

January 16, 2004

Statement #2

Mr. Keenan Rice
President
MuniCap, Inc.
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 December 31, 2003. 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: signature on file

Title: Mr. Michael T. Laing
Executive Vice President

Date: January 16, 2004

City Center Improvement Project - Broad Street CDA
Budget Statistics Report
As of 12/31/2003

Cost Center	Original Budget	Budget Changes	Current Budget	Costs Expended To-date	Balance To Be Spent	Budget Change #
1. Property Acquisition	\$9,764,000	(\$724,000)	\$9,040,000.00	\$8,960,546.70	\$79,453.30	2,6,9
2. Atlantic Life Site - 6th & Grace						
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
Subtotal	\$3,624,000	(\$871,000)	\$2,753,000.00	\$251,050.72	\$2,501,949.28	
3. G.C. Murphy Site - 5th & Broad						
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
Subtotal	\$2,312,000	\$10,500	\$2,322,500.00	184,413.34	\$2,138,086.66	
4. Parking Deck - 5th & Marshall						
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
Subtotal	\$14,450,000	(\$18,000)	\$14,432,000.00	\$13,513,858.81	\$918,141.19	
5. Parking Deck - 6th & Franklin						
Construction Costs	\$2,865,000	(\$18,000)	\$2,847,000.00	\$38,481.84	\$2,808,518.16	8
Subtotal	\$2,865,000	(\$18,000)	\$2,847,000.00	\$38,481.84	\$2,808,518.16	
6. Parking Deck - 7th & Marshall						
Construction Costs	\$3,565,000	(\$18,000)	\$3,547,000.00	\$45,325.45	\$3,501,674.55	8
Subtotal	\$3,565,000	(\$18,000)	\$3,547,000.00	\$45,325.45	\$3,501,674.55	

Item	Original Budget	Budget Changes	Current Budget	Costs Expended To-date	Balance To Be Spent	Budget Change #
7. 6th Street Marketplace						
Demolition Costs	\$400,000	\$762,000	\$1,162,000.00	\$308,335.89	\$853,664.11	7,8
Subtotal	\$400,000	\$762,000	\$1,162,000.00	\$308,335.89	\$853,664.11	
8. Streetscaping						
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	
Subtotal	\$6,280,400	(\$50,000)	\$6,230,400.00	\$22,000.25	\$6,208,399.75	
9. Construction Contingency	\$500,000	\$522,803	\$1,022,803.00	\$0.00	\$1,022,803.00	1,2,4,5,6,7,9 10,11,12
10. Project Management and Misc. Costs						
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
Subtotal	\$3,326,800	(\$249,864)	\$3,076,936.00	\$746,551.87	\$2,330,384.13	
11. Other Professional Fees	\$0	\$453,561	\$453,561.00	\$226,659.76	\$226,901.24	5,8,12,13
12. Community Information	\$0	\$200,000	\$200,000.00	\$40,000.00	\$160,000.00	4
NET TOTAL FOR BOND FINANCING	\$47,087,200	\$0	\$47,087,200.00	\$24,337,224.63	\$22,749,975.37	
13. Public Utilities						
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	
	\$6,360,700	\$0	\$6,360,700.00	\$454,595.36	\$5,906,104.64	
TOTAL PROJECT	\$53,447,900	\$0	\$53,447,900.00	\$24,791,819.99	\$28,656,080.01	

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. Contingency	\$250,000.00 \$250,000.00	Reduce Develop. Coord. per final Develop. Agreement
7/31/03	2	Proj. Mgmt. / Feasibility Property Acquisition Contingency	\$135.53 (\$589,000.00) \$588,864.47	Reflects actual final costs at closing
7/31/03	3	Acquisit. - 5th & Marshall Construc. - 5th & Marshall	(\$9,333.19) \$9,333.19	Reflects actual final costs at closing
7/31/03	4	Community Information Contingency	\$200,000.00 (\$200,000.00)	Establish budget for project public relations efforts
7/31/03	5	Legal Expenses Contingency	\$50,000.00 (\$50,000.00)	Establish budget for misc. project legal expenses
9/15/03	6	Tenant Relocations Contingency	(\$50,000.00) \$50,000.00	Reflects revised buy-out projections
9/15/03	7	6th Street Marketplace Contingency	\$450,000.00 (\$450,000.00)	Budget increase due to est. buy-out amounts
9/15/03	8	Other Professional Fees Atl. Life Precon/MBE GC Murph. Precon/MBE 5th & Marsh. Precon/MBE 6th & Frank. Precon/MBE 7th & Mars. Precon/MBE Marktplc. Precon/MBE Stscape Precon/MBE	\$179,000.00 (\$25,000.00) (\$25,000.00) (\$18,000.00) (\$18,000.00) (\$18,000.00) (\$25,000.00) (\$50,000.00)	Set-up separate accts. for preconstruction and MBE consulting services
12/1/03	9	Tenant Relocations Contingency	(\$85,000.00)	Reflects Final buy-out projections
12/1/03	10	Atl. Life Environ. Abate. Atl. Life Demolition GC Murphy Environ. Abate GC Murphy Demolition Contingency	(\$1,041,500.00) \$295,500.00 (\$201,500.00) \$310,000.00 \$637,500.00	Reflects contract buy-outs for Atlantic Life and GC Murphy Abate and Demo Contracts

Budget Change Log (continued)

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