

**\$18,000,000**  
**SPECIAL OBLIGATION BONDS**  
**SERIES 2004**

**UNIVERSITY TOWN CENTER PROJECT**  
**(CITY OF HYATTSVILLE, MARYLAND)**

**DEVELOPER'S CONTINUING DISCLOSURE STATEMENT**

*Statement #12*

*For the quarter ended September 30, 2007*

November 7, 2007

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

In accordance with the "Continuing Disclosure Agreement" (this "Agreement") by and between the undersigned, University Town Center, LLC (the "Developer") and MuniCap, Inc. (the "Administrator"), dated as of August 1, 2004, the Developer hereby provides the following information as of September 30, 2007. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Indenture dated as of August 1, 2004. To the best of the knowledge of the undersigned:

- 1) **Material Changes to Information:** There have been no material changes to the information contained in the Limited Offering Memorandum under the heading "UNIVERSITY TOWN CENTER".

[continued on next page]

Status of Completion and Development of Improvements in the University Town Center Special Taxing District:

**Public Improvement**

Street	Original Budget	Budget Changes	Revised Budget	Spent to September 30, 2007	Percent Complete
Boulevard	\$1,734,331	-\$22,682	\$1,711,649	\$1,711,649.32	100%
Toledo Road	\$552,092	-\$61,201	\$490,891	\$490,890.67	100%
East/West Highway	\$770,634	-\$414,620	\$356,014	\$356,013.87	100%
Other Street Improvements	\$3,200,241	-\$394,383	\$2,805,858	\$2,805,858.30	100%
Subtotal	<b>\$6,257,298</b>	<b>-\$892,886</b>	<b>\$5,364,412</b>	<b>\$5,364,412.16</b>	<b>100%</b>
<b>Infrastructure</b>					
Water/Sewer/Electric	\$4,039,874	\$402,855	\$4,442,729	\$4,442,729.38	100%
Earthwork/Erosion Control	\$513,827	-\$6,609	\$507,218	\$507,217.87	100%
Offsite Reforestation	\$25,000	-\$25,000	\$0	0	100%
Subtotal	<b>\$4,578,701</b>	<b>\$371,246</b>	<b>\$4,949,947</b>	<b>\$4,949,947.25</b>	<b>100%</b>
<b>Other Infrastructure</b>					
Other Infrastructure	\$4,838,195	-\$113,659	\$4,724,536	\$4,724,535.59	100%
Subtotal	<b>\$4,838,195</b>	<b>-\$113,659</b>	<b>\$4,724,536</b>	<b>\$4,724,535.59</b>	<b>100%</b>
<b>Total Bond Funded Costs</b>	<b>\$15,674,194</b>	<b>-\$635,299</b>	<b>\$15,038,895</b>	<b>\$15,038,895</b>	<b>100%</b>

a) **Planned Development**

Development Type		Status
<b>I. Office</b>	1,287,000 SF	Existing Metro 1, 2, 3 & 4 Office Buildings
	54,984 BRSF	Lease signed with GSA for office above retail bldg. 7
<b>II. Retail</b>	225,000 SF	Entered into a lease for approx. 57,000 sq. ft. with Safeway (Retail Building 5)
		Entered into a lease for an approx. 66,640 sq. ft. movie theater with Hyattsville Cinema, L.L.C., a subsidiary of Consolidated Theatres Holding, G.P. (Retail Building 7)
		Entered into a lease for approx. 3,100 sq. ft. restaurant with Capitol Q Restaurants, LLC for a Qdoba Mexican Grill (Retail Building 3).
		Entered into a lease for approx. 4,109 sq. ft. with CMC Ventures LLC for a Three Brothers Restaurant (Retail Building 3)
		Entered into a lease for approx. 2,730 sq. ft. with FG

		University, LLC for a Five Guys Famous Burgers and Fries (Retail Building 6). Entered into a lease for approx. 4,512 SF with WOW Café & Wingery UTC, LLC for a WOWW Café and Wingery Restaurant (Retail Building 7); Big City Foods, LLC for approx. 6,004 sq. ft. for a Carolina Kitchen Bar & Grill (Retail Building 7); Entered into leases with Wild Onion LLC for an approx. 2,200 sq. ft. restaurant (Retail Building 3); and Wireless Toyz for 1,990 sq. ft. (Retail Building 3); Soup Man for an approx. 876 sq. ft. restaurant (Retail Building 3); Frazer Brothers for an approx. 1,008 sq. ft. Smoothie King (Retail building (Retail Building 3); Negotiating leases with Gifford's for an approx. 1,107 sq. ft. ice cream shop (Retail Building 1); and Chevy's Mexican Restaurant for an approx. 7,066 sq. ft. restaurant (Retail Building 2).
<b>III. Student Housing</b>	910 beds	Completed August 2006
<b>IV. Residential Condominiums</b>	112 units	Construction completed August, 2007, settled on 31 condos to date.
<b>V. Parking</b>	1,450 spaces 1,150 spaces	Completed Garage A Completed Garage B

- b) Zoning Classification: There have been no changes to the zoning classification of the land within the district.
- c) Status of Approvals: Other than building permits, there have been no changes in the status of approvals as described in the Limited Offering Memorandum under the heading "UNIVERSITY TOWN CENTER – Status of Approvals."

Approval	Date Submitted	Anticipated Submittal	Date Approved	Plan Signed
DSP Garage B	8/5/2003		11/20/2003	3/16/2004
DSP Student Tower	11/17/2003		2/5/2004	9/15/2004
DSP Indep. Plaza 1	2/8/2005			August-05
DSP Indep. Plaza 2	3/2006			10/18/06
DSP Infrastructure	6/2004			10/8/2004
DSP Theater	7/5/2005			1/27/06
DSP Endcaps	7/5/2005			1/27/06
DSP Garage B	8/5/2003		11/20/2003	3/16/2004
DSP Student Tower	11/17/2003		2/5/2004	9/15/2004

- d) Building permits: [Utilizing the table below, please provide information on the status of building permits and provide an update on the development schedule.

DEVELOPMENT	PERMIT ISSUED	ACTUAL START	PROJECTED START	PROJECTED COMPLETION
GARAGE A	12/5/2002			March-04
GARAGE B Ex.	10/27/2003	6/1/2004		September-05
GARAGE B	6/4/2004	6/5/2004		September-05
E-W Highway	Final review SHA	May-05		Spring 2006
Storm Drainage 1	2/17/2005	February-05		June-05
WSSC Part 1	1/25/2005	February-05		June-05
WSSC 20"	4/7/2005	4/19/2005		July-05
WSSC Part 2			July-05	Jan-06
Residential Student Housing Tower	12/21/2004	12/22/2004		August-06
Loading Dock/Walls	12/10/2004	May-05		December-05
Movie Theater	6/22/06	June 2006	June-06	June-07
Metro 1 & 2 End Caps	October 2006	October 2006	Fall-06	June-07
Safeway	May 2007	May 2007	May-08	Fall-2009
Safeway/Condos	May 2007	May 2007	May-08	Fall-2009
Indep. Plaza Retail 1 Shell	Dec 2005	Dec 2005	September-06	Summer-2007
Plaza Condo 1	Mar 2006	Mar 2006	November-06	Summer-2007
Plaza Retail 2	Dec 2006	Dec 2006	Winter-2006	Fall-2007
Plaza Condo 2	Dec 2006	Dec 2006	Winter-2006	Fall-2007
Independence Plaza	Winter 2006	Winter 2006	Winter-2006	Summer-2007

- 2) Material changes to the Form of Ownership of the University Town Center, LLC or any of its members: There have been no material changes in the form, organization or ownership of the University Town Center, LLC, or any of its members as described in the Limited Offering Memorandum under the heading "UNIVERSITY TOWN CENTER – The Developer."
  
- 3) Legislative, Administrative or Judicial Challenges: There have been no legislative, administrative, or judicial challenges to the construction of improvements within the Special Taxing District or the validity of the duly recorded plat or other public approvals for any section of the Development.
  
- 4) Amendments or supplements to the Acquisition Agreements: There have been no material amendment or supplements to the Acquisition Agreements as described in the Limited Offering Memorandum under the heading "UNIVERSITY TOWN CENTER – Funding Agreement."

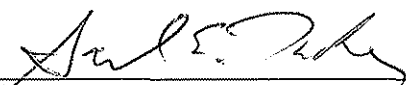
Developer's Continuing Disclosure Statement

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- 5) Notice of Default to the Acquisition Agreements: There has been no formal written notice of default in respect to any Acquisition Agreements.
  
- 6) The developer has not obtained actual knowledge of the occurrence of any Significant Events as described in Attachment A hereto.

UNIVERSITY TOWN CENTER, LLC

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

Samuel E. Tucker

Title: Vice President - Finance

Date: November 7, 2007

## ATTACHMENT A

**Section 3. Reporting of Significant Events.** Whenever the Developer obtains actual knowledge of the occurrence of one or more of the following events, the Developer shall contact the Administrator who shall immediately report such event to the Trustee and the City as set forth herein:

- (i.) failure to pay any real property taxes (including the Special Taxes) levied within the Special Taxing District on a parcel owned by the Developer, or any Affiliate thereof;
- (ii.) material damage to or destruction of any development or improvements within the Special Taxing District;
- (iii.) material default by the Developer, or any Affiliate thereof, on any loan with respect to the construction or permanent financing of the Development;
- (iv.) material default by the Developer, or any Affiliate thereof, on any loan secured by property within the Special Taxing District owned by the Developer, or any Affiliate thereof;
- (v.) the filing of the Developer, or any Affiliate thereof, or any owners of more than 25% interest in the Developer in bankruptcy or any determination that the Developer, or an owner of interest in the Developer, or a subsidiary of the Developer, or any Affiliate thereof, is unable to pay its debts as they become due; and
- (vi.) the filing of any lawsuit against the Developer with claim for damages in excess of \$1,000,000 or which may adversely affect the completion of the Development, or litigation in excess of \$1,000,000 or which would materially adversely affect the financial condition of the Developer.