

April 21, 2004

*Statement # 3*

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

Re: \$66,740,000  
Broad Street Community Development Authority  
(Richmond, VA) Revenue Bonds, Series 2003  
Developer's Continuing Disclosure Statement

Dear Mr. Rice:

In accordance with the "Continuing Disclosure Agreement" (the "Disclosure Agreement") by and between the undersigned, Broad Street Community Development Authority (the "Authority"), ECI Investment Advisors (the "Developer") and MuniCap, Inc. (the "Administrator") dated as of May 15, 2003; the Developer hereby provides the following information as of March 31, 2004. All terms having initial capitalization and not defined herein shall have the meanings set forth in the Limited Offering Memorandum dated as of May 9, 2003. To the best of the knowledge of the undersigned:

- 1) Status of Construction and Completion of the facilities as described in the Development Agreement (See Exhibit A attached):
- 2) Statement of Financing not funded with Bond Proceeds: The developer confirms that he has not obtained any additional financing for the completion of the project.
- 3) Statement as to Available Funds: The developer confirms that there are sufficient funds (both bond financed and non-bond financed) available to complete the CDA development as contemplated.
- 4) Legislative, Administrative or Judicial Challenges: There have been no legislative, administrative, or judicial challenges to the construction or development within the district.
- 5) Status of any Governmental Approvals: The developer knows of no new or pending governmental approvals since the closing of the bonds.

- 6) Section 3c Events: The developer confirms that he has no actual knowledge of the occurrence of any Events, as described in Section 3c (pages G-6 through G-7) in the Agreement.

ECI Development Services, LLC

By: Mr. Michael T. Laing

Title: Executive Vice President

Date: April 21, 2004

**City Center Improvement Project - Broad Street CDA**  
**Budget Statistics Report**  
**As of 3/31/2004**

| <b>Cost Center</b>                             | <b>Original Budget</b> | <b>Budget Changes</b> | <b>Current Budget</b>  | <b>Costs Expended To-date</b> | <b>Balance To Be Spent</b> | <b>Budget Change #</b> |
|--|------------------------|-----------------------|------------------------|-------------------------------|----------------------------|------------------------|
| <b>1. Property Acquisition</b>                 | \$9,764,000            | (\$724,000)           | \$9,040,000.00         | \$9,031,475.69                | \$8,524.31                 | 2,6,9                  |
| <b>2. Atlantic Life Site - 6th &amp; Grace</b> |                        |                       |                        |                               |                            |                        |
| Environmental Remediation                      | \$1,724,000            | (\$1,089,000)         | \$635,000.00           | \$131,941.22                  | \$503,058.78               | 8,10,13                |
| Demolition Costs                               | \$900,000              | \$223,000             | \$1,123,000.00         | \$117,108.60                  | \$1,005,891.40             | 8,10,13                |
| Construction Costs - Surface Lot               | \$1,000,000            | (\$5,000)             | \$995,000.00           | \$2,000.90                    | \$992,999.10               | 8                      |
| <b>Subtotal</b>                                | <b>\$3,624,000</b>     | <b>(\$871,000)</b>    | <b>\$2,753,000.00</b>  | <b>\$251,050.72</b>           | <b>\$2,501,949.28</b>      |                        |
| <b>3. G.C. Murphy Site - 5th &amp; Broad</b>   |                        |                       |                        |                               |                            |                        |
| Environmental Remediation                      | \$562,000              | (\$230,000)           | \$332,000.00           | 27,553.33                     | \$304,446.67               | 8,10                   |
| Demolition Costs                               | \$750,000              | \$245,500             | \$995,500.00           | 154,859.11                    | \$840,640.89               | 8,10                   |
| Construction Costs - Surface Lot               | \$1,000,000            | (\$5,000)             | \$995,000.00           | 2,000.90                      | \$992,999.10               | 8                      |
| <b>Subtotal</b>                                | <b>\$2,312,000</b>     | <b>\$10,500</b>       | <b>\$2,322,500.00</b>  | <b>184,413.34</b>             | <b>\$2,138,086.66</b>      |                        |
| <b>4. Parking Deck - 5th &amp; Marshall</b>    |                        |                       |                        |                               |                            |                        |
| Property Acquisition                           | \$13,500,000           | (\$9,333)             | \$13,490,667.00        | \$13,490,666.81               | \$0.19                     | 3                      |
| Fees / Closing Costs                           | \$100,000              | \$0                   | \$100,000.00           | \$0.00                        | \$100,000.00               |                        |
| Construction & Engineering Costs               | \$850,000              | (\$8,667)             | \$841,333.00           | \$23,192.00                   | \$818,141.00               | 3,8                    |
| <b>Subtotal</b>                                | <b>\$14,450,000</b>    | <b>(\$18,000)</b>     | <b>\$14,432,000.00</b> | <b>\$13,513,858.81</b>        | <b>\$918,141.19</b>        |                        |
| <b>5. Parking Deck - 6th &amp; Franklin</b>    |                        |                       |                        |                               |                            |                        |
| Construction Costs                             | \$2,865,000            | (\$18,000)            | \$2,847,000.00         | \$38,481.84                   | \$2,808,518.16             | 8                      |
| <b>Subtotal</b>                                | <b>\$2,865,000</b>     | <b>(\$18,000)</b>     | <b>\$2,847,000.00</b>  | <b>\$38,481.84</b>            | <b>\$2,808,518.16</b>      |                        |
| <b>6. Parking Deck - 7th &amp; Marshall</b>    |                        |                       |                        |                               |                            |                        |
| Construction Costs                             | \$3,565,000            | (\$18,000)            | \$3,547,000.00         | \$45,325.45                   | \$3,501,674.55             | 8                      |
| <b>Subtotal</b>                                | <b>\$3,565,000</b>     | <b>(\$18,000)</b>     | <b>\$3,547,000.00</b>  | <b>\$45,325.45</b>            | <b>\$3,501,674.55</b>      |                        |

| Item  | Original Budget     | Budget Changes     | Current Budget         | Costs Expended To-date | Balance To Be Spent    | Budget Change #           |
|---|---------------------|--------------------|------------------------|------------------------|------------------------|---------------------------|
| <b>7. 6th Street Marketplace</b>              |                     |                    |                        |                        |                        |                           |
| Demolition Costs                              | \$400,000           | \$762,000          | \$1,162,000.00         | \$308,335.89           | \$853,664.11           | 7,8                       |
| <b>Subtotal</b>                               | <b>\$400,000</b>    | <b>\$762,000</b>   | <b>\$1,162,000.00</b>  | <b>\$308,335.89</b>    | <b>\$853,664.11</b>    |                           |
| <b>8. Streetscaping</b>                       |                     |                    |                        |                        |                        |                           |
| Design & Construction Costs                   | \$5,280,400         | (\$50,000)         | \$5,230,400.00         | \$22,000.25            | \$5,208,399.75         | 8                         |
| Coliseum Area Improvements                    | \$1,000,000         | \$0                | \$1,000,000.00         | \$0.00                 | \$1,000,000.00         |                           |
| <b>Subtotal</b>                               | <b>\$6,280,400</b>  | <b>(\$50,000)</b>  | <b>\$6,230,400.00</b>  | <b>\$22,000.25</b>     | <b>\$6,208,399.75</b>  |                           |
| <b>9. Construction Contingency</b>            | \$500,000           | \$522,803          | \$1,022,803.00         | \$0.00                 | \$1,022,803.00         | 1,2,4,5,6,7,9<br>10,11,12 |
| <b>10. Project Management and Misc. Costs</b> |                     |                    |                        |                        |                        |                           |
| Development Coordination Expenses             | \$1,650,000         | (\$250,000)        | \$1,400,000.00         | \$378,808.71           | \$1,021,191.29         | 1                         |
| Project Development Fee                       | \$1,401,800         | \$0                | \$1,401,800.00         | \$92,607.63            | \$1,309,192.37         |                           |
| Project Feasibility (reimb. to City)          | \$275,000           | \$136              | \$275,136.00           | \$275,135.53           | \$0.47                 | 2                         |
| <b>Subtotal</b>                               | <b>\$3,326,800</b>  | <b>(\$249,864)</b> | <b>\$3,076,936.00</b>  | <b>\$746,551.87</b>    | <b>\$2,330,384.13</b>  |                           |
| <b>11. Other Professional Fees</b>            | \$0                 | \$453,561          | \$453,561.00           | \$226,659.76           | \$226,901.24           | 5,8,12,13                 |
| <b>12. Community Information</b>              | \$0                 | \$200,000          | \$200,000.00           | \$40,000.00            | \$160,000.00           | 4                         |
| <b>NET TOTAL FOR BOND FINANCING</b>           | <b>\$47,087,200</b> | <b>\$0</b>         | <b>\$47,087,200.00</b> | <b>\$24,408,153.62</b> | <b>\$22,679,046.38</b> |                           |
| <b>13. Public Utilities</b>                   |                     |                    |                        |                        |                        |                           |
| Public Utility Upgrades                       | \$5,438,000         | \$0                | \$5,438,000.00         | \$454,595.36           | \$4,983,404.64         |                           |
| Electric Utilities Upgrades                   | \$922,700           | \$0                | \$922,700.00           | \$0.00                 | \$922,700.00           |                           |
|   | <b>\$6,360,700</b>  | <b>\$0</b>         | <b>\$6,360,700.00</b>  | <b>\$454,595.36</b>    | <b>\$5,906,104.64</b>  |                           |
| <b>TOTAL PROJECT</b>                          | <b>\$53,447,900</b> | <b>\$0</b>         | <b>\$53,447,900.00</b> | <b>\$24,791,819.99</b> | <b>\$28,656,080.01</b> |                           |

### Budget Change Log

| <u>Date</u> | <u>Change No.</u> | <u>Budget Category</u>  | <u>Amount</u>   | <u>Explanation</u>  |
|-------------|-------------------|---|---|---|
| 7/31/03     | 1                 | Proj. Mgmt. / Dev. Coord.<br>Contingency  | \$250,000.00<br>\$250,000.00  | Reduce Develop. Coord.<br>per final Develop. Agreement                                    |
| 7/31/03     | 2                 | Proj. Mgmt. / Feasibility<br>Property Acquisition<br>Contingency  | \$135.53<br>(\$589,000.00)<br>\$588,864.47  | Reflects actual final<br>costs at closing   |
| 7/31/03     | 3                 | Acquisit. - 5th & Marshall<br>Construc. - 5th & Marshall  | (\$9,333.19)<br>\$9,333.19  | Reflects actual final<br>costs at closing   |
| 7/31/03     | 4                 | Community Information<br>Contingency  | \$200,000.00<br>(\$200,000.00)  | Establish budget for project<br>public relations efforts                                  |
| 7/31/03     | 5                 | Legal Expenses<br>Contingency   | \$50,000.00<br>(\$50,000.00)  | Establish budget for misc.<br>project legal expenses                                      |
| 9/15/03     | 6                 | Tenant Relocations<br>Contingency   | (\$50,000.00)<br>\$50,000.00  | Reflects revised buy-out<br>projections   |
| 9/15/03     | 7                 | 6th Street Marketplace<br>Contingency   | \$450,000.00<br>(\$450,000.00)  | Budget increase due to<br>est. buy-out amounts  |
| 9/15/03     | 8                 | Other Professional Fees<br>Atl. Life Precon/MBE<br>GC Murph. Precon/MBE<br>5th & Marsh. Precon/MBE<br>6th & Frank. Precon/MBE<br>7th & Mars. Precon/MBE<br>Marktplc. Precon/MBE<br>Stscape Precon/MBE | \$179,000.00<br>(\$25,000.00)<br>(\$25,000.00)<br>(\$18,000.00)<br>(\$18,000.00)<br>(\$18,000.00)<br>(\$25,000.00)<br>(\$50,000.00) | Set-up separate accts. for<br>preconstruction and MBE<br>consulting services              |
| 12/1/03     | 9                 | Tenant Relocations<br>Contingency   | (\$85,000.00)   | Reflects Final buy-out<br>projections   |
| 12/1/03     | 10                | Atl. Life Environ. Abate.<br>Atl. Life Demolition<br>GC Murphy Environ. Abate<br>GC Murphy Demolition<br>Contingency  | (\$1,041,500.00)<br>\$295,500.00<br>(\$201,500.00)<br>\$310,000.00<br>\$637,500.00  | Reflects contract buy-outs for<br>Atlantic Life and GC Murphy<br>Abate and Demo Contracts |

**Budget Change Log (continued)**

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|          |    |   |   |  |
|----------|----|---|---|--|
| 12/1/03  | 11 | 6th Street Mktplc. Demo.<br>Contingency   | \$404,000.00<br>(\$404,000.00)  | Finalize Buy-outs and est.<br>façade restoration       |
| 12/1/03  | 12 | Professional Fees<br>Contingency  | (\$15,439.00)<br>\$15,439.00  | Close-out Pre-construction<br>services contract        |
| 12/31/03 | 13 | Other Prof Fees-Const. Const<br>Marketlc. Const. Cons.<br>Atl. Life-Env Const. Cons.<br>Atl. Life-Demo Const Cons.<br>GC Murph-Env Const. Cons.<br>GC Murph-Demo Const Cons | \$240,000.00<br>(\$67,000.00)<br>(\$37,500.00)<br>(\$62,500.00)<br>(\$18,500.00)<br>(\$54,500.00) | Set-up separate account for<br>construction consultant |

## City Center Improvement Project - Broad Street CDA

Draw Package Request No. 10

March 22, 2004

| Cost Center                                    | Current Budget       | Previous Draw Requests | Current Draw Request | Balance To Be Spent |
|--|----------------------|------------------------|----------------------|---------------------|
| <b>1. Property Acquisition</b>                 | 9,040,000.00         | 9,105,372.65           | (70,928.99)          | 5,556.34            |
| <b>2. Atlantic Life Site - 6th &amp; Grace</b> |                      |                        |                      |                     |
| Environmental Remediation                      | 635,000.00           | 543,662.99             | 62,809.26            | 28,527.75           |
| Demolition Costs                               | 1,123,000.00         | 250,608.26             | 147,885.74           | 724,506.00          |
| Construction Costs - Surface Lot               | 995,000.00           | 7,957.90               | 1,955.00             | 985,087.10          |
| <b>Subtotal</b>                                | <b>2,753,000.00</b>  | <b>802,229.15</b>      | <b>212,650.00</b>    | <b>1,738,120.85</b> |
| <b>3. G.C. Murphy Site - 5th &amp; Broad</b>   |                      |                        |                      |                     |
| Environmental Remediation                      | 332,000.00           | 269,352.73             | 7,391.60             | 55,255.67           |
| Demolition Costs                               | 995,500.00           | 265,353.09             | 226,478.28           | 503,668.63          |
| Construction Costs - Surface Lot               | 995,000.00           | 7,243.90               | 1,955.00             | 985,801.10          |
| <b>Subtotal</b>                                | <b>2,322,500.00</b>  | <b>541,949.72</b>      | <b>235,824.88</b>    | <b>1,544,725.40</b> |
| <b>4. Parking Deck - 5th &amp; Marshall</b>    |                      |                        |                      |                     |
| Property Acquisition                           | 13,490,666.81        | 13,490,666.81          | 0.00                 | 0.00                |
| Fees / Closing Costs                           | 100,000.00           | 0.00                   | 0.00                 | 100,000.00          |
| Construction & Engineering Costs               | 841,333.19           | 62,693.63              | 6,481.67             | 772,157.89          |
| <b>Subtotal</b>                                | <b>14,432,000.00</b> | <b>13,553,360.44</b>   | <b>6,481.67</b>      | <b>872,157.89</b>   |
| <b>5. Parking Deck - 6th &amp; Franklin</b>    |                      |                        |                      |                     |
| Construction Costs                             | 2,847,000.00         | 79,105.64              | 5,248.42             | 2,762,645.94        |
| <b>Subtotal</b>                                | <b>2,847,000.00</b>  | <b>79,105.64</b>       | <b>5,248.42</b>      | <b>2,762,645.94</b> |
| <b>6. Parking Deck - 7th &amp; Marshall</b>    |                      |                        |                      |                     |
| Construction Costs                             | 3,547,000.00         | 143,310.13             | 20,242.08            | 3,383,447.79        |
| <b>Subtotal</b>                                | <b>3,547,000.00</b>  | <b>143,310.13</b>      | <b>20,242.08</b>     | <b>3,383,447.79</b> |
| <b>7. 6th Street Marketplace</b>               |                      |                        |                      |                     |
| Demolition Costs                               | 1,162,000.00         | 817,865.52             | 40,996.16            | 303,138.32          |
| <b>Subtotal</b>                                | <b>1,162,000.00</b>  | <b>817,865.52</b>      | <b>40,996.16</b>     | <b>303,138.32</b>   |
| <b>8. Streetscaping</b>                        |                      |                        |                      |                     |
| Design & Construction Costs                    | 5,230,400.00         | 220,346.59             | 95,578.29            | 4,914,475.12        |
| Coliseum Area Improvements                     | 1,000,000.00         | 0.00                   | 0.00                 | 1,000,000.00        |
| <b>Subtotal</b>                                | <b>6,230,400.00</b>  | <b>220,346.59</b>      | <b>95,578.29</b>     | <b>5,914,475.12</b> |
| <b>9. Construction Contingency</b>             | 1,022,803.47         | 0.00                   | 0.00                 | 1,022,803.47        |
| <b>10. Project Management and Misc. Costs</b>  |                      |                        |                      |                     |
| Development Coordination Expenses              | 1,400,000.00         | 565,229.81             | 77,236.19            | 757,534.00          |
| Project Development Fee                        | 1,401,800.00         | 248,676.31             | 41,883.79            | 1,111,239.90        |
| Project Feasibility (reimb. to City)           | 275,135.53           | 275,135.53             | 0.00                 | 0.00                |
| <b>Subtotal</b>                                | <b>3,076,935.53</b>  | <b>1,089,041.65</b>    | <b>119,119.98</b>    | <b>1,868,773.90</b> |

