

\$4,895,000
THE COUNTY COMMISSION OF HARRISON COUNTY (WEST VIRGINIA)
TAX INCREMENT REVENUE AND REFUNDING BONDS
(CHARLES POINTE PROJECT NO. 2 - NORTH LAND BAY IMPROVEMENTS)
SERIES 2008A

CUSIP NUMBERS

41525AAA5

41525AAB3

DEVELOPER'S CONTINUING DISCLOSURE STATEMENT

QUARTERLY DEVELOPMENT UPDATE – PERIOD ENDING SEPTEMBER 30, 2018

Attn: Keenan Rice
MuniCap, Inc.
8965 Guilford Road, Suite 210
Columbia, MD 21046

In accordance with Section 2(b) of the “Continuing Disclosure Agreement” dated March 5, 2008 (the “Disclosure Agreement”), by and among The Huntington National Bank, as trustee (the “Trustee”), The County Commission of Harrison County (the “County Commission”), and MuniCap, Inc. (the “Administrator”), the Administrator is required, no later than 45 days after the end of the quarter, to provide quarterly development updates from the Developer to each Repository and to the Bondholders. The Disclosure Agreement requires the Administrator to provide such quarterly reports until the certified value of the property in the Development District equals an amount that produces tax increment revenues sufficient to pay the maximum annual debt service on the Bonds

Genesis Partners, Limited Partnership (the “Developer”) hereby provides the following quarterly development updates report to the Administrator as of September 30, 2018, concerning the construction of certain public improvements in the North Land Bay (the “North Land Bay”) portion of Harrison County Development District No. 2 – Charles Pointe (the “Development District”). This Report is being issued in relation to The County Commission of Harrison County (West Virginia) Tax Increment Revenue and Refunding Bonds (Charles Pointe Project No. 2 – North Land Bay Improvements – Series 2008 A, issued on March 5, 2008 in the original principal amount of \$4,895,000, (the “Bonds”). The Bonds refinance a portion of the costs of the Series 2006A Project and finance the costs of (i) Bridgeport Conference Center Improvements; (ii) park area and pedestrian improvements; (iii) sign acquisition; (iv) construction of a roadway and sewer line; (v) construction of a storm water management system; and (vi) roadway (the “Project”). The portion of the Project completed at the time of the issuance of the Bonds was (i) sign acquisition; (ii) roadway construction; and (iii) sewer line construction. A portion of the proceeds of the Bonds were used to reimburse the Developer for the cost of completing these projects. The uncompleted portion of the Project at the time of issuance of the Bonds was (i) roadway realignment; (ii) construction of stormwater lines; (iii) Bridgeport Conference Center Improvements; and (iv) park area and pedestrian improvements.

The information provided in this report is not intended to supplement the information provided in the Limited Offering Memorandum dated February 14, 2008 with respect to the offering of the bonds. This Report is provided to comply with the specific requirements of the Disclosure Agreement and information specifically requested by the Administrator. No representation is made as to the materiality or completeness of the information provided in this Report 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 September 30, 2018, unless otherwise stated, and no representation is made that the information contained herein is indicative of information that may pertain to events or circumstances that have occurred since the end of the period covered by this report or that

may occur in the future. All terms having initial capitalization and not defined herein shall have the same meanings set forth in a Limited Offering Memorandum dated February 14, 2008.

1) Completion of the Public Improvements

A) Public Improvements Budget:

Public Improvement	Original Budget	Budget Changes	Revised Budget	Spent to Date	Percent Complete
North Land Bay Infrastructure, Conference Center Improvements, Park Area & Pedestrian Improvements, and Sign Acquisition	\$1,200,000	\$0	\$1,203,360.30	\$1,203,360.30	100%
Total	\$1,200,000	\$0	\$1,203,360.30	\$1,203,360.30	100%

Note: The Original Budget in the preceding table reflects the Opinion of Probable Cost by Kimley-Horn & Associates, the Project Engineer, as of March 5, 2008 and set forth in Appendix C – Exhibit I of the Limited Offering Statement.

B) Status of Construction of the Project:

(i) Status of Conference Center Improvements

As of September 30, 2018, 100% of the Conference Center Improvements have been made.

(ii) Status of Addendum II to North Land Bay Infrastructure Phase II

Addendum II to a construction contract in the amount of \$616,662.53 was executed between Genesis Partners, Limited Partnership, as owner, and J.F. Allen Company, PO Box 2049, Buckhannon, WV, 26201, as contractor. As of September 30, 2018, Addendum II construction was complete with a final contract amount of \$593,695.16. Included in the contract Addendum II were the following:

- (a) Primary storm water collection and conveyance structures
- (b) Roadway Realignment (Asphalt with concrete curb and gutter)

As of September 30, 2018, the Addendum II project was 100.0% complete. Percentage of completion determined for purposes of this Section 1 is equal to a fraction of which the numerator is the cost incurred through September 30, 2018 on this Addendum II to North Land Bay Infrastructure Phase II and the denominator is the total Addendum II to North Land Bay Infrastructure Phase II contract amount.

(iii) Status of Pedestrian Improvements

On April 17, 2009, a construction contract in the amount of \$19,100.00 was executed between Genesis Partners, Limited Partnership, as owner, and Grafton Coal Company, 1509 Johnson Avenue, Bridgeport, WV, 26330, as contractor, for sidewalk and related improvements within the North Land Bay.

As of September 30, 2018, the Pedestrian Improvements project was 100% complete. Percentage of completion determined for purposes of this Section 1 is equal to a fraction of which the numerator is the cost incurred through September 30, 2018 on this Pedestrian Improvements contract and the denominator is the total Pedestrian Improvements contract amount.

(iv) Status of Park Area Improvements

On May 25, 2009, a construction contract in the amount of \$23,500.00 was executed between Genesis Partners, Limited Partnership, as owner, and Grafton Coal Company, 1509 Johnson Avenue, Bridgeport, WV, 26330, as contractor, for park area improvements within the North Land Bay. As of September 30, 2018, the Park Area Improvements project was 100% complete. Percentage of completion determined for purposes of this Section 1 is equal to a fraction of which the numerator is the cost incurred through September 30, 2018 on this Park Area Improvements contract and the denominator is the total Park Area Improvements contract amount.

2) Status of Financing of the Project and Private Development:

A) Loans Secured by Property Located in the North Land Bay:

Somerset Trust Company

- Purpose of loan: Operations
- Principal amount: \$2,500,000
- Amount drawn through 09/30/18: \$2,500,000
- Amount repaid through 09/30/18: \$1,374,569
- Balance at 09/30/18: \$1,125,431
- Interest rate: 5.58%

Somerset Trust Company - LOC

- Purpose of loan: Operations
- Principal amount: \$2,500,000
- Amount drawn through 09/30/18: \$2,500,000
- Amount repaid through 09/30/18: \$0
- Balance at 09/30/18: \$2,500,000
- Interest rate: 5.58%

B) Event of Default on any Loan: The Developer has not received formal written notice of a default and it is not aware of any default event of which the giving of notice or passage of time would constitute a default on any loan securing property located in the North Land Bay, as described in Section 2(A).

C) Liens: To the best of Developer's knowledge, without having conducted a lien search or other review of other relevant county records, there are no other liens secured by the property owned by the Developer in the North Land Bay other than deed of trust liens related to the secured loans identified in Section 2(A) above and the statutory liens granted under West Virginia Code.

D) Availability of Funds to Complete the Project: Based on information and belief, the Developer believes that it has access to sufficient funds to finance the completion of the Project.

E) Availability of Funds to the Developer to Complete the Private Development of the North Land Bay: Based on information and belief, real estate market conditions may require extension or modification of the development plan and timetable associated with the Master Plan. Developer is evaluating available options with respect to the Master Plan. The extent to which financing is or is not available to support continued development of the North Land Bay is a key consideration that will influence Developer's deliberations concerning available options.

3) Government Permits and Approvals:

Permit/Approval	Permitting Agency	Approval Status
Water Resources Permit (USACE 404 CWA and WVDEP 401 CWA Water Quality Certification)	WV Department of Environment Protection	Approved
Adequate Public Facilities	City of Bridgeport	Approved
Zoning	City of Bridgeport	Approved
City Approval of Construction Plans	City of Bridgeport	Approved
Subdivision Plat Approval		Approved
Health Department Water and Sewer Permit	WV Department of Health City of Bridgeport	Approved
WVDOH Entrance permit and Utility Permit	WV Division of Highways	Approved
Department of Environmental Protection (NPDES permit and GPP approval)	West Virginia Department of Environment Protection	Approved
Grading Permit	City of Bridgeport	Approved
Building Permit	City of Bridgeport	Approved

4) Residential - Status of Sales and Lease

A) Status of Lot Sales and Closings with Buyers:

Buyers	Lot Type	Lots Under Contract	Lots Settled	Average Sales Price
S&A Homes	Multi-family	0	16	\$40,000
Dan Ryan Builders	Multi-family	16	8	\$47,500
Total		16	24	\$42,500

B) Status of Building Permits, Unit Sales and Closings: The following Building Permits, Unit Sales and Closings occurred within North Land Bay during the period of July 1, 2018 to September 30, 2018. Unit includes Lot and Home.

Residential Type	Planned Number of Units	Building Permits Issued		Units Sold		Units Closed		Average Unit Sales Price
		Current Period	Cumulative Total	Current Period	Cumulative Total	Current Period	Cumulative Total	
Multi-family	288	0	129	0	87	0	87	\$223,228
Total	288	0	129	0	87	0	87	

- 5) **Commercial – Status of Property Sales and Leasing:** The following Property Sales and Leases occurred within North Land Bay through September 30, 2018.

A) Property Sales and Closings:

Buyer	Area in Acres	Proposed Use	Date Closed
Petroleum Development Corp	2.52	Office	4/1/2005
Fairmont Federal Credit Union	1.50	Bank	10/28/2005
Corkrean Franklin(Bonasso)	1.00	Medical office	12/14/2005
Christie-Cutlip Building	1.21	Office	12/16/2005
Exxon-On The Run	1.75	Gas station convenience	2/2/2006
Cubby's Child Care Center	2.59	Child daycare center	5/11/2006
Petroleum Development Corp	1.28	Office	8/22/2006
Blue Ridge Lakes, LLC	1.41	Restaurant	3/8/2007
Julia Compton	1.08	Investment	8/20/2007
Petroleum Development Corp	11.98	Office	2/15/2008
Metro Rentals, LLC	13.51	Multi-family-apartment (96 Units)	9/25/09
Dale and Melissa Hays	1.68	Dress and fashion retail shop	1/5/2010
Bruceton Farm Service Inc.	2.01	Convenience store, gas station, restaurant	11/18/2010
Metro Rentals LLC	1.67	Retail and restaurant	10/17/2011
Bridgeport Suites, LLC	3.10	Hotel	11/6/2013
Charles Pointe EODD	2.85	Conference Facility	5/28/2015
Charles Pointe EODD	2.06	Civic Multi-Use Facility	5/28/2015
Smart Storage, LLC	4.21	Self-Storage Facility	2/8/2016
RBA Holdings, LLC	1.47	Restaurant	11/17/2017
Total	58.88		

B) Status of Leasing:

Development Type	Tenant	Square Feet	Percent of the Total RSF
Office Leases			
(57,000 GSF)	Civil & Environmental Consultants	18,600	35.38%
(52,567 RSF)	Arnett Carbis Toothman, PLLC	5,874	11.17%
	Harrison Rural Electrification Association, Inc.	3,289	6.26%
	Mountain East Conference	1,308	2.49%
	Five J Energy, Inc.	5,174	9.84%
	Bankers Life	3,053	5.81%
	Arnett Carbis Toothman, PLLC	1,686	3.21%
	GAI Consulting	5,169	9.83%
	Noblis Inc.	6,082	11.57%
	Civil & Environmental Consultants	1,166	2.22%
	Civil & Environmental Consultants	1,166	2.22%
Subtotal-Office		52,567	100.00%
Convenience Center			
	N/A	N/A	
Subtotal-Office			
Other Office Leases			
Retail Leases			
	N/A	N/A	
Subtotal-Retail			
Total Leased		52,567	100.00%

- 6) **Legislative, Administrative or Judicial Challenges:** To the best of Developer’s knowledge, no litigation is pending or threatened in any court, and no administrative challenge has been initiated, seeking to enjoin or restrain the construction of the Project. Additionally, the Developer is not aware of any pending legislation that would materially and adversely affect the Developer’s ability to complete the Project.
- 7) **Amendments or Supplements to Existing Contracts Concerning the Project:** On September 27, 2006, a construction contract in the amount of \$1,484,716.60 was executed between Genesis Partners, Limited Partnership, as owners, and J.F. Allen Company, PO Box 2049, Buckhannon, WV, 26201, as contractor. An amendment to this contract in the form of Addendum II in the amount of \$616,662.53 (described in Section 1B (ii) above) was executed between Genesis Partners, Limited Partnership, as owner, and J.F. Allen Company, as contractor. See Section 1(B)(ii).
- 8) **Other Comments:** As of September 30, 2018, construction of a 57,000+ square foot commercial office building is complete. Executed office leases as of September 30, 2018, are identified in Section 5(B).
- 9) **Reporting of Significant Events:** The Developer believes that no Significant Event as described in Exhibit A attached hereto has occurred during the period of July 1, 2018 to September 30, 2018. As reflected in the *Significant Event Notice* posted by the District’s administrator on March 21, 2016, and quarterly Continuing Disclosure Statements prepared by Developer for the periods ending March 31, June 30, September 30, December 31, 2016, and March 31, 2017, the Trustee and Developer made certain claims and demands against the other regarding their respective compliance with financing documents entered into in connection with the Series 2008B Bonds. In lieu of pursuing possible remedies, the Trustee, on behalf of the owners of the Series 2008B Bonds (the “*Bondholders*”), and Developer entered into negotiations in order to resolve outstanding disputes. The result of negotiations was a *Forbearance Agreement*, dated September 6, 2017 (the “*Forbearance Agreement*”), entered into by and among the Trustee, at the direction of the Bondholders, the Issuer, the District and the Developer which provides, among other things, forbearance of the collection of CED Assessments levied on the Forbearance Property (defined below) for the Fiscal Year 2017 and Fiscal Year 2018 (the “*Forborne Assessments*”); the Developer’s investment of an amount equal to or exceeding the amount of the Forborne Assessments in infrastructure or other improvements benefiting undeveloped lands within the Districts (the “*Forbearance Property*”); and continuing discussions regarding the future development and build-out of the Forbearance Property. The outcome of continuing discussions is uncertain; however, such discussions may result in the enforcement of remedies by the Trustee, an extension of the Forbearance Agreement, or a restructuring of the Series 2008B Bonds.

GENESIS PARTNERS, LIMITED PARTNERSHIP

By: **REALCOM, INC.**, Its General Partner

By: Signature on File

Title: President

Date: November 14, 2018

Exhibit A

Significant Events

- (i) Delinquency in payment when due of any principal of or interest on the Bonds or any failure to pay any real property taxes or special assessments levied within the district on a parcel owned by the developer (or any affiliate) beyond periods prescribed by law;
- (ii) Material damage to or destruction of any portion of the Project or improvements in the North Land Bay;
- (iii) Material default by the Developer (or any affiliate) on any loan with respect to the development or permanent financing of the Project or improvements in the Development District undertaken by the Developer;
- (iv) Material default by the Developer (or any affiliate) on any loan secured by property owned by the Developer (or any affiliate) within the Development District;
- (v) Payment default by the Developer (or any affiliate) on any loan in excess of \$250,000 (whether or not such loan is secured by the property within the Development District);
- (vi) The filing by the developer (or any owner of more than 25% interest in the developer) of a petition in bankruptcy or any determination that the developer (or any owner of more than 25% in the developer) is unable to pay its debts as they become due;
- (vii) The filing of any lawsuit with the claim for damage in excess of \$1,000,000 against the Developer (or any affiliate) which may adversely affect the completion of the Project or litigation which would materially adversely affect the financial condition of the Developer (or any affiliate); and
- (viii) Any change in the ownership or legal structure of the Developer.