

**RUSSELL 150 COMMUNITY DEVELOPMENT AUTHORITY
\$5,470,000 SPECIAL ASSESSMENT BONDS, SERIES 2007A
AND
\$15,685,000 SPECIAL ASSESSMENT BONDS, SERIES 2007B
(FREDERICK COUNTY, VIRGINIA)**

SIGNIFICANT EVENT NOTICE

FAILURE TO PAY SPECIAL ASSESSMENTS

Pursuant to Section 5 (i) of the Continuing Disclosure Agreement, dated May 1, 2007, Russell 150, LC (the “Developer”) reports that there has been a failure to pay the Special Assessments to be collected on the property within the District owned by the Developer for the 2009 tax year in the amount of \$1,390,000, which were due on July 17, 2009. If the Assessments are not paid by September 1, 2009, the semi-annual interest payment due on the Series 2007A and B Bonds will be paid from a draw on the Reserve Fund.