing of taxpayers responsible for the payment of more than five percent of the ad valorem tax levy and individual tax payers responsible for the payment of less than five percent of the ad valorem taxes to be collected in fiscal year 2008-2009.

**Table V-4**  
**Principal District Taxpayers**  
**2008-2009 Ad Valorem Real Property Taxes**

Taxpayer	Amount to be Collected	Percent of Total
Ann's Run LLC	\$98,939	14.1%
Petroleum Development Corporation	\$142,154	20.3%
CPH Development Company, LP	\$191,661	27.3%
<i>Subtotal principal district taxpayers</i>	<i>\$432,753</i>	<i>61.7%</i>
Individuals less than five percent	\$268,857	38.3%
<b>Total ad valorem tax</b>	<b>\$701,609</b>	<b>100.0%</b>

**I. SIGNIFICANT AMENDMENTS TO LAND USE ENTITLEMENTS OR LEGAL CHALLENGES**

The administrator does not have knowledge of any significant amendments to land use entitlements or legal challenges to the construction of the Project or the Charles Pointe Development as of March 31, 2009.

**J. CHANGES TO THE PROJECT**

As of March 31, 2009, there have been no changes to the project from those stated in the Development Agreement.

**K. TAX INCREMENT REVENUES AND DEBT SERVICE COVERAGE**

Table V-5 on the following page shows the debt service coverage and tax increment revenues for the Series 2008A and B Bonds. The net annual debt service and total tax increment revenues for the bond year ending 2009 are actual figures. Debt service reflects interest paid on the outstanding \$4,830,000 Series 2008A Bonds and the outstanding \$28,690,000 Series 2008B Bonds. Harrison County reports collecting tax increment revenues in the amount of \$373,415 for the bond year ending 2009.

**Table V-5**  
**Series 2008A and B Bonds Debt Service Schedule**

<b>Bond Year Ending (June 1)</b>	<b>Series A Debt Service</b>	<b>Series B Debt Service</b>	<b>Total Debt Service</b>	<b>Total Incremental Revenues</b>	<b>Debt Service Coverage Ratio<sup>1</sup></b>
2009	\$399,875	\$2,000,125	\$2,400,000	\$373,415	15.6%
2010	\$400,650	\$2,000,125	\$2,400,775	\$585,851	24.4%
2011	\$326,100	\$2,000,125	\$2,326,225	\$1,285,979	55.3%
2012	\$326,100	\$2,000,125	\$2,326,225	\$2,372,009	102.0%
2013	\$416,100	\$2,545,125	\$2,961,225	\$3,398,443	114.8%
2014	\$420,250	\$2,545,150	\$2,965,400	\$4,492,319	151.5%
2015	\$418,750	\$2,544,900	\$2,963,650	\$5,174,292	174.6%
2016	\$416,925	\$2,541,850	\$2,958,775	\$5,572,737	188.3%
2017	\$419,775	\$2,546,000	\$2,965,775	\$6,209,090	209.4%
2018	\$416,975	\$2,546,650	\$2,963,625	\$6,504,019	219.5%
2019	\$418,850	\$2,543,800	\$2,962,650	\$6,782,089	228.9%
2020	\$420,075	\$2,542,450	\$2,962,525	\$7,419,864	250.5%
2021	\$420,650	\$2,547,250	\$2,967,900	\$7,569,032	255.0%
2022	\$415,575	\$2,542,500	\$2,958,075	\$7,643,616	258.4%
2023	\$420,175	\$2,543,550	\$2,963,725	\$8,114,336	273.8%
2024	\$423,800	\$2,544,700	\$2,968,500	\$8,114,336	273.3%
2025	\$420,500	\$2,545,600	\$2,966,100	\$8,114,336	273.6%
2026	\$421,500	\$2,545,900	\$2,967,400	\$8,613,868	290.3%
2027	\$421,450	\$2,545,250	\$2,966,700	\$8,613,868	290.4%
2028	\$420,350	\$2,543,300	\$2,963,650	\$8,613,868	290.7%
2029	\$418,200	\$2,544,700	\$2,962,900	\$9,143,975	308.6%
2030	\$420,000	\$2,543,750	\$2,963,750	\$9,143,975	308.5%
2031	\$420,400	\$2,540,100	\$2,960,500	\$9,143,975	308.9%
2032	\$419,400	\$2,543,400	\$2,962,800	\$9,706,529	327.6%
2033	\$422,000	\$2,547,600	\$2,969,600	\$9,706,529	326.9%
2034	\$417,850	\$2,547,000	\$2,964,850	\$9,706,529	327.4%
2035	\$417,300	\$2,541,250	\$2,958,550	\$10,303,516	348.3%
<b>Total</b>	<b>\$11,099,575</b>	<b>\$66,522,275</b>	<b>\$77,621,850</b>	<b>\$182,422,396</b>	

<sup>1</sup>Debt service coverage rate is calculated by taking total revenues and dividing it by the net annual debt service.

## ***VI. SIGNIFICANT EVENTS***

---

### **A. DEVELOPER SIGNIFICANT EVENTS**

Developer significant events include the following:

- (i) Delinquency in payment when due of any principal of or interest on the bonds or failure to pay any real property taxes or special assessments levies within the district on a parcel owned by the developer (or any affiliate) beyond periods prescribed by law;
- (ii) Material damage to or destruction of any portion of the project or improvements in the North and South Land Bays;
- (iii) Material default by the developer (or any affiliate) on any loan with respect to the development or permanent financing of the project or improvements in the development district undertaken by the developer;
- (iv) Material default by the developer (or any affiliate) on any loan secured by property owned by the developer (or any affiliate) within the development district);
- (v) Payment default by the developer (or any affiliate) on any loan in excess of \$250,000 (whether or not such loan is secured by the property within the development district);
- (vi) The filing by the developer (or any owner of more than 25 percent interest in the developer) of a petition in bankruptcy or any determination that the developer (or any owner of more than 25 percent in the developer) is unable to pay its debts as they become due;
- (vii) The filing of any lawsuit with the claim for damage in excess of \$1,000,000 against the developer (or any affiliate) which may adversely affect the completion of the project or litigation which would materially adversely affect the financial condition of the developer (or any affiliate); and
- (viii) Any change in ownership or legal structure of the developer.

Inquiries have been made with Genesis Partners, LP regarding the occurrence of any significant event and they have reported that to their knowledge, no significant events have occurred as of March 31, 2009.

### **B. NOTICE EVENTS**

Pursuant to the Continuing Disclosure Agreement, significant events include the following:

- (i) Delinquency in payment when due of any principal of or interest on the Series 2008A and B Bonds;
- (ii) Occurrence of any material default under the Indenture (other than as described in clause (i) above) or the Infrastructure Purchase Agreement;
- (iii) Draws on the Reserve Fund;
- (iv) Substitution of a credit provider, or any failure of a credit provider to perform;
- (v) Adverse tax opinions or events affecting the tax-exempt status of the bonds;

- (vi) Amendment to the Indenture materially modifying the rights of the bondholders;
- (vii) Giving of notice of optional or unscheduled redemption of the Series 2008A and B Bonds;
- (viii) Defeasance of the Series 2008A and B Bonds or any portion thereof;
- (ix) The release or substitution of real property within the district other than as identified in the Annual Report pursuant to Section(a) hereof;
- (x) Any change in the rating, if any, on the Series 2008A and B Bonds;

The administrator does not have knowledge of any listed event as of the date of this report.