

ANNUAL DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

For the Period Ending March 31, 2003

*\$8,000,000 Prince George's County, Maryland
Special Obligation Bonds
(Woodview Village Infrastructure Improvements)
Series 1997A*

Prepared by:

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ANNUAL DEVELOPMENT ACTIVITY AND DISCLOSURE REPORT

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UPDATED INFORMATION

- As of March 31, 2003, total construction funded from bond proceeds was \$6,199,678 compared to \$5,652,324 for the period ending March 31, 2002.
- The paving for the frontage improvements along Lottsford Road is complete. According to the developer, the completion of these improvements will take place when the county approves the traffic sign design.
- Special assessments totaling \$724,161.80 were levied for fiscal year 2002-2003. Special assessments totaling \$462,455.03 (including interest and penalties) have been received by the trustee. The delinquent base balance of \$272,561.63 was turned over to the county for collection through tax sale. The tax sale took place on May 12th. According to the county, \$267,949.92 (not including interest and penalties) in fiscal year 2002-2003 delinquent special assessments and \$14,454.51 in prior year delinquent special assessments had been collected. On May 28, 2003, the county transferred to the trustee \$282,394.43 in delinquent special assessments that were collected at tax sale.
- As of May 28, 2003, special assessments totaling \$23,871.27, excluding interest and penalties, on twenty parcels were delinquent and uncollected for fiscal year 2002-2003 and prior fiscal years due to the property owners filing for bankruptcy protection. Although property owners that have filed for bankruptcy are removed from the tax sale, according to Prince George's County, liens remain in place for future collection.
- Special assessments totaling \$724,161.80 will be levied and collected in fiscal year 2003-2004.

INTRODUCTION

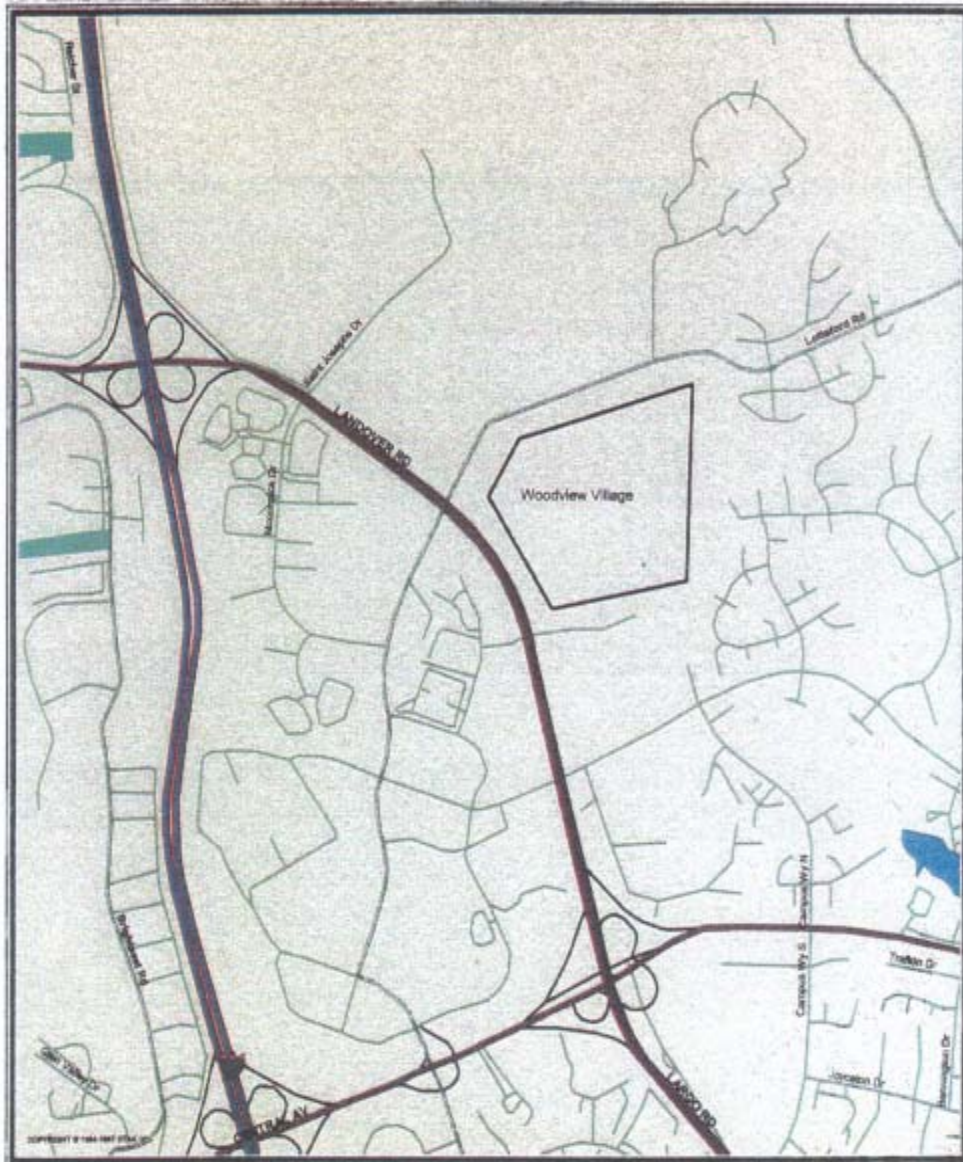
The Woodview Village District, located in Prince George's County, Maryland, was created in 1996 and bonds issued in 1997 pursuant to and in accordance with Chapter 549 of the Laws of Maryland 1995 (Article 17, Division 12, Section 10-268 of the Public Local Laws of the State of Maryland, recodified as the Section 10-269 of the Prince George's County Code). The district comprises approximately seventy-eight acres of land located in the southeast quadrant of the intersection of Route 202 (Landover Road) and Lottsford Road, in the Largo area of the county. The district is located about one mile outside of the Washington Beltway (Interstate 95 and 495) and is less than one mile north of Maryland Route 214 (Central Avenue), a major commuter route in that portion of the county.

The property within the district was developed by Rocky Gorge Enterprises, LLC. The district includes 578 homes. Development of the district is substantially complete.

Pursuant to the limited offering memorandum dated February 13, 1997, \$8,000,000 special obligation bonds (Series 1997A) were sold. The proceeds of the Series 1997A bonds were used primarily to finance the design, acquisition, and construction of public improvements, including improvements to Landover Road (Route 202), Lottsford Road, Campus Way North, the Woodview Village collector, a portion of the costs of a recreational facility and school facilities, reforestation, and storm water management facilities. The Series 1997A bonds are payable solely from special assessments levied on taxable property within the district.

Continuing disclosure pursuant to Rule 15c2-12 of the Securities and Exchange Commission is not required for the Series 1997A bonds. However, the administrator has agreed to provide annual continuing disclosure information similar to the requirements of Rule 15c2-12. This report is provided pursuant to this agreement.

WOODVIEW VILLAGE



DEVELOPMENT ACTIVITY

Introduction

Woodview Village includes 578 homes in seven sections. The number and type of units in each section are as follows:

Section I	69 twenty foot wide town homes
Section II	33 3,500 square foot lots (for single family units)
Section III	138 stacked town homes
Section IV	79 twenty foot wide town homes
Section V	64 twenty to twenty-four foot wide town homes
Section VI	120 twenty foot wide town homes
Section VII	75 twenty foot wide town homes

Section VI reflects a change from the limited offering memorandum, in that a portion of these units had been proposed to be eighteen foot wide town homes and, instead, they are all twenty foot wide town homes. This has resulted in a reduction in the number of units from 126 to 120. There are 79 units in Section IV instead of the proposed 77 indicated in the limited offering memorandum and 64 units in Section V instead of the 66 indicated in the limited offering memorandum.

The developer, Rocky Gorge Enterprises, LLC, has sold all 578 lots to builders. With the exception of one lot in Section 5, which is owned by Haverford Homes, all of the lots have been sold to third party homebuyers.

Status of Construction

Infrastructure Development

A description of the infrastructure improvements funded from bond proceeds and the status of the construction of the improvements follow:

Landover Road (Route 202):

PHASE I:

Improvement: Third (left-turn) lane on northbound McCormick Drive at Landover Road and second lane on northbound Landover Road to northbound I-95 on-ramp.

Status: Construction of this phase is now complete.

PHASE II:

Improvement: Third through lane on eastbound Landover Road from McCormick Drive to Lottsford Road, second left-turn lane on eastbound Landover Road at Lottsford Road, and two left turn-lanes, two through lanes, and a free right-turn lane on eastbound Lottsford Road at Landover Road.

Status: Construction on this phase is now complete.

PHASE III:

Improvement: Third through lane on eastbound Landover Road from Lottsford Road to Capital Centre Road, third through lane on westbound Landover Road from 1,500 feet north of Capital Centre Road to Lottsford Road, acceleration and deceleration lanes along Landover Road at Lottsford Road, third through lane on eastbound Landover Road from I-95 interchange to McCormick Drive.

Status: Construction of this phase is now complete.

Lottsford Road:

Improvement: Frontage improvements along the property line from Landover Road to the first entrance.

Status: These improvements are being combined into a single construction project with the second phase of Lottsford Road and improvements to Lottsford Road planned by the county. The excavation phase for these improvements is complete and paving is complete.

Improvement: Frontage improvements from the first phase to Campus Way North and a right-turn lane onto Campus Way North.

Status: See status of improvements as described above.

Campus Way North:

Improvement: Improvements along the property from Lottsford Road to the south end of the property line.

Status: Construction has been completed.

Other Improvements:

The revised budget and the costs funded as of March 31, 2003 for the improvements funded from bond proceeds are shown by the following schedule.

District Series 1997A Bonds

The disbursements from the acquisition account, as of March 31, 2003 total \$6,199,678. These disbursements have been applied against the following line items in the budget:

	Revised <u>Budget</u>	Disbursement <u>03/31/02</u>	Disbursement <u>03/31/03</u>
Route 202 (Landover Road)	\$1,458,132	\$1,362,553	\$1,435,345
Lottsford Road	\$1,861,026	\$1,234,884	\$1,613,494
Campus Way North	\$431,855	\$416,663	\$431,855
Recreation facility	\$1,200,000	\$1,200,000	\$1,200,000
Reforestation	\$108,998	\$68,280	\$68,280
High school contribution	\$241,380	\$241,380	\$241,380
Road club reimbursement	(\$779,764)	(\$726,263)	(\$751,028)
Woodview Collector Road	\$273,207	\$273,174	\$273,208
Storm drain system	\$1,027,343	\$959,927	\$1,027,341
Storm water management facilities	\$332,906	\$305,412	\$329,802
Indirect costs:			
Engineering	\$80,790	\$53,954	\$67,641
Review fees	\$262,360	\$262,360	\$262,360
Total	\$6,498,233	\$5,652,324	\$6,199,678

TRUSTEE ACCOUNTS

The trustee for the Series 1997A bonds is Allfirst Trust Company (formerly First National Bank of Maryland). The balance as of March 31, 2002, interest paid, additional proceeds, disbursements, and account balances for each fund, as of March 31, 2003, are shown by the following table:

	<u>Balance</u> <u>03/31/02</u>	<u>Interest</u> <u>Paid</u>	<u>Additional</u> <u>Proceeds</u>	<u>Disbursements</u>	<u>Balance</u> <u>03/31/02</u>
Reserve account	\$800,065	\$0	\$0	\$0	\$800,065
Acquisition account	\$909,635	\$8,352	\$0	\$643,161	\$274,825
Administrative expenses	\$1,456	\$211	\$50,000	\$31,447	\$20,221
Special fund	\$266,851	\$9,802	\$754,333	\$733,459	\$288,527
Bond payments	\$23	\$0	\$666,400	\$666,400	\$23
Total	\$1,978,030	\$18,365	\$1,461,733	\$2,074,467	\$1,383,661

Interest paid does not include investment income accrued but not yet paid. The additional proceeds to the administrative expense fund and the special fund are from the receipt of special taxes. The additional proceeds to the bond payments account are from the special fund; the disbursements from this account were to pay debt service. The capitalized interest, cost of issuance and escrow accounts have been closed.

The current balance in the funds and accounts are invested in Republic National Bank repos earning 6.13% (reserve fund), US Treasury Notes earning 5.36% (special fund) and money market accounts earning between 0.64% (administrative expense fund) and 0.66% (acquisition account).

Interest earnings in the reserve account will be made available for the payment of debt service but may also be transferred to the administrative expense fund. Interest earnings in the acquisition account remain in the account and may be disbursed as provided for other funds in the account. Any remaining funds after the completion of construction will be used for the payment of debt service, unless the proceeds exceed \$100,000, in which case bonds may be prepaid with the proceeds. The principal balance in the escrow account was transferred to the acquisition account in September 2000.

DISTRICT OPERATIONS

Levy of Special Assessments

Through the 2005-2006 assessment year, the “Rate and Method of Apportionment of Woodview Village Special Assessment” provides for special assessments to be levied at the greater of (i) 94% of the maximum special assessment and (ii) a percent up to 100% of the maximum special assessment rate so that special assessments (after taking into account special assessments on undeveloped property) equal the special assessment requirement. Developed property is a parcel for which a building permit has been issued or that has been conveyed by Rocky Gorge at Woodview, LLC, as of the previous January 1st. As of January 1, 2003, building permits had been issued for all 578 parcels in the district. These parcels are to be classified as developed property for fiscal year 2003-2004 and are shown by the following table:

Section	No. of Units	Special Assessment Per Unit	2003-2004 Special Assessments
I	69	\$1,372.40	\$94,695.60
II	33	\$1,638.42	\$54,067.86
III	138	\$1,018.02	\$140,486.76
IV	79	\$1,195.68	\$94,458.72
V	64	\$1,460.85	\$93,494.40
VI	120	\$1,255.46	\$150,655.20
VII	75	\$1,284.04	\$96,303.00
Total	578		\$724,161.80

The total of special assessments levied on developed property for fiscal year 2003-2004 is \$724,161.80.

The table to the right shows the estimated special assessment requirement for fiscal year 2003-2004. The special assessment requirement for fiscal year 2003-2004 is estimated at \$560,000.00. Through the 2005-2006 assessment year, the RMA provides for special assessments to be levied at the greater of (i) 94% of the maximum special assessment and (ii) a percent up to 100% of the maximum special assessment rate so that special assessments (after taking into account special assessments on undeveloped property) equal the special assessment requirement. There is no undeveloped property. Special

Debt service January 1, 2004	\$313,400
Debt Service July 1, 2004	\$313,400
Principal on July 1, 2004	\$40,000
District administration	\$32,140
Contingency	\$113,129
Total district expenses	\$812,069
Capitalized interest	\$0
Reserve fund investment income	(\$49,040)
Surplus from prior year	(\$203,029)
Special assessment requirement	\$560,000

assessment revenues levied at 94% of the maximum exceed the special assessment requirement.

Delinquent Special Assessments

Special assessments totaling \$724,161.80 were levied for fiscal year 2002-2003. Special assessments for fiscal year 2002-2003 were to be paid in two semi-annual installments due on September 30, 2002 and December 31, 2002. Special assessments totaling \$462,455.03 (including interest and penalties) have been received by the trustee. The delinquent base balance of \$272,561.63 was turned over to the county for collection through tax sale.

As mentioned above, delinquent fiscal year 2002-2003 special assessments of \$272,561.63 were turned over to Prince George's County for collection at tax sale. The tax sale took place on May 12th. According to the county, \$267,949.92 (not including interest and penalties) in fiscal year 2002-2003 delinquent special assessments and \$14,454.51 in prior year delinquent special assessments had been collected. On May 28, 2003, the county transferred to the trustee \$282,394.43 in delinquent special assessments that were collected at tax sale on May 12, 2003.

As of May 28, 2003, special assessments totaling \$23,871.27, excluding interest and penalties, on twenty parcels were delinquent and uncollected for fiscal year 2002-2003 and prior fiscal years.

Collection Efforts

As mentioned above, special assessments totaling \$23,871.27, excluding interest and penalties, on twenty parcels were delinquent and uncollected for fiscal year 2002-2003 and prior fiscal years due to the property owners filing for bankruptcy protection. Although property owners that have filed for bankruptcy are removed from the tax sale, according to Prince George's County, liens remain in place for future collection.

DISTRICT FINANCIAL INFORMATION

Bonds Outstanding and Reserve Fund

The amount of bonds outstanding is currently \$7,835,000. The balance in the reserve fund as of March 31, 2003, was \$800,065.

Property By Ownership and Classification

The following table shows property in the district by ownership and classification (developed or undeveloped) as of March 31, 2003:

	<u>Total Units</u>	<u>Developed</u>	<u>Undeveloped</u>
Rocky Gorge at Woodview	0	0	0
Rocky Gorge Enterprises	0	0	0
NVR Homes	0	0	0
Haverford Homes	1	1	0
Individual home owners	577	577	0
Total	578	578	0

Assessments Paid By Owner and Classification

The following table shows the assessments by property owner and by class of property (developed or undeveloped) based on the current ownership and assessment rates for the 2003-2004 assessment year:

	<u>Developed Property</u>	<u>Undeveloped Property</u>	<u>Total</u>	<u>Percent</u>
Rocky Gorge Woodview	\$0	\$0	\$0	0.0%
Rocky Gorge Enterprises	\$0	\$0	\$0	0.0%
NVR	\$0	\$0	\$0	0.0%
Haverford	\$1,461	\$0	\$1,461	0.2%
Individual home owners	\$722,701	\$0	\$722,701	99.8%
Total	\$724,162	\$0	\$724,162	100.0%
Percent	100.0%	0.00%	100.0%	

The special assessment on any individual homeowner does not exceed 0.25% of the total special assessments.