

**PETITION OF PROPERTY OWNERS FOR CREATION OF
COOLFONT COMMUNITY ENHANCEMENT DISTRICT**

WHEREAS, The County Commission of Morgan County, West Virginia (the "County Commission") is authorized by the West Virginia Community Enhancement Act, Chapter 16, Article 13E of the Code of West Virginia, 1931, as amended (the "CED Act") to create a community enhancement district in Morgan County, West Virginia (the "County") and to assist in the development, construction, acquisition, extension or improvement of a project or projects located therein;

WHEREAS, Berkeley Springs Development L.L.C. (the "Company") has requested the cooperation and assistance of the County in connection with the creation of a community enhancement district to finance certain projects constituting a portion of the development (the "Development") consisting generally of the acquisition, construction and equipping of a new residential/commercial/recreational planned community known as "Villages at Coolfont";

WHEREAS, in order to establish a community enhancement district to assist in financing certain projects in the Development, the Company is required by the CED Act to submit a written petition of the owners of at least 61% of the real property determined by acreage, located within the boundaries of the area described in the petition to the County Commission requesting that the County Commission establish a community enhancement district (the "Petition");

WHEREAS, the undersigned property owners submit this Petition to request that the County Commission approve the creation of a community enhancement district under the CED Act, to be designated the "Coolfont Community Enhancement District" (the "Coolfont CED") as a necessary preliminary step to CED assessments, the boundaries of which Coolfont CED are more fully described in **TAB (1): "The COMMUNITY ENHANCEMENT DISTRICT NAME, BOUNDARIES AND REAL PROPERTY OWNERS"** attached hereto and incorporated by reference herein;

WHEREAS, the CED Act provides that, unless agreed to by such municipality, the power and authority of a County to create a community enhancement district shall not extend into territory within the boundaries of any municipality;

WHEREAS, the entirety of the proposed Coolfont CED lies within the boundaries of Morgan County (the "County");

WHEREAS, the property owners submit this Petition to the County Commission for the purpose of requesting that the County Commission establish the Coolfont CED.

NOW THEREFORE IN SUPPORT OF THEIR PETITION THE PROPERTY OWNERS STATE AS FOLLOWS:

1. The establishment of the Coolfont CED by the County Commission will permit the imposition of an assessment upon the real property located within the boundaries of the CED, which assessment proceeds will be used to assist in financing infrastructure improvements in the Development as more particularly described in the attachments to this Petition.
2. Not less than 61% of the owners of all real property located within the proposed Coolfont CED, determined by acreage, have joined in this Petition to establish the Coolfont CED as required by the CED Act. The signature of 100% of the real property owners located in the proposed Coolfont CED are set forth below.
3. Attached hereto are the following exhibits:

TAB (1): COMMUNITY ENHAHCEMENT DISTRICT NAME, BOUNDARIES AND REAL PROPERTY OWNERS

TAB (2): PROJECT DESCRIPTION

TAB (3): MAP OF PROJECT AND PROPOSED IMPROVEMENTS

TAB (4): ESTIMATED PROJECT COSTS

TAB (5): ESTIMATED NON-PROJECT COSTS

TAB (6): CONSULTANT STUDY

TAB (7): DEVELOPMENT SCHEDULE

TAB (8): RECOMMENED BOARD MEMEBERS FOR THE CED BOARD

TAB (9): WRITTEN EVIDENCE FROM UTILITIES THAT WILL PROVED SERVICE TO THE CED RELATED TO WATER AND SEWER IMPROVEMENTS

TAB (10): WRITTEN EVIDENCE FROM OTHER GOVERNMENTAL AGENCY RELATED TO THE TRANSFER AND ACCEPTANCE OF OTHER PUBLIC IMPROVEMENTS

TAB (11): EXPECTED BENEFITS FROM ESTIMATED
PROJECT COSTS

TAB (12): CERTIFICATION BY EACH CED REAL PROPERTY
OWNER GRANTING AN ASSESSMENT AGAINST
HIS OR HER PROPERTY

This Petition is submitted this 21st day of March 2008

OWNER OF REAL PROPERTY AND DEVELOPER:

BERKELEY SPRINGS DEVELOPMENT L.L.C.

By: CMF Development L.L.C.,
its sole member

By: Carl M. Freeman Associates, Inc.
its sole member

By: 

Name: Robert E. Marggraf

Title: Vice President – General Manager