

**\$23,585,000**  
**REDEVELOPMENT AUTHORITY OF THE COUNTY OF WASHINGTON**  
**REDEVELOPMENT BONDS**  
**(VICTORY CENTRE PROJECT – TANGER OUTLET DEVELOPMENT)**  
**SERIES A OF 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, Tanger Properties Limited Partnership (the "Developer") and MuniCap, Inc. (the "Administrator"), dated as of December 1, 2006, the Developer hereby provides the following information as of June 30, 2008. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Limited Offering Memorandum dated December 15, 2006. To the best of the knowledge of the undersigned:

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.

1) Status of funding of the public improvements financed with the bonds:

Public Improvement	Revised Budget per Closing Certificate	Budget Revisions since Closing (2) (3)	Revised Budget	Spent to Date as of 06/30/2008 (1)	Percent Funded
Offsite Road Improvements	\$8,500,000.00		\$8,500,000.00	\$1,831,121.79	22%
Power Line Relocation	\$4,050,000.00	(\$112,954.50)	\$3,937,045.50	\$3,937,045.50	100%
Engineering	\$803,000.00		\$803,000.00	\$388,769.31	48%
Public Road Improvements	\$1,186,401.00	\$1,006,188.80	\$2,192,589.80	\$2,192,589.80	100%
Sewer	\$2,000,000.00		\$2,000,000.00	\$1,635,124.41	82%
Legal	\$0.00	\$181,000.00	\$181,000.00	\$180,704.57	100%
Other	\$278,173.79	(\$274,234.30)	\$3,939.39	\$3,939.39	100%
<b>TOTAL BOND ELIGIBLE IMPROVEMENTS</b>	<b>\$16,817,574.79</b>	<b>\$800,000.00</b>	<b>\$17,617,574.79</b>	<b>\$10,169,294.77</b>	<b>58%</b>

- (1) Approximately \$2.2 million of expenses reported as Offsite Road Improvements in the March 31, 2008 Disclosure Statement has been reclassified as Public Road Improvements as of June 30, 2008.
- (2) Incremental funds totaling \$800,000 had been added to the Total Bond Eligible Improvements as of 6/30/08. The source of these funds is interest income through June 30, 2008 of \$767,925 paid on invested Project Fund bond proceeds and an additional projected interest income of \$32,102 to be earned through the quarter ending December 31, 2008.
- (3) Budget revisions in the current quarter include shifting the incremental funds and remaining Other Funds plus the excess balance from Power Line Relocation to Public Road Improvements. Future costs which exceed the Revised Budget are to be funded by the Developer.

2) Leasing information (Outlet Centre):

Leasing Status as of 06/30/2008	Number of Tenants	Square Footage	Percent of Total
<b>Leased Area Outlet Centre – Phase I</b>			
Leases – Signed:	68	300,723	71.77%
Leases Negotiating Letter of Intent:	N/A		%
Lease Negotiations in Progress (Lease Out for Negotiation):	1	1,436	0.34%
Remaining Leaseable Space:	12	68,061	16.24%
<b>Subtotal Phase I</b>		370,220	
Remaining Leaseable Space:	TBD	48,780	11.64%
<b>Subtotal Phase II</b>			
<b>Total Outlet Centre Leaseable Space</b>		419,000	100.00%

3) Ground leasing and pad sales (Pad Sites):

a. Ground leases:

As of June 30, 2008 the Developer was continuing the evaluation process to determine Pad size and number of Pad Sites to be offered out of the total of approximately nine acres of land to be sold or leased. The Developer has begun showing the Pad Sites to interested parties.

Leasing Status	Tenant	Square Footage	Percent of Total
<b>Ground Leases Pad Sites</b>			
Leases – Signed:			%
<i>Subtotal:</i>		0	0.0%
Leases Negotiating Letter of Intent:			%
<i>Subtotal:</i>		0	0.0%
Lease Negotiations in Progress:			%
<i>Subtotal:</i>		0	0.0%
Remaining Leaseable Space:			
<i>Subtotal:</i>	Approximately nine acres	TBD	100.0%
	Approximately nine acres	TBD	100.0%
<b>Total Ground Leases</b>	Approximately nine acres	TBD	100.0%

**b. Pad site sales:**

Pad Site	Purchaser	Estimated Square Footage	Closing Date
None at present			

- 4) Zoning classification: There has been no change in the zoning classification of any parcel(s) in the district since bond issuance.

No changes as of June 30, 2008

- 5) Change in ownership: There has been no change in the ownership of any parcel(s) comprising Improvement Area A.

No changes as of June 30, 2008

- 6) Notice of termination or default under any lines of credit: There has been no formal written notice of termination or default under any of the developments lines of available credit.

None as of June 30, 2008

- 7) Legislative, administrative or judicial challenges: There have been no legislative, administrative, or judicial challenges to the construction of the public improvements or the development of the district.

Except as previously disclosed in, among other documents: (i) the Continuing Disclosure Agreement dated as of December 1, 2006; (ii) the Certificate of Tanger Properties Limited Partnership dated as of December 20, 2006; and (iii) the Limited Offering Memorandum dated December 15, 2006, as supplemented by Supplement dated December 26, 2006, there have been no legislative, administrative or judicial challenges to the construction of the public improvements or the development of the district.

However, the litigation described in the Limited Offering Memorandum filed by the Objectors challenging the approval of the TIF was decided by the Pennsylvania Commonwealth Court in favor the County, the Township, and the School District (the "Taxing Districts") on June 25, 2007. On July 5, 2007, the Objectors filed a timely petition for allocatur to the Pennsylvania Supreme Court. The Pennsylvania Supreme Court granted allocatur on January 2, 2008. The two issues on appeal are 1) whether the Court has jurisdiction to review municipal decisions approving a TIF District supported by public funds and 2) whether Plaintiffs' (Objectors') allegations that the Defendants made finding of blight in bad faith are sufficient to withstand a demurrer. Objectors filed their brief on the merits on February 19, 2008. The Taxing Districts filed their response briefs on March 20, 2008. Tanger filed an amicus brief on the same day. On April 7, 2008, Objectors filed a reply brief. Oral argument, which relates to the merits of the appeal, is scheduled on September 8, 2008 before the Pennsylvania Supreme Court, which will be sitting in Pittsburgh.

In addition, Objectors filed litigation on December 20, 2006, which challenged the TIF Plan and the issuance of Tanger's bonds for development of the Victory Centre Project. Objectors alleged that there was a substantial deviation from the TIF Plan as adopted, which required the TIF Plan to be amended and to be sent through the approval process a second time. On September 26, 2007, the Washington County Common Pleas Court dismissed Objectors' case. Objectors appealed to the Pennsylvania Commonwealth Court on October 5, 2007. Objectors, the Redevelopment Authority, the Township, and Tanger (as an amicus party) filed briefs on the merits. On July 11, 2008, the Pennsylvania Commonwealth Court, issued an opinion in favor of the Redevelopment Authority and the Township and against Objectors, holding that there was no ripe controversy and no allegations of the type of substantial changes to the TIF Plan that justified an amendment to the TIF Plan. Objectors filed a timely application for reargument with the Pennsylvania Commonwealth Court on July 25, 2008. Pennsylvania Commonwealth Court must make a decision regarding reargument within sixty (60) days or the petition is deemed denied. If reargument is denied, Objectors will then have thirty days to file a petition for allocatur with the Pennsylvania Supreme Court.

- 8) Material changes to the form, organization or ownership of the developer: There have been no material changes in the form, organization or ownership of the developer.

None as of June 30, 2008

- 9) Material amendments to the Funding Agreement: There have been no material amendments or supplements to the Funding Agreement, dated December 1, 2006 between the city and the developer.

None as of June 30, 2008

- 10) Status of financing. The audited annual financial statement for the developer is attached.

The 2007 audited financial statement for the Developer was filed with the SEC on February 28, 2008 and was submitted as an attachment to December 31, 2007 disclosure statement.

- 11) The developer has not obtained actual knowledge of the occurrence of any significant events, as listed below.

None as of June 30, 2008

## DEVELOPER SIGNIFICANT EVENTS

Significant events include the following:

- (i) material damage to or destruction of any development or improvements within the district;
- (ii) material default by the developer or any affiliate thereof on any loan with respect to the construction or permanent financing of the development or the public improvements;
- (iii) material default by the developer or any affiliate thereof on any loan secured by property within the district owned by the developer or any affiliate of the developer;
- (iv) payment default by the developer or any affiliate thereof on any loan to such party with respect to the construction or permanent financing of the development (whether or not such loan is secured by property within Improvement Area A);
- (v) the filing by or against the developer or any affiliate thereof, the sole member of the developer or any owners of more than 25% interest in the developer of any petition or other proceeding under any bankruptcy, insolvency or similar law or any determination that the developer or a subsidiary of the developer or any affiliate thereof is unable to pay its debts as they become due;
- (vi) the filing of any lawsuit with a claim for damages in excess of \$1,000,000 against the developer or which may adversely affect the completion of the development, the public improvements or litigation in excess of \$1,000,000 or which would materially adversely affect the financial condition of the developer; and
- (vii) the failure by the developer or any affiliate thereof to pay any ad valorem taxes or special assessments with respect to the property in the district owned by the developer or any affiliate thereof;
- (viii) the filing by the developer or any affiliate thereof of any appeal of assessed value determinations with respect to property in the district that is owned by the developer or any affiliate thereof which appeal, if successful, would cause the tax liability owed on such property to decrease by more than five percent (5%); and
- (ix) the sale or other transfer of the Outlet Center (other than retail leases executed in the ordinary course of business) by the developer or any affiliate thereof.

### TANGER PROPERTIES LIMITED PARTNERSHIP

By: Tanger GP Trust, its Sole General Partner

By: 

Frank C. Marchisello, Jr.

Title: Vice President

Date: August 12, 2008