

**\$25,000,000**  
**CITY OF ANNAPOLIS, MARYLAND**  
**SPECIAL OBLIGATION BONDS**  
**(PARK PLACE PROJECT)**  
**SERIES 2005A & B**

**DEVELOPER'S AND OWNER'S CONTINUING DISCLOSURE STATEMENT**

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

In accordance with the "Developer's Continuing Disclosure Agreement" (the "Agreement") by and between the undersigned, JBJ/Carlyle Park Place, LP (the "Developer") and MuniCap, Inc. (the "Administrator") dated as of February 8, 2005, the Development Owner hereby provides the following information as of March 31, 2008. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Limited Offering Memorandum dated as of February 8, 2005. To the best of the knowledge of the undersigned:

1. Status of the Improvements Financed with the Bonds:

Public Improvement	Original Budget	Budget Changes	Revised Budget	Work Completed	Percent Completed
Direct Garage Construction Costs	\$11,922,908	\$891,937	\$12,814,845	\$12,814,845	100%
Outside Sitework	\$1,036,053	(\$365,643)	\$670,409	\$670,890	100%
Architects Fees	\$476,301	\$90,555	\$566,856	\$563,334	99%
Engineers Fees	\$112,856	\$298,582	\$411,438	\$411,438	100%
Development Costs	\$211,958	\$145,289	\$357,247	\$357,761	100%
General Conditions	\$824,406	\$253,432	\$1,077,838	\$1,077,838	100%
General Contractor Fee	\$1,010,926	(\$155,262)	\$855,664	\$855,664	100%
Contingency	\$492,500	(\$423,059)	\$69,441	\$71,967	104%
Allowance for Sales Taxes	\$93,157	(\$84,119)	\$9,038	\$9,038	100%
Land	\$1,770,652	\$0	\$1,770,652	\$1,770,652	100%
Developer Fee	\$520,351	(\$520,351)	\$0	\$	%
Contract Price Adj. for Soil Disposal	\$131,361	(\$131,361)	\$0	\$	%
<b>Total:</b>	<b>\$18,603,428</b>	<b>\$0</b>	<b>\$18,603,428</b>	<b>\$18,603,428</b>	<b>100%</b>

2. Status of Completion of the Development:

a. Status of Construction

The garage is complete and is fully functional.

The punch list has been completed and change order work has also been completed.

Office building # 2 is under construction with the elevator shaft and lobbies being built into the lower levels of the garage.

Anticipated completion of Office # 2 is August 2008.

b. Changes to the Development Plan

Development	Estimated Square Feet or Number of Units/Spaces/Rooms/Seats	Estimated Completion Date
<b><u>Phase I</u></b>		
Office Building 1	160,591 sf	Completed - July 2007
Mixed Use Garage	1,114 spaces	Completed - July 2007
Condominium	208 units	Completed - June 2007
Condo Garage	405 spaces	Completed - June 2007
Hotel	225 rooms	Completed - July 2007
Retail	8,100 sf	Completed - August 2007
<b><u>Phase II</u></b>		
Office Building 2	112,761 sf	August 2008
Auditorium	1,200 seats	Undetermined

3. Leasing and Sales Information:

a. Leasing Status: The estimated total leasable space of Phase I within the development is 160,000 square feet. Leasing activity is very strong and is encompassing a broad tenant mix. Note that a portion of available retail space will be partially leased as office space and partially designated as property management and engineer's offices.

The total leasable space of Phase II within the development is 104,493 rsf. Retail activity is very strong and while we are concentrating on completing the full lease up of the 1<sup>st</sup> office building, there is significant interest in the office space in the 2<sup>nd</sup> office building.

Status of Negotiations	Tenant	Square Footage	Percent of Total
<b>Phase I</b>			
<b>Leased Parcels</b>			
Signed Leases - Office:			
	1. Sensorcom	9,148	7.0%
	2. Sensorcom Expansion	3,517	2.7%
	4. Merrill Lynch	15,433	11.9%
	5. PharmAthene	10,114	7.8%
	6. BOMI	11,855	9.1%
	7. Wrightwood Capital	2,200	1.7%
	8. Jerome J. Parks Co.	7,058	5.4%
	9. Towne Park	12,270	9.4%
	10. Bignell Watkins	15,000	11.5%
	11. Norden	3,784	2.9%
	12. ViaGlobal	6,015	4.6%
	13. Merrill Lynch	3,350	2.6%
	14. Wood MacKenzie	8,732	6.7%
	<b>Subtotal:</b>	<b>108,476</b>	<b>83.4%</b>
Leases Out for Signature - Office:			
	1. Office Tenant A	2,569	2.0%
	2.		
	<b>Subtotal:</b>	<b>2,569</b>	<b>2.0%</b>
Negotiating Letter of Intent - Office:			
	1. Office Tenant B	2,189	1.7%
	2.		
	<b>Subtotal:</b>	<b>2,189</b>	<b>1.7%</b>
<b>Remaining Leasable Space</b>			
	<i>Office Building 1</i>	16,827	12.9%
	<b>Total Office:</b>	<b>130,061</b>	
Signed Leases - Retail:			
	1. Carpaccio	4,128	15.0%
	2. Saucy	750	2.7%
	3. Ciaobella	778	2.8%
	4. Starbucks	1,554	5.6%
	5. Veruna (Aveda)	4,000	14.5%
	6. Papery	2,600	9.4%
	7. Fado	5,509	20.0%
	8. Carpaccio Expansion	905	3.3%
	9. Vizons Art Gallery	2,080	.5%
	10. Park Place Hotel Trust	2,800	10.2%
	<b>Subtotal:</b>	<b>25,104</b>	<b>91.0%</b>
Leases Out for Signature - Retail:			
	1.		%
	<b>Subtotal:</b>	<b>0</b>	<b>0%</b>
Negotiating Letter of Intent - Retail:			
	1.		%
	<b>Subtotal:</b>	<b>0</b>	<b>0</b>

<b>Remaining Leasable Space</b>		
<i>Retail</i>	2,469	9.0%
<b>Total Retail:</b>	<b>27,573</b>	

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<b>Total Phase I</b>	<b>157,634</b>
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Status of Negotiations	Tenant	Square Footage	Percent of Total
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**Phase II**

**Leased Parcels**

Signed Leases - Office:

1.		0	0%
2.		0	0%
<b>Subtotal:</b>		<b>0</b>	<b>0%</b>

Leases Out for Signature - Office:

1.		0	0%
2.		0	0%
<b>Subtotal:</b>		<b>0</b>	<b>0%</b>

Negotiating Letter of Intent - Office:

1.		0	0%
2.		0	0%
<b>Subtotal:</b>		<b>0</b>	<b>0%</b>

**Remaining Leasable Space**

*Office Building 2* 88,973 100%

**Total Office:** 88,973

Signed Leases - Retail:

1.	Petra Winkler LLC	1,005	6.5%
2.	Guapo's	6,865	44.2%
<b>Subtotal:</b>		<b>7,870</b>	<b>50.7%</b>

Leases Out for Signature - Retail:

1.	Retail Tenant A	1,845	11.9%
2.			
<b>Subtotal:</b>		<b>1,845</b>	<b>11.9%</b>

Negotiating Letter of Intent - Retail:

1.	Retail Tenant C	5,265	33.9%
2.			
<b>Subtotal:</b>		<b>5,265</b>	<b>22.9%</b>

**Remaining Leasable Space**

*Retail* 540 3.5%

**Total Retail:** 15,520

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<b>Total Phase II</b>	<b>104,493</b>
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b. Condominium Sales:

Phase	Number of Planned Condominiums	Condominiums Sold	Condominiums Closed (as of 3/31/08)
Phase I	208	119	114
<b>Total:</b>	208	119	114

4. Changes in Zoning Classification: There have been no zoning classification changes to any of the parcels within the district.
5. Legislative, Administrative or Judicial Challenges: To the best knowledge of the developer, there have been no legislative, administrative, or judicial challenges to the construction of the public improvements or the development.
6. Parcel Sales: There have been no parcel sales within the district.
7. Notice of Default in Construction Loan: The developer has not received formal written notice of any default under its construction loan.
8. Material Change in Form, Organization or Ownership of the Developer: There have been no material changes to the form, organization or ownership of the developer (as described within the Limited Offering Memorandum under the sub-caption "INTRODUCTION — the Developer, the Development" or "THE PROPOSED DEVELOPMENT OF PARK PLACE – the Developer").
9. Modification of the Development Agreement: There have been no modifications of the Development Agreement.
10. Developer's Audited Financial Statements: JBJ/Carlyle Park Place, LP was formed September 2005. Audited financial statements are available upon request.
11. The developer has not obtained actual knowledge of the occurrence of any Significant Events, as described in the Continuing Disclosure Agreement with the following exception:

JBJ/CARLYLE PARK PLACE, LP

By: JBJ/Carlyle Park Place, LP  
By: JBJ Management Co. Inc.

By: \_\_\_\_\_

Title: Vice President

Date: 4/29/08