

**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 December 31, 2007. 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:

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
County Facilities *					
Construction of Lakeridge Parkway and related Infrastructure Improvements	\$4,600,000	\$0	\$4,600,000	\$0	0.0%
Extension of Water Line and Construction of Sewer Improvements	\$435,000	\$0	\$435,000	\$0	0.0%
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	0.0%
Lewistown Commerce Facilities:					
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	\$0	0.0%
Pedestrian Trails & Landscaping	\$250,000	\$0	\$250,000	\$0	0.0%
Contingency	\$3,200,500	\$0	\$3,200,500	\$0	0.0%
Lewistown Commerce Conveyance to Authority:					
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	100.0%
Acquisition of Land, Easements or Right-of-Way for Lakeridge Parkway (9.79 acres)	\$3,200,000	\$0	\$3,200,000	\$3,200,000	100.0%
Acquisition of Land for County Parks Department (36 acres/3.01 acres)	\$1,373,605	\$0	\$1,373,605	\$1,373,605	100.0%
Acquisition of Land for Retention Basin (3.2 acres)	\$1,700,000	\$0	\$1,700,000	\$1,700,000	100.0%
Total Bond Funded Costs	\$28,500,000	\$0	\$28,500,000	\$15,287,480	53.6%

* 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:

Road is currently being rough graded.

(ii) Status of water infrastructure:

Relocated waterline shown on plans has been installed. The new waterline is currently being constructed.

(iii) Status of sanitary sewer infrastructure:

Sanitary sewer infrastructure improvements continue; sewer line stub has been installed. Main sewer line relocation on southern portion is planned to commence during the Spring of 2008.

(iv) Status of storm sewer infrastructure:

Storm sewer is currently being installed.

(v) Status of site work:

Silt fence has been installed. Demolition and Mass Earth work for the Land Disturbance Permit are under way. Storm Sewer Structures are being manufactured.

(vi) Status of construction of buildings/stores:

N/A

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 12/31/07: \$201,528
- Amount repaid through 12/31/07: \$
- Balance at 12/31/07: \$201,528
- Interest rate: LIBOR + 1.5%: 7.25%

Well Fargo Loan – Construction Loan

- Loan Amount: \$12,000,000
- Amount drawn through 12/31/07: \$192,566
- Amount repaid through 12/31/07: \$
- Balance at 12/31/07: \$192,566
- Interest rate: LIBOR +1.6%: 6.85%

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
Total					

B. Ground Leases:

Tenant	Leasing Dates	Square Feet Leased	Proposed Use
Total			

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.

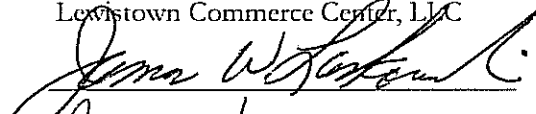
6) **Amendments or Supplements to Existing Contracts:** There have been no amendments or supplements to the existing contracts.

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: 
Title: PARTNER / CFO
Date: 3/31/08

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.