

**WATKINS CENTRE  
COMMUNITY DEVELOPMENT AUTHORITY (VIRGINIA)  
\$20,000,000 Revenue Bonds, Series 2007**

**MAJOR LANDOWNER'S CONTINUING DISCLOSURE STATEMENT**

**WATKINS LAND, LLC**

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

In accordance with the "Continuing Disclosure Agreement" (the "Disclosure Agreement"), dated as of September 1, 2007, executed and delivered by (i) the WATKINS CENTRE COMMUNITY DEVELOPMENT AUTHORITY (the "Authority"), (ii) ZAREMBA METROPOLITAN MIDLOTHIAN LLC ("ZMM"), (iii) WESTCHESTER OFFICE PARTNERS, LLC ("Westchester"), (iv) **WATKINS LAND, LLC** ("Watkins Land"), (v) BEP LIMITED PARTNERSHIP ("BEP"), collectively (the "Major Landowner(s)") and (vi) MUNICAP, INC. (the "Administrator"), the major landowner(s) hereby provides the following information as of March 31, 2009. All terms having initial capitalization and not defined herein shall have the same meanings set forth in a Limited Offering Memorandum dated October 25, 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 March 31, 2009, 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) Status of Financing**

- A) Loans Secured by Property within the District:** There is no loan secured by property within the district owned by Watkins Land, LLC.
- B) Event of Default on any Loan:** Watkins Land, LLC has not received formal written notice and is not aware of any default or passage of time on any loan.
- C) Liens:** There exist no liens for borrowed money secured by the property owned by Watkins Land, LLC.
- D) Availability of Funds to Complete the Development:** There are sufficient funds available to complete the development of the district as contemplated.

2) Government Permits and Approvals:

| Permit/Approval   | Approval Status    | Projected Date of Approval | Permitting Agency                                   |
|---|--------------------|----------------------------|---|
| Wetlands Delineation  | Approved           | February 20, 2003          | United States Army Corps of Engineers               |
| Watkins Centre Outfall Sewer Land Disturbance Permits                           | Approved           | September 14, 2006         | Chesterfield County                                 |
| Track B –Land Disturbance Permit  | Approved           | September 10, 2007         | Chesterfield County                                 |
| VDOT Land Use Permit for Tract B  | Approved           | June 15, 2007              | Chesterfield County<br>Department of Transportation |
| Water System  | Approved           | September 5, 2007          | Chesterfield Count<br>Department of Utilities       |
| Site Grading Plan, Parcel F   | Approved           | November 12 2008           | Chesterfield County                                 |
| Entry Road Grading Plan, Watkins Centre Parkway South                           | Approved           | September 1, 2008          | Chesterfield County                                 |
| <b>Wetland Permits:</b>   |                    |                            |   |
| Associated with the Construction of Watkins Center Parkway from US 60 to VA 288 | Approved           | July 24, 2007              | United States Army Corps of Engineers               |
| Tract B   | Approved           | July 24, 2007              | United States Army Corps of Engineers               |
| Virginia Pollution Discharge Elimination System – Tract B                       | Approved           | May 25,2007                | Virginia Department of Conservation and Recreation  |
| <b>Development:</b>   |                    |                            |   |
| Water Line Extension Southbound WCP   | Approved           | March 20, 2008             | Chesterfield County                                 |
| Sewer Line Extensions Southbound WCP  | Approved           | March 20, 2008             | Chesterfield County                                 |
| Grading Plan at Roundabout 1  | Approved           | July 1, 2008               | Chesterfield County                                 |
| Grading Plan South West of 288 Interchange                                      | Approved           | November 12, 2008          | Chesterfield County                                 |
| Stub Road at Roundabout 1   | Pending            |                            | Chesterfield County                                 |
| Fill Grading  | Under construction |                            |   |
| Entry Road Grading  | Under construction | November 1, 2008           |   |

3) Status of Property Sales and Leasing

A) Parcel/Lot Sales and Closings with Buyers:

| Buyer                                | Area in Acreage | Proposed Use | Date Parcel/lot Sold | Date Parcel/Lot Closed | Sales Price |
|--------------------------------------|-----------------|--------------|----------------------|------------------------|-------------|
| Zaremba Metropolitan Midlothian, LLC | 12.888          | BMP Pond     | 2/4/2008             | 2/4/2008               | \$10,636.50 |
| <b>Total</b>                         | 12.888          |              |                      |                        | \$10,636.50 |

B) Amendments or Supplements to Existing Contracts for Sale of Property: There have been no amendments or supplements to the existing contracts for sale of property.

C) Status of Leasing:

| Tenant                  | Proposed Use                 | Square Feet Leased | Occupancy Status |
|-------------------------|------------------------------|--------------------|------------------|
| Watkins Nurseries, Inc. | Agricultural                 | 52 acres           | Active           |
| VRR, LLC                | Agricultural/Organic Recycle | 10 acres           | Active           |
| <b>Total</b>            |                              | 62 acres           |                  |

4) Legislative, Administrative or Judicial Challenges: There have been no legislative, administrative, or judicial challenges to the development of the property owned by Watkins Land, LLC (or any affiliate) within the district.

5) Other Comments: None.

6) Reporting of Significant Events: Watkins Land, LLC has not obtained actual knowledge of the occurrence of any significant events as described in Exhibit A, attached hereto.

WATKINS LAND, LLC

By: Watkins Land, LLC

By: 

Title: Manager

Date: April 16, 2009

## Exhibit A

### **Significant Events**

- (i) failure to pay any real property taxes or special assessments levied within the district on a parcel owned by such major landowner (or any affiliate);
- (ii) material damage to or destruction of any development or improvements owned by such major landowner (or any affiliate) within the district;
- (iii) material default by such major landowner (or any affiliate) on any loan with respect to the development or permanent financing of district development undertaken by such major landowner;
- (iv) material default by such major landowner (or any affiliate) on any loan secured by property owned by such major landowner (or any affiliate) within the district;
- (v) payment default by such major landowner (or any affiliate) on any loan (whether or not such loan is secured by the property within the district);
- (vi) the filing of such major landowner ( or any owner of more than 25% interest in the major landowner) in bankruptcy or any determination that such major landowner (or any owner of more than 25% in the major landowner) 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 such major landowner (or any affiliate) which may adversely affect the completion of the district development or litigation which would materially adversely affect the financial conditions of such major landowner (or any affiliate);
- (viii) any change in the legal structure of such major landowner; and
- (ix) any change of more than 10% in the ownership of such major landowner.