

**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)**

**Notice of Material Event**

**September 26, 2008**

Pursuant to the Section 4 of the Developer's Continuing Disclosure Agreement (the "Disclosure Agreement") by and between Lawson's Bend, LLC (the "Developer") and MuniCap, Inc. (the "Administrator"), dated as of June 1, 2006, the developer hereby provides a material event notice as more fully described below.

The developer reports that on June 15, 2008, the developer received a notice from the Bank of America that the Bank of America Acquisition and Development Loan was in default for failure to make payments due thereon. Prior to receiving that notice, the developer requested that the bank restructure the Acquisition and Development Loan to resolve the existing defaults and provide necessary and adequate funding to complete the development of the current phase of the project.

Below is the information related to the Bank of America Acquisition and Development Loan as provided by the developer on September 26, 2008. According to the developer, the financial information is as of August 31, 2008.

Borrower: Lawson's Bend LLC  
Lender: Bank of America, N.A  
Guarantor: Steve & Art Sandler

Amount Drawn: \$23,456,762  
Amount Repaid: \$6,210,816  
Principal Balance: \$17,245,946  
Maturity Date: May 4, 2008  
Accrued Interest: \$408,628