RUSSELL 150 COMMUNITY DEVELOPMENT AUTHORITY
(VIRGINIA)

$5,470,000 Special Assessment Bonds, Series 2007A
$15,685,000 Special Assessment Bonds, Series 2007B

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 May 1, 2007 by and betweenen the undersigned, (i) Russell 150 Community Development Authority (the "Authority"), (ii) Russell 150 LC (the "Developer") 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 meanings set forth in a Private Placement Memorandum dated July 16, 2007. To the best of the knowledge of the undersigned:

1) Status of Development and Completion of the Public Improvements:

Please see attached Exhibit.

Status of Development

2)

A) Status of road improvements

Received approval of the wetlands permit which will allow for issuance of a land disturbance permit.

Final engineering on road is ongoing.

B) Status of water infrastructure:

Same as above.

C) Status of sanitary sewer infrastructure:

Same as above. In addition, sewer pipe has been delivered on site.

D) Status of storm water management systems:

Same as above.

E) Status of streetscape, landscape, irrigation, recreation and other infrastructure and private utilities developments:

Same as above. Final engineering is ongoing.

F) Status of Building Permits:

See table on the following page.

Type of Development	Planned Number of Units	Building Permits Issued
Residential Development		
Town homes	294	0
Sub-total		
Commercial Development	96.3 acres	
Sub-total		
Total		

3) Status of Financing

A. Loans Secured by Property within the District:

S. F. C., LLC (Private Lender) Loan:

- Purpose of Loan: Development Loan
- Loan Amount: $21,350,458.00
- Amount drawn through 3/31/08: $15,322,468.21
- Amount repaid through 3/31/08: $ 0.00
- Balance at 3/31/08: $15,322,468.21
- Interest rate: 12%

B. Event of Default on any Loan: The developer has not received formal written notice and is not aware of any default on any loan.

This is correct. There is not any default.

C. Liens: There exist no other liens for borrowed money secured by the property owned by the Developer in the district other than described above.

We have not been funded any monies from the CDA since Requisition # 3 (the Sept/October expenses). We will be submitting a request for January thru April expenses once our Requisition #4 (November and December expenses) is funded. At this time, Requisition #4 which was sent to MMA Realty Capital, LLC in early February has not been returned to us so that we can forward to the Chairman of the Board for his approval. Subsequently, we have several liens that have been placed on the property. Once these invoices are funded, we will process the payments to have the liens removed. As we are entering into contracts at this time, these liens are causing problems with our prospective vendors.

D. Availability of Funds to Complete the District Development under Construction: There are sufficient bond financed and non-bond financed funds available to complete the district development under construction.

This is correct.

4) **Government Permits and Approvals:**

Permit/Approval	ApprovedStatus	Projected Date of PermitApproval	Approved byPermitting Agency
Zoning permits	Approved		Frederick County
Land disturbance permit for roads and underground utilities	Approved		Frederick County
Erosion and sediment control plan	Approved		Frederick County

5) **Status of Lot/Parcel and Sales and Closings:**

A) **Status of Lot/Parcel Sales and Closings with Developer:**

(i) **Commercial Development**

Buyer	Acres	Lots/Parcel Sold	Lots/Parcel Settled
Regency Realty Group, Inc. (Contract 9/14/05)	94.18	Contract	0
First Bank (Contract 7/9/07)	1.0	Contract	0
Total	**95.18**		**0**

The contracts with Regency Realty Group, Inc. and First Bank are expected to close approximately March 2009.

(ii) **Residential Development**

Buyer	Planned Number of Units	Lots/Parcel Sold	Lots/Parcel Settled
Beazer Homes, Corp (Contract 10/28/04)	294	Contract	0
Total	**294**		**0**

The contract for the sale of 294 lots to Beazer Homes, Corp is expected to have several closings occurring from March 2009 through March 2016.

6) **Material Changes in the Form, Organization or Ownership of the Developer:** There have been no material changes in the form, organization or ownership of the Developer as described in the Private Placement Memorandum

Correct

7) **Legislative, Administrative or Judicial Challenges:** There have been no legislative, administrative, or judicial challenges to the construction of the improvements or development within the district.

None

8) **Amendments or Supplements to the Development/Acquisition Agreement:** There have been no amendments or supplements to the Development/Acquisition Agreement.

None

9) **Other Comments:**

Builder wishes (at their expense and at no loss of lots) to construct a clubhouse in the residential portion of the property.

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

A minority shareholder of Ricketts Construction Co., Inc. filed a lawsuit against Denver Quinnelly and the entities in which he is a member (including Russell 150, LC). The Order of Dismissal was signed on February 19, 2008.

RUSSELL 150 LC

By: Russell 150 LC

By: _____

Title: Member | Manager

Date: 4/30/08

Significant Events

(i) failure to pay any real property taxes of special assessments levied within the district on a parcel owned by the developer;

(ii) material damage to or destruction of any development or improvements 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 within the district owned by the developer or any affiliate;

(v) payment default by the developer on any loan to such developer or by any affiliate on any loan to such affiliate (whether or not such loan is secured by the property with the district);

(vi) the filing of the developer or any affiliate or any owner of more than 25% interest in the developer or any affiliate in bankruptcy or any determination that the developer or any affiliate or any owner of more than 25% in the developer or any affiliate is unable to pay its debts as they become due;

(vii) the filing of any lawsuit with 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 affiliate; and

(viii) any change in the legal structure, chief executive officer or ownership of the developer.

Russell 150

source	DESCRIPTION OF WORK	Schedule Of Value	Reallocations	Revised S O V	SFC LLC & Dev Equity @ 12/31/07	Draw 1	Draw #2	Draw #3	Draw #4	SFC, LLC Int. 1/1/08 - 3/31/08	TOTAL COMPLETED	BALANCE TO FINISH
SFC	Land Loan	7,800,000.00		7,800,000.00	7,800,000.00						7,800,000.00	-
SFC	Non Reimbursable Soft Costs	838,271.00		838,271.00	838,271.00						838,271.00	-
SFC	Non Reimbursable Loan Upfront Fees	1,761,829.00		1,761,829.00	1,761,829.00						1,761,829.00	-
SFC	Non Reimbursable Loan Interest	3,370,306.00		3,370,306.00	3,370,306.00						3,370,306.00	-
	INFRASTRUCTURE - Residential											
CDA	Roads	1,439,521.00		1,439,521.00							-	1,439,521.00
CDA	Storm Sewer	311,160.00		311,160.00							-	311,160.00
CDA	Sanitary Sewer	170,230.00		170,230.00							-	170,230.00
CDA	Water Lines	667,100.00		667,100.00							-	667,100.00
Dev Eqty	Clearing, Grading, Erosion Control	320,682.00		320,682.00							-	320,682.00
CDA	Survey, Permits, Inspections & Tests	235,000.00		235,000.00		235,000.00					235,000.00	-
Dev Eqty	Survey, Permits, Inspections & Tests	461,920.00		461,920.00	21,505.24	15,432.75					36,937.99	424,982.01
CDA	Miscellaneous	541,010.00		541,010.00		58,222.25	234,914.83				293,137.08	247,872.92
	INFRASTRUCTURE - Commercial											
CDA	Roads	2,935,072.00		2,935,072.00							-	2,935,072.00
CDA	Storm Sewer	174,878.00		174,878.00							-	174,878.00
CDA	Sanitary Sewer	460,640.00		460,640.00							-	460,640.00
CDA	Water Lines	699,575.00		699,575.00				67,565.63			67,565.63	632,009.37
CDA	Clearing, Grading, Erosion Control	1,107,813.00		1,107,813.00		11,725.67					11,725.67	1,096,087.33
Dev Eqty	Clearing, Grading, Erosion Control	219,318.00		219,318.00		2,653.00					2,653.00	216,665.00
CDA	Survey, Permits, Inspections & Tests	52,027.00		52,027.00							-	52,027.00
Dev Eqty	Survey, Permits, Inspections & Tests	332,973.00		332,973.00	15,572.76						15,572.76	317,400.24
CDA	Miscellaneous	478,035.00		478,035.00		3,300.00	234,914.83				238,214.83	239,820.17
Dev Eqty	Miscellaneous	67,300.00		67,300.00							-	67,300.00
CDA	Bridge Construction & Admin	4,941,300.00		4,941,300.00							-	4,941,300.00
CDA	Bridge Survey, Testing & Inspection	125,000.00		125,000.00							-	125,000.00
Dev Eqty	Bridge Survey, Testing & Inspection	313,359.00		313,359.00							-	313,359.00
CDA	Bridge Maintainence	100,000.00		100,000.00							-	100,000.00
							-					
	OTHER DEVELOPMENT COSTS											
CDA	Management (includes Insurance)	200,000.00		200,000.00		43,021.84	19,856.25	7,116.76	40,629.73		110,624.58	89,375.42
Dev Eqty	Management (includes Insurance)	270,000.00		270,000.00	198,755.35			33,411.28	404.75		232,571.38	37,428.62
CDA	Engineering and Consulting	786,000.00		786,000.00		624,148.09	114,840.11	25,608.83	17,864.01		782,461.04	3,538.96
Dev Eqty	Engineering and Consulting	345,000.00		345,000.00		146,834.59	11,841.68	7,720.32	442.36		166,838.95	178,161.05
Dev Eqty	Marketing and Commissions	493,500.00		493,500.00							-	493,500.00
Dev Eqty	Legal (Non-CDA)	150,000.00		150,000.00	26,039.00	32,794.00					58,833.00	91,167.00
Dev Eqty	Real Estate Property Taxes	70,000.00		70,000.00	70,382.69			15,273.56			85,656.25	(15,656.25)
Dev Eqty	Interest (Non-CDA Sources)	4,536,000.00		4,536,000.00	598,825.76					620,981.41	1,219,807.17	3,316,192.83
CDA	Contingency and Inflation	1,198,639.00		1,198,639.00							-	1,198,639.00
	TOTAL	**37,973,458.00**	**-**	**37,973,458.00**		**1,173,132.19**	**616,367.70**	**156,696.38**	**59,340.85**		**17,328,005.33**	**20,645,452.67**

CDA BONDS	16,623,000.00		975,417.85	604,526.02	100,291.22	58,493.74	-	1,738,728.83	14,884,271.17
SFC LLC & Dev.	21,350,458.00	14,701,486.80	197,714.34	11,841.68	56,405.16	847.11	620,981.41	15,589,276.50	5,761,181.50
Total Draw.	37,973,458.00		1,173,132.19	616,367.70	156,696.38	59,340.85	620,981.41	17,328,005.33	20,645,452.67

	Draw 1	Draw 2	Draw 3	Draw 4	Total
CDA Bonds Approved	975,417.85	604,526.02	100,291.22	58,493.74	1,738,728.83
Amount Received	(1,131,533.15)	(604,526.02)	(100,291.22)	-	(1,836,350.39)
(Over) Under Funded	(156,115.30)	-	-		(156,115.30)