

\$16,420,000
NEW PORT COMMUNITY DEVELOPMENT AUTHORITY
SPECIAL ASSESSMENT BONDS
SERIES 2006

Significant Events Notice

September 25, 2008

According to Section 3 of the Company's Continuing Disclosure Agreement (the "Agreement") by and between Portsmouth Venture One, LLC (the "Company") and MuniCap, Inc (the "Administrator"), dated as of May 1, 2006, the Company hereby reports the occurrence of the following significant events for the period ending June 30, 2008, as more fully described in the attached Company's Quarterly Continuing Disclosure Statement for the second quarter of 2008.

- Failure to pay any real property taxes (including the special assessments) levied within the district on a parcel owned by the Company. The Company reports that it has received a notice from the City of Portsmouth that it has failed to pay real estate taxes assessed against 23 lots located in the development in the aggregate amount of \$1,680.81, which were due on June 30, 2008.
- Material default by the Company on any loan with respect to the construction or permanent financing of the development. The Company reports that on June 15, 2008, the Company received a notice from Bank of America that the Bank of America Acquisition & Development Loan was in default for failure to make payments due thereon. Prior to that notice, and since the notice was received, the Bank and the Company have been diligently working to restructure the Acquisition and Development Loan.
- Material default by the Company thereof on any loan secured by property within the district owned by the Company. The Company reports that on June 15, 2008, the Company received a notice from Bank of America that the Bank of America Acquisition & Development Loan was in default for failure to make payments due thereon. Prior to that notice, and since the notice was received, the Bank and the Company have been diligently working to restructure the Acquisition and Development Loan.
- The filing by the Company, any general partner of the Company or any owners of more than a 25% interest in the Company, of bankruptcy or any determination that the Company or any owner of an interest in the Company or a subsidiary of the Company is unable to pay its debts as they become due. The Company reports that although there has been no formal filing of bankruptcy, due to adverse economic market and financial conditions, there has been a material adverse change in the financial condition of the Company and its owners such that the owners of the Company are unable to pay their debts as they become due. The Company, its owners and the other entities comprising the Sandler real estate development enterprise have recently been engaged in comprehensive discussions regarding a restructuring of the real estate development obligations and the entities have requested that its lenders continue to fund the projects on an on-going basis.