

DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

For the Period Ending December 31, 2008

\$23,870,000

*The Shops at White Oak Village
Community Development Authority (Virginia)
Special Assessment Revenue Bonds
Series 2007*

Prepared by

MUNICAP, INC.

March 3, 2009

**DEVELOPMENT ACTIVITY AND
DISCLOSURE REPORT**
For the Period Ending December 31, 2008

I.	UPDATED INFORMATION	1
II.	INTRODUCTION	2
III.	DEVELOPMENT ACTIVITY	3
	A. Overview	3
	B. Governmental Approvals	3
	C. Status of the Public Improvements	3
	D. Status of Development	4
	E. Status of Financing	5
IV.	TRUSTEE ACCOUNTS	7
V.	DISTRICT OPERATIONS	8
	A. Annual Revenue Requirement	8
	B. Delinquent Special Assessments	9
	C. Collection Efforts	9
VI.	DISTRICT FINANCIAL INFORMATION	10
	A. Administrative Expenses	10
	B. Principal District Taxpayers	10
	C. Changes in the administrator or Developer	10
	D. Special Assessments	11
	E. Assessed Valuation	11
	F. Special Assessments Collected	11
	G. Special Assessment Delinquencies	11
	H. Foreclosure Proceedings	11
	I. Fund Balances	12
	J. Bonds Outstanding	12
	K. Principal and Interest Paid and Due	12
	L. Changes in Special Assessment Methodology	13
	M. Changes to the Rate and Method of Apportionment of Special Assessments	13
	N. Amendments to Land Use Entitlements or Legal Challenges	13
	O. Changes to the Facilities	13
	P. Material Changes in the Nature of the Facilities	13
	Q. Changes in the Continuing Disclosure Agreement or Financial Statements	13
	R. Tax Revenues and EDA Payments	13
VII.	SIGNIFICANT EVENTS	14
	A. Developer Significant Events	14
	B. Authority Significant Events	14

I. UPDATED INFORMATION

Information updated from the Limited Offering Memorandum dated October 3, 2007, is as follows:

- As of December 31, 2008, the developer reports that \$19,450,000 had been expended for the construction of the public improvements, representing 100 percent of the amount to be funded with the Series 2007 Bonds.
- As of December 31 2008, the developer reports that the public improvements are complete except for paving, landscaping and irrigation of the vacant outparcels.
- As of December 31, 2008, the developer reports that all government approvals and permits necessary for the construction of the development have been obtained.
- As of December 31, 2008, the developer reports that six parcels totaling approximately 49 acres within the development have been sold and closed with buyers.
- As of December 31, 2008, the developer reports that a total of 351,936 square feet has been leased to individual tenants, representing 71.0 percent of the total available leasable space.
- As of December 31, 2008, the developer reports that the outstanding balance on the construction loan is \$60,954,044. According to the developer, the construction loan carries an interest rate of 3.031 percent that fluctuates monthly and matures August 29, 2009. The developer also reports that there have been no repayments on the loan amounts drawn to date.
- According to the Henrico County Department of Finance, the aggregate assessed value of the district as of July 1, 2008, was \$32,087,700. The base value of the district was \$8,574,000. As a result, the aggregate assessed value of the district has increased by \$23,513,700.

II. INTRODUCTION

The Shops at White Oak Village Community Development Authority (the “Authority”) of Henrico County, Virginia issued the \$23,870,000 Series 2007 Special Assessment Revenue Bonds in accordance with the provisions of Article 6 of Chapter 51 of Title 15.2 of the Code of Virginia of 1950, as amended, and pursuant to an Indenture of Trust, dated as of September 1, 2007, between the authority and U.S. Bank National Association, as trustee.

The district consists of 87.5 acres of land within Henrico County, Virginia, on a site located approximately six miles east of the City of Richmond’s central business district at the southeast corner of the interchange of Interstate 64 with Laburnum Avenue and is approximately four miles from Interstate 295 and five miles from Interstate 95. The district is located within a 136.5 acre commercial and retail development known as “The Shops at White Oak Village,” which is currently under construction. Certain portions of the shopping center development are not included in the district and are not subject to special assessments.

According to the Limited Offering Memorandum, the shopping center development is expected to include various anchor stores, retail and specialty shops, dining restaurants, commercial establishments and a hotel. Such commercial establishments are anticipated to be quite varied, ranging from a grocery store to a bank, hair salon and portrait studio. The shopping complex is expected to feature a pedestrian-friendly, open-air design and is intended to be a gathering place for dining and shopping in a previously underserved retail market in Richmond, Virginia.

The district is being developed by Laburnum Investment, LLC (the “developer”), a Virginia limited liability company controlled by its sole member, Simi Valley Town and Country, Inc., which is controlled by its sole member, Forest City Commercial Group, Inc. Forest City Commercial has entered into certain contractual arrangements with the developer and Laburnum Associates for the development and management of the shopping center development.

According to the Limited Offering Memorandum, the proceeds of the Series 2007 Bonds were used to finance the costs of certain infrastructure improvements to benefit the district, including mass earthwork, roads, off-ramps, general landscaping, public plaza landscaping, lighting, parking facilities, retaining walls, traffic lights, turn lanes, sanitary sewers, pavers and sidewalks, storm sewers, utilities, and water lines.

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 December 31, 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.

III. DEVELOPMENT ACTIVITY

A. OVERVIEW

According to the Limited Offering Memorandum, the shopping center development is expected to comprise an approximately 862,000 square foot open-air retail center and an outparcel development located on 136.4 acres. Of the 862,000 square feet of development, approximately 500,000 square feet is expected to consist of major anchor stores, 140,000 square feet is expected to consist of junior anchor stores, 150,000 square feet is expected to consist of small retail stores and 72,000 square feet is expected to consist of restaurant and retail outparcel sites. The shopping center development is also expected to feature a 150-room Hyatt Place Hotel, which is not included in the 862,000 square foot estimation.

According to the Limited Offering Memorandum, the public improvements are expected to consist of various infrastructure improvements to support the shopping center development. Proceeds from the 2007 Bonds are anticipated to be used to finance all or a portion of any of the following improvements: mass earthwork, roads, off-ramps, general landscaping, public plaza landscaping, lighting, parking facilities, retaining walls, traffic lights, turn lanes, sanitary sewers, pavers and sidewalks, storm sewers, utilities, and water lines.

B. GOVERNMENTAL APPROVALS

According to the Limited Offering Memorandum, the property in the district has been zoned B-3C for a business district. The various governmental approvals and permits required for the construction of the portions of the shopping center development that were under construction at the time of bond issuance were obtained. As of December 31, 2008, the developer reports that all government approvals and permits necessary for the construction of the development have been obtained.

Table III-1 below shows a list the required permits and approvals, approval status, date of approval and the permitting agency as reported by the developer as of December 31, 2008.

Table III-1
Government Approvals

Permit/Approval	Approval Status	Date of Approval	Permitting Agency
Master Concept Plan	Approved	October 2006	Henrico County
Master Utility Plan	Approved	June 2007	Henrico County
Wetlands Permit	Approved	June 2007	Virginia Department of Environmental Quality
Roadway Improvement Plans	Approved	June 2007	Virginia Department of Transportation

C. STATUS OF THE PUBLIC IMPROVEMENTS

According to the Limited Offering Memorandum, the proceeds of the Series 2007 Bonds were used to finance the costs of certain infrastructure improvements to benefit the district including: mass earthwork, roads, off-ramps, general landscaping, public plaza landscaping, lighting, parking facilities, retaining walls, traffic lights, turn lanes, sanitary sewers, pavers and sidewalks, storm sewers, utilities, and water lines.

As of December 31, the developer reports that the public improvements are complete except for paving, landscaping, and irrigation of the vacant outparcels.

As of December 31, 2008, the developer reports that \$19,450,000 had been expended for the construction of the public improvements, representing 100 percent of the amount to be funded with the

Series 2007 Bonds. Table III-2 below shows the public improvements, the original budget, budget changes, the revised budget and the amount spent by line item as reported by the developer as of December 31, 2008.

Table III-2
Public Improvements

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
Off-site improvements	\$2,500,000	\$0	\$2,500,000	\$2,500,000	100%
Mass earthwork	\$4,134,032	\$0	\$4,134,032	\$4,134,032	100%
Sanitary sewer	\$556,657	\$0	\$556,657	\$556,657	100%
storm sewer	\$3,087,961	\$0	\$3,087,961	\$3,087,961	100%
Water lines	\$667,898	\$0	\$667,898	\$667,898	100%
Parking facilities	\$8,230,068	\$0	\$8,230,068	\$8,230,068	100%
Landscaping	\$2,000,000	\$0	\$2,000,000	\$2,000,000	100%
Miscellaneous	\$104,167	\$0	\$104,167	\$104,167	100%
Dry utilities/allowances	\$737,000	\$0	\$737,000	\$737,000	100%
Lifestyle plaza	\$1,282,796	\$0	\$1,282,796	\$1,282,796	100%
CM staffing	\$1,631,047	\$0	\$1,631,047	\$1,631,047	100%
CM fee	\$1,059,598	\$0	\$1,059,598	\$1,059,598	100%
Civil engineering	\$1,000,000	\$0	\$1,000,000	\$1,000,000	100%
Developer consultants	\$100,000	\$0	\$100,000	\$100,000	100%
Testing	\$300,000	\$0	\$300,000	\$300,000	100%
Permits	\$150,000	\$0	\$150,000	\$150,000	100%
Total public improvements	\$27,541,224	\$0	\$27,541,224	\$27,541,224	100%
Less: owner's contributions	\$8,091,224	\$0	\$8,091,224	\$8,091,224	100%
Total bond funded costs	\$19,450,000	\$0	\$19,450,000	\$19,450,000	100%

D. STATUS OF DEVELOPMENT

According to the Limited Offering Memorandum, the shopping center development is expected to include various anchor stores, retail and specialty shops, dining restaurants, commercial establishments and a hotel. Such commercial establishments are anticipated to be quite varied, ranging from a grocery store to a bank, hair salon and portrait studio.

As of December 31, 2008, the developer reports that six parcels totaling approximately 49 acres within the development have been sold and closed with buyers. Table III-3 below shows the buyer, proposed use, closing date and area in acres and area of the building in square feet of each outparcel sold as reported by the developer as of December 31, 2008.

Table III-3
Parcel Sales and Closings

Buyer	Proposed Use	Sale Date	Closing Date	Area in Acres	Building Square Feet
Hyatt Place	Hotel	12/28/2007	12/28/2007	3.20	150 Rooms
Target	Retail	08/31/2007	08/31/2007	12.84	128,000
Lowe's	Retail	08/31/2007	08/31/2007	13.36	139,000
Sam's Club	Retail	11/14/2007	11/14/2007	16.42	137,000
Red Lobster	Restaurant	07/31/2008	07/31/2008	1.80	6,900
Longhorn	Restaurant	09/31/2008	09/31/2008	1.40	6,900
Total				49.02	417,800

As of December 31, 2008, the developer reports that a total of 374,480 square feet has been leased to individual tenants, representing 75.4 percent of the total available leasable space. Table III-4 on the following page provides a list of retail tenants, the amount of leased space in square feet per tenant and length of the lease as provided by the developer as of December 31, 2008.

E. STATUS OF FINANCING

According to the Limited Offering Memorandum, the developer obtained a construction loan on August 30, 2007 from Wachovia Bank, National Association, as agent, in the maximum amount of \$72,600,000. The construction loan provides that draws thereunder are to be made with developer equity contributions and are further subject to certain “earn-outs” that require a percentage of store leases to be executed before draws can exceed a specified percentage of the maximum loan amount. The construction loan is for a two-year term, and subject to meeting certain conditions, the developer has the option to extend the construction loan for two additional one-year periods. The construction loan is non-recourse to the developer.

As of December 31, 2008, the developer reports that the outstanding balance on the construction loan is \$60,954,044. According to the developer, the construction loan carries an interest rate of 3.031 percent that fluctuates monthly and matures August 29, 2009. The developer also reports that there have been no repayments on the loan amounts drawn to date.

Table III-4
Lease Status

Tenant	Leased Space	Percent of Total	Termination/Expiration Date
Anchors			
J.C. Penney	101,140	20.4%	20 year lease + extensions
PetSmart	20,000	4.0%	10 year lease + extensions
Ukrops	60,666	12.2%	20 year lease + extensions
Office Max	18,000	3.6%	10 year lease + extensions
<i>Subtotal - Anchors</i>	<i>199,806</i>	<i>19.9%</i>	
Outparcels			
Wachovia Bank	5,449	1.1%	20 year lease + extensions
TGIF	6,000	1.2%	20 year lease + extensions
Chick Fil A	4,227	0.9%	10 year lease + extensions
Cracker Barrel	10,000	2.0%	10 year lease + extensions
7-11	3,600	0.7%	11 year lease + extensions
McDonald's	4,300	0.9%	20 year lease + extensions
<i>Subtotal - Outparcels</i>	<i>33,576</i>	<i>6.8%</i>	
Lifestyle Center Tenants			
Allied Floor to Ceiling	4,502	0.9%	10 year lease
Anna's Linens	7,032	1.4%	10 year lease
Ashley Stewart	6,095	1.2%	10 year lease
AT&T	3,324	0.7%	10 year lease
Bath & Body Works	3,002	0.6%	10 year lease
Cato Fashions	4,004	0.8%	10 year lease
Deb Shop	7,628	1.5%	10 year lease
Diamond Expressions	984	0.2%	10 year lease
Dots	4,537	0.9%	10 year lease
Dress Barn	7,578	1.5%	10 year lease
DTLR	4,078	0.8%	10 year lease
Firehouse Subs	1,970	0.4%	10 year lease
Five Below	7,152	1.4%	10 year lease
Freeman's Menswear	2,884	0.6%	10 year lease
Gamestop	1,511	0.3%	10 year lease
Kay Jewelers	2,538	0.5%	10 year lease
Lim's Menswear	2,927	0.6%	10 year lease
Mattress Warehouse	3,952	0.8%	10 year lease
Nail Spa	1,165	0.2%	5 year lease
Payless Shoe Source	3,000	0.6%	5 year lease
Pure Vision	972	0.2%	10 year lease
Qdoba Mexican Grille	2,490	0.5%	10 year lease
Rack Room Shoes	5,526	1.1%	10 year lease
Rainbow	5,385	1.1%	10 year lease
Red 88 Buffet	9,084	1.8%	10 year lease
Sally Beauty	1,600	0.3%	10 year lease
Shoe City	5,045	1.0%	10 year lease
SPZN Elite	2,726	0.5%	10 year lease
T-Mobile	2,623	0.5%	10 year lease
Tropical Smoothie	1,993	0.4%	10 year lease
Vitamin World	1,247	0.3%	10 year lease
<i>Subtotal - Lifestyle Center</i>	<i>118,554</i>	<i>23.9%</i>	
Subtotal Leased Space	351,936	71.0%	
Available Leasable Space	144,064	29.0%	
Total Retail Space	496,000	100.0%	

IV. TRUSTEE ACCOUNTS

The trustee for the Series 2007 Bonds in U.S. Bank National Association. The initial deposits, interest paid, additional proceeds, disbursements and account balances for each fund as of December 31, 2008, are shown in the table below.

Table IV-1
Account Balances

	Initial Deposits	Interest Paid	Additional Proceeds	Disbursements	Balance 12/31/08
Interest Account	\$0	\$678	\$1,204,335	\$1,103,457	\$101,556
Reserve Fund	\$2,387,000	\$100,878	\$0	\$100,878	\$2,387,000
Administrative Expense Fund	\$40,000	\$1,169	\$0	\$16,140	\$25,029
Project Fund	\$19,050,898	\$419,197	\$112,734	\$19,471,810	\$122,830
Capitalized Interest Account	\$1,525,136	\$50,242	\$0	\$1,103,457	\$471,921
Cost of Issuance Account	\$551,666	\$2,384	\$0	\$554,049	\$0
Total	\$23,554,700	\$574,547	\$1,317,069	\$22,349,792	\$3,108,336

Additional proceeds to the Interest Account represent transfers of investment income from the Reserve Fund and the Capitalized Interest Account and remaining bond proceeds in the Cost of Issuance Account for the payment of debt service. Additional proceeds to the Project Fund represent the transfer of remaining funds from the Cost of Issuance Account to close the account pursuant to Section 6.1(c) of the Trust Indenture. Disbursements from the Administrative Expense Fund were for the payment of administrative expenses. Disbursements from the Project Fund represent payments for the construction of the public improvements.

Bond proceeds in the Reserve Fund are invested in a Guaranteed Investment Contract (GIC) earning 4.83 percent that matures March 1, 2017. Bond proceeds in the Project Fund and the Capitalized Interest Account are invested in Guaranteed Investment Contracts earning 4.505 percent that mature March 1, 2009. The remaining bond proceeds are invested government obligation funds currently earning interest between 0.68 and 1.24 percent. Table IV-2 below shows the rate of return on the funds and accounts held by the trustee as of December 31, 2008.

According to the Trust Indenture dated as of September 1, 2007, investment income on the Interest Account will become part of the account and used for the purposes of the account. Investment income in excess of the Reserve Fund will be transferred to the Interest Account and used for the purposes of such account. Investment income on the Administrative Expense Fund will become part of the fund and be used to pay administrative expenses. Investment income on the Project Fund and the Capitalized Interest Account will be retained in the respective account and used for the purposes of such account.

Table IV-2
Rate of Return

Account	Rate of Return
Interest Account	0.68%
Reserve Fund	4.83%
Administrative Expense Fund	1.24%
Project Fund	4.51%
Capitalized Interest Account	4.51%

V. *DISTRICT OPERATIONS*

A. ANNUAL REVENUE REQUIREMENT

The annual revenue requirement is equal to the sum of the following: (1) debt service on the bonds to be paid from the Annual Installment; (2) periodic costs associated with such bonds, including but not limited to, rebate payment and credit enhancement on the bonds; and (3) administrative expenses; less (4) any credits applied under the Bond Indenture, such as interest earnings on any account balances, and (5) any other funds available to the CDA that may be applied to the annual revenue requirement.

Table V-1 provides a summary of the annual revenue requirement for the 2008 tax year. Each of these numbers is explained in the following sections.

Table V-1
Annual Revenue Requirement
2008 Tax Year

	Total
Interest Payment on September 1, 2008	\$632,555
Interest Payment on March 1, 2009	\$632,555
Principal Payment on March 1, 2009	\$0
<i>Subtotal annual debt service</i>	\$1,265,110
Administrative Expenses	\$20,000
<i>Subtotal Expenses</i>	\$1,297,761
Revenue Fund	\$0
Reserve Fund Interest Income	(\$115,173)
Bond Fund Interest Account	(\$43,633)
Available Administrative Expense Fund	(\$31,064)
Available Capitalized Interest Account	(\$1,115,107)
<i>Subtotal funds available</i>	(\$1,304,976)
Annual Revenue Requirement	\$0

Debt Service

Debt Service includes the semi-annual interest payments due on September 1, 2008 and March 1, 2009. Each semi-annual interest payment on the bonds is \$632,555 and represents interest at an annual coupon of 5.3 percent on the outstanding bonds of \$23,870,000. There is no principal payment on the bonds on March 1, 2009. As a result, total debt service is \$1,265,110.

Administrative Expenses

At the time the Series 2007 Bonds were issued, bond proceeds in the amount of \$40,000 were deposited in the Administrative Expense Fund for the payment of administrative expenses during the 2008 tax year. As of December 31, 2007, the balance in the Administrative Expense Fund was \$40,225. The estimated administrative expenses for tax year 2008 are \$20,000. As a result, the 2008 tax year administrative expenses will be funded by amounts previously on deposit in the Administrative Expense Fund.

Revenue Fund

As of December 31, 2007, the balance in the Revenue Fund was zero. As a result, there are no funds available in the Revenue Fund to pay debt service in 2009.

Reserve Fund Investment Income

As of December 31, 2007, the balance in the Reserve Fund was \$2,387,000, which is equal to the reserve requirement. Bond proceeds in the Reserve Fund totaling \$2,387,000 are invested in a Guaranteed Investment Contract earning 4.825 percent per annum that matures March 1, 2017. The yield on the bond proceeds invested in the Reserve Fund will result in estimated investment income each six months of \$57,586 through March 1, 2009. As a result, interest income estimated to be made available to pay debt service on the bonds in the 2008 tax year is \$158,465.

Available Capitalized Interest

The balance in the Capitalized Interest Account, as of December 31, 2007, was \$1,525,136. Bond proceeds in the Capitalized Interest Account are invested in a Guaranteed Investment Contract earning 4.505 percent per annum that matures March 1, 2009. Estimated investment income in the amount of \$25,911 is expected to be earned through March 1, 2008. Bond proceeds in the Capitalized Interest Account totaling \$470,902 will be used to pay debt service on March 1, 2008, resulting in \$1,080,146 (\$1,551,048 - \$470,902 = \$1,080,146) that will be made available to pay debt service on the bonds for tax year 2008.

Table V-2
Available Capitalized Interest

Capitalized Interest balance at December 31, 2007	\$1,525,136
Interest income through March 1, 2008	\$25,911
<i>Subtotal available capitalized interest balance</i>	\$1,551,048
Debt service at March 1, 2008	(\$470,902)
Capitalized interest account balance	\$1,080,146
Interest income through September 1, 2008	\$24,330
Interest income through March 1, 2009	\$10,630
Available capitalized interest	\$1,115,106

An estimated \$34,960 (\$24,330 + \$10,630 = \$34,930) in investment income will be earned through the debt payment period of March 1, 2009. This investment income on the Capitalized Interest Account, together with the Capitalized Interest Account balances mentioned above, will be made available to pay debt service in tax year 2008.

Summary

Total authority expenses to be paid in fiscal year 2009 are estimated to be \$1,297,761. Funds available to pay these expenses are estimated to be \$1,304,976, resulting in an annual revenue requirement of zero.

B. DELINQUENT SPECIAL ASSESSMENTS

There have been no special assessments collected on the district since the issuance of the Series 2007 Bonds. As a result, there are no delinquent special assessments outstanding at this time.

C. COLLECTION EFFORTS

There are no collection efforts underway at this time.

VI. DISTRICT FINANCIAL INFORMATION

The information provided in this section is to meet the requirements for the annual report as provided for in Section Two of the Continuing Disclosure Agreement. The items listed below are in the same format and 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 December 31, 2008, unless otherwise stated.

A. ADMINISTRATIVE EXPENSES

Table VI-1 shows the administrative expenses paid from January 1, 2008 to December 31, 2008. As of December 31, 2008, the trustee has paid administrative expenses in the amount of \$16,140.

Table VI-1
District Administrative Expenses

Year	Total Administrative Expenses
2008	\$16,140
Total	\$16,140

B. PRINCIPAL DISTRICT TAXPAYERS

There have been no special assessments collected on the district since the issuance of the Series 2007 Bonds. Accordingly, there are no district landowners representing more than five percent of the special assessments to be collected on the district. However, the 2008 tax year assessed value of each parcel will be used as a surrogate for the special assessment burden. Table VI-2 below shows the assessed value for each parcel within the district subject to special assessments as of July 1, 2008, and the percent of each parcel in relation to the aggregate assessed value of the district.

Table VI-2
2008 Principal District Taxpayers

GPIN	Owner	2008 Total	Percent
813-718-8188	Laburnum Hotel Partners LLC	\$698,500	2.2%
814-718-2788	Target Corporation	\$3,450,900	10.8%
814-718-0855	Laburnum Associates LLC	\$703,500	2.2%
815-718-5710	Laburnum Investment LLC	\$20,751,800	64.7%
816-718-0130	Lowe's Home Centers Inc	\$2,911,300	9.1%
816-717-3498	Sam's East Inc	\$3,569,300	11.1%
Total		\$32,085,300	100.0%

C. CHANGES IN THE ADMINISTRATOR OR DEVELOPER

As of December 31, 2008, there has been no change to the administrator or the developer (or the developer's principal members).

D. SPECIAL ASSESSMENTS

Special Assessments to be Collected

There have been no special assessments collected on the district since the issuance of the Series 2007 Bonds.

Special Assessment Prepayments

There have been no special assessment prepayments since the issuance of the Series 2007 Bonds.

E. ASSESSED VALUATION

Table VI-3 below shows the assessed value for each parcel from which tax increment revenues will be generated as of July 1, 2008. According to the Henrico County Department of Finance, the July 1, 2008 aggregate assessed value of the district was \$32,085,300. The base value of the district was \$8,574,000. Accordingly, the aggregate assessed value of the district has increased by \$23,513,700.

**Table VI-3
July 1, 2008 Assessed Value**

GPIN	Owner	2008 Total	Percent
813-718-8188	Laburnum Hotel Partners LLC	\$698,500	2.2%
814-718-2788	Target Corporation	\$3,450,900	10.8%
814-718-0855	Laburnum Associates LLC	\$703,500	2.2%
815-718-5710	Laburnum Investment LLC	\$20,751,800	64.7%
816-718-0130	Lowe's Home Centers Inc	\$2,911,300	9.1%
816-717-3498	Sam's East Inc	\$3,569,300	11.1%
Total		\$32,085,300	100.0%

F. SPECIAL ASSESSMENTS COLLECTED

As previously mentioned, there have been no special assessments collected on the district since the issuance of the Series 2007 Bonds.

G. SPECIAL ASSESSMENT DELINQUENCIES

Table VI-4 below shows the amount of special assessment delinquencies greater than six months, one year and two years and the total amount to special assessments due in the 2008 tax year. There have been no special assessments collected on the district since the issuance of the Series 2007 Bonds.

**Table VI-4
Delinquent Special Taxes**

	Total
Six months delinquent	\$0
One year delinquent	\$0
Two years delinquent	\$0
Total	\$0

The delinquent special assessments do not amount to more than ten percent of the annual special assessments due in any year.

H. FORECLOSURE PROCEEDINGS

As previously mentioned, there have been no special assessments collected on the district since the issuance of the Series 2007 Bonds. Accordingly, there are no special assessments subject to foreclosure proceedings as of December 31, 2008.

**Table VI-5
Special Assessments Subject
to Foreclosure Proceedings**

	Total
Subject to foreclosure but not yet instituted	\$0
Foreclosure instituted but not concluded	\$0
Judgment obtained but not yet collected	\$0
Judgment collected	\$0
Total	\$0

I. FUND BALANCES

The fund balances in all of the funds and accounts, as of December 31, 2008, provided for in the Indenture of Trust are included in Table IV-1 of Section IV, "Trustee Accounts," of this report.

J. BONDS OUTSTANDING

The bonds outstanding as of December 31, 2008, are shown by the following table.

**Table VI-6
Bonds Outstanding
As of December 31, 2008**

	Total
Series 2007 Bonds	\$23,870,000

K. PRINCIPAL AND INTEREST PAID AND DUE

The principal and interest paid on the Series 2007 Bonds in the bond year ending March 1, 2009 is shown by the following table.

**Table VI-7
Interest and Principal Paid
Bond Year Ending March 1, 2009**

	Series 2007 Bonds
Interest March 1, 2008	\$470,902
Interest September 1, 2008	\$632,555
Principal September 1, 2008	\$0
Total	\$1,103,457

The principal and interest due on the Series 2007 Bonds in the bond year ending March 1, 2010 is shown in the following table.

Table VI-8
Interest and Principal Due
Bond Year Ending March 1, 2010

	Series 2007 Bonds
Interest March 1, 2009	\$632,555
Interest September 1, 2009	\$632,555
Principal September 1, 2009	\$1,500,000
Total	\$2,765,110

L. CHANGES IN SPECIAL ASSESSMENT METHODOLOGY

As of December 31, 2008, there have been no changes to the methodology for levying the special assessments in the district.

M. CHANGES TO THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL ASSESSMENTS

There have been no changes to the Rate and Method of Apportionment of Special Assessments by Henrico County.

N. AMENDMENTS TO LAND USE ENTITLEMENTS OR LEGAL CHALLENGES

The administrator does not have knowledge of any significant amendments to land use entitlements or legal challenges to the construction of the shopping center development or public improvements.

O. CHANGES TO THE FACILITIES

As of December 31, 2008, there have been no changes to the facilities approved by the county since the issuance of the Series 2007 Bonds.

P. MATERIAL CHANGES IN THE NATURE OF THE FACILITIES

As of December 31, 2008, the administrator does not have knowledge of any material changes in the nature of the facilities to be constructed from those stated in the Development Agreement by the developer since the issuance of the Series 2007 Bonds.

Q. CHANGES IN THE CONTINUING DISCLOSURE AGREEMENT OR FINANCIAL STATEMENTS

There have been no amendments or changes to the authority's continuing disclosure agreement or the financial statements of the authority since the issuance of the Series 2007 Bonds.

R. TAX REVENUES AND EDA PAYMENTS

There have been no tax increment amounts, tax revenues, or Economic Development Authority (EDA) Payments collected or received during the 2008 tax year.

VII. SIGNIFICANT EVENTS

A. DEVELOPER SIGNIFICANT EVENTS

Pursuant to the Developer's Continuing Disclosure Agreement, developer significant events include the following:

- (i) failure to pay any real property taxes (including special assessments) levied within the district on a parcel owned by the developer;
- (ii) material damage to or destruction of any improvements within the district;
- (iii) material default by the developer on any loan with respect to the construction or permanent financing of the shopping center development;
- (iv) material default by the developer thereof on any loan secured by property within the district owned by the developer;
- (v) the filing of the developer, any general partner of the developer or any owner or owners of more than a 25 percent interest in the developer in bankruptcy or any determination that the developer or any owner of an interest in the developer or a subsidiary of the developer is unable to pay its debts as they become due;
- (vi) upon receipt by the developer of actual knowledge of the filing of any lawsuit with a claim for damages in excess of \$1,000,000 against the developer which may adversely affect the completion of the facilities or the shopping center development or litigation in excess of \$1,000,000 which would materially adversely affect the financial condition of the developer; and
- (vii) material changes in the organization or ownership of the developer) as described in the Limited Offering Memorandum);

Inquiries have been made with Laburnum Investment, LLC regarding the occurrence of any significant event and they have reported that to their knowledge, no significant events have occurred as of December 31, 2008.

B. AUTHORITY SIGNIFICANT EVENTS

Pursuant to the Authority's Continuing Disclosure Agreement, significant events include the following:

- (i) Delinquency in payment when due of any principal of or interest on the bonds;
- (ii) occurrence of any material default under the Indenture (other than as described in clause (i) above;
- (iii) Amendment to the Indenture modifying the rights of the bondholders;
- (iv) Giving of notice of optional or unscheduled redemption of bonds;
- (v) Defeasance of 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) The release or substitution of property securing repayment of the bonds through special assessments; and
- (ix) The continuing disclosure event notices provided to the administrator by the developer as more particularly set forth above.

The administrator does not have knowledge of any listed event as of the date of this report.