

**LEWISTOWN COMMERCE CENTER  
COMMUNITY DEVELOPMENT AUTHORITY (VIRGINIA)  
\$37,675,000 Revenue Bonds, Series 2007**

**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"), dated as of September 1, 2007, by and between (i) the LEWISTOWN COMMERCE CENTER COMMUNITY DEVELOPMENT AUTHORITY (the "Authority"), (ii) LEWISTOWN COMMERCE CENTER LLC ("Lewistown"), and (iii) MUNICAP, INC. (the "Administrator"), the developer hereby provides the following information as of March 31, 2008. All terms having initial capitalization and not defined herein shall have the same meanings set forth in a Limited Offering Memorandum dated October 11, 2007. To the best of the knowledge of the undersigned:

**1) Completion of the Public Improvements**

**A) Public Improvements Budget:**

<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>
<b>County Facilities*</b>					
Construction of Lakeridge Parkway and related Infrastructure Improvements	\$4,600,000	\$0	\$4,600,000	525,703	11.42%
Extension of Water Line and Construction of Sewer Improvements	\$435,000	\$0	\$435,000	\$0	0.00%
Payment into Storm Water Management Fund – Including only portion allocated to Public Improvements -Parking and Road extension (South End)	\$227,000	\$0	\$227,000	\$0	0.00%
<b>Lewistown Commerce Facilities:</b>					
Construction of Public Parking Lot and Interior Roads, including Public Water and Sewer Improvements (Other than Lakeridge Parkway)	\$4,500,000	\$0	\$4,500,000	\$437,799	9.72%
Pedestrian Trails & Landscaping	\$250,000	\$0	\$250,000	\$0	0.00%
Contingency	\$3,200,500	\$0	\$3,200,500	\$0	0.00%
<b>Lewistown Commerce Conveyance to Authority:</b>					
Acquisition of Land, Easements or Right of Way for Parking Lots and Roads- other than Lakeridge Parkway (13.75 acres)	\$9,013,875	\$0	\$9,013,875	\$9,013,875	100.00%
Acquisition of Land, Easements or Right-of-Way for Lakeridge Parkway (9.79 acres)	\$3,200,000	\$0	\$3,200,000	\$3,200,000	100.00%
Acquisition of Land for County Parks Department (36 acres/3.01 acres)	\$1,373,605	\$0	\$1,373,605	\$1,373,605	100.00%
Acquisition of Land for Retention Basin (3.2 acres)	\$1,700,000	\$0	\$1,700,000	\$1,700,000	100.00%
<b>Total Bond Funded Costs</b>	<b>\$28,500,000</b>	<b>\$0</b>	<b>\$28,500,000</b>	<b>\$16,250,982</b>	<b>57.02%</b>

\* Hanover County is spending their funds for payment of the County Facilities as part of the Lewistown Commerce Center Public Improvements project with the intention that they will be reimbursed by the LCC/CDA.

**B) Status of Construction****(i) Status of road construction:**

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Rough grading of road is 90% complete and is within 18" of proposed subgrade. Overall earthwork is approximately 65% complete. Bridge Construction is underway and contractor will be driving piles soon. Curb and gutter work has begun and continuing. The road construction is approximately 2 weeks ahead of schedule and is continuing to make good progress.

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**(ii) Status of water infrastructure:**

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Contractor has completed the water line work from Lewistown Road to the second entrance of the Bass Pro facility, including relocating hydrants, installing new hydrants, etc. All tests have passed to date and the water should be turned on at the Bass Pro facility on March 26, 2008. The entire water line to be installed adjacent to Lakeridge Parkway is approximately 50% complete.

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**(iii) Status of sanitary sewer infrastructure:**

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Contractor is responsible for installing two sanitary laterals that cross from one side of Lakeridge Parkway to the other side. Contractor has completed the lateral crossover at the Bass Pro facility entrance. The installation of the second lateral crossover will begin the first week of April 2008.

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**(iv) Status of storm sewer infrastructure:**

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Storm sewer work is ongoing daily and will continue for another month or so. Drainage Inlets up to the Bass Pro facility have been installed. Approximately 60% of the storm sewer pipe has been completed to date. All outfalls are being completed as contractor makes its way down Lakeridge Parkway towards the creek.

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**(v) Status of site work:**

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Site Work contractor has been making good progress. Approximately 50% of the parking lots in front of the facility have been stoned, fine graded and curb and gutter installed. The northern most entrance has been completed by the site contractor per its plans and will be 100% completed by the road contractor within the next 10 days. Storm sewer on the site is approximately 60% complete and the outfall has been constructed. The remaining storm sewer will be constructed as the areas around the building open up. Once the water has been cut on to the site by the road contractor, the site contractor can begin its waterline connection for the Bass Pro facility. That installation should take place in the next couple of weeks weather permitting. In addition, no sanitary sewer lines have been installed to date, but the structures have been delivered. There were a few plan changes and the site contractor needs to insure that the plans have been completed before it begins the work. Site lighting installation will begin in the next week and will continue as the site contractor completes the grading on the remaining parking lots.

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**(vi) Status of construction of buildings/stores:**

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The building contractor is also making good progress. The tilt-up concrete walls are in place and steel is being erected daily. The steel work is approximately 80% complete and should be 100% complete within 3 to 4 weeks. The underground plumbing and electrical work is approximately 90% complete.

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**2) Status of Financing**

**A. Loans Secured by Property within the District:**

Well Fargo Loan – Building Loan

- Loan Amount: \$13,265,000
- Amount drawn through 03/31/07: \$203,589
- Amount repaid through 03/31/07: \$
- Balance at 03/31/07: \$203,589
- Interest rate: LIBOR + 1.5%= 5.13%

Well Fargo Loan – Construction Loan

- Loan Amount: \$12,000,000
- Amount drawn through 03/31/07:\$194,340
- Amount repaid through 03/31/07:\$
- Balance at 03/31/07: \$194,340
- Interest rate: LIBOR +1.6%=4.79%

**B. Material Amendments on the Loan:** There have been no material amendments on the loan as described in the Limited Offering Memorandum.

**C. Event of Default on any Loan:** The developer has not received formal written notice and is not aware of any default or passage of time on any loan.

**D. Liens:** There exist no other liens for borrowed money secured by the property owned by the developer in the district.

**E. Availability of Funds to Complete the Facilities:** There are sufficient funds available to complete the facilities as contemplated.

**F. Availability of Funds to the Developer to Complete its Development:** There are sufficient funds available to complete the development of the district.

**3) Government Permits and Approvals:**

Permit/Approval	Approval Status	Date of Approval	Permitting Agency
Land Disturbance Permits	Yes	June 15, 2007	Hanover County
Site Development Plans	Yes	June 15, 2007	Hanover County
Wetlands Delineation	Yes	January 29, 2007	Hanover County
Roads – Lakeridge Parkway			
Wetland Permits			

**4) Status of Property Sales and Ground Leasing:**

**A. Property Sales and Closings:**

Buyer	Area in Square Feet	Building Permits Issued	Proposed Use	Closing Date	Sales Price
Horizon Group Retail Dev	TBA		Outlet Mall	TBA	\$12,100,000
<b>Total</b>					

**B. Ground Leases:**

Tenant	Leasing Dates	Square Feet Leased	Proposed Use
<b>Total</b>			

5) **Legislative, Administrative or Judicial Challenges:** There have been no legislative, administrative, or judicial challenges to the construction or development of the facilities and the property owned by the developer (or any affiliate) within the district, as known to the developer.

6) **Amendments or Supplements to Existing Contracts:** There have been no amendments or supplements to the existing contracts.

7) **Other Comments:**

None

8) **Reporting of Significant Events:** The developer has not obtained actual knowledge of the occurrence of any significant events attached hereto.

**LEWISTOWN COMMERCE CENTER, LLC**

By: Lewistown Commerce Center, LLC

By: *Jimmy W. Dankli*

Title: *CFO/Partner*

Date: *4/9/08*

Significant Events

- (i) failure to pay any real property taxes or special assessments levied within the district on a parcel owned by the developer (or any affiliate);
- (ii) material damage to or destruction of any development or improvements owned by the developer (or any affiliate) within the district;
- (iii) material default by the developer (or any affiliate) on any loan with respect to the development or permanent financing of district development 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 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 district);
- (vi) the filing of the developer ( or any owner of more than 25% interest in the developer) in bankruptcy or any determination that the developer (or any owner of more than 25% 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 district development or litigation which would materially adversely affect the financial conditions of the developer (or any affiliate); and
- (viii) any change in the ownership or legal structure of the developer.