

\$23,870,000
**THE SHOPS AT WHITE OAK VILLAGE
COMMUNITY DEVELOPMENT AUTHORITY (VIRGINIA)
Special Assessment Revenue Bonds, Series 2007**

DEVELOPER'S CONTINUING DISCLOSURE STATEMENT

Attn: Keenan Rice
MuniCap, Inc.
6760 Alexander Bell Drive, Suite 220
Columbia, MD 21046

In accordance with the "Continuing Disclosure Agreement" (the "Agreement"), dated as of September 1, 2007, by and between (i) LABURNUM INVESTMENT, LLC. (the "Developer") and (ii) MUNICAP, INC. (the "Administrator"), the developer hereby provides the following information as of June 30, 2008. All terms having initial capitalization and not defined herein shall have the same meanings set forth in a Limited Offering Memorandum dated October 3, 2007.

The information provided herein is not intended to supplement the information provided in the Limited Offering Memorandum. This report responds to the specific requirements of the continuing disclosure agreement. No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this report. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of June 30, 2008, unless otherwise stated, and no representation is made that the information contained herein is indicative of information that may pertain since the end of the period covered by this report or in the future.

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
Off-site Improvements (turn lanes, traffic lights, off-ramps)	\$2,500,000	\$0	\$2,500,000	\$1,825,000	73%
Mass Earthwork	\$4,134,032	\$0	\$4,134,032	\$4,010,011	97%
Sanitary Sewer	\$556,657	\$0	\$556,657	\$556,657	100%
Storm Sewer	\$3,087,961	\$0	\$3,087,961	\$3,087,961	100%
Water Lines	\$667,898	\$0	\$667,898	\$661,309	99%
Parking Facilities	\$8,230,068	\$0	\$8,230,068	\$5,460,807	66%
Landscaping	\$2,000,000	\$0	\$2,000,000	\$766,306	38%
Miscellaneous	\$104,167	\$0	\$104,167	\$78,125	75%
Dry Utilities/Allowances	\$737,000	\$0	\$737,000	\$729,630	99%
Lifestyle Plaza	\$1,282,796	\$0	\$1,282,796	\$320,699	25%
CM Staffing	\$1,631,047	\$0	\$1,631,047	\$1,223,285	75%
CM Fee	\$1,059,598	\$0	\$1,059,598	\$794,694	75%
Civil Engineering	\$1,000,000	\$0	\$1,000,000	\$1,000,000	100%
Developer Consultants	\$100,000	\$0	\$100,000	\$100,000	100%
Testing – Geotechnical Investigation and Environmental Inspection	\$300,000	\$0	\$300,000	\$291,000	97%
Permits	\$150,000	\$0	\$150,000	\$150,000	100%
Total Public Improvements	\$27,541,315	\$0	\$27,541,315	\$21,055,489	76%
<i>Less: Owner's Contributions</i>	<i>\$8,091,315</i>	<i>\$0</i>	<i>\$8,091,315</i>	<i>(\$6,149,399)</i>	<i>76%</i>
Total Bond Funded Costs	\$19,450,000	\$0	\$19,450,000	\$14,906,090,	70%

2) Status of Construction

a) Status of road improvements:

The road improvements are 97% complete. Laburnum Avenue work is complete. Signal work at the Gay, Jan, and Audubon intersections is done and will be active by the time the shopping center opens. The concrete retaining wall at the Interstate 64 West ramp is under construction and will be done by 9/19/08.

b) Status of water infrastructure:

The water infrastructure system within the White Oak has been extended to the Target, Lowe's, Sam's Club, JC Penney, the junior anchor building, Ukrops and the small shops. Henrico County has issued tentative acceptance of the water system. We are extending the water lines into the outparcels now.

c) Status of sanitary sewer infrastructure:

The sanitary sewer infrastructure has been substantially completed, except for some of the outparcels. Henrico County has tentatively accepted the sanitary system.

d) Status of storm sewer infrastructure:

The storm sewer system is complete except for tie - ins to the outparcel buildings. We will convert the bmp from a temporary system into a permanent system once Henrico county grants approval to do so. Approval is based upon stabilization of the site.

e) **Status of site work:**

All areas, except for the outparcels, will be paved by 9/19/08. Forest City's focus will be completing the landscaping and irrigation over the next few weeks.

f) **Status of construction of buildings/stores:**

The Target building is complete. Target is stocking its store for an October 12, 2008 opening. Target has turned the store over from its construction group to its store operations team. PetSmart, OfficeMax, and Circuit City are fixturing and stocking its store. We have one vacancy in that building that we plan to have occupied by March, 2009. Lowe's building is complete. Lowe's is stocking and fixturing its building. Lowe's will open October 12, 2008. Sam's Club building and Gas Station is 98% complete. Sam's will open October 22, 2008 except for its gas station, which will open slightly before that. Ukrops building is complete. Ukrops is fixturing now and will open October 7, 2008. The Small Shop buildings are up and tenants have commenced their fit out.

3) **Status of Financing**

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

Wachovia Bank – Construction Loan

- Loan Amount: \$72,600,000
- Amount drawn through 09/04/08: \$47,575,667
- Amount repaid through 09/04/08: \$0 (to be repaid upon permanent financing)
- Balance at 09/04/08: \$47,575,667
- Interest rate: 4.06375% As of September 4, 2008 (fluctuates monthly)

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.

4) Government Permits and Approvals:

Permit/Approval	Approval Status	Projected Date of Approval	Permitting Agency
Master Concept Plan	Yes	October 25, 2006	Henrico County
Master Utility Plan	Yes	June 28, 2007	Henrico County
Wetlands Permit	Yes	June 29, 2006	Virginia Department of Environmental Quality
Roadway Improvement Plans	Yes	June 5, 2007	Virginia Department of Transportation

5) Status of Parcel Sales and Closings with Buyers:

Buyer	Proposed Use	Date Parcel Sold	Date Parcel Closed	Area in Acreage	Building Square Feet
Hyatt Place	Hotel	12/28/2007	12/28/2007	3.20	150 Rooms
Target	Retail	08/31/2007	08/31/2007	12.84	128,000
Lowe's	Home improvements	08/31/2007	08/31/2007	13.36	139,000
Sam's Club	Retail	11/14/2007	11/14/2007	16.42	137,000
Red Lobster	Restaurant	7/31/08	07/31/08	1.80	6,900
Longhorn	Restaurant	Will be by 12/30/08	Will be by 12/30/08	1.40	6,900
Total				49.02	417,800

6) Status of Leasing:

Tenant	Leased Space	Percent of the Total	Termination/ Expiration Date
Major Anchors		Based on 496,000 S.F	
JC Penney *	101,140	20.39%	20 year lease + extensions
Subtotal - Major Anchors	101,140	20.39%	
Minor Anchors			
Circuit City	20,000	4.03%	10 year lease + extensions
PetSmart	20,000	4.03%	10 year lease + extensions
Ukrops	60,666	12.23%	20 year lease + extensions
OfficeMax	18,000	3.63%	10 year lease + extensions
Subtotal – Minor Anchors	118,666	23.92%	
Outparcels			
Wachovia Bank	5,449	1.10%	20 year lease + extensions
TGIF	6,000	1.21%	20 year lease + extensions
Chick Fil A	4,227	0.85%	10 years + extensions (lease signed)
Cracker Barrell	10,000	2.02%	10 year lease + extensions
7-11	3,600	0.73%	10 year lease + extensions
McDonald's	4,300	0.8%	10 year lease + extensions
Subtotal- Outparcels	33,576	6.71%	
Lifestyle Center Tenants			
Payless Shoesource	3,000	0.60%	5 year lease
Dress Barn	7,578	1.53%	10 year lease
Firehouse Subs	1,970	0.40%	10 year lease
Kay Jewelers	2,538	0.51%	10 year lease
DTLR	4,078	0.82%	10 year lease
Floor to Ceiling	4,502	0.91%	10 year lease
Roda - Chinese Restaurant	9,084	1.83%	10 year lease
Freeman's Menswear	2,884	0.58%	10 year lease
Shoe City	5,045	1.02%	10 year lease
Diamond Expressions	984	0.20%	10 year lease
Cingular Wireless	3,382	0.68%	10 year lease
Great Clips	1,196	0.24%	10 year lease
T-Mobile	2,623	0.53%	10 year lease
Mattress Warehouse	3,952	0.80%	10 year lease
Sports Zone	2,726	0.55%	10 year lease
Deb Shop	7628	1.04%	10 year lease
Ashley Stewart	6095	1.02%	10 year lease
Anna's Linen's	7032	1.04%	10 year lease
Lim's Menswear	2927	0.5%	10 year lease
AT&T	3324	0.6%	10 year lease
Rainbow	5385	1%	10 year lease

Gamestop	1511	.002%	10 year lease
Rack Room Shoes	5526	1%	10 year lease
Dots	4537	.9%	10 year lease
Five Below	7152	1.04%	10 year lease
Mattress Warehouse	3945	.07%	10 year lease
Cato Fashions	4004	.08%	10 year lease
Qdoba	2490	.005%	10 year lease
Subtotal – Lifestyle Center Tenants	117,098	23.60%	
Total	370,480	74.69%	

* JC Penney will open in March 2009

- 7) **Legislative, Administrative or Judicial Challenges:** There have been no legislative, administrative, or judicial challenges to the construction of the facilities or the Shopping Center Development within the district of which the developer has actual knowledge.
- 8) **Material Changes in the Plan to Develop the Shopping Center Development:** There have been no material changes in the plan to develop the Shopping Center Development as described in the Limited Offering Memorandum.
- 9) **Material Changes in the Plan to Develop the Facilities:** There have been no material changes in the plan to develop the Facilities as described in the Limited Offering Memorandum.
- 10) **Amendments or Supplements to the Development Agreement:** There have been no amendments or supplements to the Development Agreement.
- 11) **Notice of Default Received or Given by the Developer Under Any Sales Agreement:** There have been no notices of default received or given by the developer under any sales agreement between the developer and a buyer of land within the district.
- 12) **Other Comments:**
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- None
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- 13) **Reporting of Significant Events:** The developer has not obtained actual knowledge of the occurrence of any significant events as described in Exhibit A, attached hereto.

LABURNUM INVESTMENT, LLC

By: Laburnum Investment, LLC

By:  _____

Title: EXECUTIVE VICE PRESIDENT

Date: September 22, 2008

Exhibit A

Significant Events

- (i) failure to pay any real property taxes (including the special assessment) levied within the district on a parcel owned by the developer;
- (ii) material damage to or destruction of any improvements within the district;
- (iii) material default by the developer on any loan with respect to the construction or permanent financing of the shopping center development;
- (iv) material default by the developer thereof on any loan secured by property within the district owned by the developer;
- (v) the filing of the developer, any general partner of the developer or any owner or owners of more than 25% interest in the developer in bankruptcy or any determination that the developer or any owner of an interest in the developer or subsidiary of the developer is unable to pay its debts as they become due;
- (vi) upon receipt by the developer of actual knowledge of the filing of any lawsuit with a claim for damages in excess of \$1,000,000 against the developer which may adversely affect the completion of the facilities or shopping center development or litigation in excess of \$1,000,000 which would materially adversely affect the financial condition of the developer; and
- (vii) material changes in the organization or ownership of the developer (as described in the Limited Offering Memorandum)