

\$20,000,000
LANCASTER COUNTY,
SOUTH CAROLINA
ASSESSMENT REVENUE BONDS
(SUN CITY CAROLINA LAKES IMPROVEMENT DISTRICT)
SERIES 2006

DEVELOPER'S CONTINUING DISCLOSURE STATEMENT

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

In accordance with the “Continuing Disclosure Agreement” (the “Disclosure Agreement”) by and between the undersigned, Pulte Homes Corporation (the “Developer”) and MuniCap, Inc. (the “Administrator”), dated as of February 1, 2006, the Developer hereby provides the following information as of March 31, 2009. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Limited Offering Memorandum dated February 1, 2006. To the best of the knowledge of the undersigned:

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.

1) - Status of completion of construction of the public improvements funded with bond proceeds for the Sun City Carolina Lakes Improvement District:

Public Improvement Budget

| Public Improvement | Original Budget | Budget Changes | Revised Budget | Spent to Date | Percent Complete |
|-----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|
| Final engineering / design | \$850,873 | \$3,630,133 | \$4,481,006 | \$3,208,115 | 72% |
| Surveying | \$927,810 | \$2,337,992 | \$3,265,802 | \$1,824,341 | 56% |
| Compaction / const testing | \$533,750 | \$2,262,860 | \$2,796,610 | \$1,653,013 | 59% |
| Clearing and brushing | \$1,064,684 | \$2,060,475 | \$3,125,159 | \$1,617,950 | 52% |
| Earth balancing | \$2,950,441 | \$16,768,555 | \$19,718,996 | \$11,184,269 | 57% |
| Sanitary sewer | \$2,293,800 | \$9,678,466 | \$11,972,266 | \$6,704,116 | 56% |
| Storm water | \$2,267,950 | \$8,767,001 | \$11,034,951 | \$6,069,431 | 55% |
| Water mains | \$1,428,364 | \$5,968,376 | \$7,396,740 | \$3,808,256 | 51% |
| Paving | \$1,240,411 | \$4,571,172 | \$5,811,583 | \$2,995,342 | 52% |
| Paving 2 (surface course) | \$362,764 | \$1,633,689 | \$1,996,453 | \$343,087 | 17% |
| Curb & gutter | \$856,657 | \$2,156,974 | \$3,013,631 | \$1,501,981 | 50% |
| Sidewalks | \$944,416 | (\$354,538) | \$589,878 | \$29,419 | 5% |
| Street lights | \$403,650 | \$298,773 | \$702,423 | \$270,051 | 38% |
| Street signs | \$219,100 | \$356,745 | \$575,845 | \$327,797 | 57% |
| Special structures | \$2,370,233 | \$13,796,157 | \$16,166,390 | \$11,544,047 | 71% |
| Off-site sanitary | \$5,238,348 | \$2,069,306 | \$7,307,654 | \$7,073,762 | 97% |
| Off-site water | \$277,770 | \$789,417 | \$1,067,187 | \$779,438 | 73% |
| Off-site paving | \$750,000 | \$133,471 | \$883,471 | \$393,174 | 45% |
| Off-site traffic signals | \$300,000 | (\$155,289) | \$144,711 | \$144,711 | 100% |
| Public library | \$1,500,000 | \$150,914 | \$1,650,914 | \$1,650,913 | 100% |
| Total Public Improvements: | \$26,781,021 | \$76,920,651 | \$103,701,672 | \$63,123,212 | 60.87% |
| <i>Less Other Funds</i> | \$9,490,384 | \$76,471,178 | \$85,961,562 | \$45,383,102 | 52.79% |
| Total Bond Funded Costs | \$17,290,637 | *\$449,473 | \$17,740,110 | \$17,740,110 | 100% |

* Budget change amount represents interest earned on bond proceeds from acquisition & construction, and library balances.

The Spent to Date figures are on an accrual basis.

2) Status of Development:

- a) **Status of road improvements:** All widening of Hwy 521 and Van Wyck is complete as well as the signal installation on Hwy 521.
- b) **Status of water infrastructure:** All water main installations are complete with the exception of the water main installations for Pods O, P, T, U, V, W, X, X2, and Z. The Pod waterlines, which are the water main and services within each pod, were not included in the original Infrastructure that designated bond proceeds.
- c) **Status of sanitary sewer infrastructure:** All sewer infrastructures, including the force main/pump station, are complete with the exception of the sewer infrastructure for Pods O, P, T, U, V, W, X, X2, and Z, none of which were included in the original Infrastructure that designated bond proceeds.
- d) **Status of storm water management systems:** All storm work infrastructure is complete with the exception of the storm water infrastructure for Pods O, P, V, W, X, X2, and Z, none of which were included in the original Infrastructure that designated bond proceeds.
- e) **Status of other infrastructure and utilities improvements not funded by bond proceeds:** All power, phone, cable and gas installations are complete with the exception of Pods O, P, T, U, V, W, X, X2, and Z.

3) Material changes in the phases, the type and number of units to be built in each phase, and the planned dates of commencement and completion of each phase:

The developer has reduced the aggregate number of units from 3,647 as shown in the Limited Offering Memorandum to 2,768 (original SCCL District boundaries). At the time of feasibility, it was determined that the developer could develop up to 3,647 units. As of June 30, 2007, the developer was planning on developing 2,772 units. According to the Rate and Method of Apportionment of Assessments contained in the Limited Offering Memorandum, a mandatory prepayment of assessments is required if the projected number of units falls below the original number of estimated units 3,647. At the time of Bond issuance, the developer was under contract to purchase additional land (Turkey Point) adjacent to Sun City Carolina Lakes with the expectation to annex the new units into the overall Planned Development District. The developer since then has purchased the Turkey Point Land and is scheduled to proceed based on the schedule below. No planning, design or engineering has occurred for the Turkey Point site. The estimated 900 unit count at Turkey Point is the developer's most conservative number at this point in time. The 900 units at Turkey Point plus the 2,772 units at Sun City Carolina Lake, totals 3,672 units, which exceeds the original proposed development count of 3,647 units. This was the basis for deferring the Mandatory Prepayment on the June 30, 2007 quarterly CD statement and now on the March 31, 2009 quarterly CD statement.

| Pod (Phase) | Single-family Homes | Villas | Carriage Homes | Condos | Planned Date of Commencement | Planned Date of Completion |
|--------------------------------|---------------------|------------|----------------|------------|------------------------------|----------------------------|
| Sun City Carolina Lakes | | | | | | |
| A | 126 | 0 | 0 | 0 | Prior to bond funding | Completed |
| B | 105 | 0 | 0 | 0 | Prior to bond funding | Completed |
| C | 138 | 57 | 0 | 0 | Prior to bond funding | Completed |
| C1 | 0 | 0 | 78 | 0 | Prior to bond funding | Completed |
| D | 90 | 0 | 0 | 0 | Prior to bond funding | Completed |
| E | 235 | 0 | 0 | 0 | After bond funding | Completed |
| F | 35 | 0 | 0 | 0 | After bond funding | Completed |
| G-H | 110 | 0 | 0 | 0 | After bond funding | Completed |
| I-J | 83 | 0 | 0 | 0 | After bond funding | Completed |
| K | 72 | 0 | 0 | 0 | After bond funding | Completed |
| L | 36 | 0 | 0 | 0 | After bond funding | Completed |
| M | 94 | 0 | 0 | 0 | After bond funding | Completed |
| N | 113 | 0 | 0 | 0 | 3/1/2007 | Completed |
| O | 20 | 0 | 0 | 0 | 3/28/2009 | 10/1/2009 |
| P | 100 | 0 | 0 | 0 | 6/27/2009 | 8/1/2010 |
| Q | 48 | 0 | 0 | 0 | 4/15/2007 | Completed |
| R | 203 | 0 | 0 | 0 | 6/4/2007 | Completed |
| S | 40 | 0 | 0 | 0 | 5/21/2007 | Completed |
| T | 221 | 0 | 0 | 0 | 8/28/2008 | 8/28/2009 |
| U | 110 | 0 | 0 | 0 | 8/28/2008 | 10/1/2009 |
| V | 0 | 0 | 212 | 0 | 10/1/2010 | 8/25/2011 |
| W | 0 | 0 | 124 | 0 | 11/1/2009 | 5/28/2010 |
| X | 0 | 0 | 0 | 80 | 1/1/2011 | 4/25/2012 |
| Y | 0 | 86 | 0 | 0 | 7/2/2007 | Completed |
| Z | 0 | 116 | 0 | 0 | 8/28/2008 | 10/1/2009 |
| X2 | 0 | 0 | 0 | 40 | 1/1/2012 | 12/25/2012 |
| Subtotal | 1,979 | 259 | 414 | 120 | | |
| Turkey Point | | | | | | |
| TP 40s | 120 | 0 | 0 | 0 | 7/28/2011 | 12/25/2013 |
| TP 40s E | 140 | 0 | 0 | 0 | 7/28/2010 | 12/25/2012 |
| TP 50s | 270 | 0 | 0 | 0 | 7/28/2011 | 12/25/2013 |
| TP Villas | 0 | 170 | 0 | 0 | 7/28/2011 | 12/25/2013 |
| TP Condos | 0 | 0 | 0 | 200 | 7/28/2011 | 12/25/2013 |
| Subtotal | 530 | 170 | 0 | 200 | | |
| Total | 2,509 | 429 | 414 | 320 | | |

In the table above, the indication that the Pod (Phase) is “completed” signifies that the horizontal development has been finished, and the lots within the phase have been turned over for construction.

4) Sales and closings with homebuyers current district only:

| Product Type | No. of Units | Building Permits Issued | Homes under Construction | Contract for Sale | Homes Closed and Settled | Average Sales Price |
|---------------------|---------------------|--------------------------------|---------------------------------|--------------------------|---------------------------------|----------------------------|
| 40' Single Family | 773 | 404 | 12 | 4 | 382 | \$204,628 |
| 50' Single Family | 1119 | 637 | 29 | 45 | 603 | \$291,904 |
| 64' Single Family | 617 | 393 | 14 | 12 | 373 | \$366,462 |
| Attached Villas | 429 | 132 | 9 | 5 | 132 | \$185,498 |
| Carriage Homes | 414 | 62 | 6 | 0 | 52 | \$199,251 |
| Condos | 320 | 0 | 0 | 0 | 0 | NA |
| Total: | 3,672 | 1,628 | 70 | 66 | 1,542 | \$249,549 |

Note: Average sales price is based on current sales price.

5) Government permits and approvals:

| Governmental Permit/Approval | Date Submitted | Date Approved | Date Received |
|-------------------------------------|-----------------------|----------------------|----------------------|
| Subdivision Plat Approval | | | |
| Pod A | 8/26/2005 | 10/27/2005 | 10/27/2005 |
| Pod B | 2/8/2006 | 6/5/2006 | 6/5/2006 |
| Pod C | 8/3/2006 | 8/4/2006 | 8/4/2006 |
| Pod C – Villa's | 9/8/2006 | 12/12/2006 | 12/12/2006 |
| Pod D – Part 1 | 3/31/2006 | 6/5/2006 | 6/5/2006 |
| Pod D – Part 2 | 6/1/2006 | 6/6/2006 | 6/6/2006 |
| Pod E | 6/5/2006 | 6/7/2006 | 6/7/2006 |
| Pod F | 5/13/2006 | 7/21/2006 | 7/21/2006 |
| Pod G-H | 8/22/2006 | 12/18/2006 | 12/18/2006 |
| Pod I-J | 8/22/2006 | 12/18/2006 | 12/18/2006 |
| Pod I-J | 8/22/2006 | 12/18/2006 | 12/18/2006 |
| Pod C1 | 1/26/2007 | 2/9/2007 | 2/9/2007 |
| Pod K | 12/15/2006 | 2/28/2007 | 2/28/2007 |
| Pod L | 11/17/2006 | 1/29/2007 | 1/29/2007 |
| Pod M | 1/4/2007 | 3/15/2007 | 3/15/2007 |
| Pod N | 3/30/2007 | 5/22/2007 | 5/22/2007 |
| Pod Q | 4/27/2007 | 7/16/2007 | 7/16/2007 |
| Pod Y1 | 9/4/2007 | 11/12/2007 | 11/12/2007 |
| Pod Y2 | 9/4/2007 | 12/31/2007 | 12/31/2007 |
| Pod R1 | 8/6/2007 | 9/26/2007 | 9/26/2007 |
| Pod R2 | 7/17/2007 | 10/8/2007 | 10/8/2007 |
| Pod T | 7/6/2008 | 9/24/2008 | 9/24/2008 |
| Pod U | 9/26/2008 | 11/24/2008 | 11/24/2008 |
| Pod S | 4/27/2007 | 10/16/2007 | 10/16/2007 |
| Pod Z | 12/1/2008 | 2/13/2009 | 2/13/2009 |

6) Status of Home Construction and Home Sales: Development and absorption of homes in the district is anticipated to be completed by June 2013.

| Product Type | Cumulative Units Constructed as of 3/31/2009 | Cumulative Units Sold as of 3/31/2009 |
|---------------------|---|--|
| Single Family | 1,413 | 1,419 |
| Villas | 141 | 137 |
| Carriage Homes | 58 | 52 |
| Condos | 0 | 0 |
| Total | 1,612 | 1,608 |

Note: Cumulative Units Sold includes Contract for Sale and Homes Closed and Settled from 4) in the above schedule.

7) Material changes to the form of ownership of the Developer: The developer reports that there have been no material changes in the form, organization or ownership of the developer of the district as described in the Limited Offering Memorandum.

8) Legislative, administrative or judicial challenges: The developer reports that there have been no legislative, administrative, or judicial challenges to the construction of the improvements within the district or the validity of the duly recorded plat or other public approvals for any section of the development within the district.

9) Significant amendments to land use entitlement or legal challenges to the construction of the development or the District: The developer reports that there have been no significant amendments to land use entitlement or legal challenges to the construction of the development or the district.

10) Material amendment to the development agreement: The developer reports that there have been no material amendments to the development agreement.

11) Changes approved by the County to the Project: The developer reports that there have been no changes approved by the county to the project to be constructed from those stated in the Limited Offering Memorandum and the status of the development to the district.

12) Notice of default: The developer has not received formal written notice and is not aware of any default on any construction loan that finances any portion of the project.

13) Reporting of significant events: The developer has not obtained actual knowledge of the occurrence of any significant events, as described below.

SIGNIFICANT EVENTS

- i. failure to pay any real property taxes (including the special assessments) levied within the development on a parcel owned by the development owner, the developer, the landowner or any affiliate thereof;
- ii. material damage to or destruction of any development or improvements within the development;
- iii. material default by the development owner, 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 development owner, the developer, or any affiliate thereof on any loan secured by property within the development owned or leased by the development owner and the developer or any affiliate thereof;
- v. the filing in bankruptcy by the development owner, the developer or any affiliate thereof, or by any owner of more than 25% in interest in the development owner or the developer, or any determination that the development owner, the developer or any affiliate thereof, or an owner of more than 25% in interest in the development owner or the developer is unable to pay its debts as they become due;
- vi. the filing of any lawsuit with claim for damages in excess of \$1,000,000 against the development owner, the developer or the landowner which may adversely affect the completion of the development or litigation in excess of \$1,000,000 which would materially adversely affect the financial condition of the development owner, the developer or the landowner;
- vii. to the extent that the developer is obligated to pay assessments, failure by the developer to pay such assessments in full when due; or
- viii. a default or event of default occurs under any agreement or instrument evidencing indebtedness of the developer or Pulte Homes Corporation.

PULTE HOMES CORPORATION

By: Pulte Homes Corporation

Name: signature on file

Title: VP Finance

Date: July 17, 2009