

ANNUAL DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

For the Period Ending June 30, 2008

*\$8,000,000 Prince George's County, Maryland
Special Obligation Bonds
(Woodview Village Infrastructure Improvements)
Series 1997A*

Prepared by:

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ANNUAL DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

For the Period Ending June 30, 2008

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I. UPDATED INFORMATION

Information updated from the Annual and Development Activity and Disclosure Report, dated September 22, 2006 is as follows:

- As of September 30, 2008 the amount of bonds outstanding was \$7,030,000.00 as compared to \$7,280,000.00 for the period ending September 30, 2007.
- Special assessments were levied in the aggregate amount of \$560,000.00 for the 2007-2008 fiscal year and were due in two equal installments of \$280,000.00 on September 30, 2007 and December 31, 2007. As of September 19, 2008, Prince George's County has reported collecting and transferring to the trustee special assessments totaling \$570,681.07 for fiscal year 2007-2008. The overage represents the collection of interest and penalties and the collection of prior years' tax amounts due on bankrupt properties that were sold.
- Special assessments are to be levied in the aggregate amount of \$560,000.00 for the 2008-2009 fiscal year and are due in two equal installments of \$280,000.00 on September 30, 2008 and December 31, 2008. As of October 30, 2008 special assessments in the amount of \$308,531.96 has been collected by the county.

II. INTRODUCTION

The Woodview Village District, located in Prince George's County, Maryland, was created in 1996 and bonds issued in 1997 pursuant to and in accordance with Chapter 549 of the Laws of Maryland 1995 (Article 17, Division 12, Section 10-268 of the Public Local Laws of the State of Maryland, recodified as the Section 10-269 of the Prince George's County Code). The district comprises approximately seventy-eight acres of land located in the southeast quadrant of the intersection of Route 202 (Landover Road) and Lottsford Road, in the Largo area of the county. The district is located about one mile outside of the Washington Beltway (Interstate 495) and is less than one mile north of Maryland Route 214 (Central Avenue), a major commuter route in that portion of the county.

The property within the district was developed by Rocky Gorge Enterprises, LLC. The district includes 578 homes. Development of the district is substantially complete.

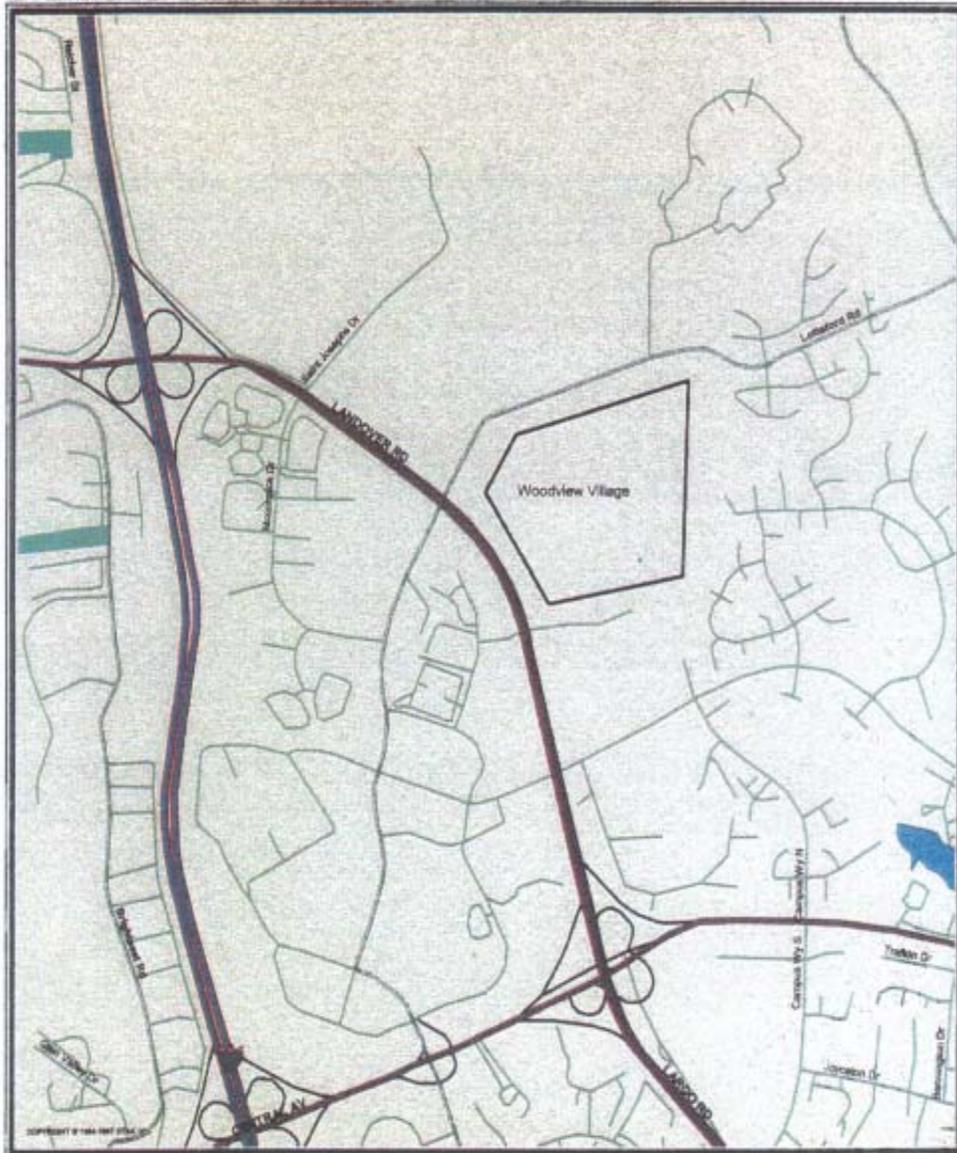
Pursuant to the limited offering memorandum dated February 13, 1997, \$8,000,000 special obligation bonds (Series 1997A) were sold. The proceeds of the Series 1997A bonds were used primarily to finance the design, acquisition, and construction of public improvements, including improvements to Landover Road (Route 202), Lottsford Road, Campus Way North, the Woodview Village collector, a portion of the costs of a recreational facility and school facilities, reforestation, and storm water management facilities. The Series 1997A bonds were payable solely from special assessments levied on taxable property within the district. The \$8,000,000 Prince George's County Series 1997A Special Obligation Bonds (Woodview Village Infrastructure Improvements) were purchased from bond holders and re-offered on October 26, 2006 as the \$7,450,000 Prince George's County Series 1997A Special Obligation Bonds.

Continuing disclosure pursuant to Rule 15c2-12 of the Securities and Exchange Commission is not required for the Series 1997A bonds. However, the administrator has agreed to provide annual continuing disclosure information similar to the requirements of Rule 15c2-12. This report is provided pursuant to this agreement.

The information provided herein is not intended to supplement or otherwise relate to the information provided in the Limited Offering Memorandum and any such intent is expressly disavowed. Rather, 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 in this report is indicative of information that may pertain since the end of the period covered by this report or in the future.

WOODVIEW VILLAGE



III. DEVELOPMENT ACTIVITY

A. INTRODUCTION

Woodview Village includes 578 homes in seven sections. The number and type of units in each section are as follows:

Section	Unit Type	Number of Units
Section I	Twenty foot wide town homes	69
Section II	3,500 square foot lots (for single family units)	33
Section III	Stacked town homes	138
Section IV	Twenty foot wide town homes	79
Section V	Twenty to twenty-four foot wide town homes	64
Section VI	Twenty foot wide town homes	120
Section VII	Twenty foot wide town homes	75
Total		578

Section VI reflects a change from the limited offering memorandum, in that a portion of these units had been proposed to be eighteen foot wide town homes and, instead, they are all twenty foot wide town homes. This has resulted in a reduction in the number of units from 126 to 120. There are 79 units in Section IV instead of the proposed 77 indicated in the limited offering memorandum and 64 units in Section V instead of the 66 indicated in the limited offering memorandum.

The developer, Rocky Gorge Enterprises, LLC, has sold all 578 lots to builders and all of the homes have been sold to third party homebuyers.

B. STATUS OF CONSTRUCTION

Infrastructure Development

A description of the infrastructure improvements funded from bond proceeds and the status of the construction of the improvements follow:

Landover Road (Route 202):

PHASE I:

Improvement: Third (left-turn) lane on northbound McCormick Drive at Landover Road and second lane on northbound Landover Road to northbound I-95 on-ramp.

Status: Construction of this phase is now complete.

PHASE II:

Improvement: Third through lane on eastbound Landover Road from McCormick Drive to Lottsford Road, second left-turn lane on eastbound Landover Road at Lottsford Road, and two left turn-lanes, two through lanes, and a free right-turn lane on eastbound Lottsford Road at Landover Road.

Status: Construction on this phase is now complete.

PHASE III:

Improvement: Third through lane on eastbound Landover Road from Lottsford Road to Capital Centre Road, third through lane on westbound Landover Road from 1,500 feet north of Capital Centre Road to Lottsford Road, acceleration and deceleration lanes along Landover Road at Lottsford Road, third through lane on eastbound Landover Road from I-95 interchange to McCormick Drive.

Status: Construction of this phase is now complete.

Lottsford Road:

Improvement: Frontage improvements along the property line from Landover Road to the first entrance.

Status: These improvements were combined into a single construction project with the second phase of Lottsford Road and improvements to Lottsford Road planned by the county. The excavation phase for these improvements is complete and paving is complete.

Improvement: Frontage improvements from the first phase to Campus Way North and a right-turn lane onto Campus Way North.

Status: See status of improvements as described above.

Campus Way North:

Improvement: Improvements along the property from Lottsford Road to the south end of the property line.

Status: Construction has been completed.

C. OTHER IMPROVEMENTS

The revised budget and the costs funded as of June 30, 2008 for the improvements funded from bond proceeds are shown by the following schedule.

District Series 1997A Bonds

The disbursements from the acquisition account, as of June 30, 2008 total \$6,308,384. The acquisition account was closed in July 2006. The disbursements have been applied against the following line items in the budget:

	Revised Budget	Disbursement 06/30/06	Disbursement 6/30/08
Route 202 (Landover Road)	\$1,458,132	\$1,435,345	\$1,435,345
Lottsford Road	\$1,861,026	\$1,613,494	\$1,613,494
Campus Way North	\$431,855	\$431,855	\$431,855
Recreation facility	\$1,200,000	\$1,200,000	\$1,200,000
Reforestation	\$108,998	\$68,280	\$68,280
High school contribution	\$241,380	\$241,380	\$241,380
Road club reimbursement	(\$779,764)	(\$751,028)	(\$751,028)
Woodview Collector Road	\$273,207	\$273,208	\$273,208
Storm drain system	\$1,027,343	\$1,027,341	\$1,027,341
Storm water management facilities	\$332,906	\$329,802	\$329,802
Indirect costs:			
Engineering	\$80,790	\$67,641	\$67,641
Review fees	\$262,360	\$262,360	\$262,360
Total	\$6,498,233	\$6,308,384	\$6,308,384

IV. TRUSTEE ACCOUNTS

The trustee for the Series 1997A bonds is M&T Investment Group (formerly Allfirst Trust Company). The balance as of September 30, 2007, interest paid, additional proceeds, disbursements, and account balances for each fund, as of September 30, 2008, are shown by the following table:

	Balance 09/30/07	Interest Paid	Additional Proceeds	Disbursements	Balance 09/30/08
Reserve Fund	\$604,454	\$36,751	\$23,241	\$61,520	\$602,926
Administrative Expense Fund	\$16,281	\$435	\$19,700	\$16,540	\$19,877
Special Fund	\$381,033	\$16,215	\$565,766	\$605,618	\$357,396
Bond Payments Account	\$0	\$219	\$622,488	\$580,668	\$42,039
Total	\$1,001,769	\$53,621	\$1,231,194	\$1,264,346	\$1,022,238

Additional proceeds to the Administrative Expense Fund represent transfers from the Reserve Fund for the payment of administrative expenses. Additional proceeds to the Special Fund were transfers of special tax collections. Additional proceeds to the Bond Payments Account represent transfers from the Special Fund for the payment of debt service.

The interest paid through September 30, 2008 does not include interest accrued but not yet paid. Proceeds in the Reserve Fund are invested in Republic National repurchase agreement earning interest at 6.13 percent and matures on July 1, 2026. Proceeds are invested in U.S. Treasury money market funds currently earning between 1.80 and 1.90 percent. Table IV-2 shows the rate of return on each fund and account as of September 30, 2008.

Interest earnings in the reserve account will be made available for the payment of debt service but may also be transferred to the administrative expense fund. Interest earnings in the Special Fund remain in the account and may be disbursed as provided for other funds in the account.

Table IV-1
Rate of Return

Account	Rate of Return
Reserve Fund	6.13%
Administrative Expense Fund	1.80%
Special Fund	1.90%
Bond Payments Account	1.80%

V. DISTRICT OPERATIONS

A. SPECIAL ASSESSMENTS

A special assessment is to be collected each fiscal year in the Woodview Village Special Assessment District pursuant to Resolution CR-37-1996 adopted by the County Council of Prince George's County on July 23, 1996. The rates and method to be used in levying the special assessment are provided for in Exhibit 2 to the resolution—the "Rate and Method of Apportionment (RMA) of Woodview Village Special Assessment."

Classification of Property

Special assessments are to be levied each year based on the classification of property in the district. The RMA specifies the following classifications for property in the district:

- I. Public Property
- II. Home Owner Association Property
- III. Taxable Property
 - A. Developed Property
 - 1. Section 1
 - 2. Section 2
 - 3. Section 3
 - 4. Section 4
 - 5. Section 5
 - 6. Section 6
 - 7. Section 7
 - B. Undeveloped Property

Public property and homeowner association property (*i.e.*, property owned by an association) are not subject to special assessments. Undeveloped and developed property are subject to special assessments as described in the balance of this report.

Property is classified for each fiscal year based on its status as of the previous January 1. For example, for fiscal year 2008-2009, property is classified based on its status as of January 1, 2008. Developed property is property for which a building permit has been issued as of the date of classification. Undeveloped property includes all taxable property that is not developed property.

As of January 1, 2008 building permits had been issued for all 578 parcels in the district. These parcels are to be classified as developed property for fiscal year 2008-2009.

Special Assessment Rates

Through the 2005-2006 assessment year, the RMA provided for special assessments to be levied at the greater of (i) 94% of the maximum special assessment and (ii) a percent up to 100% of the maximum special assessment rate so that special assessments (after taking into account special assessments on undeveloped property) equal the special assessment requirement. Beginning with 2006-2007 assessment year, the RMA provides for maximum special assessment rate to be increased to 102 percent of the prior year maximum special assessment rate and special assessments to be levied proportionally on each parcel up to 90% of applicable of maximum special assessment for each parcel, in an amount necessary to fund the special assessment requirement. If additional monies are required, special assessments may be increased proportionately on each parcel of developed property up to 100 percent of the maximum special assessment. The number of developed units, the maximum special assessment rates, the special assessment rates and the total special assessments levied by section for fiscal year 2008-2009 are given below in Table V-1. The special assessments rates for 2008-2009 are much lower than previous years due to savings realized from bond refunding.

Table V-1
Developed Property Special Assessment Rates
Fiscal Year 2008-2009

Section	Units	Maximum Special Assessment Rate	Total Maximum Special Assessment	Levied Special Assessment Rate	Total Special Assessment Levied
1	69	\$1,518.98	\$104,809.90	\$1,061.29	\$73,228.86
2	33	\$1,813.42	\$59,842.77	\$1,267.00	\$41,811.11
3	138	\$1,126.75	\$155,491.94	\$787.24	\$108,639.53
4	79	\$1,323.39	\$104,547.72	\$924.63	\$73,045.68
5	64	\$1,616.88	\$103,480.02	\$1,129.68	\$72,299.70
6	120	\$1,389.56	\$166,746.99	\$970.86	\$116,503.24
7	75	\$1,421.19	\$106,588.98	\$992.96	\$74,471.88
Total	578		\$801,508.30		\$560,000.00

According to the RMA, the Backup Special Assessment applies when the number of units are reduced. The number of units in Section 5 were reduced from 66 to 64 and the number of units in Section 6 were reduced from 126 to 120. As a result, the maximum special assessment rates for Sections One through Seven listed above are based on the backup special assessment, as set forth in Prince George's County Executive Order number 3-1997, dated February 13, 1997.

Special Assessment Requirement

Table V-2 provides a summary of the special assessment requirement for fiscal year 2008-2009. The special assessment requirement for fiscal year 2008-2009 is \$560,000.00. Each of these numbers is explained in the following sections.

Debt Service

Debt service includes interest on the bonds payable on January 1, 2009 and July 1, 2009. The \$160,021.25 interest payments due on January 1, 2009 and July 1, 2009 are equal to six months of interest on the term bonds as shown below.

Term	Coupon rate	Par	Amount
July 1, 2009	4.25%	\$265,000	\$5,631.25
July 1, 2011	4.30%	\$560,000	\$12,040.00
July 1, 2015	4.40%	\$1,275,000	\$28,050.00
July 1, 2017	4.50%	\$725,000	\$16,312.50
July 1, 2021	4.60%	\$1,660,000	\$38,180.00
July 1, 2026	4.70%	\$2,545,000	\$59,807.50
Total:			\$160,021.25

A principal payment of \$265,000.00 is due on the Term July 1, 2009 Bonds on July 1, 2009. Accordingly, total debt service on the bonds to be paid from special assessments collected in 2008 is \$585,042.50

Table V-2
Special Assessment Requirement
Fiscal Year 2008-2009

Debt Service:	
Interest on January 1, 2009	\$160,021
Interest on July 1, 2009	\$160,021
Principal on July 1, 2009	\$265,000
<i>Sub-total debt service</i>	\$585,043
Administrative expenses	\$31,500
Contingency	\$21,070
<i>Total expenses</i>	\$637,613
Reserve fund investment income	(\$34,439)
Surplus from prior year	(\$43,174)
<i>Special assessment requirement</i>	\$560,000

Administrative Expenses

Administrative expenses include the trustee, the administrator, and the expenses of the county related to the district. The annual charges of the trustee are estimated to be \$3,500.00. The maximum fee and expenses of the administrator and the co-administrator are \$15,500.00 and \$5,000.00 respectively. The expenses of the county are estimated to be \$8,000.00. Accordingly, the total administrative expenses are estimated at \$31,500.00.

Contingency

A contingency is added in the event there are tax delinquencies, unanticipated expenses, or investment income is less than estimated. The contingency is equal to approximately three percent of debt service and estimated administrative expenses, with an additional amount added to round the special assessment requirement to the nearest ten-thousand.

Reserve Fund Income

As of April 30, 2008, the balance in the reserve fund was \$561,812.26. The reserve requirement is Series 2006 Reoffering Bonds is \$553,180.79. Bond proceeds in the reserve fund in the amount of \$561,812.26 are invested in a Republic National Repurchase Agreement (REPO) earning a 6.13% rate of return per annum and maturing on July 1, 2026. At this rate of return, \$17,219.55 in interest income is estimated to be earned by the next debt service payment on July 1, 2008. These funds will be made available to pay debt service and administrative expenses for fiscal year 2007-2008. An additional, \$34,439.06 in annual investment income will be earned and made available to pay debt service and administrative expenses for fiscal year 2008-2009.

Surplus from the Prior Year

Special assessments in the amount of \$560,000.00 were to be collected during fiscal year 2007-2008. As of April 30, 2008, Prince George's County has reported collecting and transferring to the trustee special assessments totaling \$545,192.44 (including interest and penalties) for fiscal year 2007-2008. This amount represents 97.36 percent of the total levy for fiscal year 2007-2008. The collection process for the outstanding balance is still ongoing. Debt service on July 1, 2008 consists of interest and principal payments totaling \$415,333.75.

As of April 30, 2008, the balances in the bond fund and special assessment fund were \$41,820.41 and \$748,922.68, respectively. As mentioned above, an additional \$17,219.55 in interest income will be earned on the reserve fund by the next debt service payment on July 1, 2008.

The semi annual debt service payment of \$415,333.75 due on July 1, 2008 and the balance of administrative expenses for fiscal year 2007-2008 must be paid from these funds. Administrative expenses for the year were estimated to be \$31,500.00. As of April 30, 2008, \$11,595.00 in administrative expenses for fiscal year 2007-2008 had been paid, resulting in a balance of \$19,455.00 that must be funded with special assessments collected in fiscal year 2007-2008. A contingency in the amount of \$330,000.00 will retained to make future principal payment. Accordingly, the estimated surplus from the prior year, which may be applied to pay debt service and administrative expenses for fiscal year 2008-2009 is equal \$43,173.89 as shown in Table V-3 below.

Table V-3
Surplus from Prior Year

Available Funds as of April 30, 2008:	
Bond Payment Fund	\$41,820.41
Special Assessments Fund	\$748,922.68
Reserve Fund:	
Estimated interest to July 1, 2008	\$17,219.55
<i>Total funds available</i>	\$807,962.64
Interest payment July 1, 2007	(<i>\$165,333.75</i>)
Principal payment July 1, 2007	(<i>\$250,000.00</i>)
Administrative expenses	(<i>\$19,455.00</i>)
<i>Total expenses</i>	(<i>\$434,788.75</i>)
Contingency for future principal payment	(<i>\$330,000.00</i>)
Surplus from prior year	\$43,173.89

Summary

Through the 2005-2006 assessment year, the RMA provided for special assessments to be levied at the greater of (i) 94% of the maximum special assessment and (ii) a percent up to 100% of the maximum special assessment rate so that special assessments (after taking into account special assessments on undeveloped property) equal the special assessment requirement. There is no undeveloped property. Beginning with 2006-2007 assessment year, the RMA provides for maximum special assessment rate to be increased to 102 percent of the prior year maximum special assessment rate and special assessments to be levied proportionally on each parcel up to 90% of applicable of maximum special assessment for each parcel, in an amount necessary to fund the special assessment requirement. If additional monies are required, special assessments may be increased proportionately on each parcel of developed property up to 100% of the maximum special assessment. The aggregate maximum special assessment rate for fiscal year is \$801,508.30. The special assessment requirement for fiscal year 2008-2009 is \$560,000.00. Accordingly, special assessment will be collected at 69.87 percent ($\$560,000.00 \div \$801,508.30 = 69.87\%$) of the maximum special assessment rate during fiscal year 2008-2009.

B. DELINQUENT SPECIAL ASSESSMENTS

Special assessments in the amount of \$560,000.00 were to be collected during fiscal year 2007-2008. As of September 19, 2008, Prince George’s County has reported collecting and transferring to the trustee special assessments totaling \$570,681.07 for fiscal year 2007-2008. The overage represents the collection of interest and penalties and the collection of prior years’ tax amounts due on bankrupt properties that were sold. This amount represents 101.91 percent of the total levy for fiscal year 2007-2008.

Special assessments in the amount of \$560,000 are due to be collected in fiscal year 2008-2009. The first-half installment was due on September 30, 2008 and the second-half will be due on December 31, 2008. As of October 31, 2008, the county has reported collecting and transferring to the trustee special assessments totaling \$308,531.96 for fiscal year 2008-2009. According to the county, first-half installment in the amount of \$46,815.31 from 48 properties remains outstanding.

C. COLLECTION EFFORTS

As of October 31, 2008, Prince George's County has reported collecting and transferring to the trustee special assessments totaling \$10,095.03 including interest and penalties from tax sale for fiscal year 2007-2008. A total of fifteen properties went to tax sale for the collection period.

Fiscal year 2008-2009 delinquent notices for the outstanding \$46,815.31 are in the process of be mailed by the county and these special assessment will be forwarded to the trustee once collected.

VI. DISTRICT FINANCIAL INFORMATION

The information provided in this section is intended to meet the requirements for the annual report as provided for in Section 2 of the Continuing Disclosure Agreement. The items listed below are in the same order as the items required for the annual report as listed in the Continuing Disclosure Agreement.

All information in this section is provided as of June 30, 2008, unless otherwise stated.

A. BALANCE OF FUNDS AND ACCOUNTS

The balance of the funds and accounts is provided in Section IV, "Trustee Accounts," of this report.

B. CHANGES TO THE RATE AND METHOD OF APPORTIONMENT

There has been no change to the Rate and Method of Apportionment since the issuance of the Series 1997A Bonds.

C. ASSESSED VALUATION

Assessed valuation for property within the district as of July 1, 2008 will be provided under a separate cover when provided by the county at a later date.

D. BONDS OUTSTANDING AND RESERVE FUND

The amount of bonds outstanding is currently \$7,030,000.00. The balance in the reserve fund as of September 30, 2008 was \$602,926.09

E. PRINCIPAL DISTRICT TAXPAYERS

For the 2008-2009 assessment year, individual homeowners own all of the parcels within the district. As a result, there are no district taxpayers that represent more than five percent of the levy of special assessments. Table VI-1 shows the amount of special assessments levied against the district.

Table VI-1
Principal District Taxpayers

Taxpayer	Special Tax Levy	Percent of Total Levy
Individual Homeowners	\$560,000	100.0%
Total	\$560,000	100.0%

F. COLLECTION OF SPECIAL ASSESSMENTS

Special assessments in the amount of \$560,000.00 were to be collected during fiscal year 2007-2008. As of October 31, 2008, Prince George's County has reported collecting and transferring to the trustee special assessments totaling \$570,681.07 for fiscal year 2007-2008. The overage represents the collection of interest and penalties and the collection of prior years' tax amounts due on bankrupt properties that were sold. This amount represents 101.91 percent of the total levy for fiscal year 2007-2008.

Special assessments in the amount of \$560,000 are due to be collected in fiscal year 2008-2009. As of October 31, 2008, the county has reported collecting and transferring to the trustee special assessments totaling \$308,531.96 for fiscal year 2008-2009. Special assessments are due September 30, 2008 and December 31, 2008. As a result, the collection process is ongoing.

VII. SIGNIFICANT EVENTS

The administrator shall file a notice of the occurrence of any of the following listed events of which the administrator has actual knowledge with the Municipal Securities Rulemaking Board, and Repository and each Notice Holder.

- (i) Delinquency in payment when due of any principal of or interest on the bonds;
- (ii) Occurrence of any default under the Indenture (other than as described in clause (i) above);
- (iii) Amendment to the Indenture modifying the rights of the bondowners;
- (iv) Giving of notice of optional or unscheduled redemption of the bonds;
- (v) Defeasance of the bonds or any portion thereof;
- (vi) Any change in the rating, if any, on the bonds;
- (vii) Adverse tax opinions or events affecting the tax-exempt status of the bonds;
- (viii) Any unscheduled draws on any debt service reserves or credit enhancement reflecting financial difficulties;
- (ix) Any change or substitution in the provider of any credit enhancement reflecting financial difficulties;
and
- (x) The release, substitution or sale of property securing repayment on the bonds (including property leased, mortgaged or pledged as security).

The administrator is not aware of the occurrence of any of the listed events as of the date of this report.