LANCASTER COUNTY, SOUTH CAROLINA

$24,115,000 EDENMOOR IMPROVEMENT DISTRICT
ASSESSMENT REVENUE BONDS
SERIES 2006A

AND

$11,500,000 EDENMOOR IMPROVEMENT DISTRICT
ASSESSMENT REVENUE BONDS
SERIES 2006B

EDENMOOR IMPROVEMENT DISTRICT
(LANCASTER COUNTY, SOUTH CAROLINA)

DEVELOPER'S CONTINUING DISCLOSURE STATEMENT

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

In accordance with the "Continuing Disclosure Agreement" (the "Disclosure Agreement") by and between the undersigned, Lawson's Bend, L.L.C. (the "Developer") and MuniCap, Inc. (the "Administrator"), dated as of June 1, 2006, the Developer hereby provides the following information as of June 30, 2007. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Limited Offering Memorandum dated May 19, 2006. To the best of the knowledge of the undersigned:

1) Status of Construction and Completion of Edenmoor Improvement District:

Public Improvements - 2006 Series A Bond Items
Development Phase 1 (One)

	Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
A	Offsite Sanitary Sewer	$3,982,349	$0	$3,982,349	$3,872,707.90	97.25%
B	Pump Station & Force Main	$4,036,578	$0	$4,036,578	$2,842,952.89	70.43%
C	Offsite Water Distribution (Jim Wilson Rd.)	$256,877	$0	$256,877	$10,000.00	3.89%
D	Jim Wilson Road Improvements	$652,068	$0	$652,068	$652.068.00	100%
E	Greenway System	$357,969	$0	$357,969	$0	0%
F	Wetlands Mitigation	$176,800	$0	$176,800	$26,750.40	15.13%
G	Stream Restoration	$384,800	$0	$384,800	$2,540.00	0.67%
	Subtotal Public Improvements	**$9,847,442**	**$0**	**$9,847,442**	**$7,407,019.19**	**75.22%**
	10% Contingency	$984,744	$0	$984,744	$909,355.49	84.50%
	Engineering Design/Administration	$397,770	$0	$397,770	$397,770.00	100%
	Survey Services	$196,805	$0	$196,805	$196,054.76	99.62%
	Geotechnical Exploration	$55,000	$0	$55,000	$55,000.00	100%
	Geotechnical Services - Construction	$10,000	$0	$10,000	$8,900.00	89.00%
	Archaeological Investigation	$250,000	$0	$250,000	$160,687.10	57.15%
	Wetlands Permitting	$75,000	$0	$75,000	$75,000.00	100%
	Environmental Monitoring	$40,000	$0	$40,000	$40,000.00	96.46%
	Environmental Maintenance	$5,000	$0	$5,000	$0	0%
	Traffic Consultant	$30,000	$0	$30,000	$29,338.69	97.80%
	Reimbursement for Prior Design	$270,000	$0	$270,000	$262,342.20	97.16%
	Total Public Improvements funded with Bonds	**$12,161,761**	**$0**	**$12,161,761**	**$9,541,467.43**	**78.45%**

Public Improvements - 2006 Series A Bond Items
Development Phase 2 (Two)

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
E Greenway System	$379,925	$0	$379,925	$0	0%
H Lancaster County Park	$4,248,149	$0	$4,248,149	$608,986.38	14.34%
I EMS Substation	$458,801	$0	$458,801	$63,780.50	13.90%
J Hancock Road Improvements	$723,031	$0	$723,031	$0	0%
K Hector Road Improvements	$144,555	$0	$144,555	$0	0%
L Twelve Mile Creek Road Improvements	$248,538	$0	$248,538	$0	0%
M Claude Philips Road Improvements	$109,232	$0	$109,232	$0	0%
N Highway 521 Road Improvements	$364,740	$0	$364,740	$0	0%
Subtotal Public Improvements	**$6,676,971**	**$0**	**$6,676,971**	**$672,766.88**	**10.08%**
10% Contingency	$667,697	$0	$667,697	$449,733.14	67.36%
Engineering Design/Administration	$150,000	$0	$150,000	$150,000.00	100%
Survey Services	$27,500	$0	$27,500	$0	0%
Geotechnical Services - Construction	$30,000	$0	$30,000	$0	0%
Signalization of 521/Traffic Engineering	$250,000	$0	$250,000	$0	0%
Total Public Improvements funded with Bonds	**$7,802,168**	**$0**	**$7,802,168**	**$1,272,500.02**	**16.31%**

Public Improvements - 2006 Series B Bond Items
Development Phase 1 (One)

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
A Parcel Mobilization/Grading/Erosion Control	$1,167,213	$0	$1,167,213	$1,167,213.00	100%
B Parcel Sanitary Sewer	$436,212	$0	$436,212	$436,212.00	100%
C Parcel Water Distribution	$236,542	$0	$236,542	$236,542.00	100%
D Parcel Storm Drainage	$437,074	$0	$437,074	$437,074.00	100%
E Parcel Paving	$593,564	$0	$593,564	$593,564.00	100%
Subtotal Public Improvements	**$2,870,605**	**$0**	**$2,870,605**	**$2,870,605**	**100%**
10% Contingency	$287,061	$0	$287,061	$262,992.90	91.62%
Engineering Design - Parcel Development	$138,750	$0	$138,750	$138,750.00	100%
Engineering - Construction Administration	$18,500	$0	$18,500	$18,500.00	100%
Survey - Parcel Construction Services	$262,700	$0	$262,700	$258,499.00	98.40%
Geotechnical Services - Construction	$176,500	$0	$176,500	$86,325.00	48.91%
Total Public Improvements funded with Bonds	**$3,754,116**	**$0**	**$3,754,116**	**$3,635,672**	**96.84%**

Public Improvements - 2006 Series B Bond Items
Development Phase 2 (Two)

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
A Parcel Mobilization/Grading/Erosion Control	$1,590,580	$0	$1,590,580	$1,590,580.00	100%
B Parcel Sanitary Sewer	$530,459	$0	$530,459	$530,459.00	100%
C Parcel Water Distribution	$349,041	$0	$349,041	$349,041.00	100%
D Parcel Storm Drainage	$711,746	$0	$711,746	$700,305.72	98.39%
E Parcel Paving	$1,086,115	$0	$1,086,115	$915,167.17	84.26%
Subtotal Public Improvements	**$4,267,942**	**$0**	**$4,267,942**	**$4,085,552.89**	**95.73%**
10% Contingency	$426,794	$0	$426,794	$0	0%
Engineering Design - Parcel Development	$190,500	$0	$190,500	$190,500.00	100%
Engineering - Construction Administration	$25,400	$0	$25,400	$25,400.00	100%
Survey - Parcel Construction Services	$360,680	$0	$360,680	$0	0%
Geotechnical Services - Construction	$258,600	$0	$258,600	$0	0%
Total Public Improvements funded with Bonds	**$5,529,916**	**$0**	**$5,529,916**	**$4,301,452.89**	**77.79%**

Public Improvements - 2006 Series B Bond Items
Development Phase 3 (Three)

	Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
A	Parcel Mobilization/Grading/Erosion Control	$1,969,092	$0	$1,969,092	$443,821.95	22.54%
B	Parcel Sanitary Sewer	$712,538	$0	$712,538	$0	0%
C	Parcel Water Distribution	$467,482	$0	$467,482	$0	0%
D	Parcel Storm Drainage	$857,572	$0	$857,572	$0	0%
E	Parcel Paving	$1,166,299	$0	$1,166,299	$0	0%
	Subtotal Public Improvements	**$5,172,983**	**$0**	**$5,172,983**	**$443,821.95**	**8.58%**
	10% Contingency	$517,298	$0	$517,298	$0	0%
	Engineering Design - Parcel Development	$245,625	$0	$245,625	$100,259.70	40.82%
	Engineering - Construction Administration	$32,750	$0	$32,750	$0	0%
	Survey - Parcel Construction Services	$465,050	$0	$465,050	$0	0%
	Geotechnical Services - Construction	$309,750	$0	$309,750	$0	0%
	Total Public Improvements funded with Bonds	**$6,743,456**	**$0**	**$6,743,456**	**$544,081.65**	**8.07%**

Public Improvements - 2006 Series B Bond Items
Development Phase 4 (Four)

	Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
A	Parcel Mobilization/Grading/Erosion Control	$1,526,853	$0	$1,526,853	$0	0%
B	Parcel Sanitary Sewer	$513,674	$0	$513,674	$0	0%
C	Parcel Water Distribution	$365,790	$0	$365,790	$0	0%
D	Parcel Storm Drainage	$530,693	$0	$530,693	$0	0%
E	Parcel Paving	$818,149	$0	$818,149	$0	0%
	Subtotal Public Improvements	**$3,755,160**	**$0**	**$3,755,160**	**$0**	**0%**
	10% Contingency	$375,516	$0	$375,516	$0	0%
	Engineering Design - Parcel Development	$160,500	$0	$160,500	$0	0%
	Engineering - Construction Administration	$21,400	$0	$21,400	$0	0%
	Survey - Parcel Construction Services	$303,880	$0	$303,880	$0	0%
	Geotechnical Services - Construction	$200,600	$0	$200,600	$0	0%
	Total Public Improvements funded with Bonds	**$4,817,056**	**$0**	**$4,817,056**	**$0**	**0%**

2) The improvements are anticipated **to be complete** by February 2012.

3) Status of Development:

A) Status of road improvements:

Phase 1 roadway improvements are complete.

Improvements to Highway 521, Hancock Road, Hector Road, Twelve Mile Creek Road and Claude Philips Road are to be completed as part of the Phase 2. Phase 2 road improvements are scheduled for construction in second quarter 2008.

B) Status of water infrastructure:

Offsite water distribution is complete and activated.

Phase 1 water distribution infrastructure under construction, approximately 95% complete.

C) Status of sanitary sewer infrastructure:

Offsite sanitary sewer trunk mains are under construction and approximately 95% complete. The force main and pump station are under construction and approximately 95% complete. Phase 1 sanitary sewer is under construction and approximately 95% complete.

D) Status of storm water management systems:

Phase 1 erosion control items and sediment basins are in place. Phase 1 mass grading is complete and storm drainage construction is 90% complete. Phase 1 does not include any detention ponds, only short term sediment basins. Phase 2 clearing, erosion control and mass grading is underway with clearing and sediment basins complete.

E) Status of other infrastructure and private utilities developments:

Local electrical provider, York Electric, have completed their extension and phase 1 design. York Electric has completed the service extension to Phase 1.. Phase 1A interior lines are Complete. Local gas supplier, Lancaster County Gas, have completed Phase 1 design and the extension of their gas main to the Phase 1 entrance along Jim Wilson Rd. Cable television and phone will be served by Comporium Communications. They have completed Phase 1 design and Phase 1A construction.

4) Material changes in the phases, the type and number of units to be built, planned commencement and completion dates:

Minor lotting changes have been made to the phases, due to builder feedback and market changes. Smallest lots (40') have been increased to 45' lots which is reflective in overall loss of lots. Income remains unchanged.

Phase	Single Family Homes	Commercial Square Footage	Planned Date of Commencement	Planned Date of Completion
1	399	0	February 2006	March 2007
2	445	137,500	February 2009	June 2008
3	629	0	February 2008	June 2010
4	467	0	February 2010	June 2012
Total	1,940	137,500		

I) **Sales and closings of residential lots with builders:**

Builders	Phase 1		Phase 2		Phase 3		Phase 4	
	Under Contract	Lots Closed	Under Contract	Lots Closed	Under Contrac	Lots Closed	Under Contra	Lots Closed
Standard Pacific Homes (50' Lots)	86	20	34	0	0	0	0	0
Ryland Homes (60' Lots)	85	24	0	0	0	0	0	0
Bonterra Homes (70' Lots)	97	25	0	0	0	0	0	0
Centex Homes (80' Lots)	67	0	0	0	0	0	0	0
Gandy Homes (45' Lots)	64	2	0	0	0	0	0	0
Total:	399	71	34	0	0	0	0	0

II) **Sales and closings with homebuyers**

Lot Type	Phase One					Phase Two				
	No. of Units	Homes under Construction	Contract for Sale	Homes Closed	Average Sales Price	No. of Units	Homes under Construction	Contract for Sale	Homes Closed	Average Sales Price
45 Ft.	64	2	0	0	0	204	0	0	0	0
50 Ft.	86	4	0	0	0	61	0	0	0	0
60 Ft.	85	6	1	0	0	60	0	0	0	0
70 Ft.	97	4	0	0	0	60	0	0	0	0
80 Ft.	67	0	0	0	0	60	0	0	0	0
Total:	**399**	16	1	0	0	**445**	0	0	0	0

Lot Type	Phase Three					Phase Four				
	No. of Units	Homes under Construction	Contract for Sale	Homes Closed	Average Sales Price	No. of Units	Homes under Construction	Contract for Sale	Homes Closed	Average Sales Price
45 Ft.	193	0	0	0	0	142	0	0	0	0
50 Ft.	132	0	0	0	0	96	0	0	0	0
60 Ft.	118	0	0	0	0	81	0	0	0	0
70 Ft.	122	0	0	0	0	68	0	0	0	0
80 Ft.	64	0	0	0	0	80	0	0	0	0
Total:	**629**	0	0	0	0	**467**	0	0	0	0

5) Government approvals and regulatory agency permits:

Project Phase	Permit/ Approval	Approved	Projected Date of Permit	Permit Status
I	General Zoning	Yes	January 2006	Approved by County council
	Nationwide			
	401 Water Quality Certification	Yes	December 2006	Approved USACE,SCDHEC
	Water/Sewer	Yes	September 2006	Approved by SCDHEC
	Subdivision	Yes	September 2006	Approved by Lancaster County
	Driveway	Yes	July 2006	Approved by SCDOT
II	Erosion	Yes	February 2007	Approved by SCDHEC
	Water/Sewer	No	September 2007	Documents in review
	Subdivision	No	September 2007	Documents in review
	Driveway	Yes	June 2007	Approved by SCDOT
III	Water/Sewer	No	December 2008	CD's to submit in Dec 07
	Subdivision	No	December 2008	CD's to submit in Dec 07
	Driveway	No	December 2008	CD's to submit in Dec 07
IV	Water/Sewer	No	December 2009	CD's to submit in Dec 09
	Subdivision	No	December 2009	CD's to submit in June 09
	Driveway	No	December 2009	CD's to submit in June 09

6) Material changes to the Development:

There have been no material changes in the plan to develop the District as described in the Limited Offering Memorandum under the heading "THE DEVELOPMENT;"

7) 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 of the district as described on the Limited Offering Memorandum.

8) Legislative, administrative or judicial challenges:

There have been no legislative, administrative, or judicial challenges to the construction of the improvements within the district or the validity of the duly recorded plat or other public approvals for any section of the development within the District.

9) Significant amendments to land use entitlement or legal challenges to the construction of the Development or the District:

There have been no significant amendments to land use entitlement or legal challenges to the construction of the Development or the District.

10) Significant zoning or land use entitlement changes:

There have been no significant zoning or land use entitlement changes or any other matter that would have a material adverse impact on land values, development potential or the likelihood of the timely payment of the Assessments.

11) Material amendment to the Development Agreement:

There have been no material amendments to the Development Agreement.

12) Material changes to the Project:

There have been no material changes approved by the County to the Project to be constructed from those stated in the Limited Offering Memorandum and the status of the development to the district.

13) Notice of default:

The developer has not received formal written notice and is not aware of any default on any construction loan, which finances any portion of the Project.

14) Reporting of Notice Events:

The developer has not obtained actual knowledge of the occurrence of any significant events attached hereto.

LAWSON'S BEND, LLC

By: Lawson's Bend LLC

By: Sean T. Calloway, PE

Title: Charlotte Development Manager

Date: August 13, 2007

Significant Events

i. failure to pay any real property taxes (including the special assessments) levied within the development on a parcel owned by the development owner, the Developer, the landowner or any affiliate thereof;

ii. material damage to or destruction of any development or improvements within the Project;

iii. material default by the development owner, the Developer or any affiliate thereof on any loan with respect to the construction or permanent financing of the Project;

iv. material default by the development owner, the Developer, or any affiliate thereof on any loan secured by property within the development owned or leased by the development owner and the Developer or any affiliate thereof;

v. the filing in bankruptcy by the development owner, the Developer or any affiliate thereof, or by any owner of more than 25% in interest in the development owner or the Developer, or any determination that the development owner, the Developer or any affiliate thereof, or an owner of more than 25% in interest in the development owner or the Developer is unable to pay its debts as they become due;

vi. the filing of any lawsuit with claim for damages in excess of $1,000,000 against the Development Owner, the Developer or the Landowner which may adversely affect the completion of the Development or litigation in Excess of $1,000,000 which would materially adversely affect the financial condition of the Development Owner, the Developer or the landowner;

vii. To the extent that the Developer is obligated to pay Assessments, failure by the Developer to pay such Assessments in full when due; or

viii. A default or event of default occurs under any agreement or instrument evidencing indebtedness of the Developer or GS Carolina LLC.